

Summary and takeaways

EU-funded project CB-EQUAL Conference in Brussels, 26-27 February 2025

Welcome address:

The event was opened by Monika Benedeková from the Slovak metal workers' union, OZ KOVO. She welcomed the participants and highlighted the importance of trade unions being active in the current political context of global crises, decarbonisation, digitalisation, etc. There exists a vacuum that can be filled with regulations through collective agreements. While some EU directives are already in place, legislation remains insufficient. Trade unions oppose austerity measures due to their detrimental effects on workers. During industriAll Europe's demonstration in Brussels earlier in the same month, a meeting was held with the EU Commission, where the urgent need for reindustrialisation that creates quality jobs in Europe was emphasised.

First session: Collective bargaining in times of never-ending crises

1. Ronald Janssen (formerly with the Trade Union Advisory Committee of the OECD) delivered an in-depth presentation on the current economic situation. He elucidated how the cost-of-living crisis has evolved into a polycrisis. Multiple interconnected crises converge and amplify each other, creating a complex predicament for both companies and their workers. Although GDP growth is low but steady, fiscal consolidation is hindering demand and employment. Employment is an "accident in motion", rather than an "accident waiting to happen". Additionally, there is a surge in profits and dividend payments. The outcome of the U.S. election further contributes to uncertainty in global trade regimes.
2. The first panel discussion of the conference featured Monika Benedeková (OZ KOVO, Slovakia), Fredy Peltzer (FNV, Netherlands), Oliver Heinrich (IGBCE, Germany), and Li Andersson (Finnish MEP from the Left). The three trade unionists described the status of their national economies, collective bargaining, and real wages, including recently signed agreements and a special measure in Germany to ensure compensation for extraordinary inflation. Li Andersson, who is the Chair of the Committee on Employment and Social Affairs in the EP, commented on existing and potential legislative initiatives that could improve the situation for the working population. Her views largely aligned with those of the trade union movement. She stated that if the Minimum Wage Directive is annulled, we must look for other ways to achieve the objective of 80% collective bargaining coverage. After the presentations by the panelists, interventions from the floor ensued.

Second session: Quality jobs: Keeping the right compass through collective bargaining

This session was moderated by Tea Jarc, Confederal Secretary of the European Trade Union Confederation (ETUC).

1. Torsten Müller (Senior Researcher at the European Trade Union Institute, ETUI) gave his expert input. He recalled that the Minimum Wage Directive clearly outlines that collective bargaining is the prerogative of *bona fide* trade unions, not just any associations of workers. He highlighted the national Action Plans under the Directive as important tools for all member states with coverage lower than 80%. The Directive has already had an impact on minimum wage levels in several countries. However, he feared that uncertainty regarding the conclusion of the CJEU (Court of Justice of the European Union) would lead to delays in measures to increase coverage.
2. The second panel consisted of Maria-Luisa Llano Cardenal (DG EMPL), Árpád Suba (industriALL-BNS, Romania), Neil McGowan (SIPTU, Ireland) and Grzegorz Pietrzykowski (Metalowców, Poland). The unionists provided concrete examples from their respective countries, including the implementation (or lack thereof) of the Directive, the political context, the need to promote and strengthen sectoral bargaining, and possible social conditionalities associated with EU funding. The Commission spokesperson presented their priorities for social dialogue, including an instrument referred to as the Pact on Social Dialogue. The second Von der Leyen Commission commenced its mandate amid war in Europe, and the EU must adapt its work accordingly. Social dialogue continues to be a central focus of its work. It matters and so do trade unions. The panel concluded with questions and contributions from the audience.

Third session: Just Transition to deliver on the Clean Industrial Deal: The role of collective bargaining in anticipating and managing change

The third panel consisted of Ben Lennon (ETUC), Knut Giesler (IG Metall, Germany) and Jesús Crespo (CCOO Industria, Spain). They addressed topics such as the upcoming EU Quality Job Road Map, the social implications of transformation, the limitations to the EU's legislative competence, negotiated solutions, and future-oriented agreements to tackle challenges related to digitalisation. They also covered financing and organisation of vocational training, working time reductions, assistance for workers who lose their jobs, and how trade unions can function within predominantly conservative environments in most countries, excluding Spain.

Fourth session: Artificial intelligence (AI) in the workplace

Emmanuel Reich from Syndex presented his project report on the advantages and disadvantages of AI from the perspective of workers and their trade unions. This was followed by a panel discussion featuring Francesco Corti (DG EMPL), Aida Ponce (ETUI), Mark Porter (Unite the Union, UK) and Tove Keldsen (Association of Nordic Engineers, Denmark). They debated topics such as algorithmic management (automated decision-making), workplace health and safety, psychosocial risks, surveillance, data management, the AI Act, the Platform Work Directive, and trade unions' access to the digital tools used by their companies.



