



PRESS RELEASE

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The market, welfare and solidarity: the search for an impossible equilibrium

FROM JOB SECURITY TO SECURITY FOR THE WORKER

The CISL secretary, Santini: “Two contractual levels: general provisions defending the purchasing power of wages, and company-level agreements rewarding productivity”

There is a term, flexicurity, which would have it that flexibility at work and social security can coexist. However, when there is discussion of the market, welfare and solidarity, as took place today at the last Forum of the Festival with Cipolletta, Monsignor Crepaldi, Domenico Arcuri, the MD of the Agenzia Nazionale per l’attrazione degli investimenti e lo sviluppo d’impresa (formerly Sviluppo Italia) and Giorgio Santini, confederal secretary of CISL (there should also have been the former Minister for Social Policy, Paolo Ferrero, blocked by a road accident, fortunately without serious consequences), a distinction must be made immediately: if the market is at world level (global), the security systems are local. “At the centre of the question” – stated Cipolletta immediately on opening the debate – “there is no longer security of the job but the security of the individual, the worker”.

According to the Chairman of the state railways, who introduced the Forum, flexibility means for example “making trains run with a single engine driver, as takes place in all the countries of the world, instead of the two necessary in Italy due to contractual limitations”. The debate in the Depero room indeed developed in particular around the need to overcome the current Italian system of contracts.

Cipolletta: “The truth lies in the middle between the market and solidarity: both are necessary. It is important to declare oneself and take sides. There are forms of security strongly linked to companies. Redundancy funds, for example: why can’t these be privatised? Some of the tax pressure would be abolished”. On contracts: “Why do contracts expire on a yearly basis all over the world, whereas only in Italy do the trade unions want to extend the term?”.

Cipolletta also talked about the relationship between the public and private sector. “It is in the public sector that there is a major problem of flexibility. I am not saying that there are only idlers in the public sector, most of them work much more than they are paid for”. What about the railways? “I hope that there will be privatisation, but I hope it doesn’t end up like Alitalia. Are the trade unions happy about how things have gone with the national air company? Was it intelligent to make the agreement fail? What is in play is the efficiency

of the country, of important services, the railways, education and health, which could be better if we allowed those of value the chance to earn more". Another question, solidarity: "If we have to create priorities in the world, who should we help? Who should solidarity be directed at?".

On the other side of the fencing match with Cipolletta there was Arcuri, who first responded to the statements made yesterday by Marchionne, from Fiat, about the impossibility of investing in Sicily: "It is impossible to invest in Sicily on Marchionne's terms. We worked at length last year in order to guarantee the doubling of the Termini Imerese works. Certainly Italian tools in terms of competitiveness are not satisfactory as compared to those offered by eastern European countries, but in Italy it is difficult to attract direct foreign investment, for a long time Italy was a hard discount for businesses coming to buy our companies. 66% of direct investment made in 2007 went to Lombardia, 75% to Lombardia and Piemonte. Central and southern Italy are outside these dynamics".

Then, in answer to Cipolletta, who recalled how in the era of the Dini government he was called on to study how to eliminate the useless residues of the Southern Italy Development Fund and asked himself "when will have not 'Sviluppo Italia' but rather a developed Italy", Arcuri had no difficulty in using the statistics to demonstrate that "Sviluppo Italia is no more: before there were 216 controlled companies, today there are only 9 boards of directors: we have made a silent contribution towards containing the costs of politics. So Sviluppo Italia has come to an end, whereas in the meantime Italy has not seen development. Why? There are three reasons and these are security, legality and infrastructures".

"The resource lacking today is time" concluded Arcuri: "Organising policy to support development means reducing the time necessary to realise it. Development support policy was established according to the structure of the offer, it had little to do with the characteristics of the demand. Today it is necessary to favour demand and ask ourselves how we can make the regions more receptive. The target group for all this is the new generations, but often choices regarding entry to the labour market are conditioned by the debts accumulated in order to complete the training process. As far as we are concerned, we wish to leave the strongholds of revenue and face up to the challenge of a positive relationship between competition and security with courage on behalf of employment, functionality and users. We will need the help of everyone, including the institutions".

