Wages and inflation dominate macroeconomic dialogue

(23 May 2022) Trade unions and employers came together with representatives of the European Council, Commission, Central Bank and Eurogroup yesterday to debate the current economic situation and particularly trends in wages and inflation. This came on the eve of the presentation of the European semester package by the European Commission, the Eurogroup and the Council of Ministers of Economy and Finance.

ETUC general secretary, Luca Visentini, pointed out that wage developments in the last quarter of 2021 had been the lowest for several years, that the wage share in the economy was declining and that there was no evidence that pay increases had pushed inflation higher.

EPSU general secretary, Jan Willem Goudriaan, underlined the need for action to address staff shortages in health and care services and highlighted EPSU research that estimated that over 420,000 workers had left the health and care sectors in the last two years. He added: "Low pay and precarious work are massive problems in social care where workers feel abandoned and where there is an urgent need for increased public funding based on fair and just taxation."

The reference to the situation facing health and care workers was noted by the chair and several other speakers, including Eurogroup president, Paschal Donohue.

The three employer organisations also took up the question of the impact of inflation and potential wage developments. Markus Beyrer, director-general of Businesseurope said: "In this context, social partners need to engage responsibly in collective bargaining on wages and help ensure that temporary prices rises do not give rise to rising inflation expectations and in turn a damaging wage-price spiral that would risk weakening medium-term growth and employment prospects."

For the **[press release](#)** of the employers and trade unions, ECB, Council and Commission.

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