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**New Year's reception of the Confederation of German Trade Unions (DGB),
Frankfurt am Main, Germany**

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[Check against delivery]

Dear guests, dear colleagues,

What happened in Paris at around 11am on Wednesday was a barbaric attack on the very essence of democracy.

An attack on freedom of expression and freedom of the press.

An attack carried out by young, deluded and misguided fanatics in the name of an ideology supposedly representing God. Not to mention the hostages taken in the Parisian kosher deli.

An ideology which abuses religion and incites terror and hatred.

Civil society rallied promptly and admirably against the murder of the Charlie Hebdo journalists.

In France, across Europe and not least in Germany, the stand taken by civil society against an ideology of hatred and violence is the only credible answer.

We must remain united and resolute in our resistance.

Je suis Charlie. Nous sommes tous Charlie.

As a French citizen, I would like to thank you sincerely for your solidarity and compassion: merci beaucoup.

And let us not forget: the world is bigger than Europe. Two days ago, according to the Tunisian press, two Tunisian journalists – Sofiene Chourabi and Nadir Ktari - were executed by a terrorist group in Libya. Once again in the name of God.

Their families and all those in the Arab world who stand for freedom and democracy deserve our solidarity. Solidarity is indivisible.

Lord Mayor,
Ladies and gentlemen,
Dear colleagues,
Dear Mr Fiedler,

It was an honour and a privilege to be invited to speak at DGB Frankfurt's New Year reception.

And for good reasons. First, because my predecessors Emilio Gabaglio and John Monks were both guests of DGB Frankfurt.

Last year, the former Deputy General Secretary of the ETUC, Reiner Hoffmann, spoke here. But he has moved on to pastures new and is now based in Berlin.

These invitations testify to the strong links between the local DGB and the European trade union movement.

Secondly, Frankfurt is home to one of our most important institutions: the European Central Bank.

Finally, I am very pleased to say, Frankfurt is also home to the European Academy of Labour, which I hear is soon to obtain a new building financed by IG Metall.

And along with the new building comes a new name: House of Labour, a counterpoint to the Frankfurt House of Finance.

As a French speaker, allow me to say in German: Dem Haus des Geldes steht nun das Haus der Arbeit ins Haus. [The House of Labour has been built in the House of Finance's back yard.]

This project is unique in Europe and in some ways a result of German co-determination.

But now, ladies and gentlemen, dear colleagues, a few words about Maria.

Maria is 70 years old. She has worked for her entire life. She receives a monthly pension of €500. Two years ago it was €720. Maria is Greek.

She is no longer able to make ends meet. She is angry at the troika, seen by many as a triumvirate.

She is angry at a political regime which is placing the burden of recovering Greece's national finances on the shoulders of those who cannot realistically fight for themselves. For many people, especially in those countries hardest hit by the financial crisis, Europe stands for two things above all: cost-cutting measures and the austerity mandate.

In around a fortnight the citizens of Greece will elect a new parliament, in accordance with the Greek constitution. The International Monetary Fund has promptly responded by putting the next tranche of its loan on ice.

Politicians in Brussels and Berlin have appealed directly and indirectly to Greek voters. The Greek electorate must "make the right call", they say.

I assume that the people of Greece will vote for what they believe is right. That must be respected.

Outside interference and threat scenarios do not reflect the values of the European community.

The question is: how can we get Europe back on track?

One thing is for sure: the history of nation states is not a glorious one.

What is more, it took two terrible wars for Europe to come to its senses and pave the way for the European Union. Europe aspires, and will continue to aspire, to peace and democracy.

However, looking at our history alone will no longer suffice. The people expect European politicians to take decisive action and to overcome this crisis which is undermining the very concept of Europe.

This concept is increasingly being reduced to the market effect. The risk of the solidarity-based welfare state being left by the wayside is ever greater.

The European trade union movement must stand resolutely against recapitalisation of banks to the detriment of social standards.

Economic freedom must not come before basic rights. This is a perversion of European thinking.

The European Trade Union Confederation was founded some 40 years ago, but the work of this common cause is ongoing.

Even for trade unions, taking the leap from national thinking to supranational action is no mean feat.

But – and this gives me cause for optimism – recognition of the need for unity and determination is growing.

The words of Ernst Breit, who for some years was also President of the ETUC, still hold true: "trade unions work best with their backs to the wall".

Ernst Breit was a prudent man. And he did not say "backs" either!

We are optimistic about Jean-Claude Juncker's new Commission, to which we shall be sending our demands and proposals.

However, our enthusiasm for the new Commission, in office since November, is by no means boundless.

The Commission announced a "fresh start for Europe" – a policy for greater employment, growth, fairness and democracy.

Given that 25 million Europeans are unemployed and millions of people are living right on the poverty line, a radical change in policy is the only option.

This could be at the behest of Frau Merkel, but it is not.

So far, Juncker has announced an investment programme of €300 billion for growth and employment.

But he has not yet said where that money will come from or how it will be used.

