

European Semester 2021

TRADE UNION INPUTS FOR NATIONAL RECOVERY AND RESILIENCE PLANS

A PEOPLE'S RECOVERY





TRADE UNION INPUTS FOR NATIONAL RECOVERY AND RESILIENCE PLANS

TABLE OF CONTENTS

FOREWORD	5
WHAT THIS REPORT IS ABOUT	7
CHAPTER 1: EUROPEAN PRIORITIES FOR A JOB-RICH RECOVERY	8
SOCIAL CHALLENGES TO BE ADDRESSED IN A (POST) COVID ECONOMY	8
AN INVESTMENT STRATEGY FOR EUROPE	15
Investment needs and gaps	16
Just Transition Measures	21
Resilience	25
RELEVANCE OF TRADE UNION INVOLVEMENT IN THE RRF AND STATE OF PLAY	27
CHAPTER 2: COUNTRY-BY-COUNTRY INPUTS FOR INVESTMENT, JUST TRANSITION AND RESILIENCE	29
AUSTRIA	29
Reforms and investments. Trade union priorities implementing the recovery plan	30
Measures for just transitions	31
Building social resilience with stable and protected jobs	31
BELGIUM	32
Reforms and investments. Trade union priorities implementing the recovery plan	33
Measures for just transitions	34
Building social resilience with stable and protected jobs	34
BULGARIA	35
Reforms and investments. Trade union priorities implementing the recovery plan	36
Measures for just transitions	36
Building social resilience with stable and protected jobs	38
CZECH REPUBLIC	40
Reforms and investments. Trade union priorities implementing the recovery plan	41
Measures for just transitions	41
Building social resilience with stable and protected jobs	41
ESTONIA	42
Reforms and investments. Trade union priorities implementing the recovery plan	43
Measures for just transitions	43
Building social resilience with stable and protected jobs	43
FINLAND	45
Reforms and investments. Trade union priorities implementing the recovery plan	46
Measures for just transitions	46
Building social resilience with stable and protected jobs	46
FRANCE	47
Reforms and investments. Trade union priorities implementing the recovery plan	48
Measures for just transitions	50
Building social resilience with stable and protected jobs	53
GERMANY	57
Reforms and investments. Trade union priorities implementing the recovery plan	58
Measures for just transitions	58
Building social resilience with stable and protected jobs	58
GREECE	60
Reforms and investments. Trade union priorities implementing the recovery plan	60
Building social resilience with stable and protected jobs	61
ITALY	62
Reforms and investments. Trade union priorities implementing the recovery plan	63
Measures for just transitions	64
Building social resilience with stable and protected jobs	65
LATVIA	67
Reforms and investments. Trade union priorities implementing the recovery plan	68
Just transition	68
Building social resilience with stable and protected jobs	69
LITHUANIA	71
Reforms and investments. Trade union priorities implementing the recovery plan	72
Measures for just transition	73
Building social resilience with stable and protected jobs	74
NETHERLANDS	76

Reforms and investments. Trade union priorities implementing the recovery plan	77
Measures for just transition	77
Building social resilience with stable and protected jobs.	77
POLAND.....	79
Reforms and investments. Trade union priorities implementing the recovery plan	80
Measures for just transitions	81
Building social resilience with stable and protected jobs.	83
PORTUGAL.....	85
Reforms and investments. Trade union priorities implementing the recovery plan	85
Measures for just transitions	86
Building social resilience with stable and protected jobs.	86
ROMANIA.....	88
Reforms and investments. Trade union priorities implementing the recovery plan	88
Measures for just transitions	89
Building social resilience with stable and protected jobs.	91
SLOVAKIA.....	93
Reforms and investments. Trade union priorities implementing the recovery plan	94
Measures for just transitions	95
Building social resilience with stable and protected jobs.	96
SPAIN.....	97
Reforms and investments. Trade union priorities implementing the recovery plan	98
Measures for just transitions	99
Building social resilience with stable and protected jobs.	101
ANNEX 1 The methodology of the ETUC's Sustainable Growth and Decent Work Index (#EUSDG8 i)	103

FOREWORD by Liina Carr

The Recovery plan for Europe has the ambition to mobilise thousands billion Euro with two main objectives: i. counteract the economic recession caused by the pandemic crisis, and ii. seize the moment to obtain a fair and just green and digital transformation of the EU economy. The ETUC supports the Recovery Plan and this report aims to contribute to the ETUC strategy to **make the Recovery Plan for Europe something that brings tangible benefits to workers.**

This report takes also into account the governance of the RRF which largely surrogates the dynamics of the European Semester. The governance of the RRF envisages the **involvement of social partners** but neither the RRF Regulation nor the Guidelines issued by the European Commission provides indication about how this should happen. This report provides guidance to all policy and decision makers on how to involve trade unions in the process.

The EU wants to relaunch public investments. Within the Next Generation EU, 680 billion euro go to the Recovery and Resilience Facility (RRF) which will fund an investment plan for Europe based on grants and loans to member states. The RRF is important because it imposes on the member states the obligation to set up Recovery and Resilience Plans that will determine the investment and reform strategy of each member state in the framework of a “multilateral surveillance” process. This exercise can increase the EU added value and consistency of the overall RRF but should never result in any decision to impose on member states restrictive fiscal rules but should on the contrary be conducive to a deep revision of the Stability and Growth Pact.

Private investments should also contribute to the common EU objectives. The picture should be completed with a policy and legislative framework that would encourage private investments and to direct them toward the common EU social and environmental sustainability objectives, in this regard special role will be played by the InvestEU fund, the EIB and the sustainable investment programme with its taxonomy for green and social investments. However, the ETUC stresses that RRF itself should be strictly used to increase level of net public investments.

The economic recovery should be designed to adhere to higher social standards and well-being for all Europeans. Investments should have as a main output quality jobs, and higher protection of workers and their families against future shocks (resilience), and set the EU development model on sustainable tracks. The mainstream policy frameworks are the Green Deal, the European Pillar of Social Rights with its 20 principles. The 17 Sustainable Development Goals of the UN2030 Agenda help policy decisions that systematically balance economic, social and environmental aspects of sustainability.

The ETUC is giving voice to 45 million workers in the designing, implementation and monitoring of the recovery plan. For that purpose it launched a strategy called A People's recovery. ETUC acknowledges the efforts made to elaborate and finance a Recovery Plan for Europe. With 45 million workers at risk of unemployment the stakes are very high. The ETUC calls for **A People's Recovery** which lead the EU to a socially fairer, climate-friendly, digital future. To be a People's Recovery it needs to do more to reflect people's real needs. It needs to

- Save and create millions of quality jobs;
- Increase investment in all sectors of the economy including social and health services;
- Leave no one behind in ambitious climate action that creates jobs and implements a socially just transition;
- Support working people hit by company restructuring;

- Digitalise our economy respecting workers' rights and giving people more opportunities and control over their lives;
- Guarantee absolutely no return to austerity now or later down the line!



Liina Carr
ETUC Confederal Secretary

WHAT THIS REPORT IS ABOUT

This report illustrates the trade union proposals for an investment and reform strategy for a job-rich recovery in a (post) pandemic economy. The report proposes a EU overarching strategy based on the sustainability agenda and provides inputs for national Plans for Recovery and Resilience (from now on: nRRP). In their proposals for nRRP trade unions set forth proposals for investments, just transition, resilient economies and social dialogue.

National Recovery and Resilience Plans are going to be finalised by April 30th 2021 and this reports intervenes at early stage to bring the trade union voice in the elaboration of such plans to ensure that they will stick with the social and green objectives of the RRF.

The ETUC and its members proposes to frame the investment and reform strategy in two mainstream policy frameworks:

- the Sustainable Development Goals of the UN2030 agenda will be used as a compass to select investments that holistically fit with the economic, social and environmental dimensions of development;
- and the European Pillar of Social Rights to maintain focus of the RRF on the objective of upward convergence of working and living conditions for the benefit of all Europeans;
- The European Green deal as Europe's sustainable growth strategy and the translation of the Unions commitments to implement the Paris Agreement.

The ETUC Index of Sustainable Growth and Decent Work (#EUSDG8 index) provides supports to better point out social, environmental, digital and health challenges that the EU and its member states have to address (methodology in Annex 1).

This report focuses on priorities and proposals that have to be implemented during the multiannual course of the Recovery and Resilience Facility (RRF). For that reason, this report is the first of a number of publications that will give voice to the trade union movement along the years until the recovery phase achieves its end.

This report will not provide a legal analysis of the Regulation on the RRF. This report is aimed at providing guidance about what investments and reforms are actually needed at EU and national level to achieve job-rich, fairer and sustainable recovery in socially resilient economies.

Chapter 1 focuses on the European challenges and policy drivers that could lead to a sustainable recovery phase for the benefit of all Europeans. This chapter also report on investment needs and gaps by economic sectors that may inspire national plans and encourage cross-border investment projects.

Chapter 2 focuses on country-by-country proposals developed with the ETUC national affiliates that remain the owners of the contents and proposals developed in each country sheet.

CHAPTER 1: EUROPEAN PRIORITIES FOR A JOB-RICH RECOVERY

SOCIAL CHALLENGES TO BE ADDRESSED IN A (POST) COVID ECONOMY

The EU economy is not fully sustainable but has a competitive advantage with the rest of the world.

As the ITUC SDG8 Monitor shows, the potential of the European economy arises from more protective and resilient social systems.¹ If it is true that the EU region entered the pandemic crisis showing a higher degree of sustainability compared to the rest of the world, it is also true that relevant weaknesses arising from years of short-sighted fiscal policies and low investment are now increasing the suffering of people coping with the economic consequences of the pandemic.

Figure 1: According to the SDG8 Monitor of the ITUC, Europe is better placed than the rest of the world but none of the European countries go above 120 points (max 130)

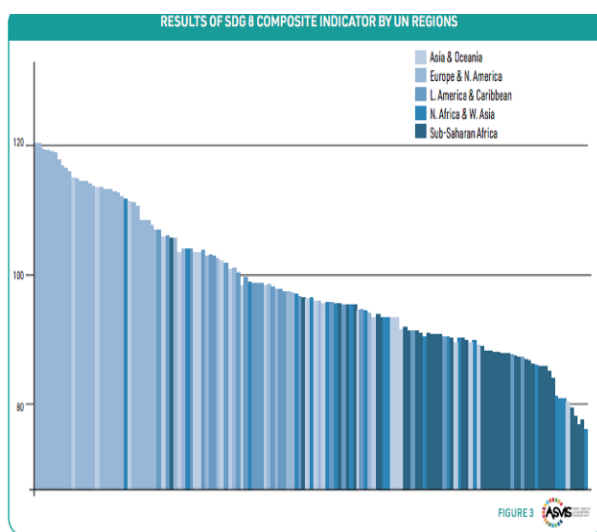
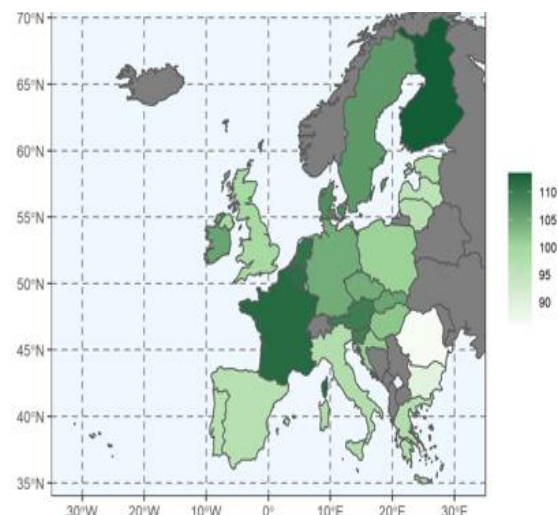


Figure 2: #EUSDG8 i: The EU entered the pandemic crisis with a mixed potential of sustainability. The best-in-class (e.g. Netherlands or Denmark) are very far from the sustainability laggards (e.g. Romania and Greece).

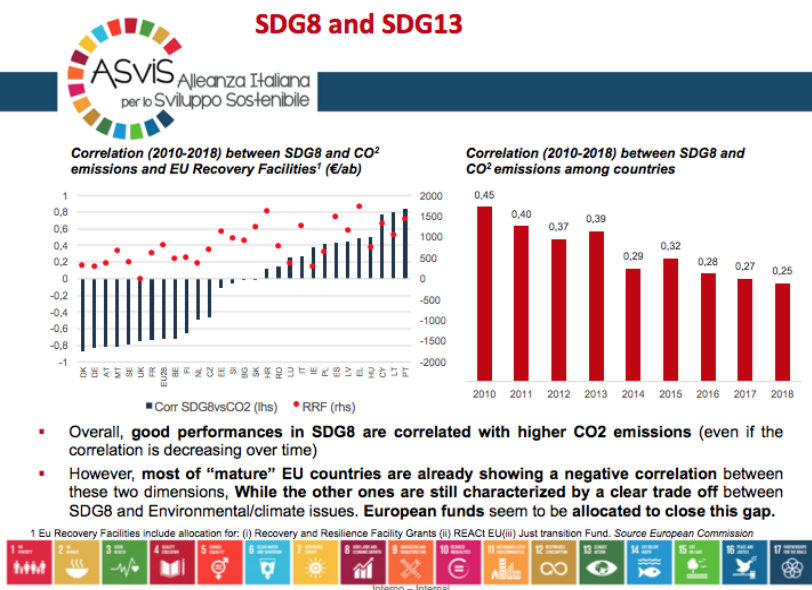


The EU development model needs a change to be set on sustainable development paths. The world's economy is not sustainable in its environmental and social aspects, nor in its institutional and democratic features. This means that the competitive advantage that the EU has does not indicate that the EU development model is sustainable. At closer sight, its development model is not fully compatible with environmental restrictions and it is less inclusive and fair. Secondly, the EU economy is fragmented, so the sustainability potential varies country-by-country. Non-sustainable and fragmented economies may threaten the successful implementation of the Recovery Plan. The latter is conceived as a European plan and will be a game changer if it can preserve its unity.

¹ "SDG Decade of Action. Trade Union Policy Responses", ITUC, Brussels, 2019. Pag. 8 "When observing how the composite indicator behaves within regions, we note that none of the regions can claim to fully exploit the driving power of SDG 8 to achieve the SDGs ... North America and Europe are better placed than the rest of the world; however, notwithstanding their good performances in terms of GDP or GNI per capita, there is a long way ahead also for wealthier regions."

The EU Recovery Plans and the European Green Deal should be “game changers” that make growth, decent work and environmental objectives part of the same picture. The EU entered the pandemic

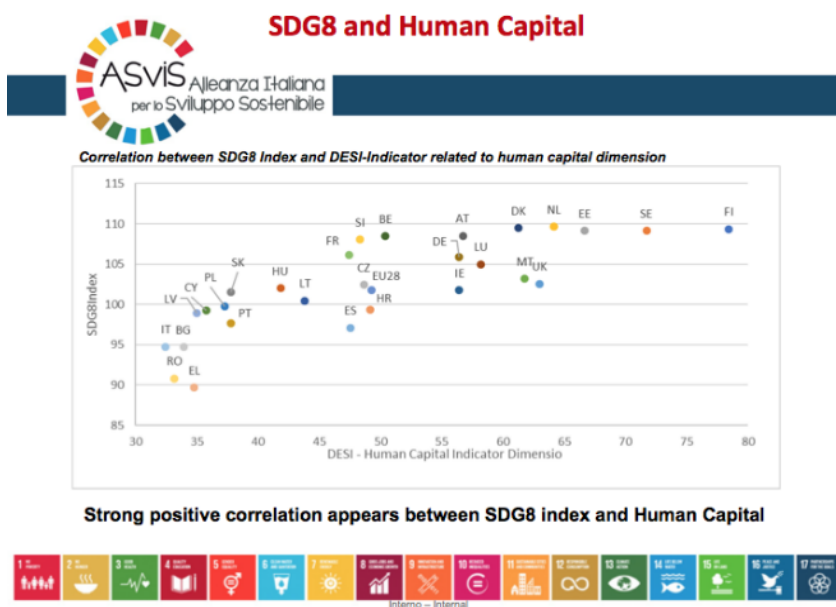
crisis having invested its political and economic energies in reducing the environmental impact of its economy, but the green transformation is still to come. The graph shows that during the last decade the positive correlation between the sustainable growth/decent work index (*EUSDG8i*) and CO² emission has lost ground, but remains a remarkable opportunity. The good news is that there are countries (representing a relevant rate of the EU GDP) that have found a way to tighten the relationship



between growth/decent work and CO² emissions. Ideally, such experiences can guide the design and implementation of the nRRPs. Instruments such as multilateral surveillance, peer reviews and comparative analysis should be better used to identify and multiply best practices, rather than to introduce fiscal conditionality in the functioning of the RRF.

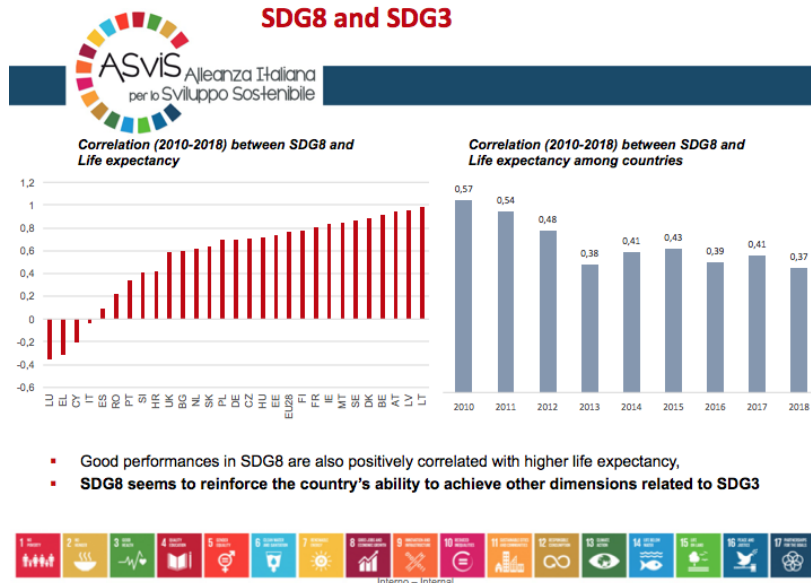
Digital divide (among countries and among people) is a burden on the creation of quality jobs. Still

the digital transformation can be boosted by the agenda for sustainable growth and decent work. The graph below shows that *EUSDG8i* is quite effective to trigger digital transformation, which means that the digital divided will be reduced if labour market inclusiveness and workers’ protection are improved.



The graph shows that the performance of the EU countries in terms of digitalisation varies greatly

and there is a clear correlation between the delay countries are experiencing in their technological development and their lower performances in terms of sustainable growth and decent work during the last decade. This element is crucial to set the EU economy on resilience tracks.

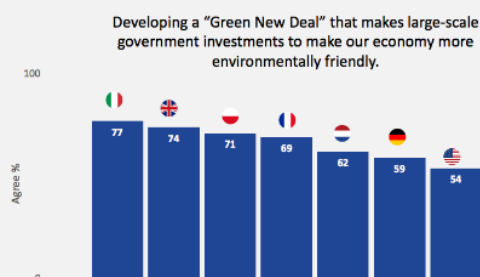


Finally, it has to be noted that sustainable growth and decent work (*EUSDG8i*) leads to healthier societies. As the graph shows, the EU policy needs a change of direction because the policies implemented during the last decade have eroded the positive correlation between our *EUSDG8i* and life expectancy. Still evidences show the pandemic itself and lockdown measures are having

effects on physical and mental health of people. Trade unions expect that the recovery plan can build on the synergies between growth, decent work and investment in quality public health services, infrastructures and the people working in the sector. The same reasoning can be applied to public services that are key to the well-being of people and their economic resilience². The RRF should create quality services delivered by well-educated and well-protected workers.

There is a momentum for change but change requires dialogue, openness and transparency. At this moment people are convinced that a European investment plan is much needed and that international

Strong support for the Green New Deal, and even a majority in the US



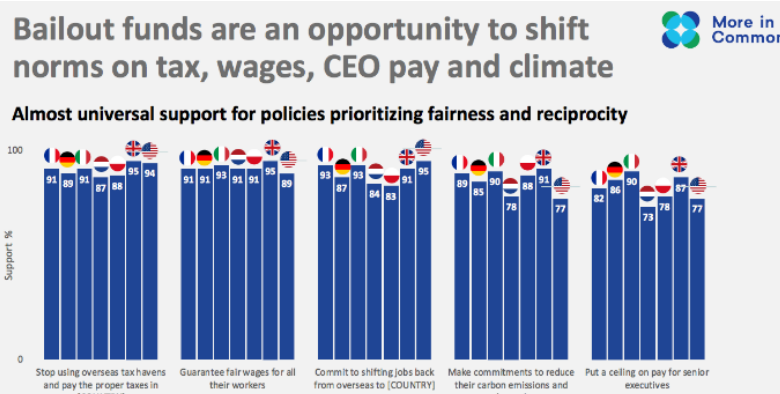
cooperation may improve the health and economic response to the pandemic crisis. However, there is little trust in national governments and super national institutions. Specific components financed under the Recovery Plan should involve local authorities and social partners in order to

create consensus, ownership and a sense of justice regarding the Recovery plan.³

² See Re-Thinking chapter on public services

³ Rethining,,,, Matt Browne

There is strong support for Green and Digital transformations but they have to include social justice and economic fairness. People understand the relevance of the fight against climate change and the



preservation of the natural environment but they also need a more articulated agenda that ensures a widespread distribution of the advantages of the green and digital transition. They need modernised social protection systems, fairer taxation systems, and reciprocity from the business side. The latter means that as public money goes to businesses,

businesses should maximise their social return and that the state (public powers) should take more responsibility in ensuring a fairer market distribution.

This is reasonable because **the EU entered the pandemic crisis with increasing inequalities which will no longer be tolerated by Europeans.** The main features of such deepening inequalities were poverty and lack of social mobility⁴. Workers depending on wages were particularly exposed due to years of painful reforms which lowered labour law protections, curbed real wages and undermined collective bargaining structures. The workers' fragility was manifest during the spread of the COVID-19 virus. This aspect links the concept of sustainability to that of resilience.

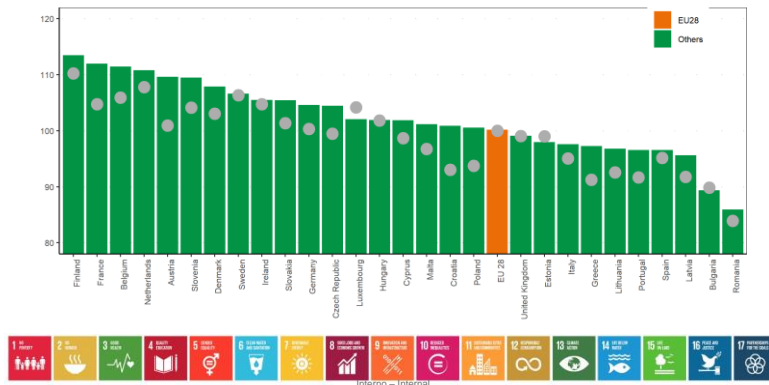
When it comes to social resilience and sustainability, the ETUC index for Sustainable Growth and Decent Work (#EUSDG8i) contributes to the monitoring and measuring of progress toward resilient and sustainable economies at EU and country-based levels. The monitoring system was built to exploit the strong, positive correlations between Goal 8 and other SDGs and ensure that social progress and green-digital transformations will mutually reinforce each other, thus building a society that is fairer today and respectful of future generations (for methodology see Annex 1). **If the Recovery Plan is meant to be a game changer in favour of sustainable and resilient economies and societies, there is a long road ahead with many risks to be addressed.**

⁴ [These two trends were featured in the ETUC for Growth and Social Progress and put into future scenario in Re-Rethinking especially Scarpetta, Van der Hoven and Giovannini]

Economic Well-Being Composite

ASVIS Alleanza Italiana
per lo Sviluppo Sostenibile

Economic Well-Being – Country scores in 2019 (bars) vs 2010 (dots)



income⁵ which is the consequence of non-inclusive labour markets (low scores and very limited progress during the last decade combined with workers' vulnerabilities that limit their capacity to collectively bargain for their rights and their economic interests). As the market distribution is so uneven, a wide re-distribution of income and wealth is necessary. But unfortunately, the Stability and Growth Pact constrained the capacity of member states to use these two levers and the poorer and middle-class, especially wage earners, were assaulted by the double crunch of uneven market

According to the ETUC Index of Sustainable Growth and Decent Work (referred below to as #EUSDG8i), the EU as a whole made little progress during the last decade thus lowering its potential for sustainability.

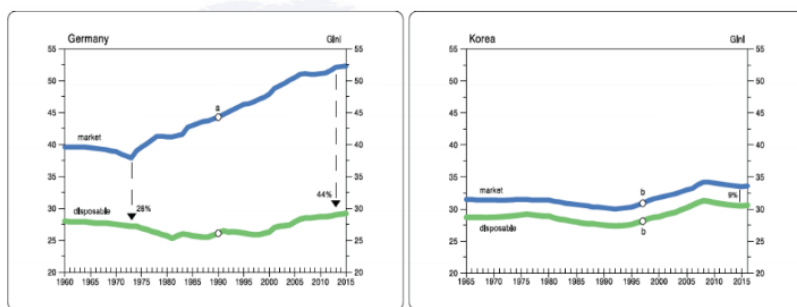
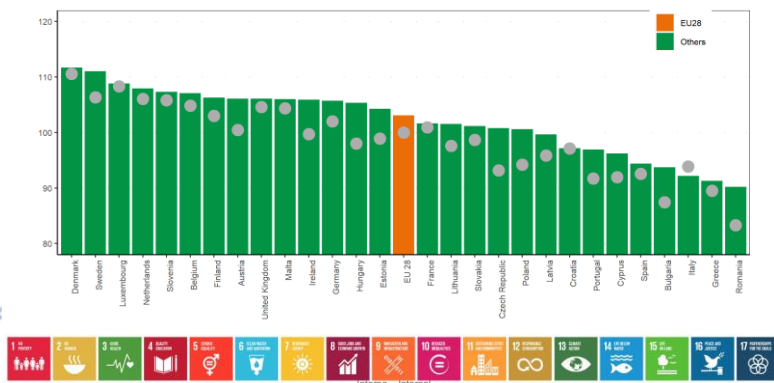
Major flaws were registered in the field of economic well-being despite continued growth recorded during the 5 years prior to the pandemic crisis. This raises doubts about the growth model we have pursued so far. In particular, the responsibility is based on the uneven distribution of the market

distribution and the inability of governments to provide effective responses to people's needs. The #EUSDG8i shows that labour market inclusiveness deteriorated in some countries (dramatically in Greece) and workers' vulnerability remained high and worsened in countries were most affected by the rules of the Stability and Growth Pact (The #EUSDG8 index rates at the top those countries that better protect their workers, and ranks at the bottom of the scale countries in which workers are more vulnerable).

Labour Vulnerability Composite

ASVIS Alleanza Italiana
per lo Sviluppo Sostenibile

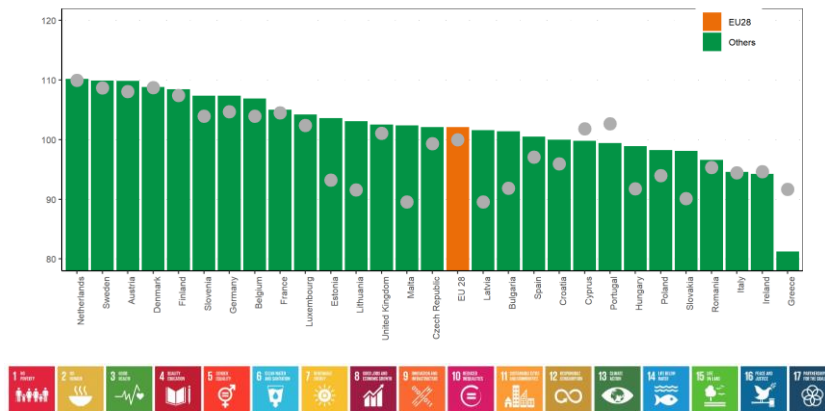
Labour Vulnerability – Country scores in 2019 (bars) vs 2010 (dots)



⁵ [see Van Der Hoeven, in Rethinking],



Employment Quality – Country scores in 2019 (bars) vs 2010 (dots)



As the single market was left free to unevenly distribute wealth and income for at least 2 decades, it reduced the sustainability potential of the EU. It was only in 2017 that the EU elaborated a social policy framework, the European Pillar of Social Rights, which has produced some results so far but has not been able to rebalance the development model of the EU and set it on a sustainable path.

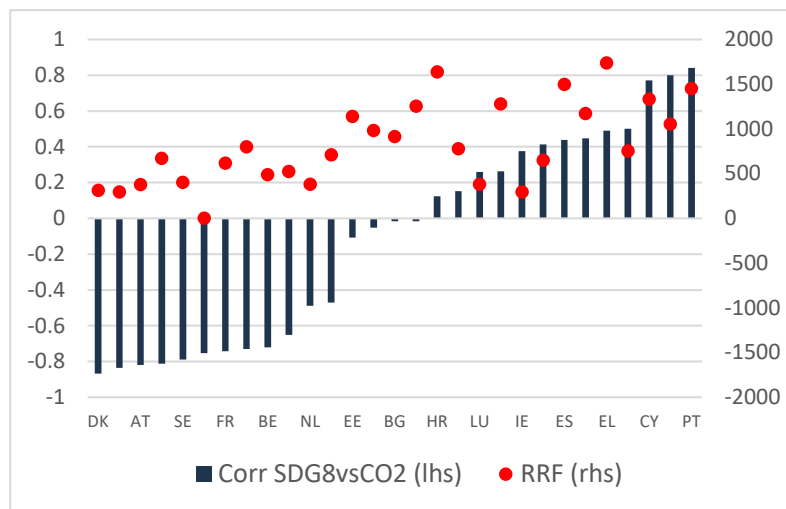
The “twin” digital and green transitions are fully compatible with sustainable growth and a decent work agenda as evidence shows. However, the potential of the EU to achieve a green and digital transition lack the most powerful driver, which is a just transition and the social resilience boundaries. In the absence of the driving power of Goal 8 (as defined by the ETUC) there is a risk of missing the opportunity to set the EU economy on the right track of sustainability and resilience.

The Recovery Plan should change the productive and distributive model of the EU. What evidence shows is that 10 years ago, countries that were better placed to set their economies on the path to sustainability made little progress, while sustainability laggards progressed too slowly. Among countries that have reduced their sustainability potential we see economies with large financial services components, such as the UK and Luxembourg, hinting at the fact that sustainability works better in a real economy (and is worse off in speculative economies). It is also to be noted that a country like Ireland, which recorded remarkable growth during the last decade, has not been able to set its development model on the sustainability track (below the EU average and far away from the best performers), primarily because it has not been able to translate growth into more inclusive labour markets and improving working conditions.

.... but also its economic and social governance model. The lower performing countries are those that experienced deeper austerity measures during the last decade. Italy, Spain, Portugal, Greece and Romania have long stagnated at the bottom of the scale and have actually reduced their sustainability potential (particularly Italy and Greece).

The Recovery Plan should be able to adapt to the specific challenges in each country, ensure that resources are allocated where most needed, rebalance the performances of labour markets and raise the protection levels of workers.

Correlation (2010-2018) between SDG8 and CO² emissions and EU Recovery Facilities¹ (€/ab)



The size of the RRF is not sufficient to make the EU a frontrunner in sustainability but rather a factor that demands additional funding though national investments. This is true for those countries that have larger fiscal space but also for all the other countries which can now grasp the momentum to raise money at low interest rates so to invest more and close the gap. Such a process should be accompanied by an overhaul of the economic governance framework. The Graph shows that the resources of the RRF are not necessarily allocated on the basis

of green transformation needs but take into the social consequences of transitions. This is a legitimate option as we have seen that the environmental sustainability potential of an economy depends also on triggering factors such as quality employment, the well-being of people, the fight against vulnerabilities, the stability of democratic institutions and the effectiveness of social dialogue. ***This graph indicates that the investment needs for a full green and digital transition require a new social and economic governance that establishes a golden rule for investments so that the governments' expenditures for public investments can match the European investment effort. It also needs a framework to bind private investments to common green and social objectives. The ETUC has advanced its proposals for a renewed social and economic governance⁶.***

Finally, the ETUC wants to draw attention to the fact that the COVID-19 crisis is changing the landscape of social risks. What the ETUC analysis shows is that the virus has created more hardship and casualties among precarious and less protected workers and poorer groups in the population. Urgent measures have helped to protect jobs and workers' incomes but they risk being insufficient to address the second wave and an even slower economic recovery.

The continuation of these measures are needed as long as the crisis persists and a governing bodies and social partner at both European and national level will have to agreed how short-time work schemes will be combined with activation policies for the recipients of these measures. This is all the more necessary when considering that many companies and jobs will have disappeared when containment measures are lifted. Appropriate active labour market policy support will be needed to enable these workers to get good jobs. In the past, bad examples of such activation policies have ended up forcing workers into bad quality jobs without prospect. This should be avoided this time regardless potential pressures emerging from the rise of public debt.

We know that groups within the population are today at higher risk of exclusion. First of all, the working contract matters because the employment relationship gives access to full social protection

⁶ ETUC position "An EU Economic and Social Governance for a prompt, strong and sustained recovery", adopted at the virtual Extraordinary Executive Committee on 9 June 2020 and available at <https://www.etuc.org/en/document/etuc-position-eu-economic-and-social-governance-prompt-strong-and-sustained-recovery>.

schemes. Precarious workers (including migrants and undeclared workers) and self-employed or new forms of work in digital platforms represent segments of exclusion that have to be immediately protected through investment in the adequacy and universality of social protection systems.

We have also learned that lower paid jobs often cannot be performed from home or remotely. It implies that unemployment will affect low-income households, pushing them further towards the brink of poverty.

Women are particularly exposed, in particular those with relevant family charges. We risk losing the progress already made in offsetting employment and wage gender gaps.

Young people are also particularly vulnerable since they often start their professional careers with the same fixed-term or temporary contracts so common in the groups considered more at risk. There are currently 15.9 million people unemployed in the EU, a number which has increased by 2 million since the start of the Covid-19 crisis in March. The situation would be significantly worse without national short-time work schemes which are supported by the SURE programme.

In the context of the Covid-19 pandemic, a healthy and safe workplace is vital in order to combat the risk of getting infected and of spreading viruses and other diseases. Employers need to take their responsibility of the health and safety of their workers seriously and provide them and their representatives with adequate information, make risk assessments and take preventive measures. The Covid-19 pandemic is the biggest health, economic and social challenge in the history of the European Union. The success of the EU exit strategy and the prevention of a second wave depend on reaching agreements between the social partners on work organisation with a strong attention to occupational safety and healthy.

AN INVESTMENT STRATEGY FOR EUROPE

The ETUC considers that the national Plans for Recovery and Resilience should provide concrete avenues that lead to sustainable development patterns. The ETUC envisages investment and reforms that will finally put people, their well-being and quality jobs at the centre of the plan.

It requires strategic thinking that masters the complexity of the reality and select projects that fulfil the European Pillar of Social Rights and the climate objectives. It implies that the governance of the RRF needs to be open to input from and participation of social partners. This means that the investment strategy is insufficient if it is not flanked by a strong social agenda. National Recovery and Resilience Plans can already use the European Pillar of Social Rights itself and the social objectives of the UN2030 Agenda to set a path of social progress and upward convergence of living and working conditions in Europe. The Recovery and Resilience Plans should all work to design the EU strategy for just transition and social resilience throughout Europe. Moreover, the pandemic crisis places good health and well-being at the core of the recovery plan⁷.

Finally, a People's Recovery can only come about if the national plans take strength from and, at same time, reinforce our democratic institutions. Here, there are some key priorities that the National Recovery and Resilience plans that trade unions want to see included in the plans:

- The reinforcement of social dialogue, not only because it is a key asset of inclusive labour market, but also because it reinforces the quality of democracy at all levels, creates ownership and builds consensus around the recovery plan;

⁷ See scope and objectives of the Regulation establishing a Recovery and Resilience Facility.

