Ladies and gentlemen,

We have gathered here today to bear witness to the state of Europe and to acknowledge some uncomfortable truths. When the countries of Central and Eastern Europe were returning to Europe, one of the key political promises was to bring their standard of living up to that of their Western neighbours.

This promise has not been fulfilled.

Today, twenty years after enlargement, there is still an iron curtain between the east and west of the Union, a wage iron curtain. This inequality is not a technical detail, but a political problem with serious consequences for the cohesion of the European project.

According to Eurostat data, the hourly wage in the Czech Republic or Slovakia is only 40% of the wage in Germany or Austria. In Bulgaria, this ratio drops to just 22%.

The same gap is evident in minimum wages.

The low cost of labour is reflected in all necessities of life. And one of the main ones is housing. It is no coincidence that, according to a Deloitte study, seven of the ten European cities with the least affordable housing are in Central and Eastern Europe, five of which are in the Czech Republic and Slovakia.

Who is responsible for this?

Multinational corporations employing workers in the same position in Germany and the Czech Republic pay Czech workers only 60% of the German wage.

This is social dumping.

This unfair inequality is caused by both institutional weakness and active resistance from employers to social dialogue. Our unions are striving to increase the low coverage of collective agreements through collective bargaining at the sectoral level, where the key to real wage increases lies.

However, employers in key sectors such as automotive and steel are avoiding these sectoral negotiations. Their tactic is to pretend that their organizations are not employer organizations, even though these same organizations are members of European employer organizations.

The Directive on adequate minimum wages was a step in the right direction, but the devil is in its implementation. In the Czech Republic, for example, the government used the transposition of the directive to effectively reduce minimum wages.

If we want to remove the wage iron curtain and ensure real social cohesion, we must strengthen Europe institutionally. We therefore call for an amendment to the Treaties on the Functioning of the EU to give the European Union greater powers in social matters.

We must build a Europe where work deserves equal pay, whether it is in the east or the west.

Thank you.