

BARMETAL



Strengthening social dialogue and collective bargaining on digitalisation, automation and decarbonisation (D-A-D)

Comparative Policy Report

Authors:

Barbara Surdykowska¹, Monika Martišková²,
Angelo Moro³, Maria Enrica Virgillito³



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¹ Institute of Public Affairs.

² CUNI, Univerzita Karlova.

³ Institute of Economics, Scuola Superiore Sant'Anna.

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1. Introduction: diagnostic and trends

The metal sector is crucial for achieving decarbonisation goals and is therefore the focus of policy measures proposed and endorsed by the European Commission. At the same time, we are seeing far-reaching doubts about many of the solutions that are part of the implementation process of the Green Deal and decarbonisation coming from the metal sector itself. Additionally, it is a sector subject to substantial external competitive pressure from non-EU countries that have not introduced restrictive rules relating to climate policy.

The decarbonisation of the metal sector is often associated with its technological transformation through automation and digitisation processes. The interconnection between these processes is evoked via the notion of 'twin transition', or using the acronym D-A-D (decarbonisation, automatisisation, digitalisation). However, the degree to which new automation (including robotics) and digitalisation (including the use of algorithms and AI) solutions are being implemented within the EU varies. This variation is not only due to differences between Member States, but also to differences arising from the size of enterprises and the situation of individual subsectors.

The steel industry, for example, faces a fundamental challenge to its survival in the EU, while the car industry is primarily concerned with the transition towards the production of low- and zero-emission vehicles. On the other hand, the rise of electric vehicles (EVs) is revolutionising the automotive sustainability landscape. Major car manufacturers are investing heavily in the development of electric models, driven by the twin goals of reducing dependence on fossil fuels and cutting greenhouse gas emissions. As battery technology continues to advance, EVs are becoming more accessible. One of the balancing acts carmakers face is the trade-off between adopting sustainable practices and maintaining cost-effectiveness. The complexity of automotive supply chains adds another layer to the sustainability challenge.

Sustainability is not a one-off effort, but a journey that requires on-going commitment. Automakers are challenged to strategically plan for long-term sustainability while adapting to an evolving landscape of consumer preferences, technological advances and regulatory changes. In an era of environmental regulation, automakers must navigate a landscape of evolving standards. The digital transformation of the automotive industry plays a central role in sustainability efforts. From smart manufacturing processes to data-driven supply chain management, digitalisation is improving operational efficiency and reducing consumption of natural resources. Of course, the relationship between digitalisation and environmental protection is multidimensional - just point to the energy consumption associated with the tipping of data in digital clouds.

New technologies and new ways of working resulting from digitalisation, as well as climate change and efforts to move to a low-carbon economy, are leading the twin transition. Member States face the challenge of adapting their economies to meet sustainability standards. As other regions of the world also transition to a more digital and greener economy, demand for metals, often identified as critical resources for clean energy and electronic technologies, is growing. Steel and a wide range of non-ferrous metals - such as aluminium, copper, nickel, zinc and lithium - are indispensable components of this transition: they are essential for electric vehicles, wind, solar and hydrogen technologies, to name but a few.

However, there is no single, predetermined path for transformation. The impact of the transitions on employment levels and types of jobs will depend heavily on how technologies are deployed. Each dimension of the dual transition brings potential benefits and challenges. We see challenges for workers in the area of working conditions, new skill requirements and access to social dialogue. Access to social dialogue is not guaranteed everywhere. And this is a problem because the needs of workers are not sufficiently considered.

2. The BARMETAL project

The BARMETAL project seeks to analyse the current situation and opportunities for strengthening collective bargaining in the metalworking industry in the context of technological change, including in particular digitalisation, automatisisation and decarbonisation (D-A-D).

With this focus, the project directly responds to evidence that the COVID-19 pandemic accelerated the technology dissemination and the digital transformation of metal, engineering and tech-based industries and workplaces. It has increased the urgency and need for social partners to find joint approaches to manage a swift and sustainable digital transformation.

Ceemet and IndustriAll Europe, the EU level social partners in the metalworking industry, have published their joint vision of the challenges and opportunities of digitalisation for workers and employers.⁴ The BARMETAL project responds to these challenges and EU level priorities in sectoral social dialogue and deepens the expertise in industrial relations by analysing both the bargaining processes and outcomes (stipulations in collective agreements) across 12 EU Member States and 1 candidate country.

