



Union of Industrial and Employers' Confederations of Europe
Union des Confédérations de l'Industrie et des Employeurs d'Europe

4 December 1998

**UNICE WELCOMES NEW MEMBER FEDERATIONS
AND ADDRESSES THE VIENNA EUROPEAN COUNCIL (11-12 DEC)**

Invited by VÖI (Austrian Federation of Industry), the Presidents of UNICE's 33 member federations, representing the millions of companies of all sizes and active in all sectors within 25 European countries, met today in Vienna and decided :

- to welcome, as new UNICE members (though with different status), as of 1 January 1999, the Hungarian Employers Confederation of European Cooperation, the Confederation of Lithuanian Industrialists and the Croatian Employers' Association.
- to send a clear message to the Vienna European Council (11-12 December), calling on Heads of State and Government to promote private investment in order to create jobs, instead of subsidising artificial jobs through increased public spending.

President Jacobs noted that “even before its launch, the euro is a reality which has demonstrated its stabilising effects and represents a formidable opportunity to consolidate European integration, to strengthen growth and to improve employment prospects”. “However”, he said, “Heads of State and Government must be fully aware that one of the consequences of EMU will be to increase the need for a smoothly functioning single market and rationalisation of Member States' budgets. Making a success of the euro and - more important - ensuring its long-term success, means a continuing commitment to reduce public deficits. This reduction requires a vigorous re-ordering of public spending and implementation of the necessary structural and economic reforms”.

“Heads of State and Government must flesh out the guidelines defined in Cardiff with a view to stimulating entrepreneurship and competitiveness, and to taking measures which encourage investors and promote work rather than dependence. To create jobs, it is not enough to reorient public spending towards more active labour-market policies. It is also important to increase labour-market flexibility and to carry out thorough reform of social protection systems. It is necessary to set the objective of reducing the overall burden of taxation and statutory deductions, on labour in particular”, concluded Mr. Jacobs.

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