

Unemployment and the case for Investment

Responding to the Unemployment Crisis, 12 Nov 2012

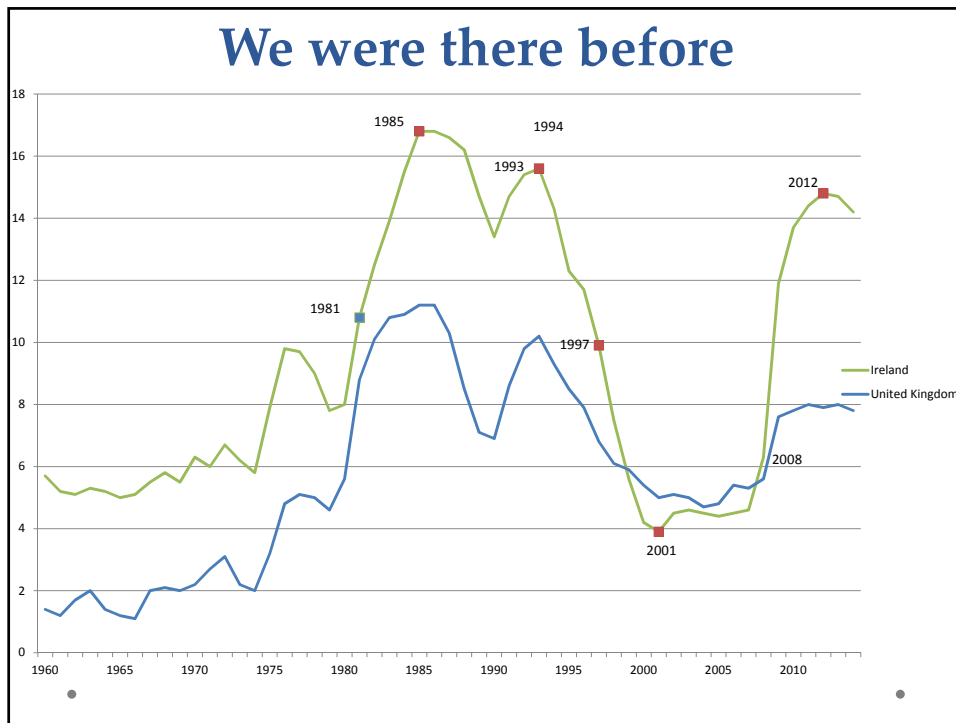
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Research for new economic policies

