



**Speech by Mrs Marianne Thyssen
European Commissioner for Employment, Social Affairs, Skills and
Labour Mobility**

[I. Introduction]

General Secretary of ETUC,

Minister Poletti,

Dear President of the Employment Committee of the Chamber of
Representatives,

Distinguished guests,

Ladies and Gentlemen,

I am very pleased to be here with you today. This event and the ETUC mid-term conference comes at an important moment in time :

- for both ETUC's leadership and for this European Commission, it is a time to take stock. Since we have both officially reached our **mid-mandate**;
- and we are, of course, in a crucial phase for the European Union and its Member States. At a time that we have to carve out a **common vision at 27**.

The leaders of 27 Member States and the Presidents of the European institutions met here in Rome, on the 25th of March, for the 60th anniversary of the Treaties of Rome. The "Rome declaration" that they approved has been the start of a **new chapter for Europe**:

- a chapter which recognises the key role of a **social Europe** to respond to people's concerns;
- and a chapter of which **social partners are to be the co-authors**.

If you look at the original Treaty of Rome, you see that the European project has always had a strong social objective. The original Treaties already included fundamental principles such as equal pay for women and men and the right of workers to move freely to another Member State.

But **making Europe more social is increasingly relevant today** :

- we are in the midst of an economic and societal transition;
- globalisation and digitalisation are changing the way we live and work;
- the resulting pressure on our societies and labour markets cannot be denied.

I agree with what the European social partners stated jointly at the occasion of the 60th Rome Treaty anniversary. If we want to overcome populism and anti-Europeanism, **we must address poor economic and social performance and people's fears about the future**.

This means we must :

- **defend our European values** by shaping our future instead of passively undergoing change;
- **invest in people** and ensure that our rules and institutions are responsive to new realities;
- put **sustainability and fairness** at the core of our policies.

This is in line with ETUC's proposals, as presented in its *Platform on the Future of Europe*. Notably your call for sustainable growth, quality job creation and EU standards to be achieved through upward convergence.

In fulfilling the Union's social objectives the Trade Union movement is more than just another "stakeholder":

- social partners have been and still are instrumental in shaping the social dimension of our European Single Market;
- together with the Member States and the Employers' organisations you are at the wheel on **many key features of Europe's** social models (wages/labour legislation/aspects of social protection);
- your representativeness and your democratic structures allow you to collect valuable feedback from workplace floors across Europe.

I welcome your commitment, that you expressed on the occasion of the EU's 60th birthday, to continue contributing to a Europe that delivers for its workers.

[II. Mid-mandate]

Ladies and Gentlemen,

The Commission has reached the midway point of its mandate. **Important initiatives are in the pipeline**, such as the revision of the posting of workers directive and the better protection of the health and safety of workers. The 26th of April the **Commission launched the Pillar of Social Rights and the social reflection paper**.

I will come back to the pillar and the reflection paper later on, but now I want to talk to you about the two key objectives we have been focussing on since the beginning of the mandate :

- firstly to **integrate the social dimension** in the European Union's macro-economic strategy;
- secondly to **guarantee social fairness** on the internal market.

As far as the macro-economic strategy is concerned the EU's virtuous triangle - based on responsible public finances, structural reform and boosting investment - bears fruit and shows that reforms bring results.

The EU's economy overall is now in its 5th year of recovery.

Private investment is picking up. GDP growth in the EU as a whole is expected to remain constant in 2017 and 2018 at 1.9% in both years.

Employment is at the highest level ever.

And unemployment has fallen to an eight year low, down to 8%.

The Commission has introduced a **strong focus on social considerations into the European Semester**. We ask Member States to pay more attention to the social impact of their reforms. This is both a matter of democratic legitimacy and of economic sustainability.

The **Commission itself is also taking social considerations more into account in its policies**, including in its foreign trade policy. The trade agreement with Canada is an example thereof, with its economic policy focussed on investment and job creation.

Our second objective is to guarantee fairness in the internal market.

This includes the **fight against social dumping**, where the Commission takes a very clear stance. Workers should get equal pay for equal work in the same place. This is a question of social justice. And this is why I launched the proposal on the posting of workers. And I welcome ETUC's continuing support for the proposal.

But fairness is also about fighting tax evasion.

(A) Our proposal for a **Common Consolidated Corporate Tax Base** (CCCTB) for example will make it easier and cheaper to do business in the Single Market and will act as a powerful tool against tax avoidance.

