

ELW Conference 16/17.02.19, Frankfurt

Dear Colleagues,

first of all I would like, on behalf of IG Metall, welcome all of you to that very interesting and promising conference. Although we are all part of the “employee oriented labour law family”, I have to excuse myself, that I am not able, for reasons of time and pronunciation, to welcome all of you by name and personally. However, please feel welcome.

In the program, there are a large number of subjects on the table, and it is quite difficult to summarise them. The invitation mentions a few of them such as

Platform economy

Crowd-working

Subcontractors

New corporate structures

Industry 4.0

As a representative from a trade union in an industrial sector, I have a particular perspective on the before mentioned phenomes. Whereas a colleague from a trade union who's members work in the service sector might have a different perspective, but nevertheless a perspective which is at least as valuable ~~than~~ as mine.

Those different perspectives are important, and therefore I am pleased that we have here also perspectives from different countries. As trade unionists, our focus is very often on the colleagues and the factory, maybe the company, but we are by our DNA not international. The capital is.

If you have read Emile Zola's novella "Germinal" , which is distracting from time to time, you will have encountered a story of an attempt and a failure of international solidarity. Since, we have not yet learned our lesson, there is still room for improvement.

Course there are European federations, ETUC and the respective international departments, which are doing a great job. But just to give you a recent example: this week at the IG Metall Headquarters, a new telephone system for desk phones will be installed. You have to fill out an extra form, on paper of course, allowing you to make international calls.

Employers instead use new structures of companies, with organisational cross-border structures which are not only completely independent from so called legal entities, but also include international collaboration, presumably even by phone.

One could describe that process as a kind of "delocalisation of management"-

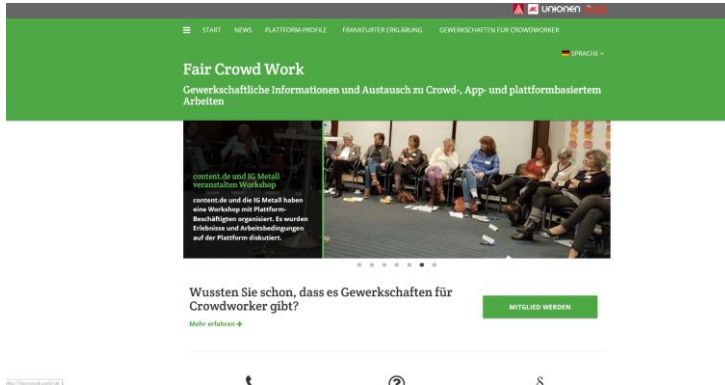
Thus, work councils are confronted with "legal representatives" of their-employers, but the decision makers are "elsewhere".

Those so called "Matrix Structures" lead to the fact that works councils have no counterpart.

To a certain extent we may observe here that the "employer" is fading away.

This is the exact opposite of crowd working and Platform economy or even so called "gig economy", which is more or less the idea to subdivide working tasks in tiny little pieces in order to spread them among a large number of self- employed people. Labour law is perceived in the context as "old fashioned", sometimes even by those it aims to protect.

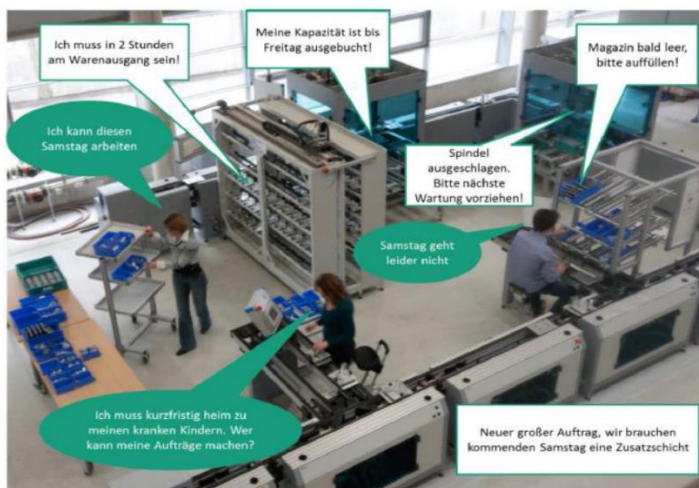
I will refrain from going into details here, knowing that tomorrow our vice general secretary Christiane Benner will speak on this issues with by far more knowledge and experience.



All the before mentioned developments are based on technology, on digitalisation.

At the industrial sector, this translates to the “cyber physical systems” or “industry 4.0” – digital communication between work pieces and machines enables them to exchange information. The impact of that development on working conditions cannot be overestimated.

Kontextmanagement ersetzt die operative Planung Die Smarte Fabrik organisiert sich dezentral und selbst in Echtzeit



- Cyber-physische Systeme (z.B. Maschinen, Anlagen)
- haben eine Identität
 - kommunizieren untereinander und mit der Umgebung
 - konfigurieren sich selbst (Plug and Produce)
 - speichern Informationen

dezentrale Selbstorganisation in Echtzeit

Former highly skilled workers have to survey machines doing the job, they have to follow software-driven assembling schemes and to collaborate with robots. At least a “collateral damage” of the digital technologies is that human behaviour and performance will be intensively monitored. But not only data protection issues arise, also qualifications and complexity of tasks, which are the basis of salary scales foreseen in the collective agreements, will be questioned. If the working task consist in following the instructions on a flat screen, does that still justify skilled workers salary?

There are different estimation on job losses, and nearly all of them point out that as jobs disappear, others will be created. However, where will they be located and what are the required qualifications?