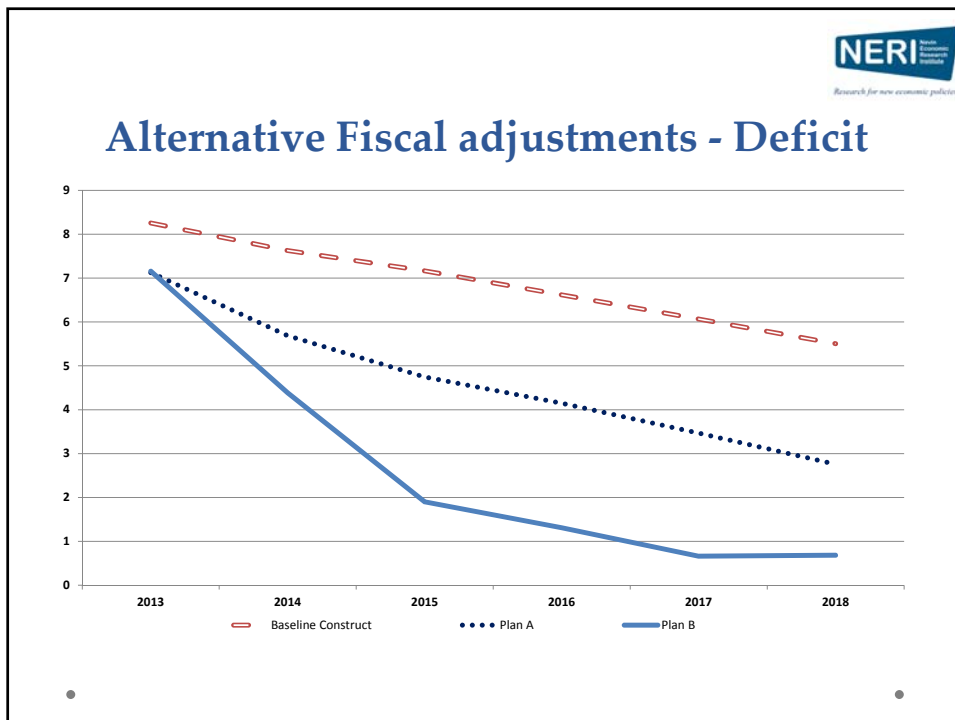
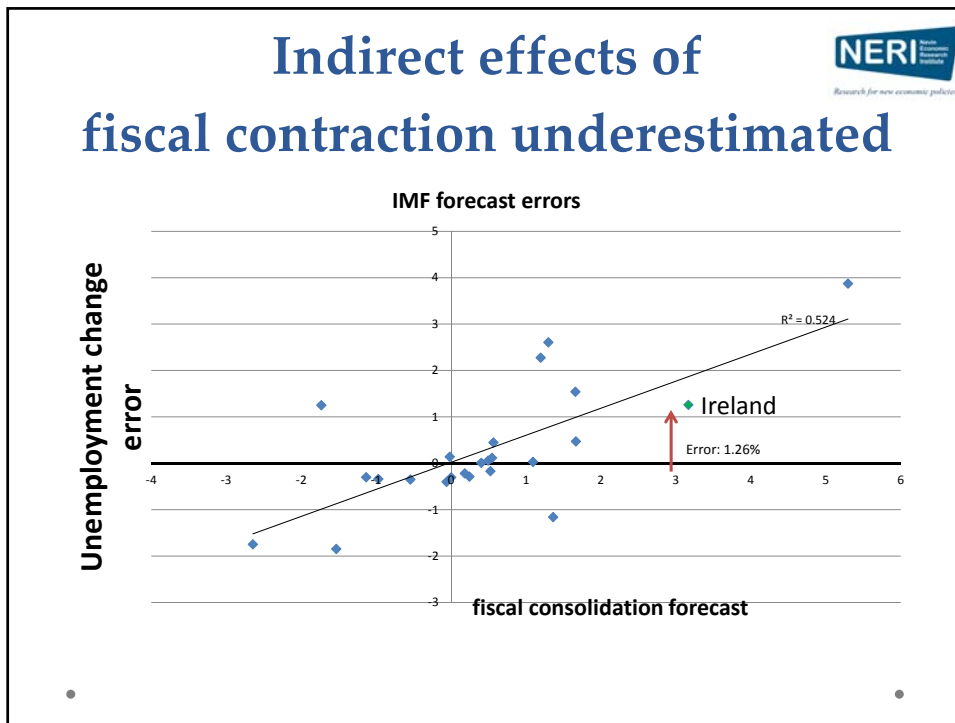
First Point

1. Unemployment likely to remain high



Second Point

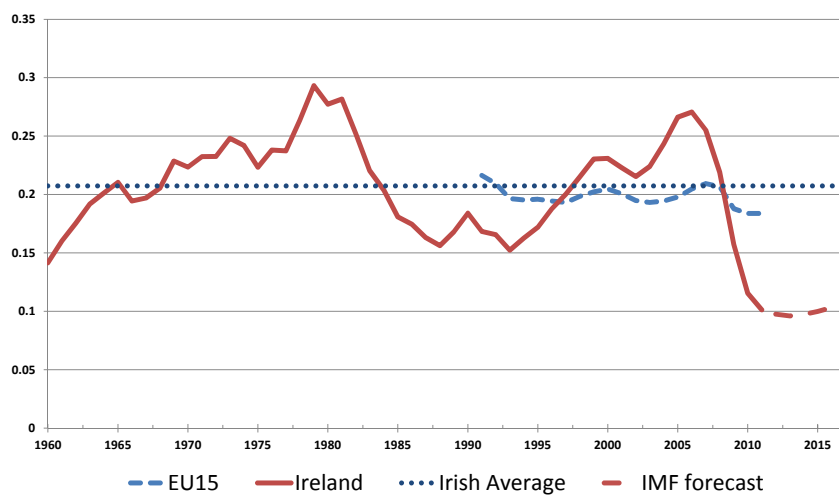
1. Unemployment likely to remain high
2. **Continuing fiscal austerity is killing Demand, Jobs and Recovery**