- The implementation of the rule of law, as a pillar of the European Union and precondition for social progress;
- The promotion of multilateralism, not making international cooperation an ambition in itself but ensuring that it provides tangible results for European people.

The flowchart below visualises a strategy built on these 4 blocks:

- Blue block: Investments for green and digital transformation;
- Pink block: A social agenda for just transition and social resilience;
- Grey block: Improvement of democratic institutions, including social dialogue;
- Green block: Improvement in the well-being of people and resilient health systems.

Any nRRP should develop all these blocks in alignment with the challenges described above. However, this report will mainly focus on investments (blue block) and the social agenda (pink block), while the grey block concerns social dialogue. The grey and green blocks have a larger scope than the RRF and are outlined in other ETUC strategic elaborations.

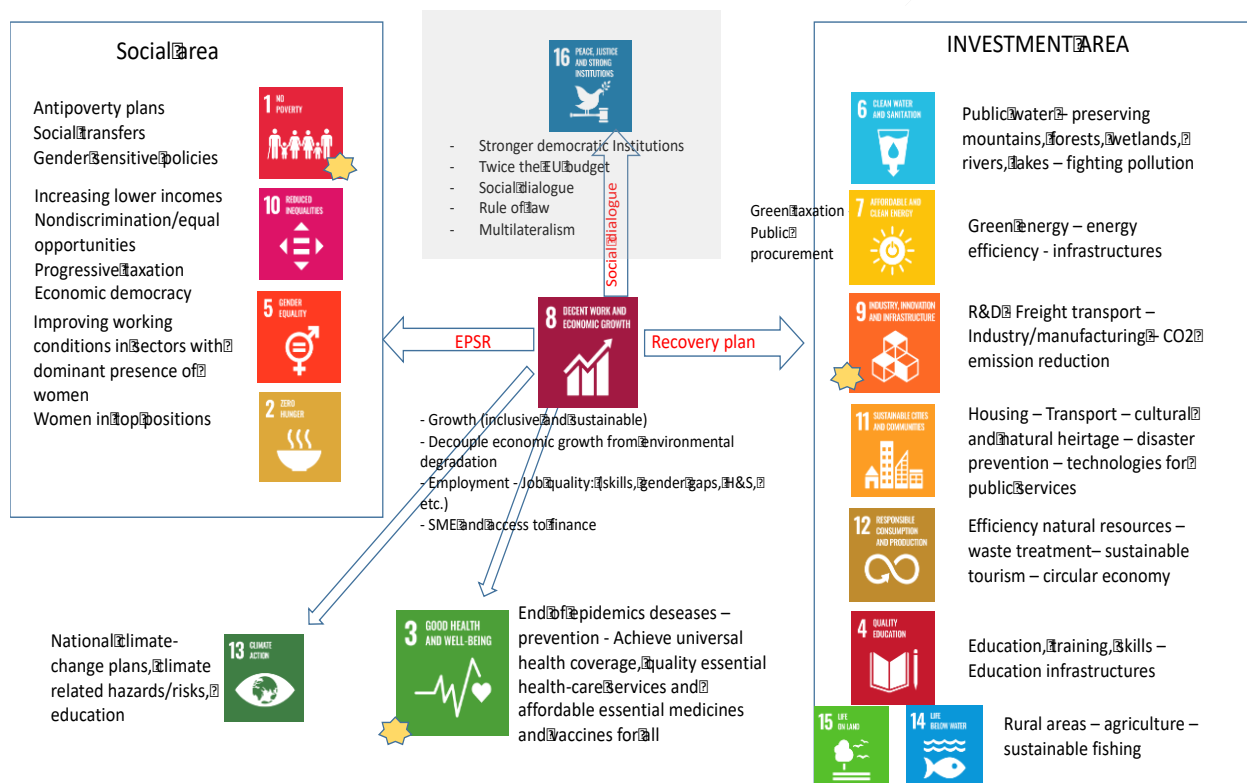


Figure 3: ETUC strategy for an SDG-driven Recovery plan

Investment needs and gaps

Industry and manufacturing are key to achieve (especially) goals 7, 9, 12. The recovery strategy should work towards strengthening the industrial base of the EU. The identification of investment needs and gaps requires an in-depth sectoral and regional analysis. If the territorial analyses are made at the national level, the EU should pay attention to the sectoral dimension to complement the work done at national level with a clear mapping of the sectoral needs, notably in terms of **cross border infrastructures or EU-wide industrial projects**.

Since the outbreak of the pandemic, the strategic importance of a **strong and resilient industrial base** in the EU has been reinforced to ensure the connections to diversified supply chains in Europe and globally. The EU should review its trade policy accordingly to better protect sectors in crisis as a result of unfair competition from third countries and notably those exposed to global overcapacity.

The EU should also speed up the adoption of its strategy to tackle detrimental foreign subsidies as well as the adoption of a Carbon Border Adjustment Mechanism to level the playing field between domestic and foreign producers when it comes to carbon pricing.

IndustriAll Europe supports the call made by the European Parliament to temporarily ban the foreign takeover of European companies in strategic sectors by state-owned companies or companies linked to third country governments.

The construction sector is crucial to improve investment response to (especially) goals 6, 7, 11, and 12. According to EFBWW, investments should be focused on areas where each sector records investment gaps and needs. The objective is to stimulate a job-rich recovery. In the construction sector, such investment gaps are identified in big infrastructure projects and investments in renovation (public buildings, hospitals, schools). Resources should be made available to national ministries/municipalities but also to SMEs and citizens willing to renovate their facilities, premises, houses.

The hospitality-tourism sector can surely support progress toward goals 11, 12, 7, 14 and 15 (among others). Given the economic importance of hospitality-tourism, EFFAT and HOTREC are calling upon Member States to include the sector as a top priority in their recovery plans and to support the sector in its transition towards a more resilient future, encompassing digital and sustainable developments. Investments in the hospitality sector have a positive impact on the recovery of other sectors, e.g. the food chain, including agriculture and the food and beverages industry.

Social partners in the hospitality sector ask that national Recovery and Resilience plans

- Take proportionate and balanced measures towards the hospitality sector;
- Put hospitality-tourism a key sector in national recovery plans;
- Make the best use of EU instruments available to save jobs, to keep companies alive and to boost demand in the sector, e.g. SURE, State Aid, Recovery and Resilience Facility, Cohesion Funds; React EU;
- Make vocational education and training a key part of the recovery, e.g. re-/upskilling, apprenticeships;
- Involve hospitality social partners in all measures aimed at the sector's recovery;
- Strengthen sectoral social dialogue at national level;
- Extend all national emergency measures to protect jobs and workers' income such as short-time work schemes.

When open, hospitality establishments have had to face many new requirements deriving from the COVID-19 pandemic, e.g. new hygiene and distancing standards, changed travel patterns and customer expectations, etc., in addition to already existing digitalisation and sustainability challenges. This means that investment should go to people working in this sector first:

- a. **Training and qualification of workers**, to ensure that the sector can call upon skilled staff **with improved digital and sustainability skills** (e.g. CMS systems, water management, food waste, energy efficiency) as well as interpersonal skills and languages, etc., and this in close

cooperation between governments, education establishments, companies/employers, trade unions, and social partners. Support should be given to companies/employers to substantially re-/upskill their workforce during periods of less economic activity due to COVID-19. Apprenticeships should be particularly promoted as they give young people profound vocational training and provide them with an excellent entry into the labour market. With many apprenticeships suspended due to the pandemic, Member States must give support to apprenticeship schemes, to avoid that vocational training is terminated and young people drop out;

- b. **Make sure that the hospitality sector meets the challenges of digitalisation and sustainability.** In the long run, the hospitality sector will need to be rebuilt in line with a more sustainable and responsible tourism model, and be prepared for future challenges and opportunities, such as digitalisation. Particularly, small and medium sized enterprises need to gain better control of their online presence and of digital strategies. With more and more hospitality services being traded via online platforms, fair competition is key, to ensure that customers are protected, employees are treated fairly and entitled to their rights, and responsible businesses enjoy a fair, competitive environment and a level playing field. Therefore, EFFAT and HOTREC are calling upon public authorities to: increase efforts to regulate the economic activities of the platform economy through legislation to limit the negative impact on businesses and employment in the hospitality sector; collect coherent data and streamline metadata requirements; and create measured deterrents for operators not respecting requirements by legislation through appropriate sanctions.

With regard to sustainability, the impact on the environment needs to be minimised, and the quality of the offer should be privileged over the quantity, with a stronger focus on high-quality services to clients and guests, necessary investments in the qualifications and training of staff, and in workers' information, consultation and participation.

Social partners in hospitality have closely cooperated to prepare the sector for future challenges, and contribute to rebuilding a more digital, sustainable and responsible tourism⁸.

Strictly connected with the tourism sector, policies to support the culture sector should be reinforced. These are related with SDG 11 and SDG 4. The culture sector was one of mostly affected by the pandemic-induced crisis but it can potentially lead to high degrees of job creation. Moreover, cultural development is also a factor of resilience.

Public education and training is the key to boosting social fairness and Europe's overall sustainable growth potential. According to ETUCE⁹, achieving SDG 4 on inclusive and quality education serves the goals covered by the industry and services sector, and is key to achievements in all other Sustainable Development Goals, with education for sustainable development as an enabler of transformative change.

Good education and training systems will require public investment for public purposes that serve the public good. The value of public education to society cannot be captured by measuring its cost. Financing must be adequate to produce recovery rather than accentuate weaknesses in public services and the economy, and it should include what we have learned during the pandemic. Investing in teachers, trainers and other education personnel, whose contribution has proved essential to recovery

⁸ The joint statement HOTREC – EFFAT is available at <https://effat.org/in-the-spotlight/roadmap-to-rebuild-the-hospitality-sector-joint-statement-effat-hotrec/>.

⁹ The statement is available at the [ETUCE Education Investment Priorities for Recovery and Resilience](#)

in the education and training sector, and supporting people who have been hit hardest and have the greatest needs should be prioritised.

According to **ETUCE**, the **investment needs in the education sector are:**

1. Strengthen public education systems through sufficient education financing at a level of at least 6% of the Gross Domestic Product (GDP) to reverse the decade-long trend of decreasing investment.
2. Boost public investment in basic research as most innovation rests on publicly funded fundamental research, including in such areas of public interest as the environment and public health.
3. Further remove the barriers in urban and rural areas to free access to education, which are created through the rationalisation of schools and other education institutions' infrastructure, by investing in sustainable, low-carbon emissions, and safe buildings for education and training as well as in secure, quality, digital infrastructure which protects human and privacy rights.
4. Invest in the capacity of the public sector to develop digital technologies to enhance teaching and learning to ensure the sustainability of investment and affordability, and protect the interests of learners through social partnerships.

Further priorities for investments that can enable a better implementation of the green deal were already identified in other acts. Agriculture and the management of natural resources are in the first place important as they are at the origin of both harmful emissions and their retention. Then the manufacturing which is mainly a transitional economic sector. To encourage the reduction of greenhouse gas emissions, the thresholds of the technical screening criteria for such activities should be set at a level that will only be achievable by the best operators in each sector, in most cases on the basis of gas emissions greenhouse effect per unit of product. The energy sector accounts for around 75% of greenhouse gas emissions in the Union and therefore plays a key role in mitigating climate change. It is therefore appropriate to establish technical screening criteria for a wide range of activities related to the energy supply chain, ranging from the generation of electricity or heat from different sources, through transmission and distribution networks to storage, as well as heat pumps and the production of biogas and biofuels.

Transport operations consume one third of all energy in the Union and account for more than one quarter of the total greenhouse gas emissions in the Union. Decarbonising the transport fleet and infrastructure can therefore play a central role in climate change mitigation. Infrastructure that enables clean mobility is a priority.

According to **EPSU**, the pandemic has brutally exposed the extent of **underfunding** and **understaffing** of many **health and social care services** across Europe, often the result of the austerity measures that were introduced following the last financial crisis. It is crucial that the national responses to the crisis address this with a substantial boost to funding and measures to address the lack of staff and excessive workloads. This means ensuring improvements to pay and conditions, particularly for the lowest paid workers, the vast majority of whom are women. It is vital that social care – particularly long-term care – benefits from these measures as there are widespread problems of low pay, precarious employment and understaffing. Filling thousands of vacancies and the creation of new permanent jobs – with a priority given to full-time contracts – will provide a major, long-term boost to the European economy.

While the recovery plans may include proposals to invest in health and social care facilities and any relevant projects that help deal with the impact of the pandemic, it is crucial that there is substantial additional funding and investment for the long-term. This means a permanent upward shift in funding, staffing and pay and conditions and not just a short-term response to the crisis. This additional funding

needs to be guaranteed against austerity and any attempts to re-introduce the Stability and Growth Pact in its old form if that means cuts in public funding for health and social care.

Furthermore, funding and investment need to be directed above all to publicly provided services, avoiding the risk that private, for-profit providers end up diverting resources away from services and the pay and conditions of workers to their profits and dividend payments to shareholders.

While public health and social care need priority support, it is important that this does not involve a diversion of resources from other public services. Local government and regional government, for example, were hit very hard by the austerity measures following the last crisis and, in many cases, have been severely affected by loss of revenues as a result of the current deep recession. Overall it will be important to ensure funding for public services and this has to mean a serious debate about new initiatives on progressive taxation that could involve revised or new wealth and property taxes and a fresh look at income and corporation tax, reversing the long-term trends of reduction in corporate tax rates and switch to flat-rate income taxes.

On public transport must contribute to the achievement of goals 9, 10, 11, 12, 13. According to **ETF**, the EU shall demonstrate a clear political will and force Member States and authorities to promote **public transport** as the backbone of sustainable urban mobility by establishing binding targets at EU, national, regional and local level to double the use of collective public transport by 2025; Making Sustainable Urban Mobility Plans (SUMP) mandatory including the obligation to consult trade unions and civil society organisations; Give support to campaigns aiming to re-establish the public's confidence in the use of collective public transport during/after Covid-19 as a safe transport mode;

ETF states that the EU must support the financial stability of collective public transport and the necessary investment in infrastructure and rolling stock by:

- Stepping up targeted financial support through the Recovery Fund, CEF, Cohesion Fund, Regional Development Fund, to finance sustainable infrastructure and urge Member States to include urban public transport in their national recovery plan;
- Urge Member States' central governments to provide sufficient financial means and other organisational support to the municipalities and the necessary legal framework;
- Provide a framework for different instruments financing collective public transport;
- promote instruments like alternative tax-based possibilities of funding by businesses (inter alia corporate levies as in France or Vienna);
- Focus research on solutions that put peoples' (workers and users) needs first.

Waterborne transport would contribute to achieve sustainable goals linked to infrastructures, use of waters and reducing the environmental footprint and connect urban and non-urban areas but also able to create jobs and growth contributing to goal 8. **ETF** stresses that investments will need to be made to ensure a Just Transition and a balanced and sufficient geographical distribution – particularly in the TEN-T network – including the development of green ports and programmes to further enhance the environmental sustainability of inland waterway transport in Europe. It will be important to ensure adaptation of port infrastructures to the changing needs of a greener fleet, and efficient and smooth hinterland connections. Training and education will be an important aspect here. The green transition in waterborne transport needs to go hand in hand with a focus on workers' health and safety, their skills needs and their working conditions – both onboard and onshore in e.g. (inland) ports.

Investments will need to be made to ensure a Just Transition and a balanced and sufficient geographical distribution – particularly in the **TEN-T network** – including the development of green ports and programmes to further enhance the environmental sustainability of inland waterway

transport in Europe. It will be important to ensure adaptation of port infrastructures to the changing needs of a greener fleet, and efficient and smooth hinterland connections. Training and education will be an important aspect here. The green transition in waterborne transport needs to go hand in hand with a focus on workers' health and safety, their skills needs and their working conditions – both onboard and onshore in e.g. (inland) ports.

Financial support measures, including state aid for **maritime transport**, should have a social objective and rely on indicators linked to jobs guarantees and stronger social cohesion. The Commission in its Recovery Plan states that it will step up the fight against tax fraud. Maritime transport or inland waterway ship operations should not be publicly funded if they do not pay taxes in the EU, or if they allow substandard onboard working and living conditions through Flags of Convenience or through letterbox companies, which give rise to social dumping. This would undermine the sustainability of any investments in the framework of the Green Deal. To fight abusive practices, public funding needs to be conditional on whether an established subsidiary pursues its real activities in an EU Member State. Europe cannot promote business models where a company can be registered in another country with no staff and no real activities, and consisting solely of an office that is nothing more than a letterbox.

The Commission in its Recovery Plan states that it will step up the fight against tax fraud. **Maritime transport or inland waterway** ship operations should not be publicly funded if they do not pay taxes in the EU, or if they allow substandard onboard working and living conditions through Flags of Convenience or through letterbox companies, which give rise to social dumping. This would undermine the sustainability of any investments in the framework of the Green Deal. To fight abusive practices, public funding needs to be conditional on whether an established subsidiary pursues its real activities in an EU Member State. Europe cannot promote business models where a company can be registered in another country with no staff and no real activities, and consisting solely of an office that is nothing more than a letterbox.

In the field of **Civil aviation**, according to ETF, investment in training is needed to support a just transition of those who will lose their jobs in particularly hard sectors such as tourism and aviation. This training should focus on workers being able to access sustainable jobs, with a focus on digital skills and growing low-carbon industries. Ownership and Control by third countries must not infringe on workers' rights, pay or conditions. Therefore, any foreign ownership should ensure labour level playing field provisions to ensure labour is not subjected to or influenced by lower standards of third countries. This should be enshrined in European trade policy. Investment in aviation must be spread across the entire ecosystem, not just at the top with airlines. This will protect jobs in labour intensive sectors such as catering and ground handling, but also ensure the necessary human infrastructure remains in place for a return to normal operations.

Just Transition Measures

The ETUC already identified challenges and measures that set the scope of the just transition challenge, during the Semester cycles of 2019 and 2020¹⁰.

Challenges that more specifically relate to just transition

¹⁰ This chapter benefits from reports, evidence and data provided by ETUC affiliates in the documents ETUC for Growth and Social Progress years 2019 and 2020 and the inputs for investment and recovery 2021. The indicators of the composite Index #EUSDG8 of the ETUC supports such assumptions.

In a (post) pandemic economy, the first priority is the preservation of jobs. Trade unions demand an extension of the emergency measures put in place to protect workers and the economy for as long as necessary - until the full recovery of the economy and a stabilization of jobs. Workers must be reassured that they will continue to have a job or sufficient income to preserve a good standard of living for them and their families. Then, they will be better disposed to support change.

Throughout Europe, social partners at sectoral or cross-sectoral level have signed agreements to on occupational safety and health in the light of the coronavirus spread and to facilitate the return to work strategy. The content of these agreements include a range of measures, from provisions on hygiene, social distancing, maximum number of workers and/or customers per room, and personal protective equipment to work organisation, risk assessment, and role of trade unions and safety representatives.

Economic and social convergence is relevant. Without policy changes, many of the periphery economies will not have the same opportunities for green, technological and demographic transformations, becoming the losers in the EU integration process.

A just transition concerns all sectors and groups across our society. Fair transition measures should not be limited to the coal mining sector and affected regions only. Equal transition measures should encompass all sectors and take into consideration energy intensive sectors where job creation should take place in the first place. However, an EU strategy to manage restructuring does not yet exist. On the contrary, common tools that are adaptable to specific sectors or regions are much needed.

A regional approach is not well developed yet. Regional divides express a need to address transitions while protecting people affected by these divides. It is not only about the presence of energy produced by fossil fuels; socio-economic differences play a role as well. Many countries flag regional disparities as an obstacle to just transition. Disparities are more pronounced in countries with larger territories, but they also exist along the urban vs. rural area axis. It would be sufficient to look at the dramatic regional implications of demographic trends.

The demographic transition poses the highest concerns because the population and labour force are shrinking. The movement of people and the working conditions of migrants are becoming highly relevant components of just transitions. Unions denounce abuses in recruiting migrant workers, especially across-borders. In Eastern countries, emigration is high. The situation worsens when vulnerable groups are excluded from the labour market. Among the economically inactive people, a large group is inactive because of family responsibility, health problems or lack of social infrastructures. This issue has become particularly apparent during the pandemic.

Precarious work and low quality jobs are not compatible with just transition. It is high- time to re-build protections connected with the employment relationship (including contractual arrangements) and reinforce labour market structures; and this must be a joint effort of social partners and authorities. Only this bigger picture, with investment in skill-creation and skill matching, will result in a fairer transition.

Specific factors of vulnerability arise from excessive use of **fixed-term working contracts, which drive higher levels of in-work poverty.** For many countries, precarious working conditions discharge labour costs onto social protection systems. This is at odds with the protection systems that we want to create for fairer economic transitions.

The condition of NEET expresses the vulnerable condition of young people (i.e. flexibility, job insecurity, derogations to MW, overqualification, lower protection against dismissals, etc.). This brings the GIG economy into the picture. **The Gig Economy, with the proliferation of an increasing number of digital platforms, has now become a reality involving a large number of workers without the**

necessary protections and rights due to the extensive use of fake self-employment. It is a growing phenomenon, but still not regulated. We have seen an increase in non-typical contracts and the number of freelancers, self-employed people and e-platform workers. Few of them have obtained a protection floor through sectoral collective bargaining. Bogus self-employment is reportedly abused in several countries where employers try to evade proper taxes, social contributions. These independent workers are more vulnerable.

There is a gender dimension of just transition. The gender employment gap is high in Europe. Moreover, many employed women leave their jobs after the birth of their first child. The other problems that affect women are strong occupational segregation, scarce presence in medium- high positions, lower performance bonuses and much involuntary part- time work. All these problems also have an impact on the gender pay gap. In this regard we need more and better policies to promote work/life balance, which must include both bargaining incentives for a work organisation taking people's needs into account and the strengthening of public care services for families, children and elderly people.

Measures that more specifically relate to just transition:

A “fair and just transition” combines environmental and health protection with social justice and full-time quality employment. This starts with the preservation of employment. To support the change (digital and green), and to adapt in a time of crisis, workers need to be reassured that they will continue to have a stable job or an income that is sufficient to preserve a good standard of living for them and their families.

The transition to a digital and climate-neutral economy will require massive investment to adapt industrial production facilities, improve related infrastructures and ensure a just transition for workers. Enough funds need to flow towards a just transition, especially in the most affected regions, to ensure that good quality jobs and re-skilling and up-skilling opportunities will be offered to workers. Furthermore, active labour market policies including retraining policies - designed with the close involvement of social partners - must provide retraining opportunities for workers faced with losing their jobs so they can remain within their industries (manufacturing, energy etc.) and maintain a skills base.

Access to and provision of high-quality education and training is key to significantly increase the share of adults, with particular attention to the workers, participating in upskilling and reskilling leading to quality jobs (VET). The RRF should have as a result an increased participation in learning of low-qualified adults and the unemployed; improved basic and professional skills and transversal competences of all learners and workers, including digital skills and green skills; guaranteed access to employee training by ensuring that employers take responsibility with financial commitments to upskill and reskill the workers. Effective social dialogue is key to shape skills strategies and skills reforms. Social partners in governing and allocating skills funds should facilitate access to up- and re-skilling of workers within digital and green transition. An indicator monitor companies' investment in employees' training should be added to the RRF scoreboard.

To counter the severe shortage of teachers, trainers and other education personnel that is threatening the sustainability of education systems across Europe, **employment and working conditions should be improved and professional rights of teachers, trainers and other education personnel need to be enhanced and respected.** The public provision and governance of education systems should be sheltered against the influence of private sector investment and actors and make clear that private

market opportunities are not automatically compatible with quality public education, accountability, responsibility, public scrutiny, and transparency.

The transfer, placement and qualification of employees must be secured by collective agreements.

The goal must be to train the skilled workers in the companies or, if change in the company is unavoidable, to retain them as skilled workers on the market. Unemployment must not lead to inferior employment. All restrictions on participation in further training in a transfer measure must be removed.

The new challenges of the labour market require equal treatment, more active labour market policies, support for unemployed people and a fight against long-term unemployment. Unions want to outplay the flexicurity policy that the EU has pursued so far. They insist on the need to preserve or even increase resources for the labour market as recent reforms penalise young workers, migrants, elderly people, precarious workers, categories of self-employed and women in vulnerable positions.

There is also a request for an increase of resources for activation measures. National RRP components should include a balanced mix of policies to improve job matching training opportunities for workers, addressing the lack of digital skills among low skilled workers, providing training opportunities and addressing the excessive tax wedges that make career progression less attractive.

Low-labour-cost competitive models have to be replaced by a modernisation of the economy that looks at the digital era and low environmental impact: reforms needed include structural changes in employment and in the distribution of value added, the nature of investments, the management and organisation of labour, and last but not least, the lack of traditions, significant scope and clearly established cycles of collective bargaining.

Also, industry-specific roadmaps should be developed to facilitate a smooth transition and to provide concrete steps for industries and employees. Trade unions demand alternatives to restructuring. Governments need to step in and make sure that restructuring is a measure of last resort, especially in the cases of companies which have benefitted from public money over the past months. Employers need to take responsibility and exhaust all possible measures before they start restructuring and layoffs.

In order to meet these challenges, labour market policy instruments such as the short-time working allowance, should be tailored more closely to the transformation processes in the economy. This creates the possibility of linking short-time work and qualification while maintaining the employment relationship and the chance of continued employment after restructuring. This implies a changed philosophy of job placement. It does not depend on fast occupation of the places; rather, the goal must be a qualitatively high, fitting occupation. If the qualification is no longer sufficient or outdated, time must be given for further training or retraining.

Stable employment must be convenient while more effectively fighting abuses in flexible working contracts. In general terms, with a view to combating the abuse perpetrated by some institutions and types of contracts and increasing the number of employees, we need to stably reduce the cost of permanent employment by taking action on the tax and social contributions wedge. Abuses in the use of flexible working contracts can be fought by increasing powers and resources for labour inspectors, strengthening legal employment protection and introducing incentives for stable forms of employment. These efforts must be combined with quality job measures such as extending holidays to 32 days, on-the-job training and putting an end to non-paid internships.

Some countries would need European Union support (investments) for a fair transition. The transition cannot be limited to retraining workers. There is also a need for new, rewarding jobs.

Therefore, investment is required to actually develop existing jobs. Support should come from the European Union, especially when structural changes are the result of EU policies.

It is important to implement minimum standards at European level and, at the same time, counteract the increase of an informal economy, tax evasion, and other forms of illegal or grey-zone economy, especially among SMEs. Still, workers pay the consequences because such practices lead to companies avoiding social contributions, resulting in increasing risk of employee social exclusion. The skill offensive that the EU has to take not only depends on how much we invest in it, but also concerns the issue of rights and protecting the skills of people at work.

Resilience

Social dialogue should be the cornerstone of the Recovery Plan and future governance of the EU, creating ownership of reforms and investment, to ensure that labour transitions are fairer and that the recovery is a People's Recovery. Collective bargaining is key to provide for efficient employment and social outcomes when responding to current and future challenges which are directly aimed at fulfilling people's essential needs, and ensuring better enactment and implementation of social rights.

The COVID-19 outbreak has underlined the need to reinforce universal and solidarity-based public health systems, as part of the EU social model and commitment to quality public services. This can be done by investing in public, non-profit systems, to ensure there are sufficient levels of qualified, well-trained and well-remunerated staff able to cope with the population needs.

It is of paramount importance to invest in skills by improving the specialisation of occupational training programmes. Improvements are required to incentivise young workers and promote training to enhance their technological and digital skills, with a lifelong learning perspective. We also need to provide support for remote study options.

All workers, regardless of their employment status or work sector, should benefit from the protection provided by labour legislation (particularly effective protection against unfair dismissal or redundancy) and/or collective agreements. Innovative solutions within and without the employment relationship may support households and increase equal opportunities among the working members of a family. A better valorisation of some jobs which were key to tackle the current crisis should also be envisaged and negotiated with social partners.

It is important to monitor the implementation of the Work-Life Balance Directive, provide guidance to social partners and encourage inter-professional agreements that reduce the time needed to transpose the directive. Moreover, workers should be given the "right to disconnect" to fully enjoy family time and leisure and prevent work-related illnesses. This holds true especially in this moment, in almost all the Member States, where teleworking is becoming the rule, and its use is foreseen to rise in the next future.

Concerning Occupational Safety and Health ("OSH"), work should be a safe place. Nobody should have to die or fall ill because of their job. Yet, during the last years, there were some thousands of work-related deaths in the EU and too many people develop stress-related illnesses, and diseases because of their jobs. This has an economic repercussion, but, more importantly, the human costs of poor occupational health and safety are unacceptable. The OSH regulation has to be updated so that it protects the health and safety of workers in every sector through effective preventive measures and the reinstatement of separate employee representation bodies.

Social Protection has also been affected by the pandemic. Fiscal resources are crucial for the financing of a high level of social protection and quality public services. The adoption of new radical redistribution policies is recommended, especially in relation to fair revisions of wage, social contribution and taxation policies. In the current situation, governments must adopt clear measures to prevent people who will be unemployed from falling into poverty. These people will probably have difficulty finding a job for quite a while.

Rules on the length and amount of unemployment benefits should be relaxed. Active employment policy, including its financing, needs to be significantly strengthened. It is crucial to avoid dismissals and to introduce a short-time work compensation scheme with simple rules.

Special attention needs to be given to women and young workers, who are amongst those workers hardest affected by the crisis. Moreover, as the social and environmental agenda are intrinsically linked, the EPSR should be aligned with the “European Green Deal”.

The EPSR supports the ecological transition which, at the same time, protects workers affected by change, defends them against unfair dismissals, offers them new and better opportunities, improves labour market institutions (especially active labour market policies (ALMPs) and increases access to training.

The ETUC fully supports the Green Deal and advocates a human-centred digital transformation, as far as such policies benefit all workers and properly protect those who are forced into labour transitions. It is time to translate the good principles of the European Pillar of Social Rights into concrete actions.

The ETUC believes the Action Plan should be the right tool to set a minimum level of basic rights at EU level and to provide the upward convergence of working and living conditions. This means using social progress as the compass for implementing the EU Recovery Plan. The ETUC input for the Action Plan identifies challenges and provides policy options for each of the 20 principles of the EPSR.

The recovery strategy should work towards strengthening the industrial base. Since the outbreak of the pandemic, the strategic importance of a strong and resilient industrial base in the EU has been reinforced, to ensure the connections to diversified supply chains in Europe and globally.

Investments should improve positions in the global value chains. Investments are still crucial. As digital capacity and requirements are very dependent on the type of economic activity, focus has to be put on investment in building specialist competences and developing financially accessible software. In order to stimulate investment in growth, R&D and skills development, sectoral collective bargaining can be used to establish mechanisms for investment facilitation. Sectoral skills funds, R&D co-financing and crowd financing incubators should be explored.

The EU should review its trade policy accordingly to better protect sectors in crisis as a result of unfair competition from third countries and, notably, those exposed to global overcapacity. The EU should also speed up the adoption of its strategy to tackle detrimental foreign subsidies as well as the adoption of a proportionate and WTO-compatible Carbon Border Adjustment Mechanism to level the playing field between domestic and foreign producers when it comes to carbon pricing. IndustriAll Europe supports the call made by the European Parliament to temporarily ban the foreign takeover of European companies in strategic sectors by state-owned companies or companies linked to a third country governments. The recovery must not fuel nationalist solutions but must engender solidarity among countries and peoples and promote trade based on universal rules that protect the people and the planet.

Education and learning infrastructure must be consolidated. Effective social dialogue at all levels and the real participation and consultation of education trade unions in the development, implementation,

monitoring and evaluation of inclusive and sustainable education policy, reforms and investment within the national Recovery and Resilience Plans (nRRP), according to national laws and practices, is a precondition to ensure that the disruptions caused by the global pandemic do not translate into an even bigger crisis in the education sector and in society, and it should achieve reform outcomes that are shared, sustainable and future-proof.

RELEVANCE OF TRADE UNION INVOLVEMENT IN THE RRF AND STATE OF PLAY

The COVID-19 pandemic has stressed once again the key role of social partners in managing and regulating policies related to the economy, employment, the labour market and working conditions, including health and safety. Social dialogue and well-developed industrial relations at all levels are essential elements to manage crises, to adapt production patterns, to organise work and corporate settings in response to the new reality, to anticipate and manage change by long-term planning and to develop the capacity to innovate and follow-up on green and digital transitions.

Social partners can raise awareness of the consequences of economic and social change on social systems and labour markets. They can also play a key role in setting the conditions that will stimulate sustainable job creation, notably by facilitating economic recovery, a just transition, and labour market and social inclusion. Meaningful and timely involvement of social partners is thus essential.

Yet, from the last decade we learned that the level of involvement depends too much on the discretionary power of governments and this does not reflect the overarching common interest of motivating the proper involvement of social partners. We also learned that the major hindrances to trade union involvement are: (i) lack of engagement in the decision; (ii) an inadequate time frame for consultation; (iii) other important elements, such as access to documents/information, the format of the consultation and the material and immaterial capacities of social partners.

The ETUC strongly believes social dialogue should be the cornerstone of the Recovery Plan, creating ownership for reforms and investment, to ensure that labour transitions are fairer and that the recovery is a People's Recovery. The guidelines to implement the RRF state that Member States should engage in a broad policy dialogue, which includes social partners, to prepare nRRPs. Moreover, governments should put in place robust coordination mechanisms, both for the planning and implementation phases, involving social partners. This would increase both the ownership and the quality of national plans while strengthening the democratic process. National plans have to report on how the social partners have been consulted and involved in designing the reforms included in the plan. The involvement of social partners should be a milestone of the components (reforms and/or investments) for which social dialogue is meant to increase transparency and consistency with other policy areas. The concept of "milestones" within specific components of the nRRP makes sure that the involvement is factual and demonstrated by outputs (such as tripartite agreements).

Nonetheless, the Trade Unions' involvement both in the semester and in the nRRPs is not satisfactory. Consultations are too often disregarded by governments and their effectiveness largely depends on the good will of governments themselves rather than on established practices or rules. In the majority of Member States, there has been hardly any involvement of the trade unions in the discussion on priorities for national recovery plans. In other places, trade unions were involved, but the quality of such involvement has been poor (roundtables, public hearings, informal meetings).

Now that we are entering into the decisive phase approaching the finalisation of national recovery plans that have to be submitted to the Commission by the end of April 2021, the European Commission

should explicitly urge member states to consult national and sectoral social partners to identify where the needs are in terms of investments, social measures or training.

Social dialogue and worker participation at all levels, including sectoral and company levels, are vital for our democracies and for the legitimacy of the recovery plan in the EU and beyond. Political leaders, policymakers and employers must engage in good faith and ensure that industrial relations are strengthened, not further eroded in the months to come.

Social partner consultations should be timely (i.e. social partners should be involved from an early stage and regularly throughout the whole process), **meaningful** (i.e. with full access to information, data and policy orientations), and **at an appropriate level** (i.e. government interlocutors involved, both at political and technical levels, should have a role allowing them to hold a proper dialogue that, when relevant, leads to tripartite negotiations), allowing the necessary analysis and proposals and fitting within decision making processes. Consultations should be well-structured (i.e. held regularly throughout the process and, ideally, with a schedule agreed in advance between government and social partners) and should be held in a format ensuring that a proper dialogue can take place. The consultation process should also result in the government explaining if, how and why it has retained (or not) proposals by social partners.

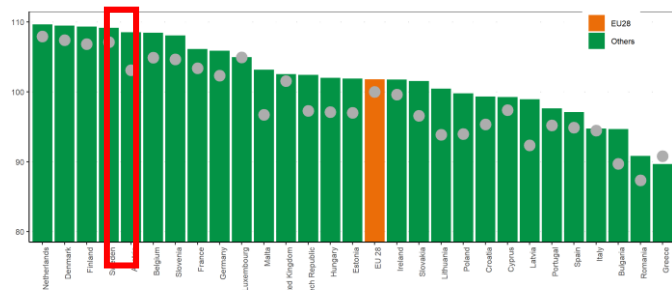
It is high time to build sounder practices of social dialogue and social partners' involvement in national policy making where these are weak or almost non-existing, and this should be done with the national social partners themselves. This is, of course, a national competence but, unfortunately, experience teaches us that when there is no binding rule, governments too often disregard the need to involve social partners in policy making. The Commission and the Council, together with the European social partners, should cooperate and take more ambitious steps to strengthen these processes.

