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From:	General Secretariat of the Council
To:	Permanent Representatives Committee/Council
Subject:	Thematic Reviews on 'Social Aspects of Digitalisation' (SPC) and 'Digitalisation and Robotisation of Work' (EMCO) - Endorsement of the joint key messages

Delegations will find attached the joint key messages on the above subject as transmitted by the Employment Committee (EMCO) and Social Protection Committee (SPC) with a view to their endorsement by the Council (EPSCO) on 6 December 2018.

Key Messages from the Thematic Reviews on 'Social Aspects of Digitalisation' (SPC) and 'Digitalisation and Robotisation of Work' (EMCO)

The combined effects of technological progress, demographic change and globalisation are transforming modern lives. Increasing digitalisation, robotisation, and the development of the digital platform economy drive changes in the labour market, with potentially significant implications for social protection systems. These changes offer new work opportunities and may contribute to social inclusion, but also pose certain challenges. New forms of work and operating models may challenge the traditional employment relations, working conditions and social protection systems.

In September 2018, as a follow up to previous work and as part of the priorities of the Austrian Presidency of the Council of the European Union, the SPC held a dedicated review on "Social Aspects of Digitalisation, with focus on Platform work", and EMCO discussed the subject of "Digitalisation and Robotisation of work", with a particular focus on health and care sectors.

The main messages emerging from these discussions are as follows:

- The share of workers in new forms of work is expected to increase in the coming years. Experience so far suggests that the technological evolution has created new products, markets and jobs.
- Technological change contributes to improving safety at work and job quality by automating unhealthy and tedious tasks, as well as by providing greater flexibility. Nevertheless, it also leads to job losses in certain sectors. Therefore, those who are at risk of losing their jobs should be assisted. Public employment services and social protection systems play a key role in supporting workers in their transitions and contributing to social inclusion.
- Low-skilled workers are more likely to suffer job losses. Improving skills and competences is thus important to enable wider participation in the opportunities offered by new forms of work and for promoting an inclusive labour market. However, stated goals on lifelong learning and up- and re-skilling are not currently being achieved. Policies to improve skills-development opportunities for workers, who have no access to training, or limited capacity to seek training outside of working hours, become ever more urgent.

- Robotisation is not necessarily about replacing jobs: it may mean that jobs remain but in a radically different form. This underlines the need for robust labour market intelligence in order to understand changing task profiles. In turn, this will need to feed into our education and training systems, to ensure that our workforce has the right set of skills - with a particular focus on the lower skilled. Member States may also need to look at a more pro-active and preventative approach to Active Labour Market Policies.
- Policy can pro-actively seek to affect the use and uptake of technology. There is a variety of factors affecting whether people accept or reject technological change, and the impact and pace of change can vary greatly. Therefore, there is a need for policy-makers to demonstrate tangible benefits of change and to promote a broader societal discussion about digitalisation and robotisation.
- New forms of employment may offer benefits for those involved and the society at large. They may facilitate access to the labour market for a number of groups, among them people that have traditionally been furthest away from the labour market, and thus contribute to social inclusion. They may also offer increased flexibility and opportunities to improve work-life balance. And they may help in efforts to tackle undeclared work.
- Concurrently, they may also present challenges in areas such as working conditions, precariousness of work, as well as access to, adequacy and sustainability of social protection, which could lead to increased labour market segmentation.
- Member States, and where relevant, social partners should take steps to ensure that platform workers are not put at a disadvantage because of their type of employment. Fair working conditions, adequate wages, work organisation and suitable work-life balance for platform workers should be an objective. Both regulatory and non-regulatory measures should be considered, where appropriate. The large diversity of platform work should also be taken into account when designing a policy response, as there is no one-size-fits-all solution. Where a traditional employer-employee relationship is lacking, thought needs to be given to the question of representation in social dialogue.

- Wherever needed, Member States should take steps to ensure that workers have access to adequate social protection and incentives to participate in the social protection systems. Again, consideration should be given to both regulatory and non-regulatory measures.
- Key factors that determine the access of certain types of jobs to social protection relate to the self-employment status or to the contractual relationship between employer and employee. It is worth noting that platforms differ as to how they define the employment relationships. In this context, there may be a need to adjust relevant laws and regulations, if the existing frameworks prove to be inadequate.
- Bogus self-employment needs to be addressed, taking into account whether workers are genuinely self-employed or not. It may be necessary to develop or refine ways of tracking the work-related transactions and income of platform workers and other atypical workers in order to ensure the continued adequacy and sustainability of national social protection systems, and to tackle, where possible, unfair competition between companies that contribute to social protection and those that do not.
- The impact of the use of artificial intelligence (AI) on the inclusivity of the labour market is an issue that may require consideration from a number of angles: a number of Public Employment Services (PES) already use machine learning to help with labour market matching; some platforms use ratings and algorithms (which can have bias built-in) to allocate work. These developments may raise issues related with, for example, privacy or discrimination.
- Similarly, the increasing use of robots in sectors such as the health and care sector needs robust governance in order to manage risks and ensure security of those working and interacting with robots.
- Given the potential cross-border nature of platform work cooperation at the EU level is important. This could be helpful in a variety of areas, for instance the portability of social rights across borders and rules about the applicable legislation. Cooperation with platforms based outside of the European Union is also an important aspect to consider. Member states should share experiences and good practices.

- The design of any adequate policy response must be supported by good evidence, comparable and consistent data, particularly concerning platform work. Social partners, civil society organisations and other relevant stakeholders should be included in the design and monitoring of an adequate policy response.
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