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| Board 03

## **Challenge „Demography, personnel work and shortage of skilled workers – trade unions‘ strategies for the European aerospace industry**

Speech at the kickoff meeting of the European project group “CHANGE”

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### **Table of contents**

1. Introduction
2. Demographic change – need for skilled workers
3. Changing work environment – “Industry 4.0”
4. Initiatives in Germany
5. A chance for trade unions in Europe
6. Conclusion

**The spoken word takes precedence.**

## **[1. Introduction]**

Dear colleagues,

We are at the beginning of an important project.

A project that puts the future prospects of personnel in the aerospace branch front and center – and does that in a European dimension.

The European aerospace industry is an innovative high- tech sector possessing technological competences and system skills that are renowned the world over.

The sector's investments in research and development are disproportionately high.

I have a clear stance: The aerospace industry is indispensable for Europe's future as a business location.

It is a distinctive and necessary part of the European industrial structure:

1. It creates jobs and pools essential strategic key technologies in the 21st century – it is an industry of the future.
2. As one of the most research-intensive sectors it contributes to the expansion of technological competences and the development of high-quality products in Europe.
3. An efficient aerospace industry is a pivotal piece in Europe's efforts to maintain its economic position.

## **[2. Demographic change – need for skilled workers]**

Colleagues,

The aerospace industry cannot develop on its own!

We must do our part to make this happen! We must push it! To do this we must think long-term.

And we must drive back top management's short- term belief in the absoluteness of the margin.

Since 2012, IG Metall has conducted an annual survey with different works councils in the German aerospace industry.

In this way we closely follow the entrepreneurial and personnel- specific developments.

The results send a clear message!

The foreseeable need for skilled workers is a huge challenge especially against the backdrop of demographic change and is likely to become a serious obstacle to development.

Furthermore, the workforce is ageing.  
The work load has grown alarmingly in many areas.

Stress and burnout symptoms have become a real problem.

We must concentrate more on how we can better combine family, leisure time and work.

This makes clear how important it is to focus on how we shape work, on the quality of work and working time today.

And this needs to be done from the employee's perspective just as from the employer's.

Because the companies must ensure their high qualification level and offensively deal with the shortage of skilled labor in order to master future challenges.

It is obvious: The potential of young specialized workers will drop in Germany and in Europe for demographic reasons.

An ageing workforce requires new forms of working on the one hand and, on the other, solutions to the companies' future need for skilled labor.

Instead of the ease with which the industry could motivate young talents to take part in company or academic training, much more effort will be required.

Today companies must set the course and:

- create more training positions,
- further qualify their own employees, and
- offer their female and older employees better career opportunities.

In a nut shell: Sustainably ensuring the growing need for qualified and specialized labor is an existential factor for economic and employment development in Europe.

### [3. Changing work environment – “Industry 4.0”]

Colleagues,

On top of that, we have to deal with the upcoming changes that in Germany we call “Industry 4.0”. This includes the processes that are covered by the so-called fourth industrial revolution.

This technical innovative thrust will radically change the organization of work, the means of production and business processes.

And this won’t happen in a couple of years, but starting today!

Colleagues, we must participate in shaping this fourth industrial revolution.

Digitalization and automatization are the buzzwords.

Interwoven with these processes come new technologies such as 3D printing, nanotechnologies and new or alternative materials.

And at the same time, internationalization and the fragmentation of the supply chains will be strengthened.

We see outsourcing of ever more services and their repurchase via, for example, work contracts.

All these processes will massively influence production methods.

Of course these changes carry risks, such as

- loss of jobs,
- erosion of qualifications,
- self- exploitation, especially caused by the ongoing temporal and geographical blurring of the limits of work, and
- new, precarious work forms, such as crowd- working.

On the other hand, there are opportunities

- for humanization of the work environment,
- for better compatibility of family and working life,
- for new opportunities for participation
- for elimination of monotonous work.

One thing is sure: Changing production methods will demand new and broader qualifications from employees.

And therefore, the question about the future will more than ever become the question of the qualification of skilled workers.

Without labor 4.0, there is no industry 4.0!  
And without qualification 4.0, no labor 4.0.

Colleagues,

This is the simple equation.

Whoever believes it is possible to safeguard and develop our industries with technology alone, drives straight into a blind alley.

More than ever it will depend upon

- training and qualifying the company workforce,
- facilitating progress and promotion within the company,
- strategic plans for personnel development and analyses of qualification requirements.

And it is important to selectively promote young colleagues and in parallel quickly improve conditions for older colleagues.

#### **[4. Initiatives in Germany]**

Dear colleagues,

The IG Metall is determined to help shape the future of work of the aerospace industry with practical concepts for work and tariffs.

And to demand more co-determination in the companies in order to do this!

In response to our initiative, an intensive sector- related dialogue was initiated for the German aerospace industry.

The government, the federal states, the industrial association, research institutions and representatives from the employers and works councils take part.

The results are encouraging!

The Federal Ministry for Economic Affairs, the industry and the IG Metall have committed themselves to joint initiatives.

The goal is to strengthen the aerospace industry and its employees along the entire supply chain for future programs, technologies and growing cadences.

The employees of this sector take center stage in the joint endeavor – and I quote:

*“Well- trained skilled workers are the backbone of a digitalized factory in the future. The IG Metall ensures consistent support during education and further training, as well as targeted personnel development in view of new technologies and new materials. Education and further training will be developed further on the basis of a social partnership with a view to the necessary skills.”*

It is imperative to implement this position and fill it with life in the coming years.

And to do so, we rely on new, but also established concepts.

Gerhard Hodel and Frank Bergmann will present one idea from our skilled worker initiative to you during the course of the day.

Colleagues,

This is the road we have embarked upon as IG Metall in Germany.

Since 2012, we have persistently worked towards forming new framework conditions for the aerospace industry.

In January 2016, we reached an important milestone – a joint declaration by the Federal Ministry for Economic Affairs, the industry and IG Metall.

I would be happy if our example stimulates discussion on how you approach these topics in your countries and how we can make progress together in Europe.

## **[5. The chance for the trade unions in Europe]**

The economic and personnel- related developments that are intensified by the demographic changes affect all European countries.

The country- specific problems and challenges, however, are greatly differentiated.

In southern Europe issues are those of tackling unemployment among youth and entry barriers into education and work, as well as safeguarding existing jobs and expanding employment.

Necessary in central and southeastern Europe are economic, labor-market, and educational reforms to improve labor and social standards and create healthy and attractive working conditions and better work stations.

Safeguarding jobs and stabilizing economic development as an answer to the shortage of skilled labor occupies northern and western Europe.

However different these challenges may seem to be – it makes sense to have a European framework of conditions in order to link qualified work with well- trained skilled employees in a balanced mixture of age.

That is exactly why we, the European trade unions, should also promote our sector- related policies for the aerospace industry together.

We must align ourselves internationally.

We must also coordinate ourselves on the European level so we do not fall for the strategies for global shifts or value creation of the big companies.

## **[6. Conclusion]**

The one European answer to all challenges does not exist.

Many ideas and solutions must be developed on a national, regional and company level.

But we can learn from each other and can improve the necessary framework of conditions in Europe by acting in solidarity.

Together we can exert influence on the safeguarding of norms and initiate processes of change for the benefit of all employees.

CHANGE is an attempt to do this.

CHANGE offers us a chance to extend European solidarity among trade unions and employees.

Let us seize this opportunity, exchange experiences, develop perspectives and requirements and shape the future together bit by bit.

Thank you for your attention.