

The social dimension of A European Pact for Commerce: Recovery priorities for the retail and wholesale ecosystem

In our [joint statement of 8 April](#), we highlighted the unprecedented impact of the COVID crisis on the viability of retailers and wholesalers and the resilience of their workforce. The tradition of social partnership and the prevalence of tailored working arrangements in our sector, often through collective agreements, have enabled companies to deal effectively with the sudden and radical adaptation to the ‘new normal’. The social partners are now proposing “A European Pact for Commerce” to EU and governmental authorities to help the sector improve its long-term resilience through targeted support measures and by accelerating the digital and green transitions.

A European Pact for Commerce to support Europe’s economic recovery

We congratulate the European Commission and the European Council on agreeing the historic Next Generation EU recovery programme and the Multiannual Financial Framework, which will allow the EU to deliver on an ambitious and far-reaching investment agenda for the coming years.

We welcome the recognition of the retail and wholesale sector as providing an essential service, as an ecosystem hit particularly hard by the COVID crisis, and a priority sector for investment support. We would like to stress the importance of a vibrant retail and wholesale sector to the overall economic recovery, which heavily depends on the recovery of private consumption. Current support measures will therefore continue to be needed as long as demand and confidence are still at very low levels, in order to achieve the twin objective of keeping people in viable employment and stimulating sustainable consumption.

As part of the “European Pact for Commerce”, we emphasise the importance of investment and policy support to increase the resilience of the European retail and wholesale, Europe’s largest employer, and accelerate its digital and green transition. The scale of our sector (10% of EU’s GDP, 1 in 4 companies, 1 in 7 jobs), connecting producers with customers, has a significant impact on the economy as a whole, in particular on other key ecosystems. Consumer confidence remains at an all-time low when workers are uncertain about their future. It is also important to the livelihood of local communities and the encouragement of sustainable consumption. Supporting retail and wholesale in undertaking the green and digital transition can provide an effective fast lane to change.

Funding should be conditional, targeted towards transition projects, easy to access at company level and disbursed quickly. We recognise that member states will be responsible for designing their recovery programmes along the EU’s overarching priorities – digitalisation, sustainability and resilience. Finally, we urge the Commission that EU funding should be made conditional on compliance with EU legislation, rule of law and single market rules, and that implementation of the Country-Specific Recommendations is followed up strongly.

Actions needed for improving resilience and up- and reskilling of staff in retail and wholesale

According to a recent report by the McKinsey Global Institute, COVID and automation combined are putting more than 5 million jobs at risk in retail and wholesale. This could affect the many women and young people employed in retail and wholesale. In addition to stabilising the economy, we need EU and national help to invest in the skill sets of these workers, e.g. through stronger vocational and educational training, individual learning accounts. Targeted up-skilling would enable us to retain a larger portion of our workforce by training them to use digital technologies, while re-skilling may enable others to access job opportunities in other sectors.

Therefore, EU employment and skills support measures need to be redesigned to allow easy and rapid access to funding for the restructuring of our sector and changing skills needs driven by acceleration of market changes driven by COVID.

The social partners in the retail and wholesale sector, representing 5.4 million companies and 29 million workers in total, have therefore the 4 main policy asks to EU and national authorities:

1. Policy ask: The Commission should foster coordination and exchange on VET and life-long learning among member states

The retail and wholesale sector already trains for core employability skills, including interpersonal skills. Retailers and wholesalers now need to equip their workforce with the basic and advanced skills needed to interact with sophisticated systems, using, for example, blockchain and artificial intelligence. A worrying



development in this respect is the current shortage of IT-experts, as labour markets and universities in Europe struggle to meet the rising need of our sector and the economy as a whole. However, education remains primarily a national, regional and local competence, which means that the EU can only add value **through the coordination and exchange national and local competent authorities and experts ('open method of cooperation'), and encouraging best practices.**

2. Policy ask: The Commission needs to fund and help SMEs up- and reskill their workforce

When allocating EU funding from ESF+ (European Social Fund) to national programmes, the Commission and national policy-makers should take into account the best practices in training programmes at company level. Training programmes at company level have been tailored to the needs of employees and are teaching basic digital skills. They are essential to the future employability of employees, in particular older and less-skilled personnel with low digital literacy rates. However, with the sheer size of our sector (29 million employees), private sector initiatives alone may not result in training offers for everyone. **Co-financing by the ESF+ will be necessary, especially for SMEs.**

3. Policy ask: Member states need to reform their national education and training systems

Skills gaps are more prevalent and severe in some member states than in others. This is the result of the mismatch between what national education systems can offer, in terms of higher education and Vocational Education and Training (VET), and the needs of employers. In addition, advanced digital skills are badly needed to support the digitalisation of retail and wholesale, not only the growing number of e-commerce businesses, but also the digital transformation of independently managed, shop-based retailers and wholesalers (SMEs). National education and training systems should therefore be reformed to allow for the timely and continuous updating of curricula and qualifications. In this respect, the introduction of new curricula based on **'digital job profiles'**, such as the e-commerce merchant in Austria and Germany (see below), should be particularly encouraged.

4. Policy ask: EU and national authorities should support social partnership on VET and life-long learning at EU, national and company level

Social partners design digital job curricula. Retail and wholesale are major investors in education, training and apprenticeships. In Germany for example, retail and wholesale remain one of the largest investors in terms of spending on Vocational Education and Training (VET). Apprenticeships for retail professions are ranked first and second in terms of the number of young people it attracts in that country., devised recently by the [Austrian](#) and German social partners in [retail](#) and [wholesale](#), is a prime example **The new e-commerce merchant apprenticeship** of social partner-induced innovation in national education systems to meet the changes in the job market and the growing needs of employers for digital skills in retail and wholesale.

Social partners ensure access to training and continuous learning in the workplace. Up- and reskilling remains fundamentally a shared responsibility between employers and employees. Access to training is facilitated by the many bipartite training funds in the sector – often part of collective agreements. Targeted social partner initiatives add value for companies and boost the employability of employees.

Social partners will need to ensure that the necessary infrastructure is in place that enables employees to catch up as well as to nurture the habit of **continuous learning**. Good examples of such an approach are individual learning accounts within collective agreements as well as work-based learning within companies.

-ENDS-

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[EuroCommerce](#) is the principal European organisation representing the retail and wholesale sector. It embraces national associations in 31 countries and 5.4 million companies, both leading global players such as Carrefour, Ikea, Metro and Tesco, and many small businesses. Retail and wholesale provide a link between producers and 500 million European consumers over a billion times a day. It generates 1 in 7 jobs, providing a varied career for 29 million Europeans, many of them young people. It also supports millions of further jobs throughout the supply chain, from small local suppliers to international businesses. EuroCommerce is the recognised European social partner for the retail and wholesale sector.

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