

## Financial Stability Board Must Deliver on G20's Action Plan

As the first 2012 plenary of the Financial Stability Board (FSB) meets in Basel, international trade union organisations have submitted their priorities for the FSB.

"The FSB's Action plan for financial reforms has hit the road block of governments' lacklustre ambition, and must be put back on track," said Sharan Burrow, General Secretary, International Trade Union Confederation (ITUC).

The international union movement has released a statement mapping the FSB's progress and its impact on working families. The FSB was set up by the G20 in 2009 to restore financial stability and curb irresponsible speculative activity.

Unions are calling for increased financial regulation, contrary to the powerful voice of the bank lobby.

"The top leaders of banks are out of touch with the day-to-day realities facing ordinary people, and the FSB has failed to soften the practice of big bonus payments; they and the G20 must take a stronger stand to change this abuse by giving employees a seat at the table," said Philip Jennings, General Secretary UNI Global Union.

"The most immediate threat to governments and working families lies not in budget deficits, but in governments' and taxpayers' exposure to the risks of badly regulated financial markets and institutions. Doing nothing or doing too little too late to regulate financial markets will deepen the bond markets' speculative pressures on governments," said John Evans, General Secretary of the Trade Union Advisory Committee to the OECD.

The international union movement is calling on the FSB to implement a three-step crisis action plan to :

- Shield governments from the risk of large financial conglomerates with a mandatory separation of commercial and banking activities of the banks considered too big to fail;
- Ensure the real economy has adequate access to financing with proper access to mortgages and credit and promoting the diversity of financial services such as cooperatives and mutual banking;
- Curb traders' speculative behaviour, including high frequency trading, with a financial transactions tax.

"Working families, small businesses and young people are all sinking into quicksand as they struggle to find work, pay mortgages and get loans to keep their businesses afloat. Big business must not hold on to the reins of the global economy for their own benefit. The Financial Stability Board has the power, the mandate and the plan. In 2012 they need to step up to the plate and translate their words into action," said Sharan Burrow, General Secretary of the ITUC.

Read the [ITUC, UNI and TUAC Statement to the Financial Stability Board](#)

The ITUC represents 175 million workers in 153 countries and territories and has 308 national affiliates.

Website: <http://www.ituc-csi.org> and <http://www.youtube.com/ITUCCSI>

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