



The ETUC Nicosia Declaration: A urgent call to Europe's leaders

Adopted at the Executive Committee meeting of 10-11 March 2026

Europe is being tested by war on our continent, by growing global instability, and by mounting economic and political pressure from outside and inside our borders.

Rising international tensions, increasing conflicts, climate crisis, escalating trade and economic instability, and growing pressure on democratic values and peaceful coexistence between people and countries demand a clear, united and decisive European response, one that puts social and economic progress at its centre and is backed by the investment leap needed to make that progress real.

Across Europe, job losses, restructuring processes are already underway in various sectors of the economy. While the European Commission estimates that Europe has been losing 27,000 manufacturing jobs every month for the last two years, employment insecurity extends far beyond manufacturing. Employment challenges are also visible in parts of the services sector as activity slows. Though the overall labour market remains resilient with new jobs being created, they have less pay and worse conditions than those that have been lost. At the same time staffing shortages are present in other sectors because of insecure working conditions, such as the lack of more than 1.2 million health workers, undermining Europe's resilience and preparedness. This reflects a broader and deepening trend of insecurity for workers across the entire economy, exacerbated by deterioration of job quality, downward pressure on wages and conditions and proliferation of precarious working conditions. The pressure is felt across generations – with long-term consequences for those entering the labour market and building their futures.

In front of these challenges, trade unions from all across Europe – from both within and outside the European Union – stand firm and united to call on Europe's leaders to take urgent action to protect and develop the European social and economic model.

Well-being of its peoples has to be the core focus of European cooperation. The aim has to be clear: full employment, quality jobs and social progress in a highly competitive social market economy.

A real problem cannot justify a wrong response

Europe must not answer today's challenges by returning to the failed recipes of deregulation and austerity. The current push for deregulation under the banner of "competitiveness" is not a solution but a direct threat to workers' rights, gender equality, environmental and health protections and social standards. ETUC firmly rejects this deregulation agenda and any attempt to weaken collective bargaining and collective agreements, social dialogue or workers and trade union rights. The principle of non-regression in employment rights and standards must be guaranteed in all EU initiatives.

Europe will not become stronger by lowering labour rights, dismantling social and employment protections, increasing tax competition between Member States, or weakening environmental standards under the false pretext of simplification.



No deregulation proposal, no weakening of collective bargaining structures, and no erosion of democracy at work and workers' board level representation will strengthen Europe's competitiveness, but will rather undermine our autonomy. On the contrary, Europe's competitive edge lies in its social model – protecting workers while fostering innovation, training and fair labour relations.

Further eroding standards under the guise of deregulation and competitiveness is not only wrong on the merits, it is also politically short-sighted. The Omnibus proposals have also contributed to the alignment between conservative and far-right actors and have led to strong political divisions within and between democratic forces, undermining the support for the much-needed initiatives to reinforce Europe. Also, a deregulation agenda will widen the gap between the EU and its citizens.

The same applies to the proposed 28th regime. Trade unions will oppose any attempt to circumvent or undermine labour law, trade union and workers' rights, collective bargaining, or information, consultation and participation rights, as well as social security, environmental or tax obligations. Europe needs to put an end to letterbox firms and bogus constructions, not create regimes for these to flourish. This will hamper innovation as well as undercut workers' protection. There must be no return to a Bolkestein style approach that pits workers and Member States against each other.

Europe must also reject the politics of division, refusal promoted by far-right and anti-democratic forces. Attacks on democratic institutions, equality, public services, social dialogue, collective bargaining systems, trade union rights and prerogatives will not protect workers. Scapegoating migrants, minorities, the unemployed or LGBTIQ people will not strengthen Europe. These forces seek to dismantle the European social model, and they must be firmly opposed.

The European Trade Union Confederation calls on EU leaders to come together with renewed purpose and respond with clarity, unity and resolve

In past crises, Europe has shown that solidarity and coordinated action can protect people and strengthen our economies. This was the case during Covid, when Europe created innovative investment and employment protection tools, including NextGenerationEU and SURE.

That same spirit is urgently needed again.

