

Macro-economic dialogue technical level:

Commission and ECB do not change their tune

Issues on the agenda of the dialogue were:

- Current economic conditions, economic outlook and the macro-structural response
- Review of structural imbalances, developments in competitiveness and country specific recommendations.

Presentations were given by the European Commission and European Central Bank representatives. Due to the rules applying to the discussions we are requested not to publish the views of participants at this meeting.

The macro-economic dialogue considers the [economic forecasts of the Commission](#), of the ECB as well as those of the social partners. The group also considers the economic policies such as how the EU improves its competitiveness, deals with structural reform and fiscal consolidation (or rather austerity). ETUC is challenging the economic policy that is being pursued and is [campaigning for a social compact](#).

The Commission has for many years now been preaching that austerity is the way forward. Fiscal consolidation remains important as do structural reforms such as making employment protection legislation more flexible (and give less protection to workers), reform of pension systems (making people work longer for smaller pensions), labour market reforms (allowing Member States to attack unions and undermining the opportunities for trade unions to protect workers and promote fairer distribution of wealth and better working conditions). It argues in its report on [Public Finance in the EMU 20](#) that austerity is to continue for several years. [BusinessEurope](#) has similarly argued for fiscal consolidation and labour market reform to make it easier to fire workers.

EPSU contributed two documents to the macro-economic dialogue and which were also considered. One concerned the self-critique of the International Monetary Fund (IMF) on the so-called multipliers. As the role of public investment and public spending is undervalued and the multiplier calculated too small, the effects of austerity policies have been underestimated. Cuts in public spending and public

investment have hence a much more damaging effect on an economy and economic growth than previously thought.

- [2012 crisis multipliers PSIRU report](#)

The other gives an overview of the research EPSU as well as ILO have conducted on the impact of austerity measures on different agencies, sectors and groups of workers.

- [EPSU note for MED](#)

The dialogue brings together representatives of the European Commission (DG Employment, DG ECFin), European Central Bank, the Member States (presidency Troika) the Economic Policy Committee and the Employment Committee as well as employers organisations BusinessEurope, UEAPME and CEEP and the ETUC on the trade union side. Richard Pond and Jan Willem Goudriaan participated for EPSU in the ETUC delegation. The meeting took place on 22 October 2012, Brussels. The dialogue at political level will take place on 12 November 2012. A previous report is available [here](#)

- On the website of the Commission a [reference is available to the macro-economic dialogue](#) although not updated anymore.
- [The Economic Policy Committee](#) (Member State representatives)
- [Employment Committee](#) (Member State representatives)

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