



Press Release

STIMULATING CONSUMPTION AN ESSENTIAL ELEMENT IN RECOVERY

18 January 2010

Speaking at the European Retail Round Table (ERRT) discussion today on the role retail plays in economic recovery, **Paul Skehan, Director, ERRT**, gave the following summary of the day:

Retail and economic recovery...

"2010 will not be easy and promoting consumption – as well as investment - will be an essential element for economic recovery.

"It is by stimulating and harnessing the purchasing power of millions of individual citizens that we can unlock solutions to many of the social and economic challenges we face. While all Member States propose significant investment programmes, we urge all governments to complement these programmes with measures to stimulate consumption.

"We are very willing to engage in this recovery and to accept our responsibilities. We ask the Commission, the Parliament and the Member States to provide the right conditions. If they do, and so long as we stay close to our customers, we are hopeful that the picture across Europe will look brighter this time next year.

Retail and jobs...

"Retail is a powerful generator of new jobs. Retailers have very strong roots in their local communities. It is one of the few sectors that offers significant job opportunities in built-up, densely populated areas. It is a sector that actively recruits those who have been long-term unemployed, and trains many not only in retail skills but in more basic social skills too. These jobs are valuable, and worthy of support.

"Retailers offer conditions to suit different family backgrounds and needs – through flexible working terms, part-time positions and job-sharing opportunities. European legislation should continue to support the diversity and flexibility of employment opportunities.

Retail and sustainability...

"We want the recovery to be economically sustainable but also sustainable in the environmental sense. The need for economic growth and the need to protect the environment are entirely and necessarily compatible. We have to have economic growth if we are to create jobs and raise revenues to support public services and social cohesion. And we have to protect the environment. It is not an either/or choice. Small changes made by millions of people at the same time add up to a very big change.

"Retail - with our millions of customers every week - can help. We have created the Retail Forum on Sustainability, engaging with all stakeholders to address the key sustainability issues in Europe. We will continue to devote resources to this forum to share good practices, to identify constraints and to promote a wide range of voluntary initiatives and actions by retailers and their supply chains.

Retail and competition...

“One of the EU’s greatest achievements has been the creation of the single market. Retail is one of the most ferociously competitive markets there is – ERRT member retailers compete with each other daily for every customer. That competition delivers huge benefits for consumers.

“Each of our stores is stocked with goods and products from across the EU and the globe, each order from us helping to finance jobs and investment throughout the supply chain. Competition is a good thing, but there are still pockets of protectionism where we need the EU’s help in breaking them down.

“The Commission should resist protectionism in all forms, and in particular, should take a more balanced view of genuine Community interest when considering anti-dumping cases. In addition, Member State regulations that unfairly restrict entry of new retailers into their markets and rules, codes and actions that restrict retailers’ ability to compete on prices should be challenged and withdrawn.

“Finally, interchange fees levied by payment card schemes and by European banks are hidden taxes on all consumers. Legislators should push for pan-European competition and real transparency concerning all fees and charges levied on credit and debit card use.”

For any further information or clarification, please contact Paul Skehan, ERRT +32.475.388415

ERRT: The European Retail Round Table was established to express the views of large retailers on a range of issues of common interest focused on EU public policy. Their businesses operate worldwide and represent a cross-section of the retail sector. Collectively, ERRT members have a turnover of more than €400 billion and employ 2.4 million people in over 44,000 stores.

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