HOW TO PROTECT WORKERS’ RIGHTS IN A VOLATILE LABOUR MARKET?

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In 2017, the European Commission proclaimed the European Pillar of Social Rights, aimed to ensure equal opportunities and access to the labour market, fair working conditions, and social protection and inclusion in Europe.

The already fragmented labour market is still quickly changing as a result of phenomena such as the climate change, the digitalization of the working space or major demographic alterations. Traditional jobs are heavily affected by these changes, while new professions – with novel conditions – emerge.

How can the European Union make use of the Social Pillar to protect workers’ rights in this context? How can trade unions cope with the social divide derived from this situation? How can they address the new challenges related to working conditions while protecting traditional workers? Do deals such as the Paris Agreement sufficiently harbour labour rights?

Euractiv will examine some of these issues in this Special Report ahead of the event The World(s) of Work in Transition on 27, 28 and 29 June in Brussels.
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Over 500 representatives from across Europe gathered in Brussels last week to reflect on how unions can reshape the role of labour markets in a world where multilateral cooperation is in crisis.

The world of work is quickly evolving. Climate change, digitalisation, demographic changes and globalisation are the main challenges for the labour market and they all require a multilateral response.

Trade unions admitted they have failed to foresee changes in the past and want to be more proactive in the future.

The unions’ debate is not isolated from recent changes in politics such as the rise of populism, the extreme right and the crisis of multilateralism. On the contrary, they are aware of their own responsibility in this process.

We are at “a moment of political danger,” said Guy Ryder, Director General of the International Labour Organization (ILO). Sentiments of social injustice and unfairness are translated into “a context of great anger” and “a rejection of many of the traditional discourses of the political economy”, Ryder underlined.

But this is also translated “in the search for something different”. Here, the ILO director general said, “is where we have to situate our debate”.

Luca Visentini, Secretary General of the European Trade Union Confederation (ETUC) agreed on the need to move away from the rhetoric of fear towards changes. “Those fears are to some extent justified but if we talk only about fear and we don’t provide solutions, we will face populism,” Visentini warned.

Visentini claimed that the industrial revolutions and globalisation “have been managed in the interest of business” and people should be at the core of the economic system.

The challenge for trade unions, Visentini stated, is “how we can design legal frameworks, collective bargaining and social dialogue in a way that we can build up the Europe that protects”, he reaffirmed.
EUROPEAN ADDED VALUE

Effie Achtsioglou is Labour minister of Greece, the European country with the highest unemployment rate and the most heavily affected by the 2008 financial crisis. “The economic integration at European level did not go hand in hand with the harmonisation of the social system,” Achtsioglou argued.

Moreover, the system and the institutions that protect workers “have been weakened in the last two decades,” she said, adding that the EU is partly responsible for that.

Europe “needs a project to prove the real added value that can bring to people and, in particular, to young”, Rudy De Leeuw, ETUC president said, demanding a stronger social Europe. The European Pillar for Social Rights, De Leew said, “is an opportunity to move away from austerity and restore workers’ confidence in the European project”. The principles on which the pillar is based need to be translated into laws to make it possible, he said.

On this, it is up to member states to act. “If governments are too scared to regulate, then we are in trouble,” said Sharan Burrow, General Secretary of the International Trade Union Confederation.

The irony is that “as we need more than ever multilateral cooperation and international agreements, we are facing a severe threat to the very multilateral principles,” underlined Pierre Habbard, General Secretary of the Trade Union Advisory Committee.

“The 1930’s was the last time that the multilateral system was destroyed,” Guy Ryder pointed out. “The ILO was founded on the notion of the preservation of peace and stability in our society depends upon the maintenance of social justice,” Ryder recalled.

THE MAIN CHALLENGES AHEAD

While the world of work is changing and trade unions need to adapt, Visentini argued that they must not renounce past achievements.

“We should not forget what we have acquired, but also look into the future, be innovative, be daring,” Effie Achtsioglou added.

Digitalisation is one of the main challenges. On the one hand, traditional workers are either hyper connected or are facing changes in their work environment linked, for instance, to automation. On the other, new labour markets are emerging and workers’, such as those connected to platforms like Uber and Deliveroo have different needs.

“This creates a social divide,” Aida Ponce, researcher for the European Trade Union Institute (ETUI) explained. “To make sure we can extend protection and well-being to the outsiders without harming the prospective for the insiders, we have to imagine a completely different world of work”, Visentini defended.

It is important to “regain some rights for employees” but “that is not enough”, as more and more people work in the black market, and do not benefit from those rights anyway, Achtsioglou underlined.

