

**THE CRISIS AND SOME SOLUTIONS: TOWARDS A SOCIAL AND GREEN EUROPE**

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**Dear Colleagues,**

Thank you for inviting me to this conference. This is a defining moment for trade unions all over Europe. It is time for the leaders of Europe to listen to trade union demands, instead of focusing on austerity measures as the only answer to the present crisis. What is needed now is a strategy for growth, but we need also a strategy for democracy, for preserving the Welfare State and for protecting individual and collective rights.

This is what we call the European Social Model, something we are proud of. Because looking at Europe in a global perspective, we know that Europe is competing with the other two major blocks in the world: USA and China. We can use these criteria to define the fundamentals of the European Social Model: democracy and democratic rights, a Welfare State with social ambitions, individual human rights, but also collective rights, such as rights for trade unions. This is the way Europe should be defining itself towards the USA and China and these are values we want to protect and strengthen.

Unfortunately these values are threatened today in Europe, partly because of the crisis, partly because of prevailing neoliberal ideas. In some countries in Europe social dialogue are abolished, in other countries workers are denied to join a union. In different ways collective bargaining is being restricted in some countries and workers' rights are being undermined. In addition to this, vital parts of the Welfare State are dismantled in some countries, concerning e. g. pension rights and unemployment benefit.

One of the objectives behind these changes is to reduce labour costs, which is supposed to boost the economy. History has taught us that this is untrue and will only create a vicious circle leading to depression. If we take the building sector as an example, even the European Commission itself, some 15 years ago, concluded that a strategy for low labour costs is counter-productive and will lead to an inefficient industry. This lesson seems to be forgotten today.

But the EFBWW, representing the building and wood sectors at European level, believes our sectors could contribute to a solution for Europe, based on a strategy for growth and investment, not on a strategy to starve us out of the crisis.

We believe that the European Social Model is a competitive advantage for Europe, not an economic burden. We believe that the only way for Europe to successfully exit the crisis is to consider the European Social Model as an asset, giving incentives to growth and development, creating a more stable labour market, and providing workers and citizens with human and workers' rights. Based on this the EFBWW is fighting for the following principles to be upheld:

- The autonomy of the social partners must be respected. This means that the rulings of the European Court of Justice from 2007 and 2008 must be overturned, and in some Member States this means changed legislation.
- Workers' rights, like the right to strike, must be re-installed at European and national levels. This means rejecting EU measures like the so called Monti II Regulation which, according to us, will further undermine workers' rights.
- All workers – irrespective of their forms of employment and country of origin – should be entitled to equal treatment based on the conditions and regulations applying in the host country;

- migrant workers should be entitled to benefits provided by the welfare state and to rights normally associated with workers' status;
- economic strategies based on the use of 'cheap labour' must be counteracted not only for social and equality-related reasons, but also for economic reasons, since they undermine industry's efficiency;
- access to comprehensive vocational training and life-long learning should be an individual right.

Based on these principles the EFBWW has proposed the launch of a 'Social and Green New Deal' in Europe, with a view to create more and better jobs and fulfilling the EU's climate change commitments. According to the EFBWW, the construction, wood, forestry and related sectors can and should play a key role in the EU's climate change strategy. Some basic ingredients of the Social and Green New Deal are:

- a new European investment plan involving major infrastructure investment and energy-efficiency projects should be launched at European level, accompanied by necessary financial instruments, such as EU project bonds;
- the present requirement that all new buildings must reach nearly zero-emission standards by 2020 should be extended to cover existing buildings as well; this can create hundreds of thousands new building jobs;
- new regulations should be introduced to promote the use of environmentally sustainable building products;

Normally these measures are "self-paying" in the sense that the investment costs are more than compensated by savings made in e.g. energy costs and lower unemployment rate. In the long run, these measures are boosting growth, which is the only long-term solution for fighting the crisis.

I want to end by high-lighting two other values that are fundamental for us: equality and solidarity. What is happening today, partly due to the crisis, is that Europe is becoming more unequal, between workers of different categories, between men and women, between domestic workers and migrant workers, between richer countries and poorer countries, and between – generally speaking – the rich and the poor.

Solidarity is the other word that today seems to be forgotten, but which is very much connected to the development of inequality. When nationalism and xenophobia is spreading, we must stand firm behind the values of solidarity. We see in the trial in Norway what xenophobia in its extremes can lead to. And we see the rise of Front National in France as a warning sign.

Fortunately there are counter-movements, and one of these counter-movements is the trade union movement which can show in practice what solidarity is about. And we might see a new political trend now. We have a new socialist president in France, we have Social-Democratic governments in Denmark and Norway and we might have one in Sweden next year. And Germany might also change government if everything goes well. So we might be in a political tipping-point in our struggle to safeguard the European Social Model.

With this optimistic note I want to wish you all a successful conference, and most important, a successful struggle for more jobs and better working conditions.

Thank you for your attention.