The project examines the challenges to working conditions, such as the intensification of work and changing demands on workers' skills (and training) in metalworking companies across the EU. We have asked whether these challenges create opportunities for strengthening collective bargaining at the workplace and sectoral level.

Within the framework of the project, we have tried to emphasise the exchange of information, good practices and experiences, so that representatives of countries originating from different industrial relations systems can put their experiences into a comparative perspective. The BARMETAL project thus provides expertise for enhancing industrial relations and establishes extensive interaction and cooperation between research and social partners.

2.1. Analytical framework

The research is based on a multi-level governance framework and on social dialogue (SD) articulation. *The multi-level governance* perspective refers to the fact that decision-making and policy outcomes are the result of the involvement of the actors from different levels (supranational, national, sectoral, regional, company...) with different interests and with

⁴ See Ceemet and IndustriAll Europe joint position on *The impact of digitalisation on the world of work in the met industries*: https://news.industriall-europe.eu/documents/upload/2020/11/637420120175934557_iAll%20-%20Ceemet_Digitalisation%20statement_09.11.2020_ENG.pdf

differentiated power relations that change over time. It accounts for substantial diversity in industrial relations and governance structures across the EU member states.

SD articulation refers to how decision-making processes, actors’ positions and outcomes at one level of SD impact on decision-making processes, actors’ positions and outcomes at other levels of SD. We distinguish top-down and bottom-up SD articulation, where the earlier embraces the policies and decisions taken at the upper level, but executed at the lower level, while the latter would follow the articulation of topics born at the lower level (e.g. at the company) articulated at the upper level (e.g. sector or national level).

In the case of the social dialogue articulation between the EU and the national level, the example of the top-down articulation would be the government that is successfully transposing an agreement reached by bipartite or tripartite SD at the EU level to national legislation. Bottom-up articulation of SD refers to interactions between national-level and EU level actors in order to ensure that a topic of interest to national actors has been successfully integrated into the agenda of the relevant EU level SD structures.

Although digitalisation, automatisisation and decarbonisation are happening simultaneously, their drivers are different. While digitalisation and automatisisation are mostly bottom-up market driven processes (although there have been government support schemes and national plans) aimed to increase productivity at the company level, decarbonisation is mostly a policy driven process aiming to decrease emissions to slow down global warming. Different drivers predetermine the level where the actors conduct their actions. In the case of digitalisation and automatisisation, the response is first at the company level (micro) and responses of other levels react on the lower-level issues and topics (e.g. the topics related to AI and algorithmic management are first born at the company level and the need for regulation is then articulated to the upper level which can result in national or EU level regulation). In the case of decarbonisation, on the contrary, the policy is set at the macro (EU) level and national, sector and company level actors further respond to this (e.g. the Green Deal and its respective policies, in the automotive sector, for instance, the zero-emission cars of EURO7 regulation). We illustrate the policy drivers and directions of social dialogue articulation in the following Table 1.

Table 1. Policy drivers and social dialogue articulation

	Digitalization and automatization	Decarbonization
EU level	Market driven change, reactive policies in the form of directives and recommendations	Policy interventions (regulation of the automotive sector – ban on ICE, EURO7)
Macro (national)	Reactive policies – labour law, minimum wage, regulation of WC	Reskilling framework policies, transport sector policies, industrial policies
Meso (sectoral/regional)	Skill profiles, common sector rules wages	Skill profiles, coordination among actors, sector level changes strategies
Micro (company)	Work organization and working conditions, job losses management, reskilling	Job losses and job changes due to regulations, reskilling

2.2. Key research objectives

The key objectives of the BARMETAL project included:

1. Identifying the key challenges of D-A-D concerning working conditions in the metalworking sector across the EU Member States and candidate countries). This objective was addressed by elaborating a position paper and a methodological toolkit for analysing these challenges and their impact on social dialogue and collective bargaining.
2. Analysing how the key challenges related to working conditions due to D-A-D are addressed in collective bargaining both at the workplace and sector levels across 11 EU Member States and one candidate country (CZ, DE, DK, FR, HU, IT, NL, PL, RO, SK, SE, SRB). Under this task up to 15 qualitative interviews in 11 countries were conducted. Also one shadow case on Germany was elaborated as well as 12 policy papers and country-specific factsheets.
3. Understanding how the key challenges arising from D-A-D are framed in EU level social dialogue and how action is foreseen in the above-mentioned countries in response to the EU social dialogue priorities. The objective was addressed by conducting desk research and interviews with EU level sectoral social partners and other relevant stakeholders in D-A-D related initiatives.
4. Compiling a coded, electronic database of 75 collective agreements in the metalworking industry and studying clauses on re-skilling, vocational training, work intensification, and other workplace changes related to D-A-D.
5. Identifying opportunities for strengthening collective bargaining in response to DAD through facilitating direct exchange between social partners in the metalworking industry from 11 EU Member States and one candidate country and the EU level sectoral social partners.

