Day of the King’s Speech 2018: the main CPB figures

**Economy is flourishing**

- **GDP growth slightly lower, but remains higher than the eurozone’s average growth, leading to less unemployment and more favourable public finances**

  - **Netherlands**
    - 2018: 2.8%
    - 2019: 2.6%
  - **average eurozone**
    - 2018: 2.1%
    - 2019: 1.9%

- **Higher low VAT tariff**
  - Temporary effect
  - 9% to 6%

- **Increasing labour costs**

- **Inflation**
  - 2018: 2.5%
  - 2019: 1.6%

- **Purchasing power is improving**
  - due to lower income tax, higher wages and higher child benefits

- **Budget surplus**
  - 2019: 1.0%
  - 2018: 0.9%

- **Labour supply**
  - Growing and unemployment continues to decline

- **World trade**
  - Projected to grow by 4% in 2019, compared with 2018

- **International uncertainties**
  - Impact tariff measures still limited to small share of world trade; risk of escalation increases
  - UK investments are declining in the absence of a Brexit deal; risk of chaotic ‘cliff-edge’ scenario increases
  - Uncertainty about policies of the new Italian government; meanwhile, certain companies are able to borrow against a lower interest rate than the national government

- **39% Downside**
  - 39% of construction companies are faced with staff shortages, which is a doubling compared to the previous quarter

This infographic is based on the MEV 2019. For the original text, graphs and detailed data, see www.cpb.nl

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