EUROPEAN SEMESTER 2020

ETUC REPORT

TRADE UNION PROPOSALS FOR

COUNTRY SPECIFIC RECOMMENDATIONS

2020
FOREWORD

This report brings together proposals for country specific recommendations proposed 26 ETUC members from 19 EU countries. We ask the European Commission and the Council to take them into due consideration or to explain why in case they do not.

The broad economic guidelines and the country reports for the European Semester 2020 have been made obsolete in view of the coronavirus outbreak. Social dialogue is key to build measures to protect employment during the COVID-19 crisis. Country Specific Recommendations (CSR) should promote social dialogue, especially in countries where trade unions have highlighted the lack of involvement of the social partners.

CSRs should refrain from assessing the fiscal position of the member state and concentrate on measures that are most needed to ease people's suffering and start a sound recovery of the EU economy. Fiscal stimulus is key in this regard. Measures such as Eurobonds are expected to launch a new era of the EU integration process. The recovery should be driven by a coherent EU-labelled investment plan.

Investments are at the core of the trade union demands. The hope that a wider understanding of the importance of public investments has now been recognised by EU and national leaders. Health care tops the list of investment priorities (see paragraph below). Nonetheless, trade unions focus also on digitalisation & broadband, R&D, transport of goods, public services, welfare, education & training. Green investments must not disappear from the radar. On the contrary, the Green Deal should still drive green, environmental and circular economy investments. Trade unions expect that investments will spread immediate positive effects on employment, private investment, productivity and potential output.

It is imperative to have effective measures that reinforce health care. In 2019, the ETUC spoke out (unfortunately to deaf ears of national governments) on the weaknesses of European health systems and urged for remedial action. The Covid19 crisis clearly demonstrates the need to promote the universal, public provision of social services. As can be seen in this set of trade union proposals, the need to increase access to and the quality of healthcare is a priority. This can be done by investing in public, non-profit systems, and in qualified and well remunerated staff, who are able to cope with the population needs.

Work must already start now in order to ensure a fair and inclusive recovery post COVID-19 crisis. This includes addressing mistakes of the past, such as harmful decentralisation of collective bargaining. Ensuring full respect of workers’ and trade union rights and strengthening social dialogue at all levels should be supported and reinforced. In particular, sectoral collective bargaining should be promoted to improve working conditions and wages as well as to facilitate sector specific solutions and increase resilience within the labour market. Wages in particular should not remain stuck in cost-based competitiveness. Furthermore, CSRs should seek to take advantage of the positive correlation between wage and productivity gains. Evidence shows that trade union wage demands correlate with more resilient economies.

Coverage, effectiveness and adequacy of social security benefits must be boosted, especially for groups at high risk of poverty, such as precarious and self-employed workers, and those exposed to unemployment. Decent minimum levels of income and social benefits must be guaranteed to all. Trade Unions reiterate the need to undertake long-term and forward-looking reforms and state investments in education, training, social infrastructures, active employment policies, as well as in just transition towards a low carbon and a more environmentally sustainable economy. Fiscal resources are crucial for the financing of a high level of social protection and quality public services. The adoption of radical redistribution policies is recommended, especially fair revisions of wage, contribution and taxation policies, as well as combatting undeclared work and the informal economy.

Tax justice is one of the most frequent topics addressed by Trade Unions. Increased progressivity on personal income taxation (including capital and real estate’ gains), shifting the tax burden in favour of environmentally related taxation, improving tax collection and enhance the fight against tax evasion and tax avoidance, are considered the main priorities.

It is time to reverse the overused flexibility of the labour market. Several trade union proposals have the objective of improving efficiency of labour market and addressing country specific challenges, such as public employment services for quick transitions or penalising temporary contracts.
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In view of the current crisis, the EU Commission should not make any country-specific recommendations to the Member States. Recommendations such as reducing deficits or raising the retirement age would only exacerbate the crisis. Economic governance should not only be reconsidered against this background.

Joint European measures to ensure liquidity are urgent - to establish a Fund on the basis of the Marshall Plan (a kind of bank like the ERP Fund in Austria in the past) with sufficient funds for working capital loans. It is not just a question of humanity, the economic stabilisation that is being sought is also in everyone's financial interest.