According to Monsignor Giampaolo Crepaldi, secretary to the Pontifical Council for Justice and Peace, which he himself describes as "the Ministry of Misfortunes", today it is necessary to manage not so much the answers as to cultivate the questions. The Monsignor did not cite the "but also" approach for which Veltroni is known, but rather Pope John Paul II and the social doctrine of the Church, "which everyone is convinced deep down is against the market, whereas it instead says that the market is the most effective tool for answering needs. It is however aware that the market is a means, not an end, because man cannot be the object of the market, as there are needs that the market cannot satisfy, individuals who cannot keep up with the market and assets which should belong to everyone, because the market is a competition, at the end of which those starting off again

have an advantage as compared to others. External rules are always worth less than those internalised in the conscience of operators. More ethics makes the market more efficient. Unscrupulous dealers rig the market. However the market needs an environment permeated by values: we must recover and make the Italian economic system work by filling the gap with immaterial assets, the family, education, good manners, the joy of being Italian, hope, faith and the force to believe in this country". Conflict? "The market functions well even if there is some conflict. I don't demonise the trade unions, but they certainly need to update themselves".

Is the truth in the middle? For the CISL secretary, Santini, "the market and welfare have a sense insofar as they succeed in coexisting on a daily basis. In our history we fought at length in order to ensure there was more than just the market and we must admit that the idea that there may be abstract security separated from the link to market rules has also been shown by history to be an illusion, and thus we must always have the ability to link these two elements. Is it possible for them to coexist at the workplace? Yes, it is possible and necessary, but flexibility, necessary for the market, must not become lack of job security. It is necessary to construct sustainable flexibility focussing on people. Job security must again be a part of the employment market, reconstructing social security cushions and also extending them to young people and the first years of employment".

Santini then expressed openness as regards the question of revising the contractual system. "It must be reformed. The moment would seem to be right, there is a joint trade union document, Marcegaglia has made important declarations. What do we hope to obtain? Something very simple: today the national contract brings together too many needs: dealing with the cost of living, redistributing income and profits, a mixture of objectives which has weighed down contracts. While awaiting annual contracts, we think that it would be a good idea to entrust two different objectives to two different levels of negotiation: at national level the objective of ensuring that collective contracts recover, guarantee and allow safeguarding of the purchasing power of pay. It is right that the other aspect, linking pay to the productivity of businesses, be entrusted to a more fragmented level of negotiation, to allow this link to become more binding, requiring joint responsibility from both sides, participation and collaboration. Because it is true that we must provide answers to the need of companies to be more competitive, but also allow commitment and merit to be rewarded. Will we succeed? I hope so. I am in favour of a dynamic and positive system of relationships between the two sides, that no longer holds things at a standstill".

Responding to Cipolletta on the Alitalia case: "We don't like the Alitalia crisis, nor the arduous progress with the railways and we are willing to discuss the question. There is however a form of corporatist and autonomous trade unionism that also has a distorted role in the dialectics between the parties. "It is not necessary to start from zero, but there is much that could be simplified. Telecommunications, like the railways today, was a sector with a monopoly and when it was deregulated a new sector contract was created, which was much more flexible and which is today accompanying the sector in a positive way. Simplify the pay packet? We are in agreement. We are dubious as regards the productivity

incentives proposed by the government with the decree on overtime, we have asked for and obtained an assurance that this will be a trial. We will see in the next six months, we would like to see the measures simplified: with one part of pay linked to what is effectively achieved in companies, to productivity, this part ideally being encouraged by lower taxation. This is a “revolution”, as our country is still linked to revenue and we must all commit ourselves, trade unions, businesses and the state, to ensuring the social safeguards that it will only be possible to guarantee with fair development. By updating themselves, the trade unions may themselves be a factor in development”.