



CPB Netherlands Bureau for Economic  
Policy Analysis

CPB Communication | 2018, March 22

# First Communication National Productivity Board





# CPB Communication

**Centraal Planbureau**  
Bezuidenhoutseweg 30  
2594 AV Den Haag  
Postbus 80510  
2508 GM Den Haag

T 088 9846000  
I [www.cpb.nl](http://www.cpb.nl)

**Contactpersoon**  
Suzanne van Gils

**Date:** March 22, 2018

**Subject:** First Communication National Productivity Board

Productivity growth is on the decline, in the OECD countries. In the Netherlands, structural growth is also slowing down.<sup>1</sup> On the basis of this fact, the European Commission proposed that each EU Member State would install a national productivity board (NPB). The Council of the European Union has since adopted this proposal<sup>2</sup>. NPBs are organisations to investigate and publish on a country's national productivity. In April 2017, the Dutch Cabinet appointed CPB to be the National Productivity Board for the Netherlands.<sup>3</sup> CPB is in a unique position, as, in the EU, it is often regarded as a model. In this first communication, CPB describes how it will be fulfilling its NPB role.

Over the 1995–2005 period, productivity growth was slightly above one per cent, both in the Netherlands and in other developed nations<sup>4</sup>. In the decade that followed, it slowed down further. This may have been the result of the type of measuring instrument; for example, perhaps the digital economy is being insufficiently represented in the statistics, or perhaps companies have become less innovative. The government has an important role in measuring productivity growth and promoting innovation (one per cent of GDP goes into R&D, each year).

## Research on productivity and policy

Productivity is broadly defined as a measure of the efficient use of the available production factors. This primarily focuses on the national level, with the possibility of zooming in on specific economic sectors (e.g. non-financial companies, health care, and government). Attention is paid to structural trends as well as economic variations in productivity growth.

---

<sup>1</sup> CPB, 2017, Analysis, Section 1.2 of the Central Economic Plan 2017 ([link](#)).

<sup>2</sup> European Council, 2016, Council Recommendation of 20 September 2016 on the establishment of National Productivity Boards ([link](#)).

<sup>3</sup> Ministry of Economic Affairs, 2017, Parliamentary letter about the presentation of the National Reform Programme 2017 ([link](#)).

<sup>4</sup> Source: OECD.

The CPB research will focus on the determinants of productivity development. The empirical research will vary from international comparative research, such as on how countries are affected by a financial crisis or trade agreements, to micro-economic studies on companies or persons. CPB's ultimate goal is to gain an understanding of both the driving forces and impeding factors of productivity growth in the Netherlands.

The insights into these driving forces and impeding factors are relevant to policy. In a subsequent step, CPB will investigate which policy incentives could contribute to productivity growth. This will include a wide range of instruments, varying from policy on education and research to financial incentives for the labour market, and from urban development to the role of international trade agreements.

### **Publications on productivity**

CPB publishes on productivity development in the Dutch economy, in various ways:

- Development in current and future economic growth in the Netherlands, including any risk factors. This information is published in the quarterly projections and CPB Financial Stability Report'.
- Policy measures that may improve structural growth. This information is published in Policy Briefs and the Promising Policy series (in which the effects of a large number of policy measures in various fields are outlined in preparation of any plans developed by politicians and policymakers).
- Determinants of productivity growth (including market disruptions) that may impede growth. This information is published in scientific Discussion Papers.

### **Overview of NPB tasks**

In addition to publication in the studies named above, CPB will focus on the following tasks in relation to its NPB role:

1. *Work programme*  
The work programme briefly looks back at the past year and provides an outlook on the coming year. CPB will also include an overview of publications on productivity.
2. *Central Economic Plan (CEP)*  
Future CEP publications (the spring projection) will also include a text box on productivity.
3. *Annual event*  
CPB will organise an annual event around the subject of productivity, to focus attention on the theme. The event will be directed to policymakers, scientists, NGOs and journalists.
4. *Participation in the international network of NPBs.*  
CPB will participate in the international network of National Productivity Boards.





Publisher:

CPB Netherlands Bureau for Economic Policy Analysis

P.O. Box 80510 | 2508 GM The Hague

T (088) 9846 000

March 2018