As has often been the case, politicians in some member states have put both feet on the brakes.

And the relevant Commissioner has refused to answer targeted questions from members of the European Parliament.

What he did say was rather vague: apparently sensitive financial instruments and public-private partnerships would sort everything out.

One thing is clear: without public investment, it will not work.

We are calling for 2% of annual GDP to be invested, for the next ten years, to mitigate the damage caused by the finance industry.

Furthermore, companies such as Starbucks, Amazon and Apple must not be able to line their pockets by transferring their profits to European tax havens under concession agreements.

Proportionally, they are paying less tax than the average cleaner.

I hesitate to use the word 'scandal', but there is no other word for it. European policy must address this issue.

We are also calling for stability, by which we mean social security, decent working conditions, fair pay and secure jobs.

We need growth, too. And generating growth requires public investment.

We are calling for a strong state and a socially oriented market economy. We do not accept the abuse of free trade to the detriment of rights and social progress.

On the subject of the Transatlantic Free Trade Agreement, we are in ongoing and close consultation with the American Trade Union Confederation.

Dear colleagues,

Labour markets are growing, in particular marginal employment: in 2012, half of all recruitment was coupled with temporary contracts, most of which were by no means voluntary.

In some sectors this accounted for up to 70% of recruitment. Such phenomena not only contribute to social instability, but also lead to deskilling and precariousness.

For trade unions across Europe – including in Germany – labour market conditions are a major challenge.

Anyone who is celebrating Europe's high employment rates should take a closer look: the low-wage sector is showing the most marked growth.

The 'rent-a-worker' model is undermining what we have come to accept as normal working conditions, not least in large companies. Employees in these segments depend on the solidarity of works councils and trade unions. We have much to do in this area. We too must learn, so that our organisational methods correspond to the constantly changing conditions of the labour market.

We must forge new paths and strive for new methods. The advisory bureau of the DGB on the Frankfurt University campus is a good example of organisational creativity.

Dear colleagues,

It took a long time for Germany to introduce a minimum wage, an achievement thanks in no small part to the pressure exerted by German trade unions.

The attempts made by some to find ways around the minimum wage using every legal trick in the book should come as no surprise – indeed, they are to be expected.

The real economy should be measured by its own standards. When the DGB says 'decent work', it means fair pay and decent working conditions.

The exposure of employees to intolerable and inhumane dumping conditions in service sector companies or abattoirs, for example, is tantamount to a declaration of bankruptcy for the real economy.

The European Union has no jurisdiction over wage policy, which falls within the remit of collective bargaining.

German trade unions have consistently stood against any form of political intervention in collective bargaining policy.

The EU has resorted to so-called wage policy recommendations, and the troika is incorporating those recommendations into bilateral agreements, principally with crisis countries.

Over the past four years, 19 Member States have received wage policy recommendations. For example, Belgium, Luxembourg, Malta and Cyprus have been advised to abolish indexing.

Sweden has been advised to expand the low-wage sector through higher wage differentiation.

Even if these are only 'recommendations', they constitute an attempt to restrict the autonomy of social partners.

We will continue to resolutely oppose any such attempts. Freedom of collective bargaining and the independence of the social partners are part of the basic structure of the European Union.

We do not need chaperones or any other assistance with bargaining.

One final point, dear colleagues. Throughout Europe, rabble-rousers are seeking to capitalise on the growing insecurity, helplessness and confusion of many.

Right-wing populists, demagogues, xenophobes, anti-Semites, racists and fascists. This is happening in Germany, too.

Their rhetoric relies on scapegoats, whether Muslims, Jews, immigrants, refugees, asylum-seekers or even the European Union.

Some would rather retreat within the comfort of their own national borders. Consider UKIP in the UK or the Front National in France.

We must remember: these forces are gaining in popularity among working people, too. This is a challenge not only to democratic parties, but also to trade unions.

The European Trade Union Confederation and all its member organisations will not shy away from this challenge.

When in a city such as Dresden, with a foreign population of only just over two per cent, thousands of people take to the streets every Monday and make out that the so-called Christian West is staring into the abyss and that the burqa is about to become standard dress for women – then something is going very wrong.

Some extreme-right politicians are adding fuel to the flames and treating the entire affair as a serious issue.

Professors are said to be among them.

We cannot simply stand aside and wait to see what happens.

The magnificent Cologne cathedral never shone as brightly as when it was plunged into darkness in protest at these marches.

We must join forces with civil society and consciously combat this movement. We must make clear that our Europe is not a breeding ground for nationalists;

that we will defend it and foster its growth;

that European civil society is and will always be multinational;

that Islam is a religion of Europe;

that the European Union is secular and that Europe will not close its eyes to the world: war and terrorism elsewhere concern us all.

The right to asylum and to free movement remain fundamental European rights.

There is much to do. Let us work together.

On that note, I wish you all a happy, healthy and prosperous new year.

Just one final request: when you inaugurate the House of Labour, do not forget to invite us. We will be sure to come!