



To: PES Heads of State and Prime Ministers
PES Deputy Prime Ministers
PES Commissioners

Brussels, 27 September 2017

The EU must stand for workers' rights and social progress in the digital economy.

Dear Prime Ministers,

For over 30 years now, Europe is experiencing what we know as the digital revolution. It started to change our everyday life in the late 80s with the introduction of PCs, moved to the internet era and now develops into what is known as the platform economy, built on the provision of IRL (In Real Life) services through apps on smartphones.

For the worker, this evolution offers possibilities for more flexible working arrangements, creates new jobs and opportunities to enter the labour market more easily. Yet, all too often, it offers companies the possibility to bypass social standards, offer poor quality jobs and limited security, when not simply replacing workers by robots.

To avoid precarious work, and unfair competition, we must establish a level playing field between all workers, may they be online or offline. We want to ensure the same level of social protection applies to all workers. The European Digital Summit in Tallinn on 28 September 2017 is a crucial occasion to set the direction: technological progress must translate into social progress for all in Europe. The following 7 principles, identified by the PES Social Europe Network and PES Employment and Social Affairs Ministers in their declaration of 14 June 2017, should shape the future of work and allow all to reap the benefits of technological progress.

1. *Preparing professional transitions*

People of all age groups, levels of education, backgrounds and genders must find their place in a fast-changing labour market. This requires 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. It is essential to frame the use of digital technologies and guarantee strong protection to all.



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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. This must be tackled to prevent a competition to the lowest standards.

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 to further support 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.

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.

Following these principles the EU will 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.

We trust that we all share these objectives, and urge you to take them forward in your deliberation during the informal summit in Tallinn this week

Yours sincerely,

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PES President

Nicolas Schmit
Minister for Labour,
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Luxembourg,
Chair of PES EPSCO
Network

Pervenche Berès
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Annex: PES Brochure *Workers' rights and social progress in the digital economy*.



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