

## **Turning blue-collar into green-collar jobs**

### **A new deal with society – one million new jobs from sustainable investments**

Business and finance are in crisis. The Green parliamentary group has reacted to this. With our concept for sustainable investments in the climate, education and social justice we aim to create one million new jobs over the next four years. We have introduced the idea of a Green New Deal to achieve a breakthrough in economic, financial and social policy. We need change. After all, the short-sighted economic stimulus programmes introduced by the Federal Government are just a flash in the pan. Germany must seize the financial and economic crisis as an opportunity for ecological modernisation.

We developed a policy of social and ecological renewal long before the crisis – the green market economy. Its aim is to move towards lifestyles and business activities compatible with the climate. To achieve this, we rely in equal measure on the momentum and innovative power of the markets and on a strong state to set social and ecological rules.

### **Green market economy brings social justice, jobs and helps our environment**

The green market economy will promote the boom in the environmental sector while also providing new impetus to other areas of the economy, generating greater social justice and creating sustainable jobs. To this end, we intend to step up investment in education and healthcare and provide fresh momentum by offering tax incentives, start-up financing and certificates. Social and ecological criteria should enable small and medium-sized companies in particular to benefit from public sector procurement measures.

The green market economy will help small and medium-sized companies. That's where state funds are really needed in the crisis. We want to support small trade companies committed to ecological modernisation, climate protection, renewable energies and energy saving measures in their local regions. In parliament, we called for small and medium-sized companies and start-up companies to receive the state assistance they need to invest and to create jobs. New jobs increasingly take the form of self-employment. We therefore intend to build on a new culture of self-employment.

### **Boost fair competition, expand public infrastructure**

The green market economy boosts economic freedom and self-determined action. We have campaigned in the Bundestag for fair competition in the energy, banking, transport, communications and education sector. Railway networks and energy grids should be majority-owned by the state. We have long argued for a reduction in superfluous bureaucracy and permanent subsidies harmful to the environment.

Furthermore, the Green parliamentary group has campaigned for the expansion of public goods such as education, environmental quality and the provision of general public services, such as infrastructure, communications networks and social security. That requires greater political manageability, transparency and democratic control. The green market economy supports those towns and local councils wishing to return to performing their services themselves. We intend to overcome the backlog in investment by towns and local councils by boosting their financing power – a sustainable economic stimulus programme. To enhance the stability and fairness of local government revenues, we have evolved the existing trade tax model into a local government business tax. We also see healthcare and nursing care as job motors with great potential for innovation.

### **Modernising industry – innovatively and efficiently**

Ecological renewal can only be achieved by working together with industry. Industrial production is the

basis for our economic strength and the key to any sustainable reorientation. Green industrial policy aims to access the markets of the future by drawing on new ideas and efficient production at companies both small and large. This way, it secures sustainable jobs in the automotive, energy, engineering and chemicals industries. We aim to manage industrial policy so as to enable traditional blue-collar jobs to be transformed into genuine green jobs. One key priority here is to promote research.

### **Protecting investors, stabilising financial markets**

The green market economy also involves more stable financial markets. In parliament we have called for an EU-wide financial turnover tax which requires a solidarity-driven contribution from those trading most actively on the markets. No financial products, no market players and no countries should escape supervision – that is the key principle behind Green financial market regulation. We have brought in initiatives to regulate top managers' salaries and to protect investors. Green financial market policy not only targets the financial markets themselves, but also aims to create a foundation for a functioning real economy and thus to safeguard jobs. We can only slow down climate change by channelling funds from the capital markets into energy efficiency and renewable energies.

### **Introducing a flexible restriction on public borrowing**

To enable political ideas to be financed, we have developed the concept of a flexible restriction on public borrowing ("debt brake"). This allows debt to be taken on in periods of economic weakness, provided that it is repaid in boom periods. Investments, such as those in education, may basically be financed by debt where they are of sustainable benefit to coming generations.

