



2020/2076(INI)

16.7.2020

OPINION

of the Committee on Employment and Social Affairs

for the Committee on Industry, Research and Energy

on a New Industrial Strategy for Europe
(2020/2076(INI))

Rapporteur for opinion: Jordi Cañas

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SUGGESTIONS

The Committee on Employment and Social Affairs calls on the Committee on Industry, Research and Energy, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

- A. whereas today EU industry employs around 35 million people, accounts for over 80 % of exports and has a dominant role in placing direct foreign investments; whereas 99 % of EU businesses are SMEs, representing around 50 % of EU GDP and employing more than 100 million workers; whereas the new industrial strategy should be based on industrial ecosystems encompassing all actors in industrial value chains, from large enterprises, SMES and microenterprises to workers and consumers;
- B. whereas women and persons with disabilities still remain under-represented across industrial sectors, occupations and management levels and are more often employed in low value-added industrial sectors or sub-sectors, despite the fact that 40.1 % of women have completed tertiary education and that, in 2019, 86.2 % of women in the 20-24 year age group had completed at least upper secondary education compared with 81 % of men¹;
- C. whereas Europe needs a socially and environmentally sustainable industrial strategy which prioritises equal opportunities and social cohesion; whereas the new EU industrial strategy must serve as a vector across all sectors and companies for creating more and better jobs, strengthen the role of SMEs and achieve a fully inclusive and balanced job market, in order to accompany a just twin transition towards a digital and renewables-based, highly resource-efficient and energy-efficient climate-neutral industry; whereas the implementation of the Green Deal and the Digital Strategy should also boost sustainable growth towards a greener and more circular industry;
- D. whereas SMEs account for more than 99 % of all European enterprises, but only 17 % have successfully integrated digital technologies into their activities; whereas 70 % of enterprises report that access to talent is a barrier to investment throughout the EU;
- E. whereas Europe has strong centuries-old industrial traditions and is therefore fit for efficient twin transition based on the social economy and the values of the EU;
- F. whereas the secure and inclusive deployment and use of digitalisation and artificial intelligence (AI) are crucial for all industry sectors in order to achieve a green industrial transition that increases competitiveness, creating quality job opportunities, sustainable business models and economic prosperity; whereas in this regard it is important to invest in research and innovation and digital education;
- G. whereas a European approach to AI should address, as a matter of priority, the ethical aspects and dilemmas associated with AI in order to ensure that it is human-centric, enhances human well-being, a sense of security, the well-being of society and the

¹ https://ec.europa.eu/eurostat/statistics-explained/index.php/Educational_attainment_statistics#Level_of_educational_attainment_by_sex

environment, and fully respects the fundamental rights and values of the EU;

- H. whereas people living and working in the EU have been severely hit by the COVID-19 pandemic, which has brought unprecedented challenges for EU industry and has had an enormous impact on the organisation of work, jobs and workers in certain sectors, with over 5 million people at risk of losing their jobs and a projected average reduction in GDP of around 7 % across the Union; whereas a rapid shift from manufacturing to medical products has been observed in several factories; whereas the crisis increases the need for a new industrial strategy;
 - I. whereas, according to the World Economic Forum's Future of Jobs Report, 65 % of children entering primary school today will end up working in jobs that do not yet exist; whereas the low-skilled workforce is particularly vulnerable in the digital age and Eurostat statistics show that 77.8 % of Europeans in the 25-64 age group believe that they need no further education or training, thus becoming vulnerable to shocks; whereas, therefore, education and training systems which include reskilling and awareness-raising components must be supported in order to impart the basic competences and skills, including digital literacy, required for new careers;
 - J. whereas social dialogue, including collective bargaining and continuous cooperation between social partners, is essential for a robust industrial policy that improves working conditions and terms of employment, thereby contributing to a fairer society that leaves no one behind;
 - K. whereas the social partners should be encouraged to negotiate and conclude collective agreements in matters relevant to them, fully respecting their autonomy and the right to collective action;
 - L. whereas economic growth goes hand in hand with improved social and living standards and good working conditions;
 - M. whereas the EU's industrial strategy should help to revitalise regions and therefore support their transformation through smart specialisation strategies and ESIF funds;
1. Highlights that EU industrial policy must include a strong social and environmental dimension and be in line with the European Pillar of Social Rights and the objectives of the Green Deal and the Paris Agreement in order to efficiently address the social and economic consequences of structural change and to contribute to achieving those objectives, in order to support competitiveness, quality employment, decent working conditions, equal opportunities, as well as access to well-functioning labour markets and welfare systems for all; stresses that the transition to a circular, climate-neutral economy offers new opportunities to create jobs and modernise Europe's industrial sector by creating new markets, including through energy efficiency, the scaling-up of renewable energy sources and the promotion of innovative models such as upcycling, reuse and repair;
 2. Notes that country-specific recommendations should comprise actions and issues relevant to (EU) industrial policy during the European Semester; highlights that measuring the status quo and progress is essential for evidence-based policy making going forward, which would also ensure that EU Member States are informed about the

