

THERE IS A BETTER WAY.

The new Conservative and Lib-Dem UK coalition government have announced a series of devastating public sector cuts - all in the name of greater financial austerity.

But there is a better way of dealing with the deficit. Cutting services won't cure the crisis but it will impact hardest on the most vulnerable in society.

It is true that the UK has been gripped in a crisis - a crisis of high unemployment and stagnant growth. It is not, as the new ConDem Coalition Government insist, a crisis of public finances. Keeping spending at decent levels will not only protect our public services, it will drive our economy forward. The ConDems have systematically distorted and exaggerated problems with the public finances for ideological ends.

IN WALES THE IMPACT OF THE CUTS COULD BE DOUBLY DEVASTATING.

The recession hit our manufacturing sector particularly hard. Now our public sector, which looks after our older population, maintains our health, provides our local services and employs hundreds of thousands of workers in Wales is under threat.

AN ALTERNATIVE TO CUTS...

Instead of cutting public services we could decide to manage the deficit and public spending over the long term, targeting social issues such as inequality, under-investment in education, child poverty and strongly regulating the financial sector. Analysis by a number of respected organisations suggests that fairer, more robust tax measures that target those who avoid paying tax and the financial institutions that started the crisis could raise over £150bn.

Approx. workers in public sector in Wales

300,000

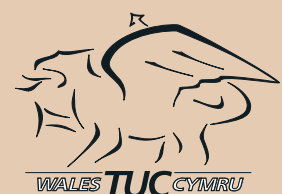
which is

24%

of Wales' workforce.

Amount that could be raised with fairer tax measures for financial institutions

£150bn



PREVENTING FURTHER ECONOMIC DISASTER.

A host of economists are warning that making cuts now raises the very real possibility of undermining the fragile economic recovery. Over the past two years, governments around the world have stepped in to mitigate the effects of recession by funding public sector stimulus packages. There is precious little evidence that the private sector or households are ready or able to step up their activity to fill the gap. As such, any austerity programme may lead to a return to recession.

HITTING THE MOST VULNERABLE HARDEST...

The collective wealth of the top 1,000 multimillionaires in the 2010 *Sunday Times Rich List* has seen the biggest annual rise in its 22 year history. The major banks, whose behaviour led to this crisis, have already returned to profit.

Benefits and public service cuts will disproportionately hit the less well off. Women will pay three times more than men to meet deficit cuts, even though women still earn and own far less. The lowest paid will end up paying disproportionately more of their income on VAT increases and means that the least well-off will shoulder a larger tax burden.

MANAGING DEBT SUSTAINABLY.

The UK's government debt is certainly high, but it is far from unprecedented. It is only in the past decade or so that it has become normal to think of government debt being stable at a relatively low level, and the UK is in a much stronger position than comparable, similar-sized economies.

In truth it is often sensible for governments to take on debt in difficult economic times to pay for investments (such as housing or transport infrastructure) that will make the economy work better and so pay for themselves over the longer term.

PUBLIC SERVICES ARE CRUCIAL TO THE RECOVERY OF THE PRIVATE SECTOR.

Investment in public infrastructure and services is essential to private sector productivity. It is no less critical to future growth than private sector investment. For example, public sector building projects are key to sustaining the construction industry in difficult economic times, and public sector organisations from local authorities to the NHS buy large amounts of goods and services boosting local businesses.

THERE IS A BETTER WAY.

There is more than one way out of an economic crisis. Join our campaign against the public sector cuts.

Make your voice heard.

Collective wealth of top

1,000

multimillionaires has seen biggest annual rise in

22 years

Women will pay

3x

more than men to meet deficit cuts

To find out more, visit
'All Together For Public
Services' at

tuc.org.uk