ETUC urges the Commission to set a binding rule for governments to involve national social partners in the drafting and implementation of the national Recovery and Resilience Plans. The effectiveness of social partner involvement has to be ensured. The aim of the consultation should be to fix binding priorities as far the allocation of money is concerned. Social partners have shown (when properly involved) their competences and commitment to shaping solutions to tackle the immediate effects of the pandemic. Their role is of paramount importance in drawing the path for a sustainable and resilient recovery.

CHAPTER 2: COUNTRY-BY-COUNTRY INPUTS FOR INVESTMENT, JUST TRANSITION AND RESILIENCE

AUSTRIA

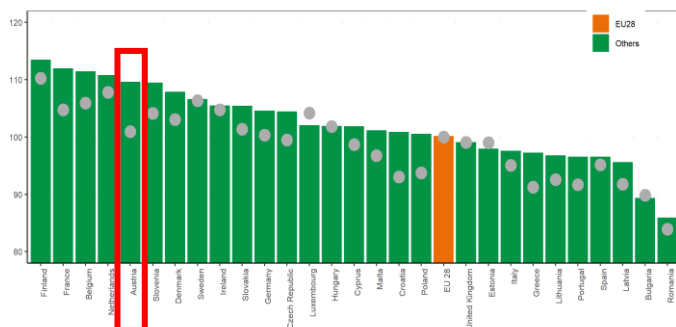
Figure 1: ETUC SDG8 Index – Country scores in 2019 (bars) vs 2010 (dots)



Austria has some enabling potential in terms of sustainability but a decade of non-progress in terms of labour market inclusiveness and quality of jobs impede Austria to become a frontrunner of sustainability. The country ranks above the European average but enters the recovery phase with some areas of weakness even if it is on the way to set its production model on more environmental, and digital

patterns. Some relevant progresses in the well-being (figure 2) were slowed down by weaker performances notably in area of inclusive labour market and too slow progresses under the workers' vulnerability area (figures 3 and 4).

Figure 1: Economic Well-Being – Country scores in 2019 (bars) vs 2010 (dots)



Future investments in Austria have to focus on quality of work and just transition otherwise the risk is to deliver a Recovery and Resilience plan that will lead to a non-sustainable economy.

Still, Austria can improve the positive correlation between the decent work and sustainable growth agenda and the digitalisation agenda (measured with the DESI index). Investing in decent work and

sustainable growth, Austria should also exploit the strong positive correlation between that goal 8 and goal 3 (good health and well-being).

The ETUC recommends that the Austrian Plan for Recovery and Resilience could take into account the proposal of the Austrian trade unions in order to move the Country amid the frontrunners in terms of

Figure 3: Employment Quality – Country scores in 2019 (bars) vs 2010 (dots)

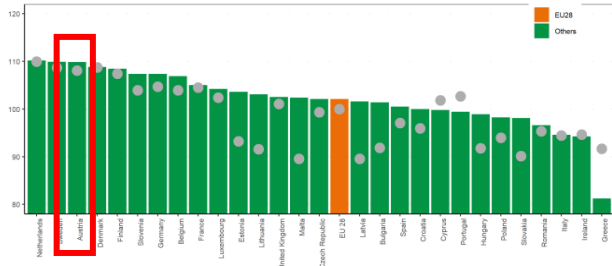
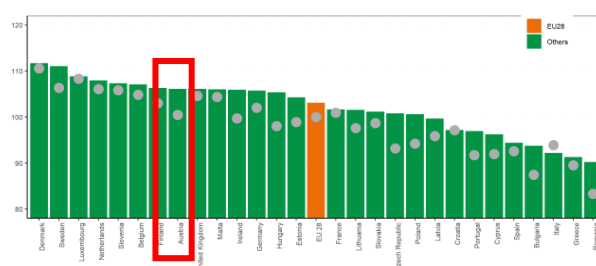


Figure 4: Labour Vulnerability – Country scores in 2019 (bars) vs 2010 (dots)



sustainability and in particular:

- Ensuring that the Recovery and Resilience Plan will continue focusing on well-being of the Austrian population;
- Improving labour market inclusiveness to increase its contribution to sustainability
- Removing factors of vulnerability that groups of workers are suffering from;

- Reinforcing the improving correlation between decent work, sustainable growth and climate change objectives implementing the Green Deal and the Digital Agenda together with the European Pillar of Social Rights

REFORMS AND INVESTMENTS. TRADE UNION PRIORITIES IMPLEMENTING THE RECOVERY PLAN

- Priority should be given to those investments which will ensure a better supply for the Austrian population and at the same time create jobs with good working conditions. The main aim must be to provide stimulus funding for urgently needed public investment and not just to cross-finance existing measures with EU funds. These should be investments that secure regional added value and promote the path towards climate neutrality and digitalisation. In the light of labour market developments, the current funding for labour market and training policies should be reinforced through the resilience facility.
 - The Corona Work Foundation should be expanded, particularly with regard to measures for women who are particularly affected by the crisis. It should also be expanded into a national qualification offensive for socio-ecological transformation with funds from the resilience facility. The facility is not tied to the narrow geographical scope of the justice transition fund.
 - A digitalisation offensive for the education sector is also to be supported. The Federal Government has presented a new plan for digital teaching. However, the budget plans do not yet cover the financing, for example, of the expansion of infrastructural framework conditions (broadband connection and Wi-Fi supply) in the schools and the equipping of terminal equipment of each new class of the 5th grade after 2021 with learning devices also for older pupils (e.g. 7th or 8th grade and vocational school pupils).
 - Particularly urgent are further training and qualification programmes for women, e.g. in the fields of digitalisation and care.
 - The social partners jointly demand that it must be ensured that all children have a place in an elementary educational institution. Therefore, there should be a legal entitlement to childcare from the 1st birthday in the medium term.
- In addition, the EU economic stimulus package is intended to expand the funds for further measures to achieve the climate targets, such as thermal renovation or rail infrastructure expansion (so that projects can be brought forward centrally). All in all, considerable investment is needed to convert the transport system. Among other things, the supply of public transport must be drastically improved, especially for the rural population. Support for "green logistics" for the shipping industry is needed to create an incentive to shift more freight traffic to rail within Austria.
- Funds for cities and municipalities must be massively increased, especially for the maintenance and expansion of social infrastructure (from housing to schools and kindergartens) and critical infrastructure (including energy supply, water supply, etc.).
- Additional funds from the facility are to be made available for the expansion of health and care services in particular. There is an urgent need for a financial boost for a package of measures to improve the quality of services and work, remuneration and staffing (with an appropriate personnel key) in long-term care and nursing.

MEASURES FOR JUST TRANSITIONS

The transition to a climate-neutral and digital economy requires massive investment to adapt production facilities and infrastructure and to ensure a fair transition for workers. Support is needed for the transformation of the automotive and transport industries, which are significant in Austria, and the conversion of the processes of our energy-intensive industry to CO₂-free technologies.

The resources from the Just-Transition-Fund are far from sufficient and need to be expanded. Active labour market policy measures as well as further training and retraining opportunities are needed which are designed with the close involvement of the social partners in order to accompany the transformation process in the wake of decarbonisation and digitisation. Above all, however, there is a need to secure incomes and jobs for employees in the areas considered critical!

BUILDING SOCIAL RESILIENCE WITH STABLE AND PROTECTED JOBS.

The Austrian labour market is undergoing its biggest crisis since the Second World War. At present 521.00 people are unemployed - 62,000 of them in training - and about 420.00 people are working short time.

Expand and continue the "short-time work" offensive. Use positive experiences with short-time work for a reduction of working hours with wage compensation for an employment-intensive upswing.

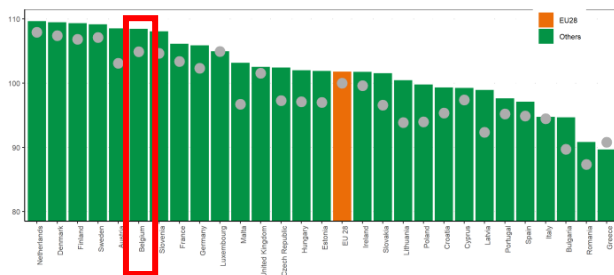
An increase in unemployment benefits (to 70 % net replacement rate) - and in connection with this also higher unemployment assistance - is important for the social protection of those affected and for strengthening domestic demand. In addition, AMS capacities need to be strengthened in the placement of the unemployed in good jobs. In particular, a labour market offensive for women is needed.

Targeted employment programmes and qualification of the employed and unemployed are necessary, e.g. in the form of a 20,000 new programme ("Chance 45" for older people and the long-term unemployed), which still needs to be increased, or through temporary employment companies. This includes higher qualification and retraining programmes for a new start and to secure the demand for skilled workers (e.g. more funding for the skilled workers' scholarship and, in the medium term, the merging of the various qualification models in a qualification allowance). One focus: nursing and health care professions and other system-maintaining occupational groups. In order to halve the number of people at risk of poverty, welfare state benefits in cash and in kind should be expanded. It must be ensured that single parents and those in marginal employment are sufficiently taken into account in the Corona assistance measures.

Stabilisation and expansion of the health and care system, which must remain publicly financed. Equally necessary is the expansion of health and care services: A package of measures is needed to improve the quality of services and work, remuneration and staffing (with an appropriate staffing ratio) in long-term care and nursing. For the financing, the ÖGB has already demanded inheritance taxes in the past.

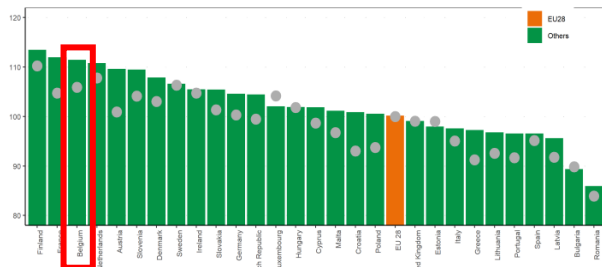
BELGIUM

Figure 1: ETUC SDG8 Index – Country scores in 2019 (bars) vs 2010 (dots)



(figure 2) were slowed down by weaker performances in the inclusive labour market and notably under the vulnerability of work area (figures 3 and 4) which set the country back closer to the EU average (which is in itself quite low).

Figure 2: Economic Well-Being – Country scores in 2019 (bars) vs 2010 (dots)



Belgium has some enabling potential in terms of sustainability, but still far from achieving the best possible performance. The country ranks above the European average but shows some areas of weakness that threaten a sustainable growth, considering the limited progresses that the country scored during the last decade even if is on the way to set its production model on more environmental, social and digital patterns. Some relevant progresses in the well-being

The Belgian Recovery and Resilience Plan should reinforce the positive correlation between goal 8 and reduction of CO2 emissions yet.

Future investments in Belgium have to focus on quality of work and environmentally sustainable growth otherwise the risk is to deliver a Recovery and Resilience plan that will lead to a non-sustainable economy.

Still, Belgium can improve the positive correlation between the decent work and sustainable growth

Figure 3: Employment Quality – Country scores in 2019 (bars) vs 2010 (dots)

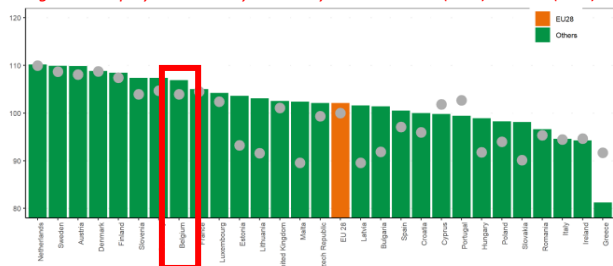
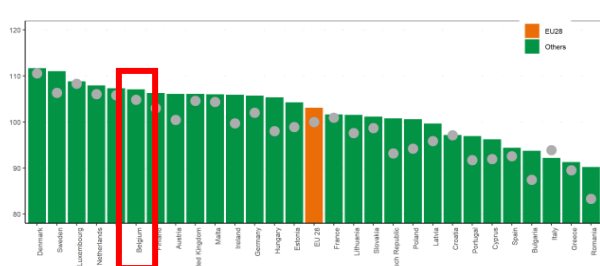


Figure 4: Labour Vulnerability – Country scores in 2019 (bars) vs 2010 (dots)



agenda and the digitalisation agenda (measured with the DESI index). Investing in decent work and sustainable agenda, Belgium should also exploit the strong positive correlation between that goal 8 and goal 3 (good health and well-being).

The ETUC recommends that the Belgian Plan for Recovery and Resilience could take into account the proposal of the Belgian trade unions in order to set the Country amid the best performers in terms of sustainability and in particular:

- Ensuring that the Recovery and Resilience Plan will continue Improving labour market inclusiveness to increase its contribution to sustainability
- Removing factors of vulnerability that groups of workers are suffering from;
- Changing the adverse correlation between decent work, sustainable growth and climate change objectives implementing the Green Deal and the Digital Agenda together with the European Pillar of Social Rights

REFORMS AND INVESTMENTS. TRADE UNION PRIORITIES IMPLEMENTING THE RECOVERY PLAN

Investments

- energy saving renovation of buildings (housing, administrative buildings, schools, enterprise buildings)
- bicycle roads, in order to promote the bike for the transport between home and the work place
- extension of the public railways network for transport of persons and cargo (i.a. a 2nd railway access to the port of Antwerp)
- a network of battery chargers for electrical vehicles
- further digitisation of public services : justice, finance, health
- renewable energy : solar panels / on shore and off shore windmills
- extension of the electrical grid : interconnectivity with neighbouring countries
- electrical storage system

Reforms :

- reinforce social dialogue on green and digital transition
- adapt education and vocational training towards green sectors : sustainable energy, circular economy, ...
- entrepreneurial government :
 - governmental capacity to incentivize private industrial initiatives which are leading in green and digital transition
 - public investments in renewable energy
- social and environmental provisions in public procurement
- legal framework on CO2-emission norms and energy efficiency thresholds for buildings which determines the road to CO2-neutrality by 2050
- legal framework in order to phase out fossil fuels
- introduction of universal 3rd payers system for public transport for the trajectory home-workplace (integrating train, tram and bus transport)
- electrification of company cars by 2026
- limitation of tax advantage for company cars
- mobility budget for every worker
- compulsory bike allowance for the trajectory home- workplace
- in collaboration with social partners : update the regulatory framework for telework
- enhance accessibility of primary health care by refunding 100% of costs and by introducing the 3rd payers system
- diminish the co-payment rate for non-primary health care
- lower the maximum bill for patients by raising the income threshold which entitles patients to a higher refunding amount
- reform and simplify the system of social tariffs for internet
- action plan for open governmental data
- make the right on 5 days of training per worker per year enforceable
- enhance the system of time credit with a vocational training objective
- create starters jobs for youngsters, which include a work and training component
- lower the accessibility thresholds for the unemployment system in accordance with the threshold in our neighbouring countries
- improve social protection for platform workers

MEASURES FOR JUST TRANSITIONS

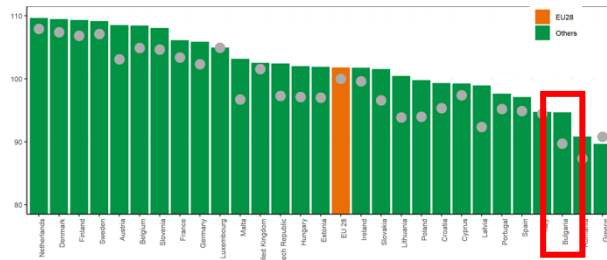
- improve social protection for platform workers
- lower the accessibility thresholds for the unemployment system in accordance with the thresholds in our neighbouring Countries

BUILDING SOCIAL RESILIENCE WITH STABLE AND PROTECTED JOBS

- improve social protection for platform workers
- lower the accessibility thresholds for the unemployment system in accordance with the thresholds in our neighbouring countries
- involve social partners when editing recovery and resilience plans
- combat actively abuse of temporary contracts and interim work
- regularize migrant workers after x years of stay on the Belgian territory in order to fight abuse of informal workers
- create starter jobs, internships or vocational training for NEETs
- make 'digital inclusivity' a general governmental principal, systematically checking if all groups in the population retain an easy access to public services, when they are more and more digitalized.
- introduce energy poverty tests, when proceeding with the introduction of sustainable energy, phasing out fossil fuels

BULGARIA

Figure 2: ETUC SDG8 Index – Country scores in 2019 (bars) vs 2010 (dots)



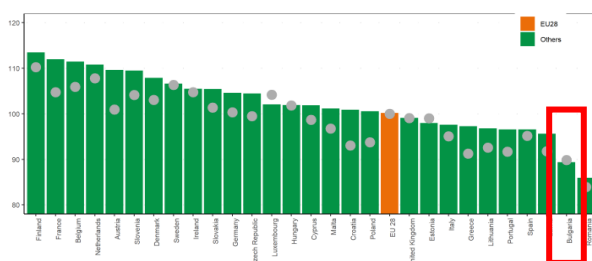
Bulgaria ranks among laggards of sustainable development in the EU Block and shows a lower inclination to set its recovery strategy on sustainable growth and decent work. The country stands at the bottom of the sustainability scale despite some progresses recorded during the last decade.

Some relevant progresses in the employment field have led to a deterioration of the overall well-being of Bulgarian people (figure 2)

because a very high vulnerability of workers (figure 3).

Future investments in Bulgaria have to focus on equality, fight against poverty and all other factors that improve workers' positions otherwise the risk is to deliver a Recovery and Resilience plan that will lead to a non-sustainable economy.

Figure 3: Economic Well-Being – Country scores in 2019 (bars) vs 2010 (dots)



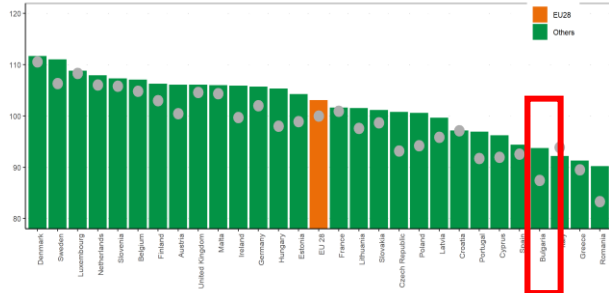
driving power that goal 8 exercises on goal 3 (good health and well-being).

The poor performance under the sustainability pattern is also shown by the fact that Bulgaria cannot count on a development model that puts decent work and sustainable growth in advantageous correlation with reduction of CO2 emissions yet. Still, Bulgaria should also better catch the positive correlation between decent work and sustainable growth agenda and digitalisation agenda (measured with the DESI index). Investing in decent work, Bulgaria has to better exploit the

Figure 3: Employment Quality – Country scores in 2019 (bars) vs 2010 (dots)



Figure 4: Labour Vulnerability – Country scores in 2019 (bars) vs 2010 (dots)



The ETUC recommends that the Bulgarian Plan for Recovery and Resilience could take into account the proposal of the Bulgarian trade unions in order to put the Country on the right track of sustainability and in particular:

- Ensuring that the Recovery and Resilience Plan will improve the overall economic well-being of Bulgarian population;
- Addressing and removing factors of vulnerability of workers;
- Setting the correlation between decent work, sustainable growth and climate change objectives on the positive track, implementing with the same intensity the Green Deal and the European Pillar of Social Rights.

REFORMS AND INVESTMENTS. TRADE UNION PRIORITIES IMPLEMENTING THE RECOVERY PLAN

Inputs from CITUB

On June 30, 2020, the Coordination Council of the Confederation of Independent Trade Unions in Bulgaria (CITUB) adopted a **POSITION on the EC initiatives for the European economy recovery**. It identified four key impact areas for Bulgaria:

1. Existing infrastructure modernisation and building new infrastructure

In this area we are talking about infrastructure of all kinds - transport (roads, railways, bridges equipment, product pipelines, airports, ports, parking lots, warehouses, depots); communication (cable connections, lines, repeaters, networks); communal (district heating, electricity networks and facilities, water and sewage, disposal and recycling of waste, parks and recreation areas); social (nurseries and kindergartens, educational and social institutions, etc.).

Building and maintenance of modern infrastructure is one of the most important prerequisites for accelerating economic growth and raising the population living standard. This requires huge investments, but the return on investment is through new jobs, employment, increased turnover and revenue.

2. Support for important structural sectors and sectors in transition

The tourism, transport, trade, agriculture and some of the industries (mechanical engineering and light industry) are most (directly or indirectly) affected by the crisis. For others (energy, chemistry, coal mining) and many of the already mentioned sectors and industries a difficult "green" transition to a low-carbon and circular economy is forthcoming. The challenges and risks are great and our country alone will not be able to cope with. At the same time, digitalisation must ensure the necessary competitiveness in the restructuring process. This is where the largest-scale European support should focus, with a view both to recovery and to ensuring a fair transition.

3. Reforming important social systems.

Although in varying degrees of reform, almost all social systems in the country remain underfunded and need fresh resources to be able to perform the important public functions assigned to them. The reforms require not only legislative improvement and structural and organisational changes, but also a renewed material and technical base, modern equipment, introduction of new technologies and last but not least - investment in staff.

In our view, in this impact area fall public health, education, culture, social security and especially the system of social assistance, which is an object of permanent EC criticism. Some of them play a very important role during the pandemic and are at the forefront of the fight against the COVID 19, others are directly affected by the crisis, but in any case, the need for reform is commonly recognised.

4. Promoting the development of enterprises and sectors with innovation potential (growth engines)
The IT sector and start-ups have an indisputable priority in this area. However, in order to become innovative multipliers, they need to accelerate their links with industrial enterprises, thus becoming a real generator of economic growth and digitalisation of the economy.

MEASURES FOR JUST TRANSITIONS

Inputs from CITUB

The risks in this respect have a strong regional dimension, as the economy of Bulgaria depends on a limited number of high-intensity carbon-intensive enterprises or related activities. This implies the development of sectoral strategies and action plans for a fair transition to a low-carbon economy, with the active participation of trade unions. These plans must answer the question of how structural economic change will take into account the social dimensions of the transition and lead to favourable and equitable outcomes for all.

In order to save time and move towards faster action in developing these plans, it is necessary to systematize and analyse the experience of European trade unions and social dialogue in order to achieve a fair transition to a low-carbon economy and to negotiate "green clauses", aimed at creating sustainable policies for "greening" the industry and creating green jobs. For example, acquaintance and transfer of the experience of the member states with problems related to transformation to low-carbon economy - Germany, Poland, Czech Republic, and Greece. Experience exchange platforms can be developed for this purpose.

What do we propose? What trade union actions will be needed?

1. In order to achieve a socially just transition, efforts to gain the support and confidence of working people for the changes in the economy needed for the transition to low-carbon production are essential.
2. In order for people to believe in this, it is extremely important to present real, financially secured plans and projects for the economic development of the affected regions and job creation opportunities.
3. Establishment of regional units for analysis and management of work - people, which will carry out planning for:
 - Maintaining the number of jobs from the affected enterprises by shifting to high-tech enterprises related to the development of a low-carbon economy, which will be attractive to the affected workers with good working conditions and high pay.
 - Training in "green" skills, which requires the provision of technical support for enterprises and retraining of workers in industries for which the circular economy will have an increasing impact on the activity.
 - Creating new jobs attractive to young people in the affected regions, for whom the opportunity to stay and join new industries will be an attractive choice.
4. Introduction of forms for shareholder participation of workers, especially in sectors with a high impact of the green transition through existing companies, creation of new companies and workers' cooperatives. Trade unions must be actively involved in these approaches.
5. Finding sustainable solutions for industrial policies to be included in collective agreements, in the context of providing sufficient funds and commitments by the state and business to minimize the socio-economic consequences of the Green Deal.

Inputs from PODKREPA

1. **Innovative Bulgaria** – raising the skills of the workforce is a main goal. However, questions arise as to what the specific skills related to digital transformation and Industry 4.0 should be and how their validation will be implemented. The "professions of the future" are also mentioned quite fluently, without the necessary clarity as to which they are.

2. Green Bulgaria – The key problem of the Bulgarian economy today is the transformation of the energy sector, which will affect both businesses and households. The closure of the coal sector will lead to a significant increase in electricity prices, as coal is a major resource for national electricity production. The electricity produced by the TPPs accounts for between 40 and 60% of the total volume in the country. There are more than 100,000 employees directly or indirectly employed in the sector. The main deficit here is of replacement energy capacities and alternative jobs that provide decent jobs. We propose the preparation of long-term plans to ensure the sustainability of the system and preparation for the application of green technologies, when such are invented. **It is unacceptable to demolish the old house before we have built a new one.** In terms of employment, we propose in the plan to build one or more structural, public enterprises in the regions that will be most severely affected - in priority sectors for Bulgaria, with high value-added products to create conditions for smooth transition of employees in the coal industry to more promising employment.

The green transition will also affect the chemical industry. This calls for a broader view of the areas on which management efforts should focus in the next few years. We draw attention to one of the key promises of the President of the European Commission, Ursula von der Leyen, to introduce a carbon tax on chemicals imported from third countries.

We believe that the main part of the funds should be directed to solving these key problems for the country, as they have not only economic but also social, labor and demographic consequences.

3. Just Bulgaria – In this pillar is set the area "Business Environment", which is mainly related to changes in judicial and administrative proceedings. This is not in line with the focus at the beginning of the document on disadvantaged groups and people. We believe that the social focus of this pillar should be strengthened. We also disagree with the claims that the low qualification of the workforce is what hinders the adaptation of the economy to the new conditions that result from the COVID-19 pandemic. Lack of skills for online working can be a problem for office professions, but not for industrial workers.

We believe that the focus should be on the Social Inclusion component. It should provide opportunities for online education of disadvantaged children, to minimize inequalities through relevant social and tax reforms, to build specialized institutions for people with disabilities.

CL Podkrepa insists that social inclusion follow the goals set in the European Pillar of Social Rights, and for their implementation to monitor the indicators that are part of the Pillar and the Annual Report of the European Commission for Bulgaria.

BUILDING SOCIAL RESILIENCE WITH STABLE AND PROTECTED JOBS.

Inputs from CITUB

CITUB considers **public investment as vital for a balanced and sustainable recovery**. Therefore, the bulk of NextGenerationEU funding should be used to support public investment and key structural reforms in Member States focused on the areas most affected by the crisis and in need of the greatest sustainability.

Priority for the country are both important **social systems** (healthcare, education, culture, social security, social care and assistance) and **branches of the real public sector** - water, transport (urban and rail transport), infrastructure sites with national and regional significance.

The expected effects are not only in employment and new jobs creation, but also in the implementation of an extremely important geopolitical and economic strategy aimed at **shortening supply chains**, which means reducing dependence on external suppliers and their concentration within the EU. For Bulgaria, this alternative could bring many benefits and a changed role in the value chains.

Here we must emphasize the need to improve and adapt the skills, knowledge and competencies that are becoming increasingly important in the coming years. CITUB insists that the Bulgarian government and social partners make the most of the **European Skills Agenda and the Digital Education Action Plan** in view of the unenviable current situation of the country in terms of digital skills, continuing vocational training and lifelong learning.

In the recovery process, the guiding principles of the government policies are **justice and inclusion, solidarity between people, generations, regions and states**. Undoubtedly, they should be implemented in close cooperation with the social partners, civil society and other stakeholders. Our landmark for achieving this goal remains the **European Pillar of Social Rights**. In this context, trade union priorities are:

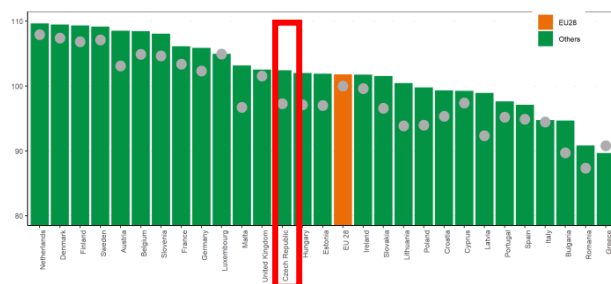
- tackling disparities and inequalities, which we believe have become even more acute during the crisis;
- ensuring a decent life for all workers through adequate levels of minimum wages and implementation of the principle of "equal pay for work on the same value added";
- eliminating the gender pay gap, including through obligatory pay transparency measures;
- ongoing and enhanced support for youth employment;
- strengthening the social economy as an opportunity for the most vulnerable persons to return to the labour market;
- introduction of effective schemes for guaranteed minimum income, ensuring decent life for all citizens.

CITUB considers that social cohesion and overcoming inequalities are an extremely important element of the fair transition. The Confederation not only supports, but also actively participates in the process of EC consultations on "**Fair Minimum Wages**". We are also in favour of a number of other accompanying initiatives - for transparency in the formation and amount of wages, for equal work - equal pay, for upward convergence of wages.

At the same time, we argue that social cohesion and the elimination of drastic inequalities can be achieved through the parallel application of two instruments - priority growth of low wages and fair taxation, which Europe has long insisted on (synchronized tax policy and minimum levels of tax bases against the practice of tax dumping).

CZECH REPUBLIC

Figure 3: ETUC SDG8 Index – Country scores in 2019 (bars) vs 2010 (dots)



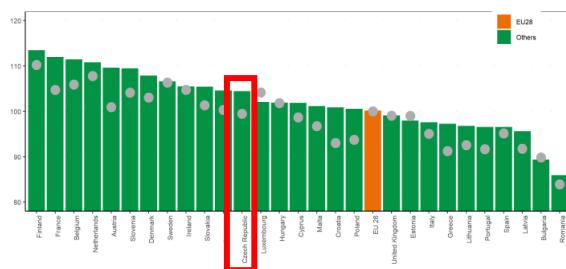
Czech Republic has some enabling potential in terms of sustainability but persistent factors of workers' vulnerability are reducing the driving capacity of a recovery driven by sustainable growth and decent work. The country ranks very close to the EU average in the sustainability scale so it has wide margins of improvement, improving the respect of green boundaries, and creating quality jobs investing in public health (Goal 3) and digitalisation of the economy.

Non satisfactory performances in well-being of

people (figure 2) are also linked to limited progresses in terms of inclusiveness of the labour market (figure 3) and vulnerability of workers (figures 4), the improvable conditions of health systems and digital transformation.

Future investments in Czech Republic have to primarily aim at creating quality jobs especially following the digital agenda and creating sound public health systems while sharply improving the inclusiveness of the labour market. The risk is to deliver a Recovery and Resilience Plan that will take Czech Republic far from the best performers in terms of sustainability and slowing down its convergence

Figure 4: Economic Well-Being – Country scores in 2019 (bars) vs 2010 (dots)



path toward the most performing EU sustainable economies.

The Czech Recovery and Resilience Plan should set decent work and sustainable growth agenda in positive correlation with the Green Deal objectives also exploiting the driving power of sustainable

growth on digitalisation of the economy and society (measured with the DESI index). Investing in decent work and sustainable agenda, Czech Republic should also improve the positive correlation between goal 8 and goal 3 (good health and well-being).

Figure 3: Employment Quality – Country scores in 2019 (bars) vs 2010 (dots)



Figure 4: Labour Vulnerability – Country scores in 2019 (bars) vs 2010 (dots)



The ETUC recommends that the Czech Plan for Recovery and Resilience could take into account the proposal of the Czech trade unions in order to set the Country back to the sustainability track and in particular:

- Ensuring that the Recovery and Resilience Plan will continue creating quality jobs especially in the public health system and digital economy;
- Improve well-being of the population creating inclusive labour markets and removing factors of vulnerability of workers.
- Building on the improving correlation between decent work, sustainable growth and climate change objectives, implementing the Green Deal and the Digital Agenda together with the European Pillar of Social Rights.

REFORMS AND INVESTMENTS. TRADE UNION PRIORITIES IMPLEMENTING THE RECOVERY PLAN

Trade unions call for a realistic Green Deal that takes into account the situation in the individual member states, not just a green ideology. Moreover, the Green Deal should take into account Covid19. Only by this way we will ensure the development of all EU countries, not just narrow group of them (one of them).

The Green Deal is not an European industrial policy. The transfer of R&D from west to east should be strengthened, otherwise the gap between west and east will widen further. An investment in critical infrastructure should be strengthened.

Trade unions call for strengthening digitalization and cybersecurity. Trade unions call for clear EU directives to implement The European Pillar of Social Right.

The Czech-Moravian Confederation of Trade Unions fears that things that have nothing to do with restructuring or rebuilding the economy after the epidemic are incorporated into National Recovery Plan (for example loss carryback). It also includes current expenses that it would finance anyway.

The low share of funds for the Ministry of Labour and Social Affairs makes no sense. Priorities concerning the Ministry of Labour and Social Affairs are expressed in the six areas of the National Recovery Plan and are related to "country specific recommendations".

These recommendations are not sufficiently reflected in the National Recovery Plan.

MEASURES FOR JUST TRANSITIONS

All people (employees) can help if they have more money. In this context, it is not possible for the Czech Republic that the outflow of dividend is about 6% of GDP.

It is necessary to limit this flow (gross or net - by taxation), added value was created in the Czech Republic.

The result is a low share of wages in the Czech Republic and a high share of profit. Convergence between countries needs to be strengthened.

The Czech Republic should be involved in co-decision on what is happening with it.

It is necessary to work on the introduction of the principle of codetermination in companies.

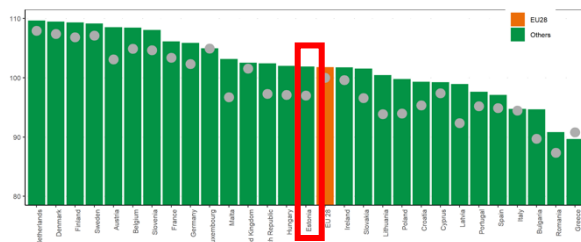
BUILDING SOCIAL RESILIENCE WITH STABLE AND PROTECTED JOBS.

We need a clearly enforceable directive on the European Pillar of Social Rights. Without binding form of a directive, the situation will not be improved sufficiently. Example: wages - minimum wages (their low amount in the Czech Republic).

It is necessary to adopt a directive on the minimum wage at the EU level, only then we will be able to enforce the appropriate level of the minimum wage in the Czech Republic.

ESTONIA

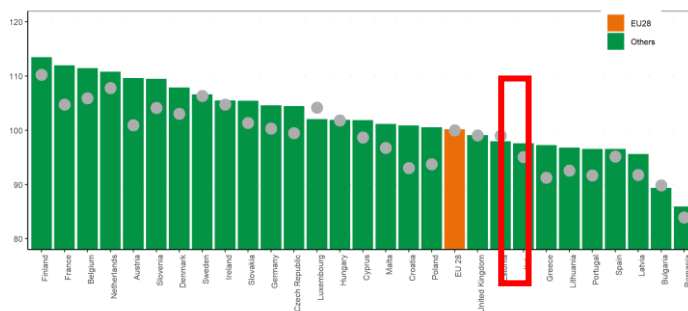
Figura 5: ETUC SDG8 Index – Country scores in 2019 (bars) vs 2010 (dots)



Estonia has some enabling potential in terms of sustainability and its enabling factors have improved during the last decade so empowering the driving capacity sustainable growth and decent work to drive a quicker recovery. Its development model is not yet compatible with the green objectives and has to address several challenges in the area of decent work.

Some relevant progresses in the employment field have led to a deterioration of the overall well-being of Estonian people (figure 2) imposing the revisiting of its distributional model.

Figura 6: Economic Well-Being – Country scores in 2019 (bars) vs 2010 (dots)



Progresses in labour market inclusiveness (figure 3) and worker's vulnerability (figure 4) are welcome but there are wide space for improvement in both areas.

Future investments in Estonia have to focus on equality, fight against poverty and all other factors that improve people's well-being, including a productive model that is more aligned with the green objectives of the EU, otherwise the risk is

to deliver a Recovery and Resilience plan that will lead to a non-sustainable economy.

