



TOGETHER FOR A FAIR DEAL FOR WORKERS

EL/ LR/ ah
Brussels, 17 December 2024

Ms Ursula von der Leyen
President of the European
Commission

[Letter sent by e-mail]

Urgent letter of the ETUC on the upcoming Competitiveness Compass

Dear President of the European Commission Ursula von der Leyen,

We are writing to you in view of the publication the Competitiveness Compass to ask you to ensure that quality jobs are recognised as a key component for European competitiveness and to commit to deliver the legislative initiatives and investments needed to ensure quality jobs in all sectors and regions.

High-quality jobs, good working conditions and social dialogue and collective bargaining are at the heart of competitiveness. **The Competitiveness Compass must point in the direction of delivering quality jobs in every sector and in every region, improving working conditions, reinforcing social dialogue and collective bargaining, and democracy at work.** Social cohesion is also a key element for competitiveness.

We very much agree on your assessment that “*productivity depends on good working conditions. On earning a fair wage. On a good work-life balance. On finding a nursery for your kids, and good care for your elderly parents. And on having access to decent and affordable homes*”. Also your commitment to high-quality jobs, the recognition that “*the market can only work well, if the social dialogue thrives too*” and of the need “*to make sure that we strengthen social rights in Europe*” are of high importance.

The Draghi report has also recognised the importance of the European social model and highlighted that promoting competitiveness should not be based upon “*wage repression to lower relative costs*”.

To guide the direction of travel, we call on the European Commission to commit to deliver as a matter of urgency the legislative initiatives, investments and action programmes needed to ensure high-quality jobs in every sector and every region, including in the framework of the Quality Jobs Package.

This includes, amongst others, the following legislative initiatives, building upon the La Hulpe Declaration on the Future of the European Pillar of Social Rights:

- A Directive on Just transition in the world of work, through anticipation and management of change, based on the principles of trade union involvement and collective bargaining, and to ensure the right for all to training without cost to the worker and during working time;
- Regulating the role of labour intermediaries and introducing an EU general legal framework limiting subcontracting and ensuring joint and several liability through the subcontracting chain;



- Addressing psychosocial risks and online harassment and shaming at work through a European Directive;
- Ensuring effective regulation of AI with the ‘human in control’ principle incorporated into EU law through a Directive on AI at the workplace;
- Delivering a Directive on Telework and the Right to Disconnect;
- Reinforcing democracy at work in the first place by strengthening collective bargaining, introducing a comprehensive EU framework on information, consultation and participation, and fully safeguarding well-functioning collective bargaining systems;
- Guaranteeing that the revision of the Directives on public procurement ensures that public money goes to organisations that respect workers’ and trade union rights, that negotiate with trade unions and whose workers are covered by collective agreements.

These proposals are included in the [ETUC Manifesto for a Fair Deal for Workers](#), a programme that identifies the democratically chosen priorities of working people and their trade unions.

The recommendations of the Draghi report with regard to the need for investments and for an ambitious European industrial policy should mark a turning point in the EU’s approach.

The ETUC calls for the Compass to include an ambitious European industrial policy backed up by significant investments with social conditionalities that supports common goods and innovation and delivers quality jobs and social progress, based on strong public services, social protection, housing, transport and childcare (see ETUC resolutions on a [European industrial policy for quality jobs](#) and on [Social Conditionalities](#)).

The ETUC calls for a Europe-wide [moratorium on forced redundancies and the preservation of jobs and strategic economic and industrial capacities](#). The moratorium on forced redundancies should allow the rapid advancement on three essential policies to be put in place to manage change and to prevent forced redundancies:

- An European industrial policy for quality jobs developed with trade unions
- An EU-Level Investment Facility
- A Just Transition Directive to Anticipate and Manage Change

Social dialogue is a key component for our European competitiveness, as recognised also by the Val Duchesse Declaration for a Thriving European Social Dialogue. The ETUC calls for the establishment of a high-level social partners working group on how to deliver an EU industrial policy for quality jobs along with the other recommendations included in the Draghi and Letta reports ([ETUC response to the Letta Report](#) ; [ETUC response to the Draghi Report](#)).



The ETUC has long identified the consequences for working people of the chronic under-investment in industry and public services, social progress and just transition. Mario Draghi has recognised in his Report on the Future of European Competitiveness the need for additional investments of more than 800 billion Euros a year.

Failed austerity policies must be rejected and instead **the EU must develop ambitious common investment tools, develop progressive taxation policies and provide Member States with the necessary room for manoeuvre** to finance the investments for industrial policy, public services, just transitions. It is key to implement a new fiscal capacity for investment, an EU sovereignty fund for just socio-economic transition and common goods, leaving no one and no region behind. It is essential that additional resources are made available in the Multiannual Financial Framework to support quality jobs, social dialogue and collective bargaining, just transition. Also, there must be no blank checks, public money and support should come with social conditionalities to ensure the creation of quality jobs.

The Competitiveness Compass must lead forward not backwards. **It must steer the direction away from the dangers of a deregulation agenda that would lower employment rights and standards, or create obstacles to legislative initiatives needed to deliver better working and living conditions.** It is essential that social partners are involved in the definition of the possible measures and approaches, including with regard to new “checks”.

This is a time for making advances by putting in place ambitious initiatives to guarantee that Europe is a great place to live, work and do business, on the basis of quality jobs, good working conditions, strong social dialogue and collective bargaining, social progress and upward convergence, and democracy at work. The Compass must point in this direction.

Looking forward to your reply,

I would like to thank you in advance and remain available for further exchanges on these very important matters.

Best regards,

Esther Lynch
General Secretary of the European Trade Union Confederation