

A real debate on the Future of Europe

BE BIG ON BIG THINGS – FOCUS ON INDUSTRIAL COMPETITIVENESS FOR A SOCIAL EUROPE

A future proof European Union must focus on improving the international competitiveness of its industry rather than forcing a politically motivated upward convergence of social policy.

EUROPE NEEDS TO IMPROVE INTERNATIONAL COMPETITIVENESS TO REMAIN A WORLD LEADER IN SOCIAL POLICY

To continue Europe's unparalleled success story its model needs to be adapted to cope with today's key challenges. These range from embracing the 4th industrial revolution, to demographic change and migration. Instead of reinventing itself, the EU should build on its assets. As a first concrete step, all stakeholders, including the EU's representatives, must acknowledge that Europe is a world leader in social policy with over 40% of worldwide social spending, while only representing 20% of global GDP and just 7% of the world population.

A fragmentation of the political landscape with a damaging increase in nationalism and protectionism and a loss of trust in institutions at all levels also raised Europe scepticism in many countries. In that context the Commission published a White Paper in March 2017 to launch an open debate on the future of Europe. However, the White Paper was immediately followed by a series of Commission reflection papers on the Social Dimension of Europe or the deepening of the Economic and Monetary Union (EMU), linking back to a strategy that was devised in the Five Presidents report in 2015. These papers all supposed that more EU competences and regulation in social policy was the only answer to Euroscepticism.

We don't share this view and therefore call for a real debate on the future of Europe.

Ceemet, its members and the more than 200,000 technology & industry companies we speak for, sound the alarm bell to remind policy makers that the precondition for sustained jobs and prosperity in Europe is international industrial- competitiveness. It is our companies, giving employment to over

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About Ceemet

Ceemet represents the metal, engineering and technology-based industry employers in Europe, covering sectors such as metal goods, mechanical engineering, electronics, ICT, vehicle and transport manufacturing.

Member organisations represent 200,000 companies in Europe, providing over 17 million direct and 35 million indirect jobs.

Ceemet is a recognised European social partner at the industrial sector level, promoting global competitiveness for European industry through consultation and social dialogue.

35 million people, who provide well paid jobs and help finance social security systems and entire societies.

Before thinking of additional social regulation and costs, European decision makers must put Europe's international competitiveness on top of their agendas and act accordingly. Instead some of the politically motivated social reforms unfortunately already led to widening the gap between Eastern and Western Member States of the EU, for which the most recent revision of the posting of workers Directive is one example. Promoting the necessary structural reforms also identified by the European Semester procedure and giving the right framework conditions so that national economies can prosper is the right way to further support the ongoing process of adjustment between member states.

FOCUS ON TWO BIG THINGS: DIGITAL SINGLE MARKET AND RESPECTING SUBSIDIARITY

Europe must be ready to seize the opportunities offered by digitalisation and by turning Europe's crown jewel, the Single Market into a seamless Digital Single Market. Individual Member States alone cannot cope with the big investments necessary for the provision of seamless digital infrastructures, cybersecurity, or data protection.

While fully acknowledging the notable number of successful EU initiatives on digitising European industry, digitalisation remains a "big thing" the EU needs to focus more on. The post 2020 Multiannual Financial Framework should allocate more monies to better streamlined funding of company initiatives, including the right-skilling of workers. If Europeans, governments, companies, workers and societies together are well prepared, digitalisation will become an integral part of the 21st century European success story.

Right-skilled workers and fluid labour markets will be essential for a positive attitude towards digitalisation and its uptake across Europe. National efforts to make labour markets fit for the digital era and the new world of work should be supported by the EU while heeding the principle of subsidiarity and respecting national competences in the social area. Successful reforms should not be hampered by the proposals in the reflection paper on Deepening EMU, such as a European Unemployment Reinsurance, or via attempts to harmonise labour market regulation.

Social Partners make a difference. National collective bargaining procedures with mandated, autonomous social partners regulating major areas working life is a fundamental competitiveness factor. The EU should not interfere and especially not disrupt national wage setting mechanisms,

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a national prerogative. We support the growing importance of social partner involvement in the European Semester to help EU member states to find the right formula for growth and employment.

GET FRAMEWORK CONDITIONS RIGHT FOR INVESTMENT IN DIGITALISATION

Europe needs digital and political leadership fully backed by governments, companies, workers and citizens. We need framework conditions that offer stability for investment in uncertain times. Simply heralding “upward convergence” will not fix these issues but risks creating new problems. Legislation has to fix a problem and be fully implemented and applied across the EU. Legal initiatives should be driven solely by the principles of better regulation and not by opportunistic, political motives.

CONSULT INDUSTRY – 200,000 COMPANIES HAVE A SAY IN A REAL DEBATE ON THE FUTURE OF EUROPE

European and national decision makers should think about and consult industry: Ceemet industries offer 17 million direct and 35 million indirect quality jobs.

Ceemet stands ready to continue contributing to a real debate on the future of Europe.

Yours sincerely,

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RELEVANT PUBLICATIONS

1. [Ceemet Vision Paper 2017](#)
2. [Position on European Pillar of Social Rights \(10/2017\)](#)