

Jożef Niemiec: The ETUC's perspective

I will try to build a bridge between 2 sessions. I was struck by the different perspectives regarding the discussion topics: competitive industry. If I compare with what we have to do, the main challenges in Europe, we are far from the debate on immaterial values. We focus mainly on short term challenges and problems, linked with the kind of governance on a European level. This shows one of the pillars of the companies in Europe: short-term because of the challenge of job creation. We hear figures of 6 million jobs if the industrialised strategy works well. But 10 million jobs were destroyed and up to now we are not even at 2 million jobs created. This shows the difference compared to growth in the USA. Most jobs created are precarious. This shows that even if we see some signals of change we are still far from the objectives.

This creates an environment where we believe that we are looking forward and integrating activities and governance processes with the challenges of green transition and digital economy. But on our daily deals we make with European institutions, the competitiveness of European economy is mainly based on labour. That's the main narrative. It largely focuses on this. Competitiveness depends on sectors but the main focus remains on labour, although in an imbalanced way. It's only one dominant way so how do we diminish this? This can cut potential of the Euro zone in terms of capacity of growth. We discuss this with employers and the European Commission. It doesn't take this objective into account even though it is part of the 2020 strategy – it is a narrow vision. This might not be as the USA but still. In the past 12 years the gap between the increase in productivity and wages in Poland has been 10%, in 15 years it shows 40% of difference. Unfortunately our partners stick to this. The competitiveness issue is much more complex. The debate on how to reduce the use of raw materials is still concentrated on labour.

Another challenge we face with multinationals: not playing a significant role in job creations, more job creations in SMEs. Our problem if we want to be involved is our weak representativeness. In all countries, we could play this role effectively. We still have problems on how to tackle this. Where are the positive aspects?

There are 2 different debates this morning: one on the transition to a sustainable economy. We have generally a good strategy at European level and in the Member States. We are active players in the transition (investment and job creation, information participation, social dialogue, skills) and we have a more general system of redistribution, especially with our social security. Even during the crisis one of the sectors in Europe was the green economy. We also see potential to develop it further. Trade unions could be more active. Sometimes we focus too much on general trends. The involvement of the European Union in the energy sector: we will discuss at the Commission how we will be involved. It is a process we should start with colleagues involved to discuss how it could be organized so invest in skills to finance it. We will see how far we can go. Until now we noticed priority on energy prices, not on other aspects. If we want to reach our target to lower the impact of CO2 the price is a signal of the behaviour of companies.

Regarding the digital economy, I share what Rainer said on the need to be involved in the process. This is even more challenging as the process is generating a lot of jobs but it is difficult to organize and represent them. We see this as a major challenge and we want to develop reflection with our trade unions and see how we could change the situation. We can also learn from other colleagues how to build our capacity. We can see that the EU is disappointed: it presented a digital agenda, a typical approach of short-time competitiveness, the abolition of barriers and the need for investments, to see the future. It is focused on problems of obstacles, an internal market approach that is unsuccessful in keeping the European industrial sector. Maybe a positive aspect is the debate on skills, investments and competences in this area. The main concern for us is that companies invest less in this area. This is even more stricken about public investments. Half of European governments cut spending on education. It's a matter of concern especially if we try to look forward. The recent report of the OECD shows relations between inequality, low income background and children who don't have the possibility of attending the university. The correlation is quite strong.

To conclude, I would refer to 2 aspects: something we find in the proposals; the need of investment also mentioned this morning. The investment plan proposed by Juncker will not reach the objective of 6 million new jobs. It could be even worse because this plan does not foresee this objective. Return on capital is the main driver. From this point of view if we compare



this plan to what we identified as necessary, this plan is just one third of what Europe needs. There is no political support for our demand. We are convinced that Europe has a capacity to do this because there is a lot of wealth that is not used for investment. Our plan, built on the Marshall plan proposed by the DGB, shows the possible creation, in Europe, of 7 to 11 million jobs, but only if we invest in this objective of sustainable development and investment into human capital. This is the European background, we have to try and push in this direction, because if we want to secure the future, we need to go this way.

I will finish with an example showing that it is also a matter of culture. I started my job in a company in the telecommunications sector and saw a different approach to public systems. Europe, especially France, took the way to develop new technologies without people, electronic systems, high productivity. In the USA, the system was still in place with operators. If you create an ecosystem you can make choices. Some are possible, others are not, but it is important to decide. We can take part in this debate.