



"The voice of crafts and SMEs in Europe"

Economic crisis: reforms are unavoidable but must be shared, say SMEs

European Social Partners meet President Barroso; UEAPME puts forward SMEs' suggestions on how to trigger the recovery

Brussels, 4 June 2010 – Consolidation and reform programmes may be painful but are unavoidable at this stage if Europe wants to trigger a full-fledged economic recovery. However, their burden must be fairly shared and their content must be designed in close cooperation with the social partners in order to find balanced solutions, according to UEAPME, the European craft and SME employers' organisation. Meeting today the President of the European Commission José Manuel Barroso alongside his counterparts from the other European Social Partners, Secretary General Andrea Benassi put forward SMEs' suggestions on how to tackle the employment and social aspects of the current crisis (1). Member States should speed up the implementation of the agreed SME support measures in the framework of the Small Business Act and in case of restructuring and downsizing of companies, stressed Mr Benassi, who reinstated UEAPME's support for the EU 2020 Strategy while calling for more attention to the efficiency of the public administration and the effectiveness of public regulations.

"No one questions that reform programmes are painful for all citizens, including workers and businesspeople. However, Europe will not get out of the current crisis without tackling the current economic imbalances. We must be ready to swallow the bitter pill at this stage", said Mr Benassi. *"The involvement of social partners and the use of cooperative strategies can contribute significantly to find balanced solutions. Member States must therefore engage social partners as far as possible in the design of their reform programmes, and all social partners must commit themselves in a constructive and forward looking manner to such negotiations. Success will come from cooperation, not from confrontation",* he continued.

Another concern for SMEs in Europe is the very limited progress made in improving the business environment, stressed Mr Benassi. *"Our Think Small Test and SBA Implementation Scoreboard, which were presented this week, showed only some progress on the respect of the Think Small First Principles and no real advancements on the 95 concrete policy measures promised in the Small Business Act in 2008. Many SMEs have the feeling that throughout the crisis attention was only given to banks and large enterprises, while SMEs were left alone. The same was true in many plans and tools in case of restructuring and downsizing, which were designed mainly for larger companies and did not reach SMEs and their workers. The Commission should put pressure on Member States to deliver in this respect",* urged Mr Benassi.

Finally, Mr Benassi gave Mr Barroso UEAPME's full support to the "EU 2020" Strategy. However, he stressed once more the importance to include the efficiency of the public sector as well as the effectiveness of public regulations in the text. He also called for an increase of regulatory powers and for better enforcement of regulations at all levels and in all areas. *"The EU 2020 strategy's targets will be hard to achieve unless the costs linked to public administrations are reduced and their efficiency is increased. This is crucial for enterprises in general and for SMEs in particular",* concluded Mr Benassi.

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(1) Available at http://www.ueapme.com/IMG/pdf/100604_SocP_Barroso.pdf

EDITORS' NOTES: UEAPME is the employers' organisation representing exclusively crafts, trades and SMEs from the EU and accession countries at European level. UEAPME has 85 member organisations covering over 12 million enterprises with 55 million employees. UEAPME is a European Social Partner. For further information: <http://www.ueapme.com/>

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