3. Research findings

3.1. Comparative evidence from the country-level analysis

This part of the *Comparative Policy Report* aims to provide evidence on the state of social dialogue in each of the countries under study. The results emerge from a synthetic elaboration of country reports prepared with a common theoretical and empirical framework by each of the BARMETAL project partners. The reports are the result of both desk and field research. At least two company-level case studies were conducted in each country in the metal sector, using a common questionnaire structure and interviewing workers, union representatives and managers. The contents of the interviews concern the presence, diffusion and obstacles to the adoption of D-A-D, the impact on workers and working conditions, and the effects in terms of transformation of the social dialogue. More details on each national report are available [here](#).

3.1.1. Social dialogue in Europe in a comparative perspective – analytical context

EU countries are characterised by a variety of industrial relations systems, dependent on their different historical paths as well as the prevailing typologies of capitalism, which can nevertheless be grouped into clusters ordered according to a limited number of variables,

such as the power of trade unions and the level of articulation of capital and labour organisations. This variety translates into the existence of 'models' of industrial relations that diverge not only with respect to the mode of relations between the social actors (e.g. pluralist vs. corporatist models) but also with respect to the predominant level of regulation (sectoral vs. firm level). In this sense, the activity and scope of collective bargaining is closely related to the existing national systems of industrial relations institutions.

If we consider the first clusters of member states (up to the fourth EU enlargement of 1995), historically Northern European countries (Sweden, Finland, Denmark) but also some Central European countries (Germany, Austria, Belgium and the Netherlands) have predominantly neo-corporatist industrial relations systems, characterised by the presence of tripartite participatory institutions, more developed and widespread collective bargaining and strong union power, resulting from tendentially high membership rates and tendentially low unemployment levels. In contrast, Southern European countries, but also Ireland and the UK, have predominantly pluralistic industrial relations systems, where, despite various attempts at state-led neo-corporatism, collective bargaining is less structured, relations between the social partners are more conflictual and trade unions tend to be weaker, also due to a generally lower union density and higher unemployment.

In addition, and sometimes cross-cutting the 'model' of industrial relations, EU countries historically diverged in the articulation between different levels of collective bargaining, with countries such as the UK, Ireland and Italy having experienced a strong autonomy of the company level vis-à-vis the national/sectoral level; states such as Germany or the Scandinavian countries where strong sectoral bargaining goes hand in hand with a sustained social dialogue at company level, mainly due to the presence of co-determination schemes; countries such as France where, on the other hand, firm-level bargaining was traditionally scarce and enjoyed little autonomy with respect to sectoral bargaining.

However, over the last three decades, a trend common to most European countries has led to the progressive softening of social dialogue institutions and the liberalisation of collective bargaining, through the weakening of the national/sectoral level and the strengthening of the local/firm level. This institutional change does not necessarily indicate an overall convergence among the different national models, since employment security, social benefits, and workplace representation still depend to a large extent on national labour market institutions.

This general picture was further complicated by the 2004 EU enlargement, which brought eight Central and Eastern European (CEE) countries (Czechia, Estonia, Lithuania, Hungary, Latvia, Poland, Slovakia and Slovenia) into the EU. This enlargement was followed by the accessions of Bulgaria and Romania in 2007 and Croatia in 2013. Despite initial hopes of institutional convergence towards the so-called European social model (ESM), and despite the fact that EU membership effectively provided the new member states and their social partners with institutional and regulatory resources, the divergences between the Western and Eastern European countries remained significant, both in terms of the organisation and stability of industrial relations and in terms of wage and social gaps.

Although the economies of CEE countries have become increasingly integrated with those of Western European countries, both through the inflow of FDIs and labour migration stimulated by European regulations, the institutional effects of EU directives, but also of the transfer of good practices within Western multinationals, have been limited. On the contrary, the centre-

periphery dynamics inherent in this model of economic development have further weakened sectoral bargaining coordination in CEE countries. Moreover, developments since the economic crisis show how collective bargaining reforms in Southern European countries, especially through the undermining of the principle of non-derogation from sectoral agreements, have triggered a dynamic of lowering collective bargaining standards in these countries towards extremely liberal industrial relations models such as the Polish one.