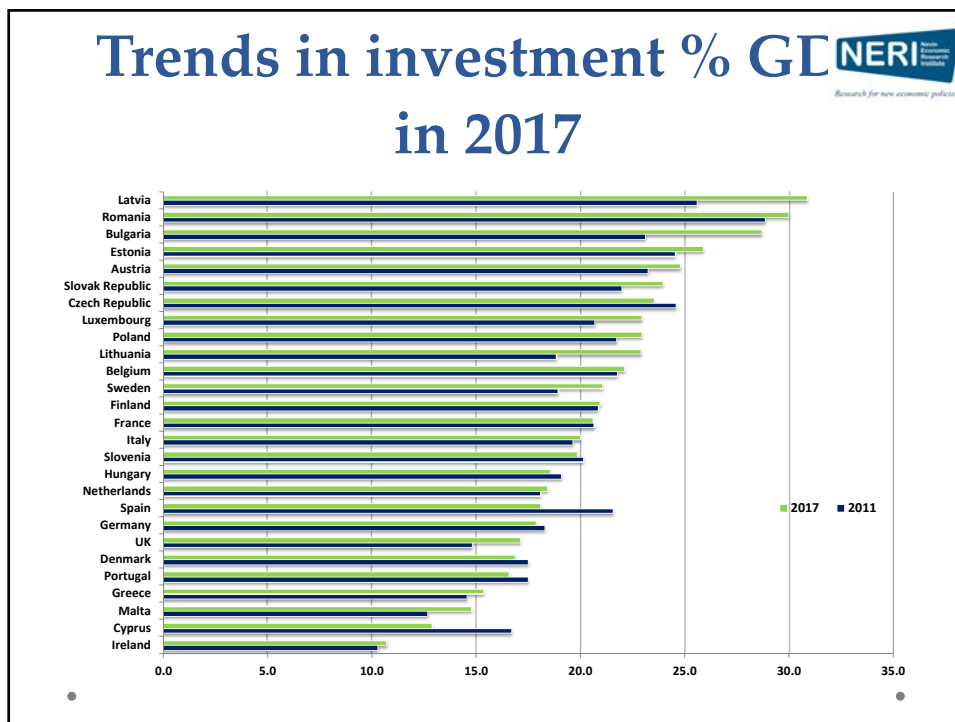


Third Point

1. Unemployment likely to remain high
2. Continuing fiscal austerity is killing Demand, Jobs and Recovery
- 3. Investment is now dangerously low**