(B) And if the Commission forcefully acts against **illegal tax benefits** granted by Member States to multi-nationals, than we do so because we do not longer accept effective corporate tax rates on European profits of 0.005% in Ireland, as was the case for Apple.

[III. Pillar]

Ladies and gentlemen,

Let me come back now to the "**European Pillar of Social Rights**", that the Commission approved last month. It places the focus on how to tackle new developments in the world of work and society at large, so as to deliver on the promise of the EU Treaties of a highly competitive social market economy, aiming at full employment and social progress.

The **20 principles and rights** enshrined in the pillar are structured around three categories :

- (1) equal opportunities for all and access to the labour market;
- (2) fair working conditions;
- (3) social protection and inclusion.

They range from the right to a minimum wage to the right to health care. From the principles of work-life balance to the development of skills and lifelong learning.

We **reaffirm rights that are already present** in the EU. But we also **complement them** to take account of new realities of the 21st century. Where needed, existing EU law will be updated, complemented and better enforced.

The Pillar is conceived as a **reference framework** to screen the employment and social performance of Member States, to drive reforms at national level and, more specifically, to serve as a compass for the renewed process of convergence towards better working and living conditions in Europe. Primarily for the euro area but also for all EU Member States wishing to be part of it.

Delivering on the Pillar is a joint responsibility of Member States, EU institutions and social partners. The EU leads the way forward for the coordination and implementation of the Pillar, in full respect of Member States' competences and social dialogue traditions.

In addition to proposing the European Pillar of Social Rights, the Commission also put forward a number of legislative and non-legislative initiatives related to work-life balance, the information of workers, access to social protection and working time.

I very much welcome ETUC's supportive reaction to our proposal on **Work/Life Balance**. Balancing work and family life is a daily challenge for women and men all over Europe. Therefore this proposal sets a number of new or higher minimum standards for parental, paternity and carer's leave in the Member States.

It will give more flexibility and better protection to mothers, fathers and carers, whether they wish to take time off caring for their children, benefit from flexible working arrangements or wish to go back to work.

Increasing women's participation on the labour market in particular is important. The economic loss due to the gender employment gap in the EU alone is estimated to be around €370 billion per year.

I also welcome ETUC's affirmation that you "*will take part constructively in the consultation on the revision of the Written Statement Directive and access to social protection for all.*"

Our evaluation of the **Written Statement Directive** shows scope to update and strengthen its effectiveness. We can greatly improve arrangements for employers and workers – not least those in a more precarious situation. We also want to open a debate on minimum safeguards for every worker.

We also want to improve standards for **social protection**.

We see currently in Europe a rise in non-standard employment.

People working in such non-standard forms employment are not always properly covered by social protection systems.

The objective is to ensure that everyone who works, including the self-employed and gig-economy workers, can build up rights and have access to social protection coverage and employment services on the basis of financial contributions.

[IV. White Paper]

Ladies and Gentlemen,

We must look to the future, not only with hope, but with confidence and resolve. We have faced, and will continue to confront crises and challenges. BREXIT is one such challenge.

In essence, **we are rebuilding our ship at sea and we must set our sights on our destination, at 27.**

The Commission's **White Paper on the Future of Europe** has begun this reflection on that destination and on what future we want for ourselves, our children and for Europe. The range of possibilities varies from the status quo to a change of scope and priorities, to a partial or collective leap forward.

The Commission contributes to the debate with a **series of five reflection papers**. In the *social domain* a reflection paper was launched end of April, offering ideas and options, for the *social dimension of Europe by 2025*.

But the social dimension is also very present in some of the other reflection papers, like the one on *harnessing globalisation* and the one the Commission will launch 31st of May on the *economic and monetary Union* (EMU).

The EMU paper will indicate why there is a need for and what is the value added of further deepening of our EMU. It will provide a frank and open assessment of the rationale and the benefits of the euro, of the lessons learned from the crisis and the challenges it faces.

[V. Conclusion]

Ladies and gentlemen,

All of us here acknowledge the **need to manage the process of change** in our economies and society. And in our respective roles, we need deliberate and determined action.

We must **not remain passive in the face of change which can jeopardise our basic social values**. There is today an economic and social urgency. The trust of our citizens depends strongly on the sense of social fairness and equal opportunities.

It is up to us to bridge our differences and go forward together.

This is what we owe to our citizens.

This is what is needed for our economies to prosper in a changing world.

I count on your continued constructive involvement.

And I wish you a very successful mid-term conference.

Thank you.