

" Poverty and social exclusion, now affecting 123 million people in the European Union, 24 per cent of the population The cost of adjustment has been passed on to populations, who have been coping with fewer jobs and lower income for more than five years. Depressed household income levels are leading to lower domestic consumption and lower demand, slowing recovery. The achievements of the European social model, which dramatically reduced poverty in the period following the Second World War, have been eroded by short-term adjustment reforms."

UN International Labour Organisation -
World Social Protection Report 2014/15

EU: INVEST in sustainable GROWTH & quality JOBS



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25 million unemployed

Average wages down in 18 EU member states over the last 5 years. Poverty and inequality on the rise. The EU and European Governments response to the financial and debt crisis has been to cut public spending. This has resulted in job losses, cuts in pensions and benefits and worse public services. With many people having less money to spend, the economy is suffering.

Economic growth is close to zero. Germany is contracting, France is stagnating and Italy is back in recession.

European leaders are beginning to realise that austerity is not working. European Commission President-elect Jean-Claude Juncker has called for “an ambitious Jobs, Growth and Investment Package.” European Central Bank president Mario Draghi has called for “a large public investment programme” and “a more growth-friendly composition of fiscal policies”.

The ETUC calls for an investment target of 2% of EU GDP over a ten-year period.

A massive investment programme is needed at EU and national level, involving public and private money.

Investment is needed in, amongst other things:

- Energy infrastructures, renewables and energy efficiency, plus sustainable low-carbon technologies
- Transport networks and infrastructure
- Education and training
- Expansion of broadband networks
- Industrial innovation, research and development
- Public services, social housing, infrastructure and housing for old people
- Sustainable water management

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Cutting government spending, deregulation, attacking social dialogue and collective bargaining structures, liberalisation and keeping down wages – the agenda of European Commission economic recommendations – do nothing to stimulate demand and promote growth. New initiatives are needed, and investment above all, to drive demand and generate quality jobs.

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“It is hard to imagine how much more evidence European policy-makers need before conceding their Eurozone growth plan is not working”

Editorial, Financial Times, 15/8/2014

“Today we also have to say ‘thou shalt not’ to an economy of exclusion and inequality. Such an economy kills”

Pope Francis

“Rising income inequality is a growing concern for policy-makers around the world. Over the past 25 years, income inequality has increased in most advanced and developing countries”

Christine Lagarde, IMF Managing Director

“Europeans have been asked to make continuing further sacrifices – lower wages, lower benefits, weakened systems of social protection – all in the name of saving the euro. A much more ambitious, and different, agenda is needed”.

Joseph Stiglitz, Nobel Prize winner in Economics

“It is not compatible with the social market economy that during a crisis, ship-owners and speculators become richer, while pensioners can no longer support themselves.”

Jean-Claude Juncker's Political Guidelines for the next European Commission

“A coherent strategy to reduce unemployment has to involve both demand and supply side policies, at both the euro area and the national levels.”

Mario Draghi, August 2014

“Unemployment is still our greatest concern”

European Council, June 2014