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Europe
at a crossroads

Which way to
quality jobs
and prosperity?

Conference Report



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Europe at a crossroads

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Conference report

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Choosing a different path

Europe in 2014 is at a crossroads. The overwhelming consensus at September's ETUI-ETUC Conference in Brussels was that if decision-makers fail to take the right policy direction, focusing on people, jobs and growth and avoiding the errors of the past five years, the European Union itself is at risk. There was a palpable fear throughout the gathering that if Europe cannot deliver quality jobs and prosperity, it will not be able to restore public trust and faith in the European project.

Bernadette Ségol, Ignacio Fernández Toxo,
Gilbert Houngbo, László Andor



Social justice, for Europe's sake

In her welcome speech, ETUC General Secretary **Bernadette Ségol** set the agenda for the conference: to discuss the best way to regain our prosperity and to obtain quality jobs for men and women living in Europe.

“What makes the European Union attractive from both a social and an economic point of view,” she said, “are its public services, political stability, welfare systems and the rule of law. That’s what the world envies us for, and that’s what makes Europe suitable for business and investment.”



"The ETUC will fight to stop the European Union functioning just for business and markets."

Bernadette Ségol

"Europe represents a model of society that has brought the forces of the market under control for collective benefit, but how long will this last?" asked Ségol. She fears a dramatic erosion of post-war settlements and wonders why innocent populations have borne the burden of the crisis, while casino capitalism has not paid for its guilt.

Ségol pointed out that average salaries have decreased in 18 countries. "24% of the European Union's population are in poverty and socially excluded, often children, women or older people. And while they suffer, shareholders are rubbing their hands, receiving €119 billion in dividends from European companies between March and June 2014."

ETUC calls for investment may have been heard in Luxembourg, she said, referring to Jean-Claude Juncker's priorities for the new Commission, "but it seems our calls weren't loud enough to be heard in Berlin."

Meanwhile structural reforms remain the order of the day, undermining the quality of people's working lives, Ségol argued, insisting that if market forces are left a free hand to force decisions, then democracy itself is under threat. She finds it impossible to see the link between current policies and the stipulations in Article 3 of the Treaty (see box). "The world needs the European Union to be the model of a social market economy, not just a free trade zone where competition rules."

The governance of the Union needs to put social justice back in its rightful place, she insisted, "the ETUC will fight to stop the European Union functioning just for business and markets."

Thanking participants, she singled out in particular Commissioner László Andor for his vigorous efforts over the past five years to convince proponents of austerity that another way was possible.

Understand, Propose, Act

Bernadette Ségol described the three objectives of the conference:

Understand: To facilitate open debate among academics, trade unionists and politicians on the major challenges facing us in the fields of employment and labour markets – in all their many facets – at a time when unemployment is still far too high and working conditions in many countries are deteriorating.

Propose: To present alternatives to the mainstream discourse focussed on flexibilisation of labour markets, downplaying of social dialogue and the role of the social partners, and the preference for decentralisation and individualisation on the labour market. We need to make it clear that genuine alternatives do exist.

Act: To formulate proposals for a European social agenda at a time when the health and safety agenda is empty and the social agenda is overshadowed by the economy. Now that a new Parliament and a new Commission are about to take over, it is time to mobilise resources and come up with a new paradigm.

Article 3 of the Treaty on European Union

The Union shall establish an internal market. It shall work for the sustainable development of Europe based on balanced economic growth and price stability, a highly competitive social market economy, aiming at full employment and social progress, and a high level of protection and improvement of the quality of the environment. It shall promote scientific and technological advance.

It shall combat social exclusion and discrimination, and shall promote social justice and protection, equality between women and men, solidarity between generations and protection of the rights of the child.

It shall promote economic, social and territorial cohesion, and solidarity among Member States.

It shall respect its rich cultural and linguistic diversity, and shall ensure that Europe's cultural heritage is safeguarded and enhanced.

Growth for jobs or jobs for growth?

The inaugural plenary aimed to answer the question: Growth for jobs or jobs for growth? ETUC President **Ignacio Fernández Toxo** echoed Ms Ségol's emphasis, saying that despite some pointing to indications the crisis is over, the basic problems are still there and workers are paying the price.



Ignacio Fernández Toxo

“25 million unemployed should be a priority for everybody,” he said, insisting that austerity and structural reforms were not the only policy and, if other voices were listened to, that another path could be found: “Is it inevitable that Europe loses its identity?”

Working together, we can win this battle

The ILO was established in 1919 as part of the Treaty of Versailles ending WWI, its Deputy Director-General, **Gilbert Hounbo** reminded the audience: “We neglect our history at our own peril.”



“Growth for jobs and jobs for growth.”

Gilbert Hounbo

Europe's response to the crisis has left many people wondering what happened to the social dimension of the project. The European trade union movement has always emphasised that this aspect is vitally important if political unity is to be maintained, Hounbo asserted: “This lack of balance is a serious concern for Europe's global partners.”

The ILO sees Europe as having to choose whether to carry on down the road where social priorities are subsumed to financial rectitude or to seek a new, stronger balance between more and better jobs and fiscal and monetary policies. Only if ECB measures are accompanied by employment and investment initiatives in a job-centred recovery plan alongside equitable reform policies can Europe hope to reduce inequality and provide the decent, productive employment necessary to meet the welfare challenge of increased longevity.

Affirming that for the ILO, the answer to the question is “Growth for jobs *and* jobs for growth,” Houngho described the three strategies adopted at the 2013 ILO regional meeting in Oslo:

- To restore demand and effective social protection
- To encourage the private sector to invest
- To avoid weakening collective bargaining.

Finally Houngho noted that the interconnections in the global economy highlighted by the crisis are even more relevant in the context of the Eurozone. He concluded by calling for more cooperation: “Inward-looking policies will only be detrimental to the greater good. It is only by working together that Europe can move from the current crossroads towards a job-rich recovery.”

Releasing growth from the debt prison

For the IMF adviser **Helge Berger**, there is little doubt that “growth for jobs is the short answer. If an economy is growing healthily, employers will hire, wages will rise, there will be confidence and access to credit for investment, and this will create jobs. Putting more people to work does generate growth in a feedback loop, but the growth needed to create jobs remains very hard to come by.”

“The question is how to pay for it.”

Helge Berger



Reviewing the “painful, unacceptable” unemployment figures, Berger noted that since the crisis growth in the Eurozone has been low for an extended period of time, failing to regain 2007 levels as has occurred in the US and

Japan. One reason: the decline in household debt that reduces consumption as people pay it off.

The IMF supports current and further measures by the ECB and recommends that automatic stabilisers should be used to the limit of flexibility allowed by the European fiscal framework.

Private investment has decreased rapidly due to high capital costs: this could be eased by the ECB assessment of banks, enabling them to accelerate delivery of credit. Also positive, he went on: the ECB's ABS (asset-backed securities) initiative, which will help the growth of capital markets.

However, he said, there are both short-term and long-term needs for public investment. The question is how to pay for it. Improving the ability of the European Union to fund infrastructure investment, notably in the form of public-private partnerships is fortunately included in the new Commission President's proposals.

Looking specifically at youth unemployment, research shows that high entry-level wages can be a factor preventing young people from learning on the job. Figures indicate that countries enjoy the most success where micro-flexibility is introduced through cooperation between social partners. Also, macro-flexibility may be necessary, ideally through dynamic productivity growth, but if not possible, via wage adjustment. Further IMF studies indicate substantive room for growth through structural reform, possibly achieving 3.5% by 2019 if all best practices followed.

Berger concluded with 3 recommendations:

- Continue easing of monetary policy
- Minimise the cost of the debt overhang
- Improve performance of products, services and labour markets.

Europe has no right to sacrifice its youth

Claude Rolin, now a Belgian MEP for the CdH sitting with the European People's Party recalled his trade union days before remarking on the results of the European elections: "We must reconcile the growing number of European citizens who no longer believe in the European project by giving Europe back its social aspect."

"Europe does not have the right to sacrifice its greatest asset, its youth, on the altar of unemployment."

Claude Rolin



Juncker, he said, was right in saying that this was Europe's last chance. To combat both euroscepticism and the weakening of the economic outlook, we have to offer citizens access to quality jobs.

"Europe does not have the right to sacrifice its greatest asset, its youth, on the altar of unemployment. This must be the topmost priority," he insisted, with effective national measures following the European youth guarantee.

Investments in education, he went on, are essential for long-term growth which depends on having well educated people capable of adapting to innovation, while combatting failure in schools is crucial for keeping people out of poverty.

This has to go hand in hand, he explained, with greater investment in research and development to meet the challenges of employment in the future.

In addition, Rolin is convinced, the possibilities offered by job training need to be explored by leveraging the capacity of the social partners to build solutions as they did in the past.

