



# The EU should join forces to combat COVID-19 and reboot industry

# An industriAll Europe & Ceemet joint position

**Brussels, June 2020** - Europe is living an unprecedented health crisis, that has developed into a humanitarian crisis, impacting on the lives of people, public health systems as well as on companies, their workforce and their families.

Ceemet and industriAll Europe would like to express their full backing:

- To all people who are directly suffering from this pandemic
- To all workers who are indispensable to contain and get out of this health crisis: healthcare/medical personnel, police and state security forces, but equally those who are ensuring citizens support with vital products, whether medical devices or personal protective equipment (PPE) and services, in the food supply chain or the energy sector, and many more. Workers and their employers are in the first line of fighting COVID-19. They are also indispensable to make our society work.

IndustriAll Europe and Ceemet are convinced that Europe should continue pursuing the route of:

- 1. a better coordinated response to this crisis and
- 2. an ambitious plan for a fair and collective recovery, that strengthens the unique industrial ecosystem in Europe and builds an industry that is resilient and sustainable offering good jobs.

In this way, the spread of the virus should be controlled, so that citizens and workers feel safe and business can work as is reasonably possible.

# SAFE & SECURE METAL, ENGINEERING AND TECH-BASED (MET) INDUSTRIES

# **Keeping factories open = keeping workers safe**

IndustriAll Europe and Ceemet are fully committed to support the collective efforts to fight this health crisis. Many MET workers are in the front line of fighting against the pandemic and many companies contribute to its containment by stepping up efforts to reconvert activities to produce essential products or develop tracing apps.

Keeping manufacturing workers safe and healthy is our common priority. This should be the goal across all sectors and activities. Indeed, creating healthy and safe workplaces is a pre-condition to resume production (support telework where possible, apply rules on social distancing ....). Health and safety protocols should be established, in line with national regulations and traditions, with the





involvement of workers' representatives in order to design appropriate preventive measures. Many good examples of agreements exist in this respect especially in countries that have been hit hard by the COVID-19 crisis. A structured European level exchange of good practice should be promoted also in view of forthcoming pandemics.

Many European countries are running out of personal protective equipment (PPE) for workers. PPEs have to be made available and the EU should support steps to increase capacities for the production of essential goods and services to protect workers and people in general. We consider the EU Commission-moderated matchmaking-tools to connect supply and demand of medical devices, PPE etc. very useful and again an exercise that could help acting quicker and more coordinated for a forthcoming such situation. As we will have to live with the virus until a treatment or a vaccine is found, we call on EU/Member States to coordinate and support production of respective products and to provide companies and their workers with the necessary equipment so that industrial production of key sectors continues in a safe manner.

# Schemes to keep workers at work

We welcome the extension and sometimes the adaptation of short time work schemes in almost all countries in Europe. It has been widely used by companies, including from our sectors, preventing workers losing their jobs and facilitating companies to restart. At EU level, we welcome the temporary SURE programme, but this is not sufficient. The Next Generation EU proposal is therefore necessary to re-boot the economy and support industrial sectors and workers that has to be approved and implemented swiftly.

Across Europe, many companies throughout the supply-chain are facing massive challenges, which include production stops or threats of bankruptcy. This unprecedented shock needs to be absorbed by bold financial support, beyond deferrals of tax or social security payments. It is key to restore the broken supply chains and to keep on maintaining the cross-border supply chains within Europe, including by facilitating the free movement of cross-border workers, so production can continue.

Companies want to ensure that workers can continue to work in a safe way with necessary equipment protection and preventive measures. Adequate childcare is also essential to resume production.

## Ceemet AND INDUSTRIALL EUROPE ON COVID-19

#### Common interests result in common concerns

IndustriAll Europe and Ceemet are deeply concerned of the impact that the Covid-19 pandemic is having on the economy and thus on companies, including tens of thousands of small and medium-sized companies in the supply chain and millions of workers. Due to varying containment measures and lockdowns, many companies had to stop their activities and millions of workers are now on short time-work schemes, other types of partial employment or unemployment benefits.

Due to massive drops in orders and demand as consequence of lockdowns around the globe, many companies in Europe are running the risk of going bankrupt also after the lifting of lock-down





measures, which is highly likely to be followed, as also the Commission's 2020 Spring economic forecasts confirms, by a sharp economic downturn, feeding into increases of unemployment.

# Safety nets for both: workers and industrial companies

Ceemet and industriAll Europe welcome the €540 billion safety nets agreed on 23 April, which include the ESM credit-line, EIB loans or the temporary SURE initiative to support national efforts to sustain short-time-work schemes and similar instruments. Also triggering the escape clause from the Stability and Growth Pact, relaxing state aid rules were necessary and useful measures to keep countries, companies and workers afloat.

However, as indicated, having dealt with the immediate economic measures supporting businesses, workers and Member States, will not be enough to get out of the deep consequences of this symmetric shock. Therefore, the EU should rally behind the Next Generation EU proposal to boost the economy and bring people back to work. In this sense, we welcome the ambitious revised EU Recovery strategy proposed by the EU Commission and expect it to be adopted swiftly. It must have industry at heart, as a competitive and innovative industry will be instrumental for putting Europe back on track and a key enabler for the transition to a digital and greener economy.

The recovery should also support investment into training and retraining. In this context, special attention must be paid to young workers and apprentices. It is vital to ensure that young workers receive the necessary training and that apprenticeships continue or resume. In this regard, SMEs should receive support to develop the adequate training schemes for young workers as well as for apprenticeships to continue or resume. Indeed, Europe relies on qualified, young people to work in the green and smart industries of the near future.

# CONCLUDING

# **Economic & social consequences of the crisis**

Ahead of us lie big uncertainties for both, employers and workers. This ambitious recovery plan together with a sufficiently equipped European multiannual financial framework has to be adopted swiftly by national governments which must show responsibility and determination for a coordinated way out of the crises that finally will lead to a stronger Europe.

### Social partners make the difference

We should also look at the upside of the crisis and learn from it in order to strengthen the European project and its industry. EU & public authorities together with the social partners should look into the future of European industrial ecosystem post-crisis, in order to keep industrial production and employment as basis to a new EU. Social dialogue and collective bargaining have contributed to responding to the COVID-19 crisis protecting workers health and safety, their income and their jobs while facilitating production under these challenging circumstances, for example, by implementing innovative solutions to organise work. Joint solutions have been found at all levels: interprofessional, sectoral and company. Social dialogue must remain the compass for the implementation of the recovery plan and social partners will play their part ensuring that a qualified workforce stands ready to re-boot our industries.





We should also learn from the past and not repeat the mistakes of the last economic crisis. The recovery plan must be based on sustainability, investment and solidarity as well as on a transition to a more sustainable and digital industry

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**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 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.

industriAll European Trade Union is the voice of 7 million working men and women across supply chains in manufacturing, mining and energy sectors across Europe. We aim to protect and advance the rights of the workers.



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