

2 June 1999

<p>UNICE SENDS CLEAR MESSAGE TO COLOGNE EUROPEAN COUNCIL</p>

On the eve of the European Council Summit in Cologne, UNICE's President Georges Jacobs will meet with Chancellor Gerhard Schröder, to express the views of European business and industry on the European Employment Pact.

UNICE sends a clear message to the EU Heads of State and Government (attached): Unemployment in Europe is predominantly of a structural nature and should be brought down through improved competitiveness, higher economic growth and effective structural reforms.

Member States are primarily responsible for design and implementation of their employment policies. "Policy coordination should not be pursued for its own sake: the EU should concentrate on facilitating cooperation and exchange of best practice". The principle of subsidiarity should be fully recognized and respected. Specifically, with regard to wage developments, UNICE wants to make absolutely clear that "responsibility lies with social partners, in accordance with different national economic circumstances and practices, and not at European level".

UNICE is willing to engage in a constructive dialogue with the EU authorities on ways to achieve more successful results in the fight against unemployment, the key to which is creation of a favourable climate for investment.

Attached: UNICE Statement on the European Employment Pact