Politicians, he concluded, need to offer a vision of a better future, but modestly, relying on the experience of the social partners.

We must find new avenues out of the maze

László Andor, European Commissioner for Employment, Social Affairs and Inclusion, was next to take the stand. He returned Bernadette Ségol's compliment in his specific thanks to her as he called his work with the social partners "a pleasure, a privilege and a huge responsibility."



"We are now in a blind alley of deflation."

László Andor

Though recognising that the conference was taking place at a very important time, Andor mused that "we have been at a crossroads so many times, you end up feeling you are in a maze, where you think you keep arriving at the same crossroads. You start to wonder if the compass is not working, when it's not obvious to everyone that growth requires investment, and that for a market to grow requires demand as well as supply."

He has a sense of *déjà vu*, he said, recalling how the fact that an exit from the crisis was being called prematurely in 2010 may well have led to the second recession in 2011, the dead-end of internal devaluation. It seems, Andor continued, that "we are now in a blind alley of deflation," and he fears it is not being taken sufficiently seriously: "There has been a lot of talk, but very little action and very little public reflection about the enormous risks to the European economy and society."

A further instance of *déjà vu* concerns the current discussion of investment without specifying where the resources are coming from, which reminds Andor of the 2012 package, which also overestimated its potential and underestimated the magnitude of countercyclical measures necessary to escape a recession.

Reconstruction has to take place not just in the economy, Andor went on, but in the underlying European business model. The Commission has made efforts to redesign it with more regulation for banking, the Digital Agenda to increase capacity to adapt to technological change and the Circular Economy package to improve sustainability. However, these have not yet resulted in a recovery, largely because insufficient resources have been channelled to the real economy.

Secondly, we need to repair damage to the social model, damage so severe that it constitutes a social emergency in the so-called programme countries. Andor alluded to clashes between those who seek repatriation to the national level,

and those want Europe to do more in strengthening the social dimension of the single market, the budget and monetary union. He cited the employment and social investment packages as ways to help national systems adopt best practices and make better use of EU financial instruments, but also insisted on the importance of rebuilding the social dialogue in countries where it has been undermined.

The third and most important candidate for reconstruction according to Andor is monetary union. Muddling through with purely national efforts, he asserted, will not allow Europe to emerge from the quagmire. The Commission's blueprint included the automatic stabilisers necessary to overcome extreme divergences and polarisation. EMU cannot be irreversible if there are mechanisms that actually prohibit convergence in employment and social conditions: it needs mechanisms that facilitate convergence.

Concluding, Andor pointed out that the incoming Commission will need to come to a decision about the next five years of the Europe 2020 Strategy. "Not for the first time," he said, "we can see a gap between what we are achieving and the targets. The existing packages are probably insufficient. It is important we move towards balanced growth opportunities and rebuild not only the European economy and society, but also public trust in the EU."

Europe needs to regain momentum

Pierre Moscovici said he hoped it was a good sign that his first public appearance since being designated Commissioner for Economic and Financial Affairs, Taxation and Customs was at this conference. It was indeed a crossroads, he said, with the European election results demonstrating a demand for a Europe of results.

"There can be no growth without paying off debts, but no debts can be paid without growth."

Pierre Moscovici



Recalling the vicious circle of debt that threatened the integrity of the euro zone, Moscovici emphasised how the firm but subtle approach of Mario Draghi coupled with the political will of Member States had allowed the euro to survive and assured its future.

However, stability is not enough, Moscovici insisted, “The crisis of the euro is over, not the crisis of the euro zone.” He quoted Jean-Claude Juncker’s evocation of the unemployed as being sufficiently numerous to be the 29th Member State: “They need to be reintegrated as there are only 28 members of the Union.”

Meanwhile, public and private debt weighs heavily on the economy, so “there can be no growth without paying off debts, but at the same time, no debts can be paid without growth. We need to find a balance.”

We need to be aware, he went on, that a long period of low growth and low inflation, as can be seen from the Japanese example, would undercut our efforts to bring down deficits while the resulting tensions could thoroughly undermine support for Europe.

“Business as usual is no longer possible,” he said, “we need to add dynamism to stability. That is the challenge.” Moscovici called for better cooperation between institutions and within the new Commission so the EU can advance as a team.

In his new role, Moscovici sees his first priority as not to question the rules, but guarantee confidence through respect for them. This, however, is “a necessary but not sufficient condition to bring back growth. We need to act on both supply and demand.”

Moscovici foresees reforms in capital, goods, services and labour markets to complete the single market that underpins European competitiveness in the world. However, describing himself as being both a reformist and a progressive, he insisted these reforms must not be carried out against the interests of people: “the quality of social dialogue is crucial: it is not a cost, but an economic strength.”

Also crucial, Moscovici said, was making good use of Europe’s remaining resources through proper targeting on energy, education, research and innovation, telecoms and the digital economy. “We can’t wait two years for the effects to become visible, so we have to act quickly,” he insisted, “People are waiting for results. We need to find the correct combination: private funding when possible, public when necessary; national financing when possible, European when necessary.”

“Social considerations need to be at the heart of European actions,” Moscovici concluded, “We need to breathe new life into the project, so people can perceive Europe not as pressure, but as a source of hope.”

High time for Europe to fight for fairness

The final speaker of the evening, European Parliament President **Martin Schulz**, said he entirely shared the view of Pierre Moscovici: “Without growth, we will not have stability in the European Union. Without employment, Europe will fail.”

“Without employment, Europe will fail.”

Martin Schulz



However, he said he would like to reflect on the threat posed by rising inequality. Schulz sees inequality today as it was seen in the past, as a moral dilemma: “Achieving social justice is one of the most fundamental goals of politics.” But, he went on, many, even the World Economic Forum, now consider rising inequality is causing tremendous economic problems, echoing the European Parliament position “that decent jobs and wages are important not only for social cohesion and fairness – but for maintaining a strong economy.”

“Of course, we need to return to sustainable budgets. We cannot live at the cost of our children,” declared Schulz, “But not living at the cost of our children also includes not making short-sighted cuts in areas where long term negative effects will result – in education, research and development, health care. In these areas we need more not less investments. This is about investing in social inclusion and economic prosperity. This is about building bridges to the future.”

Schulz went on to highlight three issues:

- Youth unemployment: “I am convinced that it is better to pay for putting young people back in jobs than paying for them to stay at home.”
- Income inequality: “Say a CEO earns 100 times more than the company’s average worker. But will the CEO buy 100 times more meals, and have 100 times more hair-cuts and buy 100 times more cars?”
- Tax avoidance: “How do you explain to normal citizens that European countries are engaging in tax dumping to lure companies towards them instead of standing side by side and making all companies pay their fair share in taxes?”

Finally, Schulz turned to responsibility for social policy. Despite being primarily that of national governments, he considers the European Union should play a more important role: “We are so interdependent. What happens in one country affects another.”

“It is high time,” he concluded, “for the EU to fight against inequality: it is not only damaging our economy, it is undermining our democracy.”

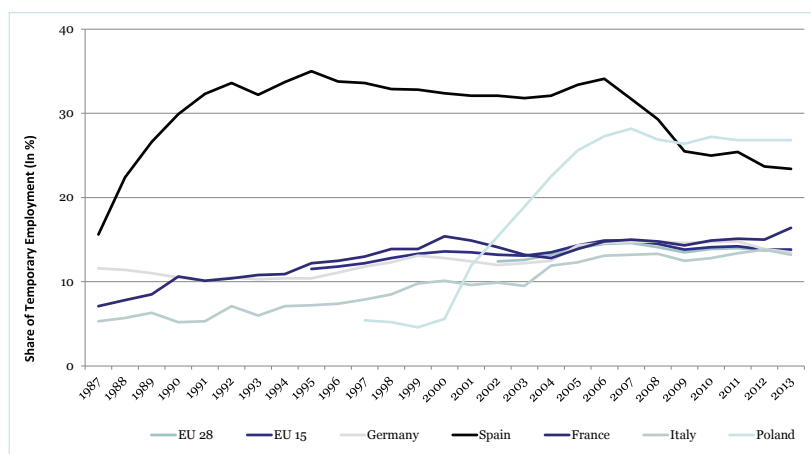
Quality of today is growth of tomorrow

Almost all outsiders now?

“(Almost) all outsiders now” was the title of the presentation given by the LSE’s **Richard Hyman**. He highlighted how with the advance of neoliberal globalisation and competitive corporatism the atypical has become typical. Temporary employment has been on the rise across the EU, as indicated in the graph prepared by fellow Panel 1 speaker **Sandrine Cazes** from the OECD.



Temporary employment has been growing in EU countries



Only Spain has seen a fall, as many temporary jobs were lost in the crisis. However, as discussant **Ramón Baeza** noted, 90% of new contracts there are fixed-term.