Against this background, it is evident that the challenges posed by D-A-D are considerably diversified and strongly depend on the different collective bargaining and social dialogue institutions and opportunities in each country. The research design of the BARMETAL project aims precisely to explore this variety and at the same time to identify general trends in order to provide relevant policy indications, both at national and European level. The pool of 11 member states and one candidate country is in fact representative of very different industrial relations systems, in which the negotiation of technological change and its consequences takes place in different ways and arenas. In particular, the presence of strong collective bargaining institutions at the company level can help address the more direct impact of digitalisation and automation on working conditions, while a stable and cooperative social dialogue at the sectoral or national level can tackle the effects of these processes in terms of skill recomposition as well as the medium- and long-term consequences of decarbonisation policies. The articulation and coordination between the various levels can finally allow for a global governance of these transformation processes.

Furthermore, evidence from various productive sectors also demonstrates the significance of other labour market factors and institutions - such as wage distribution, welfare systems and the nature of skills training regimes - in shaping technological change. In this sense, differences could emerge between countries with coordinated or social market economies - where these institutions support firms in the adoption of new technologies through the development of specific worker skills or social partnerships - and countries with mixed or embedded neoliberal market economies (such as Southern and Central Eastern European countries), where the absence or the weakness of these institutions could incentivise firms to formulate strategies based on short-term investments and continued reliance on cheap, unskilled labour.

3.1.2. Social partners responses and strategies in addressing D-A-D - comparative evidence

The social partners in the metal sector in the countries under study seem to be aware of the challenges posed by D-A-D. However, most of the case studies carried out show that these topics are rarely the subject of in-depth social dialogue at company level, even less so of collective bargaining. At the firm level, in fact, the implementation of D-A-D is often regarded by management as an exclusive prerogative, not requiring consultation with workers' representatives. Curiously, although the general assessment of national contexts indicates a growing awareness of the importance of these processes among trade union representatives, even the latter often regard technological change as a managerial prerogative and, in very different cases such as the Netherlands, Romania or Poland, do not ask for consultations on the implementation of new technologies.

In this context, the exception seems to be Germany, where future-oriented agreements play an important role and are increasingly concluded not only at sectoral but increasingly at company level. In the cases of Denmark, Sweden and the Netherlands, which also present a

large and far-reaching coverage of company bargaining, trade union and employee representatives seem to be less involved in the implementation of D-A-D. In these countries, however, the presence of co-determination and worker participation schemes and practices at the firm level nonetheless ensures an adequate level of information and the possibility of consultation and intervention on the consequences of technological change, e.g. through collective agreements on training. This, however, provided that in these countries public financial support for technological transformation, especially in terms of re-training of the workforce, is not jeopardised by the public debt brake and that labour markets become more inclusive, reversing the declining trend of collective bargaining coverage and extending it to the more peripheral sectors of the economy

In the two large southern European countries analysed, France and Italy, the decline of collective bargaining at the sectoral level in favour of the firm level is also manifested in the context of the decarbonisation process, especially in the critical automotive sector, where reports identify a key role of firm-level agreements and social dialogue to enable the transition and make it cost-effective. However, the profile of such agreements is heterogeneous, as in some cases they allow for productivity gains while simultaneously deteriorating working conditions, while in others, especially in higher value-added production, they manage to combine improved company performance with advantages for employees. Although automation and digitalisation are considered crucial to remain competitive, social dialogue on these issues is almost absent in France and rare in Italy. This heterogeneity is also the result of a lack of coordination at sectoral level, especially on D-A-D issues, where the social partners should instead remobilise their ability to reach agreements that restrict the possibility of derogations at company level. At the political level, it is also crucial that social partners and especially trade unions become directly involved in the definition of appropriate industrial and training policies to address the twin transition.

In the CEE countries under study (Czech Republic, Hungary, Slovakia, Poland and Romania), weak industrial relations institutions seem to severely limit collective bargaining and social dialogue on D-A-D issues, both at sectoral and company level. In the Czech Republic, for example, challenges to D-A-D implementation at the company level tend to be resolved through *ad hoc* forms of social dialogue that allow for immediate responses but outside collective bargaining arrangements. At the same time, there is a lack of more coordinated approaches at the sectoral level, partly due to the insufficient institutional and financial support provided by the State to coordination bodies. In smaller CEE countries, such as Hungary and Slovakia, alongside the issue of strengthening social dialogue and information rights on D-A-D at company and sectoral level, the topic of vocational training and re-skilling emerges strongly, requiring to be addressed both in collective bargaining and through tripartite dialogue with institutions. A similar situation can be observed in larger countries, such as Poland or Romania, where, however, emphasis is also placed on the need to develop a comprehensive national strategy on D-A-D. Such a strategy should, on the one hand, address the challenge of training and re-skilling through, for example, the creation of sectoral training funds managed by the social partners and supported by public authorities and, on the other hand, act as a stimulus for collective bargaining by raising social partners' awareness of the need to engage in social dialogue to enhance workforce skills.

