

## Report: Second expert consultation on the automotive industry

Oct 14th, 2020 / Manuela Kropp, Project Manager at RLS Brussels



FOTO: <u>CHRISTIAN VIA FLICKI</u>

This was the second expert consultation on the automotive industry to be organised by the Rosa-Luxemburg-Stiftung Brussels Office. However, this consultation could only take place online due to the required pandemic protection measures.

The participants included trade union representatives, workers' representatives and scientists researching the transformation and future of the automotive industry.

The coronavirus pandemic and ensuing economic crisis have seen car sales drop, placing the automotive industry under further pressure. Job cuts, production consolidation and cost reductions are now imminent at many production sites and in many supplier companies. During the expert consultation, the participants learned about upcoming job cuts, restructuring, planned national support measures by governments as well as areas where

support is lacking. Later in the workshop, necessary measures at European and international level were discussed, such as a targeted European industrial policy to promote e-mobility, public transport, rail transport and new mobility services. There were near-unanimous calls for a just transition for the automotive industry. One problem identified was that, even if European battery cell production were to be successfully established, it might only benefit a few EU Member States and so increase economic imbalances within the bloc. Another issue concerns the instrument of public procurement, which will remain problematic as long as private companies are allowed to freely choose their production location. It would be better to strengthen the role of public companies here, not least so that jobs can be created in the various European regions by manufacturing rolling stock and public transport vehicles locally. The environmental impact of expanding e-mobility in private motorised transport was also discussed, given that manufacturing batteries is highly resource-intensive, in terms of both the raw materials used and the amount of energy required for production. In addition, the role of trade unions and works councils was discussed and there were calls for better cooperation at European and international level.

## Background: "How to meet the current challenges for the automotive industry and its supplying industry?"

The whole international value chain of the automotive industry and its supplying industry in Europe is experiencing a deep crisis due to the current COVID-crisis, the overcapacities in the market, the Chinese competition, new products and services such as electric cars, shared mobility and autonomous driving, and changed consumption patterns by the younger generation. The climate crisis and the growing CO2-emissions of the transport sector are additional challenges – globally and locally.

A lot of companies in the supplying industry, as well as car manufacturers, started to lay-off employees or announced planned lay-offs all over Europe. In a lot of cases the workers' representatives know only little about the strategy the OEMs and the company management have planned, or they know about it but are not involved in the decision making process. The challenge is how to save as many jobs as possible, how to prepare workers for the shift to electric cars' production and new forms of mobility, how to strengthen the involvement of workers, how to support a "just transition" at national, European and international level, and how to support the "conversion" to ecological mobility vehicles for public transport and rail transport. Such a "conversion" to an *ecological mobility industry* could be an opportunity to create a competitive advantage for future products of the industry and ensure employment in the industrial production.

We invited trade unions representatives and scientists from different European countries such as Czech Republic, Slovakia, Hungary, Slovenia, Serbia, Belgium, Sweden, Germany, France and Italy.

## **Program**

**10:00–10:10** Address of Welcome: Andreas Thomsen, Director Rosa-Luxemburg-Stiftung Brussels

10:10-10:20 Introduction: Benjamin Denis (industriAll)

First part

10:20-11:30 Information and exchange of views on current challenges for the companies and employees; responses of carmakers

and the supplying industry

Host: Manuela Kropp, Project manager Rosa-Luxemburg-Stiftung Brussels

Second part

13:00–14:30 Just transition for the automotive industry and its supplying industry – how could it be achieved?

Introduction: Matteo Gaddi, Fondazione Claudio Sabattini

Host: Matteo Gaddi, Fondazione Claudio Sabattini

**15:00–16:00** Conclusions & next steps

Host: Manuela Kropp, RLS Brussels

Quelle: https://www.rosalux.eu/en/article/1805.report-second-expert-consultation-on-the-automotive-industry.html