Such jobs are disproportionately held by young people, a stepping stone to a career for the few, but for most a trap in unfavourable conditions with a lack of protection, lower wages, less training, limited access to social security and exclusion from pensions.

Another over-represented group in precarious jobs is of course migrants; they are also most likely to take up 'bogus' self-employment and suffer other forms of exploitation.

Marginal part-time work, fixed-term contracts, temporary agency work, self-employment and freelance are more common in the service sector, which has proved more responsive to deregulation according to IZA's **Werner Eichhorst**.

Meanwhile, on Panel 2, **Greet Vermeylen** from Eurofound highlighted that as organisations have become more flexible, ageing workers have increasingly found themselves trapped like their younger counterparts in precarious employment situations. Indeed fellow Panel 2 contributor **Gérard Valenduc** pointed out that considerably more people over 50 work part-time than in the 25-49 bracket.

Are bad jobs the price to pay for more jobs?

Ironically, given the trend towards raising the retirement age, the audience for Panel 2 also heard how continuing to work may not be possible without better working conditions. However, even though useful, the main priority is not to adapt conditions to the special needs of ageing workers, but to improve working conditions from the start of a working life in order to avoid negative cumulative effects.

And, as Panel 3 stressed, working conditions are being eroded through the possibly deliberate undermining of the social dialogue. According to ETUC's **Patrick Itschert**, the Commission, despite its Treaty obligations to promote and support social dialogue has been an accessory to its dilution. **Andrée Debrulle**, from CSC/AVC, added that employers are guilty of double-speak in claiming that they want more social dialogue and autonomy, but only come to the negotiation table to avoid other initiatives while being fully aware that outcomes cannot be properly implemented.

However the position the unions should take regarding the asymmetry of treatment of insiders and outsiders is not entirely straightforward. **Werner Eichhorst** warned that regulatory policies such as strict employment protection and higher minimum wages cannot guarantee good jobs alone. Indeed heavy regulation may imply fewer jobs, in particular for the most vulnerable groups, and generate new forms of unprotected work to circumvent regulatory costs. Similarly, **Sandrine Cazes** worries that a Single Employment Contract might introduce excessive rigidity in hiring decisions.

Nevertheless, the consensus on Panel 1 was that the long-term costs of bad jobs outweigh the short-term advantage of more jobs. Therefore more convergence between contracts should be sought, with more equal levels of protection, notably in terms of termination costs, and underpinned by a comprehensive "flexicure" approach.

Panel 4 on intra-EU labour mobility reached a similar conclusion in relation to the application of a minimum wage at European level, balancing pros of wage increases and cons of not necessarily being a solution to wage dumping. It felt the existence of a minimum national wage should be decided country by country, but the principle of hosting countries applied to avoid the exploitation of migrant workers.

Given the evidence that welfare tourism is a myth, and that migrants contribute more in tax than they take in benefits, their positive economic impact needs to be highlighted so politicians can be convinced to support active labour market policies promoting inclusion equal treatment for all workers and to pay less attention to negative public opinion.

Trade unions also have a wider responsibility, from **Maria Helena André's** global point of view: "The EU is still a model for the world. If the EU dismantles its social model as it has been doing so since the crisis, this will have disastrous effects beyond EU borders: governments and employers outside the EU can easily argue that if Europeans give up their model, they have no reason to give their citizens and workers more social rights and welfare."

"The EU is still a model for the world."

Maria Helena André



General mobilisation

Maria Helena André also suggested that the trade union movement ask itself whether social partners can still regulate the labour market and if so in what capacity? Trade unions should also recognise, she said, a problem of accountability at national level for outcomes of European social dialogue: "We should stop, evaluate, think and move forward."

Along with other speakers she sees a need to use communication to shift perceptions. Instead of seeing trade unions as opposed to reforms, ordinary voters should consider them in favour of reforms to improve social justice, achieve greater equality and quality jobs with better working conditions. As **Richard Hyman** put it, trade union values should be imbued with a "new political force."

By showing more transnational solidarity in European discussions rather than defending particular national interests, and with a strong joint agenda on two or three key issues to achieve influence at EU level, mobilising everyone becomes possible: workers, non-workers, insiders, outsiders, and society at large.

Encompassing solutions require a broader conception of common interest. Panels 1 and 3 highlighted a need for extending recruiting beyond the core workforce of insiders to outsiders and in particular workers in SMEs. Similarly Panel 4 sought fuller representation of migrants in order to negotiate better conditions and coordination in terms of integrated policies to guarantee social inclusion.

While opinion on the transnational right to strike was mixed, there was consensus on the need for the ETUC and its ETUFs to ensure the process of bargaining is respected: a first step would be to call for or organise a “social dialogue summit” in the fringe of the Tripartite Spring summit.

Hidden costs of the invisible hand

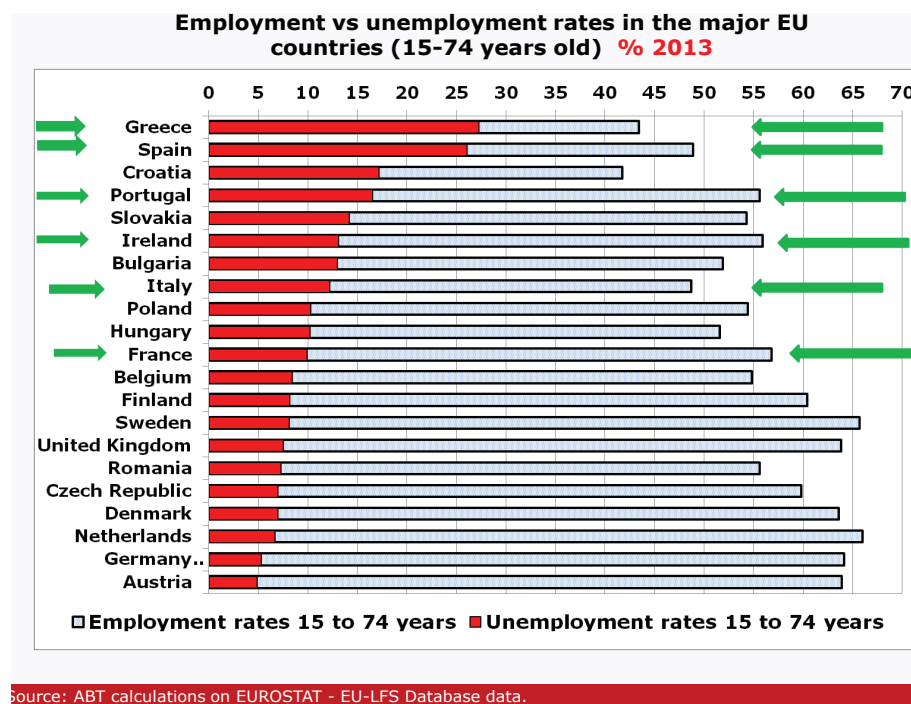
Whether in a mismatch involving skills or geographical location, the labour market is not resulting in finding suitable jobs for Europe’s workforce, while flexibility in the service sector is limiting growth in productivity and poor working conditions are undermining health. The second series of panels addressed these issues that are generating costs that can Europe can ill afford.

Work-related deaths approaching 200,000 annually are unfortunately just the tip of the iceberg in an increasing occupational health crisis: nearly 9% or 20 million people are affected by work-related health problems. Surely losses to the employer, let alone the costs in healthcare and benefits would ensure proper attention to the issue. However the numbers of professionals dealing with it are in dramatic decline, with the preventive role of experts in SMEs tending to zero. And most dangerous hazards like MSDs, chemicals or exposure to psychosocial risks are overlooked because of missing expertise.

The greater flexibility offered by deregulation in the service sector has often been interpreted as an opportunity to lower wages, especially at lower occupational levels where the incidence of part-time employment is also high, undermining incentives for employers to invest in training or other ways of boosting productivity. Low-paying services are also the first victim of austerity and falling demand.

It is often suggested there are too many humanities graduates and too few in health care, science, technologies, engineering and mathematics. But according to KUL’s **Dieter Verhaest**, more studies are needed to fully ascertain vertical and horizontal educational mismatches. Eurispes’ **Marco Ricceri** also suggested that the Commission should prepare guidelines for readjusting education policies so that there would be “fewer people with degrees and no jobs and more carpenters and plumbers.”

However, there is little doubt that there is a huge mismatch in southern Europe between the number of jobs available and the millions of people seeking them. And the resulting unemployment rates are crippling the economies to the point where in Greece, as INEGSEE's **Christos Triantafyllou** warned, it is no longer a case of a social, but a humanitarian crisis.