=> In this sense, long-term low-interest loans should be made available "as a gift" for Italy and Spain.
=> so no problem by rating agencies.
=> An independent committee should decide on the allocation (as for Austria the Americans decided first, so that capital did not arrive wrong).
=> provide funds from the European and national budget
BELGIUM

ACV-CSC ABVV-FGTB & ACLVB-CGSLB

RECOMMENDATION 1

The social security system is facing unseen pressure, while many people can’t get the necessary coverage. Hence we urge for:
- A guaranteed financing of the social security system after 2020 by the federal government, through a guaranteed balance dotation, covering the gap in the social security budget.
- A larger coverage of adequate social security benefits for all workers, with special attention for freelancers, platform workers, temporary workers and part-time workers. This needs to be fulfilled in an ESPR-conform way.
- Restore the level playing field on the labour market, by abolishing different market-distorting systems such as the flexi-jobs and the platform workers schedule.

RECOMMENDATION 2

Reform the tax system in order to provide fair taxation on all taxable income. Make sure that tax incentives support the Green Deal. Treat all kinds of capital income on an equal foot:
- rent taxation should be based on real rent income with deduction of costs. This will boost energy-saving investments.
- tax capital gains on real estate, financial assets and financial funds.
- screen critically all kinds of tax deductions in order to expand the tax base; mitigate and green the company car system Reinforce the progressivity of the tax system for all kind of income in order to support aggregate demand as a motor of economic recovery.

RECOMMENDATION 3

Ensure that a broad discussion is held on the social added value of sectors in society that were identified as ‘crucial’ during the COVID-19 pandemic. Implement policies that guarantee the necessary investments in these sectors - both in infrastructure and working conditions - for the future.
BULGARIA

CITUB

RECOMMENDATION 1

In response to the CORONA-crisis government should maintain and strengthen the 60/40 scheme and the part time work scheme providing a proportionate compensation to workers suspended from their job or for their lost income as a result of the reduced working hours.

RECOMMENDATION 2

Upskilling measures must be undertaken in preparing the workforce to changes in labour market needs, facing the challenges of the digitalization and improving the flexsecurity of workers in the labour market transitions. Social partner have to be involved in the elaboration and implementation of the measures.

RECOMMENDATION 3

Improving the capacity of the tax and benefit system to reduce income inequalities, the rate of the population living at risk of poverty or social exclusion and the working poor.
RECOMMENDATION 1

The current coronavirus-related situation has significant implications for public budgets. In the event of emergencies - a state of emergency or a significant economic downturn - even under current legislation, spending can be increased. However, there will be a need for increased expenditure to support the economy in the next few years. It is therefore necessary to change the policy of government to reduce deficit, and to relax the general fiscal rules - deficit, growth in expenditure over a longer period of time (EU rules). The rules on EU structural funds should also be more relaxed. The possibilities for increased EU financial support should be discussed.

RECOMMENDATION 2

In the current situation, government 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 a long time. 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 short-time work compensation scheme (e.g. Kurzarbeit) with simple rules. The government must ensure that the law-in particular the Labour Code-is respected in this time. The role of trade unions should be strengthened - in OSH (including hygienic regulations).

RECOMMENDATION 3

CMKOS continues to struggle for eradication of tax system distortions. In view of the current situation and the associated costs, it is necessary that all economic entities must equally and fairly share the costs. We have been calling for increase of certain types of taxes - especially property taxes. Tax money should also be used for investment. The government needs to significantly increase investments - not only in basic infrastructure (e.g. transport, internet), but also in social investment (e.g. in social and health services).
DENMARK

FH

RECOMMENDATION 1

The economic consequences of the Coronavirus will be dire. The Danish economy is likely to see a fall in GDP this year. However, Denmark have strong public finances and a surplus on the state budget. Denmark has the necessary ammunition to put the Danish economy back on track. Denmark should take measures to increase public investments in order to prevent a time of austerity like what happened after the financial crisis.

RECOMMENDATION 2

Denmark should secure continuous investment and focus towards the share of youth starting a VET programme directly after compulsory school. The supply of vocational education and training is crucial to meet labour market needs, but participation remains low. In 2019 20,1 pct. of the youth started a VET programme, which is significantly below the national target of 30 pct. in 2025.

