INTERNATIONAL TRADE UNION CONFEDERATION

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G20 Must Act for Jobs, Regulation and Financial Transactions Tax

Brussels 17 February 2011 (ITUC OnLine): The international trade union movement is calling on G20 Finance Ministers, meeting in Paris on 18 and 19 February, to take action to avoid a jobless recovery or, worse, a return to recession as austerity measures begin to bite. They are also being urged to push forward a progressive agenda on financial regulation and tax, especially through the introduction of a Financial Transactions Tax (FTT). Unions and civil society allies are taking part in an international day of action today to boost support for the introduction of an FTT http://www.makefinancework.org/home/

"Introducing an FTT is both an economic and a moral imperative. The financial sector is once again reaping massive profits and bonuses while the real economy remains largely stagnant. An FTT would divert money away from useless speculation and generate resources for decent jobs, development and action on climate change. Governments need to stand up to the self-interest of the finance sector, and govern in the interests of the people they represent," said ITUC general secretary Sharan Burrow.

France, which currently holds the G20 Presidency, has indicated that it wants to move ahead with an FTT and is pushing for other governments to support its plan. "We consider that President Sarkozy should hold an international conference on this matter during his G20 Presidency, to build further support and work on the concrete form that an FTT should take. Governments also have to take action and not just make statements on ensuring that the finance sector returns to its role of supporting the real economy and jobs" said John Evans, general secretary of the OECD Trade Union Advisory Committee.

Since the G20 leaders committed to act on financial regulation at London in 2009, the banking and finance sector has been fighting a well-resourced and sophisticated rearguard action to water down national and European action to implement the kind of regulation that would reduce the risk of a new crisis and focus financial activity on generating real economic and employment growth.

"Too many governments are obsessed with simply cutting expenditure to restore their fiscal position, instead of looking at the revenue side as well. More determined action against tax havens and corporate tax evasion is required, along with real growth in employment and incomes and the introduction of an FTT. Unemployment and inequality have been driving forces in the upheaval in North Africa and the Middle East, and even genuine democracies should pay heed to the growing discontent as a whole generation of young people contemplate a future without decent jobs," said Burrow.

The ITUC represents 176 million workers in 301 affiliated national organisations from 151 countries and territories. Website: http://www.ituc-csi.org and http://www.youtube.com/ITUCCSI

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