The low performance under the sustainability pattern is also shown by the fact that Estonia has not developed a development model that put decent work and sustainable growth in stable negative correlation with reduction of CO2 emissions yet. Still, Estonia should continue exploit the positive correlation between decent work and sustainable growth agenda and digitalisation agenda (measured with the DESI index). Investing in decent work and sustainable agenda, Estonia has to better exploit the driving power that goal 8 exercises on goal 3 (health, measured with life expectancy).

Figura 8: Employment Quality – Country scores in 2019 (bars) vs 2010 (dots)

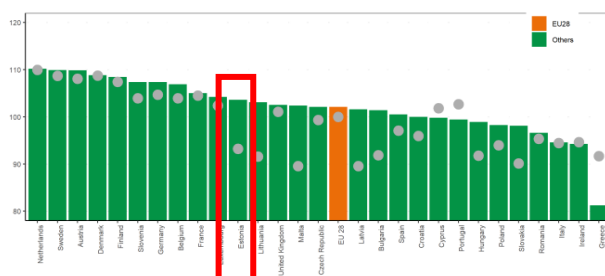
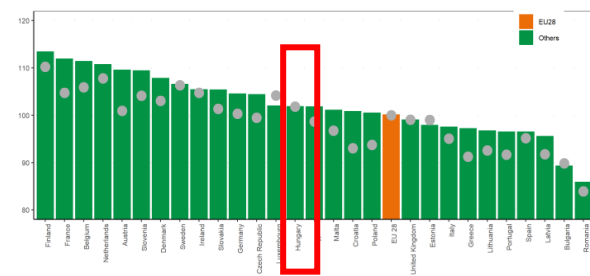


Figura 7: Labour Vulnerability – Country scores in 2019 (bars) vs 2010 (dots)



The ETUC recommends that the Estonian Plan for Recovery and Resilience could take into account the proposal of the Estonian trade unions in order to put the Country on the right track of sustainability and in particular:

- Ensuring that the Recovery and Resilience Plan will improve general well-being of Estonian population;
- Reinforcing progresses in terms of inclusiveness of labour market and removal of workers' vulnerabilities.
- Setting the correlation between decent work, sustainable growth and climate change objectives on the positive track. Building on positive correlation between sustainable growth and decent work with digitalisation and SDG 3 (good health and well-being).

REFORMS AND INVESTMENTS. TRADE UNION PRIORITIES IMPLEMENTING THE RECOVERY PLAN

1. Firstly, trade unions hope that the government will not resort to austerity measures in the context of the crisis, but will continue to invest.
2. Trade unions demand that opportunities be found to increase the salaries of frontline employees (health care, rescue, police, teachers) also in 2021 (currently in the state plan to freeze them for the next 4 years).
3. Estonian Government should implement specific investment programs in most affected sectors - IT, construction (not grants, but state orders). At the same time, support measures should be implemented for tourism sector.

MEASURES FOR JUST TRANSITIONS

1. At the moment, in the context of a fair transition, the fair transition of the oil shale sector (mining, power plants, oil industry) is most important point on the agenda in Estonia. This is a sector where large investments have been made, where a large part of the workforce in North- Eastern Estonia is employed, which contributes a very significant part to the state 's revenues, and where the most profitable jobs in the region. However, the whole sector is closing due to the transition to a green economy. The unions are very concerned about the future of their jobs and have called for their involvement throughout the restructuring process. This is also ensured - both on a sectoral and tripartite basis in meetings with the Prime Minister. The measures of the Fair Transition Fund are currently being prepared by the state and the trade unions have communicated their demands as follows:

- 1.1. Focus should be first and foremost on creating high value-added jobs.
- 1.2. Investment support from the Fair Transition Fund should go the investments, including R&D to create a climate-neutral oil shale sector
- 1.3. New jobs should be created in the next 10 years, ie before the old jobs disappear.
- 1.4. New jobs should be high-paid.
- 1.5 Retraining employees is important, but we need to know what to learn and where these jobs are.

2. In terms of digital transition creating conditions for training and retraining of all employees is crucial.

BUILDING SOCIAL RESILIENCE WITH STABLE AND PROTECTED JOBS.

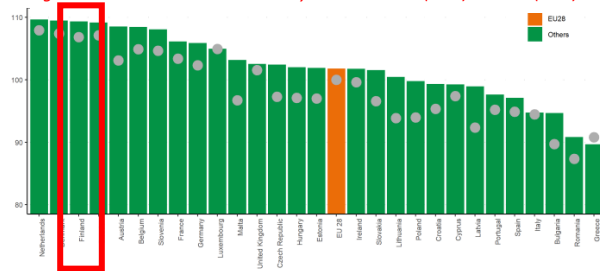
1. During the first wave of the COVID-19 crisis in the spring, we had very good tripartite cooperation in developing the wage subsidy scheme, and all parties were satisfied with the result. As the second wave of the crisis deepens and the economy stagnates, we want a similar scheme to continue.

2. The recent decision of the Supreme Court created a situation that the extension of collective agreements is no longer possible. During the tripartite negotiations, we achieved a situation where the Ministry of Social Affairs prepared a bill amending the Collective Bargaining Act so that an employers' organization wishing to extend a collective agreement must represent at least 20% of the workforce in the respective sector. Previously, the representativeness criterion was missing. The trade unions agree with this amendment, given the particularly low level of organization of the social partners and the small number of such agreements. Unfortunately, a number of business organizations have started to reject this proposal, requiring employers to be 50% represented and criteria for representativeness for trade unions. EAKL demands the government for supportive measures for the conclusion and extension of collective agreements at sectoral level.

3. We are currently negotiating flexible working arrangements with employers in the retail trade sector. As the Supreme Court recently with its decision revoked the possibility to extend collective agreements to all employers in the sector and the government seems to be vitally interested in allowing such agreements, they are also involved in the negotiations. The aim is to provide for flexible working time contracts as a pilot in retail. The aim of the trade unions is to achieve security points in the provisions of the law.

FINLAND

Figure 1: ETUC SDG8 Index – Country scores in 2019 (bars) vs 2010 (dots)

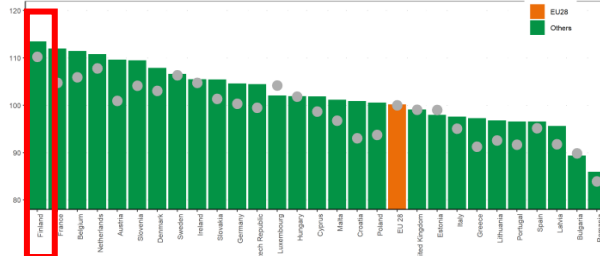


Finland is one of the European countries with higher potential of sustainability. Its economy can count on several enabling factors but has still wide margins for improvement. The country is a front runner in terms of economic well-being likely driven by a more environment-friendly productive structure. At the same time it is showing weakness because of the limited progresses achieved during the last decade

concerning labour market inclusiveness and vulnerability of workers.

Good performances in the well-being (figure 2) are slowed down by a non-progress decade in terms of labour market inclusiveness and vulnerability of work (figures 3 and 4), even though the Finnish social model presents good performance and has to be protected and reinforced during the recovery phase.

Figure 9: Economic Well-Being – Country scores in 2019 (bars) vs 2010 (dots)



Future investments in Finland have to focus on creating quality jobs which are accessible to all without exclusions and discriminations and to reinforce the correlation between sustainable growth and environmental impact otherwise the risk is to deliver a Recovery and Resilience plan that will lead to a non-sustainable economy.

Still, Finland can improve the positive correlation between the decent work and the digitalisation agenda (measured with the DESI index).

Investing in decent work and sustainable agenda, Finland should also exploit the strong positive correlation between that goal 8 and goal 3 (good health and well-being).

Figure 3: Employment Quality – Country scores in 2019 (bars) vs 2010 (dots)

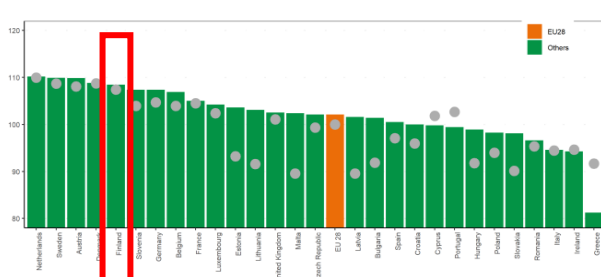
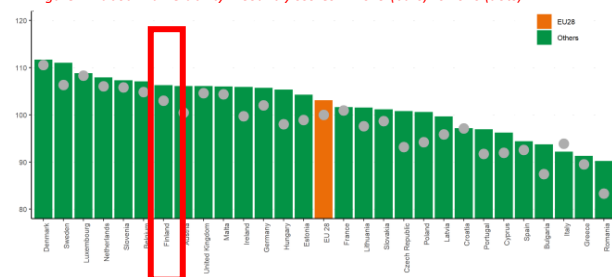


Figure 4: Labour Vulnerability – Country scores in 2019 (bars) vs 2010 (dots)



the proposal of the Finnish trade unions in order to set the Country amid the best performers in terms of sustainability and in particular:

- Ensuring that the Recovery and Resilience Plan will continue focusing on well-being of the Finnish population;
- Improving labour market inclusiveness to increase its contribution to sustainability
- Removing factors of vulnerability that groups of workers are suffering from;
- In some sectors, changing the adverse correlation between decent work, sustainable growth and climate change objectives implementing the Green Deal and the Digital Agenda together with the European Pillar of Social Rights

REFORMS AND INVESTMENTS. TRADE UNION PRIORITIES IMPLEMENTING THE RECOVERY PLAN

The 2020 Country Specific Recommendations for Finland include:

- Do whatever it takes to fight the corona virus pandemic;
- Support the real economy and the forthcoming economic recovery, with special emphasis on small and medium sized enterprises;
- Strengthen employment, conduct active labour market policies and improve personalised employment services especially those for immigrants;
- To ensure economic recovery, start public investment projects earlier than planned if possible, and support private investment, especially investment directed to promote R&D and innovation, education, efficient infrastructure, clean production of energy and digital change.

After a decade of poor macroeconomic performance, it is obvious that funds from the Recovery and Resilience Facility must be directed to investments that strengthen the long-term growth potential of the Finnish economy by promoting stronger future productivity growth and ensuring high employment for the rapidly aging nation. Such investments include considerable inputs into R&D and innovation (for example space and information technology, perhaps also something totally out of the box), advancing carbon neutrality, as well as just and green transition. In addition, investments should strengthen the capacity and resilience of the health care sector. Preferably, these projects are completely novel, and not already included in the program of the present government.

MEASURES FOR JUST TRANSITIONS

Finland should invest more to active labour market policy. When thinking employment services in the perspective of the just transition, investing especially to the transition assistance (unemployment) is essential.

Here, education and reskilling is crucial. Also industry-specific roadmaps are being developed to facilitate smooth transition and to provide concrete steps for industries and employees.

BUILDING SOCIAL RESILIENCE WITH STABLE AND PROTECTED JOBS.

Within the topics among European Pillar of Social Rights, the following are high on the agenda:

(P1) Education, training and life-long learning: It has been recognised that people with a preliminary education only tend to have a considerably lower probability to find employment and have a heightened risk of poverty. Therefore, a new goal that everyone should get a secondary education has been proposed. That entails that compulsory education ends at the age of 18 (a higher age than currently).

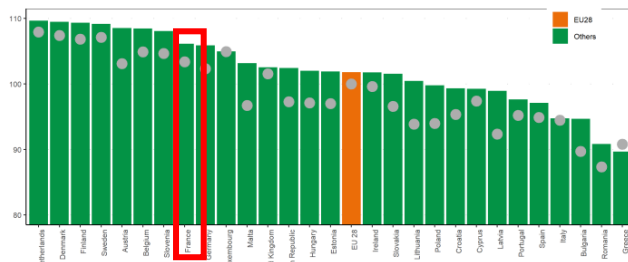
(P4) Active support to employment: The responsibilities of municipalities and local authorities are increased substantially in providing employment services to the unemployed.

(P13) Unemployment benefits: Ways to reform the current unemployment system are discussed. Topics in discussion are the duration of the benefits as well as the level, in particular, should the benefits become lower with the duration of unemployment or depending on the business cycle.

Another theme is about the treatment of older unemployed just a couple of years short of retirement. Currently they can under certain conditions enjoy an extended period of wage related unemployment benefits prior to retirement age. It has been argued that this model offers employers an avenue to get rid of older workers. Therefore, it has been suggested that the age limit to this kind of arrangement should be raised (or removed altogether) in order to keep older workers in the labour market. This should be accompanied with significant supporting measures for the older workers.

FRANCE

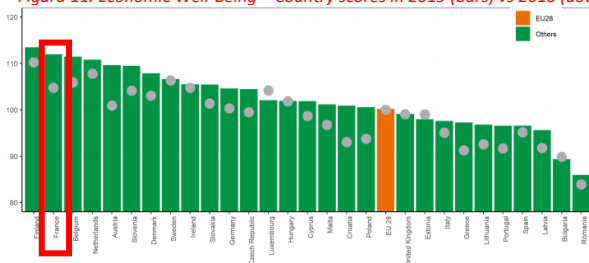
Figura 10: ETUC SDG8 Index – Country scores in 2019 (bars) vs 2010 (dots)



France has some enabling potential in terms of sustainability but the enabling factors are deteriorating so reducing the driving strength that sustainable growth and decent work can have during the recovery phase. The country ranks above the European average but has many challenges to be addressed also because of limited progresses achieved during the last decade, especially in the field of workers' vulnerability.

Some relevant progresses in the field of economic well-being (figure 2) have been vanished by the lower performance in terms of inclusiveness of the labour market (figure 2) and, notably, workers' vulnerability. However, France can count on a development model that is reducing its environmental impact.

Figura 11: Economic Well-Being – Country scores in 2019 (bars) vs 2010 (dots)



Future investments in France have to focus on inclusive labour market and creating jobs of better quality. It may happen building on reinforcing the digital transformation and the green transition to create jobs of better quality. Otherwise the risk is to have a Recovery and Resilience Plan that will lead to a non-sustainable economy.

Still, France should also better catch the positive correlation between decent work and sustainable growth agenda and digitalisation agenda (measured with the DESI index). Investing in decent work and sustainable agenda, France has to exploit the driving power that goal 8 exercises on goal 3 (health, measured with life expectancy).

The ETUC recommends that the French Plan for Recovery and Resilience could take into account the proposal of the French trade unions in order to upscale the sustainability potential of the Country and in particular:

Figura 12: Employment Quality – Country scores in 2019 (bars) vs 2010 (dots)

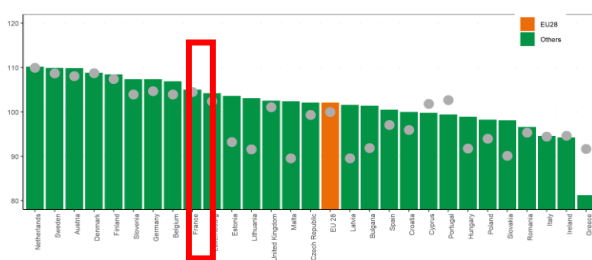
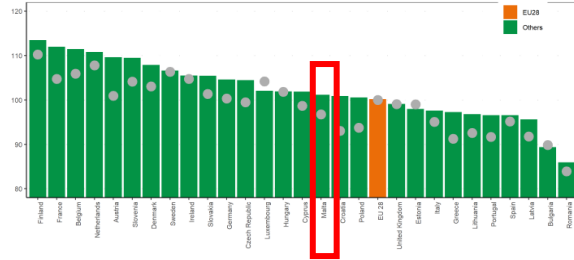


Figura 13: Labour Vulnerability – Country scores in 2019 (bars) vs 2010 (dots)



- Ensuring that the Recovery and Resilience Plan will record quick progresses in terms of inclusiveness of the labour market.
- Immediately removing factors of vulnerability of workers;
- Building on the advantageous correlations between decent work, sustainable growth and climate change objectives on the positive track.
- Create quality jobs through digital investments and exploiting the positive correlation between goal 8 and goal 3 (good health and well-being).

REFORMS AND INVESTMENTS. TRADE UNION PRIORITIES IMPLEMENTING THE RECOVERY PLAN

Inputs from Force Ouvrière:

Concernant la question des investissements, Force Ouvrière demande dans le cadre de la relance des investissements publics massifs dans les infrastructures publiques, notamment pour renforcer les systèmes publics de santé, en lien avec les recommandations spécifiques pour la France en 2020, et d'éducation, en lien avec le programme phare "Promouvoir la reconversion et la mise à niveau des compétences" de la Facilité pour la reprise et la résilience (FRR).

Plus généralement, l'investissement doit porter sur l'ensemble des services publics qui ont démontré une fois de plus leur absolue nécessité pendant cette crise, avec une attention particulière à la résorption de la fracture digitale, en lien avec le programme phare "Connecter" de la FRR, et pour les territoires ultramarins.

Le plan de relance de l'UE doit également conduire à des investissements substantiels pour renforcer les politiques actives du marché du travail. Davantage d'investissements publics dans les services publics de l'emploi sont nécessaires pour garantir une pleine intégration des demandeurs d'emplois au marché du travail avec une attention particulière aux groupes vulnérables tels que les jeunes ; les femmes ; les migrants ou encore les travailleurs handicapés en lien avec les recommandations spécifiques pour la France en 2019 et en 2020.

Davantage d'investissements sont nécessaires, dans le cadre des transitions justes et en lien avec le programme phare "Développer" de la FRR, dans des politiques industrielles et environnementales, coordonnées aux niveaux national, européen et mondial, créatrices d'emplois décents tels que définis par l'OIT, c'est-à-dire respectueux des normes internationales du travail.

Si les choix d'investissement public doivent prendre en compte les impacts climatiques, il est capital que les impacts sociaux soient tout aussi prioritaires. FO réclame des investissements, dans le cadre du programme phare "Rénover" de la FRR, pour la rénovation énergétique des logements qui génèrent des dépenses importantes pour les ménages et qui constitue un gisement d'emplois important.

Pour FO, une politique de rénovation et d'investissement dans les services publics, à commencer par leurs locaux (écoles, collèges, lycées, universités, hôpitaux, Ehpad, commissariats, prisons, ...), est également indispensable afin de permettre aujourd'hui, face au risque sanitaire, et demain, une meilleure qualité pérenne du service public et des conditions de travail des agents.

Inputs from CFDT

Le capital public en France est élevé mais l'investissement public net en France observe une chute importante. Autrement dit le capital public se déprécie sans compensation suffisante. Le plan de relance en France devrait donner une inflexion positive de ce point de vue (36,7 milliards dont 4,5 milliards pour la rénovation thermique des bâtiments publics et logements sociaux; 6,6 Mds dans les mobilités; 1,5 Mds dans la numérisation des services publics; 6 Mds à la santé; 5,2 Mds pour l'investissement des collectivités territoriales; 3 Mds pour les banques des territoires dont construction de logements sociaux, aides foncières pour les petits commerces).

Mais les besoins sont beaucoup plus importants et doivent être multipliés sur plusieurs années. Des efforts doivent être particulièrement réalisés dans les infrastructures et le génie civil, le logement, l'éducation, la santé, la biodiversité et la transition énergétique, ainsi que dans les compétences liées aux transitions écologique et numérique. Ces efforts doivent être territorialisés, puisque les collectivités locales en France ont un rôle majeur dans l'investissement public. Il est donc nécessaire de s'assurer de leviers opérationnels/de mise en oeuvre à ce niveau, ce qui n'est pas assuré.

L'investissement public en France bénéficie d'une part de possibilités de financement à bas coût et durables, sans risque de perturber la soutenabilité des finances publiques ; d'autre part d'un fort effet

de levier sur l'investissement privé. Ce plan doit donc être mis en oeuvre rapidement. Mais plus globalement l'investissement public doit être au service d'une transformation durable du capitalisme y compris au niveau européen ! Les besoins sont élevés et dépassent par les montants et la durée le dit plan de relance. Ceci est vrai à la fois au niveau national et européen. Les incertitudes actuelles qui pèsent sur l'investissement privé ne pourront se lever sans que l'investissement public dessine un cap clair à moyen et long terme.

Inputs from CGT

The €100 billion recovery plan over two years, detailed on 3 September by the government, includes some 70 measures around three priorities: ecological transition, business competitiveness and social cohesion. While gross domestic product (GDP) is expected to contract at around 10% this year, due to the Covid-19 outbreak and spring lockdown, the government's goal is to return to pre-crisis activity in 2022.

This “plan”, the umpteenth “result” of previous supply-side stimulus plans, is primarily a plan for the benefit of the largest companies without any social or environmental conditionality or control. Yet more gifts without compensation to the companies that pocket the public aid while closing the sites, eliminating jobs or even putting at risk the working conditions or the compensation of employees. The latest example is the brutal closure of the Bridgestone tyre factory in Béthune, with 863 jobs at stake, while the group benefited from the CICE, installation aid and the employees had «accepted» a wage moderation plan for maintaining the activity. The aim is to guarantee a high rate of return and juicy dividends to shareholders.

This recovery plan is above all a communication operation based on the “greening of the economy” as an alibi. It also tries to make people believe that it meets the requirement to relocate production. The 100 billion is a compilation of measures in preparation in the next Finance Act and declarations numbered to sometimes distant horizons, until 2030! Symbolic sprinkling (energy renovation, relocation aid, etc.) limited each time to a few hundred million euros aims to give the illusion of a new presidential commitment without actually changing the course.

The Prime Minister's modest “ambition” hoping for the creation of 160,000 jobs, while 100,000 jobs are created every year without taking specific measures, dispels the smoke screen of this no-recovery plan. 100 billion on the table for 160,000 jobs, it's very expensive to finance a job! All this money is much more useful for the creation of public jobs, the development of public services, the strengthening of the participation of the State in enterprises with a view to planning a real industrial strategy or the increase of wages...

CGT makes proposals in the areas of Aid to businesses, Budget 2021, Housing, Disability, Mobility, Industry, Salary and purchasing power, Research/innovation, Youth, Vocational training etc. are online on:

Let's start by recalling what lies behind the announcement effect of "100 billion euros".

First of all, that of the €100 billion, 40 billion is supposed to come from the European recovery plan. Then, of the same 100 billion, 30 correspond to measures already announced previously (Health Secur (6 billion), APLD (7.6 billion), Youth Plan (6.7 billion) and Future Investment Plan (which is a continuation of a previously existing funding arrangement. Finally, this plan is spread over two years. It is therefore spurious, as Mr. Castex is doing, to bring back a plan that is spread over two years to the national wealth that is measured over a year. As Bruno Le Maire admits, a so-called “supply-side” or competitiveness policy is not of a recovery policy!

Climate Challenge Update:

Here, we draw attention to the coherence of the statements with the acts, and in particular to the coherence of the EU's external policy. If the Green Deal is undeniably a key step on the road to climate neutrality, for example, what will be the coherence of this Pact with the other major policies of the Union and in particular trade policy? The text of the EU-Mercosur Treaty, which is still a source of public and parliamentary opposition in Europe, contains no provision to guarantee the implementation of the Paris Agreement on climate change. This will actually leave the field open to deforestation in the Amazon and the outbreak of climate chaos. The consequences of such an agreement would be unacceptable and dangerous, and we draw the attention of a just transition in Europe and the world.

The CGT therefore underlines the establishment of a European Green Deal that is effective and socially just for workers, this European strategy obviously requiring the effective involvement of the social partners at all stages.

In the same sense, the new resources for the European budget, for the moment announced by the Commission must necessarily see the light of day: carbon tax at borders, digital business tax (GAFA), tax on financial transactions: we asked the government how France intends to move forward on these points?

MEASURES FOR JUST TRANSITIONS

Inputs from Force Ouvrière

Dans les politiques industrielles

- Pilotage et coordination par l'État de l'ensemble des politiques environnementales et sociales dans le respect du dialogue social et de la négociation collective à tous les niveaux;
- Développement de l'économie circulaire et renforcement des filières de recyclage, démantèlement, déconstruction et revalorisation des biens et produits manufacturés ;
- Accentuation des moyens de la recherche publique française afin d'accélérer l'innovation et de favoriser les secteurs porteurs d'emplois nouveaux.

Dans les politiques de transports:

- explorer plus intensément les filières de transports (fret ferroviaire et ferroutage, navigation fluviale) dans les politiques d'investissement;
- La généralisation de la prime de transport, avec un cadrage minimum au niveau des branches et un relèvement préalable du plafond. Envisager une ré-indexation annuelle basée sur l'inflation;
- La création d'un prêt à taux zéro pour l'achat de véhicules propres en complément de la prime à la reconversion perçue comme trop élitiste;

Dans les politiques énergétiques

- Concilier la politique de neutralité carbone avec la lutte contre la précarité énergétique, en revalorisant le chèque-énergie à hauteur des besoins essentiels;
- FO soutient un service public gaz/électricité porteur d'égalité et de solidarité, fondé sur le principe de péréquation tarifaire et garantissant un prix identique tant en métropole que dans les outre-mer - Le mix énergétique actuel (75% nucléaire et 13% hydro-électrique) est compatible avec l'objectif « neutralité carbone 2050 », et justifie la sauvegarde des 220 000 emplois générés par l'industrie nucléaire;

- Conserver une place au gaz dont les infrastructures permettent un maillage territorial et de développer parallèlement la technologie du biogaz, encore sous-exploitée (1% de la consommation de gaz) Pour faire de la rénovation thermique des logements une priorité;

- Des investissements et des moyens supplémentaires pour la rénovation énergétique des logements, qui génère des dépenses importantes pour les ménages, et constitue un gisement d'emplois important (cf. plan d'investissement d'Action Logement comme bonne pratique).

Dans les politiques de l'emploi

- Identifier les besoins et qualifications nouvelles à développer en s'appuyant sur les branches et les filières professionnelles, notamment industrielles.

- Compenser les mobilités imposées, les changements d'organisation du travail et les nouvelles pénibilité

Input from CFDT

Pour la CFDT la transition juste comprend 4 enjeux : droit au travail; accès à la formation et développement des compétences de tous les travailleurs ; protection sociale pour tous ; dialogue social et droits fondamentaux et droit du travail.

La situation actuelle pointe l'aggravation des situations de pauvreté et d'inégalités, il y a donc urgence à réagir dès à présent pour ne pas prendre le risque d'enrayer cette dynamique de transition juste et d'aggraver les défis à relever à terme.

(1) La situation actuelle. Le plan de relance français et le budget pour 2021 soutiennent très insuffisamment la demande des ménages, notamment modestes (consommation et investissement). On observe une augmentation de la pauvreté en France (familles monoparentales, étudiants précaires, travailleurs précaires, etc.). Les aides gouvernementales sont largement insuffisantes face à la situation. Pour la CFDT, les aides aux plus précaires ne peuvent pas être exceptionnelles et ponctuelles comme le sont les primes versées au bénéficiaires du RSA et des APL, par exemple.

Les minimas sociaux doivent être augmentés et le RSA ouvert aux plus jeunes. La crise fragilise la situation des plus précaires et les jeunes sur le marché du travail.

On attend en France un taux de chômage de près de 10%. Le chômage partiel est une réponse actuelle adéquate mais ça ne l'est pas pour les intérimaires, les contractuels à durée limitée ou les indépendants économiquement dépendants. La réforme de l'assurance chômage a été reportée. Cette réforme est extrêmement injuste et inefficace. Elle baissera fortement les allocations des plus précaires, sans perspective réelle sur le marché du travail. Pour les organisations syndicales françaises, elle doit être abandonnée. Les travailleurs de seconde ligne indispensables à la vie quotidienne de l'ensemble de la population doivent voir leur fonction reconnue et leur métier revalorisé. La mission ouverte à cet effet doit aboutir concrètement et rapidement. Il est nécessaire de réduire au maximum le reste à charge pour la rénovation énergétique des bâtiments des ménages modestes pour leur assurer des conditions décentes de logement et réduire leur factures énergétiques. Enfin, il est indispensable de penser la protection sociale pour tous les travailleurs, y compris les travailleurs atypiques (travailleurs de plateformes, indépendants économiquement dépendants, etc.).

(2) Les enjeux d'une transition juste à moyen et long termes: reconversion et adaptation par la formation et le développement des compétences.

- Le chômage partiel permet de limiter la suppression d'emplois et in fine permet de préserver les compétences sur le moyen terme et potentiellement de les développer en lien avec les évolutions de l'activité mais à condition d'articuler plus systématiquement chômage partiel et formation.

- Fruit de la concertation avec les partenaires sociaux, un dispositif nouveau permettra de soutenir des reconversions professionnelles dans des secteurs fortement impactés par la crise vers des métiers dans des secteurs plus porteurs.

Le dispositif bénéficiera d'un soutien financier variant de 40% à 100% des coûts de rémunération et de formation en fonction de la taille de l'entreprise. La gestion de ce dispositif sera confiée aux partenaires sociaux. La CFDT s'en réjouit mais demande une amélioration de la prise en charge des coûts de rémunération et de formation restant à la charge des entreprises.

- Nécessité de renforcer dès maintenant les moyens des Missions locales s'agissant de la mise en œuvre du Plan jeune du gouvernement. La CFDT attire l'attention sur la situation des jeunes diplômés de moins de 26 ans qui ne sont pas éligibles aux dispositifs en place.
- Réduire la fracture numérique
- Articuler enfin les difficultés de recrutement des entreprises avec la faible qualité des emplois proposés pour les entreprises concernées par ces difficultés (conditions de rémunérations, d'organisation du travail, conditions de travail).
- Mise en œuvre du Compte épargne temps.
- Abondements suffisants à la construction de parcours professionnels et reconversion.

Sur ces deux temporalités (1) et (2), la place du dialogue social doit avoir un rôle essentiel de conception, de mise en œuvre et de suivi de la transition juste à tous les échelons.

Inputs from CGT

CGT proposes for example:

- The implementation of policies of solidarity between States and coordination of health efforts at European level. The aim would be to relax European budgetary rules in order to promote social policies and strengthen public health systems and medical research at European level;
- The establishment of genuine anticipatory policies for the relocation of activities in industry, agriculture and services, enabling greater autonomy in the face of international markets and regaining control over production methods and initiating an ecological and social transition of activities;
- The reorientation of productive, agricultural, industrial and service systems, to make them more socially just, able to meet the basic needs of populations and focused on restoring great ecological balances;
- The establishment of massive financial support to public services, whose coronavirus crisis cruelly reveals their disastrous state: public health, education and public research, services for dependent people, etc.;
- Revamping tax rules to effectively combat international tax evasion.

Also some social issues seem to us to be central in the period and are the subject of protest campaigns conducted by the ETUC. The first concerns the introduction of a minimum wage in Europe. Several claims proposed by the CGT are already included in the draft directive (non-regression clause, integration of social protection into wages, etc.). But the current provisions do not yet allow us to hope for a substantial increase in wages in the countries of Europe where they are the lowest, the only condition for the cessation of competition between workers on European soil. The ETUC proposes a double threshold. The minimum wage must thus exceed 60% of the median wage and 50% of the average wage. These rules would increase wages in all countries and up to 20% or 30% in Eastern and Southern Europe. This seems to us to be an imperative in a European Union with almost 10% of the working poor. At the end of 2020, in a reply letter to the French trade unions on this subject, the French government indicated that it was in favour of our proposals and about to bring them forward in the coming period and in the perspective of the French presidency of the EU in 2022. We will be very vigilant in ensuring that this is translated into action.

BUILDING SOCIAL RESILIENCE WITH STABLE AND PROTECTED JOBS.

Inputs from Force Ouvrière

Concernant un marché du travail plus inclusive.

Les politiques actives de marché du travail doivent être poursuivies, soutenues par les services publics de l'emploi, pour inclure davantage les groupes vulnérables : les jeunes (et notamment ceux ni en emploi, ni en formation, ni en éducation) les femmes, les migrants ou encore les travailleurs handicapés. La résorption de la précarité sur le marché du travail est également nécessaire, à travers par exemple la mise en place d'un bonus-malus dans le cadre de l'assurance chômage pour prévenir les abus de contrats courts notamment. La difficulté d'entrée dans l'emploi pour les jeunes et de s'y maintenir pour les salariés seniors est également un enjeu à traiter.

Un marché du travail plus inclusif passe également par la sécurisation des parcours professionnels, en particulier dans le cadre des transitions justes, avec une politique de renforcement des qualifications et des compétences et le maintien des droits à la formation des salariés. Des moyens accrus sont nécessaires pour lutter contre le chômage de longue durée - un phénomène particulièrement marqué en France - pour éviter tout risque de désinsertion professionnelle et la pérennisation de situations de précarité. La crise du COVID-19 risque d'écarter de nombreux travailleurs du marché du travail, avec une crainte particulière pour l'entrée des jeunes sur le marché du travail, et présente des risques accrus d'exclusion pour les travailleurs handicapés. Le maintien des amortisseurs sociaux et des mesures d'urgence en soutien aux travailleurs, avec une sortie transitoire lorsque les conditions sanitaires et économiques le permettront, est nécessaire pour limiter les impacts sur l'emploi en France.

Concernant des emplois stables

Le défi de la multiplication des emplois "atypiques" (indépendants, temps partiel, intérimaires) nécessite une réponse en limitant par exemple le temps partiel subi, qui pénalise davantage les femmes, ou encore en réglementant les plateformes numériques de travail. Il s'agit de limiter les cas de faux travailleurs indépendants afin de garantir une certaine sécurité dans l'emploi avec l'application effective du droit du travail. Le modèle de flexisécurité, toujours poursuivi à travers les récentes réformes du droit du travail, est un obstacle à la stabilité des emplois. La crise du COVID-19 tend à affaiblir les perspectives d'emploi stable dans un contexte de reprise d'activité qui sera progressive, partielle et inégale selon les secteurs. La situation demande un contrôle strict des licenciements afin d'éviter les détournements des procédures et abus. Cela demande que les moyens et les missions de l'Inspection du travail soient renforcés dans ce sens.

Concernant une protection sociale adéquate

Une protection sociale adéquate passe par le rétablissement d'un financement solidaire par la cotisation et une fiscalité redistributive pour ses dimensions non-contributives. L'extension de la sécurité sociale à de nouveaux droits est également une priorité, notamment avec une nouvelle assurance sociale pour la dépendance" et pour les travailleurs économiquement dépendants avec la reconnaissance du statut de salarié et une même couverture de protection sociale. Cela nécessite également de rompre avec une gestion soumise aux impératifs budgétaires mais bien liée à la satisfaction des besoins - à laquelle le rétablissement du paritarisme de gestion contribuerait. L'instauration d'une véritable prévention des risques, via une approche globale et interdisciplinaire ainsi que le rétablissement de la médecine préventive, contribuerait à une protection sociale adéquate qui nécessite également le rétablissement de la proximité du service public de la sécurité sociale en endiguant le mouvement actuel de régionalisation et mutualisation - tout en pensant la digitalisation en complément et non en substitut du service rendu aux assurés et allocataires. La retraite doit demeurer un droit solidaire, fondé sur la répartition - véritable trait d'union sociale entre les générations - et non une prestation d'assistance. Pour cela, il faut maintenir d'un régime de base en

annuité pour les salariés du privé ; le régime complémentaire géré paritairement ; les régimes spéciaux, attachés aux spécificités des secteurs d'activité et des statuts des salariés concernés ; du code des pensions civiles et militaires. FO s'oppose à un régime dit "universel" par points au gré des décisions et aléas des politiques budgétaires. Au-delà des éventuelles améliorations du système actuel possibles, le niveau des pensions est aussi le fruit de politiques de l'emploi successives renforçant la segmentation du marché du travail, davantage de précarité et des parcours chaotiques dans l'emploi. La question des écarts de genre de pensions est également un enjeu important pour garantir des retraites adéquates. La dégradation de la situation financière de la sécurité sociale dans le contexte de la crise du COVID-19 résulte plus d'un problème de recettes, et particulièrement en raison des exonérations de cotisation non-compensées et de l'activité partielle, que de sur-dépenses liées à la situation sanitaire. Pour FO, tant les dépenses exceptionnelles que les pertes de recettes devraient être compensées à la sécurité sociale et gérées via un endettement spécifique par l'Etat au risque de faire peser tout l'impact sanitaire et social, et les décisions politiques en résultant, à la charge de la sécurité sociale. Concernant le Socle Européen des Droits Sociaux Selon le gouvernement français, les principes du SEDS sont déclinés notamment en matière de prestations de revenu minimum, d'aide aux personnes handicapées, d'accès aux soins, et d'accès aux services essentiels comme l'eau, l'énergie, les transports ou bien encore les communications numériques.

