

## **TRIPARTITE SOCIAL SUMMIT, 22 March 2023**

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*(to be checked against delivery)*

Our struggle with raising energy prices and inflation resembles the 1970s

The answer at that time was more markets and less state.

This time the answers will be different – we will have more state and less markets.

Everyone will not like that, some will argue against this development

But more state and less markets will happen

We should therefore be careful not to embrace outdated notions of competitiveness, based on a deregulatory agenda belonging to history.

The ‘one-in-one-out’ principle or an arbitrary ‘competitiveness test’ are two examples. Remember, energy costs are the single biggest issue for Europe’s industries (and its households), not the regulatory burden.

The number of workers injured by machinery increased when safety checks were reduced – and recently had to be reintroduced. More than 80,000 workers were injured, some fatally, operating machinery in 2019 – up from 75,000 when Eurostat records began in 2014.

Our future competitiveness must be based on workers centred policies, environment protection, rule of law and democracy – and companies that compete with high standards.

The Commission’s communication on the Single Market at 30 puts the EU on course for a race to the bottom. It echoes the tunes of a market music that is outdated.

Jacques Delors’ vision of a Social Europe must be repeated:

*“nobody can fall in love with a common market”* - well, unless there is more to it for workers and citizens than a market.

Europe cannot and should not compete based on having low pay and low standards

Our strength must be increased productivity through investment in skills, quality jobs and technology.

Our American friends shows the way. The Biden administration is seeking to raise pay, working conditions and standards through social conditions. That is what we should be doing as well.

One of the greatest barriers to market integration is not whether the regulatory environment is simple and nimble enough, but the continued existence of profound divergence.

This applies within our single market, where huge differences remain between East and West, North and South.

But also internationally, where the absence of a level playing field means that European companies are undercut by rogue players.

We need an international level playing field, we call for a rethink of trade rules that were written before governments committed to take action on climate change.

Concretely, the ETUC supports calls for a Climate Peace Clause to protect climate policies around the world from trade disputes.

We want similar protection for countries abilities to regulate their labour market without being challenged by multinationals.

A trade policy that one-sidedly empowers multinationals is an idea of the past.

Energy and raw material supplies for Europe's industry must be sustainable and fair towards resource-rich countries and should aim at improving their development prospects, including rising labour standards.

Our trade policies must be workers centred - like the American!

Trade policies must contribute to changed realities for workers – and companies, but also for climate and social conditions.

The age of naivety is behind us.

Free trade agreements with illiberal democracies must have strong conditionalities.

Strengthening our clubbing with like-minded partners – like US within the TTC – is a way forward.

Clubbing is also the way to uphold social and environmental sustainability. For the future. We shall not fear excluding countries with poor records on ratification of ILO conventions.

Our trade policy is probably our strongest weapon – we should not hesitate to use it to transform the world to a greener and more social place.