

Ursula von der Leyen
President of the European Commission

[Letter sent by e-mail]

ETUC Open Letter to the President of the European Commission in view of the State of the Union address

Dear President of the European Commission Ms von der Leyen,

I am contacting you in relation to the State of the Union address to the European Parliament on 13 September 2023.

The ETUC believes that it is time to forge a route to a rebalanced European economy that puts people and planet first. The status quo is not working, change is needed. Workers are not getting a fair deal, they are not receiving their fair share, instead they are faced with a cost of living crisis and calls for wage restraint while greedflation is caused by CEOs' and corporate profits. This has created a social justice emergency in Europe. Research by the ETUC has found that Europe's 1,200 largest firms paid out record-breaking dividends of €230 billion in 2022, while dividend payments increased by 14% across EU. By contrast, in the same period workers saw their purchasing power collapse as nominal wages grew by an average 4.3% against a background of 10.4% average inflation. In this context we warmly welcomed your recognition that "everyone has to get his or her fair share" and that the European social market economy it is not only about business and their opportunities, but it is a model that cares about people and communities, "about each and every one of us, and about the society as a whole". We call for the State of the Union address to follow this approach and to put forward concrete initiatives.

There is no time to lose, the European Union continues to suffer from social and economic wounds sustained a decade and a half ago. A strong response based on the European Social Model is required. We call for the State of the Union address to recognise the urgency to ensure investment in opportunities and quality jobs, improved working and living conditions, higher pay and high-quality public services, and support for collective bargaining to lay a fairer foundation for our economy and society. This is of paramount importance to defend and reinforce democracy in view of the European elections.

The State of the Union address should pave the way to deliver these objectives by:

- Building upon the Directives on Adequate Minimum Wages and on Gender Pay Transparency, by including new initiatives that the European institutions will take to ensure their support and promotion of trade unions and collective bargaining;
- Providing a guarantee that strong social conditionalities will be included in all forms of public funding and support to companies. This is of high importance to develop a strong EU industrial policy with significant and effective public investment that underpins quality jobs and social progress including through social conditionalities. Quality jobs should be as a top priority for policymakers when designing and implementing industrial policies. Likewise we call for reinforcement of the Directives on public procurement and concessions to make sure that only companies that respect workers and trade union rights, negotiate with trade unions and whose workers (including their subcontractors' workers) are covered by collective agreements, get access to any form of public funds, including grants and fiscal benefits. Public procurement rules need to guarantee that tenders support the creation of secure jobs with quality conditions and fair pay covered by a collective agreement, public money should no longer create a race to the bottom;
- Getting the revision of the economic governance rules right is of utmost importance, in all circumstances the rules must reject a return to failed austerity policies. The current proposals need significant amendments to ensure that the new rules (i) avoid too quick and too ambitious debt and/or deficit adjustments or requiring unsustainable initial fiscal efforts, (ii) pursue social objectives, including quality job creation and strong social protection, and fair and progressive taxation, (iii) protect investments, in particular those that create jobs and boost the green transition, and (iv) are more democratic and involve social partners. It is also key to

introduce a fiscal capacity to support a strong European industrial policy and investments in socially just green and digital transitions and to make solidarity policy tools permanent through the EU lending capacity;

- In the framework of the actions taken and under discussion by the institutions within the “Fit for 55 package”, it is key to take action to ensure that no workers or regions are left behind. The EU must operationalise the concept of just transition in European legislation, including through a European Directive for Just Transition of the world of work through anticipation and management of change, with trade union involvement and collective bargaining as leading principles. The advancements in the EU’s green transition should pave the way for social progress;
- The EU needs a decade of skills and this State of the Union should build upon the lessons learnt during 2023 year of skills and pave the way for initiatives to ensure the right to training for all workers without cost for them during their working hours, including paid time off. As you rightly pointed out during the ETUC Congress: “it was Jacques Delors who spoke already in the 1980s of the right to lifelong training. So it is by now high time that we make it happen”;
- It is also of importance to take initiatives to achieve Zero Deaths at the workplace and because of work. In this framework, the record temperatures of this summer have highlighted the need to move urgently towards EU legislation that establishes high temperature limits for people at work outdoors and indoors in order to prevent injuries and accidents at work;
- The negotiations on the Directive on improving the working conditions in platform work must be concluded in a positive way, to end the system of false self-employment used by platform companies to cut costs at the detriment of workers’ pay and conditions;
- Strengthening the EWC Directive through a legally binding initiative, including deterrent sanctions to make it effective;
- Developing the legislative initiative to ban unpaid and bogus internships in the open labour market, unpaid and bogus traineeships as part of active labour market policies or as mandatory part of professional training;
- We also call on the State of the Union Following on your positive engagement to defend and promote the ‘human in control’ principle, we call for the coming months to lay the necessary ground work and initiatives to incorporate this principle into EU law.

The EU is at a critical point of its history: it must tackle the current social justice emergency and must deliver for working people and for their communities! It must ensure the full respect of trade union and workers rights against the background of growing attacks against trade unions in Europe! This is the last State of the Union before the European elections and workers and their unions are expecting the European Union to use the remaining months to its full potential to deliver a fair deal for them – and importantly will look for actions in support of the objectives you presented during the ETUC Congress in Berlin [[speech at the 15th Congress of the ETUC](#)].

Finally, Europe must become a global force for good. In this context we raise our concern about the growing Fortress Europe policies. Europe must not look the other way and ignore human rights abuses, nor should there be any normalisation of policies of far-right politicians that aim to set the clock back on social rights or the rights of women, or migrants and LGBTIQ communities.

Yours sincerely,



Esther Lynch,
General Secretary of the European Trade Union Confederation