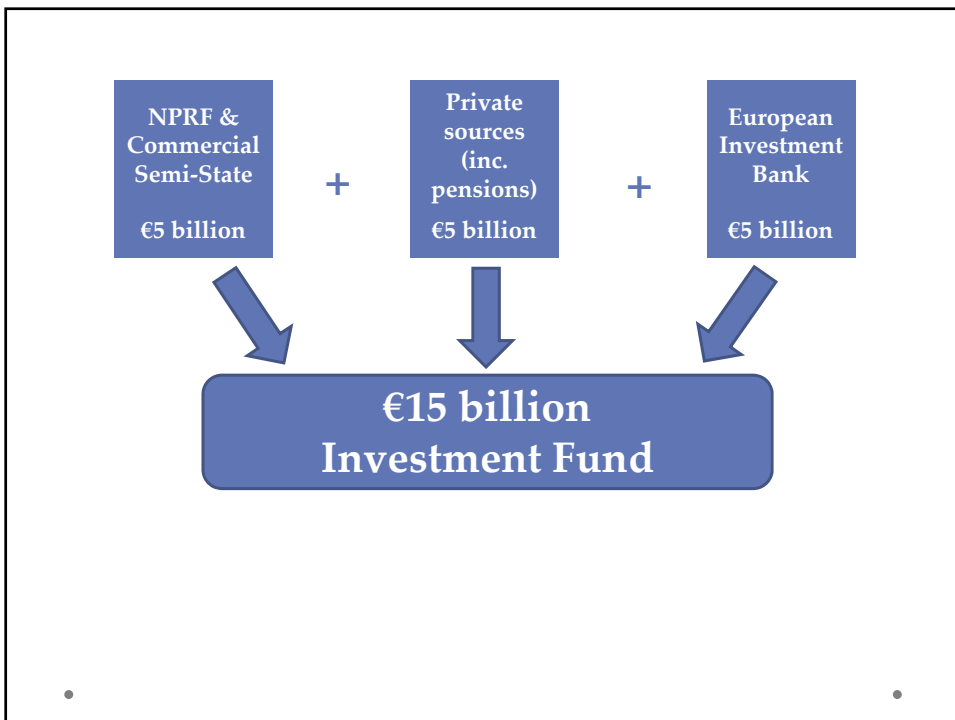
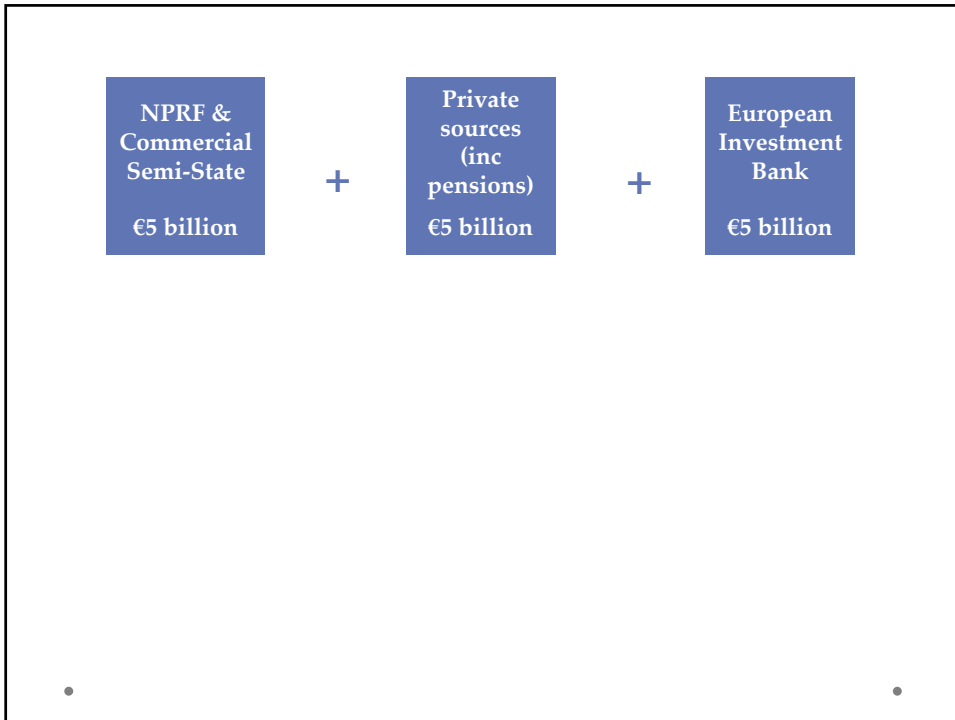
Trends in investment % GDP

