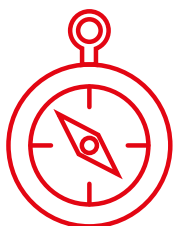


# DGB CHARTER OF TRANSITION

Labour, the economy and society are facing major changes for years to come due to climate neutrality, digitization and globalisation. We advocate a tripartite transition for our country – one that is social, ecological and democratic. We need to shape the future together with workers, guarantee social security and bring about social justice in order to turn this social-ecologic transition into a democratic form of change.

## 1 A Social, Ecologic and Democratic Transition



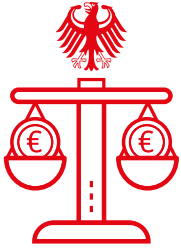
The coming transition must be socially and ecologically sustainable. The fight against rising economic and social inequality is as important as the implementation of effective climate protection measures. A climate policy can only work where there is deeply rooted support for it in society. Therefore, workers should not only be included but should also actively participate in this process. This is the best way to build a climate-neutral economy and society as well as maintain value chains in the industry and service sectors. In doing so, we will safeguard sustainable prosperity and decent work for tomorrow. This transition will be successful because of our workers. Political action has to be orientated towards this basic set of rules in all fields of policy.

## 2 Transformative Politics: Governing and Involving



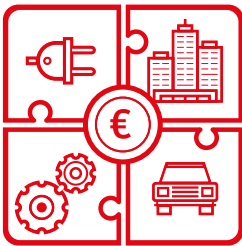
The corona pandemic has shown that a state which actively intervenes constitutes the crucial difference in fighting crises. The market alone has never been successful, nor will it be looking at the challenges ahead. We need a strong and active state for the climate-neutral and digital rebuilding of our economy and society. Such a state will give strategic impetus to the economy, take responsibility and define a framework for the transition. This also means being proactive to prevent structural breaks. New decent jobs and training places have to be created before the existing ones vanish. In addition, the education we give to the generations to come needs to be adapted. Safeguarding employment and production locations has to be a top priority. To achieve this, existing labour market policies need to be better utilised while industrial and structural policies have to be remodelled with respect to crises and transition. Barriers to mobility on the labour market need to be removed. We demand an active welfare state that relies on co-determination, collective bargaining and responsibility to build the working society of tomorrow.

### 3 Just Transition, Just Finances



We require massive investment to shape the transition, including from the public sector. Climate neutrality will not be achieved with today's attitude toward debt breaks. We will not support tax cuts for the rich or reductions in the budget of the welfare state. The financing of the transition has to be socially just. Climate neutrality will remain affordable for everyone in this way. Climate protection measures need to be researched with regard to greenhouse gas reductions, employment and distribution effects. High incomes, assets and inheritance need to be taxed more heavily. Capital has to be more visible with respect to financing to ensure the burden is shared fairly during the transition. Investments in the public and private sector need to be increased. We therefore demand a state-owned transition fund that supports private investments in industry. Carbon contracts for the ensuing difference need to safeguard the operating and development costs of new technologies. Procurement quotas can create reliable markets for new products. Broad investment and funding initiatives will promote climate-neutral alternatives for the future.

### 4 Transition on the Way to Climate Neutrality



Germany is coping well with its international responsibility and is pursuing ambitious climate targets. We can achieve these climate targets. What we need is planning reliability and binding investment promises. Above all we need precise and effective measures to reduce CO<sub>2</sub> while considering their effects on the people and the economy. The necessary changes in the energy sector and other related sectors are complex: they incorporate the expansion of renewable energies; fossil fuel phase out; sector coupling; energy efficiency; resource efficiency; and a hydrogen-based economy. Energy, mobility and heat transitions have to be considered together and must not obstruct one another. Of particular importance for all sectors is the expansion of renewable energy sources while increasing energy efficiency at the same time.

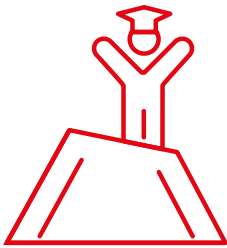
We need a transition in mobility that is climate friendly and social. Its focus has to be on mobility services that are affordable and accessible for everybody. In order to rebalance the transport system, the expansion and upgrading of railway track and public transport services, a clever technological mix of passenger cars and commercial vehicles and a holistic approach to mobility are essential. Additionally, it is important to establish German and European battery cell production capacities. For road traffic to be more climate-friendly we need to expand charging infrastructure more ambitiously and we have to use hydrogen systematically. Furthermore, we have to empower pedestrians and bicycle traffic.

