

Statement by Antonio Tajani, First Vice-President of the European Parliament
(Translation of the transcription of the recording of the speech made during the Conference)
(Translation from the original Italian)

Mr Minister, Mr Commissioner, Dear Mr László, Mr Mayor, Mr Secretary General, dear friends of the Council of Europe,

The crisis Europe has undergone, which is not yet at an end, has led many citizens to adopt a critical or negative stance towards the EU institutions, and also European organisations such as the Council of Europe. But when people speak out against these institutions and question their usefulness they forget what has been achieved in recent decades thanks to their existence and thanks to Europe as a whole, in the broadest sense, not just confined to the European Union.

If there is a charter of rights, a European Social Charter, that is because Europe has made human values the central focus of all of its political activity. This is very clear on reading the Social Charter, and it can also clearly be seen from the fact that EU economic policy is, or should be, guided by the aim of achieving a social market economy, an economy in which the market is merely a highly important and useful means of conducting social policies. We must not forget how many rights European citizens and workers enjoy today, despite the problems, as compared with other people around the world. I consider this a major achievement. However, we should certainly not rest on our laurels, because Europe is in dire straits. It is as if we found ourselves in the middle of the Po river in a time of drought and were at risk of being swept away when the water resumed its full flow. That is why we must move forward and implement the tools we have put in place. We must not overlook the results attained, while ensuring that these achievements germinate and produce other positive results. One of the major themes at present, and it is included on the agenda for these two days of proceedings, is certainly the relationship between the European Social Charter and EU law.

The European Social Charter has been incorporated not just formally and legally in EU law, but also in its spirit, and last February the European Parliament adopted a resolution inviting the member States to transpose all the treaties deriving from the Social Charter, covering all aspects of the protection of human rights. This was therefore a strong message from the European Union's sole elected assembly, aimed at making the Social Charter a key feature of our political activity and our everyday lives not just in legal terms, but also in substance. Mention can be made, for example, of the right to equal pay for women and men, something which, alas, has not yet been achieved in Europe. Even in the liberal professions women are often not paid as much as men. This difference in treatment is certainly not a matter of principle. I would remind you that I was one of the signatories, with Viviane Reding, of the European Commission's proposal aimed at having more female board members, an idea which encountered much resistance. One does not have to consider women a protected species but, if we want to achieve genuine gender equality, there is certainly sometimes a need to take action to guarantee certain rights.

The European Parliament resolution also raises another issue, which is the need for the member States to launch a discussion as to how the Social Charter could be used more effectively, how to incorporate it more and more into law, and this opens up a major debate. At this juncture I cannot refrain from making two very brief points that in fact concern the debate on European law-making activity. Europe is capable of making itself heard, if that is what it wants, to defend the rights of workers. For example when a big multinational operating in Europe, despite already making profit, decides to relocate elsewhere in order to increase its earnings. This is what happened with Tenneco, a US multinational which wished to close a factory in Gijón, Asturias. In the end we succeeded in persuading the company that its plans were wrong and that it could continue to make a tidy profit without moving its activity elsewhere. Thanks to European policy, that is without legislating, we have now put the smiles back on the faces of hundreds of Asturian families, who have recently been celebrating the announcement that the Gijón site will not close. That was an instance of Europe embodying the spirit of the European Social Charter. Yet, there is also something not right. Thinking of our competition policy – and I am convinced that fair competition is a good thing - if we truly wish to abide by the European Social Charter, if we truly wish to defend the founding values of the European Union, the social market economy, in view of the changed geopolitical context we have to make sure that jobs are not being subjected to outdated competition rules.

Nowadays competition is global, and we therefore need to ensure that our countries, and our undertakings, are competitive not just in our domestic markets but internationally. Our competitors are China, India, the United States and Latin America. I say this because I have in mind an Italian city that has suffered. While the city of Gijón can celebrate the rescue of its production plant, in the city of Terni part of the manufacturing activity is being shut down, leaving hundreds of families without a livelihood, because obsolete competition rules dating from the 1950s required a steel company to reduce its output. A general strike is today under way in Terni.

So this is not a matter of principle, but rather a question of whether EU competition law, as currently applied, is consistent or inconsistent with these values, the values of the social market economy. I personally think it is not. I think it must be changed. This is not the fault of our colleague, Joaquín Almunia, who is just applying the rules. However, when we end up closing shipyards in the Basque Country because competition law imposes certain choices, we must indeed stand up for the principle, but if we wish to defend our values we should perhaps do something to change the law, because the global situation has changed. Our law descends from Roman law, which therefore means that it is inspired by values. The law dictates our behaviour, and, if we seriously wish to apply the European Social Charter, it is therefore necessary to launch a reflection, a great debate, on how we apply the principles of competition, but - for goodness' sake - not a debate on the principles of competition themselves.

If these rules are undermining our values, if they are unfairly hitting jobs, then the time has perhaps come to adapt them. We can certainly have rules that guarantee fair competition within the EU, but in that case we must set the bar higher and seek to guarantee fair competition at a global level. This would enable us to protect hundreds and hundreds of jobs. That is why I believe that we undoubtedly have to ensure that Community law does not conflict with the European Social Charter from

a legal standpoint - not just future law but the law as it stands at present - and we also need to assess whether the legal standards we have been applying according to certain of our rules are in line with the values we recognise.

This is why I wanted to point out here today – here in this industrial city, as its mayor has reminded us – that Europe is a great industrial reality. Europe has rediscovered its industrial role, and it is unquestionably a modern and competitive one. Without industry and enterprise no jobs can be created. For this reason I also view the European Social Charter as being part of a context, a strategy. It is not simply an instrument to be commemorated from time to time; it partakes of a common political goal to foster our fellow citizens' wellbeing, a goal in which we all share. This therefore means that something has to change if we wish to defend Europe, to cut the ground from under the feet of those who are anti-Europe because it has proved a disappointment, and above all if we wish to find a way out of the crisis.

Macroeconomics and fiscal consolidation are not the only way of creating jobs. We of course need to have our accounts in order, but without a policy to support the real economy there will never be a way out of the crisis. We are like a family man who can make a huge effort to pay off all his debts by the end of the working week, but if he has no job the following Monday he will begin to run into debt again. This is why there is a need to strike a balance - particularly in the context of this debate, which needs to be broader-based – between fiscal consolidation and macroeconomics on one hand, and microeconomics, industry, enterprise and agriculture on the other. László is moreover aware that, when I was a Commissioner, we always found ourselves on the same side over this, no matter how many differences of opinion we may have had within the Commission.

Europe will not emerge from the crisis, and we will no longer be able to create new jobs, if we do not take this direction. Therefore we simply have to do this, and we must act not merely from a legal standpoint. The law is of little use if it becomes a mere drafting exercise for the legislators - but if it is used to make political choices and to defend certain values, then, yes, the European Social Charter will have meant something.

I believe the challenge we must all take up, in all our national and European institutions, is to open a major debate on how the European Social Charter can be applied in practice; and since, not simply because I am Italian, I am an optimist, I believe that in the end we will succeed and our citizens will be able to look to the future with greater optimism.

Thank you.