A European investment and transformation deal for quality jobs

Today, it is essential to double down on the European project through investment, solidarity, cohesion, high standards and a strong social model. Europe must move decisively towards a mission-led European economy that places quality job creation, sustainable production, strategic resilience, innovation and a socially just transition at its core, in a manner that strengthens Europe's industrial base and other economic sectors, supports high-quality public services and infrastructures, and protects workers' rights and jobs.

This mission-led approach must drive the transformation Europe needs, including industrial renewal, digital transformation, energy security, climate transition and the development of strong public services and social infrastructure. Businesses can only thrive if the societal fabric is intact and itself thriving. It must be built on democratic decision making and social dialogue, and it must deliver tangible improvements in working and living standards in every region, including through place-based solutions that protect incomes, create pathways to quality employment and prevent regional decline.

A strong European response and a credible industrial policy must be built on investment, quality jobs, collective bargaining, democracy at work and universal access to high-quality public services, including health and long-term care. Competitiveness is not an end in itself, and it certainly cannot be achieved through deregulation or a race to the



bottom. Instead, Europe's competitiveness should grow from a knowledge-driven, skill-based economy, built on fair labour relations and lifelong learning. Europe's legislative framework is an asset for productivity, stability and fairness.

Trade unions have constantly raised the alarm about the lasting damage caused by chronic underinvestment, and the Draghi report has set out the need for Europe to invest significantly more. Europe now needs a massive investment plan to defend and develop sustainable production and innovation, ensure energy security, support public services, guarantee just transitions for the digital and green transformations, and safeguard and create quality jobs in every sector and every region.

With the end of NextGenerationEU approaching, it is even more urgent to establish permanent common investment tools, including through the issuance of common EU denominated bonds, with a view to developing a European fiscal capacity. It is also essential to provide Member States with the fiscal space required to invest in our shared objectives, including to safeguard social protection systems and public services and to reinforce social infrastructures. We have to act now!

Also, the Multiannual Financial Framework must ensure the necessary long-term and proactive investments in quality jobs and social, environmental and economic progress in all regions, including those facing structural challenges. That is why trade unions are calling for a substantive increase in the upcoming EU budget in line with the known investment needs as well as for the European Social Fund to remain a stand-alone programme, with ringfenced resources and a budget that is bigger than the current one.

Made in Europe with union labour

A well-balanced Made in Europe approach linked with quality jobs must become central to Europe's industrial policy, including in the Accelerator Act. Made in Europe must mean more than geography. It must cover all sectors and be a guarantee of Europe's values: fair wages, strong workers' rights, collective bargaining, sustainability, fair taxation, and standards. It must help protect and develop Europe's productive capacity and quality jobs, safeguarding local production and strengthening strategic autonomy and resilience. It should secure and strengthen European value chains and apply also to EFTA countries, candidate countries and the UK.

Private investment has been stalling for years, also when profits were skyrocketing. So for the trade union movement it is clear: public support, subsidies and state aid must never be blank cheques for companies. Social conditionalities are essential and should be included in the various components of the MFF. Public money must promote quality employment and collective bargaining, strengthen training, prevent delocalisation, exclude social dumping, and ensure companies pay their fair share of taxes. These objectives are of high importance also in view of the revision of the public procurement directives and of the state aid framework.

Trade and tariffs are increasingly being used to undermine standards and protections, and progress to support fair and sustainable trade reversed. Europe must stand united, ready to respond to external pressure, and determined to deliver a global level-playing field, to raise standards through the world, in particular labour standards, and defend peace, democracy, equality, non-discrimination and international law, including through the UN and the ILO.

The EU must defend the European social model and must not respond to global competition or external pressure by diluting its own protections or enabling downward competition – including between its Member States, candidate and neighbouring countries – on wages and working conditions.

Europe's answer to isolationism and protectionism must be European-wide solidarity and cooperation, as well as being open and rules-based. A closer relationship and



stronger partnership between the EU and the UK is of strategic importance in this context.

It is essential that the EU develops crisis management tools that can be swiftly activated to protect jobs and production in strategic sectors under threat, building on the model of the SURE instrument. The EU must also address vulnerabilities and dependencies and ensure strategic autonomy.

The EU must also reject the ‘fortress Europe’ approach, where personal freedoms and collective rights are compromised, borders are shut tight, and migration policies ignore human rights.