RECOMMENDATION 3

Denmark should take measures to increase investment in both the public and private sectors. For example there is a need to speed up climate and energy renovations, infrastructure projects and investment in the education, social, health and care sectors. The importance of such investments are crucial measures to support employment and the Danish welfare system. An expansive fiscal policy is important in order to secure a robust and just recovery from the COVID-19 crisis.
Issuing a European common debt instrument, such as corona-bonds. This scheme will be effective particularly if it focuses on preserving peoples jobs, by providing support to short time working arrangements and income compensation for workers suspended from their job.

Finland has taken exeptional measures in order to control the epidemic, ensure the continuity of corporate performance as well as livelihood of Finnish citizens. It’s important to proactively anticipate the economic climate and increase fiscal stimulus when necessary. Measure that could be considered to sustain the solvency of the people is increasing unemployment daily allowance temporarily. After the crisis increasing demand with fiscal stimulus will be important. That could be done by manipulating taxes. Also long term stimulus via investments to technology, healthcare system, training, education and green transition is crucial for the economic wellbeing.

Finland needs to focus on developing employment services to ensure timely and efficient labour market policies with sufficient recources. Improving re-training possibilities and investing in education is crucial after the crisis given the need for new skills and just transition.
Issuing a European common debt instrument, such as corona-bonds, to support the scheme for unemployment reinsurance at European level. This scheme will be effective particularly if it focuses on preserving peoples jobs, by providing support to short time working arrangements and income compensation for workers suspended from their job.

Repenser le système de santé et d'attention aux personnes âgées et vulnérables de manière à le doter de moyens en installations, matériel, personnel formé et polyvalent, pour faire face à des crises sanitaires graves.

Notamment en constituant des réserves de sécurité en consommables, médicaments et budgétaires, ainsi que des filières de production contrôlées et coordonnées au niveau européen. Les moyens de prévention doivent concerner le fonctionnement économique essentiel en cas de crise, et les métiers correspondants doivent être revalorisés. La définition des filières stratégiques à contrôler, ainsi que celle du fonctionnement économique essentiel seront à préciser en envisageant d'autres crises. La mise en place doit se faire en étroite concertation avec les partenaires sociaux.

Établir un plan d'action à long terme pour le financement d'un niveau élevé de protection sociale et de services publics de qualité. Garantir :
- Des prestations sociales décentes pour la durée nécessaire : pensions, allocations de chômage, congés d'indisponibilité ;
- une couverture générale de tous les travailleurs, quel que soit leur statut ;
- un système garantissant un revenu décent et des prestations fondées sur la solidarité nationale pour tous ceux qui se trouvent en situation d'exclusion ;
- la mise en place d'un réseau suffisamment dense de services publics de proximité.
La mise en œuvre de ces mesures doit également se faire en étroite concertation avec les partenaires sociaux.

FO

RECOMMENDATION 1

Launching a comprehensive economic stimulus in order to mitigate the economic and social consequences of the COVID-19 on workers especially in support of maintaining and creating quality jobs but also to uphold their purchasing power. This economic stimulus must be linked to massive public investments especially in public infrastructures to strengthen the French public health and education systems and the employment public services but also to close the digital gap across French territories. Specific attention to ultraperipheral French territories must also be addressed. Issuing a European common debt instrument, such as corona-bonds, could also be considered.

RECOMMENDATION 2

Protecting the right to collective bargaining in light of concerns regarding the growing refusal administrative extension of sectoral collective agreements that threatens the high level of coverage of collective bargaining. The right to collective bargaining must be extended to non-standard workers and bogus self-employment - in particular for platform workers must be addressed to guarantee the effective exercise of individual and collective rights like any other employees. Income support and maintaining net wages at 100% in the framework of the short-time work scheme is key to uphold the purchasing power of workers key to relaunch the economic activity through consistent demand.