progress and development of industrial policy at national and EU level;

3. Highlights that digitalisation, AI, big data analytics, cybersecurity, innovation and the development of measures for sustainable industries are essential for creating better social cohesion, achieving the objectives of the European Green Deal and ensuring the EU's competitiveness;
4. Stresses the importance of cross-border and seasonal workers in the provision of services as a key component of the economic recovery effort and calls for measures to encourage their mobility and protect their labour rights, including better implementation of existing legislation;
5. Urges the Commission to address the problems of cross-border and seasonal workers in the acquisition of their social entitlements due to lack of portability of workers' entitlements through the swift adoption of the revision to the Social Security Coordination Regulation and the implementation of coordinated digital solutions at Member State level, while enhancing and streamlining solutions against fraud of any kind;
6. Welcomes the financial relief provided by the Commission to save jobs through the instrument for temporary Support to mitigate Unemployment Risks in an Emergency (SURE) and believes that an European unemployment reinsurance scheme could be an additional tool to accompany the just transition to a circular, climate-neutral and digital economy and contribute to the resilience of the European economy and European industry in particular; awaits the Commission's proposal announced by President von der Leyen in this regard;
7. Welcomes the Commission's proposal of 27 May 2020 for an EU Recovery Plan presented, which includes a reinforced long-term EU budget (MFF 2021-2027) and a new EUR 750 billion Next Generation EU recovery instrument and calls for its swift endorsement; highlights, in this sense, the importance of socially and environmentally sustainable investments in industrial sectors particularly hit by the crisis through the Recovery and Resilience Facility, focusing on facilitating active employment policies, investment in digital competencies and infrastructure, entrepreneurship and the creation of start-ups, especially for SMEs and the self-employed, which will help to develop a strategy for sustainable and competitive industrial policy across the EU;
8. Underlines that, in order to gain or maintain global leadership in strategic industrial sectors and certain high added-value technologies, research and innovation projects under the Horizon Europe programme and the European Institute of Innovation and Technology (EIT) are crucial; recalls the positive impact of innovation efforts with regard to achieving climate neutrality by 2050, a competitive lead for EU businesses and the quantity and quality of jobs;
9. Welcomes the financial relief provided by the Commission to save jobs through the SURE programme and additional partnerships between employment services, social partners and companies in order to facilitate reskilling, especially for seasonal workers in all job types in the tourism industry;
10. Considers that EU industrial policy must work towards accelerating innovation,

particularly in the key areas of digitalisation and production, and embrace strategies that promote the recovery of quality employment and manufacturing opportunities throughout the Union, ensuring balanced sustainable regional development for all EU regions, reinforced by cohesion policy and the European Structural and Investment Funds (ESIF) in order to increase the EU's global competitiveness and avoid excessive dependency on foreign providers, particularly in strategic sectors such as pharmaceuticals and medical devices, cyber and data security, digital services and strategic technologies and energy, thus strengthening the EU's strategic autonomy; emphasises in this regard the importance of developing the skills of workers in these sectors; stresses, furthermore, the need to promote public investment and the proper use of state aid, as well as to strengthen capital investment by companies, to diversify global supply chains and to make them more sustainable and transparent;