Main takeaways:

- According to the OECD, global economic growth at the beginning of 2025 was resilient and steady. However, the growth rates were not spectacular.
- In the euro area, GDP growth is sluggish, partly due to austerity measures. The forecasted growth rate of 1.0% for 2025 may be revised downward.
- Wages pose a major challenge in Europe. Workers have borne the brunt of the cost-of-living crisis in 2022 and 2023. The last two years have shown slight improvements as wages have more than kept pace with inflation and raised workers' purchasing power. Nonetheless, a steep decline in pay rises is likely ahead.
- Profit shares and dividends are increasing enormously, indicating that high inflation has not adversely affected business owners.
- The situation for Slovak trade unions is quite challenging. In the Netherlands, the good news is that the extraordinary inflation was almost compensated for in collective agreements. The bad news is that real wages are basically the same as they were ten years ago. In Germany, an exceptional instrument to counter the effects of inflation was introduced by the government. This measure of 3,000 euros was, however, a one-off payment and not a permanent pay rise.
- The primary reasons Europeans cited for voting in June 2024 were the cost-of-living crisis and the financial situation of households. Frustrated workers are increasingly turning to far-right parties even if they lack solutions. The second Von der Leyen Commission has lower ambitions for social policy than its predecessor.
- The second Action Plan for the Social Pillar from the EU Commission will not only address the rights of workers but also working conditions. Moreover, trade unions are looking forward to the Quality Jobs Roadmap, expected to be released at the end of 2025.
- The Minimum Wage Directive has already strengthened collective bargaining. Nicolas Schmit appropriately described it as a paradigm shift for the approach of the EU lawmakers, as they have historically been concerned with cost competitiveness. The new Directive is agenda-setting. Romania is one country where change has been put in place. It is significantly easier to dismantle collective bargaining structures than to rebuild them.
- Strong collective bargaining as a prerogative of genuine trade unions is part of the solution rather than part of the problem.
- EU member states reluctant to implement the Directive use the opinion of the Advocate General from January 2025 as a pretext for pausing transposition. The Netherlands is one example.
- The empirical basis for estimating collective bargaining coverage should be improved. Only Lithuania had adopted an Action Plan aimed at achieving 80% coverage at the time of the event.
- All employers' associations are mandated to engage in negotiations. Unions must have a counterpart at the sectoral level.
- Ireland is the European country most reliant on employment in American multinationals, which are most affected by tariffs introduced by the Trump administration. The implementation of the Directive has been completed, but with minimal changes to the collective bargaining system.
- The Commission asserts that, by virtue of the Social Dialogue Pact, it wants to work more closely with social partners on the Commission Work Programme and EU flagship initiatives.



- The Commission does not intend to interfere with sectoral collective bargaining as social partners are autonomous. It is, however, ready to facilitate dialogue and bring the parties to the table.
- The transition of industries will occur in each individual company. However, current transition initiatives are reactive, not proactive. These processes can take a long time and have an impact on employment. In the steel sector, there will be a short-term need for more workers, while there will be a sharp reduction later.
- ETUC has previously produced an overview in 15 languages to clarify the funds available in Brussels. The national affiliates often do not have insight into these complex financial policies, let alone the resources to apply.
- In Europe, there are few major players in the field of AI and limited infrastructure. As AI grows in significance, its impact on employment is uncertain. A few years ago, researchers were more pessimistic.
- AI is not a single technology but a compilation of several technologies that require human labour to function. Some occupations are more impacted than others. There is a risk that companies may neglect their legal responsibilities or that they will comply very late.
- When it comes to AI skills, we lack AI literacy for people to fully understand how the tools work in production processes and the entire supply chain.
- We need to be aware of challenges linked to algorithmic management and avoid a race to the bottom, where workers make greater and greater concessions while those at the top become richer.
- Trade unions should monitor the application of all key principles in the GDPR Regulation. They cannot simply be passengers. Therefore, social dialogue needs to be strengthened and given more substance.
- Among Nordic engineers, only 10% feel that they have been sufficiently trained to use AI technologies. They need continuous training. Many, but not all, believe AI makes them more productive. A lack of guidelines could lead to mistrust. Some are worried about their privacy.
- The Conference showed that collective bargaining is our key tool, but we need to adapt to new realities and learn from each other. We can have negotiated solutions that deliver quality jobs.