Italy, where the headline unemployment rate is only half that in Spain, let alone in Greece, has the highest rate of inactivity in Europe. With an employment rate of less than half of those aged 15 to 74, it is easy to imagine how many are on benefits or just discouraged from seeking work, how many are forced to accept part-time contracts, and grasp why nearly 10 million Italians are in objective difficulties. With internal consumption stagnating, the cost to the economy is enormous; the social cost is horrendous. As **Fulvio Fammoni**, from the Associazione Bruno Trentin remarked: "If the recovery comes, we won't have the human resources to take advantage of it."

Rebuilding not reforms

According to Rodolfo Benito, reforms were only aimed at reducing wages, limiting the scope of collective bargaining and weakening fundamental social rights, while austerity policies have fed the trend towards precarious employment and social exclusion.

What Greece had experienced was, according to Christos Triantafyllou, a case of «shock therapy». He enumerated some of the structural reforms and policies implemented to improve competitiveness: cuts in wages (resulting

from 1340 new agreements signed by groups of workers rather than trade unions, alongside a more than 20% – and for young people more than 30% – cut in statutory minimum wages), in benefits, and in pensions, as well as in health care and educational provision; lower employer social contributions; weakening of collective bargaining; severe decline in public sector employment; decentralisation and deregulation of private-sector collective agreements; summary dismissal of workers without compensation or benefits; longer trial periods; replacement of full-time jobs by part-time contracts. All these policies, the speaker commented, are instances of supply-side economics that fail to take account of the important role played by demand.

Italy has had three major reforms of the labour market since 2012, and is already planning a fourth, recounts **Fulvio Fammoni**. But unemployment has risen sharply along with the number of business closures: “Perhaps the strategy should be revised?”

Speakers agreed there was a need to change the narrative, to see welfare as a development factor rather than a cost, labour as added value rather than cost. In the face of the digital revolution and an ageing population it is essential to avoid growth without employment that neglects the potential of Europe’s workforce.

KUL’s **Maarten Goos** proposed that increasing productivity in low-pay sectors could achieve high employment and decent wages without a need for public subsidies, as well as developing workers’ skills. Also, he suggested, labour contracts should offer flexibility to lower costs for employers, but not at the cost of employees by lowering wages.

Gerhard Bosch, from the University of Duisberg-Essen, stressed the importance of inclusive wage systems saying there was no evidence of negative impacts on growth in services in countries with a smaller share of low-wage earners and a broader coverage of collective agreements. He also argued that there was a need for new working time models to raise the employment intensity of economic growth and that the way to drive expansion of services was a transition from mass to quality production.

The unprecedented seven years of this crisis lasted has led to profound behavioral changes in the population. People spend less and save more. Economic growth and convergence does not just require investment to stimulate demand: we need to stop reducing the purchasing power of workers and households.

Bringing competition back under control

Marco Ricceri recalled the King of Holland opining that “the welfare state is dead” and wondered “Are we still in a social market economy?”

UNI-Europa’s **Oliver Röthig** cautioned that employers are doing regime shopping across borders and therefore the policy challenge is to ensure that

working conditions, job quality and social standards are fair for everyone and across the whole EU.

AIAS's **Wiemer Salverda** pointed to the demise of the single-breadwinner model that makes traditional measures targeted at individual workers ineffective for household income re-distribution. Instead, he suggested, Earned Income Tax Credit needs to be introduced as an important re-distribution channel alongside a minimum wage. In addition, EITC should be combined with the Minimum Wage. The policy focus should be on low-paying services, not only because they are the first victim of austerity and falling demand. A focus on households should aim to diminish high part-time rates among low-paying jobs by reducing labour market competition for parttime work from multi-income households in favour of more vulnerable single-earner households.

Fulvio Fammoni called for trade unions to mobilise. "They need to decide what to do within the 3% deficit ceiling." Possible areas of focus include public infrastructure, access to credit, using European Structural Funds differently, co-funding mechanisms such as public-private partnerships and fiscal measures such as the Financial Transactions Tax with any fiscal surplus applied to boost demand. "Trade unions need to be realistically ambitious to increase their strength."

The Panel 7 consensus was on a need for a change of paradigm. **Fammoni** noted the IMF was now calling for more investment: "Why didn't they say that earlier?" **Christos Triantafyllou** called for cancelling the Memorandums of Understanding and making the top priority social rights, human rights and democracy.

Social dialogue of the deaf?

"Governments have shifted from seeking legitimacy among social partners to seeking legitimacy from international financial markets," asserted **Jelle Visser** from the Amsterdam Institute for Advanced Labour Studies. "This leaves no time for sitting down and discussing," he continued.

Jacques Freyssinet from the CEE sees an increasing divergence of interests and ideas: the 'shared understanding' between the bargaining partners and the government has been missing during the recent downturn as employers supported the austerity agenda pursued by the governments, while trade unions contested further cuts and called for an alternative policy course.

Speakers on Panel 11 agreed that the trend has been towards the decentralisation of collective bargaining and the undermining or elimination of collective bargaining mechanisms in some parts of Europe. Neo-liberal ideology, said the ETUI's **Torsten Müller**, sees wages as a cost factor to be minimised and internal devaluation and wage flexibility as the only way out of the crisis: The

ultimate goal of the “employment-friendly reforms” put forward by DG ECFIN is to reduce the overall wage-setting power of trade unions. This is leading to the proliferation of atypical contracts, downward pressure on wages and conditions especially in countries under the supervision of by the Troika.

Panel 10 speakers also saw the rapid increase in precarious work as a multi-dimensional phenomenon, exacerbating the crisis and causing widespread damage. The impact on health is huge and correlated to multiple diseases, notably cardiovascular problems, mental health and chronic illnesses. Business closures or downsizing do not only affect the workers let go, but also the survivors, through the fear of being the next to lose their jobs, increasing “presenteeism” and intensification of work.

Defending the poor and the planet

The ETUI’s **Martin Myant** argued that Mario Draghi and the ECB’s contention that lower wages increases exports and reduces unemployment is nothing more than a myth.

Panel 11 concluded that an alternative view is needed, based on a policy U-turn from a supply-side export-led growth model to a demand-side wage-led growth model and progressive industrial policy, investment and taxation, potentially manifested via the introduction of a European minimum wage.

Addressing the negative wage dynamic with a progressive wage policy can also combat a range of issues including equality, the gender pay gap, job quality, very low wages, and the undermining of the ability of social partners to set wages.

With the variety of minimum wage regimes any European minimum wage must be a set of ‘standards’, rather than a fixed figure and carefully implemented to avoid people falling outside its scope, notably through wage dumping. For example, in some countries, the benchmark of 60% of the national median wage would still result in very low wages, which is why any European minimum wage policy must also include measures to strengthen national collective bargaining systems.

Beyond better wages, the working conditions of quality jobs as opposed to precarious employment are important for sustaining people’s health and underpinning social cohesion.

Similarly, there are broader and long-term benefits to green jobs. **Lara Skinner** from Cornell University pointed out how investment in the green economy (energy efficiency, renewables, smart grid, transport) is more jobs-rich than the exploitation of fossil fuels as well as helping head the world away from catastrophic rises in temperature. She insisted that the powerful fossil fuel lobby is pushing energy expansion to tar sands, shale gas, polar drilling rather than energy transition to renewables.

CEDEFOP's **Nicholas Sofroniou** underlined how social partners could play a key role in accompanying the major shift in occupations towards green skills, for instance from industrial to wind turbine operator or from plumber to PV installer.

Establishing pacts across Europe

In short, according to **Jelle Visser**, “unions are always part of the problem. How can they once again become part of the solution?” “The decline in membership has not helped, but some employers and employer federations are unhappy as they need unions to help them run companies.”

Indeed, many speakers underlined that an effective collective bargaining policy is key to finding a solution to the crisis.

As the OSE's **David Natali** remarked: “There may be a need to reinvigorate the old method of social pacts: the key challenge is the political and ideological attack against trade unions as part of the process in southern Europe. Instead of just defending themselves, trade unions should counter-attack.”

The feeling in the Panel 10 room was that unions need to revitalise their intervention, focus more on grassroots activism and seek broader alliances to escape the paralysis of social partnership.

The scope of the challenge was underlined by industriAll's **Bart Samyn**: “Ultimately a redistribution of wages from capital to labour is needed to push for an end to precarious and atypical jobs, and to bridge gaps not just between sectors, but between countries.”

Agreed standards for a European minimum wage could form part of that bridge according to **Michel Husson** from IRES, potentially improving the situation of 16% of workers in Europe. However it must account for national differences in the interest of political legitimacy.

Ulrich Eckelmann, made a similar point, explaining the approach of industriAll to green jobs as discussed on Panel 9. Noting how much pressure mining and energy-intensive sectors are under, he asked: “What shall I say to our Polish colleagues?”

“We need millions of new jobs, we need to address climate change, handle natural resources responsibly, but affiliated organisations have different feelings: they care mostly what this means for their sectors and for their current jobs.”

