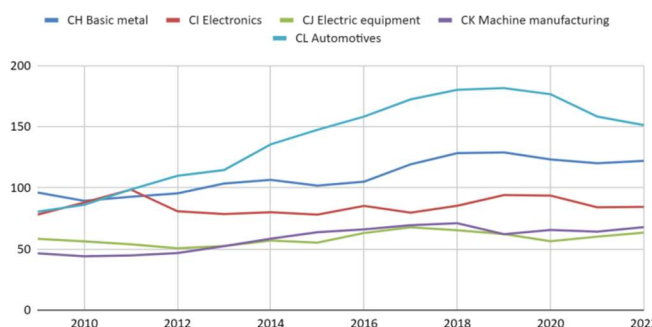


BARMETAL: Digitalization, Automatization and Decarbonization: Opportunity for strengthening collective bargaining in the metal sector (101052331) Country Factsheet - HUNGARY

Between 2009 and 2018 employment in metal manufacturing rose by 47.5 percent, only to decline by 8 per cent between 2018 and 2022. Among subsectors, until 2019 automotives expanded significantly in terms of employment, followed by basic metals, while other subsectors stagnated. While levels of unemployment increased significantly in crisis periods, since 2016, low levels of registered unemployment and acute labour shortages characterise the labour market, with significant territorial-regional variation..

Graph no. 2. Number of employees in metal subsectors, 2010-2022 (year, no. of employees in thousands)



Key challenges in the metal sector

- Digitalisation, automatisisation and decarbonisation (DAD) occurs with a structural delay
- in the last decade, change occurred in small steps, automatisisation compensated labour shortages
- Large multinational companies are leading the change while domestic small and medium enterprises cope with new requirements

Role of social partners in addressing D-A-D

- Social partners recognise a technological gap but also labour gap to move towards higher value added activities
- sectoral social partners have modest capacities, at best engage in joint initiatives concerning DAD
- inadequate training and education appears as a central common policy issue for both employers and unions

D-A-D in workplace

- suppliers experience insecure product markets, industrial relations structures are typically fragile
- skill formation for new technology and products is extremely decentralised and company based
- for white and blue collar cohorts both job stability and career mobility chances diverge significantly

Bargaining efforts in companies

- technological change, decarbonisation of production are subjects of unilateral management decision
- company level social dialogue is formal, there is no expansion of collective bargaining agenda
- worker representatives experience more pressure than partnership during collective bargaining

Main findings and recommendations

In metal manufacturing and automotives especially among suppliers industrial relations structures are fragile. In crisis periods, the quality of social dialogue and collective bargaining deteriorate further. There is a need to strengthen and broaden social dialogue and information flows on DAD at both sectoral and company level in order to adequately inform, prepare and involve all stakeholders in the changes, in particular training and pre-qualification requirements.