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OUTCOME OF PROCEEDINGS

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Subject: Council Conclusions on the Future of Work: Making it e-Easy (7 December 2017)

Delegations will find in the annex the Council conclusions on the Future of Work: Making it e-Easy, adopted by the Council at its 3583rd meeting held on 7 December 2017.

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Future of Work: Making it e-Easy **Council Conclusions**

WHEREAS

- 1 In the light of technological developments, including automation and digitalisation, globalisation, demographic changes and international migration, changes in the labour market and employment have been occurring rapidly, influencing the nature, the quality and productivity of work. In this context, the world of work is changing and becoming more complex. While some jobs can be automated through the use of robots and artificial intelligence, other jobs and tasks are changing and new forms of work are being created while some forms of work are staying the same.
- 2. Traditional employment relationships are being complemented or replaced by new, nonstandard and more flexible forms of employment, such as work provided through digital platforms in the context of a task-based economy, but also through various forms of selfemployment. These changes create new opportunities for people to participate in the labour market, but they can also have adverse effect on working conditions and workers' protection and can increase precarious employment. It raises questions concerning which forms of work are acceptable and how the quality of work and social protection can be safeguarded for all workers, regardless of the form of employment.
- 3. Digital transformation and new ways of working set new requirements for the types of skills and competencies needed in the labour market. Digital competencies and transversal skills are essential to enable people to adapt to future jobs: new forms of work require sound decisionmaking abilities; changes in career patterns reinforce the need for continuous learning; new technologies require new sets of skills, including digital and cognitive skills. At the same time, changes in the nature of employment relations challenge the existing-role of workers, employers and educational institutions as regards the development of skills. Moreover, existing skills development systems are yet to explore how they can adapt with sufficient speed to the demands for new skills.

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- 4. The topic of the future of work has already triggered a fruitful dialogue at a European and international level. In September 2017, a high-level conference on the Future of Work and the Tallinn Digital Summit were held under the Estonian Presidency. The European Economic and Social Committee, Employment Committee and Social Protection Committee, the Organisation for Economic Cooperation and Development and International Labour Organisation have also taken forward the topic of the future of work.
- 5. In the changing world of work, the European Commission, the Member States and social partners need to be innovative and explore new ways for managing employment, social protection and skills development. The European Union has already launched several policy initiatives on the way forward for a social Europe. In 2016, the European Commission adopted a New Skills Agenda for Europe and a European agenda for the collaborative economy. In April 2017, the European Commission proposed the European Pillar of Social Rights which sets out several key principles and rights to support fair and well-functioning labour markets and welfare systems. The proposed principles aim to address changes in the world of work and societies that mark the essence of the 21st century social market economy.

EMPHASISING THAT

EMPLOYMENT AND WORKING CONDITIONS

6. The traditional employment relationship has been based on an indefinite, open-ended, full-time and direct contract with a single employer. However, recent assessments indicate an increasingly blurred distinction between employers and dependent employees as a result of digitalisation, the development of a platform economy and new forms of employment emerging. Changes in employment patterns affect the balance of responsibilities between employers and workers, and in some cases workers' responsibilities regarding their working conditions are likely to increase, for example as regards occupational health and safety and working time. Regardless of changes in employment patterns, decent working conditions must be ensured for all.

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- 7. Working lives are becoming longer, more diverse, and more mobile. Employment and social policies also need to be adapted to the new reality, in order to help organisations to adjust and people to become more resilient and to better support and empower individuals through transitions. Member States should facilitate occupational and geographic mobility and strengthen outreach and support to those furthest from the labour market. Public employment services can play a key role in facilitating transitions in the labour market.
- 8. As traditional ways of working are combined with new forms of employment, Member States and social partners should embrace the opportunities created by the changes in the world of work, and at the same time provide decent working conditions to protect workers and ensure equal opportunities for all to participate in the labour market. These opportunities also have potential to enable parents and other people with caring responsibilities to better balance their work and family lives.
- 9. Traditional inequalities continue to reassert themselves in the new world of work, including in the form of gender segregation in the labour market. Accelerating efforts to address gender gaps and to enable women and men to benefit from these new opportunities in more equal numbers, but also promoting diversity and equal opportunities for all disadvantaged groups, inter alia through social economy, could unlock new possibilities for individuals, organisations, the economy and society at large.
- 10. An essential feature of Europe is social dialogue. Employers and employees, with their respective representatives, are the best placed to address employment-related issues. Strong social partners and effective social dialogue at all levels are indispensable for shaping a fair and equitable future of work. In the new world of work social partners need to find ways to ensure that all of the economically active citizens working in various forms of employment, continue to be well represented and that their voice is heard through social dialogue.