With regard to the only candidate country studied, Serbia, the field research found no evidence of D-A-D issues being raised in collective bargaining and social dialogue in the

company case studies carried out. Also in this case, since the new issues arising from D-A-D and their implementation in the metal sector relate mainly to vocational education and professional training, there is a need to develop forms of social dialogue at sectoral and national level to address these aspects.

The overall conclusion that can be drawn from the comparative analysis is the general need to **strengthen social dialogue and collective bargaining in relation to D-A-D at both company and sectoral levels**, in particular by improving the coordination of collective bargaining between the various levels, enhancing the involvement of workers' representatives and trade unions in company decisions and industrial policy-making, and raising social partners' awareness of the challenges posed by D-A-D, particularly with regard to vocational training and re-skilling.

3.2. Evidence from EU level social dialogue⁵

Given the multidimensional model above proposed, this section of the *Comparative policy report* aims to provide evidence regarding the interaction and responses of EU level social partners to challenges related to D-A-D in the metal industry, with a specific focus on the automotive sector. The objective is to understand how key challenges arising from trends in D-A-D are addressed within EU level social dialogue. Additionally, the report examines how actions are anticipated within Member States and candidate countries in response to EU social dialogue priorities. Elaboration is based on desk research, input from national experts, and 4 interviews with EU level social partner representatives. These representatives include trade unions IndustryAll and the Council of European Employers of the Metal, Engineering, and Technology-Based Industries (CEEMET), as well as two other stakeholders engaged with social partners in this field: the European Automobile Manufacturers Association (ACEA) and the Automotive Skills Alliance (ASA).

3.2.1. EU level social dialogue – analytical context

Social dialogue in the metal sector at the EU level is held among IndustriAll Europe representing trade unions and CEEMET, representing employers. The Sectoral Social Dialogue Committee (SSDC) discusses situations in the sectors of the manufacture of fabricated metal products, computer, electronic and optical products, electrical equipment, machinery, motor vehicles, and other transport equipment, as well as the repair and installation of machinery and equipment (*Cross-Industry and Sectoral Social Dialogue - Employment, Social Affairs & Inclusion - European Commission*).

Social partners in the sector have never reached the binding form of the agreement (e.g. the framework agreement), their activity is limited to non-binding forms of documents such as joint opinions and declarations. Topics of the joint texts typically evolve around skills and development, vocational education and training and highlight the importance of participation of social partners.

⁵ Based on the research conducted by Monika Martišková, Univerzita Karlova (CUNI).

Since 2013, there have been 13 joint texts approved by the social partners, of which 7 were published after 2020 (see Annex 1). While this increased activity of social partners is primarily attributable to responses to COVID-19 crisis and challenges, it also addresses digitalisation and decarbonisation processes in the industry and their impact on labour. Before 2020, in fact, the EU revitalisation, the role of corporate social responsibility and the development of digital skills were the most mentioned topics in the texts. After 2020, the joint opinions mostly react to COVID-19 pandemic and the need for recovery plans and investments, but, at the same time, they also deal with the just transition and challenges of AI.⁶

The participation in sectoral social dialogue at the EU level allows social partners IndustriAll and CEEMET to communicate with the European Commission, and engage in policy-making at the EU level, while the outcomes of the SSDC remain non-binding. Nevertheless, actors still perceive the SSDC as an important platform for discussing the challenges related to the labour market and its transformation. Within the SSDC, social partners keep exchanging information and best and bad practices from their affiliates. But at the same time, employer representatives generally oppose any kind of EU regulation in this area, citing the diversity of national collective bargaining systems as a reason why such intervention would not be advisable.

As a consequence of the low level of commitment of social partners in the SSDC, informal interactions with other stakeholders are even more important. Further, the contact with DG Employment is appreciated, and not only through the formal consultations, but also at informal meetings, joint events that are organised in order to pass the messages to the policymakers. Other actors active in social dialogue around D-A-D also confirm the importance of informal ties. While there is no formal social dialogue, other organisations make efforts to identify and address impacts informally, leveraging long-term relationships and shared experiences in the industry.

