



## Round table Social dialogue

9-10 April 2019, Valencia

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### 1. Introduction

The introductory panel outlined the topics to be discussed during the roundtable. The participating social partners shared a common view on how to deal with digitization. **Arturo León**, secretary of the CCOO-PV trade union, expressed it with a metaphor: the train of technology and digitization does not stop. As social partners, we do not know if we are ready, but we just have to jump on that train. Only then can we provide decent jobs, ensure full and engaging work and provide people with useful skills. **Salvador Navarro**, president of the employer association CEV, agreed. The region of Valencia must embrace the digital transition to avoid lagging behind in terms of competitiveness. That comment applies equally to other regions in a globalized world. **Ismael Sáez**, secretary of the UGT-PV, emphasized as a trade union representative the need for constructive dynamics, where social partners work together and receive support from the local government. Their moral support is needed, but governments must also create financial policy space. **Agustín Domingo**, director of training provider UIMP Valencia, agreed. Social dialogue is essential and is an engine of progress for every country.

## 2. The regional innovation strategy of Valencia

The Valencia region promotes regional innovation with two organizations. According to **Olivia Estrella** (director of AVI), their establishment was more than necessary. The region is lagging behind in terms of both productivity and wages, not only in comparison with the European average, but also with respect to Spain or the region of Catalonia.

With the recently established Agència Valenciana de la Innovació (AVI), Valencia supports a limited number of technological sectors, including healthcare, agri-food and auto-motive & sustainable mobility. AVI focuses on the exchange of knowledge, under the assumption that although the region has productive universities and knowledge centres, this knowledge does not sufficiently reach local companies.

A specific feature of AVI's approach is a focus on a short implementation time. For each sector a specialized committee looks for solutions that can materialize within two years. That should yield results quickly. AVI started in May 2018 and already completed its first project call, supported R&D collaborations and facilitated the placement of researchers in companies.

**Francisco Javier Mínguez** is director of the second organization: Institut Valencià de Competitivitat Empresarial. He outlined the Plan I+D+i, which gives shape to the "industrial agenda 4.0" of the Valencian Community with R&D incentives. This regional plan is built on four axes:

- develop innovation capacity in order to achieve sustainable employment
- the modernization of the economic structure in the region
- encourage local investment
- stimulate a corporate culture

In addition to support for technological innovation, I+D+i wants to be an inclusive project. That is why the plan helps small businesses with targeted measures. I+D+i also involves employee representatives in its consultative bodies.

## 3. Social dialogue and digitalization

**Isabel Caño**, Vice President of Communication Relations of the European Economic Social Committee (EESC), is well placed to outline how the European Union embraces digitization. If Europe wants to maintain its social model, it must do so with rapid digitalization. That promises to be a difficult task. The speed of the digital evolution makes proactive action difficult to achieve. An additional difficulty is the broad impact of digitalization. It changes jobs and competencies, but also rearranges the society in which we will live.

Isabel Caño believes social dialogue is a valuable tool in dealing with digitization. It also allows regional differentiation. Economic development is at a different level both between European countries and within those countries.

She defines three central tasks for social dialogue: adapting vocational training to the new competence requirements, the development and support of lifelong learning, and ensuring that the benefits of digitization are distributed fairly. These three tasks are both extensive and difficult. Perhaps one of the most difficult questions will be how to divide the benefits of digitization. According to Isabel Caño, the platform economy is a good example of a phenomenon with which our existing social policies struggle.

Professor **José María Goerlich** sees labour law as a fundamental challenge. An example is the changing interpretation of the term "employee". The number of (semi-)independent employees is growing, but there are also many changes in statutes. People carry out assignments for sharing platforms, for instance, all within a legal twilight zone.

A second problem is that lawyers find it difficult to fully grasp the interaction between employees and new technologies. The legal framework on health and safety at work is creaking. The increasing speed of technological developments makes it increasingly difficult to align prevention measures and health law with practice in the workplace.

Finally, digitization moves work away from the physical environment. At a "traditional" workplace, employees work in groups and there are countless social contacts. Working time is defined: employees know when their work starts and ends. In the "new way of working", work and non-work come together. When does the work of a home worker begin? Are less busy periods reimbursed? What about performance outside fixed working hours?

As a labour lawyer, José María Goerlich is worried. He states that the fundamental values in our law - such as the human orientation of labour law - remain intact. But beyond those fundamentals, much shifts are occurring that require attention. Law evolves inherently slowly and that is at odds with the ever faster technological development. The lawyer warns of the growing gap between labour law and practice.