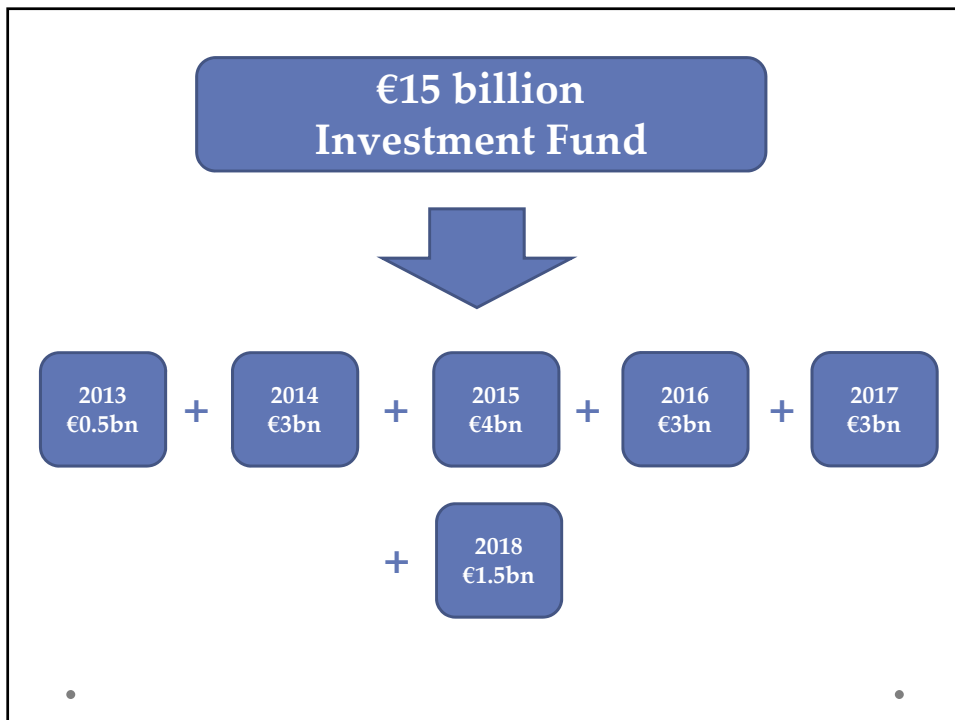
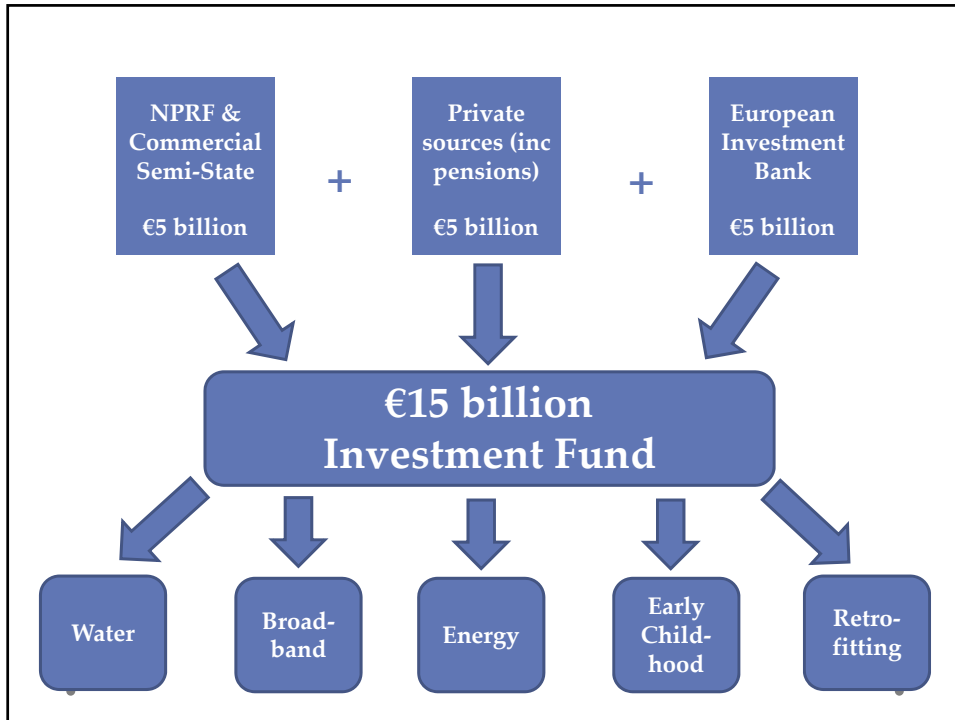




Fourth Point

1. Unemployment likely to remain high
2. Continuing fiscal austerity is killing Demand, Jobs and Recovery
3. Investment is now dangerously low
- 4. A prudent and more equitable fiscal adjustment is needed allied to strategic investment**