The ETUC's New Path for Europe calling for 2% extra yearly investment for 10 years is gaining support, but how can trade unions generate a broader positive agenda? Even though they did not cause it, they should be involved in devising ways out of the crisis.

Ideas included demonstrating solidarity with the unemployed, forging coalitions with employers who appreciate trade unions as interlocutors and negotiation partners, regaining legitimacy via the expansion of collective bargaining and social pacts at lower levels, in particular at the company level.

There was much scepticism and some pessimism about whether social pacts could still play an important role in Europe, but if an alternative strategy were adopted, moving away from austerity towards deepened integration, panellists agreed it was clear the EU would need the support of social partners – both employers and trade unions – to progress with such an ambitious agenda.

Standing our ground together

Summing up the outcomes from the days panels, “theme weaver” **Jacki Davis** emphasised how all the panels had echoed what the keynote speakers had said about the devastating impact of the crisis and of austerity, not just in terms of huge increase in unemployment and precarious, poor quality jobs, rise in inequalities both within and between EU countries, but also in undermining and even dismantling key mechanisms and instruments essential to combat these trends, protect those who fall victim to them and identify alternatives to the dominant mantra.

Jacki Davis



The European social model has been dramatically eroded, she continued, as the crisis has been used by conservatives and neoliberals to impose changes, especially in southern European countries. Clearly only public and private investment offer a way out of the crisis and far cheaper than the cost of doing nothing in the long term.

Several panels emphasised the importance of rebuilding social dialogue and giving workers a stronger voice – not just at European & national level but also at local level. However perhaps the main conclusion was that trade unions must go beyond aiming to influence legislation to play a key role in presenting, communicating, debunking myths and fighting for an alternative vision on a broader basis, defending the common interests of all vulnerable groups in society.

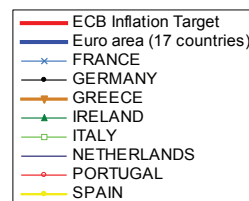
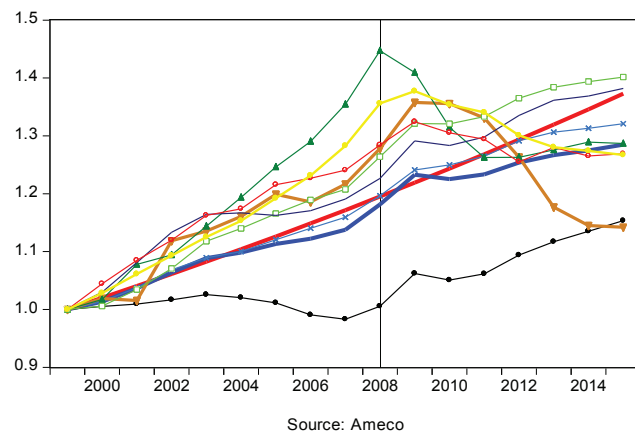
The low road to competitiveness

The euro area functions as an economy like a country, explained the LSE's **Stefan Collignon** at the start of Plenary B, even if not politically. This means that being cost-competitive just takes growth from other regions, generating a rotating slump. Indeed Germany suffered at the outset.



Professor
Stefan
Collignon

ULC Index since 1999

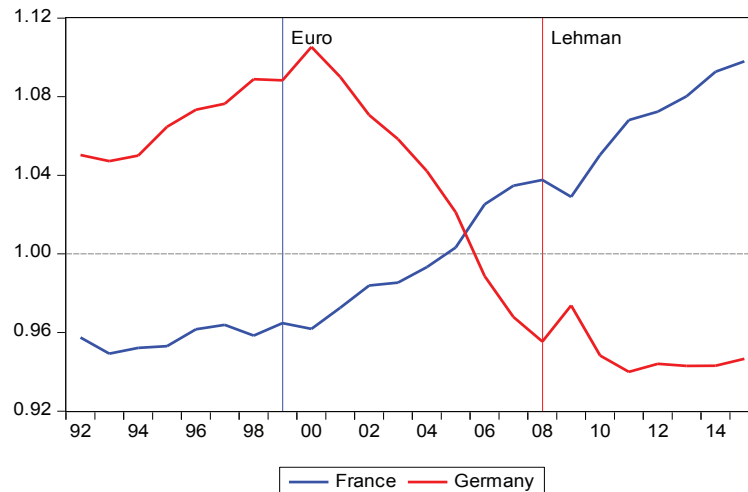


The classic chart of unit labour cost dynamics falsely assumes 1999 was a point of equilibrium. The best measure for competitiveness, he asserted, is the return on capital. Using that benchmark it is clear that Greece was overvalued at the outset, while Ireland was heavily undervalued. France and Italy started out undervalued and are now overvalued, whereas for Germany the reverse is true. And this turns assumptions of relative competitiveness on their head:



Professor
Stefan
Collignon

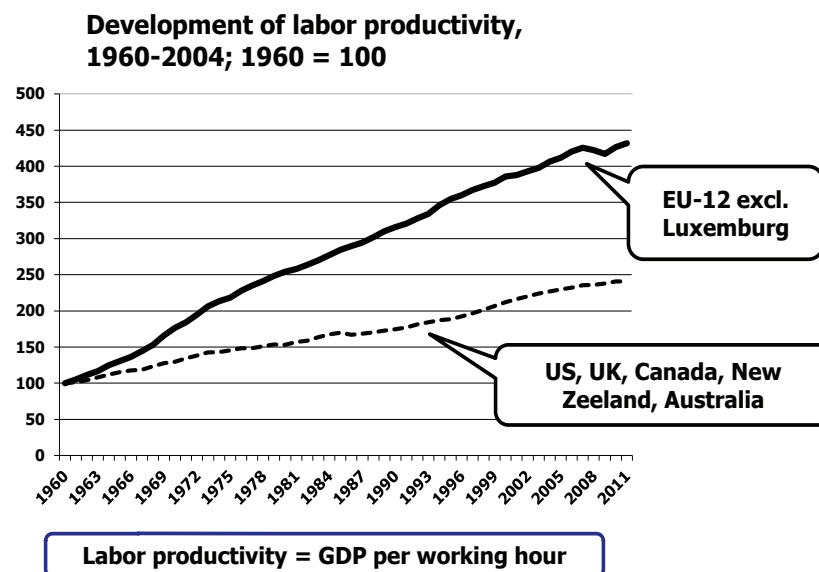
CER Competitiveness Index France and Germany



As services are becoming less competitive everywhere, Germany has only been saved by falling unit labour costs and rising capital productivity in manufacturing and the country's overall performance since 1999 has been relatively poor.

For his part **Alfred Kleinknecht** from TU Delft set out to debunk another myth: that Anglo-Saxon economies are outperforming old Europe, focusing on productivity growth.

Old Europe's superior labor productivity performance



He argued that higher productivity is the reason behind jobless growth in Europe as opposed to job-rich growth in Anglo-Saxon countries, where structural reforms of labour markets lead to lower labour productivity growth. This boosts employment, but only at the cost of sacrificing income in the middle and at the lower end of wage scales, damaging innovation as well as social standards.

The two alternatives facing Europe, he concluded, were a European Social Model, with quality jobs but perhaps shorter working hours in order to create more of them, or a supply-side economy with a diminished welfare state and growing inequality.

Plenary C was dedicated to the issue of inequality. **Raymond Torres** from the ILO shared insights from a project run with the G20. He showed that the market has driven a steep increase in inequality around the world over the past twenty years, though taxes and transfers have kept gaps in disposable income at a much lower level.



Plenary C

This global phenomenon was much more complex, he said, than Piketty's focus on wealth perpetuating itself and goes beyond the top 1%. Key factors are new technology substituting for routine occupations and the fragmentation of the labour market through greater outsourcing of products and processes. This leads to inequality of conditions and instability with the stagnation of formal employment and a rise in the number of people working on their own account.

In addition, the greater mobility of capital gives it increased bargaining power. The rise in dividends resulting from the shift in corporate governance interferes with the functioning of the real economy, while labour market reforms weaken that of already weakened groups leading to higher taxes on labour than on capital.

For her Part, **Bea Cantillon** from the University of Antwerp, examined the fact that even in the good years before the crisis, there had been a marked increase in the number of people at risk of poverty even in Scandinavian and continental countries. She showed that the reason why most developed states did not manage to pull the poor closer to the middle is that market pressure on wages has been greater than any compensatory mechanisms.

Representing the European Commission's DG Employment in Plenary B, **Detlef Eckert** warned against trusting correlations. He insisted, "no one has decided to go with a low-cost strategy," citing the absurdity of trying to compete on wages with China. Instead, he argued, labour needs to be reattributed in the best way possible so as to compete on quality.

