

Learning Experiences from Germany

How to promote social dialogue between economic actors for coexistence and solidarity

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About DGB – German Confederation of Trade Unions

DGB



DGB → 8 affiliates
~ 6 million members in industry
and public/ private service
sectors

Agenda

- Current economic situation in Germany in times of energy crisis
- Structural challenges within the next decades in the context of green transition
- Examples of different levels of action of unions and social partners
 - Federal level
 - Regional Level
 - Sector level
- Conclusions and outlook

Current economic situation in Germany in times of crisis

Current economic situation in Germany in (1)

- The economic situation in Germany is heavily influenced by the effects of the Russian attack on Ukraine.
- Economical impact: Dramatic increase in energy prices for households and companies
- Great efforts to secure the energy supply; more coal and nuclear power again in the short term; more renewables, LNG-Gas and efficiency measures in midterm
- shortage of skilled workers, too long planning and approval procedures

Current economic situation in Germany in (2)

- Effects on value creation and production, well-paid jobs are at risk
- So far no strong impact on the labor market
- Economic growth has collapsed (2022: only plus 1,4% instead of 4,1%), inflation has risen massively (+ 8%).
- low and middle incomes are disproportionately affected by inflation
- Danger: Less investment in green and innovative technologies estimated, transformation of the economy is slowing down

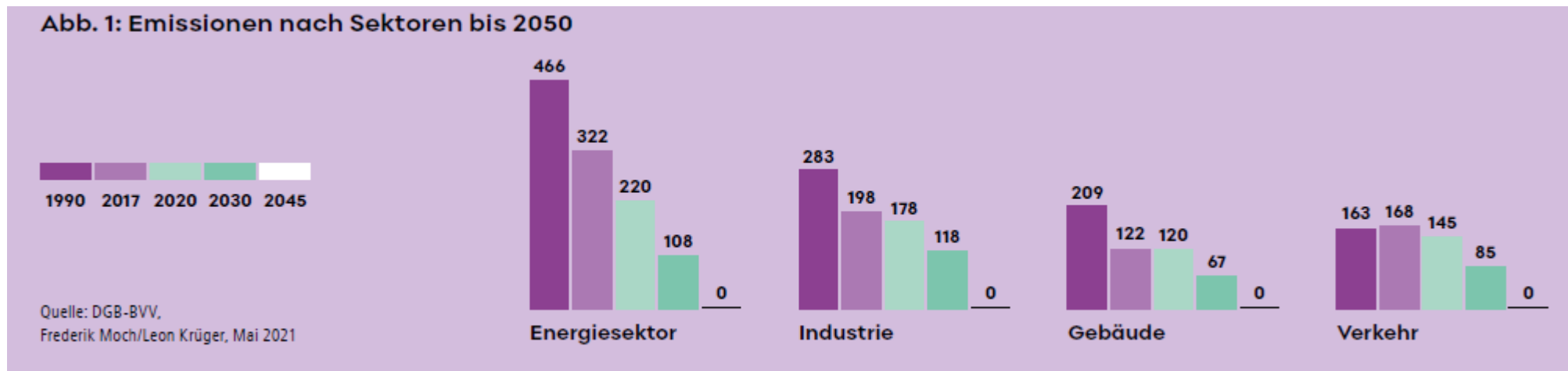
Rich country, high inequalities

- **High wealth and income inequalities remain**
e.g. the richest 10% own 64% of the total wealth, the wealthiest 1% over 30%.
- **Corona pandemic exacerbates inequality:** households with low income are twice as likely to suffer losses as people with high income.
- **Transformation processes must not push these trends any further.**
- **Social AND ecological dimension belong together**