Agreements at company level may offer a way out. Conversations within a company are more flexible and have an eye for the business reality. However, such a shift implies that labour law makes room for collective bargaining. At the same time, it represents a huge challenge for the enterprise level at which more and other themes will be discussed. Until now, however, there is little evidence of this. Spanish companies barely negotiate about teleworking, broadening competences or the quality of work.

**Jorge Aragón** punctuated his message about the future of social dialogue with hope. He is an economist and adviser at the Spanish Social and Economic Council. Digitization questions a lot and brings painful evolutions, but that does not mean that every impact is inevitable or predetermined. Society determines which technology materializes in which form.

According to Jorge Aragón, a difficulty is that the Spanish social partners have been neglecting around digitization in recent years. He argues for an overarching and coordinated long-term strategy, with a social dialogue based on an open, broad view of the future. We cannot focus on spectacular technologies, which may only be temporary passers-by. Social dialogue must, on the other hand, look for fundamental answers. Examples are supportive measures on the

acquisition of competences and adaptability, which strengthen citizens and companies and transcend the impact of this or that technology. Another important task is to tackle the digital deprivation in a targeted manner at disadvantaged groups, in sectors or at smaller companies.

#### **4. Good company practices**

External Relations Director **Francisco Javier** outlined how the cooperative Consum embraces digitization and at the same time considers the interests of its employees. Intense digital communication is important for the company, but employees have a right to digital disconnection. Consum agreed with the employee representatives that no-one had to answer work-related messages outside working hours.

Another example is the geolocation data which Consum uses to monitor employees and orders. They strengthen business operations and at the same time, the company ensures that such data is destroyed after use.

Representatives of the car manufacturer Ford looked back on a collaboration on digitization that has spanned twenty years. **Carlos Faubel** (president of the Ford Spain workers committee and affiliated with the UGT-PV trade union) outlined how the introduction of robots led to a new position, for which production employees learned additional technical maintenance skills. Depending on the work requirements, these employees are responsible for maintenance tasks or are involved in production. In this way digitization and a broader task go hand in hand. The experience encouraged Carlos Faubel to look to the future with confidence. His union realizes that with globalization and the emergence of the sharing economy, car assembly companies are facing enormous changes. This includes a new syndicalism.

**Eduardo Guillamos**, personnel officer at Ford Valencia, confirmed this story. The company considers digitization as an opportunity and not a threat. New technologies ensure more intensive contact between companies and employees, provide personal solutions to employees, and allow better support for disabled employees in the workplace. Ford is fully committed to recruiting, training and supporting "digital talent". Our jobs are changing, Eduardo Guillamos confirms. However, as long as our employees remain "employable", no man is overboard.

**Marina Mateo** from Bankia agreed with this statement. She is the labour and social relations director of the company. The bank sees its relationship with customers change, but the labour content of its employees is also shifting. Many employees still work in a bank branch, while their work no longer needs to happen at that specific place. At the same time, the business hierarchy is crumbling, and the use of self-responsibility is growing. "There is fear on both sides," says Marina Mateo. "Employees are startled by change, but as a company we also lose control. The bank wants to regulate that process in consultation with employee representatives."

Trade union representative **Anselmo Martinez** (CCOO-PV, Bankia) confirmed his willingness. The future seems to entail flexibility, new training courses, remote work, etc. His trade union

wants to contribute to this and ensure that the changes for employees happen in a feasible way. This means, for example, training that continues during working hours, clear agreements about working from home and regulations that makes digital disconnection possible.

## 5. Good practices from the regions

**Tim Buyse** (consultant at SERV) presented the results of a policy preparatory literature study that his organization made. The challenges that digitization poses to the social dialogue are considerable. The social partners are awaiting new themes to discuss and major structural shifts. For example, trade unions and employers struggle with how platform companies approach work. Are the employees of those companies employees, self-employed or is there a new employment relationship?

However, the impact of digitization does not mean that social dialogue is outdated. The study also points to the continuing importance of social dialogue. It illustrates that with a whole host of experiments with which social partners reinvent themselves. This "new" social dialogue can grow into a broader and richer consultation, in which social partners look for joint solutions and agreements.

The other participating organizations illustrated how social partners in their region work on that new model. **Freia Polzin** and **Peter Eitner** work in their QFC organization on involving employees in innovation processes. They do this by collecting good practices from German and foreign companies and by discussing in workshops with employees and apprentices about what Industry 4.0 means in their company and for their job.

The Czech trade union ASO is guided by academics. **Petr Teplý** outlined the ambitious process whereby ASO uses seven studies to find out how the trade union can support employees in digitization and what are effective trade union strategies for that digital age.