RECOMMENDATION 3

Protecting the health and safety of workers in every sector through effective prevention measures and the reinstatement of a separate employee representative bodies with sufficient means and the full involvement of workers representatives to address OSH in the workplace. Collective agreements must be promoted at the workplace in the respect of the principle of favourable disposition and the ongoing negotiation between social partners on digitalisation linked to OSH at national level must be respected. European and International legal obligations in terms of working and rest time must be respected to avoid further risks of exhaustion and pressure on the health of workers.
GERMANY

DGB

RECOMMENDATION 1

We need a common debt instrument, such as corona-bonds, so that the euro countries jointly guarantee the required rescue/recovery/stimulus measures to save peoples' lives&jobs in face of the corona pandemic & to avert another euro crisis.

The crisis not only shows the necessity for financial assistance to MS in mitigating unemployment - be it through short time allowances or assistance to unemployment benefits. It also proves that it is time for the introduction of a permanent unemployment reinsurance fund at European level, coupled with binding social minimum standards for national unemployment insurance schemes, in order to be better prepared to the forthcoming crises.

RECOMMENDATION 2

The current crisis shows once again the need of a state that is capable of acting to cushion shocks & reliable infrastructures, be it in health care, the broadband or the transport of goods and people & strong welfare states. The DGB agrees with the Commission's call for more public investment. The government must pursue a demand-oriented approach.

Although we take a positive view of the increase in public investment activity 2019, the additional public investments initiated by the Government are not sufficient to ensure economic sustainability & social cohesion. Investments in infrastructure will only work w/ more, well-trained & well-paid staff w/ good working conditions.

RECOMMENDATION 3

German Health care system

End duality of health care system by merging both into mandatory citizens insurance to reduce incentives to prefer certain groups of patients&foster the overall economic basis of health care system.
Establish network of med provision cent run by non-profit based, public health insurances, ensuring comprehensive availability of primary medical care while offering jobs for doctors & practitioners who don’t wish to work as self-employed.
Promote cross-sector medical care reforms, linking primary medical care stronger w/ other branches
Prohibit profit-interested investments of private or institutionalized branches
Significant valuation (work conditions, payment) of jobs
GREECE

GSEE

RECOMMENDATION 1

Issuing a European common debt instrument, such as corona-bonds, to support the scheme for unemployment reinsurance at European level. This scheme will be effective particularly if it focuses on preserving peoples jobs, by providing support to short time working arrangements and income compensation for workers suspended from their job.

The tax relief planned in 2020 state budget is welcome. Nevertheless, its growth impact would have been far greater if such measures have aimed at increasing households rather than firms disposable income, given households higher propensity to spend and would also make a positive contribution to government revenues as well as to financial stability.

RECOMMENDATION 2

Reviving real investment represents a highly relevant and urgent policy priority: 1. increasing wages and households disposable income and improving employment conditions with a view to boosting both consumption and investment demand and thus GDP growth. 2. resolving the problem of non-performing loans (NPLs) 3. incentives for green investment in a broad range of activities especially in high productivity sectors. 4. Fourth, reviving public investment in green and sustainable infrastructure, environment and social protection given its immediate positive effect on employment, private investment, productivity and potential output.

RECOMMENDATION 3

Comprehensive reform of labour market institutions geared towards increasing employees income, shaping better and more safe working conditions, while ensuring free and stronger collective bargaining. Increasing collective bargaining coverage, rising statutory minimum wage, investing in lifelong training and skills upgrading, safeguarding workers pension rights and access to welfare state institutions and combating undeclared work are some key measures that could reduce income inequality, in-work poverty, while improving living conditions, thereby creating conditions for more investment, balanced and inclusive growth with a high level of financial stability.
RECOMMENDATION 1

Issuing a European common debt instrument, such as corona-bonds, to support the scheme for unemployment reinsurance at European level. This scheme will be effective particularly if it focuses on preserving peoples jobs, by providing support to short time working arrangements and income compensation for workers suspended from their job.

Ireland was one of the governments that signed the 25 March letter to the President of the European Council, calling for a common debt instrument to mitigate the economic damage caused by COVID-19. This and similar measures have also been advocated by the Nevin Economic Research Institute (31 March) and by the ESRI (26 March).