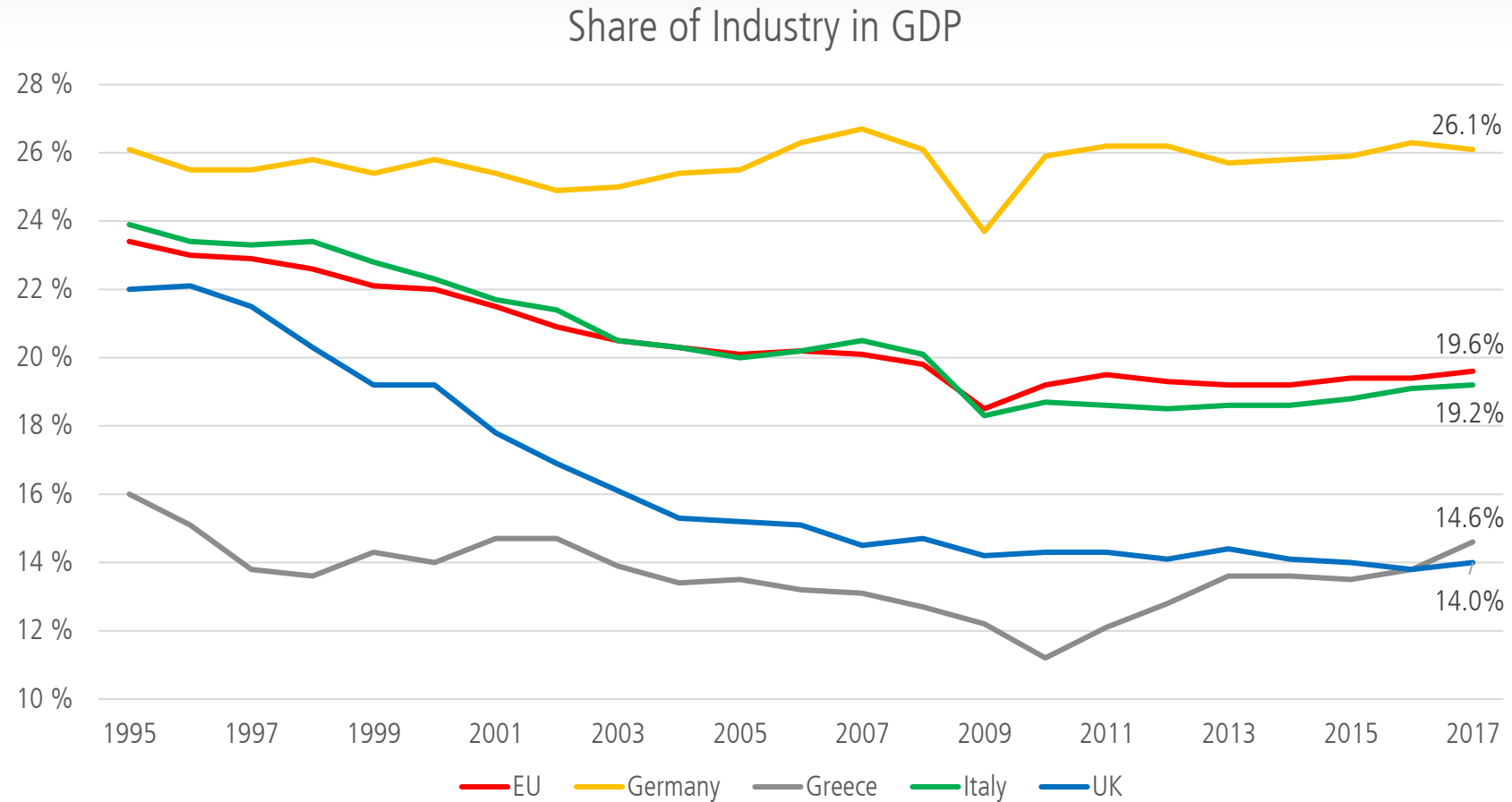
Structural challenges within the next decades in the context of green transition

Germany: Increased Climate Targets

- **2021:** Climate Protection Act
 - New long-term climate targets → climate neutrality until 2045
 - Will intensify structural change in **all sectors** of the German economy
 - High level of public and private investments needed; 860 Bn. EUR until 2030