Digitization leads to new opportunities. **Sophie Musset** from CESER Auvergne-Rhône-Alpes cites an example where, thanks to digitization, a group of employers was able to distribute a fluctuating volume of labour more efficiently among local employees. Both companies and employees won with the new system. Digitization does not reduce the need for social dialogue, says Sophie Musset. New questions arise about, for example, the increasing professional isolation of flex workers, availability requirements outside regular working hours and the supervision of platform workers. All of these are invitations to consultation. She emphasizes that a lot can happen at the regional level: knowledge acquisition, support, competence development, etc.

**Heike Gebhardt** showed how a region can stimulate digital activity. The Merseburg Innovation and Technology Centre offers start-ups a warm nest and supports the region with projects and activities that are too large for one municipality or actor. Such projects can be realized through cooperation in the centre.

Jens Hofmann positioned **SBG Dresden** as an intermediary trainer who responds quickly and flexibly to the new demands that digitization places on the chemical industry in Saxony. SBG

trains employees, but also works with educational partners on specific issues. With project work, the organization further expands its role as a precursor. For example, Digi-IT wants to promote training with the help of digital media in smaller companies.

## **6. Concluding remarks**

**Carlos L. Alfonso** closed the round table as president of CES-CV. His message about the far-reaching impact of digitization, Industry 4.0 and new industrial relations. The challenges are immense, but we cannot doom think. In addition to risks, digitization also brings opportunities. Robots replace jobs, but at the same time relieve employees of physically demanding or monotonous work. Human labour is becoming more qualitative.

The few certainties that Carlos L. Alfonso sees are, on the one hand, the need for continuing training and, on the other hand, that digitization leads to a multitude of possible evolutions and effects. In the end it is people who choose from that and thus determine the future. That is precisely why social dialogue remains crucial as the way to guide and regulate digital evolutions. That requires creativity and new solutions. The challenge is big, but with a renewed social dialogue we can provide future generations with a better society and work.

# Round table on social dialogue

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## 9 April 2019

- 09.00 Registration
- 09.15 Opening Act
- Carlos L. Alfonso Mellado, President of Comité Econòmic i Social de la Comunitat Valenciana (CES-CV)
  - Arturo León López, General Secretary CCOO-PV
  - Ismael Sáez Vaquero, General Secretary UGT-PV
  - Salvador Navarro Pradas, President Confederación Empresarial de la Comunitat Valenciana (CEV)
  - Agustín Domingo Moratalla, UIMP director in Valencia's office
- 09.30 **"The transition in a digitalized labour world"**. Isabel Caño Aguilar. Vicepresident Communication Relations European Economic Social Committee (EESC), member Group II (Workers Trade Unions)
- 10.00 **"A new innovation strategy in the Valencian Community"**. Olivia Estrella López. General Secretary Valencian Innovation Agency (AVI)
- "Innovation & Industrial Agenda 4.0 in the Valencian Community"**. Francisco Javier Mínguez Pontones. Chief Area in societies. Institut Valencià de Competitivitat Empresarial (IVACE)
- 10.45 **"Robotic & its impact in human resources and in the framework of labour relations"**. José M<sup>a</sup>. Goerlich Peset. Professor of Labour Law and Social Security. Law School. Valencia University
- 11.15 Coffee-break in UIMP courtyard
- 11.45 **"Labour dimension of digital economy: propolsas and challenges for social dialogue"**. Jorge Aragón Medina. Economist. CES Spain member, Group I. Research Director 1 May Foundation
- 12.15 **Roundtable. Good practices on social dialogue. Ready for digitalization?**
- Consum Human Resources Representant (agri-food cooperative sector)
  - Ford España Human Resources Representant (industry sector)
  - Bankia

- 13.30 Lunch. Catering service in UIMP courtyard
- 14.30 **Experiences and Good practices on social dialogue.** Presentation by Tim Buysse, SERV
- 15.00 Presentation of international partners:
- Germany (Qualifizierungsförderwerk Chemie GmbH (QFC))
  - Sachsische Bildungsgesellschaft für Umweltschutz und Chemieberufe (SBG) Sachsen
  - Merseburger Information and Technology Centre (MITZ)
  - ASO Czech Republic
  - CESER France
- 15.45 Debate
- 16.30 Conclusions and end of working day

#### **10 April 2019**

- 10:00 Visit to **“Colorker SA Ceramic Corporation”**, located in Xilxes (Castellón). This company is pioneer towards the implementation of a Smart Factory. During the visit you may appreciate the implementation of the SME’s Innovation Project to adaptation to Industry 4.0. that will enable to become an intelligent production 4.0 ceramic industry obtaining massive data from productive process
- The deployment system within the project enables to digitally transmit the process information from the different integrated systems through the corporation value chain, having access in real time to manufacturing costs and processing conditions.
- <https://www.colorker.com/>