Concerning the interactions between EU and national-level social partners - and similarly to what is observed in country case studies -, EU level employers' representatives highlight the importance of social partners' autonomy at sectoral level in different countries, which suggests that a wider coordination between national affiliates and EU level organisations is not present. Low level of interaction is observed especially in the Central and Eastern European (CEE) countries, where employers, despite being members of employers' organisations, usually use their membership to try to influence policies at the European level, but avoid actively participating in European social dialogue platforms.

The lack of participation, especially of employers from the CEE countries, is also a problem for IndustriAll. Trade unions in countries such as Poland, the Czech Republic, Slovakia or Hungary are affiliated to IndustriAll and are deeply involved in its activities. They can thus articulate and address their needs at the level of European social dialogue, but their direct regional counterparts are often missing.

⁶ Similarly, sectoral dialogue in the steel industry is held between IndustriAll Europe and the employers' organisation EUROFER within the sectoral social dialogue committee. In recent years, the committee has adopted some important documents relating to D-A-D topics, to mention for example the Joint statement "European social partners commit to working towards a competitive transition of the European steel sector": https://news.industrial-europe.eu/documents/upload/2023/11/638368456951393945_2023_IAE-EUROFER_Joint_Statement_Final_EN.pdf

3.2.2. Social partners responses and strategies in addressing D-A-D at the EU level

Social partners and other stakeholders agree that insufficient attention is paid to the impact on workers and the labour market in EU decarbonisation policies. For this reason, trade unions consider the coordination and involvement of social partners at European level a key step to ensure workers' participation in decision-making and to strengthen social dialogue and collective bargaining also at national level. Employers, on the other hand, emphasise the need to ensure communication and cooperation between the different DGs in order to address the challenges related to the impact of D-A-D on the labour market.

Decarbonisation and the shift to electric cars are expected to reduce employment in the automotive sector due to a decrease in demand for mechanical jobs, while at the same time shifting job profiles from mechanical to chemical and energy related occupations, necessitating extensive retraining. Surprisingly, however, the social partners' concern about the effects of digitalisation exceeds that of the green transition alone, due to their broader horizontal impact on the industry. In addition, the skills shortage for digitalisation in production, sales and data management has an impact on vehicle production, irrespective of the propulsion system, representing a more urgent problem than the transition to electric vehicles.

The lack of coordination between European, national and sectoral levels leads to uncoordinated efforts to recognise basic and specialised skills. According to employers, companies in the automotive sector should develop a system of mutual recognition of qualifications. In such a system, training by reputable companies would be relied upon without the need for formal certification by public authorities, and collaborating companies could informally recognise each other's training programmes, leading to the creation of frameworks and detailed competence descriptions that are more flexible and quicker to implement. Another argument in favour of company-based training is the excessive length of the course accreditation process.

Coordination at regional level presents itself as another alternative approach to coordination management. As regions often struggle to attract the necessary workforce due to a lack of housing, infrastructure and services, this problem parallels the challenges of education and training. In this sense, employers see coordination at regional level, with the collaboration of public authorities and the active participation of social partners, as a possible solution to overcome the limitations inherent in European and national levels of coordination.

According to the trade unions, however, the insufficient coordination of training should be addressed through social dialogue, both at the European level and at the national/sectoral level. At the European level, trade unions advocate the need for a framework agreement,

modelled on the one currently being negotiated in the gas sector⁷, which would help address the transformation by anticipating the skills needed and defining targets for companies and sub-sectors. The agreement should include the mapping of employment impacts and the

⁷ IndustriAll and EPSU are currently negotiating a framework agreement with Eurogas within the EU Sectoral Social Dialogue Committee for the gas sector:

https://www.epsu.org/sites/default/files/article/files/Trade%20Union%20Mandate%20Gas%20Agreement%202023_EN.pdf

identification of required competencies to effectively manage the transition and emphasise the implementation of training and re-skilling policies for workers, in cooperation with stakeholders, as companies often fail to provide training on their own.

Trade unions and employer representatives also disagree on how employees should be encouraged to participate in training. While trade unions claim a generalised right to training, employers prefer to talk about access to training, arguing that it should also be facilitated by providing counselling to the workforce.