Migrants are particularly vulnerable in this context; they are “invisible workers”, she added.

“We have to allow them to express themselves, we need to make them visible” as “we all need to take part in the creation of this new model,” the minister pointed out.

Another important issue, which has been a major priority for a while is the transition towards a greener economy.

“A strong cohesion policy in Europe, that prevents any region from being left behind, is imperative to build support and to protect the European project,” demanded Luc Triangle, General Secretary of IndustriAll.

Marian Schapman, Head of the Unit Health & Safety and Working Conditions of the ETUI, underlined that all problems are different but the principle is always the same, “workers have to be taken on board.”

Because, Schaapman recalled, “we speak about the future but for many people, the future is now.”
For too long, trade unions have failed to anticipate changes in an increasingly volatile labour market. It is time to take a proactive approach and protect workers’ rights, Luca Visentini, secretary-general of the European Trade Union Confederation (ETUC), told EURACTIV.com in an interview.

Digitalisation, climate change or automation are among the most worrying concerns the workers are facing now and will face in the future. However, in order to address these issues, the first thing to do is to “change the macroeconomic paradigm,” which is the base for the fragmentation of the labour market, Visentini argued.

While he acknowledged the important impact of digitalisation or climate change on the working conditions, he argued the market was already fragmented and working conditions were precarious due to traditional labour reforms in the past twenty years.

“This is an issue for Europe, of course, because we faced the financial crisis, austerity measures, constraints in the public sector, budget cuts in social protection, pension systems, workers’ rights, collective bargaining, wage... But it is more, in general, a problem for the whole world, because there is no multilateralism able to cope with these challenges if there is not a big change in the macroeconomic model,” the ETUC secretary-general said.

The “triangle in which the European social model was based” – social protection, collective bargaining and social dialogue – was dismantled during the crisis,” he stressed.

“We have to come back to this but also imagine a different type of social model to cope with the challenges and the changes in the future,” Visentini emphasised. Phenomena such as digitalisation have only worsened the situation for workers.

This is the case for instance for workers in platforms such as Uber or Deliveroo. “They provide their services with no protection, with no possibility to negotiate their salary, no possibility to have a pension or unemployment benefits, no maternity or paternity leave... nothing. It is a jungle,” Visentini denounced.

In order to address these issues, trade unions need to find the way... Continued on Page 7
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to get in touch with these people, Visentini said. Going to a workshop and organising an assembly to discuss with workers is no longer possible simply because there is no workspace.

“If we succeed in getting in touch with them, we have to listen,” Visentini insisted, because their problems, their questions are different. “The challenge is to rebuild the social protection system for traditional workers while addressing the needs of the non-workers too,” he argued.

“They are independent, they are self-employed but at the same time, they also need protection because they don’t have the power to bargain their tariffs, their incomes... and to have access to anything in terms of social protection,” ETUC secretary-general highlighted.

For platform workers to bargain, the first precondition is to understand who the employer is. “It is not possible for Uber and other companies to say “no, I am not the employer”, Visentini said. “They have to be recognised as employers and they have to negotiate,” he insisted.

Visentini defended the need for a legal framework at the European and national level to make sure the same level of rights applies to all workers, regardless of their sector, in line with the European Pillar of Social Rights.

FAIR TRANSITION TO A GREENER ECONOMY

When it comes to a fair transition towards a greener economy, the secretary-general asked for a comprehensive approach, including resources and social dialogue, to accompany workers in the process and discard “palliative measures” which will not solve the problem once jobs are destroyed.

A just transition can only be possible if there is sustainable growth and job creation, he argued. “We can have the best-trained and best-skilled workers in the world but if there is no alternative to the jobs that have been destroyed, it will be an empty game”.

One of the main challenges in addressing just transition is the differences between member states but also within individual countries. “Very often there is no capacity in the authorities there to manage the process,” the unionist said. “We need to make sure that we are in touch with the communities where there are difficulties for workers,” Visentini insisted.

As part of the new Multiannual Financial Framework, ETUC proposed to include a ‘Just transition fund’. Although the European Parliament welcomed the idea, the Commission has not included this provision in its proposal.

Visentini criticised the Commission’s proposal for a new long-term EU budget. “In terms of the European resources, we are not going in the right direction. “But there is still room for manoeuvre to negotiate to improve the proposal”.

Visentini underlined that even if Cohesion policy in the new EU long-term budget has among its objectives working towards a greener economy, “the labour dimension is very poorly considered and the resources available are less than expected”.