Inputs from CFDT

Le plan de relance prévoit la poursuite de mesures de sauvegarde de l'emploi qui ont fait leurs preuves, et le déploiement d'un nouveau dispositif, l'activité partielle de longue durée assorti d'un renforcement des moyens consacrés à la formation afin de permettre notamment à chaque jeune de trouver une solution.

7,6 Md € devraient être consacrés pour prévenir des licenciements économiques et préserver le capital humain. Le dispositif s'adresse à toutes les entreprises de tous les secteurs d'activité dès lors que la pérennité de la structure n'est pas menacée. Il a vocation à soutenir l'emploi tout en permettant à l'employeur de réinterroger sa stratégie et se repositionner durablement sur le marché. L'activité partielle de longue durée prend la forme d'une allocation versée à l'employeur correspondant à 56 % ou à 60 % de la rémunération antérieure brute dans la limite de 4,5 SMIC. Elle est mise en œuvre depuis le 1er juillet 2020 et elle exige une signature d'un accord de branche et/ou d'entreprise. Le coût total de l'activité partielle en 2021 est évalué à 6,6 Md € permettant le placement d'un million de salariés par mois pendant un an. La mesure est financée à hauteur de 67 % par l'État, le tiers restant étant à la charge de l'assurance chômage.

Un dispositif renforcé pour les entreprises les plus impactées

- Les entreprises des secteurs du tourisme, de l'hôtellerie, de la restauration, du sport, de la culture, du transport aérien et de l'événementiel, bénéficient jusqu'au 31 décembre 2020, d'une prise en charge à hauteur de 100 % de l'indemnité d'activité partielle versée aux salariés
- Les entreprises des secteurs faisant l'objet de restrictions législatives ou réglementaires particulière en raison de la crise sanitaire.

Le FNE-Formation (Fond national pour l'emploi) est abondé à hauteur d'1 Md € sur 2020- 2021 pour financer des formations qui doivent permettre aux salariés de favoriser leur employabilité, dans un contexte de mutations économiques. Conditionné par un maintien minimum de 60% de l'activité, le dispositif permettra d'utiliser le temps non travaillé pour former les salariés sur les secteurs prioritaires du plan de relance (numérique, industrie, transition écologique, métiers de la santé...).

Ce plan ajoutera 100 millions d'euros au Compte personnel de formation pour les transitions professionnelles, mis en place depuis janvier 2019 pour les salariés qui souhaitent changer de profession et qui permet le maintien de la rémunération pendant toute la durée de la formation, les partenaires sociaux ont obtenu que le dispositif favorise davantage des mobilités intersectorielles. 6,7

milliards d'euros pour les jeunes : aides pour l'embauche d'apprentis et d'alternants, le recrutement de jeunes moins de 26 ans et des personnes handicapées.

Des aides spécifiques pour développer les services civiques (2,7 milliards d'euros). 223.000 places de formations supplémentaires seront ouvertes sur les secteurs stratégiques et porteurs - 1,6 milliard d'euros pour 100.000 formations qualifiantes prévues dans le cadre des pactes régionaux d'investissement dans les compétences Le retour des emplois aidés doté d'1,3 milliard, avec un accompagnement supplémentaire vers l'emploi.

La CFDT déplore l'absence de mesures fortes en faveur des plus fragilisés par la crise. L'exécutif laisse de côté des pans entiers de la population, fragilisés par la crise et dont la baisse du pouvoir d'achat va inévitablement peser sur la relance de la consommation. Nombre de personnes en contrats précaires au moment du confinement ne peuvent en effet bénéficier des mesures d'urgence comme l'activité partielle.

In fine, les mesures de soutien aux plus précaires sont ramenées à leur portion congrue (800 millions d'euros, soit 0,8% du plan de relance). La crise sanitaire a eu un impact particulièrement fort sur les personnes les plus précaires, avec une dégradation de leur situation financière et de leurs perspectives d'insertion professionnelle, alors que leurs dépenses pendant la période du confinement ont augmenté. La CFDT aurait souhaité que le gouvernement face d'avantage pour soutenir le revenu des familles modestes pour répondre aux difficultés engendrées par la crise. Des réformes plus structurelles auraient pu être envisagées tel qu'une augmentation significative des minima sociaux. Le gouvernement a préféré l'annonce de mesures ponctuelles insuffisantes.

Inputs from CGT

The incomprehensible focus on production taxes

Faithful to the line set by President Macron since his election, the recovery plan assumes to be resolutely turned towards the offer. Supply-side policy, in the government's narrow view, is not surprising to reduce taxes, and in this case production taxes. This new gift to the capital of 20 billion, without any kind of counterpart, will produce effects on employment similar to the "CICE", namely: practically none.

What is the current macroeconomic situation? Companies, especially large ones, are reducing their investments, saving massively (they now have high reserves). Is the problem of small and medium-sized enterprises too high a tax? Nothing less true. France is also a champion of production subsidies, which the government does not mention. If production taxes (what is levied) are 72 billion euros, production subsidies (what is returned to capital) weigh on... 70 billion euros! The problem lies elsewhere. What is the consequence of the massive savings of large groups? A drop in the order books of small and medium-sized enterprises, particularly subcontractors. The problem, therefore, is not a supposed excessive taxation but a weakness in demand. A stimulus package should be used to revive this machine. There is therefore no economic logic to yet another tax cut, except for a harmful and costly liberal blindness to public finances.

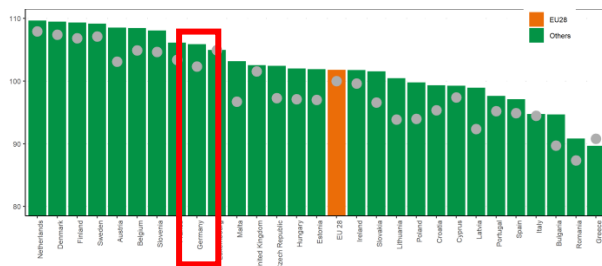
A supply policy instead of an industrial policy.

The government is promoting its desire for sovereignty and relocation. But here too, the means implemented are ridiculous and the government's strategy illegible. 1 billion euros is dedicated specifically to relocations, including 600 million for securing supplies. It is that in reality, what stands for industrial policy, is the reduction of production taxes to the tune of 20 billion! Here again, the government hopes, by some miracle (since, let us emphasize again, there is no conditionality of these aids!), that in addition to creating jobs, this decrease will encourage companies to relocate (the famous «attractiveness»). This move forward is symptomatic of the economic policy that has been running out of steam over the past 40 years around the couple, which has reduced "expenses" and "salary costs". An industrial policy, as we call it, would consist, within the framework of real environmental planning,

of massive investments and participation of public authorities to guide production on the basis of needs. We are a long way from that, and the government is proving that it knows only one tool, no matter what the problem is: lower taxes and contributions.

GERMANY

Figure 1: ETUC SDG8 Index – Country scores in 2019 (bars) vs 2010 (dots)



Germany has an enabling potential in terms of sustainability, and large margin of manoeuvre to set its development model on sustainable tracks. The country ranks above the European average but shows some areas of weakness, considering the limited progresses in transforming good growth performances into wide-spread well-being of people. However, the Country can count on a development model that tend to combine growth with reduction of CO2 emissions.

Low performances in well-being of people (figure 2) also comes from very limited improvement in the labour market area (figure 3) and persistent factors of vulnerability among workers (figures 4) which however are above the EU average but far from the best performance possible.

Figure 14: Economic Well-Being – Country scores in 2019 (bars) vs 2010 (dots)



Future investments in Germany have to primarily aim at increasing overall well-being of the population and reinforcing the current economic growth model to be more environment-friendly otherwise the risk is to deliver a Recovery and Resilience plan that will lead to a non-sustainable economy.

The German Recovery and Resilience Plan should set the Country decent work and sustainable growth agenda in positive

correlation with the Green Deal objectives also exploiting the driving power of Goal 8 on digitalisation of the economy and society (measured with the DESI index). Investing in decent work and sustainable agenda, Germany should also exploit the positive correlation between goal 8 and goal 3 (good health and well-being).

Figure 3: Employment Quality – Country scores in 2019 (bars) vs 2010 (dots)

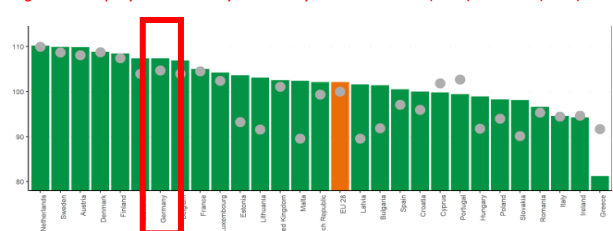
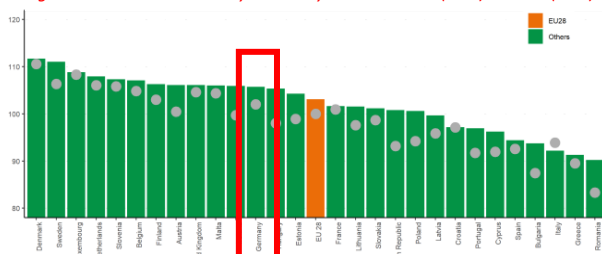


Figure 4: Labour Vulnerability – Country scores in 2019 (bars) vs 2010 (dots)



The ETUC recommends that the German Plan for Recovery and Resilience could take into account the proposal of the German trade unions in order to set the Country amid the best performers in terms of sustainability and in particular:

- Ensuring that the Recovery and Resilience Plan will continue focusing on well-being of the German population and inclusiveness of the labour market;
- Removing factors of vulnerability that groups of workers are suffering from;
- In some sectors, changing the adverse correlation between decent work, sustainable growth and climate change objectives implementing the Green Deal and the Digital Agenda together with the European Pillar of Social Rights

REFORMS AND INVESTMENTS. TRADE UNION PRIORITIES IMPLEMENTING THE RECOVERY PLAN

The German government has reacted comparatively quickly to cushion the economic consequences of the Covid-19 pandemic. However, given the depth of the economic recession and the long term challenges arising from the digital and the green transition the planned public investments are not sufficient. Already before the outbreak of the pandemic in December 2019, the DGB and the Confederation of German Industry (BDI) have presented an investment programme, which was prepared by two economic research institutes. According to this investment programme, Germany needs to invest 45 billion € ever year for the next ten years.

According to the DGB, public investments are particularly urgent in the following investment fields: infrastructure, public transportation, education, the expansion of broadband and charging infrastructure, for electric vehicles, housing, the decarbonisation of the economy, in the health and care sector, in leisure and cultural institutions, public security and a modern administration equipment. What is more, in order to reach our 2030 climate targets and to pave the way for a climate neutral economy, a significant increase in private investments is needed. Ambitious climate goals require a market penetration of different technologies that are currently not viable. Here a stronger role of the state is needed to support private investments. The DGB urges the German government to use the money coming from the recovery and resilience facility for measures on top of the economic support programme that has been decided in June 2020. We suggest that EU money should be dedicated to measures focusing on the socio ecological transition.

MEASURES FOR JUST TRANSITIONS

Structural and demographic changes will highly influence the German labour market. Not only is there a lack of skilled workforce in certain sectors, but the workplace itself will be replaced by technical solutions in light of structural changes.

Additionally, the precarious employment sector is on the rise, leaving a big part of the German workforce with less social protection and employment security. The transition into the first labour market is mostly hardly possible. Structural change shall not take place on the expense of the workforce. Labour market policies are needed in line with the principles of unemployment prevention, quality employment and social security.

In order to prevent the workforce from unemployment, training measures need to be financed. The funds should therefore be used as investment for training measures allowing the transition into new sectors. The support should aim at training measures that go beyond the classical funding opportunities within the unemployment insurance. Special focus should lie on sectors that lack skilled workforce, such as the care sector.

An important focus should also lie within young people and opportunities for apprenticeships, where the offer suffered an important drop due to the Corona-crisis. Investments need to be made in order to increase the ability for companies to provide apprenticeship opportunities.

BUILDING SOCIAL RESILIENCE WITH STABLE AND PROTECTED JOBS.

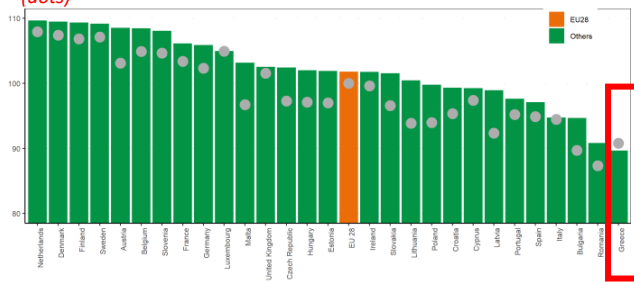
Gender Pay gap: Germany has one of the biggest Gender Pay Gaps in the EU. This is mainly due to differences in the number of hours worked and in the sectoral composition of employment across genders. Germany has one of the highest proportions of women working for low wages. To improve the situation the DGB demands a legal right to temporary part-time work and a legal right to return from part-time work to full time for all employees - regardless of the size of the company in which they work. What is more, the Gender Pay gap could be overcome through comprehensive childcare services (qualitative and quantitative expansion of day-care facilities/ A legal entitlement to all-day childcare at elementary school age).

Collective bargaining: From the point of the DGB, more commitment on the part of politics is needed to prevent a further decrease of collective bargaining coverage. The DGB demands a reform of public procurement law at the state and federal level to ensure that only those companies are awarded state contracts that comply with collective agreements. In addition to this, reforms are needed to make it easier to declare collective agreements universally applicable.

Towards a more inclusive labour market: Several precarious forms of employment once again proved to be particularly vulnerable during the corona crisis. They must be pushed back. In the first two months of the Corona crisis, 415,000 mini-jobs were lost rapidly. A large proportion of them were women. Since people having a mini-jobs are not entitled to unemployment benefits or short-time work benefits, a significant number of them probably had to fall back on benefits from the basic security system. Since May 2020, the number of mini-jobs has been rising again slightly. The DGB calls for a reform of this untargeted subsidization of low paid employment by completely converting mini-jobs into employment subject to social security contributions. What is more, further action is needed to curb fixed-term employment, especially those with no objective reason. Even before the times of the Corona pandemic, almost 40% of all new hires were on fixed-term contracts. The number of fixed-term contracts without a material reason has more than tripled compared to 2001. The DGB demands a stricter limitation of unfounded fixed-term employment.

GREECE

Figura 1: ETUC SDG8 Index – Country scores in 2019 (bars) vs 2010 (dots)



Greece is the laggard of sustainability in the EU block. The country ranks at the very bottom of the sustainability scale also because of a regression recorded during the last decade affected by misconceived restrictive fiscal measures.

Greece scores last in the well-being area (figure 2) and second last in the workers' vulnerability area (figure 4). In the labour market inclusiveness area Greece experienced a

dramatic drop in performance that is today a huge burden on the sustainability potential of the country (figure 3). It implied that Greece gathered relevant delays in meeting the green and digital objectives so creating a more urgent need to equip the country with just transition measures.

Future investments in Greece have to focus on all aspects of the sustainable growth and decent work agenda, especially equality, fight against poverty, collective bargaining and all other factors that improve workers' positions otherwise the risk is to deliver a Recovery and Resilience plan that will lead to a non-sustainable economy.

Figura 3: Employment Quality – Country scores in 2019 (bars) vs 2010 (dots)

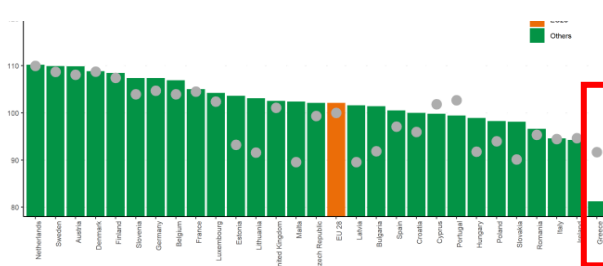
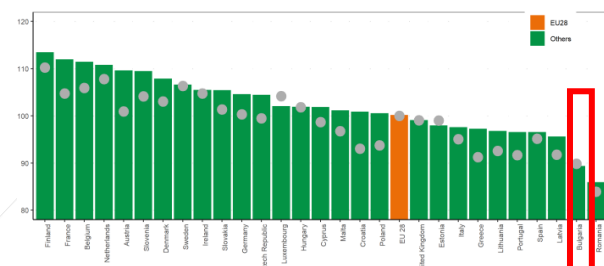


Figura 4: Labour Vulnerability – Country scores in 2019 (bars) vs 2010 (dots)



The quite poor performance under the sustainability pattern is also shown by the fact that Greece has not deployed a development model that is compatible with the reduction of CO2 emissions or that exploits the good positive correlation between the digital agenda and priorities for good health and well-being of people.

The ETUC recommends that the Greek Plan for Recovery and Resilience could take into account the proposal of the Greek trade unions in order to put the Country on the right track of sustainability and in particular:

- Ensuring that the Recovery and Resilience Plan will improve the overall sustainability performance of Greece building on the driving power of the sustainable growth and decent work agenda;
- Improving inclusiveness of labour market and removing factors of vulnerability of workers;
- Inverting the correlation between decent work, sustainable growth and climate change objectives also taking advantage from investments in digitalisation.
- Reinforce the link between goal 8 and goal 3 (good health and well-being).

REFORMS AND INVESTMENTS. TRADE UNION PRIORITIES IMPLEMENTING THE RECOVERY PLAN

Despite Greece's exit from economic adjustment programmes, its economy is still facing serious pitfalls and challenges. One of the most important is the low level of investment, with Greece's investment gap being the largest among EU member states.

For improving Greece's economic conditions and responding to the current challenges, stimulating investment should be at the forefront of policy-making.

Given the country's location and advantages arising from it, in our view, particular emphasis should be given to investment projects that support green transition, biodiversity, natural and cultural heritage. Besides that, for boosting the economy's productive capacity, competitiveness and resilience to idiosyncratic shocks, it is also vital the mobilisation of green investment funds to manufacturing and technology intensive and innovative sectors that create high and sustainable levels of employment, value added and strong growth potential.

Given private sector's poor investment performance (partly attributed to the fable financial conditions), increasing public investment might have prominent role in a sustainable and social inclusive recovery plan.

In this regard, a substantial amount of investment funds should be channeled to upgrading and modernising public health and social protection systems, re-organising and enhancing education and training programmes, improving human capital and labour force participation in dynamic economic sectors.

Such initiatives would not only support Greece's adjustment to the challenges and needs arising from Industry 4.0. Bearing in mind the favourable macro-financial effects of public investment, they also would stabilise the level demand, create new and higher-quality jobs, thereby solidifying financial conditions and improving well-being.

BUILDING SOCIAL RESILIENCE WITH STABLE AND PROTECTED JOBS.

According to a recent study published by the OECD See Bulman, T. (2020). 'Rejuvenating Greece's labour market to generate more and higher-quality jobs', OECD working papers no. 1622, OECD, Paris. Greece scores remarkably poorly in terms of job quality. For example, in 2019 Greece has been at the bottom among the OECD economies regarding the unemployment rate, labour market insecurity and job strain.

It has also underperformed in terms of earnings equality, broad labour underutilisation and employment gap for disadvantaged person. Such evidence underlines the urgent need for a thorough re-orientation of policy course towards enhancing labour market inclusiveness and living conditions.

In our view, the increase in workers' disposable income should be a key step to this end, given the positive effect it could have on GDP growth, job creation and households' capacity to meet their financial obligations.

For this to happen, the rise in minimum wage and employees' income tax reliefs would be particularly useful. For improving working conditions and eliminating employment discrimination, a restructuring of the legal framework pertaining to industrial relations that would fully respect and promote fundamental labour rights is also required.

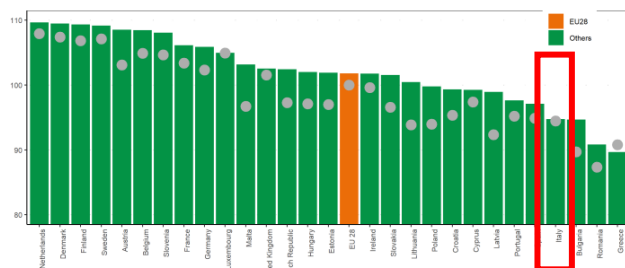
In this regard, of particular importance is the immediate and unconditional re-establishment of an open and free collective bargaining process suspended during the economic adjustment period.

In addition to that, it is also required a substantial strengthening of the state's control mechanism to impose full compliance with labour law and prevent illegal employer practices.

Moreover, there is a need to reform education and training programmes for employees in a way that they would be compatible with workers' personal aspirations and the economy's development needs. Last but not least, given the high level of socio-economic uncertainty, the public sector should act as a guarantor of both employment and social protection, designing and implementing effective active labour policies, providing a strong net of social support and insurance and increasing investment spending. To this end, the EU fiscal governance should be thoroughly re-designed to create the policy space needed for implementing socially inclusive public policies.

ITALY

Figure 5: ETUC SDG8 Index – Country scores in 2019 (bars) vs 2010 (dots)



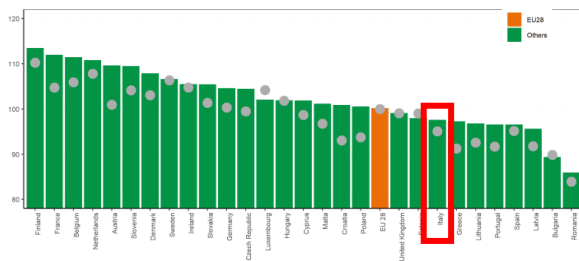
Italy is struggling to catch up with the better performing countries but it is still falling short of some enabling factors that would set the country development model on more sustainable tracks. The country ranks at the bottom of the sustainability scale with worrying declining trends and its economic model shows also some backwardness concerning respect of EU green targets, and public health standards (Goal 3) and digitalisation of the economy.

Low performances in well-being of people

(figure 2) is linked to deterioration of the inclusiveness of the labour market (figure 3) and increasing vulnerability of workers (figures 4), the poor conditions of health systems and digital backwardness.

Future investments in Italy have to primarily aim at creating quality jobs especially following the digital agenda and creating sound public health systems while sharply improving the inclusiveness of the labour market, reducing territorial gaps between the North and the South of the country. The risk is to

Figura 15: Economic Well-Being – Country scores in 2019 (bars) vs 2010 (dots)



deliver a Recovery and Resilience Plan that will condemn Italy to a backward position among the EU partners.

The Italian Recovery and Resilience Plan should set decent work and sustainable growth agenda in positive correlation with the Green Deal objectives also exploiting the driving power of Goal 8 on digitalisation of the economy and society

(measured with the DESI index). Investing in decent work and sustainable agenda, Italy should also invert the negative correlation between goal 8 and goal 3 (good health and well-being).

The ETUC recommends that the Italian Plan for Recovery and Resilience could take into account the

Figure 3: Employment Quality – Country scores in 2019 (bars) vs 2010 (dots)

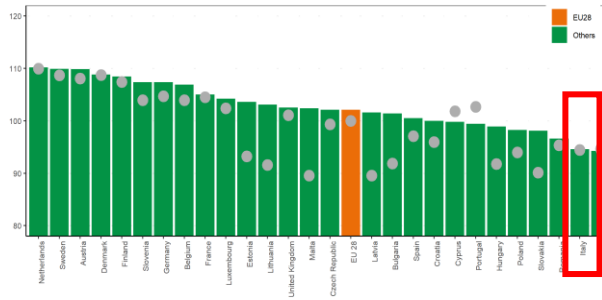
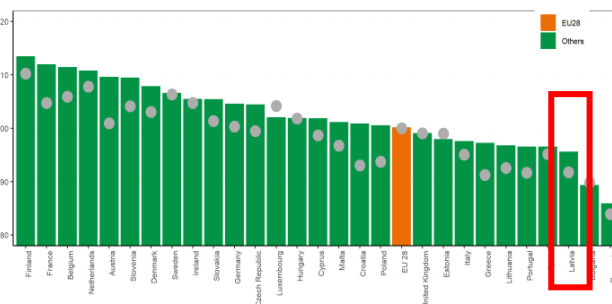


Figure 4: Labour Vulnerability – Country scores in 2019 (bars) vs 2010 (dots)



proposal of the Italian trade unions in order to set the Country back to the sustainability track and in particular:

- Ensuring that the Recovery and Resilience Plan will continue creating quality jobs especially in the public health system and digital economy;
- Reducing territorial, intergenerational and gender gaps;
- Improve well-being of the population creating inclusive labour markets and removing factors of vulnerability of workers.
- Building on the currently neutral correlation between decent work, sustainable growth and climate change objectives, implementing the Green Deal and the Digital Agenda together with the European Pillar of Social Rights.

REFORMS AND INVESTMENTS. TRADE UNION PRIORITIES IMPLEMENTING THE RECOVERY PLAN

In Italy the pandemic has exacerbated and exposed the economic, social and territorial inequalities, resulting from the 2008 great crisis and the austerity economic and social policies that have led to less social security and more impoverishment for many people, as well as increased insecurity and wider gaps, particularly between the North and South of the country.

The pandemic emergency has highlighted all our weaknesses and problems. This is the reason why the National Recovery and Resilience Plan shall redefine Italy's future on a new development model based on the economy of care for people, territories and the environment, which can put an end to any form of economy of neglect, waste and unsustainable growth.

A National Plan that must therefore be based on the idea of building a model of society with a medium and long term strategic vision.

This is the reason why the Next Generation intervention should not contain the classic "shopping list" or, even worse, be limited to collecting "recycled" projects from the various administrations, but decisions should be taken to design a fairer and more just society.

The opportunity of E.U. funds must be seized to reduce -once and for all - the gaps that divide the country: territorial, gender and generation gaps, as well as the gaps between urban centres and internal areas, between the centre and the periphery.

In addition to public investment, the Plan should include a package of related reforms also not directly backed by European resources.

It should include, in particular, a systematic tax reform to increase progressivity, fairness and equity, as well as counter tax and social contribution evasion and provide for a review of incentives and subsidies environmentally harmful; a reform of social safety nets and investment in active policies; support for collective bargaining; a plan for the progressive implementation of projects for workers' participation in companies; fight against undeclared work and pirate contracts; a structural intervention on our education system to raise education levels and define a structured system of lifelong learning; definition of a national law on non-self-sufficiency.

Another issue regards industrial crisis areas which are places where the productive size is to be matched by the need for ecological and environmental reconversion, as well as digital reconversion with investments for the requalification of female and male workers.

Another cross-sectoral objective concerns the condition of young people and women, particularly in terms of employment and life-work balance.

In the National Recovery and Resilience Plans we should talk about Public Administration's modernisation and digitalisation, industrial policies, universities and research, school education and the right to health.

The ESM is an opportunity we cannot miss because we will never be able to have 37 billion euros to effectively restructure such a fundamental sector for our lives as healthcare.

Italy needs public investment to modernise hospitals, as well as actions to strengthen local medicine and promote the reorganisation of the social and health service network and of long-care structures for people with disabilities and old people.

We believe It is equally important to prioritize the good action of national and local governments, with a plan designed to achieve a great renewal for making public spending more efficient and effective.

We need to increase funding to modernise the Public Administration as a prerequisite for development.

Investment is needed to start the process of rejuvenating and strengthening the Public Administration. The other spending priority of the Recovery Plan is investment in the Green Economy with interventions combining hydrogeological reorganization and stability; protection and enhancement of the environment and territories; material, social and health infrastructure; urban regeneration including interventions in internal areas; energy transition to renewable sources and circular economy; digitalization and network coverage for the whole national territory; protection and enhancement of the artistic and cultural heritage; protection and promotion of the many food and wine varieties and

specialties; sustainable tourism; water dispersion and the integrated waste cycle. Finally, it is important for the Recovery Plan investment to be complementary to the investment that will be made with the resources of the 2021-2027 Multiannual Financial Framework.

MEASURES FOR JUST TRANSITIONS

Background

It's first necessary to start democratic and inclusive paths for the fulfilment of a just transition plan so that people (employed, unemployed, not employed) can benefit from the just transition – ecological, digital and demographic.

Investments are needed to create new sustainable jobs, also directly by the State. It will be essential to start accompanying processes with education and training policies and active labour market policies that allow population to increase their skills and qualification levels and to support workers in the transitions towards different sectors and jobs, and between training and work in order to afford the changes of the labour market, the arise of new jobs and the rapid obsolescence of knowledge and skills.

On this basis, in particular:

The green transition of all sectors of the economy, which is essential to face the climate emergency and to guarantee environmental protection, requires the launch of widespread training courses for new skills and professional retraining. The training must firstly concern workers of the sectors that will be affected by the energy transition: energy sector linked to fossil sources, energy-intensive industries, automotive, etc. but also to all productive sectors to manage the transition from a linear economy to the circular economy, for an efficient use of resources, for the use of the best available techniques, etc. Training must be a means of supporting new jobs, which must be created to replace those that will be lost, and to adapt the skills of workers to new organizational patterns and new production processes.

The digital enhancement of our country will entails, in addition to the spread of broadband and 5G technologies, a more digital Public Administration. A process in which human resources will be central and irreplaceable, providing for a serious administrative regeneration plan that includes an extraordinary plan of qualified recruitment - in both central and local public administration, which goes well beyond the turnover of recruitments - and a significant increase in resources for training.

In general, it will be essential to invest on a national level of skills in the awareness that the innovation process of the country must be carried out by people, in such a way as not to run into processes of exclusion or social marginalization. The role of education is fundamental, it is necessary to increase expenditure on education and training, starting from the 0-6 system up to tertiary education in order to reduce educational poverty, to spread of full-time in primary and secondary schools, especially in the South of Italy, to tackle early school leaving and the high number of NEETs, to reduce inequalities and to reactivate social mobility. It will be necessary also to strengthen the workforce plan, to enhance school system staff, to promote generational turnover, to invest in school infrastructure and innovative environments as well as to lower unacceptable territorial disparities in quantity and quality of supply.

Active labour market policies must become a proper right and duty in order to fight the obsolescence of skills, to allow for professional retraining, and to support worker towards new jobs. In this regard, the so called "New Skills Fund" can surely give an important contribution, but it is not the only one. Lifelong learning is an essential element for stable and qualified work, to increase skills, to avoid professional ageing and support the path towards digitalization. In this sense, all the tools, starting from the inter-professional joint funds and the available resources already allocated by Law 388/200 which set and regulate them, should be dedicated without distortion and dispersion.

Other tools to be put in place to support job seekers are:

- The relocation allowance, which must be reinstated for Naspi recipients;
- The reinforcement of the role of ANPAL.
- The strengthening of social safety nets in order to have a universal coverage system

BUILDING SOCIAL RESILIENCE WITH STABLE AND PROTECTED JOBS.

The emergency due to the pandemic impacted on the labour market, increased inequalities and unemployment. It has also highlighted contradictions in employment connected to the different levels of social protection and contractual arrangements. The anarchic and often distorted use of contractual arrangements, together with the fragmentation of productive cycles boosted by delocalisations, makes it necessary to identify measures that could remedy labour market regulations and prevent distortions.

It is necessary to keep social protection mechanisms in force for employees, safeguards for the self-employed and prolong the ban on dismissals until the end of the emergency. It is also necessary to reinforce short time work schemes in order to achieve - once the emergency will be over - a system which ensures universal coverage and is largely insurance based, more inclusive of all workers including those in micro-companies and weaker self-employed workers. The system should be less bureaucratic and fast in providing the measures, connected to active labour market policies which should become a real right-duty.

In this context, in order to support the development of the country it is crucial to tackle youth and female unemployment both in terms of quality and quantity. It is necessary to reduce unemployment and inactivity in particular of women and youth so that they are not obliged to accept mismatched employment or to emigrate. education levels and qualifications of youth must increase and early school leaving should be addressed, as this leads to increased poverty and precariousness.

Conciliation policies should primarily focus on addressing parenting and care work. The priority should be on services as well as on an equal management of leaves, on enhancing benefits and actions – both for male and female workers – to act on modalities and times of work performance in order to allow more freedom when it comes to time management, by strengthening collective bargaining for better family organisation and share of care work.

It is of utmost importance to create new jobs with a public investments plan – also making use of the Next generation EU and EMS for the health system – a direct stimulus to private investments and an extraordinary plan for new hiring in the public sectors and in healthcare. The pandemic, social distancing measures and increased use of smart work showed there is more need of connectivity. Efficient active policies centred on public services should be the reference for action and governance, in an effective interplay with private services, when it comes to matching demand -offer reducing to the minimum inactivity. The extraordinary plan for reorganising and strengthening of public employment services should be fully implemented and the role of the National Agency for Active Labour Policies (ANPAL) should be better defined.

An extraordinary plan is necessary to address exploitation and undeclared work by reinforcing mechanisms of prevention and fight of irregular work with a central role for work placement in the sectors most at risk (domestic work and agriculture) and a regularisation plan for all migrant workers present in the country.

Faced with innovative technologies, collective bargaining should develop new participation modalities for trade unions to engage in planning a new work organisation. Collective bargaining should accompany the increased use of smart work and policies for salaries revaluation, paying also attention to redistribution and/or work time reduction, in favour of training, work life balance, work quality, and more autonomy in terms of employment activity management.

Collective bargaining will thus play a role in experimenting new ways of working time distribution, counting on a supportive legislation and fiscal framework. Pursuing a reduction and better quality of collectively agreed and de facto hours, regulating the flexibility of working times to allow autonomy in

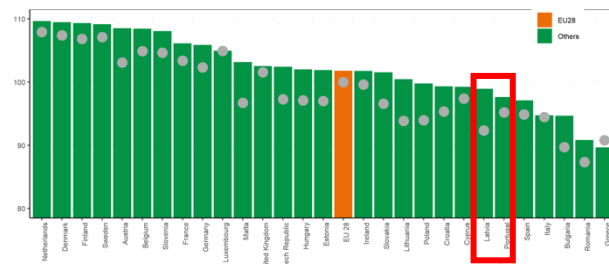
the management of the work activity and certainty of connection and real working times and the right to disconnect, and the permanent and subjective right to paid training and professional development will be essential to compose the framework the protection of opportunities in the work of the future.

All this without neglecting the fight against working poor, involuntary part-time work, and supporting those who work few hours but would like longer hours to receive decent wages. Furthermore, it is central to reaffirm the quality of work, its enhancement and the contrast to precariousness through public and private collective agreements renewals.

Finally, the phenomenon of “pirate” contracts and the fight against undeclared work and exploitation make it necessary to measure the representativeness of trade unions and employers through the implementation of the criteria set by the existing inter-confederal agreements, also by recognising of the *erga omnes* validity of national collective agreements.

LATVIA

Figure 6: ETUC SDG8 Index – Country scores in 2019 (bars) vs 2010 (dots)



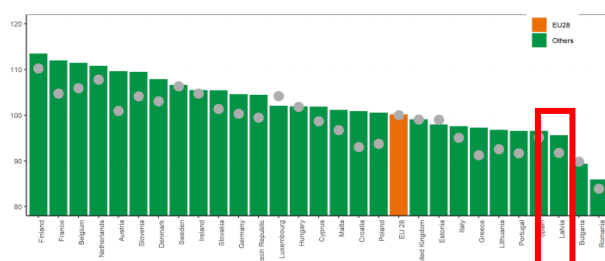
Latvia is a country that is on the way to develop its enabling factors of sustainability but still shows a lower inclination to set its recovery strategy on sustainable growth and decent work. The country ranks low in the sustainability scale despite some progresses recorded during the last decade.

