

9 | SOCIAL DEMOCRATIC CO-OPERATION IN THE DIGITAL AGE

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The UK is leaving the EU but not Europe. The challenges that the changing world of work pose to social democrats are European and global in character – national fixes won't do. The quantitative and qualitative changes happening to jobs, and their social impact, have to be analysed in order to adapt existing social standards to the new forms of employment.

Looking at the world of work from a European level, it is clear that many of the challenges faced by the UK are the same challenges faced by nations across the continent. The UK can learn from the European approach.

Across Europe, as in the UK, technological advances have reshaped the way we work and new employment models have introduced new forms of work. The development from manufacturing to service jobs continues across Europe while public sector jobs are increasingly being replaced by the private sector. Currently many European social democrats are focusing on the digital agenda, but it is important we take into account all of the new forms of work, not just digital jobs. We need a new framework for this epochal transformation. It needs to ensure we all stand to benefit from these changes, and it needs to minimise the risks, particularly to our social security systems and safety at work.

The quantitative and qualitative changes happening to jobs, and their social impact, have to be analysed in order to adapt existing social standards to the new forms of employment. Globalisation and the continued disruption technology brings have already begun shaping and creating the jobs of the future. A generation of new business models and new jobs, especially for high-skilled but also for low-skilled workers, is taking shape across the continent. But due to automation processes, other jobs will disappear completely, especially in the medium-skilled labour sector.

This increase in atypical and flexible employment relationships could also lead to a decrease in labour rights and salaries. There has to be modernisation of social and employment legislation to maintain existing standards of social security, minimum wages, worker voice, and occupational health and safety in the workplace in order to stay abreast of changes in the new working world. Policy makers across Europe have to ensure that employment and social policies keep pace with digital innovation and entrepreneurship in order that we all profit from the opportunities and manage the potential risks which could be associated with it. And Britain too must ensure that these opportunities and protections are maintained as it departs from the European Union.

Future implications for workers

Without doubt, the changes in the world of work will have profound implications for the workforces of tomorrow right across Europe. It is important to identify the specific difficulties which workers will face in the future and how European cooperation can be a help, not a hindrance.

Self-employment

The first issue is the rise of self-employment and bogus self-employment. As a result of the trend towards outsourcing, more and more people are going to become self-employed. Therefore, policy makers and social partners alike should develop strategies to ensure that all workers have appropriate rights under labour laws, regardless of their existing contracts, including the right of collective bargaining.

A clear European definition of self-employment would also help to prevent the spread of bogus or false self-employment, when employment is disguised as self-employment in order to evade taxes and employment rights. European countries need to work together to map out the various forms of self-employment. Bogus self-employment with the goal of undermining existing labour and social security standards must be prosecuted. The newly established European platform on undeclared work provides the ideal medium to take this task on.

Similarly, new working practices like crowdsourcing are expected to lead to further growth in levels of self-employment. Competition for job opportunities on these crowdsourcing platforms is global, implying a competitive advantage for bidders from areas with a low cost of living, low income tax rates and low levels of social security cover. Policy makers should therefore strive to provide adequate information to workers on working conditions and workers' rights throughout crowdsourcing platforms. Additionally, it is the responsibility of social partners at a national level, as well as governments, to find the solutions that guarantee a fair and inclusive labour market, regardless of specific employment arrangements. Again, Britain can learn from EU countries here – and vice versa.

The importance of skills and education

Secondly, to ensure that the education system fits the future developments in the workplace it is necessary to identify inadequacies in the current system, and then to establish where the current skills gaps lie. Here too, individual initiatives along national lines make little sense.

As jobs and skills profiles become more complex, new demands – especially information and communications technology (ICT) skills – are being included in on-the-job training, as well as in further education. It is a tremendous challenge to redesign our educational systems, training curricula and work methods in a holistic way that responds to the challenges and opportunities of the digital revolution. The aim must be to promote digital literacy and to tackle the existing gender and generational gaps. The social partners and various educational training institutions will have to update course content and develop skills strategies linking the world of education to the world of work.

This new education system should set a standard for workers of all ages across Europe in the new economy. In order to achieve this, we will need to establish new funding opportunities for this education and training, especially for micro and small enterprises. Governments should make appropriations from all possible funds available to employers, so that they can invest more in the digital training of their less qualified staff, or recruit low-qualified staff with the promise of further training financed from these sources. There are also examples of some European countries introducing rights which guarantee workers a minimum level of entitlements – such as paid educational leave – as a measure to improve workers' access to education and training.

The role of the state

The changing world of work will also influence the agenda of national governments across Europe. The state is responsible for ensuring that social security systems are effective, and for adapting them to support people in the jobs of the future. Given that there will be an increasing number of self-employed and precarious workers, the state has to find new forms of social security which are accessible and tailored for those workers.

This is because the state has a responsibility to ensure that the wellbeing of the worker is at the centre of digitalisation. This means that technological change and new forms of employment will be able to bring benefits to workers and the economy. Where there are disadvantages for working people, there has to be a legal framework to protect them in order to avoid an increase of those classified as working-poor. A society based on social sustainability needs people who can live from the money they earn, spend it, and pay into the social security systems.

Conclusion – looking forward in uncertain times

The changing world of work and its impact on the jobs and tasks all of us do will not stop at any border. In the years to come, the challenge across Europe will be to develop a common agenda on work, which includes the twin pillars of employment and social issues. It is clear that European countries cannot win in a race to the bottom against their competitors; they have to compete on quality. And in order to deliver quality, Europe needs a high-skilled work force, motivated workers and an environment that encourages innovation.

Digitalisation is like a bespoke piece of clothing that has to suit two people: the employee and the employer. It is not possible to develop the labour market in a sustainable

way if the workers and their working conditions are disregarded. Instead, it must be ensured that labour standards are maintained in spite of the disruptive forces at work in our labour markets.