## 5 Decent Work as Part of the Transition



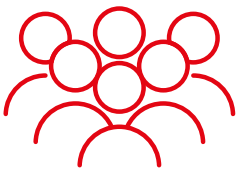
Strong social partners and well-functioning co-determination at company and management level will shape the transition. Social partners should take responsibility and provide for decent wages, innovative and competitive companies and long-term business orientation. Decent work must be the norm for both established and new employment relations in the industrial, craft and service sectors as well as in the public sector - whether in multinational companies, micro-enterprises, or small and medium enterprises. The state, in particular, should act as role model and comply with the requirements of decent work. Decent working conditions provide safety in times of change. This is how broad public acceptance of the transition will be achieved. The state must also call for these requirements when it comes to the awarding of public grants and public procurement contracts, in the latter case through the binding compliance of collective bargaining agreements. We advocate for a "wage loyalty law" (Tariftreuegesetz) at federal level, an easier way to declare collective bargaining agreements universally applicable and further measures to promote collective bargaining coverage and increase the desirability of collective bargaining agreements. The minimum wage must be increased to 12 Euro.

## 6 Qualified Workers Will Shape the Transition



Workers are innovators who develop products and services, optimize systems and use new technologies. Qualified training courses via the dual system provide the basis for this. In order for workers to remain innovators, their professional qualifications have to be maintained and developed further. With regard to the transition, however, there is often insecurity about which qualifications will be needed in future. To address this insecurity, we need a continuous monitoring of skills with regard to the changing requirements in all sectors and advanced training has to be developed further. This can be guaranteed with a reliable federal framework for advanced training combined with the right to lifelong learning, strategic company manpower planning and increased co-determination with respect to advanced training, human resources planning and development and staffing requirements. Advanced training agencies help workers to stay in or get back into work through coaching and targeted qualifications. However, advanced training often fails due to a lack of time and money. This is why it also needs further support in these areas, e.g., through transition-related short-time compensation.

## 7 Shaping the Transition Democratically



The transition will affect the economy and society as a whole. We need guidelines in order to achieve a transition oriented towards the common good. These include socially just funding; protection against unemployment, degradation, and social descent; gender and inter-generation fairness; equal opportunities for everyone; social participation; equal educational opportunities; and equal living conditions. Co-determination at company-level is democracy at its best. To shape the transition means to live out democracy – in society, in the economy and in companies. There must be no room for xenophobia, anti-Semitism or racism! Political education and participation are essential guiding principles for us. Political actors, trade unions and employers are responsible for strengthening social cohesion. They must do everything in their power to prevent people from being left behind during the transition.

## 8 Shaping the Transition Locally



The transition is taking very different forms depending on the region and economic sector. Its scope, depth, and dynamic vary. That is why all of the local actors should be included as experts when addressing the structural changes of their region. Their network needs to be supported. Trade unions and work councils must urgently be taken on board in transition processes for the interests of workers to be considered right from the start. Local public service companies and their workers can serve as points of reference. Early examples show that establishing transition councils is a successful strategy to help regions develop new visions and propose suitable measures for their implementation. Transition alliances and workshops can serve as places where different players like businesses, federations, chambers, administration, science, regional politics and trade unions can be brought together to develop and implement successful approaches to shaping the transition, e.g., with respect to mobility. What is needed is political support.

## 9 Thinking about the Transition on a Europe-Wide Basis



The transition can only be shaped collectively across Europe as a whole. Germany is the most populous and economically strongest EU member state and bears special responsibility as a result. The Green Deal has to offer reliable pathways to a social and climate-neutral Europe. A just transition must consist of firm action, not just empty phrases. We need ambitious climate targets, massive public and private investment and forward-looking decisions, e.g., with respect to economic, social and labour market policies. This includes, among other things, strengthening collective bargaining coverage at the European level, improved co-determination for workers, minimum wages that offer protection from poverty and EU standards for unemployment insurance.

## 10 Together for the Transition



Trade union values are the values of society as a whole. They need to be at the centre of the transition. Shaping this transition is not only the task of politics. Trade unions willingly take on the responsibility borne by them. We are ready to address these forthcoming challenges together with workers, employers, civil society and political actors. We are calling on all democratic stake holders to move forward together with us. The government must address the transition on a cross-departmental basis and establish a binding institutional setting. One thing is crucial: transformative political approaches only reveal their full potential when different political and social levels and players act together. For us, it is clear: shaping structural change means shaping the future.