Some relevant progresses in the employment field lives together with a very low level of overall well-being of Latvian people (figure 2). It

is mostly due to the high vulnerability of workers (figure 3) and also progresses in the field of labour market inclusiveness have not solved all factors of inefficiency of the Latvian labour market. Its development model is not compatible with the green objectives making the effort for a just transition a key priority for the country.

Future investments in Latvia have to focus on equality, fight against poverty and all other factors that improve workers' positions otherwise especially considering the huge transformation effort that the country has to go through. The risk is to deliver a Recovery and Resilience plan that will lead to a non-sustainable economy.

Figura 16: Economic Well-Being – Country scores in 2019 (bars) vs 2010 (dots)



The poor performance under the sustainability pattern is also shown by the fact that Latvia cannot count on a development model that puts decent work and sustainable growth in positive correlation with reduction of CO2 emissions yet. Still, Latvia should also better catch the positive correlation between decent work and sustainable growth agenda and digitalisation agenda (measured with the DESI index). Investing in decent work, Latvia has to better exploit the

driving power that goal 8 exercises on goal 3 (good health and well-being).

Figure 3: Employment Quality – Country scores in 2019 (bars) vs 2010 (dots)

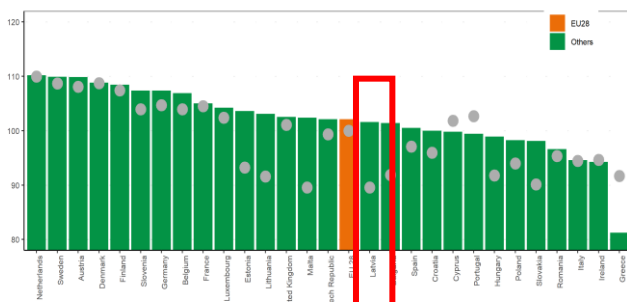
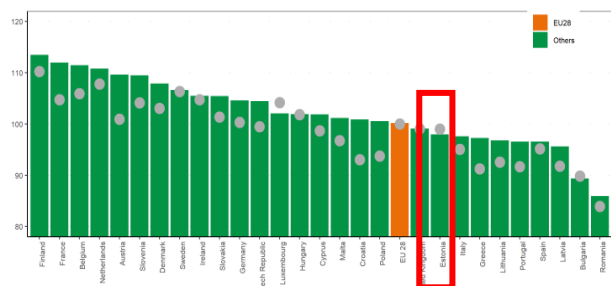


Figure 4: Labour Vulnerability – Country scores in 2019 (bars) vs 2010 (dots)



The ETUC recommends that the Latvian Plan for Recovery and Resilience could take into account the proposal of the Latvian trade unions in order to put the Country on the right track of sustainability and in particular:

- Ensuring that the Recovery and Resilience Plan will improve general well-being of Latvian population;
- Addressing factors of vulnerability of workers and inefficiencies of the labour market;
- Setting the correlation between decent work, sustainable growth and climate change objectives on a positive track.
- Creating quality jobs with the digital transformation of the economy

REFORMS AND INVESTMENTS. TRADE UNION PRIORITIES IMPLEMENTING THE RECOVERY PLAN

During and after the global financial crisis Latvia suffered from large economic emigration, this cannot be allowed to repeat as the results of lack of labour has been felt throughout the years, slowing economic growth and facilitating movement of undeclared employment from other EU and third countries.

Reduction of population through emigration has slowed down only in the last couple of years, Latvia cannot afford to see a repeat of this trend. In the case of Latvia, starting with January 2020, the Ministry of Welfare through amendments in legislation, reduced unemployment benefit period, as well as the total amount of benefit sum.

Even though the amendment was not entirely supported by the trade unions, this initiative could be understandable as a measure to incentivize the working age population to return to the labour market faster.

However, now it is evident that due to COVID-19, the amendments had poor timing, and due to the economic 'fallout' of COVID-19, unemployment benefits will be a crucial tool for supporting many people out of work.

The first wave of the virus and the adopted measures, approximately 25'000 new unemployed in 2 months were generated, even though the unemployment levels quickly reduced after restrictions and safety measures were removed, it is now clear that the safety measures are very likely to become a recurring problem.

Measures have to be taken in order to ensure that all workers and all households are protected against unemployment, this requires revisiting unemployment regulation and increased access speed to both unemployment benefits as well as reintegration programs for the labour market.

Additionally increased access to consumer credit at low interest rates is required to help low income households manage basic costs such as housing and food expenses. It is crucial to evaluate medium to long term effects in different economic sectors on employability capacities, and consequently re-evaluate social policy measures that have to be taken for stimulating the economy and employment.

Investment in social security, such as unemployment protection, household support and extensions of different payments/contributions will allow to maintain consumption levels, in turn stimulating economic recovery. Sectors most affected by safety measures and operational restrictions have to be supported through short work schemes such as partial or full wage and downtime subsidies.

In spring 2020, downtime subsidies already proved to be an effective tool to mitigate the fall of employment in several most affected sectors. Remote work support schemes have to be developed. During different stages of restriction measures one of the most commonly applied safety measures by businesses, especially in the private sector was remote work. Therefore, trade unions and employers have proposed tax exemption mechanisms for employees expenses related to remote work.

Additionally, financing mechanisms should be developed to help SMEs and self-employed workers to transfer to remote work if necessary and possible, but if they lack the financial capacity to do so. Non-taxable minimum for property tax has to be adopted as a matter of urgency allowing all households to redirect more money to goods and services in struggling sectors. Reassessment of solidarity tax distribution is required, in crisis situations such as this, solidarity tax should serve as a tool to provide a safety net for workers that cannot maintain employment.

JUST TRANSITION

Due to the fact that Latvia has a relatively small high-intensity CO2-emitting industry and energy production, fair transition measures would be more applicable to digitalisation.

However, this does not change the essence of just transition, as in order to achieve it, a detailed planned retraining system of employees is required, which allows employees to return to the labour market quickly.

Main focus for just transition in Latvia is on digitalisation, skills, industrial territories, innovation and regional development. Investment in human capital and education is key.

The role of the social partners in creating skills funds through collective agreements are essential, while at the same time providing state support and some coverage in order to guarantee that groups of workers do not slip through the gaps left by collective agreements.

There is a clear lack of expertise on how to transfer knowledge into innovation. Latvia needs investment in expertise and knowhow, this can be achieved through knowledge acquisition from global markets as well as investment in human capital by creating mechanisms for access to skills and knowledge on international level.

Additionally, education has to be refocused on a qualification based system in order to shift from general education to occupational skill based education, especially to fill the growing gaps in STEM field employment.

Low statutory salaries and long working hours contribute to making teaching profession unattractive. Renewing the teaching workforce is a challenge, as young graduates are not attracted to the profession and teacher shortages are becoming apparent.

Income reliability and job security appear to be strong influencing factors in choosing teaching as a profession. Professionalism and competitive remuneration are the main requirements to raise the prestige of teaching profession.

Implementation of teachers' salary increase and social guarantees still remain a strong requirement. Education and training play a key role in overcoming the effects of the crisis, and a number of education support programs have been launched, but non-formal education programs have been excluded from the offer. In the opinion of the trade unions, this is not correct, because it is important to acquire not only important skills for the labour market, but also for everyday life, thus improving a person's motivation and skills to adapt to the new situation.

In order to promote the involvement of adults in lifelong learning activities, the social partners jointly call for the introduction of skills funds in Latvia, and the initiative is currently supported as one of the activities in the next Structural Funds period. Available research (innovation and development) funding in the country is still low, and the amount of performance-based funding for higher education institutions is limited. More public funding resources have to be allocated to both higher education and research. The pay for academic staff and researchers is still uncompetitive. Implementation of academic staff and researchers' salary increase remain as a strong recommendation.

There are 13 councils of sectoral experts, assessing skills and qualifications in particular sectors, operating successfully in Latvia on the basis of tripartite co-operation, however the involvement of trade unions could be strengthened in order to respond as quickly as possible to the challenges and needs of the labour market in the particular sector.

BUILDING SOCIAL RESILIENCE WITH STABLE AND PROTECTED JOBS.

The government praises next year's budget because it envisages a number of improvements in the social field - a 1 percentage point reduction in labour tax, thus increasing the net income of employees by a small part.

The budget priorities include increasing the salaries of teachers and medical personnel. However, taking into account the government restrictions to mitigate COVID-19 impact, the trade unions consider that teachers have to receive compensation for the expenses related to remote work (on line education of pupils). In case of remuneration of health care workers the government mistake in

relation to the 2020 budget, when the increase in the salaries of medical personnel provided for in the Health Care Financing Law was not fulfilled, still has not been corrected. It also can be noted that the new model of remuneration of health care personnel is not sufficiently discussed with trade unions through tripartite cooperation mechanism and is not entirely supported.

Adequate remuneration of healthcare personnel is a precondition to ensure availability of medical staff and deal with COVID-19 health challenges. Overall, sufficient public financing of health care sector should be a priority to ensure sufficient availability of healthcare services and overcome COVID-19 impact.

After a 3-year break, the minimum wage is also increased from 430 euros to 500 euros from next year, but it is still lower than in Lithuania and Estonia, where the minimum wage is currently 607 euros and 584 euros, respectively. The trade unions consider that a faster increase in the minimum wage would be needed.

From next year, the minimum pension and the state social security benefit, the guaranteed minimum income (GMI), are increased, which was last increased in 2020 from 53 euros to 64 euros, but previously it was 49.8 euros from 2013 to 2017, from 2009 to 2012 it was 56.92 euros in case of adult.

In 2021, the guaranteed minimum income will be 109 euros, which has been increased due to the decision of the Constitutional Court, there are still discussions or the increase is not considered appropriate for ensuring basic human needs and dignity. It can be noted that persons' expenses for health care services is still an important factor in evaluating whether persons' income is decent or not.

Inclusive policy can be implemented if all groups in society are covered by social protection system. However, the COVID-19 pandemic has shown that, for example, the self-employed are not sufficiently protected. The government tried to introduce a minimum contribution threshold (from the minimum wage) from next year, regardless of income.

The unions partially supported these amendments, provided that the amendments were introduced gradually. Trade unions believe that everyone should be adequately socially insured, at least from the minimum wage. However, public pressure has led to social security contributions being paid in proportion to income, especially if they are below the minimum wage.

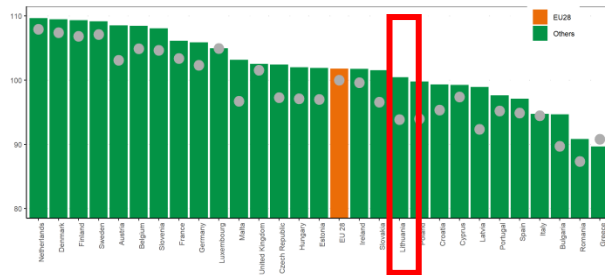
Trade unions are involved in the tripartite dialogue insufficiently, consultations take place formally, in some cases learning about decisions from sources other than the Ministry of Welfare.

Trade unions have repeatedly drawn attention to the need to extend the duration and amount of unemployment benefits, effectively returning to the system in place before 2020, when the government reduced the amount and pay-out period of unemployment benefits. Unemployment benefits are now coming to an end for those who were forced to become unemployed in the first wave of the COVID-19 pandemic in the spring and the employment situation has not improved.

Investment into further developing and strengthening sectorial collective bargaining system are important to tackle inequalities and shadow economy.

LITHUANIA

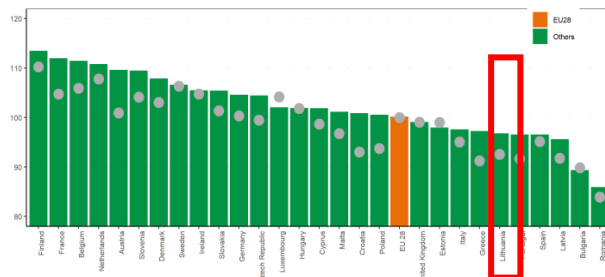
Figure 7: ETUC SDG8 Index – Country scores in 2019 (bars) vs 2010 (dots)



Lithuania is struggling to catch up with the better performing countries but it is still missing some enabling factors that would set the country development model on more sustainable tracks. The country ranks below the European average mostly because of limited progresses scored during the last decade in terms of economic-well-being and a production model that is not environmental, social and digital friendly.

Some relevant progresses in labour market inclusiveness area (figure 3) do not match with relevant progresses in the other areas of sustainability notably in the well-being area (figure 2) and the vulnerability of workers area (figure 4). These weaknesses affect the capacity to deliver in terms of just transition and remain a thread for the sustainable development of the country that has to go through a deep green and digital transformation.

Figure 17: Economic Well-Being – Country scores in 2019 (bars) vs 2010 (dots)



The Lithuanian Recovery and Resilience Plan should invert the positive correlation between sustainable growth and reduction of CO2 emissions yet.

Future investments in Lithuania have to better focus on well-being and workers' vulnerability while insisting improving inclusiveness of labour market. They should also be game-changer for the environmentally sustainable growth otherwise the risk is to deliver a Recovery and

Resilience plan that will lead to a non-sustainable economy.

Still, Lithuania should quickly improve the positive correlation between the decent work and sustainable growth agenda and the digitalisation agenda (measured with the DESI index). Investing in decent work and sustainable agenda, Lithuania should also exploit the strong positive correlation

Figure 3: Employment Quality – Country scores in 2019 (bars) vs 2010 (dots)

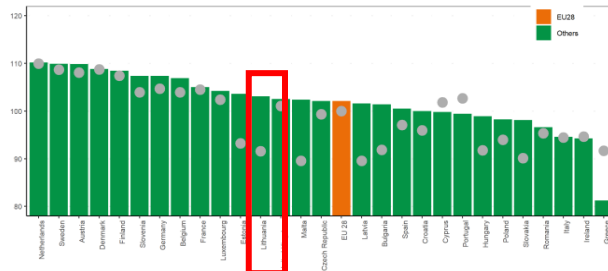
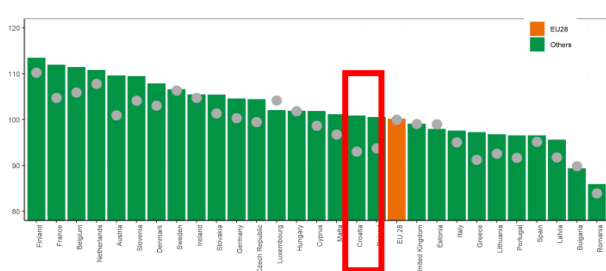


Figure 4: Labour Vulnerability – Country scores in 2019 (bars) vs 2010 (dots)



between that goal 8 and goal 3 (good health and well-being).

The ETUC recommends that the Lithuanian Plan for Recovery and Resilience could take into account the proposal of the Lithuanian trade unions in order to set the Country amid the best performers in terms of sustainability and in particular:

- Ensuring that the Recovery and Resilience Plan will improve economic well-being of Lithuanian people, removing factors of vulnerability that groups of workers are suffering from;
- Changing the adverse correlation between decent work, sustainable growth and climate change objectives implementing the Green Deal and the Digital Agenda together with the European Pillar of Social Rights.

- Reinforcing the digital transformation of the country to create good quality jobs, and reinforcing the link between sustainable growth and decent work agenda with SDG 3 (good health and well-being)

REFORMS AND INVESTMENTS. TRADE UNION PRIORITIES IMPLEMENTING THE RECOVERY PLAN

The Lithuanian Trade Union Confederation (LPSK) stresses the quality involvement of social partners in discussions on the National Recovery and Resilience Plan. Its proper implementation and monitoring are crucial for sustainable recovery. The LPSK supports the position of the European Trade Union Confederation (ETUC) that public and private investment should be evaluated against their capacity to create stable and quality jobs. Due to the pandemic, main challenge is avoiding the crisis of massive unemployment (the youth was effected the most, their unemployment doubled) and protecting livelihoods. The COVID-19 enhanced long-lasting problems of the country: socioeconomic inequalities, exclusion, risk of poverty, in-work poverty and precariousness in the labour market. A socially oriented spending should remain high to avoid bigger problems. In 2019 the poverty threshold in Lithuania was 445 EUR, the current minimum monthly wage is 447 EUR (net) and in 2021 it will be 467 EUR (it is almost the same as the poverty threshold). The monthly minimum wage (or even less) is paid for approximately 130 thousand workers (may be paid only for unqualified job). Still, employers' suggested to the National Tripartite Council to differentiate (= diminish) the minimum monthly wage by age, i. e. to pay even less to young workers. Trade unions strongly disagreed with this kind of discrimination and at the end the proposal was rejected. For many years, the LPSK stresses that low wages are strongly impacted by the current economic structure, which – despite good strategic documents and political promises – is heavily based on low value-added sectors. The recovery plan has to include the creation of stable quality jobs in sustainable high value-added sectors and significant investment in skills, innovations, research and development. The new strategic document published by the government – „Lithuania's Plan for the DNA of the Future Economy“ refers these areas as priorities but there is no clear path how these goals will be reached (the new government wants to re-evaluate it). The LPSK highlights the need to concentrate on concrete long-term initiatives, which would truly benefit the country for many years. The LPSK stresses, that essential workers (most of them are women), despite their great workload and high risk tackling the pandemic, are undervalued. In general, the situation of the gender wagegap is still far from satisfactory in Lithuania. It was 16.6 % in 2019; the gender pension-gap is an even greater concern (a high level of “shadow” economy distorts the official statistics: many of „shadow rich” sectors are dominated by men – for example, construction – and a real gender pay gap probably is even worse). These are the reasons why the Lithuanian Trade Union Confederation strongly supports the Pay Transparency Directive and believes that it could be an important step for remedying many inequalities related to remuneration. Unfortunately, even when unemployment grows (14,9%, updated November 2020), we see disconcerting behavior of some employers: a lot of low-paid workers from the third countries are invited to take free jobs. Hence, we see the following issues: 1) stronger tensions in the local labour market, additionally, the social protection system is under a higher pressure; 2) foreign workers are often paid less and work in worse conditions what leads to social dumping; 3) during the pandemic we saw a lot of irresponsibility due to health and safety requirements – there were workers from the third countries who weren't properly checked but had the virus and infected others.

This health crisis showed the importance enhancing the financing of high quality public services, in order adequately to tackle this pandemic and be prepared for future crises. The public health system, its effectiveness and adequately paid health specialists are a priority. Hence, the Lithuanian Trade Union Confederation is sceptic of ideas suggested by the new Parliament to finance education and health institutions from both – public and private – sectors similarly. We all understand that there is not enough funding and it means taking money from public services. In this context, trade unions stress the need for a real progressive tax system that ensures a fair distribution of a financial burden between

labour and capital and seeks a more effective collection of taxes.

In our evaluation, one of relevant solutions to diminish the „shadow“ economy is to strengthen the State Labour Inspectorate. Also, the LPSK is concerned about workers' health and safety at workplaces. When the number of COVID-19 cases grew, trade unions and the State Labour Inspectorate started to get a lot of complaints from workers about irresponsibility of employers, who ignore safety requirements, force employees to ignore self-isolation rules, do not provide sufficient protection means to workers.

MEASURES FOR JUST TRANSITION

The LPSK agrees that there is the need to pick up the pace and invest more to research, development and innovations leading to green and digital transitions, to shift our economic orientation (and a competitive advantage) from low paid jobs to high added value sectors. It may be a good opportunity to boost the creation of quality jobs and give a needed impulse to the inclusive and sustainable economic recovery. Nevertheless, we stress that a significant part of local workers work in those sectors which will be automated, digitalized or radically changed due to the twin transition. According to the OECD, many jobs are at risk of being automated in Lithuania: high risk – 21%, significant risk – 42%. Despite that, till now we witness inertia. Trade unions see a high risk of many people losing their jobs and falling out of the labour market due to the lack of required new skills. Also, in our opinion, the social protection system and the national employment services are not strengthened enough to be ready to tackle the coming challenges. The twin transition may be sustainable and widely supported only when it is just and workers from vulnerable sectors get sufficient support during the transition period. The social partners have to be involved in all stages.

One of high risks to Lithuania's economy is a significant skills mismatch in the labour market. Even if the need to reshape our economy is widely understood, many workers – even in clearly vulnerable sectors – do not get needed training. Upskilling and reskilling are crucial, also, life-long learning should be enhanced because it is still unpopular in Lithuania. A participation in adult learning is comparatively low and those who have lower skills (and are more vulnerable) are less likely to engage in learning. So, the gap in skills is widening. A survey showed that there are 3 main reasons for not participating in training – time, costs and family reasons. The lack of digital skills should be addressed as soon as possible. In our opinion, it will be a very hard problem to overcome.

Currently, the OECD organizes a mission for skills' needs in Lithuania (social partners were properly involved). The LPSK supports the draft recommendations by the OECD to tackle skills shortages: 1) there is the need to develop a one-stop shop where individuals can compare courses, find information on labour market trends, and access financing support; 2) improve the targeting of existing financial incentives towards SMEs to increase efficiency; 3) further increase the modularity of existing continuous VET programmes. We stress that upskilling and reskilling of employees should be seen not as costs but as a necessary part of a current business model and implemented in a regular and structured way (training time should be treated as work!). Also, we support introduction of well-developed individual learning accounts for all adults (employed and unemployed). For that to be effective, people should be informed about skills' demand in the future and get an opportunity for a professional guidance how to build their skill sets. One of potential opportunities is to get skills and competencies through informal education or volunteering activities, of course, for that skills validation/recognition mechanisms should be put in place. Strategic areas could be prioritized by a higher funding for those who choose them.

One of our concerns that the twin transition will be handled in a wrong way; already we have seen harmful examples. The LPSK supports strong and effective public authorities. Unfortunately, we believe that the chosen tactics for its optimisation goes against this aim. Some areas are digitalized and then a part of civil servants lose their jobs as „redundant“. Nevertheless, sometimes digitalized processes, services are not sufficient to make a great change in workloads of employees. Some lose

their jobs and those, who stay, have to share a workload of ex-colleagues.

We are concerned that „green“ topics and developments are not taken seriously enough. Of course, trade unions agree that investing in new environmentally friendly technologies is crucial and very welcomed but, also, we see risks that „green“ investments may be given to those projects which are not truly useful (or at least not the most useful) contributing to climate-neutral and sustainable future economy. That is why social partners, civil society actors should be involved in an evaluation of competing green initiatives. Impact assessments and further monitoring are crucial.

Our suggestion would be to re-evaluate which sectors are strategic priorities in this transition and would give the highest value in the new economy and guarantee them stable and sufficient funding. Possibly, some sectors should simply diminish, because they don't have a significant potential anymore, and those workers reskilled and helped to find better jobs.

BUILDING SOCIAL RESILIENCE WITH STABLE AND PROTECTED JOBS.

In recent years we see growing precariousness in the Lithuanian labour market. One of the reasons is the growing number of atypical workers. The situation was already problematic before the pandemic and now it got worse. One reason is understandable: non-standard forms of work seem attractive due to its flexibility but the second one is a simple misuse of this situation by business making bogus self-employment a norm (workers are asked/ pressured to change their status even if they continue to work as a traditional employee). Trade unions see two main problems: firstly, non-standard workers are very vulnerable regarding their social protection (it is „the easiest“ group to get rid of to businesses; if there are no activities, they risk not getting any income and face problems sustaining their families, furthermore, due to a big „pool“ of potential workers, we witness that their bad working conditions are getting worse), secondly, this situation is hollowing out existing labour standards. Nevertheless, there are some good news. For example, we see that couriers are organizing (recently, „Bolt Food Lietuva“ couriers have established an association and the Lithuanian Trade Union Confederation supports their initiatives).

The LPSK sees that organizing and collective bargaining are the best solutions to these vulnerable workers and is ready to help them. It is planned (not yet confirmed) that one of the next year's important initiatives will be oriented to e-platform workers. Having that in mind, the Lithuanian Trade Union Confederation would welcome the European directive to adequately regulate working conditions of e-platform workers and establish minimum standards. The LPSK stresses that a growing part of non-standard workers, their vulnerability, weak social protection and risks not to have decent pension are going against the goals of the European Pillar of Social Rights, to which implementation all member states have committed 3 years ago.

The LPSK believes that many challenges could be softened by enhancing collective bargaining and ending a constant employers' abuse of this system. A part of private sector employers do not want to sign quality collective agreements: intentional delays, withdrawal from negotiations, withholding important information from trade unions are common. Most of the employers do not want to take clear financial commitments, a significant part of them use „puppet“ work councils to weaken trade unions.

A concerning development is that due to the pandemics trade union chairpersons and activists at companies were targeted and fired or threatened to be fired abusing the excuse of economic hardship. Before that the employers' side tried to suspend many for workers important provisions of the Labour Code using an excuse of the pandemics. Trade unions managed to stop this attack to workers' rights. That causes a regress of collective bargaining and social dialogue in general.

The LPSK supports the idea of the European Trade Union Confederation that only those companies, which are committed upholding international labour standards and have collective agreements should be allowed to take part in public procurements or to apply for public financing.

We believe that these conditionalities would encourage private sector to respect workers and trade union rights and guarantee more democracy at work, what, in our opinion, would lead to a faster social progress in general.

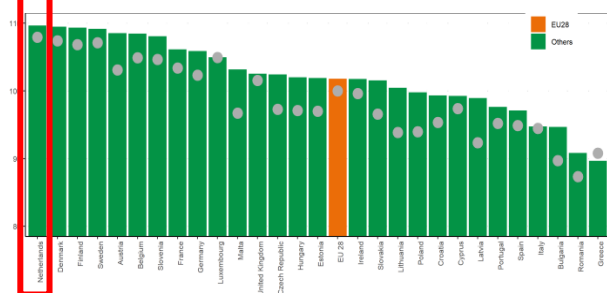
Also, there is the need to raise public expenditure on active labour market programmes. Its level is low and, according to the OECD data, only approximately 0,2% of GDP in 2018.

Despite many problems, in the public sector is seen a progress in recent years. Every year since 2018 trade unions sign a national collective agreement with the government for the budgetary sector (the newest one signed in October). The national collective agreement raises the national statistics on the collective bargaining coverage significantly.

Lastly, while talking about social protection, we need to mention 615 thousand of pensioners, who remain vulnerable. Currently, an average old age pension with mandatory years of work is 400 EUR, an average pension is 377 EUR. Although, we surely see the need to support pensioners more, the LPSK is sceptic on the Government's proposal to pay the 13rd pension. Instead, we support the Dr. Lazutka's (sociologist) conclusion that if we want to raise pensions adequately, the most effective way is to make a legal provision, changing how pensions are indexed differently and adding an additional condition: if it is seen from the budget of SODRA (the State Social Insurance Fund Board), that income is rising faster than expenditure, we are raising pensions by X percentage.

NETHERLANDS

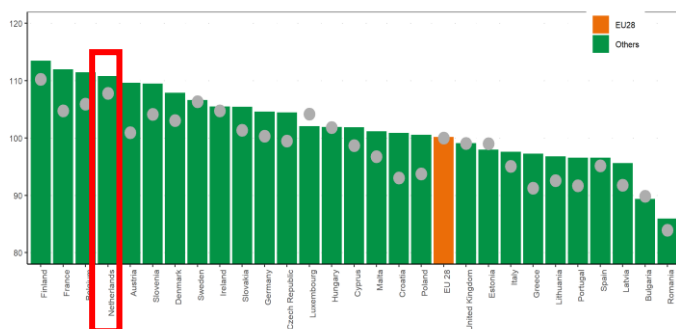
Figure 8: ETUC SDG8 Index – Country scores in 2019 (bars) vs 2010 (dots)



The Netherlands has the highest enabling potential in the EU in terms of terms of sustainability but non-progress in terms of labour market inclusiveness and quality of jobs impede the Netherlands to become a frontrunner of sustainability. The country ranks at the top of the scale but enters the recovery phase with some areas of weakness even if it is on the way to set its production model on more environmental, and digital patterns.

Some progresses in the economic well-being area (figure 2) were slowed down by a slight regression in the inclusive labour market and a too slow progresses under the workers' vulnerability area (figures 3 and 4).

Figure 18: Economic Well-Being – Country scores in 2019 (bars) vs 2010



Future investments in the Netherlands have to focus on quality of work and just transition otherwise the risk is to deliver a Recovery and Resilience plan that will lead to a non-sustainable economy.

Still, the Netherlands can build on the positive correlation between the decent work and sustainable growth agenda and the digitalisation agenda (measured with the DESI index). Investing in decent work

and sustainable growth, the Netherlands should also exploit the strong positive correlation between goal 8 and goal 3 (good health and well-being).

The ETUC recommends that the Dutch Plan for Recovery and Resilience could take into account the proposal of the Dutch trade unions in order to move the Country amid the frontrunners in terms of

Figure 3: Employment Quality – Country scores in 2019 (bars) vs 2010 (dots)

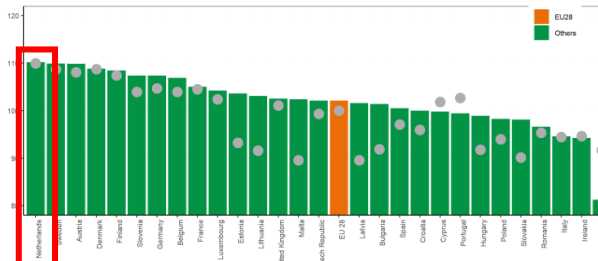
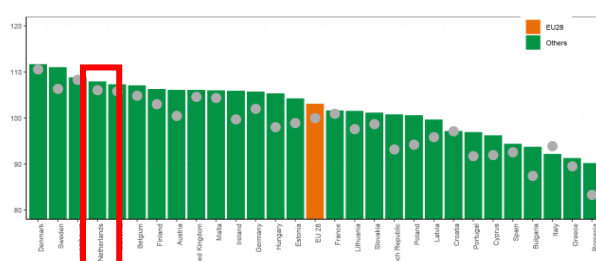


Figure 4: Labour Vulnerability – Country scores in 2019 (bars) vs 2010 (dots)



sustainability and in particular:

- Ensuring that the Recovery and Resilience Plan will continue Improving labour market inclusiveness to increase its contribution to overall well-being;
- Removing factors of vulnerability that groups of workers are suffering from;
- Reinforcing the improving correlation between decent work, sustainable growth and climate change objectives implementing the Green Deal and the Digital Agenda together with the European Pillar of Social Rights.

REFORMS AND INVESTMENTS. TRADE UNION PRIORITIES IMPLEMENTING THE RECOVERY PLAN

1. A labour market reform is urgently needed and structural delayed by the government. The labour market reform is needed to stop the further growth in flexible contracts and bogus self-employed now 45% of the Dutch labour market. The labour market situation in the Netherlands leads to further decrease in real wages, poverty, social security payment problems, further pressure on labour productivity growth, decrease of investment percentages and increase of company profits.
2. Tax reform in line with earlier EU advisement is urgently needed but neglected by the Dutch government. On the labour market flexible contracts and bogus self-employed are far lower taxed creating a non-level playing field. Company tax has further decreased putting further stress on labour tax and consumption tax. Taxation of climate is also on a very low level. Tax related surcharges have led to huge problems and poverty, discrimination of groups and the fall of Rutte 3 cabinet. A wise decrease of the amount of surcharges is needed.
3. The minimum wage level in the Netherlands as percentage of the median wage has been decreasing the last 30 years. In 2020 the minimum wage as percentage of the median wage is lower than the average in the EU. An increase of the minimum wage to €14,- per hour is urgently needed.
 - a. Investment by the Dutch Central Planning Bureau shows that an increase of the minimum wage will not lead to more unemployment.
 - b. Increasing the minimum wage helps to stop the increase of the primary income inequality in the Netherlands. And thereby could lower the tax pressure on labour used for redistribution.

MEASURES FOR JUST TRANSITION

4. Investment is highly needed for climate transition and digitalisation processes. On national level "groeifonds" and true RRF some budget is created. It is however not enough and unions are set aside in the planning of the investment priorities. This will lead to resistance and less willingness on the work floor and consumers.
5. The corona crisis has shown the importance of a strong social service fundament under the economy. The market economy cannot function without healthcare, education, police force and other services. After years of cuts in those sectors investments are highly needed, incidental but also structural.

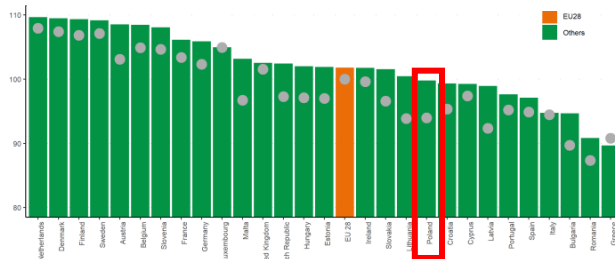
BUILDING SOCIAL RESILIENCE WITH STABLE AND PROTECTED JOBS.

6. A labour market reform is urgently needed and structural delayed by the government. The labour market reform is needed to stop the further growth in flexible contracts and bogus self-employed now 45% of the Dutch labour market. The labour market situation in the Netherlands leads to further decrease in real wages, poverty, social security payment problems, further pressure on labour productivity growth, decrease of investment percentages and increase of company profits.
7. The minimum wage level in the Netherlands as percentage of the median wage has been decreasing the last 30 years. In 2020 the minimum wage as percentage of the median wage is lower than the average in the EU. An increase of the minimum wage to €14,- per hour is urgently needed.
 - a. Investment by the Dutch Central Planning Bureau shows that an increase of the minimum wage will not lead to more unemployment.

- b. Increasing the minimum wage helps to stop the increase of the primary income inequality in the Netherlands. And thereby could lower the tax pressure on labour used for re-distribution.

POLAND

Figure 9: ETUC SDG8 Index – Country scores in 2019 (bars) vs 2010 (dots)



Poland is struggling to catch up with the better performing countries but it is still falling short of some enabling factors that would set the country development model on more sustainable tracks. The country ranks below the EU average in the sustainability scale despite progresses recorded during the last decade. This is also due to the fact that Poland pays gaps in terms of green, digital and health dimensions of development.

Some relevant progresses in the employment field and workers' vulnerability have led to an improvement of the overall well-being of Polish people (figure 2). However, inclusiveness of labour market (figure 3) and vulnerability of workers (figure 4) remain a challenge as they are not developed enough to ensure a sustainable development of the Country.

Figure 19: Economic Well-Being – Country scores in 2019 (bars) vs 2010 (dots)



The poor performance under the sustainability pattern is also shown by the fact that Poland has not developed a development model that put decent work and sustainable growth in negative correlation with reduction of CO2 emissions yet. As the transition toward a green economy will be deeper, future investments in Poland have to focus on just transition and namely on equality, fight against poverty and all other factors that

improve workers' positions. Otherwise the risk is to deliver a Recovery and Resilience plan that will lead to a non-sustainable economy.

Still, Poland should also better exploit the positive correlation between decent work/sustainable growth and digitalisation (measured with the DESI index). Investing in decent work and sustainable agenda, Poland has to better exploit the driving power that goal 8 exercises on goal 3 (good health and well-being).

Figure 11: Employment Quality – Country scores in 2019 (bars) vs 2010 (dots)



Figure 10: Labour Vulnerability – Country scores in 2019 (bars) vs 2010 (dots)



The ETUC recommends that the Polish Plan for Recovery and Resilience could take into account the proposal of the Polish trade unions in order to put the Country on the right track of sustainability and in particular:

- Ensuring that the Recovery and Resilience Plan will improve general well-being of Polish population;
- Removing factors of vulnerability of workers and create policy and legislative frameworks for fairer economic transitions;
- Inverting the correlation between decent work, sustainable growth and climate change objectives so that they will be changed into a more positive track.

REFORMS AND INVESTMENTS. TRADE UNION PRIORITIES IMPLEMENTING THE RECOVERY PLAN

Contribution from OPZZ

Changes aimed at environmental protection should take into account the need to maintain jobs in industry and its competitiveness. Poland is one of the most industrialized EU countries. Industry is responsible for the production of 22% of the gross value added of the entire economy (which places Poland in the top ten of the EU in this respect) and employs 24% of people working in the country (in the EU this percentage is on average 17%). These changes should go hand in hand with the process of transforming the entire economy into innovative and using advanced technologies.

