



Helsinki, 3 December 1999

**UNICE ADDRESSES MESSAGE TO EU HELSINKI SUMMIT:
"BREAK LONG-TERM TRENDS FOR WORKFORCE, TAX
BURDEN AND REGULATION"**

UNICE's Council of Presidents, representing more than 16 million enterprises across Europe, employing over 100 million persons, met today and yesterday in Helsinki. The meeting was addressed by Finnish Prime Minister Mr Lipponen. The President of UNICE, Baron Georges Jacobs, on the eve of the Helsinki Summit on 10-11 December, stressed that: "There is no contradiction between wealth creation by business and the needs of society - the quality of life depends on what we can afford".

Europe's business leaders are looking forward to the start of the twenty-first century with a growing sense of **optimism**. The new millennium is an opportunity to reflect on the real needs of business and European society. The Council of Presidents declared today that "there are **three long-term trends that need to be reversed** in order to develop the economy and enhance the well-being of citizens".

The first is the **fall in the activity rates of the workforce**. In the last 30 years the active working population within the Union has gone down from 65 % to 60%, while that of the US has risen from 64% to 74%. "This must be tackled by vigorous structural labour market reform", UNICE's Council of Presidents underlined.

The second trend is the growth in the **overall tax burden**. It has steadily risen over the last 30 years in the EU and is now pushing 43 % of GDP. "The cost of government is squeezing the dynamism out of the economy and needs to be reduced".

The third long-term trend that needs to be reversed is the **regulatory burden on business**. The red tape continues to grow year on year, progressively reducing the space for entrepreneurial action. UNICE urged the European Council to launch "a major top-down clear-out". "Europe needs better regulation. Simplification and better enforcement should be a package deal".

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