

PES Presidency Declaration 7 principles for fairer employment in the digital economy Adopted by the the PES Presidency on 16 June 2017

In the PES Manifesto for the 2014 European Parliament, we made our priority clear: Europeans, women and men, must have a decent job that allows a good quality of life.

Yet, employment, jobs and work in general are changing fast. 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 (employee, self-employed, civil servant, unemployed, volunteering...) or profession. Temporary work, agency work, contractors, solo self-employed, and platform work are all different declinations of work and each offers a different level of protection. In particular, platform workers linked to the digital provision of service, are among the least advantaged in this regards, as they do not have any minimum standards of remuneration, training, working hours, health and safety nor legal and social security. Workers are selling their workforce for ever-smaller part-time jobs, with no safety net or assurances of future hiring, making work ever more precarious.

To ensure decent work for all, our goal is 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. This is why we welcome, as PES Presidency, the Conclusions of PES Social Europe Network on the impact of the digital economy on employment and social protection.

There is an urgent need to guarantee social rights and social protection for all in an ever more digital world. We, Party of European Socialists, stand for positive reforms to address such structural challenges. We want to strike a fair balance between the promises of technology and the protection of workers, a balance that allows reaping the benefits of digitalisation without renouncing our social model. More and better social protection has always been part of the answer to technological revolutions; we need to further these historical dynamics.

The challenge is to find ways to integrate non-standard work into our social protection systems, to find ways to extend workers' rights and social protection to non-employees of all ages. All workers – women and men- need to benefit from the opportunities created by the digital economy. This requires a clear framework to establish appropriate standards of protection (labour and social law, contract law, trade law, data protection law, fiscal law, etc.), a comprehensive security system that is capable to deal with the challenges arising from increased flexibility, uncertainty and instability of employment relationships, and investing in the training and re-training of the workforce.

To guarantee the future of work, the following seven principles will be the cornerstones of our action:

1. Preparing professional transitions and the diversification of professional paths

We want people of all age groups, levels of education, backgrounds and genders to find their place in a fast-changing labour market. This requires combating stereotypes throughout the educational systems, encouraging equal participation in different educational paths and employment sectors. We will prevent redundancy and increase employment options for each by strengthening education and training for the digital industry, providing time for workers to get further training and upskilling and establishing a right to paid educational leave for all workers as well as incentivising investment in on-the-job training.

2. Guarantee in-work protection

The intensification of work, the increased flexibility requested from workers, and the diversification of employment forms call for increased protection of all workers, irrespective of their status. Technological progress should not turn into additional constraints for employees. It is essential to frame the use of digital technologies to ensure that it does not create an obligation of permanent availability and ensure its benefits are shared between workers and employers, for example acknowledging the right for European employees to disconnect.

3. Clarifying workers status in new forms of employment

Social protection coverage still 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 related to it. Solutions should be sought by widening the definition of employment, by strengthening the rights and protection for individual self-employed and by clarifying the definition of the employer/employee-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 becomes ever more necessary, in particular to compensate the cost of transitions from one job to the other and the loss of income. There is a need to move from a social protection linked to employment status to a social protection which benefits all.

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. Social security systems could be further connected, in order to make portability possible, facilitate information exchange, provide people with a track record of their entitlements and to prevent misuses.

7. Fight free-riders and tax avoidance

The platform economy, like any other economy, must pay tax and social contributions, comply with employment and social legislation, and ensure consumer protection. While dematerialisation has allowed too often for companies to evade those duties, the high transparency potential of the platform economy could allow for good traceability, in line with the aim of enforcing existing legislation. This is important for the financing and sustainability of our social model and for a fair competition between workers and various economic operators. We will thus continue to fight social dumping and tax evasion, following the lines set in the PES Presidency Declaration Panama Papers: it is high time to close all loopholes adopted on 22nd of April 2016.

We want these principles to lead the EU's effort to adapt its social protection and employment legislation to the challenges of the 21st century. We believe that the European Pillar of Social Rights offers an opportunity to rebalance economic freedoms with social rights, to redirect the technological progress to the benefit of workers. We also believe that new proposals in the framework of a Social Action Plan are needed. This clearly requires to address the impact of digitalisation on employment and the raise in non-standard forms of work, proposing adequate regulation for the welfare of all. We will make sure that modernising social rights rhymes with increased protection rather than deregulation.

<u>Annex</u>: PES Social Europe Network - the impact of digital economy on employment and social protection