It is necessary to create conditions for increasing the investment activity of enterprises. In Poland, investments fell from above 20% of GDP in 2008-2015, to 17-18% in 2016-2019. The stability of the legal environment will certainly serve the investment planning. Achieving sustainable and inclusive economic growth requires a just transformation of the economy, that is, protecting and enhancing the potential of enterprises and workers, as well as social support for the most vulnerable to poverty. Action at the national level will not be effective if it is not accompanied by action at the EU level related to the taxation of digital services, the introduction of a cross-border carbon tax and a carbon compensatory measure.

Investments to prevent economic poverty. Households should be supported in investments aimed at insulating buildings, renovating heating systems and maintaining heat in flats on an ongoing basis - especially for the lowest earners.

Contribution from Solidarność

The following information was found on official government websites:

The National Recovery Plan is a way to strengthen Polish companies, modernize our economy, and improve the quality of life of Poles. We want our country to compete less and less with other countries with "cheap work" and more and more with quality and a higher level of innovation. The Ministry of Development proposes to use this money, among others on the development of digitization, the "green" economy or innovation, including domestic drug production.

Basic areas of the National Recovery Plan in Poland (based on the National Report on Poland prepared by the European Commission) include:

- increase in employee skills (education, long-life learning, digital competences, etc.);
- further increase in professional activity;
- removing obstacles to more permanent forms of employment;
- better targeting of social benefits and ensuring access to these benefits for people in need;
- improving the functioning of the healthcare system, including e-health;
- innovation of the economy;
- digital transformation of enterprises and administration;
- energy and transport infrastructure (railways, cities, alternative solutions), digital economy infrastructure;
- reduction of greenhouse gas emissions by reducing the emissivity of electricity and heat generation and reducing energy consumption;
- improving the investment climate and economic regulation;
- support for social dialogue;
- taking care of sustainable regional development

There is no doubt that the way of performing work will change, so investments in human capital related to the robotization of certain processes, strengthening digital skills, but also strengthening the position of older people and investing in soft skills of young people are needed. The use of modern medical technologies to strengthen the abilities of people who are afraid to extend their professional and social activity is essential. At the same time, access to public services needs to be strengthened, so public

investment in this area is essential (public transport, services close to home, support for people with disabilities in commuting to work, access to health care, social assistance).

MEASURES FOR JUST TRANSITIONS

Contribution from OPZZ

The challenges in the field of social policy and the labour market in Poland include primarily: reducing poverty in the elderly, reducing the inequality of retirement benefits for men and women, eliminating false self-employment and limiting employment opportunities under civil law contracts in a situation where there are conditions for employment under a contract for a job, as well as increasing the amount of unemployment benefit.

The European Pillar of Social Rights, based on 20 basic principles, organized into three categories: equal opportunities and access to employment, fair working conditions, and social protection and social integration, is not implemented in Poland. In order to implement the above-mentioned postulates, we propose the following actions:

1. Increasing the indexation of old-age and disability pensions. Taking into account the need to constantly increase the share of retirees and pensioners in economic growth and the need to guarantee them a noticeable improvement in their financial situation, the indicator should be no less than the average annual consumer price index for retirees and pensioners' households in 2020, increased by at least 50 percent real increase in the average remuneration for work in the previous year.
2. A widow or widower drawing a retirement pension should be entitled to an additional 50 percent. pensions of the deceased spouse, which will noticeably improve the financial situation of single-person retirement farms. At present, after her husband's death, a woman has to decide whether to keep her pension or to abandon it and take advantage of the survivor's pension - 85% of her husband's pension.
3. In Poland, women receive on average 18.7% lower benefits than men, which is related to, inter alia, with receiving lower wages. Therefore, tools that can close the pension gap are also tools that can eliminate wage discrimination, e.g. employers' obligation to monitor wages and prepare reports on earnings of women and men, pay audits and pay transparency.
4. The package of allowances and exemptions in the field of social insurance contributions for entrepreneurs is currently excessively developed. The list of preferential solutions includes, among others: start-up relief for people starting a business (exemption from paying contributions to ZUS is valid for the first six months after establishing a business), "Small ZUS" (after using the start-up relief, the entrepreneur may 24 months to pay social security contributions from the lower assessment base, amounting to 30% of the minimum wage) and the right to conduct unregistered activity (people whose income does not exceed 50% of the minimum wage do not have to register their activity and pay any social security contributions) -at). The liquidation of the abovementioned allowances and exemptions will increase the level of insurance protection for people running a business.
5. One should strive for a state in which social security contributions will be paid in full for all contracts of mandate, and not only up to the amount of the minimum remuneration for work. The situation is similar in the case of specific work contracts, where social security contributions are usually not paid at all.
6. It is necessary to limit the possibility of employment under civil law contracts in a situation where there are conditions for employment under an employment contract. We propose solutions that may contribute to the promotion of employment under the employment relationship. These solutions include the introduction of the principle of "presumption of the existence of an employment relationship" and the granting of labour inspectors the right to issue administrative decisions that effectively transform civil law contracts into employment contracts in situations where work is performed under conditions typical for an employment relationship.

7. It is necessary to fight against false self-employment. In order to reduce labour costs, many employers require the consent to terminate the employment contract by the employee.

Contribution from Solidarność

COVID-19 brought forward the future of work and digitalisation. The impact of technology and digitalization on the labour market sets important challenges for policy and institutions. On the one hand, digitalisation plays an important role in the development of the economy and innovation. It was clearly visible during the period of lockdown, when companies, governmental units had to be flexible enough to adapt to the existing situation. On the other hand all the legal changes should be clear enough for employers and employees and be able to be understood by those who are bound by it.

In March 2020 anti-crisis shield was adopted and entered into force. It provides the rules for a temporary remote work. The Polish Labour Code does not regulate the provision of remote work in any way. It is important to focus on comprehensive approach to this issue, such as legal aspects and practical approach. In August 2020 Council Dialogue Council has started the discussion about the new model of remote work. Key aspects that should be taken into the consideration are e.g., the principles of the employer's responsibility for the state of health and safety of the employee and relation of the new regulation to the instruments that have been already guaranteed in the Labour Code.

Digitalisation effects also on a new job creation, the number of gig workers in Poland is increasing rapidly. The status of platform workers is often unclear, leaving them without access to social security, training, health and safety protection, or workers' rights including the right to organise and bargain collectively through a trade union. It is necessary to monitor the scale of employment through online platforms and to conduct detailed legal analysis of employment issues connected to digital platforms. Demographic change effects all European member countries.

In June 2020 social partners signed an agreement on active aging. On the one hand representative trade unions and employers' organisations emphasized the importance of improving employment conditions, supporting the employment of older people, promoting health in the workplace and beyond, raising awareness and understanding the challenges and opportunities arising from demographic changes among employers and employees, as well as promoting and monitoring the agreement. On the other hand they highlighted the challenges connected with lifelong learning. According to the data presented by the Central Statistical Office of Poland in 2016, 54,1% people aged 28-69 did not improve their competences in any form. Only 32,7% people took advantage of any educational form such as courses, trainings, workshops. One of possible solution is promoting mentoring as a form of intergenerational learning. Entrepreneurs should create an inside policy to support effective exchange of the knowledge between experience employees and younger co-workers. The proposition is based on building up a new model of mentoring agreement supported by the stage funds.

Moreover, the Polish Qualifications Framework requires systematic evaluation, especially because of the vast changes on the labour market caused by new technologies, digitization and demographic changes. The Polish Qualifications Framework (PQF) is a reference system for qualifications awarded in Poland. There are 8 levels in the PQF. Each of them is described by means of the general characteristics of the scope and complexity of knowledge, skills and social competence required from persons with a given level of qualifications. In the PQF, the typical characteristics of qualifications given in general, vocational and higher education are taken into account. The Polish Qualifications Framework makes it possible to refer Polish qualifications to the levels of the European Qualifications Framework (EQF) and through the EQF to the levels of qualifications in individual EU countries.

BUILDING SOCIAL RESILIENCE WITH STABLE AND PROTECTED JOBS.

Contribution from OPZZ

1. Change in the remuneration policy for employees - investment in good quality jobs, both in enterprises and in public administration. Poland differs from the richest EU countries in terms of the amount of adjusted gross disposable household income per capita. In Poland it amounts to 16 thousand PPS and is lower than the EU average (23 thousand PPS), including two times lower than among the leaders in this area (in Luxembourg and Germany it is around 30 thousand PPS). It is worth noting that labour productivity in Poland increased – in real terms by 29% compared to 2010 (compared to an average increase in the EU by 7%). Therefore, the balance between capital and labour needs to be improved by measures to encourage faster wage increases, including the minimum wage and fair distribution of economic growth and corporate profit. The principle of equal work for the same work should be implemented in the economy.

It should also be considered necessary to develop a coherent remuneration for employees of the budgetary sector in the social dialogue, which will allow for greater fairness in their remuneration and an increase in the lowest wages. Additionally, investments should be made in the quality of jobs in public administration, including training and digitization of work. Workers in this sphere should also be compensated for the increased work intensity during the pandemic, due to their increased involvement in the public services provided. During the pandemic, invest in maintaining jobs and employee wages to support household consumption demand and reduce the rise in in-work poverty. This is because the costs of maintaining a flat, including municipal services, are rising, electricity prices are expected to rise, and the level of inflation indicates a further rise in prices, especially of food. The amount of public support during a pandemic should cover 100% of the employee's current salary and be related to the obligation to maintain employment for at least 6 months after the end of support.

2. Reform of the tax system by changing the tax policy. The tax system should be transformed through changes in the personal income tax. This tax should be framed in such a way that it would be more justly charged to citizens - to a greater extent the better earners and less to the poorest. It is also necessary to make changes to the tax wedge, so that it is less burdensome, in particular, on the minimum wage and promotes employment under an employment contract. The tax-free amount should also be adjusted so that the highest amount (PLN 8,000) can be used by a larger group of employees. The flat tax for natural persons conducting business activity, which unjustifiably favors this type of earning over employment under a contract of employment, should also be abolished. We believe that changes in the tax system may also help to support the competitiveness of the economy to a greater extent, including industry which, compared to the conditions of operating in other countries, is in a disadvantageous position in terms of taxation - e.g. the energy-intensive, energy or mining sectors. It is also necessary to introduce a digital tax.

3. Investments in public services. It is crucial to support the availability and quality of public services through investments in this area, both in infrastructure, including equipment, and the quality of jobs in public services and education.

Contribution from Solidarność

The anti-crisis shield has been implemented, (e.g. for remote work and labour market):

- clarification of the rules of temporary remote working;
- the remuneration subsidies granted under the Guaranteed Employee Benefits Fund (covering an employee with idle time/reduction of the working hours);
- loans for micro-entrepreneurs of up to PLN 5 thousand to cover the costs of running current operations;
- exemption from social security contributions;
- extending the payment of the care allowance.

In 2020 the minimum wage was PLN 2600 gross (PLN 1920 net and PLN 17 gross per hour). The government has decided that the minimum wage will increase to 2,800 gross (PLN 2,061 net) in 2021. The wage will increase by PLN 200, that is by 7,7% compared to 2020. The hourly rate will increase to PLN 18.30 gross. As a result, in 2021 the minimum wage will be 53,2% of average wage forecast in the national economy for 2021.

NSZZ "Solidarność" is supporting the establishment of an EU minimum wage framework. It is right and responds to the challenges facing the European trade union movement. It is also a sustainable concept, as it takes into account the interests of organizations from countries with different levels of development of industrial relations. In particular, it addresses problems that trade unions from Central and Eastern Europe and the Balkans face in their efforts to achieve a decent wage and develop collective bargaining.

NSZZ "Solidarność" believes that in the era of combating Covid-19, the government's priorities should be to ensure the health security of citizens, protect employees and their families, and the most vulnerable. Emphasizing the very important role of planning state budget revenues and expenses, the Association appreciates the government's actions aimed at saving the economy. However, at the moment it is important to create a long-term strategy for exiting the crisis with the use of budgetary funds and EU funds to increase investments, protect jobs and counter the social consequences of the pandemic. There is a need to stimulate both public and private investment.

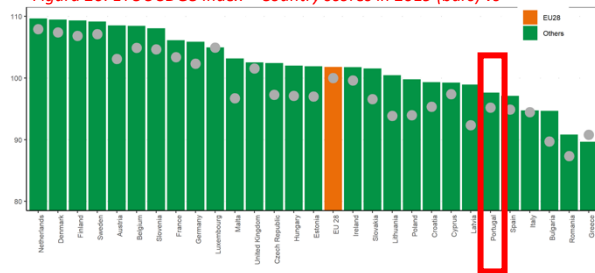
High taxation of the income of the lowest earners and the maintenance of high rates of VAT are disadvantageous for society. Returning to the stabilizing expenditure rule is an important element in stabilizing public finances, but when additional expenditure on citizens' health is needed, protection of employees, their families and the weakest people must be implemented in the long term. The activities of the government in the tax area regarding tax sealing deserve a positive assessment, however, at the same time, changes are proposed to reduce taxation for small and semicolon entities, the so-called Estonian tax, which raises doubts because its introduction involves a heavy burden on the state budget, according to the Union, is premature and underdeveloped. Therefore, the goal of stimulating private investment may not be achieved.

One of the most pressing problems faced by the social security system in Poland is the long-term care system that is not adapted to the needs. NSZZ "Solidarność" points out that in view of the ever faster aging of the society and changes in the structure of families in recent decades, and thus the limited possibilities of sharing care for dependent elderly people, urgent action is required to reform the long-term care system.

In Poland, local government institutions are responsible for organizing care for dependent people, which means that they are financed from budget subsidies, but also from own income. The pandemic has made local governments struggle with budget problems and are reluctant to create new care facilities. At the same time, due to the deep deficit of places in care and treatment and care institutions, as well as high costs of services, these services are often provided individually as undeclared work.

PORTUGAL

Figura 20: ETUC SDG8 Index – Country scores in 2019 (bars) vs



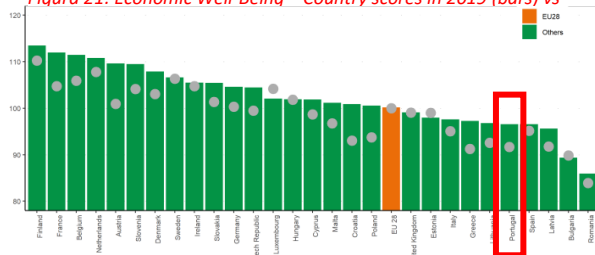
Portugal is struggling to catch up with the better performing countries but it is still falling short of some enabling factors that would set the country development model on more sustainable tracks. The country ranks at the bottom of the sustainability scale and very limited progresses were recorded during the last decade.

Portuguese workers have to fight against a deterioration of inclusiveness of labour market

(figure 3) and very high degree of vulnerability (figure 4) while economic well-being remains at lowest levels despite some improvements recorded during the last decade.

Future investments in Portugal have to focus on inclusiveness of the labour market, fight against poverty and reinforce all other factors that improve workers' positions otherwise the risk is to deliver a Recovery and Resilience plan that will lead to a non-sustainable economy.

Figura 21: Economic Well-Being – Country scores in 2019 (bars) vs



a Recovery and Resilience plan that will lead to a non-sustainable economy.

The poor performance under the sustainability pattern is also shown by the fact that Portugal has not developed a development model that puts decent work and sustainable growth in positive correlation with reduction of CO2 emissions yet.

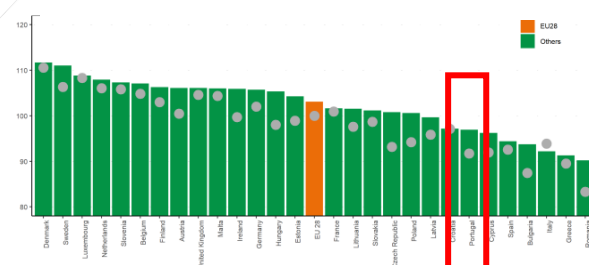
Still, Portugal should also better catch the positive

correlation between decent work and sustainable growth agenda and digitalisation agenda (measured with the DESI index). Investing in decent work and sustainable agenda, Portugal has to better exploit the driving power that goal 8 exercises on goal 3 (good health and well-being).

Figura 23: Employment Quality – Country scores in 2019 (bars)



Figura 22: Labour Vulnerability – Country scores in 2019 (bars) vs 2010 (dots)



The ETUC recommends that the Portuguese

Plan for Recovery and Resilience could take into account the proposal of the Portuguese trade unions in order to put the Country on the right track of sustainability and in particular:

- Ensuring that the Recovery and Resilience Plan will improve general well-being of Portuguese population;
- Improving inclusiveness of labour market and addressing factors of vulnerability of workers;
- Setting the correlation between decent work, sustainable growth and climate change objectives on the positive track.
- Using the sustainable growth and decent work agenda to boost progresses under Goal 3 of the UN2030 agenda.

REFORMS AND INVESTMENTS. TRADE UNION PRIORITIES IMPLEMENTING THE RECOVERY PLAN

Nous partageons les objectifs de la CES, considérant que les investissements et le plan pour la relance et la résilience doit promouvoir un modèle de développement fondé sur l'inclusion sociale, la création et soutien d'emploi de qualité, assurant une transition verte et digital soutenable et juste. La crise de

santé publique et la conséquence crise économique et sociale ont mis en exergue les fragilités structurelles de l'économie et du marché de travail portugais existantes auparavant et qui ne peuvent pas être ignorées en ce moment, soit en ce qui concerne les réponses urgentes et temporaires pour atténuer les répercussions de la crise- qui doivent être maintenues et renforcer le temps nécessaire - soit en termes de plan pour la reprise et la relance économique. La coordination entre ces deux types de mesures s'avère très importante.

En ce qui concerne les investissements / domaines stratégiques, nous soulignons :

- Investir et renforcer les services publics, particulièrement dans les domaines sociaux tels que la Santé, Éducation, Protection Sociale, structures sociales (enfants, vieillesse...) qui ont subi un intense désinvestissement lors de la dernière crise économique et dans le cadre du programme de stabilité.
- Investir dans les systèmes d'Éducation-formation, visant rattraper le gap qui nous sépare de la moyenne communautaire, particulièrement en matière de qualifications/compétences des travailleurs ;
- Renforcer les politiques actives d'emploi
- Relever les défis fiscaux, garantissant un système plus équitable, juste

Tout ceci doit être mis en œuvre dans un cadre de plus fort dialogue social et de renforcement de la négociation collective, éléments essentiels pour gérer les crises, pour promouvoir et gérer les changements nécessaires.

MEASURES FOR JUST TRANSITIONS

Additionnellement aux remarques présentées à l'encadré 2, notamment sur la segmentation, protection sociale nous aimerions attirer votre attention vers deux matières :

- La croissance des salaires et des revenus du travail, notamment du salaire minimum. Le gouvernement a inscrit dans son programme cet objectif, ayant entamé avec les partenaires sociaux une discussion tripartite visant obtenir un accord au sein de la concertation sociale, qui a été interrompu par la pandémie, mais qui redevient de plus en plus urgente face au cadre de crise et au besoin de relance économique, notamment par le biais de la demande privée. Les salaires perdent de plus en plus de poids dans la richesse nationale, la prime-qualifications devient de plus en plus faible mettant en péril les objectifs d'amélioration des qualifications, la pauvreté et inégalités se maintiennent élevés.

Donc, nous partageons la vision de la CES en ce qui concerne la priorité aux augmentations des salaires,

- Politiques de lutte contre la pauvreté, inégalités et exclusion sont importantes pour assurer des conditions de vie décentes et une meilleure participation/ intégration dans le marché de travail (politique sociale, éducation, logements, transports).

Nous espérons qu'au cours de la Présidence Portugaise de l'UE le socle européen des droits sociaux puisse effectivement gagner un nouvel élan et que le Sommet social du mois de Mai puisse être conclu avec une déclaration tripartite et des engagements forts, comme le souhaite le gouvernement portugais, et que ce moment se transforme dans un boost pour l'agenda sociale dans chacun des États-membres.

BUILDING SOCIAL RESILIENCE WITH STABLE AND PROTECTED JOBS.

Les domaines identifiés à l'encadré n° 1 sur les priorités d'investissements sont importantes en tant qu'éléments transversaux pour promouvoir des transitions plus justes.

Le Gouvernement portugais prépare un Livre Vert sur le Futur du Travail qui devra être discuté avec les partenaires sociaux en 2021, qui doit promouvoir un débat sur le rôle des politiques publiques pour relever les défis du marché de travail, notamment en ce qui concerne les compétences, les conditions de travail, la protection sociale, le dialogue et la négociation.

Nonobstant l'importance de ce débat, nous considérons qu'il y a des priorités qui ne peuvent pas être reportées. Ceci est le cas de la réduction de la segmentation/ précarité du marché de travail portugais- revendication de long terme de l'UGT et objet de recommandation de la CE /semestre européen. Les

travailleurs précaires furent à nouveau les premiers et les plus touchés par la crise actuelle, ayant tombé au chômage sans avoir droit à la protection-chômage dans certains cas. Ceci montre l'importance accrue de l'accord tripartite signé par l'UGT en 2018 (sur le combat à la précarité et la promotion de la négociation collective), mais également l'urgence de mettre en place toutes ses mesures et d'approfondir la lutte contre la précarité.

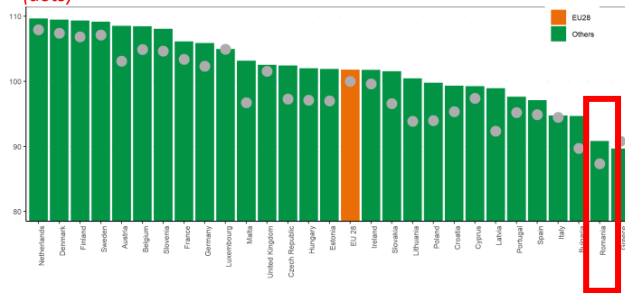
Mais c'est aussi le cas de l'amélioration des systèmes de protection sociale (notamment chômage et maladie) assurant une meilleure protection pour tous ; du renforcement des mesures d'activation et de création d'emploi ciblé sur les groupes plus vulnérables ; renforcer la formation et requalification des travailleurs, où les compétences numériques/ digitales sont essentielles mais ne sont qu'un volet de ce défi de qualifications de la population portugaise.

Dans ce contexte de crise, les mesures de protection d'emploi (lay-off – short time work scheme) se sont montrées importantes pour atténuer l'augmentation du chômage.

Quoique soutenant ces mesures et son maintien pour la prochaine année, l'UGT a défendu dès la première heure que la protection des travailleurs et des postes de travail devrait être renforcée: compensations/ salaires plus élevés, élargir les responsabilités des entreprises aidées (interdiction de licenciement pendant une période plus longue et pour les travailleurs, incluant les CDD et économiquement dépendants, gel du paiement des dividendes, développer la formation professionnelle, etc).

ROMANIA

Figura 1: ETUC SDG8 Index – Country scores in 2019 (bars) vs 2010 (dots)



Romania is a laggard in the sustainability area in the EU. The country ranks at the very bottom of the sustainability scale despite some progresses were recorded during the last decade.

Romania scores last in the well-being area (figure 2) and workers' vulnerability (figure 4) and the labour market inclusiveness is also at the lowest EU levels (figure 3).

Future investments in Romania have to focus on equality, fight against poverty and all other factors that improve workers' positions otherwise the risk is to deliver a Recovery and Resilience plan that will lead to a non-sustainable economy.

The poor performance under the sustainability pattern is also shown by the fact that Romania has not

Figura 3: Employment Quality – Country scores in 2019 (bars) vs 2010 (dots)

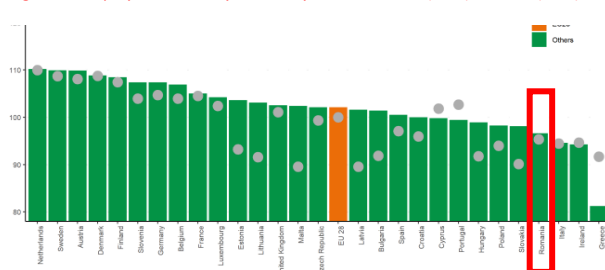
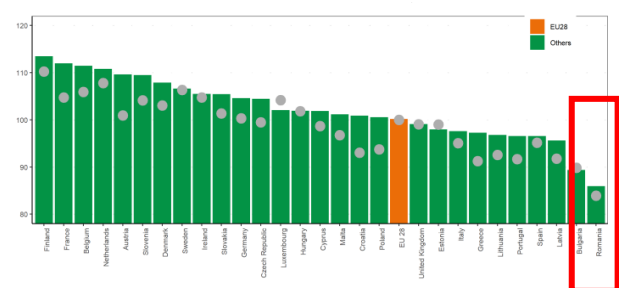


Figura 4: Labour Vulnerability – Country scores in 2019 (bars) vs 2010 (dots)



deployed a development model that is compatible with the reduction of CO2 emissions or that exploits the good positive correlation between the digital agenda and priorities for good health and well-being of people.

The ETUC recommends that the Romanian Plan for Recovery and Resilience could take into account the proposal of the Romanian trade unions in order to put the Country on the right track of sustainability and in particular:

- Ensuring that the Recovery and Resilience Plan will improve general well-being of Romanian population;
- Improving inclusiveness of labour market and removing factors of vulnerability of workers;
- Setting the correlation between decent work, sustainable growth and climate change objectives on the positive track also taking advantage from investments in digitalisation.
- Reinforce the link between goal 8 and goal 3 (good health and well-being).

REFORMS AND INVESTMENTS. TRADE UNION PRIORITIES IMPLEMENTING THE RECOVERY PLAN

The next two years will be extremely difficult for Romania. The growth rate of public debt is downright hallucinatory: by the end of 2022 the public debt will exceed 60% of GDP. Also, the public budget deficit continues to increase, and will reach 12.5% in 2022. The unemployment rate is estimated to remain well above the 2019 level even after 2 years.

The deficit will increase in the next 2 years, but in the near future it will have to return to the limit required by the medium-term budgetary objective expected at European level. Most likely, the public budget will significantly limit the resources allocated for investments. That is why the NRRP is so important.

According to the World Bank's assessments, Romania has a significant financing deficit - amounting to approximately 83 billion euro - if we compare the investment needs provided in the various strategies and plans with the available financing sources.

There is a need for a better balance in the investment approach, between the economic and the social interest. Currently, the draft NRRP is quite unbalanced and favouring the economic component. The whole document should be restructured to comply with the Commission's requirements for this document. The document must be restructured starting from the communicated objectives and having as central element the country recommendations and the flagship initiatives of the Commission.

The allocation of resources must be a transparent process, both in the case of NRRP and in the case of Operational Programs. It must be made known from this stage what exactly is being financed and from what program. NRRP must be a document assumed at the political level but also at the level of civil society, it represents a huge allocation for investments and we must ensure that the decision to select areas of intervention is a balanced one and in the interest of all. Romania cannot lose the start again.

The green and digital transition but also the increase of resilience must be the central elements in the selection of investments. Romania should also use this opportunity to support more ambitious targets in the field of energy, the main targets assumed by Romania in the National Integrated Plan in the field of Energy and Climate Change, as suggested by the European Commission.

The selected investments should be investments of national interest or strategic investments that are achievable despite the very tight execution deadline. Investment orientation must be accomplished with the real aim of ensuring social, economic and regional cohesion, in a balanced approach so that the financed investments ensure the premises for sustainable growth, and at the same time contribute to reducing inequalities and disparities for regions.

The construction of NRRP should start from major investment needs. Their impact must be assessed and priorities must be set accordingly. Determining how to prioritize investment needs, given the limited resources, is a process that requires correlating scientific evidence with policy choices. Moreover, some of the investment packages definitely require staff training in order to use the investments effectively.

The investment approach should be an integrated one, with all the components provided from a financing source, especially considering the pace at which this plan will be implemented. Education, Health, Workforce Preparation for the High Challenges of the Green Transition and the Digital Transition must be NRRP priorities. Improving prevention in health is essential for increasing resilience. Digitization of public utilities should also be one of the priorities of NRRP. The sustained investment projects must have a strong social component, both in the case of directly beneficiary companies, but also in the case of those that will deal with the execution of works / supply of equipment. They must become models of social responsibility. One of the criteria for selecting the plans and also for the procurement criteria for the projects financed from NRRP must be the existence of a collective agreement at unit level, where the law makes collective bargaining mandatory. This proposal is also found in the Guide for the application of the Charter of Fundamental Rights of the European Union regarding the implementation of European structural and investment funds.

This opportunity should be used to develop and support a public policy to stop the labour force migration, and especially of the young labour force.

MEASURES FOR JUST TRANSITIONS

Romania must use NRRP's resources not only to generate economic growth, we must correct the way we grow. Romania has grown unsustainably, while recording an intensification of inequalities. This resource package should help more so that growth is inclusive and able to alleviate economic and social inequalities.

The economic, social and territorial cohesion and also the major objectives assumed by the Commission, respectively the green and digital transition and the attenuation of the economic and

social impact generated by the crisis generated by the pandemic, should have guided the construction of the NRRP.

The NRRP's contribution to social cohesion is extremely low, both in terms of the share of allocation to this objective (only 11% of total allocations), in terms of areas targeted (only Health and Education), but especially in terms of the level of this intervention.

NRRP does not present any data to indicate that the proposed investments contribute to the reduction of territorial disparities. We only know the volume of investments, not what they generate in terms of disparity indicators.

The interventions are only at the level of infrastructure and also with a very limited impact.

In Romania there are currently over 5400 public schools (except for nurseries and kindergartens); only 98 schools (which is less than 2%) will benefit from investments through the NRRP.

Note that from the total investment package of the Multiannual Financial Framework - Education receives a little less than 4% of the total investment value.

We believe that the allocation is undersized, given the extremely precarious school infrastructure, especially in rural areas. There are many schools functioning without authorization, lacking running water or having toilets outside the school.

Of the total allocations from European funds (including NRRP), it is estimated that approximately 5.7 billion euro will be allocated to Health, i.e. approximately 7% of the total amount (79.94 billion euro). However, the medical infrastructure is not only made up of hospitals. The rest of the infrastructure components are also essential for the normal functioning of the health system (dispensaries, medical offices, polyclinics, etc.). These are not targeted at all by the NRRP.

Although declaratively the regional cohesion is aimed at approaching investments, the distribution at the level of regions indicates in fact an over-allocation in the more developed regions of Romania: North West, West and Bucharest Ilfov, and a sub-allocation in poor regions and especially in rural areas. Such an approach will deepen regional disparities.

There is a clear gap between the structural reforms, those proposed in order to "comply" with the request for NRRP to take into account the country recommendations mentioned in the European Semester process, and the specific investments and reforms addressed to them. The sectoral reforms are approached exclusively through a set of measures of a legislative nature that, in most cases do not have a direct connection with the proposed investments. There are no impact assessments or objectives for structural reforms.

There is no information in the draft NRRP about the changes or trends generated by these investments. In fact, even the presentation of the current situation and the indication of the reasons for the investment options is practically non-existent.

Given the extremely limited period for the use of these resources, the NRRP should have prioritized turnkey investment projects, and in particular those that meet the objectives set by the Commission.

GEO 155/2020 (adopted at the beginning of September 2020) established a series of conditions for an investment to be accepted for financing from the NRRP, but the conditions are rather likely to pass the responsibility to the initiator of the investment - such as the provision that an investment proposal should comply with the requirements set out in the Resilience and Recovery Mechanism. However, we are talking about conditions for acceptance for financing and not for prioritization criteria.

Transport, climate change, the business environment and urban mobility seem to be the centres of interest for the NRRP.

Digitization, Resilience, Green Energy, Education, Health or Research are once again ignored and receive the lowest allocations.

Investments in human resources or infrastructure to support vulnerable groups as well as support measures for their integration into society, are completely missing from the NRRP vision. NRRP does not identify and does not address Romania's social vulnerabilities, an approach that cannot be sustainable in the medium and long term.

Port or airport infrastructure, shipping or communications are also completely ignored.

BUILDING SOCIAL RESILIENCE WITH STABLE AND PROTECTED JOBS.

Romania has interpreted in a very strict sense the notion of investments, referring almost exclusively to investments in fixed capital and natural capital. The most valuable resource of a country, the human resource, is overlooked in the resource allocation by NRRP.

The Romanian government has proposed 0 (zero) investments in human capital. The labour force is not a priority, neither in terms of objective nor of direct investments.

There is no interest for the impact generated by these investments in terms of jobs created.

There is only a general estimate, i.e. an increase in the number of jobs by about 20 thousand each year.

Although one of the key components of the digital and green transition (one of the key objectives of the NRRP) is the qualification and requalification of the labour force, this area does not benefit from allocations, not even by ensuring digital skills, despite Romania having the largest share of population lacking even basic digital skills. By 2025, 5.3 million Romanian citizens should have basic digital skills. The effort is huge, both logistically and financially.

Unfortunately, in terms of the social field and the labour market, even the sectoral approach to the labour market is superficial and selective. For example, in the case of social dialogue (one of the country-specific recommendations) the problems reported during the European semester were mainly the disappearance of sectoral collective bargaining and improving the involvement of the social partners in the development and implementation of public policies. Only the last aspect mentioned in the last country recommendations was retained in the NRRP, although also in 2020 the country report noted that Romania has made limited progress in terms of social dialogue. The European pillar of social rights is barely mentioned in the document.

Human resources were only slightly targeted when investments were prioritized in recent years.

The effect is visible in the way the labour market works today, especially when we analyse the lack of correlation of labour demand and supply.

The productivity of resource use is well below the European average in Romania, and the gap increases every year, given that the situation continues to be almost unchanged; at European level the effort outcomes for a more efficient use of resources of any kind are visible. This development model is unsustainable. In all these years, nothing has been done to improve the efficacy of resource use. The concern for a more efficient use of resources was missing from the approach to growth in Romania. Cheap labour was the main lever for attracting investment.

Regional disparities are still significant. The eastern part of Romania concentrates the population most exposed to the risk of poverty. The regions with a standard of living above the national average continued to consolidate their position - mainly the Bucharest Ilfov region and the North West region. Regional disparities are doubled by disparities between urban and rural areas, and between large and small cities.

The economic activity rate and the employment rate is still below the European Union average. The gap has been only slightly recovered, despite the labour shortage claimed by employers.

After a difficult evolution for the first time in the last 30 years, the employment rate exceeded 70% in 2019. In 2020 the employment rate returned to the level of 2017. Activating the labour resource requires investments.

The participation of adults in training programs is much lower in Romania than the EU average.

Moreover, there is not even a tendency to reduce this gap. This situation consolidates precariousness in terms of competitiveness of human resources and implicitly, a permanent preservation of a development model based on cheap and unskilled labour.

A significant share of the Romanian population has a low level of digital skills. In the last 5 years we have not managed to reduce the gap compared to the European average.

According to the European Skills Agenda 2020, 70% of the EU population (230 million adults) must acquire basic digital skills by 2025. In the case of Romania, it would mean that by 2025 over 5.3 million people aged between 17 and 74 should acquire digital skills in the next 4 years.

The share of the population in the age group 30-34 years, graduates of tertiary education, is twice as high in the European Union as in Romania, and the gap tends to increase.

The employment rate in the case of tertiary education graduates in Romania is above the European average (although only a small part of them got jobs corresponding to the field of study). The employment rate for those with a low level of education is similar to the European average. However, employment in the case of those with secondary education is significantly lower in Romania than the EU average.

The number of young NEETS seems to resume its growing trend.

Romania fail to stabilize a reduction in the case of this indicator, and this will affect the development potential in the medium and long term.

Romanian authorities do not succeed and they are not preoccupied about stopping the migration of the labour force, especially of young people.

SLOVAKIA

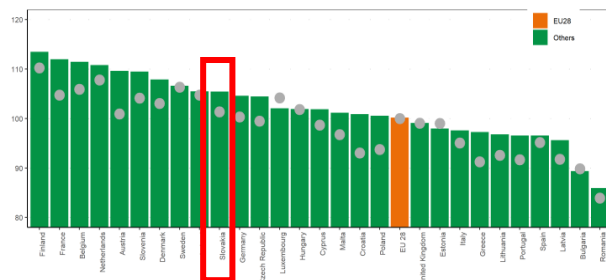
Figure 12: ETUC SDG8 Index – Country scores in 2019 (bars) vs 2010 (dots)



Slovakia has some enabling potential in terms of sustainability but the enabling factors are limited by the poor country performances in the social area and delays in the green and digital transformation. The country ranks below the European average mostly because of limited progresses scored during the last decade in terms of labour market inclusiveness, workers' vulnerability and a production model that is not fully environmental, social and digital friendly.

