

EUROPEAN TRADE UNION CONFEDERATION INDUSTRIALL



EL/EC/gb Brussels, 20/02/2023

Ursula von der Leyen President of the European Commission

Valdis Dombrovskis Vice-President of the European Commission

Margrethe Vestager Vice-President of the European Commission

Frans Timmermans Vice-President of the European Commission

[Letter sent by e-mail]

Dear President, Dear Vice-Presidents,

In light of your forthcoming debate on competitiveness within the College, the ETUC and IndustriAll Europe would like to reiterate its suggestions to improve the Green Deal Industrial Plan.

The ETUC and IndustriAll Europe have welcomed the recent <u>European Parliament</u> resolution calling on "the Commission and the Member States to make sure that the EU industrial plan can help to achieve the just transition and its objectives, including the creation of quality jobs with fair working conditions and good pay, the promotion of collective bargaining and respect for collective agreements" (para 43), also to contribute to reach "the objective to achieve at least 80 % coverage of collective bargaining in the Member States, in line with the Directive on Adequate Minimum Wages" (Recital L).

We recall that the US Inflation Reduction Act seeks to tackle the climate crisis while lifting up workers and creating good paying, union jobs across the US. The EU should also take inspiration from the US in combining plans to speed up the transition to a green economy while keeping high quality jobs in Europe with measures to raise wages and working conditions.

The ETUC and IndustriAll Europe are of the view that the best aid for European industry is through investment and support of its workers, including through an anti-crisis mechanism that protects employment and incomes of those on short-time work schemes due to high energy costs. We do not believe in a failed deregulatory agenda based on the 'one-in-one-out' principle or an arbitrary 'competitiveness test', which we reject.

The ETUC and IndustriAll Europe also share the European Parliament's call for fresh resources to finance these policies as well as the need to ensure that all Member States are given the same opportunities through the development of additional EU fiscal capacity (as suggested also by the IMF).

We reiterate our call that any public European and national support and funding and state aid, including tax credits, be conditional on the recipients' offering quality jobs and working conditions, access to training, respect of collective agreements and not paying out extraordinary dividends while the company is in receipt of public aid.

This is in line with the EP call "to make EU funding conditional on relevant requirements linked to public policy objectives, in particular social, environmental and financial requirements, and respect EU labour rights, standards and improved working conditions" (para 21).

It is also very important that – already in the framework of the Green Deal Industrial Plan – public procurement rules be a vehicle to ensure public funds contribute to promote collective bargaining and that only companies that respect workers and trade union rights and negotiate with trade unions obtain public contracts / public support, as called for by the European Parliament resolution.

These are the social conditionalities currently lacking in the Green Deal Industrial Plan and we urge the College to include in their discussion. There should be no blank cheques for companies which don't respect workers' rights. Europe should grasp this opportunity to raise living standards at the same time as cutting greenhouse gas emissions by including clear social conditionalities in the Green Deal Industrial Plan.

We look forward to continuing to contribute to this debate.

Yours sincerely,

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Esther Lynch ETUC General Secretary

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Luc Triangle General Secretary IndustriALL Europe