The general conclusion that can be drawn from the analysis of the social dialogue at EU level concerns the need to **strengthen the role of the Sectoral Social Dialogue Committee (SSDC) on D-A-D issues**, in particular by favouring the gradual achievement of a consensus among social partners that would lead to a real collective bargaining process, improving the coordination with the national levels through the greater involvement in the European social dialogue of the more reluctant social partners, especially from CEE countries, and raising social partners' and stakeholders' awareness of the need for an integrated and coordinated approach to training and re-skilling.

4. Policy recommendations

On this basis, we formulate the following specific recommendations of a general nature.

1. Greater and deeper involvement of the social partners at all levels in elaboration of D-A-D related policies is needed.

Challenge/threat: Declining capacity of the social partners, also as a result of declining trade union membership (lack of expansion of collective agreements which could compensate for low trade union membership), while not forgetting those countries where the representativeness of employers' organisations is (and has always been) very low. Although there has been a surge in attempts to improve capacity (examples of measures can be found in the Council Recommendation of 12 June 2023 on strengthening the social dialogue in the European Union⁸ and the Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions - Strengthening the social dialogue in the European Union: realising its full potential for managing a just transition⁹, COM/2023/40 final), the European Union still does not foresee the structural need to embed Social Dialogue as a continuous policy practice to envisage EU coordinated policies.

2. It is crucial to strengthen collective bargaining in EU Member States, promoting institutional convergence towards high standards of coverage and coordination.

Challenge/threat: The extent to which workers are covered by collective agreements varies considerably between Member States. It is not yet possible to assess the effectiveness of Article 4 of the European Directive on adequate minimum wages. The Directive calls on Member States, in consultation with social partners, to implement

⁸ https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=OJ:C_202301389

⁹ <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=COM%3A2023%3A40%3AFIN>

national action plans aimed at achieving the target of 80% collective bargaining coverage. These plans should set out a timetable and concrete steps to show how Member States intend to achieve this ambitious target. It has also to be noted that the use of quantitative indicators might be partly misleading to assess the quality and effectiveness of the bargaining coverage. However, what is clear at this stage is the lack of a strategy of implementation to reach the target.

3. It is of utmost relevance to ensure the right to information and consultation of workers and their representatives, including in areas related to automation, robotics, digitalisation, algorithmic management and artificial intelligence.

Challenge/threat: The right of workers to be informed and consulted is enshrined in EU law mainly through Directive 2002/14/EC of the European Parliament and of the Council of 11 March 2002 establishing a general framework for informing and consulting employees in the European Community¹⁰ and Directive 2009/38/EC of the European Parliament and of the Council of 6 May 2009 on the establishment of a European Works Council or a procedure in Community-scale undertakings and Community-scale groups of undertakings for the purposes of informing and consulting employees (recast)¹¹. However, its functioning is very different in the various Member States. There are Member States where works councils do not exist in practice and trade unions, as the only form of employee representation, have limited access to information on the employer's strategy. In other Member States, on the other hand, there are more established practices of consultation and information rights that enable response and action processes to be put in place whenever necessary. Also in this case, there is a need to promote institutional convergence towards higher standards.

4. It is essential to guarantee access to education and lifelong learning and to address skills shortages, in particular by developing the conditions for the creation of framework agreements on skills and qualifications.

Challenge/threat: The European Union has taken several initiatives to address the issue of vocational training and requalification of workers' competences needed to meet the challenges of digitalisation and ecological transition. Examples include the European Skills Agenda¹², the EU Pact for Skills¹³, the Council Recommendation of 16 June 2022 on a European approach to micro-credentials for lifelong learning and employability¹⁴, the Council Recommendation of 16 June 2022 on individual learning accounts¹⁵. The involvement of social partners is crucial to secure an inclusive transition in the labour market and to guarantee that the re-skilling process takes place while providing social protection for workers. However, social dialogue on these issues is uneven across member states and in many countries social partners have little influence on the skills training system. In this sense, social partners should be empowered to work together

¹⁰ <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=celex%3A32002L0014>

¹¹ <https://eur-lex.europa.eu/legal-content/en/ALL/?uri=CELEX%3A32009L0038>

¹² <https://ec.europa.eu/social/main.jsp?catId=1223>

¹³ https://pact-for-skills.ec.europa.eu/index_en

¹⁴ <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex%3A32022H0627%2802%29>

¹⁵ <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex%3A32022H0627%2803%29>

with the state or regions to create framework agreements on competences and qualifications (including digital ones), also taking advantage of the impetus resulting from the activities (agreements, action plans, positions) of the European sectoral and interprofessional social partners.

