Trade Unions demand a Just Transition



A Just Transition in Germany, in Europe and worldwide has a significant value for the German Trade Union Confederation (DGB) to ensure a sustainable and social just future. Therefore, the DGB supports the holistic approach taken by the Agenda 2030 and the 17 Sustainable Development Goals (SDGs) which intertwine ecological sustainability with inclusive growth and social progress. They offer a comprehensive guideline, bringing together central trade union concerns like reducing social inequalities, decent work, equal living conditions, gender equality, or effective climate protection measures. The submission of a voluntary national review (VNR) by the German government is welcomed in order to evaluate the implementation of the Agenda 2030 and gives us the opportunity to comment and point out open fields of action from a trade union perspective.

Recognition of the Social Realities

The DGB states that there is still a large discrepancy between the goals of a sustainable development and the social realities across Germany. Over the last decades the unequal distribution of income and wealth has increased sharply and remains on a high level due to a precarisation of employment, the steady decline in collective bargaining coverage, and deep changes within the German social system. According to the latest DGB distribution report published in 2021, the richest 10 percent in Germany own more than 65 percent, while half of all adults have virtually no assets or even are in debt. Further, income poverty is still a major societal problem: Currently, one in six is considered as working poor.

The Corona crisis has further exacerbated these trends. Especially lower incomes have suffered substantial financial losses, while the super-rich further increased their wealth in 2020. Worldwide, 126 million people have lost their jobs due to the Corona crisis. These developments not only increase social conflicts, but also limit the ability to act collectively. In order to tackle those deepening grievances and ensuring large societal support for the current and upcoming transformation, these realities must be clearly recognised and addressed. Acknowledging these social realities requires additional indicators to extensively monitor central SDGs like poverty (SDG 1), decent work (SDG 8), or social inequalities (SDG 5, SDG 10) that are omitted in the VNR-draft, such as:

- The proportion of companies covered by collective agreements
- The proportion of precarious employment
- Statutory co-determination rights
- The risk of poverty and the Gini coefficient
- The Gender Care Gap
- Providing gender-differentiated data on working conditions

A Different Approach is Needed to Tackle SDG 1, 5, 8 and 10

The German government itself mentions a pivotal solution to reverse these negative developments in the VNR-draft: Poverty (SDG 1) and social inequalities (SDG 5, SDG 10) should be reduced through appropriate wages and decent work (SDG 8). Acknowledging that SDG 8 is significantly contributing to the achievement of other SDGs is quite an improvement compared to the German Sustainability Strategy published earlier this year. However, the current German social, labor market and employment policies and the measures presented in the



VNR-draft are not sufficient to tackle SDG 1, 5, 8 and 10. From a trade union perspective, we need to strengthen collective bargaining and co-determination by awarding public contracts exclusively to companies covered by collective agreements. This is particularly important in the context of green recovery measures. In addition, the general application of collective agreements must be improved. Moreover, an appropriate minimum wage of at least 12 euros is necessary to protect low-income households from poverty, and public authorities need more financial and human resources to effectively enforce minimum wage regulations. A fair tax system, in which high incomes and assets are held more accountable to contribute to a just society, is needed as well. Furthermore, gender-equitable aspects should be taken into account in public investment decisions; the quota for women in management positions should be at least 30 percent.

At the European level, the German government should promote mandatory social and labour standards as well as an effective regulation of supply chains. In the international context, a Global Social Protection Fund is needed to support the implementation of social protection floors in the world's poorest countries. This would be an important contribution to compliance with the ILO Core Labour Standards and the UN Guiding Principles on Business and Human Rights.

Shaping a Just Transition

The proposed measures are of particular importance since the ongoing social-ecological transformation must secure a high level of social acceptance to be successful in the long run. However, a Just Transition towards a green economy also requires fundamental institutional changes and an active state.

Currently, there is a great divergence between climate targets and the actual implementation of climate protection measures in Germany and Europe. An overall Just Transition strategy is needed to ensure a SDG-oriented transformation which links sustainable development to social justice and decent work. Therefore, the DGB calls on the German federal government for substantial investments in climate-neutral technologies and infrastructures to enable significant emission reductions, while preventing negative distribution effects in order to contribute to SDG 7, 10 and 13. At the same time, public policies have to ensure the creation of decent and sustainable jobs, accompanied by Just Transition measures, to guarantee that no-one is left behind. Large numbers of jobs can be created through sustainable investments in infrastructure, health, public transport, housing, repairing ecosystems, and making innovative improvements to cities. In the face of the current and upcoming transformation processes, policymakers must act proactively before jobs are lost. A strong social partnership as well as strong co-determination of employees and democratic participation of the society in general is required to gain acceptance for the fundamental changes in the way we live and work.

The SDGs offer a sound guideline to identify different areas of a sustainable development. In order to implement them, a unified strategy and coordinated measures are needed to shape a Just Transition. These are still missing. The DGB and its member unions will continue to advocate for a Just Transition that will leave no-one behind. In this context the DGB supports the "Time for 8" campaign of the International Trade Union Confederation (ITUC).