RECOMMENDATION 2

The 2020 country report states that there is scope to improve social dialogue (including collective bargaining) in Ireland. This is welcome but insufficient. While workers have the right under the Constitution to join a union, their fundamental right under international conventions to engage in collective bargaining with their employer through their union is not respected. The Commission should issue an explicit CSR, similar to that included in its draft Council Recommendation on economic policy of the euro area (COM(2019)652 final), namely 'to enhance the effectiveness of social dialogue and promote collective bargaining', particularly to tackle low pay, precarious work and inequality.

RECOMMENDATION 3

While Government is acting to improve the capacity to deal with COVID-19, Ireland entered this crisis as the only western European country without universal access to primary care, too few hospital beds, particularly intensive care beds, and low public investment in health. The 2020 CSRs should emphasise the need to strengthen the public health system but must also not lose sight of the need to simultaneously tackle long-standing challenges such as housing, childcare, education, investment in infrastructure that promotes sustainable growth, and to have a just transition to low-carbon economy. This will require a broadening of the tax base and eliminating tax expenditures.
ITALY
CGIL CISL UIL

RECOMMENDATION 1

The COVID-19 emergency risks having devastating effects on the economy. There must be an EU response. The EC has just launched a 100 bn plan for the EU reinsurance of income support instruments for workers as a partial response to the complexity of this crisis in terms of income, employment protection and fight against poverty. EU can and must do more. One strategy is mandatory and successful: the significant increase in public debt to support companies and workers. Common debt instruments (Eurobonds) should be issued, guaranteed by EU institutions to fund health systems and an extraordinary investment plan in tangible, intangible and social infrastructure, deducted by deficit calculation.

RECOMMENDATION 2

Tax burden on workers and pensioners in Italy is one of the highest in the EU. 2020 Budget Law and the decree implementing the Government and social partners agreement started decreasing the tax wedge on. Implement a comprehensive tax reform based on constitutional principles of progressivity and equality to reduce tax burden on wages and pensions and a negative tax for the poorest. A review of local taxation should be carried out, also with fairer real estate taxes. Fight against tax evasion and recovery of tax claims is essential to support labour and pension incomes in light of COVID-19. 2020 Budget Law included measures to combat tax evasion, but we need to continue along this path.

RECOMMENDATION 3
Public investment is key to foster economic growth and impact positively on private investment and employment. Italy has a downward trend of public investment: in 2018 it fell to 2.1% of GDP, compared to 2.2% in 2017. In 2008 it was 3% of GDP. Launch an investment plan leading to a yearly 0.3% increase of GDP over the next 5 years, so as to bring investment to 6% of GDP, targeted to sustainable development, social and physical infrastructure, urban regeneration, energy conversion, fight climate change and fund just transition. The South/North gap is still high and widening. The plan for Southern Italy should be implemented and the spending of EU and national cohesion funds stepped up.
LATVIA

LBAS

RECOMMENDATION 1

Sustain the involvement of social partners in adoption of public measures to overcome COVID19 related impact, as well as support dynamic sectorial collective bargaining to find tailored solutions for COVID19 affected sectors. To ensure demand after COVID19 emergency measures maintain consumption of households of all income levels, by revising unemployment regulation, providing increased fast access to unemployment benefits, reintegration programs for labour market and consumer credit at low interest rates, adopting non-taxable minimum for property tax, as well as reasessing solidarity tax distribution.

RECOMMENDATION 2

Increase public spending for health care and social care along with action on safe staffing levels to increase the accessibility, quality and resilience of public health and social care.

RECOMMENDATION 3

Support establishment of skills funds in Latvia (human capital development instrument), promoting the participation of employers in adult education & training and the motivation of employees. Provide support (training, methodological support, up to date digital resources) for the remoted study process. Support renewal, income reliability (competitive remuneration) and job security of teaching profession. Increase public funding for higher education and research, including competitive remuneration of academic staff and researchers.
LITHUANIA

LPSK

RECOMMENDATION 1

Issuing a European common debt instrument, such as corona-bonds, to support the scheme for unemployment reinsurance at European level. This scheme will be effective particularly if it focuses on preserving people’s jobs, by providing support to short time working arrangements and income compensation for workers suspended from their job.

RECOMMENDATION 2

The Lithuanian Trade Union Confederation stresses the need for the real progressive tax system and calls for the shift of the disproportionate financial burden from the workforce. It should be shifted to sources, which hurt economic growth less (especially, to capital, environmental taxes).