He argued that this is partly the result of an “institutional” and “financial” conflict, with the Commission trying to enhance a fair transition on the one side, and the member states, not as willing to do so, on the other.

“We still have an institutional conflict, even at European level, when it comes to the introduction of a European framework for just transition. And this is probably why the EU is behind in addressing this issue,” Visentini highlighted.

But globally the situation is not better. “The labour dimension is never tackled sufficiently enough in any multilateral agreement, so in the Paris Agreement the labour dimension is not enough in the agenda and is not addressed sufficiently,” said Luca Visentini.

For the secretary-general, the key is “to make sure that when the European Union transposes all these commitments into the European law, they are consistent.”

A MIGRATION WAVE IN AN AGEING SOCIETY

Taking a different view from many who argue that Europe cannot welcome more people, Visentini stressed that “in the medium and long term we will need lots of migrants, even more than already came to fill our labour market shortages.”

The trade unions have been active when it comes to integration of migrants in the labour market. Public authorities, social partners and employers and trade unions, all together should pave the way for migrants to integrate.

“It is essential to prevent any negative reactions among the native workers towards the migrants and the only way is to make sure equal treatment, that there is no exploitation of migrants,” Visentini stressed.

The only way to combat the fear “is to make sure that everybody can have a decent job, with a decent salary, on equal conditions,” the trade unionist insisted.

Visentini praised the relation established by the Juncker Commission with the social partners and highlighted close cooperation with Commissioners Marianne Thyssen and Vice-president Valdis Dombrovskis.

“When it comes to other policies, like Competition Law, Trade or the Digital Agenda... we still struggle to establish a proper social dialogue,” he said.
Four megatrends and the future of work

By Steve Coulter | European Trade Unions Institute

What will workplaces be like in the future? Will I still have a job that I am trained to do, that doesn’t bore or cripple me? When will I retire, and what sort of world will I be leaving for my children?

These sorts of questions are preoccupying Europeans more and more. While ‘bad news’ stories about war and crime have always hogged the headlines, people are increasingly taking note of studies and projections warning them about other, equally seismic, changes about to hit them closer to home in their workplaces and everyday lives.

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Automation, climate change, outsourcing and the demographic transition are four ‘megatrends’ profoundly changing economies and societies. But they operate in ways that can often be difficult to make sense of, not least because they sometimes appear to point in very different directions.

For example, half the global...
workforce will be affected by the transition to a greener economy, according to the International Labour Organisation. ‘Brown’ jobs in polluting industries need to be replaced by ‘green’ jobs in cleaner ones that may also involve a totally different way of working, by deploying brains rather than brawn, for example. But how can we be sure that new jobs in growth industries like computing, personal services and biotechnology will appear at a rate needed to replace those lost in other areas?

Relax, say the optimists, and let ‘creative destruction’ do its work. They can point to Europe’s recent jobs growth as a reason for hope. But recent research by the ETUI warns that many of these new jobs are in the ‘gig’ economy of insecure, precarious work in new service industries. A job is a job, and better than the dole queue, you might say. And no one objects to the idea of cheap taxi rides, or nice goods or gourmet meals delivered straight to your door. But it’s not so great if you’re the poor soul doing this kind of work, with dim prospects and no employment rights. And when the companies providing these services can opt out of paying their taxes, how can governments afford to invest in education and training needed to equip their workforces for something better?

Europe’s demographics are also changing. Put simply, we’re getting older. Europe could have 49m fewer people of working age by 2050, predicts the Fondation Robert Schumann. That means more jobs to go around, right? Not necessarily. Some employers don’t want to pay higher wages to fill their vacancies from a shrinking pool of labour or invest in training that raises productivity, undercutting those that are more forward-looking. Governments in many countries have responded to wage pressures by encouraging migration from low wage countries fueling, in many cases, the kinds of economic and cultural discontent that sparks populism. Meanwhile, the gathering pace of automation is putting even skilled, well-paying jobs at risk of replacement by machines, with Oxford researchers estimating that 47% of all jobs could be automated over the next 17 years.

This is a lot to think about. But it’s very important that we don’t brush it to one side or, worse, assume that market forces alone will take care of all this. That means, first, understanding what’s going on. By appreciating the ways in which the megatrends interact with each other – the pivotal role of technology, for example – we can devise effective solutions. That’s the idea behind a major conference organized by the ETUI and ETUC in Brussels this week. ‘The World(s) of Work in Transition’ will gather experts on all these areas to think through the challenges and find solutions. We hope you will join us there. A number of futures are possible, but we have to act to shape the one we actually want to live in.
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