

"The voice of SMEs in Europe"

Press Release

FOR IMMEDIATE RELEASE

Member States should not use current economic upturn as a pretext to ease up on implementation of Lisbon reforms, UEAPME warns

Brussels, 18 March 2004 Ahead of the Tripartite Social Summit on Growth and Employment next Thursday, UEAPME, the European Crafts and SMEs employers' association, urgently calls on the EU heads of State to seize the current context of economic recovery to consolidate the Lisbon reform agenda. "In the current situation of economic recovery some governments could be tempted to slow down the necessary policy reforms despite the urgent need to accelerate them" said Paul Reckinger, UEAPME's President, today.

"Therefore, it is imperative that national governments use this favourable context to reinforce their commitment to making the necessary reforms. Otherwise, the Lisbon objectives will remain an impossible mission" Mr. Reckinger stressed.

UEAPME reminds Member States that according to the latest figures released by the European Commission only 58% of the European Directives linked to the Lisbon process have been implemented.

Amongst the reforms that have to be undertaken immediately at national level, UEAPME pleads for thorough labour market reforms as outlined in the Wim Kok task force report. "The EU can no longer afford new waiting periods for their labour markets to be modernised, even if these reforms imply taking unpopular measures for governments and national Social Partners," Mr. Reckinger argued. Small and micro enterprises in particular need many of the reforms proposed in the report in the field of adaptability of workers and enterprises, flexibility of forms of work, reduction of red tape etc..

Finally, UEAPME reiterates that Member States must engage in comprehensive reforms of social protection systems in order to make-work more attractive financially for both employees and employers. Indeed, many national social protection systems put people off looking for a job because of a too high level of various social benefits. Additionally, employers are discouraged from hiring new employees due to the high non-wage labour costs involved. This issue has to be tackled immediately if Europe wants to have more and better jobs.

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