

From: [REDACTED]

To: FABER Anouk (CAB-SCHMIT); BERTULESSI Santina (CAB-SCHMIT); NERLICH Christoph (CAB-SCHMIT);

Subject: Meeting report - Commissioner Schmit and Gunnar Kilian (HR at Volkswagen) - 15 May 2020

Date: lundi 18 mai 2020 22:05:00

Participants:

Gunnar Kilian, Board Member of Volkswagen Group, responsible for human resources;

COM: Commissioner Schmit, Santina Bertulesi, Anouk Faber, Christoph Nerlich,

Background: The meeting took place at the request of Mr Kilian. The objective was to present the ongoing transition of Volkswagen's workforce and workplaces towards digitalisation and electromobility.

Gunnar Killian :

- Recalled the emphasis that Volkswagen puts on health and safety at work. The industry is also undergoing profound changes as far as workplaces and production processes are concerned to adapt to new demand for greener vehicles.
- Highlighted the difficulties of the industry and the Volkswagen group in the face of the Covid-19 crisis, in countries such as Italy and Spain, among others.
- Welcomed that short-time work schemes building on the German model have been created in many European countries.
- Enquired as to what the position of the EU is towards the lockdown and its impact on unemployment.
- Presented the training programme of Volkswagen to reskill its workforce in view of greener, digital, industrial processes. Substantial investments in electromobility are foreseen for the coming years.
- Provided a detailed account of the example of the 8,000 workers being retrained in Zwickau, Saxony, for the production of an all-electric car. A proper Training Institute has been put in place and the results are until now very positive. It also has a positive effect on employment in the region.
- Underlined that Volkswagen is conducting an internal study on competences and qualifications – with a focus on digital skills and their impact on employment. This is to have a stronger scientific basis to estimate the real impact as existing studies vary greatly as to the impact the production of electrical cars has on employment. They are also studying the impact of digitalisation, in more general, on administrative functions, such as finance and HR. Results show that it is the tasks for middle-skilled workers that are suffering most.
- Offered to share their internal findings and to remain in contact in view of the Commission work on skills and as regards the Pact for Skills.

Commissioner Schmit :

- Welcomed the effort on health and safety and underlined the catastrophe than a second wave of infection would be for companies and workers.

- Agreed on the effectiveness of short-time work schemes across Europe, comparing with the situation in the United States – characterised by massive lay-offs.
- Recalled the ambition of the EU with its dedicated SURE tool, its ability to adapt to and reinforce the various national models.
- Mentioned the upcoming recovery plan which will have a positive effect in countries such as Italy or Spain. Underlined its key role in rebuilding value chains, and support the industrial ecosystem as a whole.
- Welcomed the detailed explanations on the ongoing changes in Volkswagen plants to transition to electromobility and new technologies. Called it a very good example of what can be done at the level of a company for workers who have to be reskilled and young people who need to be trained.
- Recalled the priorities of the Commission: a more climate-friendly economy and digitalisation.
- Acknowledged the impact these priorities have on workplaces and on training, but insisted on the new opportunities they open.
- Presented the ambitions of the Commission with the upcoming Skills Agenda and measures on training. Mentioned that digitalisation will be a key driver of this strategy.
- Recalled his discussion with industry representatives (ACEA and CLEPA) early May and extended to Volkswagen the invitation to contribute to the Commission's work on a Skills Pact.
- Acknowledged the special impact the twin transitions are having on the automotive sector and recalled the Commission's readiness to work together