

# Renault invests in retraining due to demise of combustion vehicles

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In 2021, Renault launched its 'Refractory' plan at its historic site in Flins, near Paris. This project is designed, inter alia, to give vehicles a second life. The site is also becoming a vocational and academic training centre to secure employment.

The automotive industry is experiencing ecological transition and reduced employment. It is estimated that decarbonising the auto-sector will result in an almost 50% reduction in jobs by 2050. The industry has already lost 14% of its jobs over the past fifteen years, primarily due to relocations.

The EU is halting sales of combustion vehicles by 2035. In order to adapt, the main automakers, including Renault, have set up an automotive skills alliance aiming at retraining 5% of the sector's workforce each year, or 700,000 people between 2021 and 2025.

With a company agreement signed back in December 2021, the Renault group has committed to retrain 10,000 workers by 2025. "Refractory" should be able to recondition more than 45,000 used cars by 2025. The entire industry needs a rethink in order to extend vehicle life and transform them from combustion to electric.

To maintain jobs during the transition period, departures will be offset by new hires, and all remaining workers involved in the manufacture of discontinued vehicles will be retrained. Severely impacted by Covid, Renault has undertaken a global transformation, focusing particularly on electric vehicles.

Temporary employment has been curtailed, and several sites have been sold or closed. At the same time, the company is targeting 2,500 new hires by 2024. Social dialogue is apparently functioning well and there is a desire to move forward with the group's transformation.

Some workers are anxious when their jobs are changing. For example, the switch to electric vehicles is affecting the engineers, as their expertise is much less in demand, given the now simpler models. Therefore, many of them need HR support during the change.

Lastly, profit-sharing/incentive agreements at several sites now include decarbonisation criteria.

**Edited by industriAll Europe**