As a political union, the EU must contribute to guaranteeing peace, the rule of law, human rights and social progress – including through coordinated and improved security policies. The EU must focus on a broader concept of security, and funding for social objectives must be safeguarded from depletion by reallocation to defence or security initiatives and should instead be increased.

The ETUC reiterates its solidarity with the Ukrainian people following the illegal and ongoing Russian war of aggression, and call for a just and lasting peace to be delivered together with Ukraine.

We call on the promotion of a just and viable solution for Nicosia and Cyprus based on the UN resolutions and the EU values and principles and benefiting Cypriot people.

Winning the Quality Jobs Act

Decent pay and pensions, secure contracts, safe conditions, and a voice at work are not privileges, they are hard-won rights and essential elements for democracy, and they contribute to higher productivity. The EU must also deliver upon its promise of upward social convergence – a necessary condition to realise the “right to stay” as proposed by Enrico Letta. Europe’s economic and social success rest on this foundation.

Europe also needs stronger internal demand, through reinforced collective bargaining and higher wages, so that productivity gains translate into better living standards and sustainable growth, and to tackle the cost of living crisis.

The ETUC considers an ambitious and binding Quality Jobs Act essential, as part of a new social agenda for Europe. It must be delivered without delay.

The Quality Jobs Act is not only about improving working lives, it is also essential to delivering Europe’s economic and social objectives. The ETUC recalls the Draghi report assessment that promoting competitiveness should not be based on “*using wage repression to lower relative costs*” and that “*competitiveness today is less about relative labour costs and more about knowledge and skills embodied in the labour force*”. The EU cannot deliver a competitive, resilient and socially just economy without quality jobs that are secure, fairly paid, safe, compatible with workers’ health and family life and ensure the right to training.

It is essential for Europe to deliver secure employment, fair pay and conditions, collective bargaining, equal treatment, and dignity at work, as well as anticipation and management of change. It is urgent to tackle precarious work, undeclared work and bogus self-employment, as well as abusive subcontracting and labour intermediation practices across every sector and every country. These are not abstract proposals, they are practical tools to ensure that Europe’s economic transformation is also a social one, and it is promoted in a just and fair way.

Ensuring gender equality must be a priority, including by eliminating gender pay and pension gaps, and violence and harassment at work. Europe cannot forget young people, who suffer from above-average unemployment rates and too often face bad working conditions, including the injustice of unpaid traineeships.



The ETUC calls on the Commission to ensure the Quality Jobs Act tackles quality job deficits head-on and becomes a concrete instrument to raise standards across Europe and to deliver quality jobs in every region and in every sector.

Strong binding social minimum standards at EU-level, social dialogue and collective bargaining, trade union and workers' rights, information, consultation and participation, health and safety at work are essential to deliver social progress and upward convergence. Such binding minimum standards must not be undermined by any means.

A stronger Europe

Recent developments are a warning: strong democracy, lasting peace and security are impossible without social justice and a fair economy, one that values equality, redistribution and decent living standards for workers, pensioners, families and communities.

Europe's leaders must chart a new course based on solidarity that defends democracy, strengthens social and regional cohesion, tackles inequalities and poverty, builds ecological resilience, protects collective bargaining and social dialogue, and rejects austerity and antidemocratic politics.

A stronger Europe means strategic autonomy rooted in solidarity, investment, social progress and social justice, not deregulation, austerity, or corporate capture.

We call on Europe's leaders to deliver a quantum leap in investment for our common European economy and future, in a mission-led industrial strategy that creates quality jobs in every sector and every region.

We call on Europe's leaders to recognise quality jobs, strong social dialogue and collective bargaining as key elements for a competitive, resilient and inclusive social market economy, to take concrete actions to increase collective bargaining coverage and to deliver a strong Quality Jobs Act.

We call on Europe's leaders to advance towards European integration grounded in social progress and the reinforcement of the democratic development of the EU institutions – placing democratic values and social rights at the heart of Europe's future.

The ETUC stands ready to work to deliver a stronger Europe, one that guarantees dignity, security and fairness for all, and proves that Europe can meet today's and tomorrow's challenges by standing together in solidarity.

The ETUC and its affiliates will work with EU institutions and Member States, and engage workers across Europe, to turn these demands into concrete improvements for working people and their communities.