



## **Declaration of PES Employment and Social Affairs Ministers Ensuring decent work and social protection in the digital economy**

Adopted in Luxembourg, 14 June 2017

Confronted to challenges resulting from globalisation, demographic change or digital revolution, there is a risk that Europe's citizens will lose trust in the European project, its institutions and decision makers. To regain their trust, our answer is clear: **there is an urgent need for a more social Europe, for a Europe against inequalities, for a Europe of decent working conditions, and for a Europe of strong social protection.**

As PES Ministers of Employment and Social Affairs we are convinced of the need **address the deep and fast changes employment, jobs and work are undergoing, in particular due to an ever more digital economy.** Therefore we welcome the consultation the Commission has announced on 26<sup>th</sup> April on modernising the rules on labour contracts and on broadening access to social protection to all forms of work. We believe this process should lead to **a strengthening of our welfare system, and to clear rules that ensure Europeans, women and men, a decent job** that allows a good quality of life.

Digital technologies facilitate business innovation, expand consumer choices, and create new jobs and work practices that promise greater flexibility and autonomy. The digital transformation has a huge growth, innovation and job creation potential and should be supported as such, including by investment in infrastructure, digital education and companies. Nevertheless, its impact on the labour market, as a new employment sector or by changing work practices, has led to mixed results. The transition towards a digital working environment must not undermine European working and employment standards.

In a labour market where one rarely keeps the same job for the entire life and rarely keeps the same type of employment, may it be in terms of job-description, status or profession, we want to **strike a fair balance between the promises of technology and the protection of workers.** To reach this objective and address the structural changes of employment, it is necessary to create **a level playing field between the traditional and new forms of work**, where all rights and obligations apply to all actors in the same way – no matter if online or offline. More and better social protection has always been part of the answer to



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technological revolutions; here **are seven proposals** to further these historical dynamics.

### ***1. Preparing professional transitions and the diversification of professional paths***

We want people of all age groups, education levels and backgrounds to find their place in a fast-changing labour market. As part of **an ambitious skills guarantee**, we will prevent redundancy and increase employment options for each worker by **strengthening education and training for the digital industry**, providing **time for workers to get further training and upskilling** and establishing opportunities **for paid educational leave** for all workers as well as **incentivising investment** in on-the-job training.

### ***2. Guarantee in-work protection***

Technological progress should not turn into additional constraints for employees, its benefits should be shared between workers and employers. It is essential to ensure that it does not create an obligation of permanent availability, by acknowledging **the right for employees to disconnect**. The intensification of work, the increased flexibility requested from workers, and the diversification of employment forms call for increased protection of workers, irrespective of their status. In this regard, we should look at the **framework directive on decent working conditions in all forms of employment** as put forward by the European Parliament.

### ***3. Clarifying workers status in new forms of employment***

Social protection coverage strongly depends on the form of employment, leaving many workers only partially covered, when covered at all. More and more questions arise as to the status of workers and the social protection afferent to it. Solutions should be sought **by clarifying the definition of the employment relationship**.

### ***4. Ensuring workers' organisation and enabling collective action***

New forms of employment can make the organisation of workers, the recognition of shared problems, and the enforcement of collective interests, more difficult. It is therefore essential to **identify ways to enable and strengthen collective actions**, through trade-unions and collective bargaining, including by **using the technologies digital platforms offer**.

### ***5. A real safety net for unemployment periods***

There is an increase of transition periods in professional life, which often correspond to unemployment periods. **Providing an adequate safety net to all European workers to better protect them against the hazards of their**



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**working life** becomes ever more necessary, in particular to **compensate the cost of transitions** from one job to the other and the loss of income. This safety net should be designed in full respect of the subsidiarity principle.

#### **6. Ensuring the portability of rights**

We want all activities and rights of each workers to be recognised and taken into account to reflect the many transitions workers are experiencing in their careers. We must **support opportunities for lifelong learning, for example through the creation of “activity accounts”**, and in a broader sense a safety net all through their lives, irrespective of the changes and gaps in their careers.

#### **7. Fight free-riders and tax avoidance phenomenon.**

The platform economy, like any other economy, must pay tax and social contributions, comply with employment and social legislation, and ensure consumer protection. It can not become an alibi to circumvent social and health protection obligations. Dematerialisation has allowed too often for companies to evade those duties. We will thus continue our fight against tax and social dumping all along the supply chain. The very technology **of the platform economy could allow for good traceability**, and a better enforcement of existing legislation. This is important for the **financing and sustainability of our social model** and for a **fair competition between workers**.

We want these principles to lead the Member States' and the EU's efforts to adapt social protection and employment legislation to the challenges of the 21<sup>st</sup> century. The **European Pillar of Social Rights offers the opportunity to rebalance economic freedoms with social rights, to redirect technological progress to the benefit of workers**. This can be done with adequate regulation framing the digitalisation of employment and the raise in non-standard forms of work. **We will make sure that modernising social rights rhymes with increased protection** rather than deregulation.



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