



Council of European Employers
of the Metal, Engineering and
Technology-based industries



CEEMET-industriAll SDC Plenary
Brussels, 4 December 2014

DRAFT REPORT

The co-chairs, Ms. Görner of industriAll/IG-Metall and Mr. Pilliard of CEEMET, welcomed the participants to the meeting and thanked the Commission for their assistance in facilitating the meeting.

1. Introduction and welcome

Mr. Pilliard reflected upon the past 12 months and the turmoil and challenges that the EU had faced. This included the election of a new European Parliament, and a new Commission which in the early days of its mandate expressed a need for a renewed focus upon social dialogue.

With this in mind, it was of the greatest importance that the voice of the manufacturing sector was heard, and CEEMET and IndustriAll should together consider if they needed to adapt their existing social dialogue in light of these changes. Looking ahead, it was clear that the economic recovery remained fragile and the social partners therefore needed to focus on supporting their sectors' economic performance to the benefit of both employers and workers.

2. Approval of the Agenda

The Agenda was adopted as proposed.

3. Minutes of last Social Dialogue plenary meeting in 2013

The minutes were unanimously approved.

4. Reports from the working groups & mandates of co-chairs

a. Ad hoc working group "Competitiveness and Employment" -

The co-chairs, Messrs. Weihe, Teknikföretagen, and Asplund, IF Metall, reported that the group had discussed the importance of adaptability in the labour market and the possibility of offering stable work. This offered a challenge to both parties to find a national balance and also to retain competitiveness and stability for employees. These were important messages to communicate at EU level and upon which the social partners agreed.

The group had also discussed the current arrangements for European Economic Governance, with some concern. In particular, the representatives of both social partners had reservations over how some of the indicators were now being developed, and the use that they might

potentially be put to in the future. There appeared to be a move to monitor some social aspects of the labour market which were the responsibility of the social partners and not national or EU level institutions. Linked to this was a certain apprehension over the growing trend of tripartism in social dialogue, which risked causing detriment to the autonomy of the social partners and undermining their roles. Social dialogue was and must remain a bipartite relationship and the role of the Commission was strictly as a facilitator and interested observer.

The group had successfully reached agreement on pursuing a joint study on the requirements for an efficient company environment which it was now pursuing. This was to take the form of an initial pilot study based upon a limited number of companies and a questionnaire which was to be prepared by the representatives of each secretariat. If this proved successful, it could then pave the way for a fuller study and an application for funding to the European Commission to support this.

The group's discussions had also considered the likely future impact of the growth of digitalisation on the sector and the affect that this would have upon employers and workers. Whilst there was concern from some quarters that the greater use of digital technology might have an adverse effect upon employment numbers, it had been agreed that this was not certain and, further, that there was an equal potential for the sector to expand, supported by the greater use of digital technology which had the potential to revolutionise the manufacturing process.

Finally, there was unanimous agreement within the members of the group that at all levels, social dialogue should never be regarded as a policy making tool by institutional stakeholders and that the success of the social dialogue process should never be evaluated by the Commission simply by reference to the number of formal agreements reached.

b. Ad hoc working group "Education and Training".

Ms. Rudelli, UIMM, and Ms. Barthes, industriAll Europe, reported that the group's attention had been focussed upon the transfer of knowledge within the sector and how this was variously achieved within companies; the evaluation of training needs; and the difficulties in the recognition of qualifications within the EU. The DG GROW initiative 'EUWIN' had the potential to make a positive contribution to this debate and enable the sharing of best practice between employers and trade unions.

Overall, the group had collectively found that the transfer of knowledge was in general terms poorly structured, with some legal barriers and few formal agreements in existence. Whilst there was an absence of a formal platform to underpin the good practice which already took place, this did not mean that effective knowledge transfer did not already occur in practice. For SMEs, it was part of their daily business, and occurred on a frequent ad hoc basis. Larger companies had incorporated the process more formally into their development and HR plans driven by the need to retain, develop and pass on skills within their workforce.

The group has also discussed the perceived attractiveness of vocational education and training, and the image of the sector, and concluded that a promotional video should be produced focussing on young people which could demonstrate to the EU what the sector was doing to improve its appeal.

Ms. Görner, industriAll/IG-Metall, expressed the view that the video should be used to correct the current lack of information available on VET available in the MET sector and that the group should seek EU funding for the production of the video.

Mr. Pilliard, CEEMET/UIMM, noted that employers were often required to correct defects in the education system, which included poor information on the opportunities in VET and the careers available in the MET sector.