Fifth Key Point

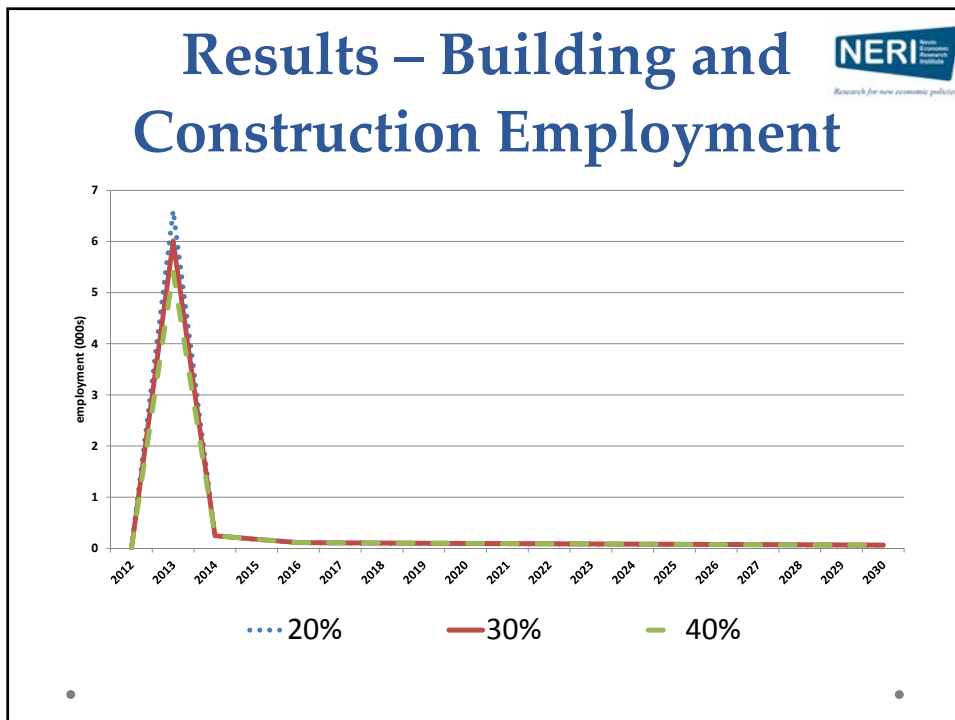
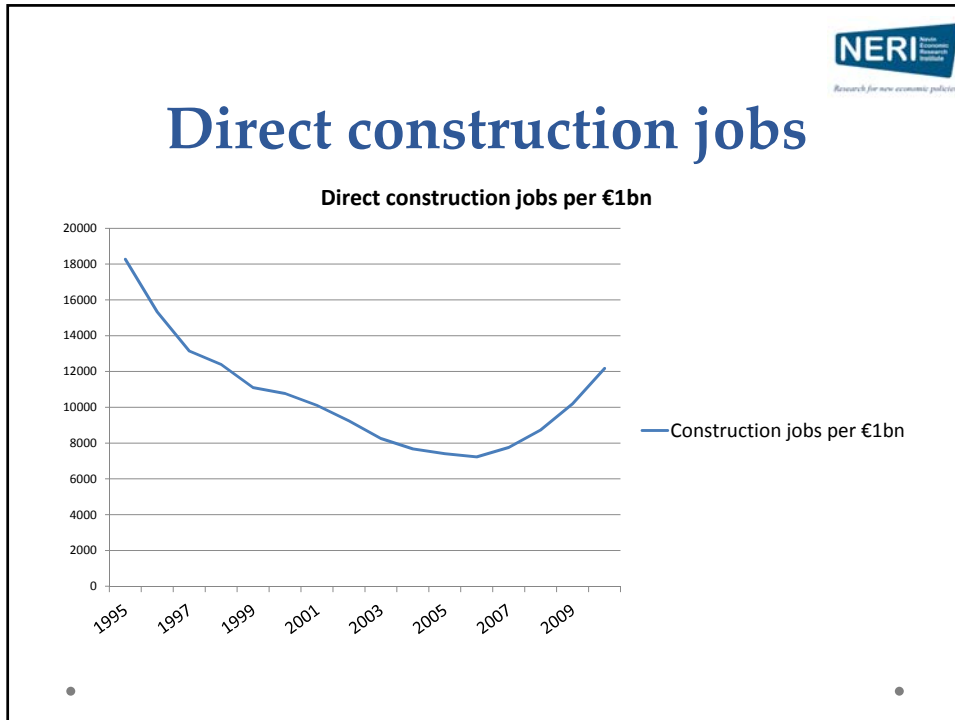
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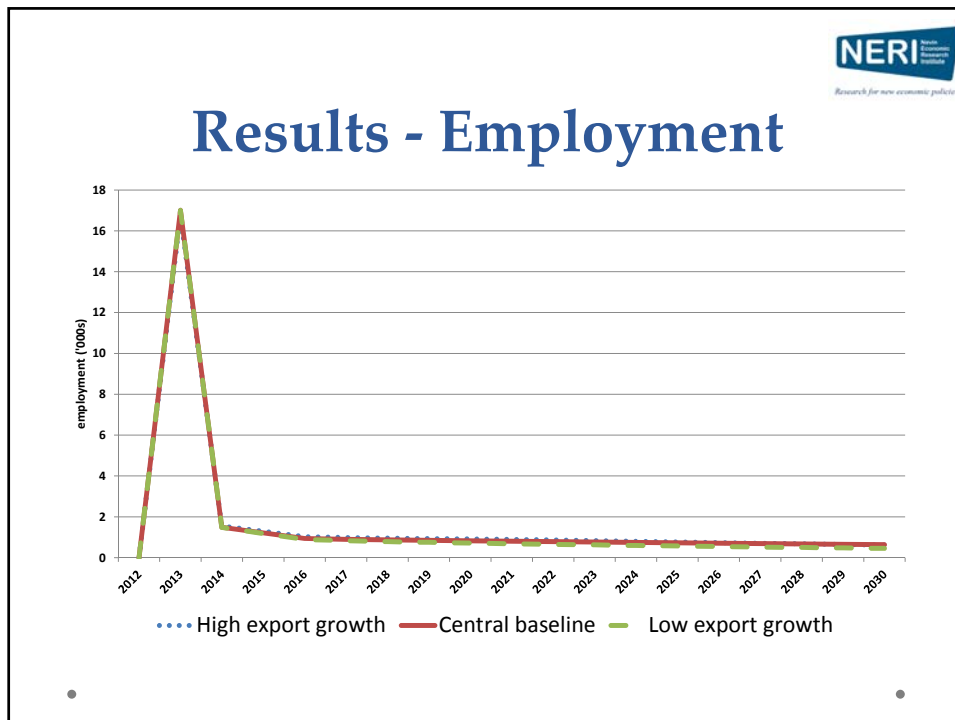
5. How many jobs and how quickly?