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SOCIAL PROTECTION

- 11. Social protection systems have always been a vital part in a Social Europe. New forms of employment make it necessary to maintain or increase our social protection levels to offer adequate protection against social risks.
- 12. Social protection systems in Member States should take into account new patterns of employment, including the situation of people moving frequently between different employment forms. In this context acquired social protection rights should be preserved in case of transition between different employment statuses in accordance with national practices. Social protection systems need to be tailored to the contribution capacities and the protection needs of various forms of employment. Changes in social protection systems must be done in accordance with national competences and taking into account national circumstances and respecting the role and autonomy of the social partners.
- 13. Taxation of labour remains a key source of revenue for social protection schemes. However, new forms of employment and entrepreneurship blur the distinction between employer and employee, which has been the basis for tax-benefit systems. In view of future developments in the labour market, in particular the emergence of different forms of employment, the current mix between the taxation of labour and other resources might need to be examined so as to ensure that there is adequate financing of social protection schemes.
- 14. Technological development in the field of information and communication provide the governments with effective tools to administer tax and benefit systems innovatively. Esolutions could be used to tackle the informal economy, to proactively supply benefits and public services to citizens and to support the provision of social protection.

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SKILLS AND COMPETENCIES

- 15. The skills' needs of the future are difficult to predict and the life span of skills is likely to shrink due to rapid technological changes. Smart investments in skills, driven by existing demand and emerging trends, are needed to support workers' employability, full participation of women and men in the labour market, integration of legally residing newly arrived third country nationals while respecting national competences enshrined in the Treaties and changes in the economy. Governments, employers and workers alike need to increase their efforts to plan re-skilling and up-skilling activities.
- 16. Governments need to create sufficient framework conditions for participation in lifelong learning and post-initial education. Governments and educational institutions should work in close cooperation with businesses and social partners to ensure that education not only matches labour market needs, but also provides students with the generic skills that are necessary to fully participate in society and to acquire new skills later on in their career (i.e. learn how to learn). Employers will have to actively engage in boosting and better using the skills of their employees if they want to stay competitive. Taking into account the changes in employment patterns, it must be ensured that all workers can effectively participate in measures aimed at developing their skills throughout their working life. Employers and workers together should create work environments in which the continuous development of skills, both through formal and informal learning, is a natural part of work. Work-based learning is a good example of how the mutual needs of employer and future employees can be combined. Workers will also be expected to take more responsibility for developing their skills.
- 17. Low levels of basic skills, such as literacy, numeracy and digital skills persist amongst a significant part of the European population, undermining their employability. To address the skills gap, there is an urgent need to increase the participation in lifelong learning, particularly among those who are most likely to be negatively affected by changing skills demand. The improvement in basic skills including digital skills must be an essential part of lifelong learning in order to prevent further exclusion from employment and society and to promote transitions to the labour market.

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18. The supply of accessible, affordable and flexible learning opportunities should be increased, for instance, by making learning more accessible, by improving the validation and recognition of non-formal and informal learning, increasing the supply of modular forms of education and through the use of on-line tools, and by recognising the skills acquired. This needs to be accompanied by appropriate outreach and guidance to encourage companies and individuals to participate.

THE COUNCIL OF THE EUROPEAN UNION INVITES.

in close cooperation and in accordance with their respective competences:

- 19. Member States, the European Commission and social partners to acknowledge the emergence of new forms of employment, while ensuring decent working conditions, adequate social protection and equal opportunities for all and finding ways to mitigate potentially adverse effects of a changing labour market in particular on vulnerable people. Opportunities arising from technological developments should be explored to broaden active participation and fight discrimination and exclusion in the labour market. Employment relationships that lead to precarious working conditions shall be prevented, including by tackling abuse of atypical contracts.
- 20. Member States and the European Commission to take into account of the changing forms of employment when developing and implementing employment, including occupational health and safety, education and training, and social policies. In this context, to step up efforts to reinforce the gender equality perspective in these policies, including a view to skills development, and the underlying social protection systems.
- 21. Member States, the European Commission and, according to national practices, social partners to explore how best to assist and guide individuals through transitions between jobs and different forms of employment. In particular, an integrated and comprehensive support system should be available combining activation and income support, as well as, access to enabling services including education and training and life-long learning opportunities.
- 22. Member States to continue ensuring a high level of social protection to all forms of employment while making work pay, and to adapt when necessary social protection schemes to enable new forms of employment to be covered in line with national practices.

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- 23. In accordance with national legislation and practices, Member States and social partners, with the cooperation of the European Commission, to further develop skills forecast mechanisms to anticipate the emergence of new jobs and changes in existing jobs, and implement the necessary policies to invest in the appropriate skills.
- 24. Member States to make lifelong learning systems more accessible and flexible while encouraging employers and individuals to invest in learning. Among other things, options to support training that can be used throughout life independently of the employment status, such as individual learning accounts, should be considered. Mechanisms for the recognition of non-formal and informal learning in the labour market should be introduced and widened.
- 25. Member States and the European Commission and according to national practices social partners to enhance cooperation by exchanging information and best practices on the future of work. Member States, the European Commission and according to national practices social partners to use existing or create or update tools to administer employment, social protection and skills development policies in an innovative manner. Through mutual learning, it is possible to create a tool-box comprising a range of e-solutions that enable policy systems to adapt to an ever-changing labour market.
- 26. Social partners at EU and Member State level, in accordance with national practices, to raise the awareness of labour market participants about potential benefits and risks of the emerging forms of employment.
- 27. Social partners, in accordance with national practices to find ways to ensure that those who are economically active in new forms of employment are well represented and that their voice is heard within social dialogue.

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