

Global Europe – Supportive, Respectful and Fair

Adopted by the EPP Political Assembly on 24 January 2017



The European People's Party wholeheartedly supports globalisation and free trade of a kind that lead to greater prosperity and boosts living standards. Over 31,000,000 jobs throughout the EU depend on EU exports to the outside world. One in seven jobs in the EU is supported by EU companies exporting to the rest of the world; that share has increased enormously during the last twenty years. We must ensure globalisation works to our benefit, underpinned by trade that is free, fair and rules-based. We want to make sure that everyone in our societies can benefit from fair free trade. We must remember that each additional billion euros' worth in exports supports 14,000 jobs in the European Union.¹ Trade policy is an exclusive EU competence. This is why we have to ensure that the European Union will continue to be able to strike major trade deals with our partners across the globe. In order to enable all citizens to reap the benefit of trade and to create opportunities for all, trade policy must be decided at European level.

Yet we must acknowledge that even though we are more prosperous due to globalisation and free trade, the benefits are not always shared equally. Certain industries and jobs have been lost in the process of technological innovation and economic development. These developments are not solely a consequence of free trade agreements and could not have been prevented. However, trade must be well regulated. The EU has to shield itself against unfair trade practices; those impacted by sectoral adjustments need our support and respect, and must never be considered a mere statistic. To lose a livelihood due to technological change can be a tremendous personal blow. Too often these fellow citizens have been looked down on and considered as collateral damage on the path to progress. The EPP does not accept that.

Losing a job due to technological change or competition is a very difficult experience for a person. It is difficult to understand the profound effect without experiencing it directly. We want society to support and help those who have found themselves in such situations to get back into the labour market, equipped with new skills. To regain control of their own lives. But this process must be facilitated in a dignified manner. We want everyone to be able to benefit from the positive effects of globalisation and fair free trade, such as new jobs, affordable goods and improved/enhanced technologies.

The only way is forward: we must adapt to the changing world. We want to focus on three crucial aspects in order to enhance the situation of those who have lost, or are in danger of losing, their livelihoods due to technological or trade-related change. First, we must focus on upskilling and on adult education, since both are needed in order to offer opportunities to re-enter and ultimately, remain in, the labour markets of an ever-more- rapidly developing world. Second, we must focus on active labour market policies in order to avoid increases in structural unemployment. Third, we must also focus on enlarging employment commuting areas and labour mobility in order to bring jobs closer to people and people closer to jobs.

¹ http://trade.ec.europa.eu/doclib/docs/2015/june/tradoc_153502.pdf

1. Fair and rules-based trade: strengthening trade defence measures

Unfair trading practices, such as dumping and subsidisation by foreign producers and governments, as well as tax evasion, cause serious harm to EU industry and workers, undermining support for free trade – already under attack from many directions. The EU's Trade Defence Instruments can shield the EU against unfair trade. But we must be aware: average EU anti-dumping duties on comparable dumped products are significantly lower than in the US. On certain cold-rolled, flat steel products, for instance, the average EU anti-dumping duty was 21,1%; in the US it was 265.8%. We must not be naïve. In order to preserve European jobs and ensure fair competition in open markets, it is of crucial importance that the EU's trade defence instruments remain effective in the face of these global challenges.

The EPP:

- Calls for the EU's Trade Defence Instruments to be updated, strengthened and made legally more robust;
- Calls on Member States to adopt, as a matter of urgency, the 2013 Commission proposal to modernise trade defence instruments in order to provide faster procedures and more effective enforcement;
- Calls for more effective international cooperation in tackling tax evasion as well as social and environmental dumping.

2. Upskilling and adult education: life-long learning

During the last 20 years, the share of middle-skilled jobs has decreased in Europe in virtually all Member States.² These jobs have been replaced by a varying mix of low-skilled and high-skilled jobs, depending on the Member State. The hollowing-out of middle-skilled jobs has not yet led to the hollowing-out of middle-paying jobs; rather, we have seen an upgrade in the kind of skills needed to earn middle-income wages. Moving up from low-skilled and low-paying jobs, though, is becoming increasingly more difficult; there is a gap in the hierarchy of skills demanded, such that only employees with either low or high skills are needed. We believe that upskilling and investment in adult education is one of the keys to providing middle-skilled employees, who are under ever-increasing pressure, the means to move up this skills ladder. As middle-skilled jobs are being hollowed out, this must be incorporated into adult education programs so that when people with low skills want additional training, they can advance directly to a high-skills level. We must provide everyone with access to quality, affordable adult education, an education streamlined to minimise the time needed to learn a new profession or skillset.

The EPP:

- Acknowledges that everyone should have access to quality, affordable education at all points of his or her career;

² <https://www.cipd.co.uk/binaries/over-qualification-and-skills-mismatch-graduate-labour-market.pdf>

- Demands that Member States invest substantially more resources to upskilling and adult education in order to fight structural unemployment, since technological development will only continue to speed up;
- Calls on education providers to work in close cooperation with social partners, including in particular with employers, to equip students with future-proof skills;
- Calls on Member States to incentivise re-training and re-entry into the labour market, on the one hand, and, on the other, to avoid creating perverse incentives: we can achieve these two objectives by offering to those in re-training programs the same level of benefits as to those seeking employment.

3. Active Labour Market Policies: pre-empting problems

We believe that we must put more efforts into building and reinforcing Active Labour Market Policies (ALMP), such as training schemes and vouchers and employment subsidies. We want to emphasise especially the role of ALM policies, which focus on pre-empting unemployment by providing support for continuous skills learning.

Member States, in consultation with social partners and together with both public- and private-sector partners, can pre-empt problems by investing in constantly upgrading their labour forces' skills levels.

The EPP:

- Recognises that people's skills need constant upgrading and that this can be achieved by turning life-long learning from a mantra into a reality;
- Calls on Member States to invest in Active Labour Market Policies to pre-empt unemployment related to low-skills levels;
- Calls on Member States to prefer market mechanisms and public-private partnerships, such as education vouchers³, as opposed to state-centric policies, in order to strengthen the flexibility of the Active Labour Market Policies;
- Calls on the EU to muster all available resources to invest in re-training, in particular, those employees in industries under pressure from technological change.

4. Linking different employment commuting areas with labour mobility

Different regions have been affected in different ways by technological changes. Regional disparities and skills mismatches are an ever-increasing problem. We see two ways to alleviate this problem. Firstly, we want to bring jobs closer to people by expanding employment commuting areas. Commuting time to one's job must be reasonable. Through investments designed to bring regions together, especially cross-border, we can expand commuting areas by investing in transport networks.

³Voucher that provides access to education, provided by taxpayer but the service produced by public, private or third sector.

Secondly, we want to bring people closer to jobs. When an employee has to relocate for a job, either within or between Member States, his or her personal moving costs should be tax deductible in order to encourage and reduce the burden of accept new work in a new place.

The EPP:

- Recognises that highly specialised regions are most in danger of sudden technological changes;
- Recognises that new technologies allow people to work from places formerly threatened by depopulation;
- Calls on Member States to invest in infrastructure in order to expand commuting areas: not only will this help reduce skills mismatches and gaps in supply-and-demand, but it will also improve the functioning of labour markets in general and help to alleviate regional differences;
- Encourages Member States to make employees' personal moving costs within and between Member States tax deductible in order to encourage and facilitate re-location for new employment — subject, of course, to appropriate abuse- prevention safeguards.

**If you have any question
you would like to ask
please contact us.**

Rue du Commerce 10
1000 Brussels
T +32-2-2854140
E connect@epp.eu