Some relevant progresses in the well-being (figure 2) were slowed down by weaker performances in the inclusive labour market and notably under the vulnerability of work area (figures 3 and 4). These two weaknesses remain a thread for the sustainable development of the country that has to go through a deep green and digital transformation.

Figure 24: Economic Well-Being – Country scores in 2019 (bars) vs 2010 (dots)



The Slovak Recovery and Resilience Plan should reinforce the positive correlation between goal 8 and reduction of CO2 emissions yet.

Future investments in Slovakia have to focus on quality of work and environmentally sustainable growth otherwise the risk is to deliver a Recovery and Resilience plan that will lead to a non-sustainable economy.

Figure 3: Employment Quality – Country scores in 2019 (bars) vs 2010 (dots)

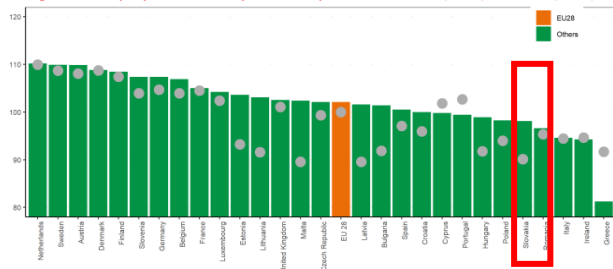
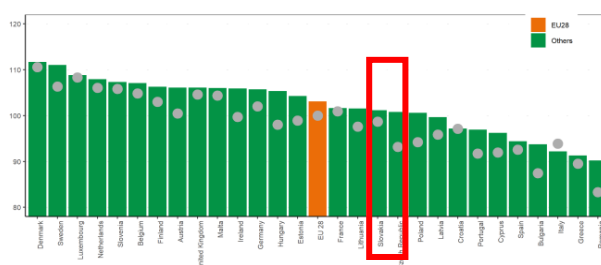


Figure 4: Labour Vulnerability – Country scores in 2019 (bars) vs 2010 (dots)



Still, Slovakia should quickly improve the positive correlation between the decent work and sustainable growth agenda and the digitalisation agenda (measured with the DESI index). Investing in decent work and sustainable agenda, Slovakia should also exploit the strong positive correlation between that goal 8 and goal 3 (good health and well-being).

The ETUC recommends that the Slovak Plan for Recovery and Resilience could take into account the proposal of the Slovak trade unions in order to set the Country amid the best performers in terms of sustainability and in particular:

- Ensuring that the Recovery and Resilience Plan will Improving labour market inclusiveness, removing factors of vulnerability that groups of workers are suffering from;
- Changing the adverse correlation between decent work, sustainable growth and climate change objectives implementing the Green Deal and the Digital Agenda together with the European Pillar of Social Rights
- Reinforcing the digital transformation of the country to create good quality jobs, and reinforcing the link between sustainable growth and decent work agenda with SDG 3 (good health and well-being)

REFORMS AND INVESTMENTS. TRADE UNION PRIORITIES IMPLEMENTING THE RECOVERY PLAN

Slovak TU have three main fields of the necessary reforms and investments:

- change of economy, which means the investment on research and development and education reform; structural reform of tax system and social security system as well;
- climate neutral economy.

Slovak economy is on production maximums and with global changes there is the necessity of economic change pointing to sustainable economy with higher value added. Reforms and investment should be aimed at changes in structure of industry (higher diversification) and technologies.

Main advantage of Slovak industry was (partially still is) cheap labour force and most of production is built on easy assembly operations which is not sustainable. Therefore Slovak economy needs investments to research and development and education reform to secure fluent change in business technologies with appropriate skills of workers.

Slovakia's economic growth has not been sufficiently used for the further necessary transformation of the economy.

In the connection with technological changes, but also in the wake of the pandemic, the changes associated with digitization have accelerated and needed to be addressed. Even before the pandemic, concerns about extreme job losses related to automatization, robotics, etc. were communicated.

Slovakia has a low share of investment in research and development, needs to increase education in technical fields and overall switch to a knowledge-based economy. A unilateral focus on low-innovation industrial production can indeed lead to the loss of routine jobs and, in particular, the inability to transform the resulting vacancy into other jobs.

The pandemic only highlighted these facts and electricized much of the work (e.g. working from home). It is essential to focus on innovation, higher value-added production processes and the development of lifelong learning.

The labour market will change and in order not only to create net job losses but to support the creation of new jobs that can be filled by a skilled workforce, it is necessary to reduce the mismatch between the supply and demand of jobs / positions. The education system does not reflect the requirements of the labour market.

Digitization will only exacerbate this problem unless we start strategically planning labour market needs at this time. So not only how much we need, but also where there are reserves, how to use the unemployed persons, retrain and what kind of workforce to educate. In the context of education, it is necessary to train complex employees, not employees "for one employer and one production line", but a lifelong employee.

Any chosen policies and recommendations should aim at support of the transformation to the knowledge economy, with an emphasis on investment in science and research, where the private sector should also be proactive.

Public investment in new "assembly productions" should be stopped and instead there is an urgent need of an active seek and support of the production with the higher value added.

All named changes lead to a transformation of the public administrations and policies. There is a need of changing the tax mix in favour of lower labour taxation, especially for low-income employees, not only to reduce labour costs for employers, but especially to increase the net income of the population opposite to the disproportionate capital gains.

TU are convinced that the state budget needs to be fulfilled on the revenue side: in particular by continuously streamlining the collection of existing taxes, especially corporate income taxes; as well

as in introducing new taxes on luxury, real estates and further taxation of banks and regulated industries; respectively in the introduction of a tax on natural monopolies, as well as the so-called eco-taxes. The labour tax reform should go in one hand with social security and health contributions. As part of the pension reform, TU would appreciate the strengthening of pensions and third pillar and establishment of the pre-pensions.

MEASURES FOR JUST TRANSITIONS

During the consultations focused on the pandemic crisis and its social and economic impacts at the beginning of the year, TU pointed that we wouldn't accept any "higher flexibility" in the Labour Code. In this situations, there is huge pressure to weaken employees' rights. The same points are relevant to the further challenges.

We believe that the Labour Code is intended to regulate the relationship between the employee and the employer and to protect the more vulnerable part in this relationship, which is the employee.

A favourable business environment, fair competition and job creation should be ensured by the state's economic policy, an efficient judiciary, a guarantee of law enforcement and the elimination of unnecessary administrative burdens.

Helping to employers by reducing employees' rights and facilitating their dismissals has the effect on reducing employers' costs, but it jeopardizes the existence of an employee who is then dependent on state aid and is at risk of the poverty.

Liberalization of labour law, especially in times of crisis, threatens the maintenance of jobs and thus of employment. What TU proposed was to implement the measures which would improve an employees' environment as for example in a field of an enforceability of the labour law, strengthening of employees' status and their representatives and better control of labour inspections.

Promoting decent work is a priority, therefore we expect specific commitments to meet the goal that "the employees have a good job for a fair wage". Combating illegal work, enforcement of the good working conditions, protection of workers and workers' health and work culture should be the priorities.

We point out that the ILO's Decent Work Agenda is based on four basic pillars, namely job creation, rights at work, social protection and social dialogue with gender equality as a cross-cutting objective. The pandemic revealed the low effectiveness of tools to support job retention.

The establishment of an instrument such as the "kurzarbeit" has proved to be a possible and effective tool for maintaining jobs in a crisis situation (also on the basis of examples from various European countries). It will be appropriate to define specific measures to maintain jobs in the longer term, than just in times of corona crisis. At the labour market field and active labour market policies will be also priority to reform the unemployment benefit system and to ensure an effective social network for vulnerable and disadvantaged persons. Work with the unemployed persons and jobseekers should be addressed with an emphasis on the individual approach.

In this context, the issue of reducing working hours is highly actual, because this can be the answer to how to maintain employment when fewer workers are needed. Another effect of the technological changes is the need to define new forms of work. From the point of view of TU, it is necessary that they will be defined with regard to the rights of employees and not only from the point of view of employers as an "effective production factor, which is used as when is needed".

We demand the definition of new forms of employment in order to create decent jobs with sufficient pay. This requires defining adequate protection of employees' rights and ensuring occupational safety and health in these new forms.

BUILDING SOCIAL RESILIENCE WITH STABLE AND PROTECTED JOBS.

Main issue in this topic and these days is strengthen of Social dialogue and involvement of workers (Principle 8). Recently adopted changes in legislations as Labour Code, collective bargaining and national tripartite consultation, weaken the position of workers and their representatives.

Some changes should lead to reduction of recent social protection and gained social benefits on business and national level. Social dialogue on national level is still stopped in Slovakia.

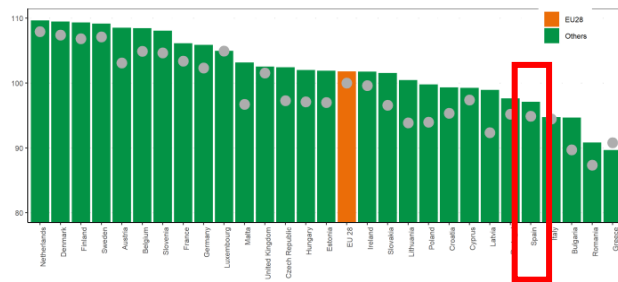
Instead of trying to hear the social partners' voices and their objections, there is a try to change the law and allow unrepresentative social partners to enter the tripartite to secure consensus.

Another weakening of workers position and their representatives is on business level, where is a try to interfere into the right to organize freely. We see the challenge in fulfilment of work-life balance (Principle 9) and gender equality (Principle 2).

Slovakia has huge reserves in gender equality and gender pay gap as well, which is still on the same level and not getting better. Very conservative views on this issue from the side of the Ministry of Labour, Social affairs and Family raise the concerns if there will be any progress. The only change we noticed in this issue was a change in concepts: they don't use common translation of gender equality but there must be used term the equality of men and women. Apart from gender and pay issues, we see challenges at work-life balance through changes in working time, e.g. shortening working hours, building preschool facilities, working from home and etc. We pointed education, training and lifelong learning (Principle 1) in the first box and active support to employment (Principle 4) in the second box. In the field of wages (Principle 6), Slovak workers are still cheap labour force. Therefore we support the Directive on adequate minimum wages in the European Union. As we had experience, national government should easily change every law and only possibility to defend are European institutions, directives or international conventions. Slovakia has also poor collective bargaining coverage, so we hope that directive will be ambitious enough to ensure strengthening of collective bargaining as well.

SPAIN

Figure 13: ETUC SDG8 Index – Country scores in 2019 (bars) vs 2010 (dots)

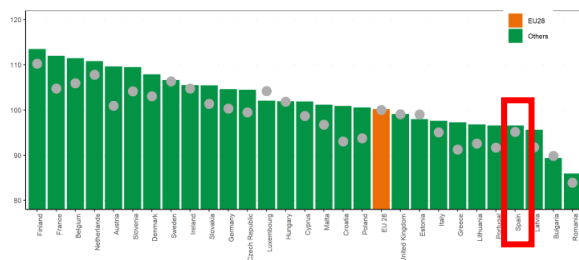


Spain is struggling to catch up with the better performing countries but it is still missing some enabling factors that would set the country development model on more sustainable tracks. The country ranks in the lower part of the sustainability scale with worrying stagnating trends and its economic model shows also some backwardness concerning respect of EU green targets, and public health standards (Goal 3) and digitalisation of the economy.

Low performances in well-being of people (figure 2) are linked with increasing vulnerability of workers (figures 4) and too slow progresses in the labour market inclusiveness area (figure 3). The overall well-being is also threat by poor conditions of health systems and digital backwardness of the country.

Future investments in Spain have to primarily aim at creating quality jobs especially following the digital agenda and creating sound public health systems while sharply improving the inclusiveness of the labour market. The risk is to deliver a Recovery and Resilience Plan that will condemn Spain to suffer from a competitive disadvantage compared to EU partner countries.

Figura 25: Economic Well-Being – Country scores in 2019 (bars) vs 2010 (dots)



suffer from a competitive disadvantage compared to EU partner countries.

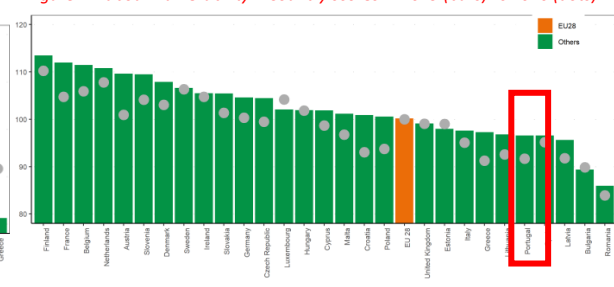
The Spanish Recovery and Resilience Plan should set decent work and sustainable growth agenda in positive correlation with the Green Deal objectives also exploiting the driving power of Goal 8 on digitalisation of the economy and society (measured with the DESI index). Investing in decent work and sustainable agenda, Spain should also

invert the poor correlation trends between goal 8 and goal 3 (good health and well-being).

Figure 3: Employment Quality – Country scores in 2019 (bars) vs 2010 (dots)



Figure 4: Labour Vulnerability – Country scores in 2019 (bars) vs 2010 (dots)



The ETUC recommends that the Spanish Plan for Recovery and Resilience could take into account the proposal of the Spanish trade unions in order to set the Country back to the sustainability track and in particular:

- Ensuring that the Recovery and Resilience Plan will continue creating quality jobs especially in the public health system and investing in digital economy;
- Improve well-being of the population creating inclusive labour markets and removing factors of vulnerability of workers.
- Building on the currently neutral correlation between decent work, sustainable growth and climate change objectives, implementing the Green Deal and the Digital Agenda together with the European Pillar of Social Rights

REFORMS AND INVESTMENTS. TRADE UNION PRIORITIES IMPLEMENTING THE RECOVERY PLAN

Inputs from the CCOO

CCOO has produced a detailed proposal on the use of the funds from the Recovery and Resilience Mechanism and the EU React, both of them included in the EU Next Generation fund. CCOO is deeply convinced that this use should be accompanied by a tax reform to bring the tax burden in Spain in line with the EU average. The Spanish Plan must focus on strengthening public services. Firstly, because of their deterioration as a result of austerity policies; secondly, because the small size of companies forces the public sector to assume greater responsibilities; and finally, because the State has to assume again its role as a redistributor of wealth. The CCOO proposal has five main axes: 1. Plan for the prevention and fight against pandemics and health risks among other measures includes strengthening systems of care for dependent persons, nursing homes or primary health care. 2. Plan for an equitable, quality, inclusive, digital and connected school: reduction of the student/teacher ratio; digitalization of educational centres; increase of scholarships for the most vulnerable families. 3. Strategy for the promotion of sustainable and safe public transport and mobility: purchase of low-emission equipment and recruitment of staff. 4. Boosting basic public research: increase in R&D funds to set up a public technology and health supply company. 5. Digitalisation of public administrations and the rural environment: extension of the cable network; increase resources to combat tax fraud and labour offences.

Inputs from USO

The next few years will be determined by the resolution or coexistence with the pandemic. In any case, the pan-European positions are decisive. Internal market, taxation and common budget, improvement of productivity, training, ecological transition.

Each of the above elements has a development: Ecological transition, reduction of CO2: investments in housing rehabilitation, promotion of renewable energies, energy saving; self-consumption; rail transport of goods; promotion of public transport; electric petrol stations; power points; water treatment; reforestation. Promotion of the production of computer equipment and communications; strategic materials.

Industrialisation in general -Pan-European taxation: starting with digital companies and sales tax; development of a common tax base and minimum corporate tax rate; tax on financial transactions; European agreements against tax evasion and avoidance.

-European multiannual budget, with some income from personal taxation, as a formula for membership of the European area; spending programmes to alleviate the effects of pandemics, e.g. unemployment benefit; mechanisms for payment of debt according to relative wealth. European mutualisation of policies, based on a mix of income, population: investment, unemployment, R&D. European sustainable investment plan. Maintenance of European and cohesion funds. Metering of the reduction in the public deficit over time. -Homologation of qualifications; different school and work schedules between regions and countries to diversify the time spent on domestic and foreign tourism; In Spain, there is a structural problem of unemployment and low activity rate (58.7 4Q2019).

A) The promotion of employment in an efficient way has to be based on improving the productive fabric, the growth in the size of companies and R&D. At the same time, it is necessary to improve the contractual capacity of workers by modifying labour standards that prevent the growth of wages and the formalisation of working time

b) Modify the labour norms of the previous government so that the sectorial agreement is preeminent over the Company agreement; Eliminate the legal vacuum, establishing the validity of the last labour agreement, removing the possibility of ultra-activity.

c) Inspection of working hours and specifically part-time employment. It will improve overtime rates and reduce fraud.

d) Equalize labour standards in the workplace and companies to avoid spurious outsourcing or subcontracting. Reform of subcontracting companies. National legislation for multinational companies, even if their workers have employment contracts in the country of the headquarters (Ryanair)

(e) Replacement of public employment, on a selective basis.

f) Greater coverage for unemployed workers. Social benefits for the long-term unemployed as a right. Reform of social allowances for new hiring. Reduction and, in any case, that they be financed via taxes and not dependent on the social contributions of active workers.

(g) Improved employability policies: Youth plan. Development of dual training; employment-oriented training.

Reduce the number of children in a four-year plan.

Eradicate the figure of the worker-scholarship holder.

Plan for those over 45-65 years of age.

Long-term specific.

Development of local initiatives and possibility of employment quota in public procurement. Plan for equality in the selective rules of job offers to reduce 'gender' jobs.

Active public employment services.

Comprehensive plan against poverty

Input from UGT

- Approving a Sustainable Mobility Law which specifically impulses the implementation of mobility plans in companies
- Promote rural development, though the diversification of activities within local economies and increasing consumption of proximity.
- In the frame o the recently approved National Strategy for Circular Economy, to develop specific circular economy measures and waste management at a company level with the participation of the workers through collective bargaining, with the inclusion of specific clauses in collective agreements
- Promoting the “Green Public Procurement”
- Fostering and supporting just ecological transition in areas such as renewable energy, energy efficiency, electrification of mobility and public transport, housing renovation, etc.

MEASURES FOR JUST TRANSITIONS

Inputs from CCOO

After almost 10 years, the parliamentary committee for monitoring the Toledo Pact agreements has been able to reach an agreement by which the recommendations are renewed. On this occasion, in addition, recovering a level of political consensus that had not occurred since 2003 and that has enabled the support of practically 80% of the parliamentary representation. Once again, the substitution of the pay-as-you-go system for another funded system is rejected, and the principles of the system are reaffirmed: universality, unity, solidarity, equality, and sufficiency. The parliamentary conclusions propose a broad repeal of the most regressive elements of the 2013 Pension Reform, although not all. It expressly recognizes that the Revaluation Price Index (RPI) approved in 2013 "does not enjoy sufficient political and social consensus." The annual revaluation proposed will be based on the real CPI. The Sustainability Factor imposed in the 2013 reform has not been the subject of any recommendation by the parliamentary committee. The effects of digitization are not predetermined only by the characteristics of the technology but also by other types of structural factors -economic, formative, social, institutional, cultural-, as well as by the strategies adopted by the actors involved in this process. Public policies can and should regulate the pace of incorporation of new technologies, coordinating the promotion of the digital economy with policies for the promotion of the circular economy and equal opportunities and integrating the social, environmental and economic dimensions.

It is crucial to emphasize that the involvement of the trade unions is a necessary condition for the democratic government of the transition processes to the digital economy and society. The decline in this participation, due -among other causes- to the marginalization or erosion of both bipartite and tripartite social dialogue, lays the foundations for a technocratic governance of digitization, with very negative implications for people's living and working conditions and for the democratic health of European societies. Therefore, we propose to strengthen union participation -through the reinforcement of social dialogue and collective bargaining- with the aim of promoting a just transition to digitization, which favors an inclusive transformation in terms of employment and working conditions, and contributes to prevent and mitigate the risks of segmentation and social exclusion.

Inputs from USO

A) From USO we value positively the action of the Ministry of Ecological Transition. There are embryos of development of alternative plans, with new activities and companies, at the closure of the coal mining basins and associated thermal power stations. There is a need to standardise the situation of the workers in the subcontractors and auxiliaries of these companies, and for the generation of wealth to be equal to the previous situation. Spain is highly dependent on fossil energy. All plans for energy saving and for the transformation of production and consumption habits are necessary. Gradual alignment of (lower) diesel taxes with petrol. With the crisis we must do it gently

Improvement of electricity and gas connections with Portugal, France and Morocco

-Rehabilitation of housing.

-Encourage the promotion of social housing for rent. -Freight transport by rail. -Renewable energies; self-consumption

-Integral water treatment. Reforestation, soil care

-promotion of the circular economy and waste minimisation

B) Development plan and digital training

.-Production of terminals, desktop computers, tablets, etc.

-Development of applications.

-Fiscal equalisation for digital and analogue companies.

-Development of teleworking.

C) Improvement of regional employment and communication services of the databases. Modification of collective bargaining laws. Increase in labour inspection, part-time; formalisation of contracts, remuneration, pay and amount of overtime. Dual vocational training; Recruitment and remuneration of graduate labour practices Penalisation of temporary contracts; Public job offers to reduce temporary work in administrations.

D) Increase in the tax burden in Spain, with improved progressivity and the fight against tax fraud and avoidance. Other elements already explained in point 1 with regard to collective bargaining legislation.

Inputs from UGT

- Approving the Just Transition Strategy.
- In a wide strategy oriented to protect the biodiversity fostering activities as ecological agriculture and animal husbandry; care and cleaning of forests; surveillance of natural spaces; recovery of species and degraded areas and protection of threatened or endangered species
- Reorienting the current Strategic Tourism Plans towards the promotion of the development of rural areas and local commerce, in turn promoting a circular, green and local economy.
- Launching new income systems for those workers who cannot adapt to the double transition, for example by creating a technological unemployment fund.

BUILDING SOCIAL RESILIENCE WITH STABLE AND PROTECTED JOBS.

Input from CCOO

The economic and social measures approved in Spain for the current health crisis are on the right track, although they are less ambitious and redistributive than the serious situation requires, mobilizing a lower volume of public spending than in other European countries to deal with the pandemic and its consequences, and trusting everything to a large extent to offer guarantees and provide liquidity to companies and owners. The answer cannot be only national and the European Union must play an active role. The EU Recovery Plan after COVID19 presented by the European Commission contains positive elements, although a higher volume of funds would have been necessary. Main Union proposals Promote the development of a new economic model based on social sustainability, productivity and added value. Efficient use of public resources that helps to recover internal demand, sufficiently increasing public investment and redirecting it towards improving the quality and technological content of companies in order to create quality employment. Combat the precariousness and poor quality of employment through measures such as: fight against temporary hiring in fraud of law and stop the extension of very short-term contracts; favour measures of internal flexibility negotiated as a way to adjust to economic cycles. Develop coordinated and integrated employment policies with a gender perspective, which favour the employability of people and improve in the medium term the results of active policies in the field of training, linking this to public investment in the sectors that should be the driving force of the ecological transition of the production model. Definitively break inertia and articulate investment policies and programs, making use of public resources. The integration of active policies with those of social protection has been conditioning their care approach, confusing their objectives of guaranteeing the right to orientation, training and employment support to improve job placement.

In the programs in the field of employment and training that are being developed in our country, there is a focus on the objectives and priorities of the SDGs of the 2030 Agenda (especially objectives 4 and 8) and on the Pillar of social rights (especially political objective 4), now it is necessary to verify that concrete budgetary efforts are dedicated.

A significant effort has been made in terms of benefits during the pandemic in 2020 and some of the existing benefits have begun to improve, such as the subsidy for people over 52 years old, but it is necessary to continue making progress, especially in the contributory segment for the excluded groups (domestic workers) but also in the non-contributory system (temporary agricultural workers), and for long-term and very long-term unemployed, with the aim of eliminating these problems. Unemployment protection in Spain, being relevant, has suffered cuts in successive crises and presents coverage gaps that must be corrected.

It is necessary to address the reform of the unemployment protection system to provide an immediate response to the hundreds of thousands of unemployed people who lack protection, before and after the pandemic, and to eliminate the existing coverage gaps. The bill derived from the Popular Legislative Initiative promoted by the majority union organizations is still pending processing in the General Courts. All these economic protection measures for unemployment must be accompanied by individualized itineraries for labour insertion, within the framework of effective and coordinated active employment policies between the different administrations involved.

The approval of the Minimum Vital Income in Spain is a milestone in terms of minimum income, not without problems. The restrictions and excessive requirements, a consequence of the self-imposed budgetary restrictions in its genesis, as well as the foreseeable competence problems that derive from its design as it has been configured as a service aimed at groups coinciding with those of the autonomous communities make their extension still uncertain and, of course, incomplete. In any case, the creation of a protection network against poverty and social exclusion, for the entire territory, with common coverage and extension criteria, in the form of guaranteed minimum income, is a good step in the right direction.

Inputs from USO

Educational support to achieve a reduction in school drop-out and failure; recovery of young people, NEET, is a priority.

Continuous training for workers can be of better quality, in line with an improvement in qualifications and career paths.

Reconversion of graduates with higher qualifications to those in demand.

Recovery of young researchers.

Wage conditions set in sectoral agreements for subcontracted or multiservice companies.

Social policies or policies to cover dependency expenses, subsidised pensions, etc. should not depend on the social contributions of active workers, but should be carried out at the expense of taxes, so as not to tax labour.

The improvement of social dialogue and collective bargaining must come from a modification of labour laws in the sense that sectoral collective agreements take precedence over company agreements, retroactivity is eliminated and subcontractors or multi-service companies are regulated by putting their working conditions on an equal footing with those of the contracting companies.

The minimum wage is 60% of the median wage.

Labour inspection to monitor compliance with measures and laws.

Rejuvenation of public employees and avoidance of precariousness with temporary and interim contracts.

Inputs from UGT

- Developing a National Plan for Technological Inclusion, of a transversal nature and on which the digital inclusion of all citizens gravitates.
- Reforming the regulated Academic Education (primary, secondary, university and VET) to the demands of the job market and of a highly technical society.
- Reforming the Active Employment Policies, improving the occupational training, in the direction of creating or upgrading the digital skills in the unemployed workers..
- Recover in the Collective Bargaining the need to make a memory of impact on employment when work automation processes are introduced.
- Create and enforce the Right to lifelong training in the workplace, as a tool for development, employability and adaptation of workers to technological change.

Medium-term action proposals:

- Gradually reduce working hours and working life as employment becomes automated, setting a double objective: a working week progressively decreasing to four-day weekly hours and a working life of each individual which would be less than 40% of their biological life.
- Promoting employment in those sectors that would directly benefit from the reduction in working hours, such as those related to health and care, leisure and ecology.

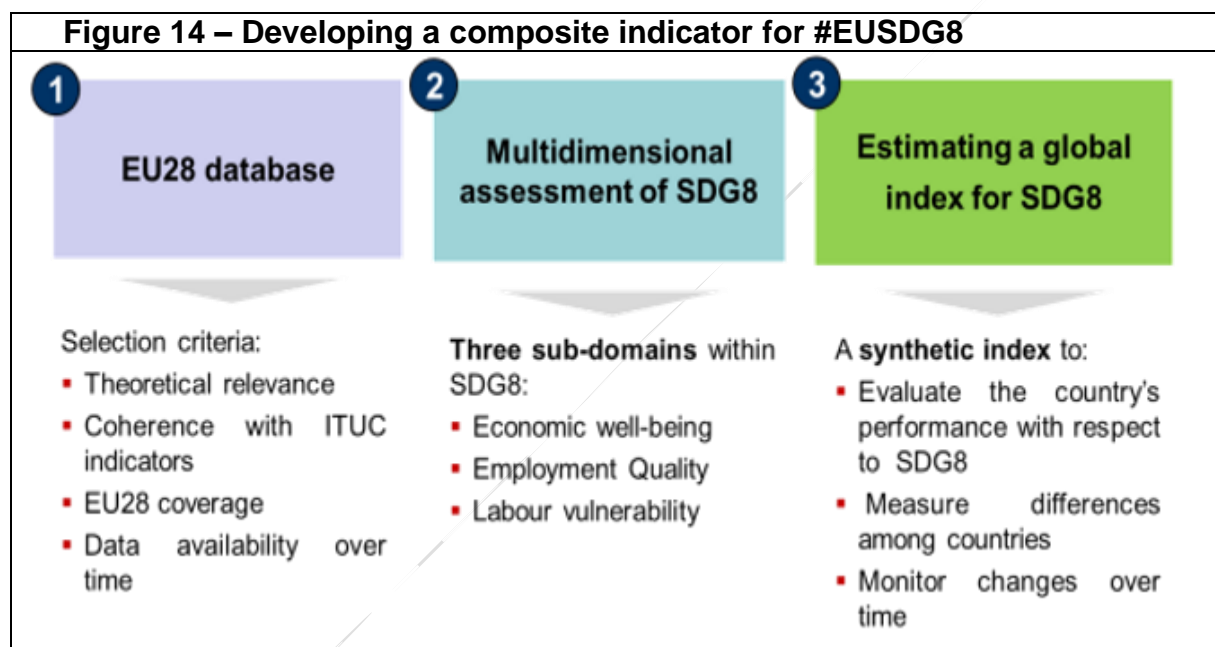
Long-term action proposals:

- Redistributing the increase in the efficiency of production by machines developing new systems for the distribution of business profits through new taxes associated with new technologies and the machining of work.

ANNEX 1 The methodology of the ETUC's Sustainable Growth and Decent Work Index (#EUSDG8 i)

(Abstract. The full report is available [here](#))

Achieving decent work is a multidimensional goal that recognizes the importance of several aspects connected to economic performance, labour market output and outcomes. Therefore, an effective monitoring of SDG8 must be developed considering these different dimensions which usually show a significant level of heterogeneity among EU countries. Understanding the source of this heterogeneity is key to address countries' specific performances on the domain of SDG8 and, as a result, to better identify the policies needed at country level to ensure a full achievement of Goal 8. At the same time, it remains important to have a synthetic representation of the current condition of each country with respect to SDG8. For this reason, the methodology adopted in this report is based on the three-step approach that is illustrated in the following figure.



The #EUSDG8, in coherence with the ITUC–SDG8 composite indicator, divides the multidimensionality of Goal 8 into three subdomains each corresponding to a sub-composite indicator: economic well-being, employment quality and labour vulnerability.

[...]

As previously discussed, SDG8 can be considered a multi-dimensional Goal that simultaneously addresses different domains related both to economic performance and labour market output and income. Countries which show good performance in one dimension do not necessarily have the same positive outcomes in the others. For example, robust economic growth (or even productivity growth) alone cannot guarantee an inclusive and efficient labour market or labour conditions that are fully compliant with international standards for labour rights.

Table 1 – Elementary indicators selected for the composite indicator

Code	Name	Unit of measure	Polarity
Economic well-being			
A01_tertiary	Tertiary educational attainment	% of population aged 30 to 34	+
A02_sme	Proportion of small-scale industries in total industry value added	%	+
A03_gdpgrw	Real GDP growth rate	% change on previous period	+
A04_gnicapita	GNI per capita, PPP	current international \$	+
A05_poverty	People at risk of income poverty after social transfers	%	-
A06_bottom	Income share of the bottom 40 % of the population	% of income	+
A07_workpov	In-work at-risk-of-poverty rate	% of people aged 18 and over	-
A08_wboard	Positions held by women as board members	% of positions	+
A09_socialp	General government expenditure by social protection, health and education	% of GDP	+
Employment Quality			
B01_employ	Employment rate	% of population aged 20 to 64	+
B02_Collect	Collective bargain coverage	%	+
B04_outwork	Annual growth rate of output per worker	% of GDP in constant 2011 international \$ in PPP	+
B05_varlab	Labour income share as a percent of GDP	%	+
B06_empgap	Gender employment gap	Percentage points	-
B07_longunmp	Long-term unemployment rate	% of active population	-
B08_slack	Labour market slack	%	-
B09_empgrad	Employment rates of recent graduates	% of population aged 20 to 34	+
Labour Vulnerability			
C01_fatal	People killed in accidents at work	number per 100 000 employees	-
C02_poor65	People 65 and over at risk of poverty or social exclusion	% of people 65 and over	-
C03_neet	People neither in employment nor in education and training	% population aged 15-29	-
C04_invptime	Involuntary part-time employment as percentage of the total part-time employment	%	-
C05_vuln	Vulnerable employment	% of total employment	-
C06_temporay	Temporary contracts for people aged 20-64	% of total employment	-
C07_paygap	Gender pay gap in unadjusted form	% of average gross hourly earnings of men	-
C08_inactive	Female/male ratio of inactive population due to caring responsibilities	f/m ratio of inactive population aged 20 to 64	-
C09_LLL	Adult participation in learning	% of population aged 25 to 64	+

Source: ASviS

The indicators selected for #EUSDG8 were divided into three main sub-domains:

- 1) Economic well-being: includes indicators related to economic performance and living standards, such as: per-capita growth, financial services inequality, poverty.
- 2) Employment quality: includes indicators related to labour market output, such as employment and unemployment rate, labour productivity, income share.
- 3) Labour Vulnerability: includes indicators related to labour market outcomes, such as fatal injuries, the number of NEET, time-related unemployment rate, vulnerable employment.

Three composite indicators were developed to monitor the level of achievement of the three dimensions for the EU countries and to study the relationship between these dimensions.

The selection of elementary indicators to be included in the composite indicator is the result of a delicate balance between the indicators considered relevant from the theoretical point of view and the availability of data. Table 1 above lists the elementary indicators selected for the three domains. In addition to those listed in the 2030 Agenda, other indicators were included to better identify the sub-dimensions of SDG8. For the Economic well-being dimension, the proportion of small-scale industries was included considering the relevance of SMEs in the process of job creation, while the government expenditure for social protection, health and education was included as a proxy for welfare.

[...]

The Employment quality dimension also includes the indicator on the annual variations of the labour income share as a percentage of GDP because it is included in the Decent Work Agenda and is therefore particularly useful for the purposes of our analysis, especially to cover Target 4 of SDG 10 “Adopt policies, especially fiscal, wage and social protection policies, and progressively achieve greater equality”. The average annual variation of the labour income share is used as proxy for the dynamic relation of compensation among production factors.

The Labour vulnerability dimension includes two additional indicators: vulnerable employment as a percentage of total employment and involuntary part-time employment. Both indicators can be helpful in explaining whether economic systems reach high levels of employment through vulnerable jobs. The indicator measuring the frequency rates of fatal occupational injuries is also key for this dimension, as “occupational health and safety” (OHS) is one of the most relevant outcomes of the Declaration on the future of work that was recently approved in Geneva at the International Labour Conference, which stated that OHS should become a fundamental standard. Unfortunately, the most recent available data concerned the year 2018, so we had to impute the 2019 data. The specific pre-treatment data procedures and the composite methodology used to estimate the composite indicators are described in Appendix C.

The three composite indicators for the sub-domains are used to estimate a composite indicator for #EUSDG8 with the aim to provide a quick and concise monitoring of Goal 8 over time for the EU28 countries and to compare the level of achievement of SDG8. The composite indicator ranges between 70-130 and the EU28 average is set to 100 for the year 2010. The interpretation of the results of the composite indicator is therefore quite straightforward: a country having a value over 100 performs better than the EU28 average in 2010, whereas the contrary is true for countries with a value below 100.

[...]

[Download](#) the full Report







ETUC - European Trade Union Confederation
CES - Confédération européenne des syndicats

Boulevard du Roi Albert II, 5
B - 1210 Brussels
Tel +32 (0)2 224 04 11
E-mail etuc@etuc.org
www.etuc.org

With the financial support
of the European Union