Renewal of mandates of the Working Groups

The mandates of Ola Asplund (IF Metall/industriAll Europe) and Anders Weihe (Teknikföretagen/CEEMET) as co-chairs of the C&E WG were renewed until end 2015. For the E&T WG, the mandate of Delphine Rudelli (UIMM/CEEMET) was renewed until end 2015. A new E&T co-chair for industriAll would be appointed in 2015.

5. New Juncker Commission – Focus on Euro and Social Dialogue.

The meeting was addressed by Mr. Jean-Paul Tricart, Head of Unit of the European Commission, Social Dialogue and Industrial Relations. He noted that the Commission was only 4 weeks old and as yet had no defined policy approach towards social dialogue. It had, however, reaffirmed the importance of the role of the social partners and of consultation with them but that a crisis of confidence in the EU might result in some future change. It was clear that the European Parliament had returned a considerable number of members who were broadly unsupportive of the European Union. There was also an on-going debate over the need for democratic change, particularly in the context of the role of the Troika, and the need to ensure greater fairness, growth and jobs. This was therefore a time of considerable uncertainty.

The appointment of a Vice-President with responsibility for the Euro and social dialogue underlined its importance in the EU but the role of the vice-president had yet to be settled. There was a planned high-level event early in 2015 which may set out the future of social dialogue and was likely to be supported by the Commission President.

Early Commission initiatives included the investment package and the work programme, with no guarantee that past policies would be pursued in the future. Whilst the political orientation of the Commission had remained unchanged, some policies would be rebalanced with a need for a new emphasis on the social partners' role in economic governance. The autonomy of the social partners was widely understood although social dialogue had become more fragmented within the Commission. The Committee structure had become more complex, with 43 committees and 68 employer organisations all needing better coordination but this would not mean a reduction in the number of committees.

Anders Weihe (Teknikföretagen/CEEMET) noted that social dialogue was too often seen as a political initiative which could be used to achieve legislative goals. The employers unanimously rejected this view and would not accept their role being overshadowed in this way. Mr. Eckelmann, Secretary General of IndustriAll, was of the view that it was always better to negotiate than legislate, and that therefore the social partners should always be the starting point when considering future change and how this could be brought about. Social dialogue needed strengthening to make it more operational and its reach was continually expanding in part due to the recent support of some Commissioners.

Ms Hadeler, Gesamtmetall, observed that the role of a social partner needed to be underlined, and social partners with a clear legal mandate had to be differentiated from other informal social partners who had no authority to conclude binding collective agreements.

Mr. Tricart for his part agreed that social dialogue should not be a tool with which to achieve policy objectives or legislative change, but the temptation for this was very strong. The door was open for policy change at EU level, especially in macroeconomic dialogue but the future was currently uncertain. On the employer side, the current platform for EU social dialogue was complex and employers needed to provide a better organisational platform.

Uwe Combüchen, Director General of CEEMET provided a presentation, (attached), on the current state of economic governance and the role of the social partners and social dialogue in this. Mr. Eckelmann, IndustriAll, commented that the tone in the Annual Growth Survey had become more moderate and the topics of greatest importance to the social partners were generally moving in the right direction. The latest country specific recommendations were less radical and structural damage to our sector was beginning to be addressed.

6. National Roundtable

The members of the meeting provided a short overview of their current national economic situation which revealed substantial variations in economic situations between Member States, but also between sectors.

7. Gearing the internal market towards industrial renaissance.

The meeting was addressed by Mr. Pellegrini of DG Growth on the topic of the investment package, recently announced by the Commission. This was then followed by a debate by the members who broadly expressed support for the initiative but also some reservations.

Mr. Eckelmann, industriAll, greeted the package positively as a first step but regretted its lack of ambition compared to the ETUC's "New Path for Europe", and regarded the investment ratio of 1:15 as very ambitious. Member States needed to demonstrate responsibility and the plan needed to be supported by them. However, the investment required could not be solely based on debt. The projects which benefitted must create employment and be ones that helped solved transnational issues.

Mr. Pilliard of CEEMET/UIMM expressed some frustration at the lack of vision for the future and observed that other forms of financing needed to be available for businesses who already bore a high tax burden. Mrs. Görner of industriAll/IG-Metall underlined that the social partners must be part of the process of selecting the projects which must be long-term commitments.

8. Approval of work programmes

The co-chairs of the ad hoc working groups Education and Training and Competitiveness and Employment presented their work programmes for 2015-2017 (attached) which were then duly approved.

9. AOB – dates of next SDC meeting

The date of the next meeting was confirmed as 14th December 2015.