Direct Effects of €1bn construction investment



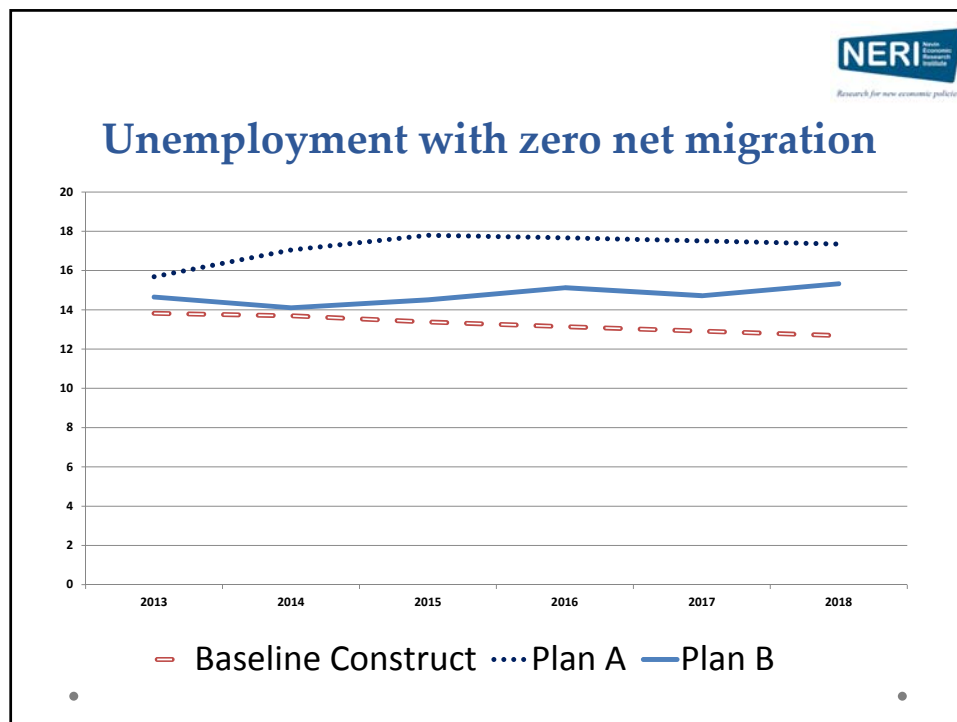
- Improve infrastructure
- 8,000 to 12,000 jobs directly created (DoFinance)
- Pre-recession job multipliers vs post-recession
- AMECO (note the change in tender prices)
- Import share of construction work – 26.5% (CSO)





Sixth Key Point

1. Unemployment likely to remain high
2. Continuing fiscal austerity is killing Demand, Jobs and Recovery
3. Investment is now dangerously low
4. A prudent and more equitable fiscal adjustment is needed allied to strategic investment
5. How many jobs and how quickly?
- 6. Time to deal with unemployment is now and not 'when normality returns'**



Six Key Points

1. Unemployment likely to remain high
2. Continuing fiscal austerity is killing Demand, Jobs and Recovery
3. Investment is now dangerously low
4. A prudent and more equitable fiscal adjustment is needed allied to strategic investment
5. How many jobs and how quickly?
6. Time to deal with unemployment is now and not 'when normality returns'