### **Relieving low incomes, simplifying tax law**

Green financial policy makes the tax system less complicated and more just, it taps additional revenues and cuts subsidies. The concepts we presented in parliament include increasing the basic tax allowance to Euro 8,500, specifically aimed at reducing the burden on low incomes, a standardised amount of Euro 2,000 for tax-allowable expenses and deductions from taxable income, and a state-subsidised old age provision account. We have developed the married couples' tax splitting arrangements into a more socially just form of individual taxation. Not only that, we are campaigning for a modern inheritance tax with higher tax revenues from private wealth. We intend to raise the top tax rate to 45 percent without burdening middle incomes. We are relentless in our opposition to tax evasion and tax fraud.

### **Equal pay for the same work – equal opportunities for women**

Women earn 23 percent less on average in Germany. In hardly any other EU country are the pay differentials between the sexes this high. Due to family commitments, many women work part-time, have badly-paid typical "women's jobs" or are directly discriminated against, i.e. receive less pay for the same work. In view of this, the Green parliamentary group has called for genuine class action rights in the Antidiscrimination Act, so that women are not obliged to sue companies on their own. What's more, we have campaigned for minimum wage legislation to protect employees against wage dumping and want the pay scale grouping criteria in the public sector to be revised to achieve greater equality for both sexes.

### **More businesswomen, more women in management positions**

We have set out requirements for equal opportunities legislation for the private sector, with personnel development plans and clear hiring, training and appraisal targets. We want to see more women opting to become entrepreneurs and to encourage young women at an early stage to enter so-called male professions. The promotion of equal opportunities is anchored in the Basic Law. As a result, the Federal

Government must ensure preferential treatment of companies with effective equal opportunities measures when awarding public orders.

Based on the Norwegian model, we have proposed a women's quota of at least 40 percent for supervisory boards at companies – to further women's cause, provide fresh impetus and ensure more effective supervision. After all, the crisis has revealed how the economy has been harmed by posts always being awarded to the same old circles of managers.

### **Jobs – more of them and fairly paid!**

In parliament we presented concepts intended to create jobs, ensure greater security in today's more flexible world of employment and protect employees against exploitation and wage dumping. Our model, which works on a progressive sliding scale, unburdens low incomes in terms of social security contributions. This means that employees have higher net incomes, while employers have lower labour costs, thus making it easier for them to retain and create jobs. We have made proposals as to how temporary employees can be better protected. And we have introduced the concept of a Minimum Wage Commission to set the minimum wage and allow for sector-specific and regional minimum wages. Our initiatives for a socially just employment market and for training and qualification measures, especially for the long-term unemployed, provide new perspectives for those people who have so far been palmed off into so-called "one euro" jobs.

### **Improving social security for the self-employed**

New jobs increasingly take the form of self-employment. In view of this, we aim to establish a new culture for people wanting to start up their own businesses and to reduce bureaucratic hurdles. As self-employed people with low incomes are often not able to afford private insurance cover, we have designed a form of voluntary membership for them in the unemployment insurance system. This would offer affordable protection to self-employed people should they be faced with no orders or income. We would also ensure that they can remain covered by healthcare and nursing care insurance, and possibly also in the pension insurance system, thus reducing their entrepreneurial risk.

### **Bridge financing provides scope for new projects**

People with temporary jobs also often lose their unemployment insurance cover. In many cases, they do not get the chance to pay contributions for long enough to receive unemployment insurance payments. We want to change that. Based on our proposals, everyone who has paid in substantial contributions should receive unemployment insurance payments. We have introduced the concept of Green "bridge financing" to secure people's livelihoods for interim periods. This should offer time and space to launch new projects or to obtain training. Alongside the self-employed, this will benefit all those working in social and artistic professions, as well as in the media, where temporary jobs are often the norm.

