



## Speech (draft)

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### Tripartite Social Summit on 16 October 2019

#### *Progressing on the social and economic dimensions for a competitive, fair and sustainable Europe*

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5 minutes

Dear President Tusk,  
Dear President Juncker,  
Dear Prime Minister Rinne,  
Dear Commissioner Thyssen,

As this is the last Tripartite Social Summit with you, President Tusk, President Juncker, and Commissioner Thyssen, I would like first of all to thank you very warmly for 5 years of pleasant cooperation in very difficult times for Europe. And we are very happy to continue to work with Valdis Dombrovskis.

The agenda of the European Council meeting tomorrow is a good illustration of the challenges you had to deal with. The decision you will take concerning Brexit, the strategic agenda for the EU in 2019-2024 and the MFF will determine the progress we can make in building a competitive, fair and sustainable Europe.

With this in mind, there are 5 messages I would like to pass.

#### **My first message is about the economy because a strong economy is key to build a fair and sustainable Europe.**

The economic outlook is deteriorating. It is more urgent than ever to put our economic house in order.

Yes, European companies are delivering solutions to ensure prosperity, while taking care of people and the planet. But to fully play their role in society, they need a supportive environment.

For BusinessEurope, putting in place a more supportive environment requires to mobilise four main drivers:

1. pursuing policies favourable to **innovation** and **investment** (notably industrial and digital innovation and investment),
2. putting the **Single Market** back at the centre of the EU agenda,
3. strengthening our **Economic and Monetary Union**,
4. continuing with an ambitious **international trade policy** and fight protectionism.

## **My second message is about the Multi-annual Financial Framework for 2021-2027**

We cannot afford to repeat past mistakes. A timely agreement is necessary to avoid delays in the start of the European programmes.

The European Council must ensure that the next MFF concentrates on enhancing our competitiveness and help preparing industry for megatrends such as digitalisation and the energy transition.

We need to allocate at least 120 billion Euros to the Horizon Europe programme.

The simple truth is that if we are not willing to invest in the future, the future will be hard to build.

## **My third message is about transatlantic trade relations**

We are deeply concerned by the consequences of the Boeing-Airbus WTO panels. Tariffs will not only hurt the aircraft industry and its suppliers but also other sectors. This will be a lose-lose situation.

The EU and the US should use the rulings as an opportunity to set the rules on subsidies in the aircraft industry and create a level playing field (also in view of new competitors from other third countries such as China).

## **My fourth message is about Brexit**

No Deal Brexit is a recipe for disaster and must be avoided.

Nobody knows how long the EU and the UK will need to define their future relationship. In the meantime, citizens and companies will face the hard consequences of the UK becoming a third country, with heavy tariffs and border controls.

The UK has of course to provide a clear path to a deal. But we count on both sides to undertake all reasonable efforts to agree on feasible options that can ensure an orderly exit

Perpetuating uncertainty through another extension is far from ideal. However, if a deal is not reached in time, a time-limited extension must be considered.

## **My fifth message is about the social dimension of the European Union.**

Getting this social dimension right is crucial if the EU is to deliver for people.

For BusinessEurope, the answer lies in focussing European social policy on the right priorities, namely:

1. improving the functioning of labour markets, so that they provide flexibility as well as security;
2. enhancing productivity and reducing excessive labour taxation to increase the global competitiveness of European companies;
3. embracing innovation and digitalisation. This is crucial for the future of work!

4. facilitating free movement and posting of workers. This is a fundamental freedom and the basis for the cross-border provision of services in our Single Market!
5. tackling skills shortages and mismatches by modernising education and training systems. They are undermining growth, even in countries with high unemployment!
6. ensuring the financial sustainability of national social protection and welfare systems. This is crucial to defend our social model!
7. leaving the necessary space for social dialogue to play its role as a tool to manage change. Excessive regulation kills contractual relations !
8. encouraging global implementation of the UN Sustainable Development Goals. Europe alone cannot save the world!

**To conclude,**

Our European socio-economic system is based on three pillars: prosperity, people, and planet but a healthy economy is the foundation of social and environmental progress.

Let us be ambitious for Europe. It is possible to build:

- a strong and influential European Union in the world;
- a European Union that is a leader in innovation, digitalisation and sustainability;
- a European Union that works effectively;
- a European Union of economic cohesion and social inclusion.

But for that, we need to be united.

Let us work all together for the success of our European Union.