



our ref etuc/bb/ot/ec
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Dear Ambassador/High Commissioner

Treaty on stability, coordination and governance in the economic and monetary union: ETUC day of action on Wednesday 29 February 2012

The TUC is the voice of Britain at work and our affiliated unions have more than six million members. In Europe, we are part of a union family with 60 million members in 36 countries, represented by the ETUC.

Workers across Europe have many things in common, and what is uniting us at present is our opposition to the 'Treaty on stability, coordination and governance in the economic and monetary union'. We urge your Government to withdraw its support from the treaty and commit to an alternative strategy to promote growth, jobs and social justice.

Our opposition to the treaty is for very different reasons from those motivating the British Prime Minister David Cameron, in that we are not seeking to ring fence the City of London from regulation – in fact quite the opposite. Indeed our Prime Minister, despite his rejection of the treaty, is wedded to austerity as much as the other signatory parties.

The TUC, and sister organisations across the continent, oppose this treaty because it is profoundly unfair, undemocratic and misguided.

The treaty is unfair because it doesn't spread the sacrifices fairly: austerity measures fall hardest on the shoulders of the weakest.

Workers who have lost their jobs as a result of the crisis see their social protection lowered; those who still have a job, see their minimum wages slashed or their collectively agreed wage levels under pressure; ordinary families and communities see their schools, hospitals and other public services affected by draconian cuts. Young people in particular face a generation



of unemployment and exclusion, and workers are being asked to work longer, pay more and receive lower pensions in retirement.

All the while the financial sector continues to thrive and award itself scandalous bonuses instead of lending and investing into the real economy.

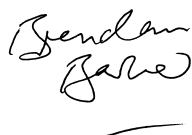
It is undemocratic because of the way it has been negotiated and more importantly because it would tie the hands of elected governments, preventing them from boosting growth by adopting counter-cyclical fiscal policies during recessions. This would prevent political parties from campaigning for alternative policies, and drive electorates to turn their backs on Europe and into the hands of extremists.

And finally, the treaty is profoundly misguided. Governments are deluding themselves if they believe that this fiscal compact will bring back market confidence: it will be a straightjacket killing growth. Already, austerity is forcing countries back into recession. Where is the growth going to come from when Governments cannot invest and when workers do not earn enough to spend?

Enough is enough. We and our sister organisations across Europe believe there is an alternative. It would include sustainable investment for growth, support for green jobs, increased demand in surplus countries, fair taxation including the financial transaction tax, Eurobonds and the ECB acting as a lender of last resort (as the Bank of England does in the UK). It would enable unions, through a Social Clause in the European Treaties, to negotiate improvements in wages and working conditions to stimulate demand and produce a fairer Europe.

We urge your government to walk away from the treaty and embrace our alternative, to defend the social model, for your people, and for Europe.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Brendan Barber', with a horizontal line underneath.

BRENDAN BARBER
General Secretary