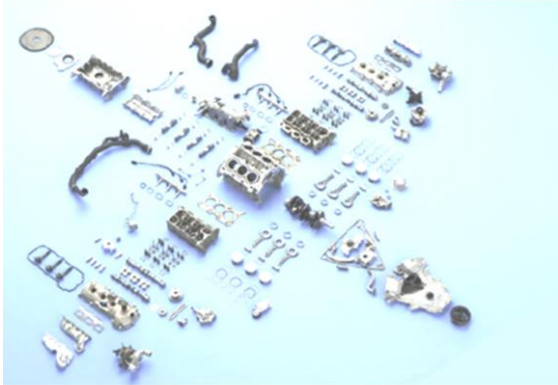
Finally, we are used to the situation that the employer by organizing his business relays on managerial prerogatives, and that labour law has the vocation just to limit those in the interest of employees.

What happens if those decisions are transferred to algorithms or even artificial intelligence? It is not very fruitful to discuss the arrangement of working time and shifts if the plant is part of a supply chain based on “production on demand”.

When talking about the impact of technology on working conditions, and on labour law in general, a representative of the Metall workers union, which has nearly 25% of its 2.3 Mio. Members in the automotive sector cannot avoid mentioning the decarbonisation process.

Kfz mit Verbrennungsmotor: ca. 1.400 Teile im Antriebsstrang (Motor und Getriebe)

Elektroauto: ca. 210 Teile im Antriebsstrang (Elektromotor und Getriebe)

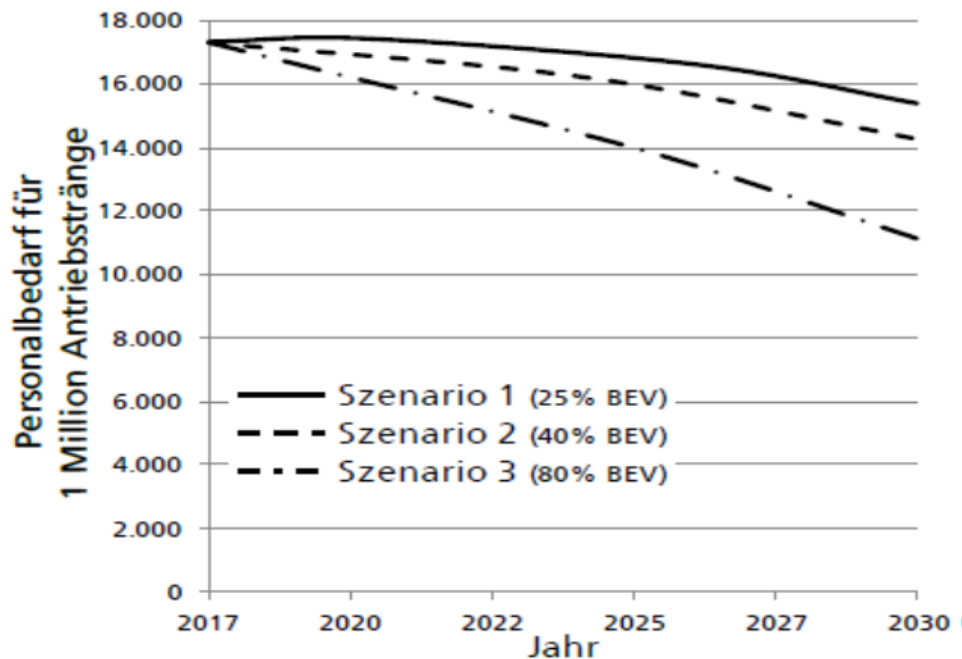


A combustion engine contains approximately 1400 different parts, whereas an electric motor consists in 210 parts. Electric mobility is, despite of the battery management, much simpler and demands much less labour. We are facing an enormous transition process.

I will point it out clearly: the fuel combustion engine is a technology without a long-term perspective. There is no justification to maintain a polluting technology just to save employment at the cost of future generations.

But we also have to face the fact that this transition process will result in many, many job losses.

Ohne Produktivitätssteigerungen



2030 bei Szenario 1: -11% gegenüber 2017

Szenario 2: -18% gegenüber 2017

Szenario 3: -35% gegenüber 2017

We already observe that larger groups and companies restructure themselves in a way that allows them to close or downsize combustion engine related fields of activities without a major impact on those business units less related to the production of engines and gear boxes.

And here labour law plays an imported role. The challenge is to use, at least in Germany, the limited possibilities of the so called “codetermination”, to enhance the protection against redundancies, to establish a right to re-qualify, in order to encourage employers to develop new products and technologies and to maintain jobs, instead of only paying social plan costs, considering that the party is over and that they have to move on to the next one.

In other words: Against the background of the before mentioned and necessary transition process, labour law is an important means to ensure that capital is employed also in the interest of employees and the society, instead of a short term profits. This is and was always the “reason being” (raison d’etre) of labour law since the first industrial revolution and will not change on the eve of the fourth industrial revolution.

Well, I have to admit, that this perception was not very popular for the last decades, at least not among politicians.

But if we fail to recognise the need of strengthening workers protection by labour law, social divide will reach an extent where people putting on “gilets jaunes” will be the less frightening event. A small taster of that will be probably the rise of extreme right wing parties in the upcoming European elections.

At the risk of being dramatic, please forgive me for recalling the larger picture, which we tend to forget when we are in the nitty gritty of our legal discussions.

Subjects such as “reconstruction of working time” and “occupational health and safety”, just to mention a few, are a necessary part of the whole picture.

How do we consider working time if work is dislocated and, again by digital means, possible at any time?

What impact have smart classes, cobots or autonomous on-site logistic vehicles on occupational health and safety?

So thank you for your patience you had with both me and my attempt to draft larger pictures, and I wish all of you a fruitful “closer look” at the subjects and discussion of this conference.

Thank you!