Importance of industrial sector for welfare in Germany



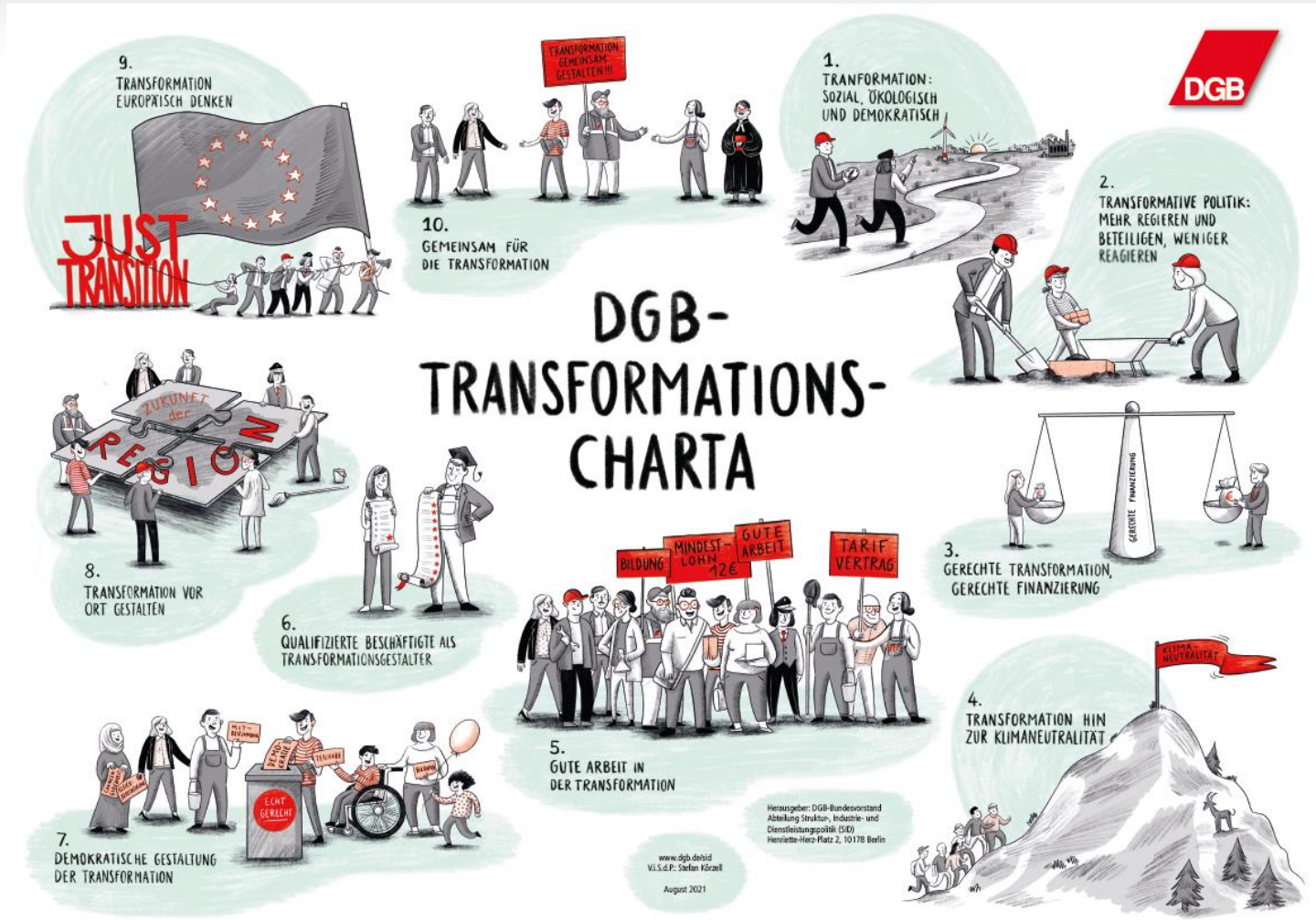
Source: Eurostat 2018

Climate Change and its impacts on the world of labour

- at work (heat, extreme weather, new demands...)
- on consumers (price development of goods and services, costs of climate policy, ...)
- on structural change (effects of climate policy, job gains and losses, industry changes, ...).

Serious shifts between economic sectors and regions make active design of transformation necessary

