

Jobs Creation is the Number One Priority

Job creation is the single most urgent task facing BiH's politicians, the High Representative, Christian Schwarz-Schilling said today, adding that the ability of candidates to deliver benefits of economic reforms and other measures that are part of the Stabilisation and Association process will be "the ground on which the October elections are contested."

The High Representative was speaking at a meeting in Sarajevo of the BiH Economic Coordination Board, which comprises the three prime ministers and finance ministers, and other officials responsible for the economy.

"Economic development is a key priority for me," the High Representative said. "Since I arrived I have held meetings with BiH business people to find out ways of making it easier to attract investment and create jobs. The SAA process forms a blueprint for economic policy that has broad cross-party support. The issue is which political leaders can make that blueprint a reality, and how quickly they can deliver results."

The High Representative urged the BiH authorities to enact the necessary legislation to provide a legal basis for the BiH Fiscal Council. "You cannot have macro stability unless you have proper, institutional fiscal coordination," he pointed out, "and you cannot create the tens of thousands of jobs you need to create unless you have macro stability. Enacting the legislation required for the NFC must be a priority."

He also called on the authorities not to waste the expected extra VAT revenues. They should be used to cut labour taxes and facilitate the internal debt settlement, he said noting that "If you do this, you will make it easier to attract

investment and create jobs.”

The High Representative also called for the enactment of the BiH Salary Law, which will promote compensation in the civil service on the basis of ability and output, the BiH Law on Obligations, which will upgrade the business environment and prepare BiH for competitive participation in the modern global economy, and the Law on Pharmaceuticals, which will help ensure the safety of medication in BiH. In addition, he emphasised the pressing need to centralise banking supervision under the Central Bank. “In the banking area BiH is far ahead of neighbouring countries – but two Entity supervisors do not make sense in a single market, and are less effective than they can be if they are combined,” he said.

The High Representative noted that, “all of these things can be done before the elections.”