Capital is not taxed adequately and the country loses a significant amount of crucial revenue to the budget.

RECOMMENDATION 3

The current economic structure in Lithuania is not relevant anymore, significant shifts have to be promoted: economic growth is heavily based on low value-added sectors, which leads to the lack of investment to development & research and hinders strengthening of innovative high value-added industries. In the long-term this strategy is going to back-fire. A lot of businesses try to be competitive by decreasing expenses rather than creating innovative products and services. It hinders raise of wages, employers employ “cheaper” work force from third countries and local workers are pushed out or face social dumping and more precarious work.
RECOMMENDATION 1

Issuing a European common debt instrument, such as corona-bonds, to support the scheme for unemployment reinsurance at European level. This scheme will be effective particularly if it focuses on preserving people’s jobs, by providing support to short time working arrangements and income compensation for workers suspended from their job.

Issuing a European discussion on the stability and growth pact, to overcome European financial instability in the future.

Reviewing and criticising the policies pursued in the various Member States in recent years is not a useful activity now; we are in the same boat that we all have to keep floating.

RECOMMENDATION 2

Now is the time to start making decisions for the economic recovery period. The world will no longer be same, and therefore we are issuing that the following urgent decisions are taken quick in unity:

- Review the tax system to ensure an equal distribution of taxes on labour, climate and capital and an end to aggressive tax planning.
- The quality of public sectors such as healthcare and education have once again proved to be essential for a strong economy, invest in public sectors for a stable economy.
- To increase wages, increase labour productivity and make the economy more resilient, take measures now to reverse the overturned flexibility in the labour market.

RECOMMENDATION 3
The Netherlands is lagging behind in achieving the climate targets! Be more ambitious, and use the European Green Deal to catch up, in consultation with social partners. The FNV wants to pay specific attention to the consequences for the labor market, education needs and employment shifts. Tenders must be social, with an eye for employee interests.

If necessary, climate investments are not made on the basis of co-financing, the national government or the European Union must make the investments themselves.
POLAND

OPZZ

RECOMMENDATION 1

Undertaking actions to make decent work a reality in Poland through a policy oriented at increasing wages and salaries as well as by reforming the tax system increasing social justice of tax burdens and promoting employment under a contract of employment. Effective reduction of the pay gap.

The use of public funds by the state for investments to improve the economy and the quality of life of citizens:
- pursuing by the state an investment policy which will result in increasing the role of innovation and technological advancement in the economy,
- increasing public expenditure in order to increase the quality of public services.
- implementation of public investments for a just transition

RECOMMENDATION 2

Taking action to improve the condition of the labor market by:
- developing a strategic document in the field of migration policy, specifying the scope of coordination and directions of activities of institutions responsible for migration policy,
- creating instruments to support employees in the process of continuous learning, including in the workplace,
- increasing the amount of benefits for the duration of unemployment

RECOMMENDATION 3

Undertaking actions for effective implementation of the legal obligation of public consultation on draft legal acts and restoring the independence of social dialogue institutions (Social Dialogue Council).
Issuing a European common debt instrument, such as corona-bonds, to support the scheme for unemployment reinsurance at European level. This scheme will be effective particularly if it focuses on preserving people’s jobs, by providing support to short time working arrangements and income compensation for workers suspended from their job.

The protection of employment in general is an absolute priority in the context of this health crisis, but also in the recovery phase that follows. Taking into account the high weight of precarious work in our country, specific measures to reduce the segmentation of the labour market and the implementation of specific measures to protect precarious workers are a priority. Maintain and reinforce the focus on lifelong training of workers.

Provide adequate social benefits, extend its coverage to all workers. Strengthen investment in essential public services and ensure proper access to all citizens. Those (along with the second recommendation) are needed answers to the major challenge of avoiding poverty and social exclusion and to ensure conditions for the economic recovery phase.
SLOVAKIA

KOZ

RECOMMENDATION 1

Issuing an European common debt instrument, such as corona-bonds, to support the scheme for unemployment reinsurance at European level. This scheme will be effective particularly if it focuses on preserving people’s jobs, by providing support to short time working arrangements and income compensation for workers suspended from their job.