11. Reiterates that the industry sector is a cornerstone of the economy and is responsible for a large share of European exports and investment in research and innovation; underlines the key role of SMEs as the backbone of the European economy in ensuring EU industrial growth and achieving the goals of the green and digital transitions; stresses, therefore, that SMEs should be at the heart of the New Industrial Strategy and calls on the Commission and the Member States to create a supportive environment that enables SMEs to develop and grow, for example by reducing unnecessary regulatory burden, facilitating access to appropriate sources of finance and supporting entrepreneurship, which are critical for innovation, job creation and inclusion; in this regard, supports the complementarity between the new industrial strategy and the new circular economy action plan which is expected to create up to 700 000 new jobs across the EU by 2030, many of which will particularly benefit SMEs;
12. Stresses the need for a strong social component in the EU industrial strategy and an inclusive digitalisation of the industry; calls on the European Commission to ensure sufficient funds and efficient mechanisms through the European Social Fund Plus, Just Transition Fund (JTF) and others; calls for the strategy to address the needs of less technologically advanced industrial regions, including those heavily dependent on solid fossil fuels and those covered by Article 174 of the TFEU, and to ensure the investments needed in infrastructure such as broadband internet coverage;
13. Stresses the need to highlight the risk of job losses due to industrial transition and the responsibility of the authorities in social protection; calls on the Member States to ensure adequate wages and support for workers in this transition, with a focus on employability and well-being, and to consider a wider range of social protection measures such as national guaranteed minimum income schemes, unemployment benefits, family support allowances, heating allowances, adequate pensions, scholarships for students, payment of internships and support for people with disabilities in order to ensure a decent standard of living;
14. Underlines that investment in occupational safety and health helps to prevent work-related illnesses, accidents and harmful physical and psychosocial strain, and has a tangible positive effect on the economy by contributing to better performance and sustainable work careers; recalls that, according to the Commission, one euro spent on occupational safety and health at work, gives at least two euros in return; stresses that occupational safety and health at work should also be a priority in the new industrial

strategy for Europe;

15. Welcomes the increase in resources allocated to the JTF, considering that 160 000 jobs in the coal-mining sector could be lost by 2030 as part of the long-term industrial transition process, while other sectors such as the energy-intensive industries or the automotive industry will also face profound structural changes;
16. Calls on the Commission to closely examine the impact of Europe's dependency on imports from third countries, notably China and other countries where the state exercises significant influence on the market, with unfair consequences for EU businesses and employees;
17. Acknowledges the tailor-made approach that the Commission will adopt when designing programmes under the industrial strategy; calls for this approach to be part of a realistic perspective covering the real need of each ecosystem;
18. With a view to protecting European jobs, highlights the necessity to reform EU competition law, while ensuring that the EU remains open and attractive to foreign investment within the framework of the rule of law and EU standards;
19. Stresses that the ability to attract, recruit and retain a qualified workforce is essential to a competitive and sustainable EU industry; considers active labour market policies, education and training in future-oriented sectors, decent employment and working conditions, accessible and affordable childcare, skills and competences, particularly as regards vocational education and training (VET) and digital skills, to be essential to address current and future skills shortages and to support the shift to sustainable production and service delivery patterns; believes that investment in individualised lifelong learning, entrepreneurship, including cooperatives and social enterprises, digital literacy and human resources are important to ensure efficient and timely upskilling and reskilling of workers and jobseekers, thereby creating a strong and resilient workforce, and should be an integral part of the EU Industrial Strategy; calls, in this regard, on the Commission to ensure complementarity between the aims of the new Industrial Strategy, the European Green Deal and the anticipated updated Skills Agenda for Europe by focusing on concrete measures and coordinated strategies for adults to allow them to enhance their skills and qualifications in response to changing requirements, demands and transitions in the labour market;
20. Acknowledges that skills shortages and mismatches are among the biggest challenges facing businesses today, impeding production and growth, and stresses that skills should match labour market needs; considers that the social partners should play a key role in identifying future skills deficits and shortages and in developing education and training programmes, including on-the-job training, and calls on the Commission and the Member States to support integrated strategic planning and improved cooperation, and to foster information exchanges between all relevant actors, including VET providers, industrial clusters, universities, public employment services, enterprises, trade unions and local and regional authorities, paying particular attention to new skills for new occupations and sectors; highlights in this context the importance of support structures such as SME networks, regional development agencies, innovation clusters and start-up advice for the creation of local and regional industrial value chains; calls on the

Commission and the Member States to enhance labour mobility and to ensure the portability and full recognition of professional skills and qualifications and the effective protection of the social security rights of mobile workers within the EU and to develop policies to attract researchers, high-performing students and skilled workers from third countries;

