



Investing in a swift recovery – investing in the future of the European industrial basis

An industriAll Europe & Ceemet joint position

Brussels, November 30th 2020 - Europe suffers from a health crisis that has no equal. Although the economy is slowly recovering, the consequences of the pandemic are painful to many and a second wave is already ravaging the continent. The number of employees¹ affected by short term work in the Metal Engineering and Technology-based industries has soared in recent months. Indeed, we estimate that 6 million of the 17 million directly employed workers in our sector were in short term unemployment due to the economic lockdowns in the EU Member States, these figures are considerably higher than during the 2009 crisis. In spring 2020, industrial output fell across the board with certain sectors such as automotive and aeronautics being particularly badly affected. In several countries, MET production that has to adapt to new sanitary and health & safety regulations was, back in July 2020, about 40% below the pre-corona level of January/February 2020. Working remotely shapes both, the private and the professional sphere permanently. Social Dialogue will continue to play an important role in both, shaping the labour conditions and in developing and implementing the necessary precautional measures.

Industry's transformation to a green and digital production has been accelerated in the last half year. Political support is needed for industry and workers, to mitigate the consequences of the crisis and to keep a strong and resilient industrial basis in Europe. In this light, Ceemet and industrial Europe welcome the European Union's recovery plan for Europe and its focus on the twin transition to a green and digital economy, on sustainability and on solidarity. Facilitating these transformations is the precondition for a sustainable and competitive industry that continues to sustain and create quality jobs in Europe and in her regions. The plan constitutes a historical step and is of high value for a further integration of the European Union. While transformations need to occur through a just transition for workers and the affected regions, sufficient budgets need to be allocated to the Just Transition Fund and the European Globalisation Adjustment Fund.

Focusing on both, social and economic consequences of the pandemic, has proven helpful to mitigate the consequences of the crisis. Thanks to national short time work and similar schemes, workers could stay in employment or were prevented from dismissal and companies could restart production immediately after the lockdown. We acknowledge the European efforts and the allocation of €87.4 bn to the 16 most hit EU Member States, in the frame of the SURE initiative, as part of the safety nets that had been agreed at the March Council meeting. As SURE has helped Member States finance short time work schemes relevant to keep workers close to companies, industriAll Europe and Ceemet

¹ Ceemet press statement of 18 June, see link





advise that funding is made available at Europe level as long as the COVID-19 pandemic is not sorted out. We thus call on national authorities to work, with the involvement of social partners, on the extension of short time work schemes or similar programs that should be put in place as long as the crisis so requires.

The recovery has also to be seized to support easily accessible investment into training and retraining, for young and old workers, in particular at the shop floor. SMEs should receive support to develop training schemes and short-time work should be combined with strategic re- and upskilling to make workers and companies fit for the twin transition. This should be supported by public authorities. Eventually, if the crisis management is right, this will result in a strengthened European project fitter for the future.

Ceemet and industriAll Europe also support the Trio EU Presidencies' goal of boosting industrial competitiveness, strong value chains and a stable investment environment for SMEs, which will benefit workers, companies and societies as a whole. To this end, the impact of the current crisis on the supply chains should be mapped, their blind spots should be critically assessed and measures how to make them resilient, with the aim of fully restoring the single market, should be discussed.

To this end, Ceemet and industriAll Europe welcome the agreement of 10 November 2020, between the European Parliament and the Council on the 2021-2027 MFF and NextGenerationEU, the temporary recovery instrument. However, we urge the European Parliament and the Heads of State and Government to act swiftly in order to keep the European economy afloat and not losing out to its competitors. Making the Recovery and Resilience Facility operational within the Next Generation EU initiative cannot wait until the second half of 2021. The European Parliament and Member States should undertake every effort to make it operational at the very beginning of 2021. The retroactive provisions in the Recovery and Resilience Facility and in REACT must be removed to ensure that they will provide additional funding. Otherwise, we will run the risk that tens of thousands of companies go bankrupt and millions of workers become unemployed, a setback, from which Europe will probably not recover. Social partners across the EU are ready to provide input for the development and implementation of the national recovery plans and to support the deployment of the Recovery Fund at national level and they urge their national government to be given the opportunity to contribute to the design and implementation of the national plans.

ABOUT

Ceemet

IndustriAll European Trade Union

The Council of European Employers of the Metal, Engineering and Technology-based industries is the European employers' organisation representing the interests of the

IndustriAll European Trade Union is the voice of 7 million working men and women across supply chains in manufacturing, mining and energy





metal, engineering and technology-based industries. Through its national member organisations it represents 200 000 companies across Europe. The vast majority of them are SMEs, providing over 35 million jobs of direct and indirect employment.

sectors across Europe. We aim to protect and advance the rights of the workers.



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