BUSINESSEUROPE

19 March 2015

Speech

Tripartite Social Summit

"Investing in growth and in creating jobs"

'Stepping up the contribution of social partners to a fair and competitive Europe'

Dear President Tusk,

Dear President Juncker,

Dear Prime Minister Straujuma,

I am very pleased to address this first meeting of the Tripartite Social Summit chaired by you, Presidents Juncker and Tusk. A warm welcome to both of you from the employers! We look forward to a fruitful tripartite cooperation to strengthen the European Union and foster competitiveness and prosperity for all.

We are meeting today just before the Spring Summit, which assesses every year the progress made in strengthening the European economy.

Like last year, BUSINESSEUROPE's Reform Barometer 2015 (on your table today) points to a low level of implementation of country-specific recommendations. Only a little more than a fifth of them were followed with satisfactory implementation during the last year.

However, it is also clear that the countries which did the necessary reforms are reaping the rewards. The examples of Ireland, Spain, Portugal, but also the Baltic States, show that investing in competitiveness is supporting growth and job creation.

Europe's social problems derive from a lack of competitiveness, not from a lack of European social legislation.

To create more jobs, we must implement **labour markets reforms**. Bolder actions are needed to address growth bottlenecks in the labour markets. And yet we see reforms that go in the opposite direction in some countries.

As we said it clearly at the high level social dialogue conference on 5 March, we must transform the European social dialogue into a **reform partnership** if we want to address the challenges of our times.

And we must speed up the process of **mainstreaming industrial competitiveness** across all EU policy areas. This was a clear statement from the March 2014 European Council.

The 2015 Work Programme of the Commission shows that certain steps have been taken forward, but we expect more. We need a clear political commitment to such mainstreaming and we need further concrete actions to really improve competitiveness.

Another important issue for discussion during the European Council today and tomorrow is the **"energy union"**.

BUSINESSEUROPE's message to this Spring EU Council meeting (also distributed to participants today) says it very clearly: the strategy proposed by the Commission is an important step to balance better than in the past the EU's energy, climate and industrial challenges.

Addressing the energy price differential with major competitors is essential if we want to improve growth and employment. One cannot be surprised by the lower level of investment in Europe when industry pays energy on average almost 2½ times higher than in the US. **We need a coherent and targeted approach to remove policy-driven costs in Europe.**

We cannot afford to have 28 different national energy policies. The commitment to **revitalise our internal energy market and to strengthen the EU's ability to act in this field** is a necessity.

And we need an **international climate agreement that creates a level playing field** at the end of the UN climate conference in Paris in December. We all support an ambitious legally-binding agreement. We made this point very clear in a recent joint letter of BUSINESSEUROPE and ETUC to the European Commission.

My next remark is about **investment**. We welcome the European Investment Plan. But the European Fund for Strategic Investment – EFSI – can only reach its ambitious leverage objectives if Europe removes barriers to investment. If we do not get rid of unnecessary and overly expensive regulation, if we do not bring down costs of doing business, if we do not improve the functioning of capital markets and scrap remaining barriers to the Single Market and its digitalisation, we will not increase private investment in Europe.

And with the limited resources of the EFSI, we must ensure that projects are selected on sound economic grounds.

The “investment committee” that has been tasked with assessing which projects would be eligible for funding must therefore be free from political influence.

Last but not least, let me stress our worries about implementation of the Unitary Patent. It took us 40 years to create it, but now the high fees proposed by the European Patent Office risk putting into question its cost attractiveness for companies. It is essential that the level of fees reflect the original objective of enhancing the competitiveness of Europe.

Thank you for your attention.