European level actions towards member states, as a financial help, will be crucial since the governments’ don’t have enough financial sources to save the employment. Key instrument, which can immediately help, is to use ESF and their redirecting at corona impacts.

RECOMMENDATION 2

Strengthen the social dialogue at national level, since in critical situations, social partners’ aren’t strong enough to have impact on governments and social dialogue stops at all. Social partners’ aren’t part of decision-making about socio-economic measures against corona crisis.

RECOMMENDATION 3

Encouraging economic transformation towards knowledge economy and economic changes based on R&D. Accent on production with higher value added. Actively support small and medium-sized productive enterprises and increase their share on value added.

Economy changes should lead to a transformation into an economic model that response to technological challenges and changes caused by digitization and industry 4.0. A fair transformation should be a priority as response to climate changes, lead to an environment sustainable economy (climate neutral economy). Creating of fair green jobs that ensure social protection and social justice for workers.
RECOMMENDATION 1

Issuing a European common debt instrument, such as corona-bonds, to support the scheme for unemployment reinsurance at European level. This scheme will be effective particularly if it focuses on preserving people’s jobs, by providing support to short time working arrangements and income compensation for workers suspended from their job.

RECOMMENDATION 2

Address the shortcomings of the social transfer model to generate a better redistribution especially regarding poverty reduction. In the context of COVID-19 crisis, extend the social protection to collectives in higher risk as self-employed or temporary workers, considering to introduce a Minimum Income scheme. Examine the efficiency of the tax-collection system, working on generating more income and a higher progressivity. Reduce shadow economy and improve tax compliance. Ensuring the revenues sufficiency avoiding irresponsible tax cuts or race-to-the-bottom dynamics, either at a central or sub central level of government.

RECOMMENDATION 3

Take further action to engage the young people in education or training programs, also improving the coordination with the sub central levels of government to do so. Improve the specialization on the occupational training programs. Improve the insertion of young workers for example using of hand-over contracts. Impulse programmes oriented train in Technological and Digital skills, with a life-learning perspective.

USO

RECOMMENDATION 1
Issuing a European common debt instrument, such as corona-bonds, to support the scheme for unemployment reinsurance at European level. This scheme will be effective particularly if it focuses on preserving peoples jobs, by providing support to short time working arrangements and income compensation for workers suspended from their job.

Moreover, European agreements against tax evasion; digital tax; and transactions.

An economic recovery plan is needed, prioritising investments: rail and intermodal commodities transport; wastewater treatment and supply networks; renewable energies and improvement of energy efficiency in buildings; training and extension of digitalisation.

RECOMMENDATION2

Educational support to achieve a reduction in school drop-out and failure; recovery of young people NEETs 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. Penalisation of temporary contracts; public job offers to reduce temporary work in administrations. Strengthening and coordination of public employment services. Extend to reduce the population at risk of poverty. Encourage the promotion of social housing for rent.

RECOMMENDATION3

Improved coordination and legislative implementation State-Regions.

Increase in the tax burden, with improved progressivity and the fight against tax fraud and avoidance.

The promotion of R&D, innovation and inter-relationships between companies and their dissemination to SMEs, with an increase in budget and researchers, with support from venture capital, linked to patents.

Other investments Strategic industries, health, renewable energy and energy efficiency; promotion of the circular economy and waste minimisation; intermodal transport of goods; water resources and erosion control...

Improving international trade and investment agreements with labour, environmental and fiscal clauses.
SWEDEN

LO SE

RECOMMENDATION 1

The Swedish system for income protection in case of unemployment has been deteriorated for a long time. It has become obvious during the ongoing corona pandemi that it is to hard to qualify for benefits and that granted compensation are far from income related protection. Measures now taken are temporary, but should be considered permanent. Sweden needs stronger automatic fiscal stabilizers even under normal circumstances.

RECOMMENDATION 2

Cuts in income taxes on low and medium incomes should be prioritized to balance recent cuts in taxes for high incomes and capital incomes. The overall tax share in GDP should not be allowed to decline because of demographic reasons and neglected needs in the public welfare sector. Some capital taxes, including real estate taxes, should be increased.