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CONSTITUTIONAL CRISIS OR NOT, EUROPE NEEDS GROWTH AND JOBS

After the two negative referendums in France and the Netherlands, UNICE's Council of Presidents has examined the current situation and agreed the following statement.

The European business community wants to reiterate its commitment to the European Union, which has brought about peace and freedom. It has also organised an internal market which has generated important economic growth and creates the conditions for social progress.

Nevertheless, the crisis in the EU ratification process comes at a difficult moment for the EU:

- economic growth in most of the Member States is totally insufficient;
- job creation is poor and unemployment high;
- public finances are threatened by a large implicit debt due to unfunded liabilities in pension and health care systems;
- external competition from the USA and Asia is growing, challenging the European industrial base.

It is therefore essential that the European Council:

- pursues implementation of the Growth and Jobs strategy at both EU and national levels;
- creates an environment that enables the EU to take full advantage of international trade opportunities;
- clarifies the future of the ratification process in order to put an end to the current uncertainty;
- assesses why citizens rejected the Constitutional Treaty and how to better include them in the EU project.

Now it is up to national governments, the European Council, the Commission and members of the European Parliament to explain to European citizens the benefits of reforms which are indispensable in order to sustain social progress across Europe which associates growth and solidarity. The reforms concern education systems, flexibility in the labour market, pension and health care systems and the functioning of the internal market for services.

Businesses are essential to the Growth and Jobs strategy and will continue to communicate this clearly. Therefore, it is imperative that at the June Summit, the European Council takes full responsibility in clearly defining the appropriate framework which would lead to enhanced competitiveness in Europe by increasing entrepreneurship, innovation, research and development. If not, the lack of confidence of businesses throughout the EU will be even greater.

Achieving a final decision on the financial perspectives 2007-2013 with competitiveness issues as the main target would send a clear signal that the European Council can restore confidence in the European Union.

Note to the editor:

UNICE is the voice of more than 20 million small, medium and large companies. Active in European affairs since 1958, UNICE's members are 38 central industrial and employers federations from 32 countries, working together to achieve growth and competitiveness in Europe.

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