

Press release

Monetary Panel (Madrid - 17 October 1997)

The Monetary Panel of ELEC met in Madrid on 17 October 1997 and issued the following communiqué:

- 1.** The Monetary Panel of ELEC was impressed by the success of Spain in achieving economic convergence.

It was also encouraged by the confirmed progress in economic convergence achieved by other member states.

- 2.** In 300 business days, it seems almost certain that a new currency for 300 million people will be born. The Monetary Panel of ELEC welcomes the rising certainty that flows on from the long-awaited upswing in economic activity in Europe as well as from the sustained political commitment of member states. As preparations for the changeover accelerate, the risk of a delay has become minimal.
- 3.** The expectation of EMU is sending Europe into a virtuous circle: price remain stable, government finances improve and bond yields plunge to post war lows in many countries. This should stimulate investment and induce major productivity gains helping to cement price stability into economic culture.
- 4.** The advantages of the single currency will soon become perceptible for the public at large. As companies focus on their euro-strategy - beyond the mechanics of conversion - price transparency seems a key issue. This will be made possible with a single currency and facilitated by technological advance; it will benefit consumers.
- 5.** Monetary Union will enhance the need for economic policy cooperation in a number of areas. In particular the Monetary Panel of ELEC urges the heads of government at the November 20/21 Employment Summit in Luxembourg to find practical ways to implement the Treaty of Amsterdam's Commitment to create a "skilled, trained and adaptable workforce and to make labour markets responsive to economic change". This is a vital prerequisite for a stable and enduring Monetary Union.