21. Points out that the development of AI technologies presents both opportunities and challenges for the future EU labour market and industry; notes that the EU has the potential to become a global leader in promoting a socially responsible approach to this technology and its use; calls on the Commission to work closely with the Member States, the social partners and other relevant stakeholders to provide adequate responses to sectoral changes that require an adequate re-skilling programme for workers, and the design, implementation and enforcement of European ethical and safety standards for AI; stresses that, in order to strengthen the single market, there is a need to address potential societal reactions and to develop concepts and ideas that can provide a response to these challenges, including possible taxation aspects of workplaces replaced by robotics;
22. Calls on the Union and the Member States to respect and strengthen the social partners, to extend the coverage of collective bargaining and to take measures to promote a high density of trade unions and employers' associations in order to ensure a democratic, inclusive and socially just industrial sector; underlines that effective social dialogue is an essential tools for ensuring a democratic, inclusive and just transition in the industrial sector; believes that joint cooperation between the Union, the Member States, the social partners and representative civil society organisations creates an environment for the growth of European industry and that the new industrial strategy should reflect EU social market traditions and fully include the social partners through a strong governance framework; stresses that social dialogue contributes both to economic competitiveness and social cohesion; calls for a further strengthening of social dialogue throughout Europe in order to balance industrial relations and promote collective bargaining; highlights that any industrial strategy should place workers, their representatives and trade unions at the heart of its action in order to ensure that it functions democratically; calls on the Commission to include them throughout the process;
23. Stresses the need for faster integration of young apprentices into the labour market through high-quality paid internships; calls on the Member States to promote the culture of VET from primary education onwards, in which occupations are valued and the educational path of VET becomes a desirable and predictable path;
24. Emphasises the role of accessibility of learning activities in creating a culture of lifelong learning; calls on the Commission to develop and encourage more opportunities for access to lifelong learning activities, such as university programmes for adults and older people, public learning centres, vouchers for learning activities, massive open online courses, more funding for civil society organisations in the field of education, career transition funds and activities;
25. Welcomes the work of the European Training Foundation (ETF), particularly in the field of vocational education, in fostering mobility and helping partner countries

operating their transitions and develop human capital through the reform of their education and training systems and labour market; calls for increased cooperation on insights, information sharing and best practice between Cedefop, Eurofound, the EEAS and the Commission;

26. Considers that the recent pandemic has underlined the importance of digital and environmentally friendly solutions, particularly telework, and the need to establish common minimum standards at European level in order to protect the health and safety of workers and to ensure the involvement of the social partners; believes that telework offers opportunities such as better work-life balance, reduced CO2 emissions related to the daily commute and enhanced employment opportunities for people with disabilities, carers, young people and people in remote areas, while at the same time acknowledging that there are challenges related to the social, professional and digital divide; calls on the Commission to propose a legislative framework with a view to regulating telework conditions across the EU and ensure decent working and employment conditions in the digital economy;
27. Calls on the Commission to propose an ambitious update of the European Digital Education Action Plan, which democratises distance learning, includes lifelong learning, and non-formal education, ensures better funding to make digital skills a top priority and increases cooperation between Member States; calls on the Commission to explore the important role and potential of teleworking and e-learning in the public and private sector, leaving no one behind.
28. Stresses that climate policy should be implemented in such a way as to support new technologies, investments, and innovation, and thus job creation; highlights that, while the ecological transition has the potential to create new green jobs, any plan to decarbonise European industries must be accompanied by a WTO-compatible carbon border adjustment mechanism that is complementary to existing carbon leakage measures;
29. Calls on the Member States to ensure effective preventive restructuring frameworks and a second chance framework to enable honest debtors in financial difficulty to restore viability and avoid insolvency, and not to discourage them from trying new ideas;
30. Stresses that gender balance and achieving equality between men and women must be one of the key principles of the EU's industrial strategy; calls on the Commission to include a gender perspective in its industrial policy strategy, particularly in its measures to address the digital and green transformations, and to boost women's participation in the digital economy, entrepreneurship, STEM and ICT education and employment in order to bridge the industrial and digital gender gap; calls on the Union, the Member States and the social partners to eliminate any wage discrimination based on age or gender in the industrial sector and to ensure, in line with national legislation and practice, that all workers are entitled to adequate wages, either through collective agreements or statutory minimum wages; calls on the Member States to finally unblock the Women on Boards Directive proposal of 2012 in order to increase the proportion of women in managerial positions;
31. Calls on the Commission to ensure that the post-2020 European Disability Strategy

addresses and promotes the inclusion of persons with disabilities in industrial sectors and workplaces and in society as a whole, by tackling discrimination, fostering solidarity and ensuring accessibility by removing physical, digital, educational and social barriers and by building on digital assistive technologies; urges the industrial sector to fully implement the principle of universal design in order to make full accessibility a principle from the design phase and to engage in dialogue with organisations representing people with disabilities;

