



TOGETHER FOR A FAIR DEAL FOR WORKERS

Tripartite Social Summit – 19 March 2025

Intervention of Esther Lynch, ETUC General Secretary

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[Check against delivery]

President von der Leyen, President Costa, Minister Szlapka, Vice-President, Ministers, colleagues,

Against a backdrop of increasing redundancies and adverse geopolitical and geo-economic developments, the most important decision the EU Council meeting can take is to agree to activate the general escape clause to allow member states to invest to achieving Europe's social, environmental, and digital objectives and to agree to put in place a Sure 2.0 facility to protect quality jobs in every sector and every region, thereby addressing the €800 billion investment gap highlighted by the Draghi report.

Investment for a European industrial policy for every sector and every region should be the number one priority because Europe's security depends on creating conditions for competitiveness based on good wages, quality jobs and a skilled workforce.

It will be counter-productive to shift investment resources away from economic and social objectives in the name of security, also because economic security and social resilience and cohesion and necessary pillars for European competitiveness.

Europe's overall competitiveness will be undermined by poor-quality jobs, low wages and bad conditions, these exacerbate labour shortages, lower productivity, depress internal demand and undermine the internal social and economic cohesion within Europe.

A lack of investment is central to Europe's competitiveness problems.



Short-term approaches that prioritised shareholder payouts over investment at company level and austerity approaches that prioritised cuts over public infrastructure investment at member state and European level have led to awful consequences for European competitiveness, from gaps in the energy grid to the lack of housing, to closures and redundancies.

A deregulated low rights, low pay economy will not address Europe's competitiveness challenges and will create more problems than it solves. A 'low road' approach based on competition on price instead of innovation, and characterised by low investment in physical and human capital will be detrimental in the long run.

The emphasis on the deregulation agenda risks taking focus from the more deep-seated problems in the EU economy, the ones we need to address in concrete terms to deliver a programme for competitiveness.

In every crisis there is a decisive moment when we stare down the challenges, chart our path and take action. There is no chance for Europe to be competitive without resources for investment.

Making that argument requires EU leadership from policy makers and social partners.

The times have changed, we can't afford the fiscal rules putting us in the slow lane, the general escape clause should be activated to allow investment for an industrial policy for every sector and every region, to support companies to upgrade their strategies, to invest in new technology and in training and upskilling, to guarantee every worker the long promised just transition, to develop public infrastructure for energy, water, housing, transport, health, care and training.

Workers and their trade unions must be involved, workers' interests must be taken into account in the development of policies that affect their jobs and livelihoods. This cannot be left as an afterthought and workers cannot be told "yes, but only later," yet again.



The measures for workers included in the Clean Industrial Deal must be brought forward as a matter of urgency to deal with the insecurity and challenges working people are experiencing, and not left on the back-burner as they currently are.

The ETUC estimates that 500 jobs are being wiped out across the EU every day.

The ETUC calls for a Just Transition Directive and a SURE 2.0 mechanism to be urgently delivered to ensure that the EU protects quality jobs and economic capacity.

And there can be no blank cheques to our investments. We need to get more for our money and that's why social conditionalities will be needed to ensure public money is used to create quality jobs, covered by a collective agreement. The outcome of the investments must not be just higher profits being used for CEO bonuses or share buybacks.

Investments should boost local demand and wages help make Europe's economic model less dependent on exports – without endangering the single market.

According to Mario Draghi, national interventions on defence at the expense of social and health spending would be "the negation" of the European identity that we want to protect by defending ourselves from the threat of autocracy.

At the Council meeting and in the next weeks, the EU can and must choose to do whatever it can to protect and support sustainable economic growth and to maintain social cohesion, importantly by adopting measures for investment for competitiveness built on quality jobs, public infrastructure and quality public services.

The European approach, solidarity between people and among member states, our European social model, investing for high road competitiveness built on productivity and delivering quality jobs and higher living standards, so that everybody can succeed this must be reflected in the Council choices. This how we can turn this crisis into an opportunity.