Identifying values not costs

In Plenary B, Green MEP **Philippe Lamberts** offered a consumer's guide to competitiveness, contrasting value with cost, which has four elements: labour, energy, raw materials and capital. The EU has adopted a short-term, cost-cutting strategy, sourcing cheap, dirty energy and cutting labour costs, he claimed, while capital returns remain untouched.

Philippe Lamberts and Alfred Kleinknecht



The EU should adopt a value strategy instead: quality jobs can be combined with competitiveness, he concluded, if energy and resource efficiency are improved and profits reinvested. "Crush return on capital to extract value," he insisted, suggesting a limit of 2 to 3% instead of the habitual 11 to 12: "European democracy is no longer sovereign if people are forced to submit to the capital markets."

Martin McKee from the LSE took Plenary C on a journey back to 19th Century England and quoted Benjamin Disraeli, the original "One Nation Conservative": "Two nations; between whom there is no intercourse and no sympathy; who are as ignorant of each other's habits, thoughts, and feelings, as if they were dwellers in different zones, or inhabitants of different planets; who are formed by a different breeding, are fed by a different food, are ordered by different manners, and are not governed by the same laws: the rich and the poor."

He then described how a shift occurred after WWI, but that it was only with WWII that people realised "you could go to bed rich and wake up poor." He recounted how Aneurin Bevan achieved a consensus behind a welfare state in a post-war Britain carrying debts of 300% of GDP while across the Channel, Général de Gaulle overcame objections from corporate interests to health insurance.

Now, however, he argued, neo-liberals are taking advantage of the crisis: they are means-testing benefits, a complex process that saves little, but erodes support for welfare. The apparent attack on the middle classes is accompanied by targeting immigrants and the elderly as “the other” and offering tax cuts: this undermines the capacity for the efficiencies of collective financing to the benefit of corporate party donors.

“We need to understand,” he concluded, “these powers that are seeking to divide and rule. We either sail together or sink alone. The politics of envy may be attractive, but we need to move away from accepting that welfare is just for the poor towards progressive universalism where we pool our resources for the benefit of all.”

Bea Cantillon echoed the call for progressive universalism with careful targeting to offset the increasing inequalities driven by the market by giving more to those lagging behind. Beyond a minimum wage to combat in-work poverty and raise the ceiling of employment traps, she called for the introduction of tax credits where necessary and increases in child benefits. In her view, only through such measures could Europe live up to the ambition of its poverty targets.

Saying no to TINA

GUE/NGL MEP **Gabriele Zimmer** stated that her party was interested in all alternatives to a set of policies that were being used as a way out of the crisis despite having caused it in the first place. She called for the EU to stay true to its values in taking up its role as a global actor, not just in TTIP, but also trade agreements with Africa and the Caribbean: “we will only be able to face the global crisis if the EU takes responsibility for reducing inequalities between regions.”

“We need new alliances and new forms of cooperation between groups to say clearly that it’s not true there is no other way to globalisation,” Zimmer insisted. The European model is in danger through differences between Member States and within them, between the core and the periphery, and between those inside and outside the Eurozone.

She qualified Juncker’s proposal for the Commission as a change of structure, but not of priorities, with no shift in its attitude to social Europe and the majority of the team unwilling to change it: “We need to use these five years to convince people the EU could be a model for the future and win back people’s trust.”

Citing failed European Citizen Initiatives on the one hand and the “strong wing of fascists, nationalists, national conservatives” in the new European Parliament on the other, Zimmer fears that coalitions against many rights may arise, and called to fight strongly for a social and democratic Europe.

Plenary C discussant **Anne Demelenne** (FGTB/ABVV) was pleased to see so much analysis backing up the union's viewpoint. Recalling that unemployment in Europe has risen by 10 million in 6 years, alongside more precarious situations for youth, women, children and handicapped and more in-work poor, she suggested attempts to limit the damage through economic stabilisers such as temporary unemployment had provided no long-term solution, but warped the motor of the economy.

Anne Demelenne



Firm minimum thresholds of social protection are need everywhere in Europe, Demelenne insisted, with public services accessible to the poorest and paid for by fairer taxation of companies with rates harmonised upwards to avoid competition, a financial transaction tax, cracking down on tax avoidance and elimination of tax havens.

Demelenne called for transparency and progressive taxation for all forms of revenue, not just from labour, and for tax breaks for companies to be strictly conditional on investment and jobs, concluding that the only way to avoid encroaching poverty is for the right to negotiate wages and reject wage dumping to be restored to unions.

Workers' dignity dumped?

The final series of panels delved into further detail of the erosion of rights for workers and their status. Panel 13 heard how industrial citizenship that gave dignity to workers has been replaced by market citizenship, exemplified by the country of origin principle in the Posting of Workers Directive. Panel 14 came up with a definition for social dumping as “the practice of undermining or evading the existing social regulations, undertaken by self-interested market participants with the aim of gaining a competitive advantage.”

The freedom of establishment of companies has primacy in its application over the respect of social legislation, warned **Jan Cremers** (AIAS-UvA). The proliferation of outsourcing has led to a situation where “letter box” companies are being set up in countries with lower standards and costs in order to provide services by posting workers in higher cost countries.

Lisa Berntsen and **Nathan Lillie** from the University of Jyväskylä stressed that the European market creates opportunities for firms to find ways to not respect labour regulations and violate standards with small probability of punishment while IRES’s **Volker Telljohan** highlighted the lower levels of the supply chain, where employee interest representation is often weaker, if it exists at all.

Panel 16 asked what is in EU company law for workers? Recent initiatives granted shareholders greater rights weakening the position of management. As a genuine social dialogue presupposes that management has the power to decide, what is it left for workers to negotiate? In addition, **Robbert van het Kaar** stressed that weaker safeguards have allowed the emergence of regime shopping where companies take advantage of regulatory competition.

Panel 15 heard that 80% of new hires now fall into one or other category of precarious workers, and welcomed trade unions moving towards paying them attention in various initiatives, thanks to a growing awareness that employment conditions of precarious workers undermine general standards and weaken collective bargaining positions.

Meanwhile, “zoo keepers earn more than care workers,” who also suffer sub-standard working conditions and a marginalized status, pointed out Stephanie Bernstein from the University of Quebec.

Restoring standards

Increasingly, multinational companies are setting their own standards for labour, argued **Norbert Kluge** from the Hans Böckler Foundation: corporate governance must recognize the need to pursue economic, environmental and social progress at the same time.

Greater workers' participation would help achieve this paradigm shift, provided that the varying employee representation mechanisms which exist, as shown by **Lionel Fulton**, are strengthened and better articulated. **Philippe Morvannou** recalled that "workers' participation in company decision-making is a factor for investments, employment and growth".

Jan Cremers urged that the respect for labour standards and working conditions in host countries be restored and that recognized legal provisions to guarantee effective transnational sanctions, remedy or redress in cases of unlawful practices must complement the promotion of cross-border mobility in the EU.

Panel 16 concluded that trade unions need to be more aware that company law is relevant to the defence of workers' interests, foster their involvement, and encourage contacts with management. They should aim to overcome the reluctance of employer associations at European level to reopen discussions about EU regulation of consultation of workers.

"The time has come for our democratic society to acknowledge that the investment of workers in a firm has at least the same importance and legitimacy as the investment of capital," insisted **Isabelle Ferraras** from the University of Louvain, calling for a new institutional design: the bicameral firm.

Reaching out to the vulnerable

As **Lefteris Kretsos** from the University of Greenwich put it, the history of trade unionism is the fight against precariousness not only in terms of strategic power, but also for moral reasons. He highlighted the how the young, though often less favourable to trade unions, are seeking protection and a voice.

Volker Telljohan stressed the need to organize interest representation and negotiation processes along the value chains, while **Rebecca Gumbrell-McCormick** from the University of London described how trade unions historically have moved from resistance to including precarious workers in the union to admitting them but trying to control them and finally to full inclusion and representation of their interests.

Panel 16 concluded that enforcement mechanisms for defending and respecting labour standards against various business practices that lead to social dumping have to be stepped up. Horizontal standards should apply

irrespective of the European legal form a company has chosen to adopt, said **Claudia Menne**.

Instead of fearing that it may involve too much effort, union structures need to allow precarious workers to organize themselves. Unions should look beyond the workplace in grass roots involvement: processes of precariousness are not only a matter of material deprivation, but are also about social and family issues beyond the labour market.

Summing up a way forward for trade unions, Panel 13 recommended mobilising beyond national boundaries and national membership, revitalising the notion of citizenship at work, and building alliances with other actors.

Press campaigning and use of the media is also important. **Jane Holgate** from the University of Leeds recounted how living wage campaigns gave a voice to vulnerable workers in the UK through alliances with communities that were an advantage to unions in public confrontations with politicians.

