Opening remarks by Vice-President Dombrovskis at High Level Conference "A New Start for Social Dialogue"

Brussels, 05 March 2015

Let me first warmly welcome you all in Brussels at today's conference.

This European Commission made it clear at the outset that it saw an effective social dialogue as an integral part of the new agenda for Europe. Today's conference is a first step towards giving new impetus to social dialogue.

Let me start by paying tribute to the ETUC, Business Europe, CEEP and UEAPME that helped us make today's conference possible.

I find it remarkable that we have here not only many representatives based in Brussels but also many of those working at the grassroots in Member States. I see no parallel in recent events organised by the Commission or other EU institutions in terms of representation of social partners.

I much look forward to listening to your experiences, your opinions and your advice.

Why are we talking about a "new start" for social dialogue?

Social dialogue is a key element for our social market economy. It improves policy making by bringing decisions closer to those that are directly affected and that are best placed to assess the policy options. And, it creates ownership of these decisions and hence fosters a more cohesive society.

At the European level, Social Dialogue has played an important role in building the single market. Under the EU treaty, social partners directly shape employment and social policies across the EU. EU social partners conclude agreements and adopt joint texts at both cross-industry and sectoral level. We now have 43 sectoral Social Dialogue Committees covering 75% of the EU workforce.

There is however a feeling that at present social dialogue is not delivering to its full potential, neither at EU level nor in some Member States. Whatever the reasons for this state of affairs, I am more interested in looking ahead and looking at the way forward to correct this state of affairs - and improve it.

We are in the aftermath of the biggest economic and financial crisis in the EU in the post-war period and need social partners' full involvement in finding a new, sustainable growth model.

In the European economic governance framework, I see social dialogue to contribute to a more effective implementation of the European Semester and the Europe 2020 strategy.

I see the role of the Commission to facilitate as much as possible a well-functioning social dialogue that supports or even drives the changes currently needed in many countries.

Growth, Competitiveness, Jobs and Social Issues are at the core of EU agenda.

The crisis has heavily affected Europe’s economic performance and generated high levels of unemployment, in particular among our young people and also on the long-term unemployed. It has fuelled social inequalities among Member States. We are finally seeing a recovery but with much cross-country divergence. In many Member States, pre-crisis employment levels are still very distant.

The crisis has also changed the way we perceive national policies and the direct effect they have on other Member States. Interdependence and spillovers have proven far bigger than many expected before.

We have a shared responsibility to secure a lasting and balanced economic recovery that does not leave the most vulnerable behind. The end of the acute phase of the crisis is not a reason to relax policy efforts – certainly not when unemployment is still at very high levels.

Higher income and welfare and the creation of quality jobs can only come through higher productivity and economic competitiveness. Countries that have been able to recover competitiveness in the last few years are today amongst the fastest growing economies in Europe and are again creating jobs.

At the EU level, the Commission policy priorities have been set in President Juncker's Political
Guidelines. We want to concentrate on the areas where the European Union is able to make a real
difference.

We have proposed a new approach to growth and jobs in our Annual Growth Survey. This approach is
anchored on three pillars:

1. First, mobilising more public and private investment. We are already putting in motion an
   ambitious EU investment plan to mobilise 315 billion Euro in new investments over the next three
   years. It has the potential to add more than a million new jobs in the coming three years;

2. Second, decisive implementation of structural reforms to increase the competitiveness of our
   economies, opening up new job opportunities and support a fairer society;

3. Third, fiscal responsibility. The good news is that the heavy pulling on the fiscal policy side is
   behind us. The aggregate government deficit in the euro area will decrease from 2.6% of GDP last
   year to 2.2% this year and this is thanks to higher growth rather than additional fiscal effort. At
   the same time, deficit and debt levels are still too high in some countries and most countries can
   achieve a composition of public expenditure and revenue, which can be more supportive of
   growth.

We believe that social partners have a key role in helping us to deliver on these policy priorities.

Ladies and gentlemen

We know that EU institutions or national governments cannot act in isolation.

We will discuss in today's workshops a number of areas where we see a real potential to build a new
approach for a more effective social dialogue.

We will look at your involvement in the design and implementation of policies decided at EU and
national level. We will explore how to best strengthen industrial relations in Member States.

Although the process is important, the content should bewhat is most important. This is why we will
discuss how to best strengthen your contributions to the main EU policy priorities: the need to invest in
growth and quality jobs, tackling the challenges of the digitalisation of our economies and finding ways
to better match skills and education of our workforce within a changing working environment.

Today's discussions should feed into a renewed cooperation amongst social partners and with the
European Commission, leading to tangible improvements for our European businesses, workers and
citizens alike.

I look forward to our exchanges during the day and wish us all a fruitful and inspiring conference.
Thank you very much.