

Speech by Melinda Döszpolyné Mészáros, President of LIGA (HU)

The top priority of the Hungarian Presidency of the European Union is to improve the competitiveness of the EU and its Member States in the face of current international challenges. It is in our common interest to put the European Union's economy on an upward trajectory, thus with the proposals of the Hungarian employees' side, being involved in a substantive consultation, we also want to support this goal by participating in the decision-making process.

In debates about competitiveness, economic actors too often overlook the importance of improving public services that underpin people's quality of life, such as health, education, infrastructure and social protection, which are vital pillars of a competitive economy. They lay the foundations for ensuring that the economy has an adequately skilled, prepared, sustainable and healthy workforce.

The idea is wrong that deregulation, lowering the level of protection of workers' and trade union rights, would contribute to improving competitiveness. Improving competitiveness is based on a legal framework that ensures better working conditions, strong trade union rights, effective social dialogue and dynamic wage increases. The main incentive to increase

consumption is a dynamic increase in workers' wages. Hungary joined the European Union 20 years ago this year with the promise of wage convergence at the European level. It is time to catch up with Hungarian wages with bigger, more dynamic steps!

A precondition for this is to widen the scope for social dialogue in both the private and public sectors, with a view to a method of a prior and effective consultation with the parties concerned. A forward-looking development in Hungary is that the Permanent Consultative Forum of the Private sector and the Government will be given a wider legal mandate to continue to operate on a broad basis, which could create a framework for discussing economic development measures in a tripartite manner.

The creation of quality jobs must be part of the competitiveness turnaround, which can be supported by increasing the number and share of workers covered by collective agreements. The directive on adequate minimum wages, which also foresees a dynamic increase in the coverage of collective agreements, could be a breakthrough for the Central and Eastern European region, thus creating a framework for achieving our competitiveness objectives. The coordinated work of the social partners is essential, as is the commitment of the government. Hungary and the social partners must be provided with adequate EU resources to carry out this crucial task.

Thank you very much for your kind attention and I wish that, on the principle of putting quality at the heart of work and the broader involvement of employees, we can move forward together on the path to achieving our competitiveness goals.