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Recent policy measures to support entrepreneurship, labour and economic growth. Next steps.

National Workshop Mobility Lab - Self-employment and entrepreneurship: the role of the PES in job creation

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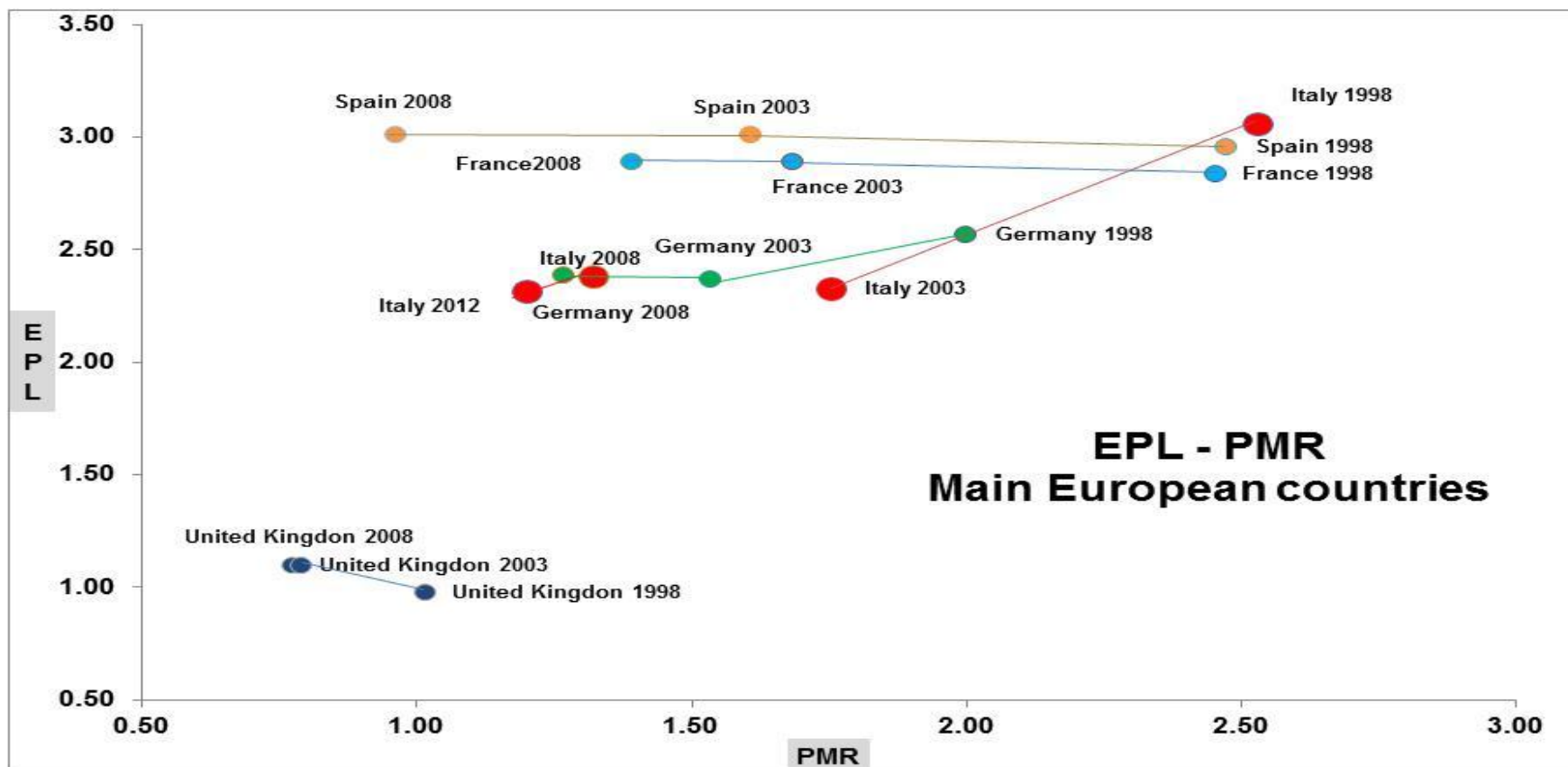
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Structural reforms: labour and product markets

- **Labour market:** removing administrative and legal obstacles on hiring and firing – OECD indicator on “*Employment Protection Legislation*” (EPL)
- **Product market:** promoting business creation, simplification, competition and liberalisation – OECD indicator on “*Product Market Regulation*” (PMR)



Joint dynamics of labour and product market reforms (1998 – 2012): Italy versus main EU Member States



Source: official OECD data for 2008; preliminary estimations by Ministry of Economy and Finance for 2012.



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An assessment of structural reforms by OECD, IMF and MEF

Source and estimation approach	Reforms whose impact is estimated	Estimated impact on GDP
OECD Reduced-form regressions	All product market reforms since 2008; the labour market reform in 2012.	5.5 percentage points after 10 years from the product market reforms; very little impact from the labour market reform.
National Reform Program (2013) DSGE (Dynamic Stochastic General Equilibrium) Model	Liberalisations and simplifications adopted in 2012; Growth Decrees 1 and 2; labour market reform.	6.9 percentage points in the long run, whose 1.4 to be attributed to labour market reform.
International Monetary Fund (2013) DSGE (Dynamic Stochastic General Equilibrium) Model	Stylised reform package reducing non-tradable price mark-ups by 20 percentage points.	10.5 percentage points in the long run.

Source: 'OECD Italy Economic Survey 2013' and 'National Reform Program - 2013' - April 2013.



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Follow-up

- Reinforcing the reforming path: **enforcement** and **implementation**
- Setting an institutional and regulatory framework **supporting productive entrepreneurship** (e.g. innovative start-ups) with clear positive impact on economic growth
- Carefully **monitoring and evaluating** policy measures and their **effects on labour market and job creation**