DGB Charter of Transition



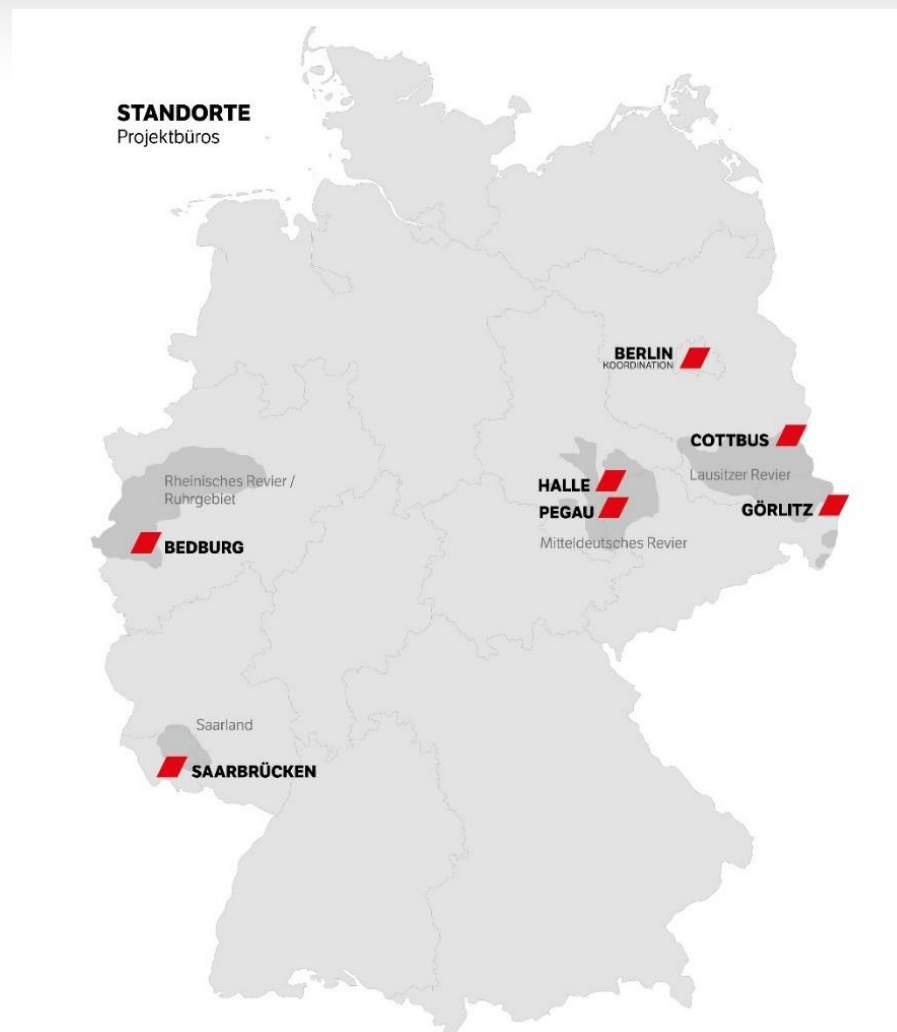
Examples of different levels of action of unions and social partners

1. Coal Consensus in Germany and implementation

- **2019:** Commission "Growth, Structural Change and Employment" with **participation of social partners in the whole process**
- Coal consensus as a recommendation to the federal government
 - Socially responsible coal phase-out with check-points
 - Protection measures for the workers
 - Public funding for high-quality jobs and new value creation in coal regions
- **2020:** Implementation by parliament
 - Coal Phase-Out Act ⇒ End of coal until 2038 (2035)
 - Structural Enhancement Act ⇒ 40 bn. EUR as structural aid for the coal regions

2. DGB-Projekt „Revierwende“ in coal regions

- Workers Participation through co-determination and broader participatory processes
- Cross-sectoral participation is also important to ensure a regional development focusing on decent jobs and new value creation
- With the support of the Federal Ministry of Economics, the DGB has initiated the project **“Revierwende” which began operations in October 2021**
 - Aim: Strengthening employee participation in the structural development of the coalfields
 - Inclusive approach with outreach beyond trade unions and work councils & beyond core energy



3. Alliance for Transformation

- Based on the coalition agreement, an alliance for transformation was initiated by the chancellor.
- In this alliance, social partners as well as environmental and social organizations work together with the federal government to discuss the strategic issues of shaping the transformation.
- Topics: industrial transition, technological developments and strategic autonomy, securing skilled workers, regional structural change
- The goal is a joint view of the upcoming challenges.



4. Transformation Council(s) on regional level

- Regional stakeholders (politicians, social partners, scientists...) analyze affected regions/ companies and develop a strategy for a Just Transition
- Council elaborates specific policy measures to tackle local challenges, such as:
 - Public funding for research, pilot projects renewable energies
 - Vocational education and further education programs

GEMEINSAM MACHEN WIR
RHEINLAND-PFALZ ZUM
GEWINNER DER
TRANSFORMATION

Erstes Maßnahmenpaket
des Rats zur Gestaltung und Begleitung
des Strukturwandels
(Transformationsrat)



5. Future-oriented Collective Agreements

- Job-Security: Long-term exclusion of dismissals
- Investments: Invest in a sustainable transformation
- Qualification: Further training for the employees to adapt to the changing work processes

Influence employers to invest in a sustainable future while jobs are secured



Conclusions and outlook

- Shaping a just transition is a major challenge, especially in times of energy crisis
- Studies show that co-determined companies in Germany operate more sustainably and are more innovative.
- A reliable social partnership is a big asset to find resilient solutions in a world of work which is dramatically changing.
- Co-Determination, collective bargaining and a strong social welfare state are success factors for decent work, sustainable and just growth and social and democratic stability.

Thank You For Your Attention!

German Confederation of Trade Unions - Executive Board

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