

# Europe needs social consensus for strong, dynamic and sustainable industrial change

EESC-CCMI celebrates 15<sup>th</sup> anniversary with discussion on Industry and Society 4.0

Industry has always been shaped by continuous change. But some changes are real upheavals, such as the industrial revolution in the 19<sup>th</sup> century and the one we are facing now: Industry 4.0, the digital revolution of the 21<sup>st</sup> century. "It may be almost impossible to predict the future, but we need to be prepared for it": that was the message from the panellists at the event.

In particular, Europe needs a comprehensive public-private partnership framework:

- to boost long-term investment in digital industrial change;
- to ensure continually renewed 4.0 skills, life-long learning, quality jobs and the sustained protection of labour standards in the new digital age;
- to promote a fair societal distribution of the "digital dividend";
- cooperation at all levels and along the value chain is paramount.

On 16 November, the Consultative Commission for Industrial Change (CCMI) of the European Economic and Social Committee (EESC) celebrated its 15<sup>th</sup> anniversary with a conference entitled "From Industrial Change to Society 4.0".

Opening the event, CCMI president **Lucie Studničná** said: "Europe must reach a viable social consensus if the 4.0 process is to be strong, dynamic and sustainable. Industrial change and societal change are forged together and social and civil dialogues are paramount." She saw four important challenges ahead:

- creating a single Industry 4.0 policy framework for all EU members, with cybersecurity at the core of the project;
- strengthening cooperation between the industrial and services sectors and the universities, ensuring the labour force is enabled to master the technological skills for Industry 4.0.
- framing 4.0 industrial transformation with less "flexicurity" and more "security-flex"

**Count Etienne Davignon**, special guest at the 15<sup>th</sup> CCMI anniversary, voiced his regret that industry was given too little importance: "Today industry has become like an abandoned child. With the Common Market, the EU thought everything would run itself, but the market is not strong enough. The market also needs a state that arranges things."

Europe's young people play a key role in shaping its industrial future. With this in mind, Count Davignon proposed teaching entrepreneurship from childhood on: "Businesses and schools must be brought together, and apprenticeship must have a higher standing in society. It needs to become as fashionable to be an apprentice as to be a student, because we need both."

EESC member **Joost van Iersel** referred to the impact the 4.0 transformation was already having on business models. New kinds of SMEs would emerge in all production or service sectors. The relationship between society and the production sector would also change, creating prosumers as new market participants. An emphasis on education, training and skills was therefore paramount – but also on collaboration between the main stakeholders, such as the private and public sectors, businesses and universities: "We need to do it together, or we fall apart as a society," he warned.

**Enrico Gibellieri** and **Jacques Glorieux**, two founding members of the CCMI, pointed out the importance of bringing in the different positions of various sectors of industry and society and so adding to the wealth of ideas: "This knowledge that civil society has is essential and should be the basis for Europe's decision-making."

**Adrian Harris**, Director General of Orgalime, which represents a sector that directly employs almost 11 million people across Europe and which had a turnover of EUR 2 000 billion in 2016, highlighted the strength of Europe's industry in manufacturing-based services: "Our industry is well placed to build on its strengths through increasing digitalising of production, products, processes and services. The Single Market, the Digital Single Market and the Energy Union are important agendas for Europe's industry; however, what we are still missing is an EU industrial policy."

"Compared with the US and China, Europe is lagging behind in Industry 4.0.," said **Mark Nicklas** from DG Grow. This was particularly true for SMEs, which are at the heart of Europe's industry. Europe needs to invest in production equipment, but also in new skills and new forms of management and work. While 62% of US enterprises are prepared for the current transformation, only 38% of those in the EU are ready for the challenges. However, Europe is leading in clean production, which is an asset in terms of commitments under the Paris Agreement and the Sustainable Development Goals.

**Wolfgang Greif** thought we needed to discuss a new distribution of work, new employment conditions and an intelligent approach to reducing working hours. It was also important that everyone – whether in or out of work, in stable or precarious employment – had the same opportunities for training and education.

The CCMI is the direct successor of the European Coal and Steel Community's Consultative Committee. Made up of 51 EESC members and 51 external delegates, it delivers in-depth policy opinions and reports on many industrial sectors, based on fact-finding field trips, sectoral consultations, hearings and conferences with civil society stakeholders.