

24 June 2024 I Brussels, Belgium

PRESS RELEASE

Addressing Skills and Retraining Needs to Avoid Loss of Quality Jobs in Europe

TRIREME project examines the context in which social partners operate: Strong Social Dialogue for Green and Digital Transformation in the Automotive Industry

The green and digital transformation of the automotive industry requires robust social dialogue and collective bargaining to ensure a socially sustainable transition. As the industry evolves due to globalisation, digitalisation, automation, and regulatory changes, addressing skills and retraining needs is vital to avoid the loss of quality jobs across Europe.

Automotive companies and workers are no strangers to change, yet the challenges posed by industrial transformation vary greatly by region and within different segments of the automotive value chain. The local impact on jobs can differ significantly, with some areas experiencing more severe effects than others. Meeting the Green Deal's objectives will require a staggering scale of retraining and upskilling over the next decade. Skills forecasts indicate that at least 2.4 million automotive workers in OEMs and top-tier suppliers will need retraining by 2030.

This immense task demands a strong social dialogue and engagement from regional authorities and vocational education actors across Europe to ensure that the pledge of 'no one left behind' becomes a reality. It is crucial to accommodate the interests of both the industry and the workforce.

As part of the TRIREME project on skills in the mobility ecosystem, industriAll Europe and Ceemet have examined the context in which social partners operate. They have collected examples of good practices at various levels—European, national, sectoral, regional, and company—demonstrating how social partners are engaged in managing the transformation. The corresponding report draws on work from the EU transition pathway for the mobility ecosystem, sectoral social dialogue initiatives, and broader social partner projects within the automotive industry.

Every country has its own industrial relations system, culture, and organization, but all reflect three key elements vital to managing transitions:

• **Social Dialogue:** Includes all types of negotiation, consultation, or exchange of information between representatives of governments, employers, and workers on issues of common interest relating to economic and social policy.



- **Collective Bargaining:** Encompasses all negotiations between an employer, a group of employers, or employers' organizations, and one or more trade unions.
- Worker Participation: Refers to any company process allowing workers to influence their work or working conditions, often required by European legislation.

Social partners play a central role in transitions at all levels—site, company, regional, sectoral, national, and European. Negotiation remains the best approach to managing transition. The European MET sectoral social dialogue committee has identified a series of good practices outlined in the report.

Judith Kirton-Darling, General Secretary of industriAll Europe, said: "While addressing the needs of the industry is crucial, we must not overlook the legitimate concerns of the workers impacted by these changes. A strong social dialogue at every level is vitally important to ensure a just transition. Our research shows that social partners are not waiting for politicians but are advancing where they can to address the tremendous changes underway. However, we urgently need a European just transition policy framework to ensure that all workers and regions have the tools and capacity needed to anticipate and manage these changes."

For Delphine Rudelli, Director General of Ceemet: "Social partners at all levels have a critical role in anticipating and managing skills needs and organising continuous training in the automotive-mobility sector. Companies, particularly SMEs, need support to make the twin transition a reality, especially regarding deploying right-skilling initiatives adapted to labour market needs and workforce skill sets. However, the pace of implementation varies across countries. Therefore, streamlining access to funding, increasing companies' involvement in designing (re)training policies, and developing the appropriate policy framework at the national level where necessary are crucial to ensure an effective, smooth, and rapid transition across all EU Member States."

Read the desk research here.

TRIREME Digital & Green Skills Towards Future of the Mobility Ecosystem was created to address a variety of needs in the Mobility-Transport-Automotive sector. Its mission is to bridge both conceptual and technological gaps while focusing on re-skilling, up-skilling, training, and skills strategy for the more than 14.6 million people employed in this sector.

Contact

For further information, please contact:

Delphine Rudelli, Ceemet Director General (<u>delphine.rudelli@ceemet.org</u>) Aurora Rossi, Policy Advisor, industriALL (<u>Aurora.Rossi@industriall-europe.eu</u>)