5. Conclusion and Policy Relevance

In recent years, several voices have been raised to warn that digital technologies risk benefiting a small number of corporate actors and instead cause considerable harm to workers if they are not subjected to forms of regulation and democratic control that allow for the redistribution of their benefits. The European Union has made numerous policy efforts to regulate new technologies and protect workers and citizens from the risks inherent in their uncontrolled implementation. However, the decreasing emphasis on social dialogue in favour of broader policy discussions suggests that workers' voices are becoming increasingly silent amidst other influential actors driving change.

This *Comparative Policy Report* strongly advocates in favour of strengthening social dialogue and collective bargaining on D-A-D related issues in the metal sector and building coalitions with other stakeholders, including outside social dialogue structures. With respect to all dimensions under study targeted by our recommendations, to sum-up i) lack of relevance of D-A-D for social dialogue, ii) heterogeneous collective bargaining, iii) information and consultation rights, iv) training and employment security, we encourage the promotion of paths and practices able to rebalance asymmetries between employers and employees. Overall, a substantial need for democratisation of the decision-making processes has been identified, starting with the lack of procedural involvement of workers and trade unions in understanding the relevance of the processes at stake. The lack of awareness or the delegation to exclusively employer decision-making authority might lead to very unfavourable prospects for workers and trade unions.

Take training as an exemplary case, where there is a substantial risk that, without proper regulation and coordination directly involving social partners, training activities will become too informal and dominated by employers' needs, rendering training policies ineffective on a larger scale. Ultimately, this may lead to greater dependence of workers on individual employers and reduced mobility within the labour market. In response to the dilution of workers' voices in policy-making, labour market challenges need to be addressed through the structural reliance on social dialogue at all levels, including SSDCs, as an effective way to improve coordination processes and reduce institutional disparities within the EU.

Annexes

Annex 1: EU level social dialogue and its outputs between 2013 and 2023 in the metal sector

Date	Title of the output	Type of the output	Participating organisations
29/5/2013	Rethink education, but do it together with industry	Joint opinion	CEEMET and IndustriAll
5/12/2013	Summary of joint conclusion on adaptability and flexible forms of employment	Declaration	Work group on “Competitiveness & Employment” of the MET social dialogue committee
19/9/2016	How to promote a fit for purpose European sectoral social dialogue: IndustriAll Europe & CEEMET views on the Commission initiative to relaunch European Social Dialogue	Joint opinion	CEEMET and IndustriAll
8/12/2016	The impact of digitalisation on the world of work in the metal, engineering and technology-based industries, by European sector social partners	Declaration	CEEMET and IndustriAll
17/3/2017	IndustriAll-CEEMET statement on the 60th anniversary of the Treaty of Rome	Declaration	CEEMET and IndustriAll
19/6/2017	A Skills Agenda for Europe : no need for New but for Swift action: An IndustriAll Europe & CEEMET joint position	Joint opinion	CEEMET and IndustriAll
26/5/2020	Saving jobs while reducing emissions: Joint statement of IndustriAll Europe, Ceemet, ACEA, CLEPA, CECRA and ETRMA on a call for an ambitious recovery plan for the automotive sector	Declaration	IndustriAll Europe, Ceemet, ACEA, CLEPA, CECRA and ETRMA
12/6/2020	The EU should join forces to combat COVID-19 and reboot industry	Joint opinion	CEEMET and IndustriAll
9/11/2020	The impact of digitalisation on the world of work in the MET industries	Joint opinion	CEEMET and IndustriAll
30/11/2020	Investing in a swift recovery – investing in the future of the European industrial basis: An IndustriAll Europe & Ceemet joint position	Joint opinion	CEEMET and IndustriAll
15/6/2021	Robust MET industries require future-proof apprenticeships: An IndustriAll Europe & CEEMET renewed pledge	Joint opinion	CEEMET and IndustriAll

24/11/2021	Boosting continuing vocational education & training in the MET industries: An industriAll Europe & Ceemet joint position	Joint opinion	CEEMET and IndustriAll
22/2/2023	Artificial Intelligence in the MET industries: IndustriAll Europe & Ceemet joint conclusions	Joint opinion	CEEMET and IndustriAll

Source: own compilation based on the Social dialogue texts database of the DG Employment, Social Affairs & Inclusion, available at:

<https://ec.europa.eu/social/main.jsp?catId=521&langId=en&day=&month=&year=§orCode=SECT46&themeCode=&typeCode=&recipientCode=&mode=searchSubmit&search=Search>

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