

ETUCE

European Trade Union Committee for Education EI European Region

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Brussels, 14 March 2013

EUROPEAN REGION- ETUCE

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ETUCE Statement In Support of Trade Union Action on 14 March 2013

The ETUCE wishes to express its full support for a campaign by the European Trade Union Confederation (ETUC) to promote the Social Compact and to stand up against austerity and youth unemployment at a rally on 14 March 2013 in Brussels.

On this day, the day of a gathering of European heads of state and government in this city, the ETUCE seeks to send a strong message to those who believe that austerity is the path out of the crisis. Austerity has not produced growth. It has not created new jobs and has not strengthened the European social model.

Leading economists have recognized that fiscal consolidation across Europe has contributed to an economic slowdown and the International Monetary Fund (IMF) already admitted that its austerity argument had been based on unsound forecasting. In a stark about-face, IMF analysis in the World Economic Outlook published in October 2012¹ showed that the forecasting process had clearly been wrong with respect to the link between austerity and economic growth. IMF admits that the fiscal multiplier − measuring the impact of fiscal policy on growth − of 0.5 has in fact been in the 0.9 to 1.7 range since the Great Recession of 2009. This means that for each €1 in budget cuts, the economy contracts by up to €1.7, proving the "deficit hawks" dead wrong. In this report, the IMF recognised that "sharp expenditure cutbacks or tax increases can set off vicious cycles of falling activity and rising debt ratios, ultimately undercutting political support for adjustment." Thus, austerity must end.

The ETUCE calls on other members of the Troika – the European Commission and the European Central Bank – to own up to the fact that austerity policies have been based on the wrong argument. Indeed, austerity cannot be allowed to prevail if Europe is to emerge from its prolonged crisis. The ETUCE calls on European leaders and national policymakers to replace austerity with strong growth-enhancing measures and increased investment in education and in young people.

Europe needs free collective bargaining and a strengthened role of social dialogue, as envisaged by the ETUC's Social Compact. It needs investment in education to assure its future, and a change of policy to depart from its past.

Europe's social model must be strengthened. More than 400 social and labour lawyers from across Europe have signed a manifesto² in protest against "a systematic attack on collective bargaining" and "drastic changes in labour law." The ETUCE calls on European leaders gathered in Brussels on this day to listen to the united voice of Europe's trade union movement. Time has come to close the chapter of austerity and to open doors to growth and investment in Europe's future: its young people.

Cuts in education budgets in several countries in Europe, as a result of the economic and financial crisis, have seriously undermined the salary, working conditions and job

¹ http://www.imf.org/external/pubs/ft/weo/2012/02/pdf/text.pdf

² http://www.etui.org/News/Labour-lawyers-manifesto-urges-EU-leaders-to-respect-fundamental-social-rights

security of teaching staff, and are used as an excuse by some governments and public authorities to pursue other political agendas.

This is jeopardizing the future of all students and the future of Europe. The ETUCE calls on the European institutions and governments to maintain and increase the level of public investment in education at all levels, in order to ensure that high quality education is available for all as a human right and a public good.

The ETUCE urges European institutions and governments to consider teacher trade unions as equal partners in relation to developments affecting the education sector and provide them with a permanent and central role in national and European decision making on developing education policies in the framework of social dialogue and collective bargaining at national and European level. Teacher trade unions – the guardians of high quality public education – deserve to be heard.