### **Ensuring access to the world of work for disabled people**

People living with disabilities should themselves be able to determine the way in which they participate in the world of work – on the general labour market, in an integration company or on the protected labour market. Our proposals for supported employment ensure that even those living with severe disabilities should be able to find jobs outside workshops.

### **News priorities for Reconstruction East**

Reconstructing the East by no means involves running down the West. We need to set new priorities to promote solid, autonomous developments in Eastern Germany. The funds from the Solidarity Pact must

be channelled into education, research and innovation. We have proposed transforming investment grants into innovation grants to better promote new companies and innovations.

## Future Fund rather than mere transfers

A green Future Fund should finance innovative ideas to maintain and reshape the quality of life in periods of contraction. With an "Energy Region East Germany" fund we aim to support and integrate local initiatives. These should reduce the East German states' dependency on expensive energy imports, promote the regional energy industry and provide a foundation for new economic and technological strength. By offering this type of fund, rather than mere transfers, we aim to secure the promotion of economic development in East Germany in spite of declining funds from the Solidarity Pact.

*Further information about this topic -->*

## Further information about this topic

Drawing on Green ideas to create 1 million new jobs (F. Kuhn, R. Künast, J. Trittin) (Mit grünen Ideen 1 Million neue Jobs schaffen) (<http://www.gruene-bundestag.de/cms/arbeit/dok/281/281026@de.html>)

On [www.gruene-bundestag.de](http://www.gruene-bundestag.de) >> Plenum >> Initiativen (<http://www.gruene-bundestag.de/cms/initiativen/rubrik/4/4544.html>) you can find the following green motions (in german):

- BT-Drs. 16/11441 Regulating the financial markets better – avoiding crises in future (motion) (*Finanzmärkte besser regulieren – Krisen künftig verhindern*)
- BT-Drs. 16/5955 Future Budget Act (*Zukunftshaushaltsgesetz*) and 16/5954 Legislation accompanying Future Budget Act (*Zukunftshaushaltsbegleitgesetz*) (Draft bills)
- BT-Drs. 16/6436 New security for flexible employment relationships (motion) (*Neue Sicherheit für flexible Arbeitsverhältnisse*)
- BT-Drs. 16/12435 Equal pay, equal treatment and minimum wage for temporary employees (motion) (*Gleiche Bezahlung, gleiche Behandlung und Mindestlohn für LeiharbeiterInnen*)
- BT-Drs. 16/11207 Master plan for people living with disabilities to participate in the world of work (motion) (*Gesamtkonzept zur beruflichen Teilhabe behinderter Menschen*)

On [www.gruene-bundestag.de](http://www.gruene-bundestag.de) >> Fraktion >> Beschlüsse (<http://www.gruene-bundestag.de/cms/beschluesse/rubrik/3/3814.html>) you can find the parliamentary group resolutions (in german):

- Frankfurt Declaration: Green 2009. Climate and jobs – social justice and freedom (*Klima und Arbeit – Gerechtigkeit und Freiheit*)
- Green market economy (*Grüne Marktwirtschaft*)
- Strengthening local government – sustainably overcoming the investment backlog (*Kommunen stärken – den kommunalen Investitionsstau nachhaltig auflösen*)
- Green industrial policy: using ecological modernisation to become fit for the future (*Grüne Industriepolitik: Zukunftsfähig durch ökologische Modernisierung*)
- Working better with women. Equal opportunities as a key economic success factor (*Besser mit Frauen. Gleichstellung als Erfolgsfaktor für die Wirtschaft*)
- Green impulses for East Germany (*Grüne Impulse für Ostdeutschland*)

### **Further topics**

Climate (<http://www.gruene-bundestag.de/cms/english/dok/306/306448@de.html>)

Social Justice (<http://www.gruene-bundestag.de/cms/english/dok/306/306474@de.html>)

Freedom (<http://www.gruene-bundestag.de/cms/english/dok/306/306475@de.html>)

Green Global (<http://www.gruene-bundestag.de/cms/english/dok/306/306507@de.html>)

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