Precarity is not a vision for the future

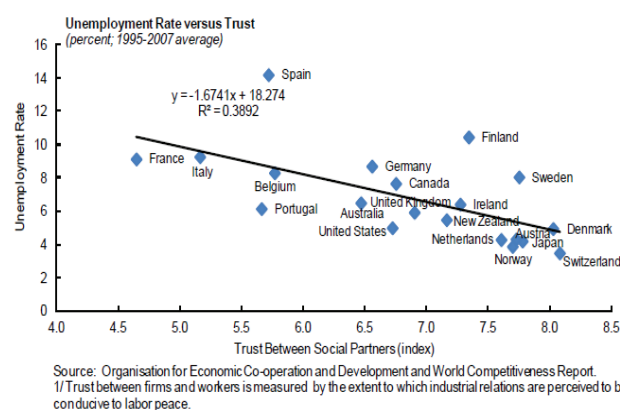
Reuniting for the final plenary sessions, the conference looked at how unemployment is developing across Europe and what this implies for the future of the European labour markets and economic development models.

Is there an alternative to unemployment?

The IMF's **Prakash Loungani** refused to accept that unemployment is inevitable and believes low rates are achievable with sufficient policy attention. Some unemployment was unavoidable due to the fall in output, he argued, though some policies to reduce its impact, like work-sharing in Germany, could have been replicated elsewhere. He also pointed to the inverse correlation of trust between social partners and the unemployment rate.

Labor Market Policies

Can Flexicurity Be Exported? The Importance of Trust



For her part, **Christine Erhel** from Paris University sees a varied situation across the EU, but with a common challenge: “Growth will reduce unemployment, but inequality may continue, especially for the low-qualified,” she warned.



Plenary D

IMK's **Andrew Watt**, sees a risk of a further rise in unemployment if Europe were to tip into a third recessionary dip. Though a rate of around 3% is necessary to lubricate the labour market or act as a pressure valve for the economy to restrain inflation, Watt explained, the excess levels in the Eurozone are the fault of austerity.

Agnes Jongerius, S&D MEP, said she felt obliged to be optimistic: "As social democrats and trade unionists we can never give up on striving for full employment." However, she realised labour in the EU is being used for competitive advantage, with wages and conditions under more pressure than they were already from globalisation and IT: with distance no longer an object, jobs are disappearing as emerging markets become not just workshops, but offices for the world. "It's not a US labour market yet," she warned.

"As social democrats and trade unionists we can never give up on striving for full employment."

Agnes Jongerius



Meanwhile, from the global perspective, **Maria Helena André** pointed to the 200 million unemployed, including 80 million young people, and one-third of workers who are working poor worldwide.

Balancing supply with demand

Loungani asserted that the increase in unemployment is cyclical rather than structural, so jobs should return with growth. He argued for a two-handed approach to restoring growth, balancing labour market reforms to increase micro and macro flexibility with continued easing of monetary and calibration of fiscal policy to secure demand. He saw migration as a useful adjustment mechanism on the supply side, while reforms of the financial sector and product markets were also necessary. The drag from deleveraging should be countered and demand boosted through public investment.

Supply-side, structural reforms, or “doing your homework,” are evidently not the answer: 3,500 labour market reforms have taken place across Europe since 2000 while unemployment has risen at the same time. “There is no sensible relationship here,” **Andrew Watt** asserted. “The structural approach has been privileged wrongly in Europe.”

ALDE MEP **Ulla Tørnæs** responded that the quality, not the quantity of reforms was important: “Unemployment is inevitable, but we must strive for a flexible, but secure labour market, where chances of obtaining a job are higher thanks to hiring and firing being easier, while ensuring that employees are met with a comprehensive social security system.” She pointed out that alongside education being aligned with the demands of the economy, mobility between jobs and labour markets were also crucial for the digital internal market and the market for services to generate growth and employment.

“I agree with Prakash Loungani: it is a matter of political choice, said **Maria Helena André**, “It is up to unions to influence how these decisions are taken and ensure productive investment.”

If we want to maintain confidence in the European project,” concluded **Jongerius**, “confidence among the middle-classes of a better future for their children, it is time that European leaders stopped scape-goating employees for the failures of institutions to tackle unemployment and acted to strengthen the social dimension of the EU.”

Agreeing to disagree

“Precarity is not a vision for the future at all. Companies don’t like precarity either,” remarked **Bernadette Ségol** before saying it was time for the dialogue of the deaf to be brought to an end. “We have shouted our solutions in vain for five years,” she said. Clearly, she went on, the policies used to get out of the crisis have failed. However she was calling not for an apology, but for finding another way.



Bernadette Ségol and Markus Beyrer

She said she had nothing against being competitive, but that the reality of greater flexibility was a competition in which for every winner there is a loser. Ségol rejected the continual erosion of working conditions and the myth that any job was better than none. “Quality jobs are the only way to break the vicious spiral downwards,” she insisted, “Quality today is growth tomorrow!”

She called to tackle the divergence between and within Member States, asserting it was a narrow view to see wages as a dominant factor in competitiveness: “We need to stop companies regime shopping.” On the contrary an EU-wide system of minimum wages was necessary: “By working together with a clear strategy, we will be able to see Europe as part of the solution, not the problem.” The way of setting the level of a minimum wage level was less important than ensuring it allowed for a decent standard of living.

Ségol went on to point out that austerity had failed to restore public finances. Instead, “We need a substantial EU investment programme, particularly for those countries in difficulties and which enables a sustainable reindustrialisation of Europe. It’s the only thing that can boost growth and employment.”

Finally, lamenting how social dialogue had been severely undermined, she remarked that “Markus and I disagree more often than we agree, but we won’t be able to find solutions if we lose this relationship.”

“Tackling growing inequality should be Europe’s top priority, it is not only a moral obligation but also an economic imperative.”

Bernadette Ségol



Markus Beyrer responded by saying he was glad of their relationship of trust and that understanding why they have to see things differently was so important. He agreed that the crisis had not been well managed, but that there are no real alternatives to sound public finances and structural reforms. The missing link, he agreed, was investment and referred to a common paper they had prepared for the three Presidents of the Institutions and sees Jean-Claude Juncker's plan for the incoming European Commission as a step in the right direction.

However there was also a need to create a pro-business environment, as this was the only way to encourage private investment and restore Europe's share of foreign direct investment from a relative decline of 40% through becoming more attractive.

More than just wages, Beyrer sees non-wage labour costs as a major challenge linked to the burden of welfare and pension systems, but agrees that costs should not be Europe's only basis for being competitive. However he sees innovation being held back by Europeans being risk-averse: "Let's assess and manage risks. But if we try to exclude all risks, it's the end of technological progress."

Beyrer said TTIP was important for creating jobs and investment, and that BusinessEurope is ready to work with the unions on inclusion of standards, but not to "blackmail the United States" as this will fail and no one will get what they want. He doesn't believe in political minimum wages, he sees those set through collective bargaining as better for maintaining employment.

"Precarity is clearly not the only way," he agreed, "but quality jobs don't grow on trees. There is no alternative: competitiveness has to take top priority, not for its own sake, but in order to create the high quality jobs we both want. The most precarious situation for anyone is being unemployed."

"We have to be proud of our European social model," countered Ségol, warning that modernisation is very often equivalent to bringing down benefits and protection. The way of setting the level of a minimum wage level was less important than ensuring it allowed for a decent standard of living.

"Tackling growing inequality should be Europe's top priority," she insisted, "It is not only a moral obligation but also an economic imperative. Fairer societies are more productive and more competitive."

Programme

Day 1 24 September

Plenary A

Inaugural keynote speeches – Growth for jobs or jobs for growth?

Welcome speech: Bernadette Ségol, ETUC General Secretary

Speakers:

- Gilbert Houngbo, ILO Deputy Director-General
- Helge Berger, advisor European Department IMF
- Claude Rolin, MEP, Group of the European People's Party (EPP)
- László Andor, European Commissioner for Employment, Social Affairs and Inclusion
- Pierre Moscovici, Commissioner-designate for Economic and Financial Affairs, Taxation and Customs
- Martin Schulz, President of the European Parliament

Moderator: Ignacio Fernández Toxo, ETUC President

Day 2 25 September

Panel 1

Segmented labour markets – from simple diagnosis to encompassing solutions?

Speakers:

- Sandrine Cazes, OECD
- Richard Hyman, London School of Economics (LSE)
- Werner Eichhorst, Institute for the Study of Labor (IZA)

Discussants: Ramón Baeza, Fundación 1º de Mayo; Sian Jones, European Anti-Poverty Network (EAPN)

Moderator: Agnieszka Piasna, ETUI

Panel 2

Ageing workforce – Is it possible without better working conditions?

