

To the Ministers of Finance of the EU
To the Ministers of Employment of the EU

Cc:
Valdis Dombrovskis
Executive Vice President of the EU
Paolo Gentiloni
Commissioner for Economy
Nicolas Schmit
Commissioner for Jobs and Social Rights

Letter sent by e-mail:

Finance Ministers of the EU
Employment Ministers of the EU

cc:
cab-dombrovskis-contact@ec.europa.eu;
cab-gentiloni-contact@ec.europa.eu;
CAB-SCHMIT-ARCHIVES@ec.europa.eu;

RE: Urgent call for prolongation and extension of emergency measures for employment support

Dear Ministers,

While the EU institutions have shown readiness to launch an ambitious Recovery Plan, the ongoing negotiations related to the regulations for its implementation are proceeding slowly. This could lead to significant delays for the approval of the RRF/MFF package, with the consequence that the first disbursement of money will not take place before the second half of 2021.

Additionally, after having gradually come out of the lockdowns, most countries are experiencing a new rise in infections and have therefore introduced new restrictions affecting the economic activities and free movement of people.

There is a high risk that the tens of millions of workers who are suspended from work and benefitting from the various employment protection measures put in place by governments, will become unemployed if the gap between the emergency measures and the recovery plan payments is not bridged by appropriate support measures for workers and companies.

The information we have gathered from ETUC affiliates, which we compared to OECD data to test consistency and covering 88% of the EU population + UK, shows that:

- **39,650,000 workers will potentially be affected negatively from a sudden exit from the emergency measures for employees**
- **14 million employees risk to lose their job** in the event that short time work schemes, or equivalent, are terminated. These 14 million are at risk of being involved in dismissals process and would add to the 12 million unemployed currently reported by Eurostat.
- **These figures are conservative because:**
 - **It's very difficult to get reliable data on precarious, non-standard and self-employed workers. They are the most affected by the loss of work and income, and in many member states they are very poorly covered by income compensation measures. These categories amount to additional millions of workers. Furthermore, they are**

predominantly engaged in the most affected sectors such as bars, restaurants, tourism, culture, entertainment, media and freelance journalism, etc.

- *The above-mentioned figures do not take into account the job losses caused by the domino effect that shut-downs or massive redundancies may have on the supply chains or connected enterprises.*
- *Fixed-term contract that are expiring are not factored in. Unemployment rates are also increasing because of expiring fixed-term contracts and this trend will continue. Thus, seasonal workers that will not have the opportunity to be hired back after the lockdowns are not factored in to the calculation.*
- *Countries not covered by these figures represent 12% of the EU population.*

Consequently, we estimate that there could be additional 10 to 20 million workers at risk of unemployment and loss of income.

Many governments are, rightly, reintroducing or prolonging support measures, but this is not happening everywhere and not all categories of workers are covered, particularly precarious, non-standard, self-employed workers, as well as fixed term and seasonal workers.

For these reasons, **ETUC appeals to you Ministers, and to the European Commission, to urgently deliver on the following:**

- All national and EU emergency measures - particularly those connected to employment protection and income compensation and SURE - must continue for the necessary duration and until the full recovery of the economy and the stabilisation of jobs. This means that governments need to consider that such a prolongation will last until the Recovery funding will be available, and even further if necessary; and for the Commission to consider refinancing SURE for next year.
- All existing shortcomings of the emergency measures, particularly in terms of adequacy and universality of coverage and access, must be fully resolved. This means, in particular, that employment protection and income compensation measures must be extended to cover all categories of workers, including precarious, non-standard and self-employed workers, as well as fixed term and seasonal workers.
- Workers' rights should be respected, in order for workers to take part in shaping responsible restructuring processes and maintain employment.

We appeal to you to consider these requests as a matter of urgency, in order to avoid an unemployment tragedy, from which Europe will not be able to recover.

We stay ready to support and contribute in the design, implementation and monitoring of both emergency measures and in the national Recovery and Resilience Plans, directly and through our national affiliated trade unions.

Best regards

Luca Visentini



General Secretary of the ETUC