32. Stresses that the Union and the Member States must be united in promoting the position of European industry in the world, creating a broad and competitive industrial base in line with the objective of climate neutrality by 2050; stresses that the creation of high-quality jobs, social protection, well-functioning public services and the rule of law play an important role in the prosperity of industrial activities in this context;
33. Calls on the Union and the Member States to ensure, within the context of European industrial policy, that financial support and subsidies are granted only to undertakings which comply with applicable collective agreements; underlines, moreover, that emergency aid in the wake of a crisis situation, such as COVID-19, should be provided only to companies which refrain from buying back shares, paying dividends to shareholders and giving bonuses to executives, and which are not registered in tax havens.

INFORMATION ON ADOPTION IN COMMITTEE ASKED FOR OPINION

Date adopted	16.7.2020
Result of final vote	+: 41 -: 6 0: 6
Members present for the final vote	Atidzhe Alieva-Veli, Abir Al-Sahlani, Marc Angel, Dominique Bilde, Gabriele Bischoff, Vilija Blinkevičiūtė, Milan Brglez, Sylvie Brunet, David Casa, Leila Chaibi, Margarita de la Pisa Carrión, Özlem Demirel, Klára Dobrev, Jarosław Duda, Estrella Durá Ferrandis, Rosa Estaràs Ferragut, Nicolaus Fest, Loucas Fourlas, Cindy Franssen, Helène Fritzon, Helmut Geuking, Elisabetta Gualmini, Alicia Homs Ginel, France Jamet, Agnes Jongerius, Radan Kanev, Ádám Kósa, Stelios Kypouropoulos, Katrin Langensiepen, Miriam Lexmann, Elena Lizzi, Radka Maxová, Kira Marie Peter-Hansen, Manuel Pizarro, Dennis Radtke, Elżbieta Rafalska, Guido Reil, Daniela Rondinelli, Mounir Satouri, Monica Semedo, Beata Szydło, Eugen Tomac, Romana Tomc, Yana Toom, Nikolaj Villumsen, Marianne Vind, Maria Walsh, Stefania Zambelli, Tatjana Ždanoka, Tomáš Zdechovský
Substitutes present for the final vote	Marc Botenga, Jordi Cañas, Lukas Mandl, Samira Rafaela, Anna Zalewska

FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

41	+
ECR	Helmut Geuking, Elżbieta Rafalska, Beata Szydło, Anna Zalewska, Margarita de la Pisa Carrión
NI	Daniela Rondinelli
PPE	David Casa, Jarosław Duda, Rosa Estaràs Ferragut, Loucas Furlas, Cindy Franssen, Ádám Kósa, Stelios Kypouropoulos, Lukas Mandl, Dennis Radtke, Eugen Tomac, Romana Tomc, Maria Walsh
Renew	Abir Al-Sahlani, Atidzhe Alieva-Veli, Sylvie Brunet, Jordi Cañas, Samira Rafaela, Monica Semedo, Yana Toom
S&D	Marc Angel, Gabriele Bischoff, Vilija Blinkevičiūtė, Milan Brglez, Klára Dobrev, Estrella Durá Ferrandis, Helène Fritzon, Elisabetta Gualmini, Alicia Homs Ginel, Agnes Jongerius, Manuel Pizarro, Marianne Vind
Verts/ALE	Katrin Langensiepen, Kira Marie Peter-Hansen, Mounir Satouri, Tatjana Ždanoka

6	-
ID	Dominique Bilde, Nicolaus Fest, France Jamet, Elena Lizzi, Guido Reil, Stefania Zambelli

6	0
GUE/NGL	Marc Botenga, Leila Chaibi, Özlem Demirel, Nikolaj Villumsen
PPE	Miriam Lexmann
Renew	Radka Maxová

Key to symbols:

+ : in favour

- : against

0 : abstention