Speakers:

- Gérard Valenduc, Université catholique de Louvain (UCL) and University of Namur
- Greet Vermeylen, The European Foundation for the Improvement of Living and Working Conditions (Eurofound)
- Hans-Martin Hasselhorn, German Federal Institute for Occupational Safety and Health (BAuA)

Discussant: Estelle Brentnall, European Federation of Trade Unions in the Food, Agriculture and Tourism sectors (EFFAT)

Moderator: Marianne De Troyer, ETUI

Panel 3

Social dialogue as labour market regulator

Speakers:

- Patrick Itschert, ETUC
- Maria Helena André, Director of the Bureau for Workers' Activities (ACTRAV)
- Andrée Debrulle, Confederation of Christian Trade Unions (CSC/ACV)
- Jan Willem Goudriaan, European Federation of Public Service Unions (EPSU)
- Sławomir Adamczyk, Independent and Self-Governing Trade Union "Solidarnosc"
- Almudena Asenjo, Fundación Francisco Largo Caballero

Moderator: Philippe Pochet, ETUI

Panel 4

Intra-EU labour mobility under attack. Why?

Speakers:

- Béla Galgóczi, ETUI
- Corrado Giulietti, Institute for the Study of Labor (IZA)
- Mariola Pytlikova, Central European Labour Studies Institute (CELSI) and VSB -Technical University Ostrava (VSB-TU)

Discussant: Luca Visentini, ETUC

Moderator: Ilaria Maselli, Centre for European Policy Studies (CEPS)

Panel 5

Employment in the service sector in the era of austerity: is deregulation inevitable?

Speakers:

- Gerhard Bosch, University of Duisburg-Essen
- Wiemer Salverda, Amsterdam Institute for Advanced Labour Studies (AIAS)
- Maarten Goos, KU Leuven

Discussant: Oliver Röthig, European trade union federation for services and communication (UNI-Europa)

Moderator: Sotiria Theodoropoulou, ETUI

Panel 6

Human capital/training/ skills mismatch: empty words or a real solution?

Speakers:

- Dieter Verhaest, KU Leuven
- Maurizio Franzini, Università di Roma “La Sapienza”
- Jacky Fayolle, Groupe Alpha

Discussant: Aviana Bulgarelli, Research Director and Advisor to the OECD Skills Strategy- Isfol

Moderator: Margherita Bussi, ETUI

Panel 7

Employment, dynamics and labour policies in southern European countries

Speakers:

- Rodolfo Benito, Fundación 1º de Mayo
- Christos Triantafyllou, Labour Institute of the Greek General Confederation (INEGSEE)
- Marco Ricceri, Eurispes
- Fulvio Fammoni, Associazione Bruno Trentin

Discussant: Michele Colasanto, Università Cattolica, CESOS-CISL

Moderator: Joel Decaillon, Laboratoire Social d'Actions, d'Innovations, de Réflexions et d'Échanges Lasaire

Panel 8

Prevention of occupational diseases and accidents: too costly in an era of austerity

Speakers:

- Karel Van Damme, Belgian Ministry of Labour
- Wim Eshuis, De Burcht - Scientific Bureau for the Trade union movement
- Elke Schneider, European Agency for Safety and Health at Work (EU-OSHA)

Discussant: Sam Hägglund, General Secretary European Federation of Building and Woodworkers (EFBWW)

Moderator: Aïda Ponce, ETUI

Panel 9

Green jobs: mirage or miracle?

Speakers:

- Lara Skinner, Cornell University
- Nicholas Sofroniou, European Centre for the Development of Vocational Training (Cedefop)
- Christophe Heyndrickx, Transport & Mobility Leuven (TML)

Discussant: Ulrich Eckelmann, industriAll

Moderator: Jude Kirton-Darling, S&D Group in the European Parliament, member of the Committee on International Trade

Panel 10

Psycho-social working conditions in an era of precarity

Speakers:

- Salvador Moncada, Union Institute of Work, Environment and Health (ISTAS)
- Jane Ferrie, University College London
- Fabienne Scandella, ETUI

Discussant: Wim van Veelen, Netherlands Trade Union Confederation (FNV)

Moderator: Clara Llorens Serrano, Autonomous University of Barcelona

Panel 11

Wages as an engine of growth

Speakers:

- Torsten Müller, ETUI
- Michel Husson, IRES
- Martin Myant, ETUI
- Agnieszka Piasna, ETUI

Discussant: Bart Samyn, industriAll

Moderator: Jane Pillinger

Panel 12

Social and employment pacts in time of crisis

Speakers:

- Jacques Freyssinet, Centre d'études de l'emploi (CEE)
- David Natali, Observatoire Social Européen (OSE)
- Jelle Villser, Amsterdam Institute for Advanced Labour Studies (AIAS)

Discussant: Gabriele Bischoff, Confederation of German Trade Unions (DGB)

Moderator: Frédéric Lerais, Institut de Recherches Economiques et Sociales (Ires)

Plenary B

Is there a trade-off between competitiveness and quality jobs?

Speakers:

- Stefan Collignon, London School of Economics
- Philippe Lamberts, Co-Chair of the Greens/EFA Group in the European Parliament
- Alfred Kleinknecht, Emeritus Professor of Economics, TU Delft and Fellow of WSI (Hans-Böckler-Stiftung)
- Detlef Eckert, Director, Europe 2020: Employment Policies Directorate, Directorate-General for Employment, Social Affairs and Inclusion, European Commission

Discussant: Józef Niemiec, Deputy General Secretary, ETUC

Moderator: Maria Jepsen, Director of the Research Department, ETUI

Plenary C

Is the rise in inequality here to stay?

Speakers:

- Raymond Torres, Director of the ILO Research Department
- Gabriele Zimmer, Chair of the European United Left/Nordic Green Left European Parliamentary Group
- Martin McKee, London School of Hygiene and Tropical Medicine
- Bea Cantillon, University of Antwerp

Discussant: Anne Demelenne, General Secretary of the General Labour Federation of Belgium (FGTB / ABVV)

Moderator: Philippe Pochet, ETUI

Day 3

26 Septembre

Panel 13

Which ways forward for citizenship at work? Re-imagining and reconstructing the regulation of work

Speakers:

- Judy Fudge, University of Kent Law School
- Stéphanie Bernstein, Université du Québec à Montréal
- Isabelle Ferreras, Fonds de la Recherche Scientifique (FNRS)/ Université catholique de Louvain (UCL)
- Gregor Murray, School of Industrial Relations, Université de Montréal

Discussant: Norbert Kluge, Hans Böckler Foundation

Moderator: Nicolas Roby, Interuniversity Research Centre on Globalization and Work (CRIMT)

Panel 14

Europe: from social model to social dumping?

Speakers:

- Magdalena Bernaciak, ETUI
- Jan Cremers, Amsterdam Institute for Advanced Labour Studies (AIAS)
- Nathan Lillie, University of Jyväskylä
- Lisa Bernstein, University of Jyväskylä and University of Groningen
- Volker Telljohann, IRES Emilia-Romagna

Discussant: Veronica Nilsson, ETUC

Moderator: Jan Drahokoupil, ETUI

Panel 15

Trade unions and precarious workers: any progress?

Speakers:

- Rebecca Gumbrell-McCormick, Birbeck, University of London
- Jane Holgate, Leeds University
- Lefteris Kretsos, University of Greenwich

Discussant: Saskia Boumans, Netherlands Trade Union Confederation (FNV)

Moderator: Ulisses Garrido, ETUI

Panel 16

Is workers' participation falling between the cracks of the emerging European company law regime?

Speakers:

- Lionel Fulton, Labour Research Department (LRD)
- Robbert van het Kaar, Amsterdam Institute for Advanced Labour Studies (AIAS)
- Philippe Morvannou, Syndex

Discussant: Claudia Menne, ETUC

Moderator: Aline Hoffmann, ETUI

Plenary D

The future of jobs – is unemployment inevitable?

Speakers:

- Prakash Loungani, Advisor in the Research Department of the International Monetary Fund
- Christine Erhel, Centre d'études de l'emploi (CEE) and University Paris 1
- Andrew Watt, Macroeconomic Policy Institute (IMK) of the Hans Böckler Foundation
- Maria Helena André, Bureau for Workers' Activities (ACTRAV)
- Ulla Tørnæs, Alliance of Liberals and Democrats for Europe (ALDE) in the European Parliament, Vice-Chair of the Committee on Employment and Social Affairs
- Agnes Jongerius, S&D Group in the European Parliament, Vice-Chair of the Committee on Employment and Social Affairs

Moderator: Martin Myant, ETUI

Plenary E

Conference closure – is precarity the only vision for the future?

Speakers:

- Bernadette Ségol, ETUC
- Markus J. Beyrer, BusinessEurope

Moderator: Jacki Davis

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