

Council of the European Union

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NOTE	
From:	Permanent Representatives Committee (Part 1)
То:	Council
No. prev. doc.:	9611/18
Subject:	Future of Work: a Lifecycle Approach
	- Draft Council Conclusions

The Presidency has prepared the attached set of draft Council Conclusions on "the Future of Work: A Lifecycle Approach."

At its meeting on 13 June, the Committee of Permanent Representatives has approved the draft text of the Conclusions as attached, while at this stage, ES has maintained a scrutiny reservation.

The Council is invited to consider the outstanding reservation and to adopt the draft Conclusions.

Future of Work: A Lifecycle Approach

- Draft Council Conclusions

WHEREAS

- Dynamic technological development, globalisation and demographic change, all on an unprecedented scale, are profoundly and irreversibly reshaping many aspects of the organisation of society in the 21st century, including in the world of work. This transformation is driven mainly by automation and digitalisation, accelerated by the rapid rise of artificial intelligence (AI). It entails, in Europe, a growing demand for skilled workers in certain key sectors, which is often linked in turn to a set of social challenges that include the ageing society, persisting gender inequality and occupational gender stereotypes.
- 2. The ongoing transformation presents both opportunities and challenges. On the one hand, it can be the engine for innovation, economic growth and the creation of new quality jobs, and can increase labour productivity, worker protection and free time, thereby also contributing to the reconciliation of work and private life. It can also contribute to improving the overall well-being of citizens as well as offering new opportunities to people from vulnerable groups, including persons with disabilities. New technologies can also facilitate active civic engagement. On the other hand, the ongoing transformation can also cause certain jobs to change significantly or to disappear, increasing structural unemployment among certain categories of worker, creating new inequalities and leading to a polarisation of the labour market due to a loss of intermediate-level jobs in particular.
- 3. Stakeholders, including governments, employers, workers, the social partners and civil society, need to have a deep understanding of the transformative processes under way in order to be able to respond to them and shape them and to promote inclusiveness and fairness in the labour market.

- 4. A lifecycle approach to the ongoing process of change allows the development of integrated and inclusive policies based on each person's specific potential. Key elements in the context of education, training, employment and social policies include the gender dimension; work-life balance; social protection; decent and secure working conditions, including health and safety at work and working time; skills and lifelong learning; career development; active ageing; and support through transitions, including return-to-work policies.
- 5. Education and early childhood development policies and services conceived as part of a lifecycle approach are among the most important tools for the development of practical knowledge, skills and physical abilities from an early age, including the foundational cognitive, social and emotional skills needed to succeed in fast-changing environments.
- 6. At this time of change, the development of social economy ecosystems in Europe can offer a good basis for improving the current and future employability and adaptability of the labour force including people from vulnerable groups. Digitalisation and new technologies can also provide instruments for creating new business models based on values such as fairness, inclusiveness and solidarity. Digital commons, for instance open-source software, widely developed and used by social economy actors, could play an important role in promoting the equitable use of information resources and technology. The values of the social economy can also help to steer the development of digital commons in a beneficial direction.
- 7. The future of work is high on the global agenda. For example, the International Labour Organisation has contributed to the ongoing discussion with its Centenary Initiative on the Future of Work, followed by the establishment of a High-Level Global Commission which will publish an action-oriented report at the beginning of 2019.

8. At European level, the European Commission, the Member States and the European Parliament are actively addressing the ongoing developments. The European Pillar of Social Rights proclaimed in 2017 aims to serve as a guide towards efficient employment and social outcomes when responding to current and future challenges. The European Commission's specific initiatives include the "Skills Agenda for Europe", including the Recommendation on Upskilling Pathways, the package on "Modernising Education and Investing in Youth", and the "Digital Agenda for 2020", as well as a Communication on Artificial Intelligence for Europe. In December 2017, the Council adopted Conclusions on the Future of Work: Making it e-Easy. In March 2018, a high-level conference on the Future of Work: A Lifecycle Approach was held in Sofia, jointly organised by the Bulgarian Presidency and the Commission. The future of work has also been discussed in the Employment Committee (EMCO) and the Social Protection Committee (SPC). The European Economic and Social Committee (EESC) adopted an exploratory opinion on the Future of Work/Skills requested by the Bulgarian Presidency. The European social partners have also expressed their views, including in the context of the regular Tripartite Social Summit.

LABOUR MARKET, TRANSITIONS AND EMPLOYMENT

9. The transfer of tasks from humans to machines is accelerating, profoundly affecting the labour market as an increasing number of tasks can potentially be automated. The impact is twofold: increased demand for highly skilled workers and other workers with the right skills, combined with a foreseeable reduction in job opportunities for workers who lack the relevant skills. Policy-makers must identify the sectors where jobs are at risk due to automation and digitalisation as well as those areas and occupations where more jobs will be created. The impact on jobs that will change but not disappear as well as the regional impact of the ongoing changes require further attention.

- 10. The shortening cycle of innovation reinforces the importance of labour market forecasting mechanisms based on information on future trends in labour supply and demand. Such forecasting will underpin policies to accompany and support workers during the ever-more-frequent career changes and labour market transitions. In this context, it is important to design comprehensive activation policies aiming at motivating jobseekers to actively pursue employment, at improving their employability and at expanding their opportunities to access, remain and progress on the labour market. Such activation policies can also facilitate the integration of legally residing newly arrived third country nationals while respecting national competences enshrined in the Treaties and changes in the economy.
- 11. The role of employment services as intermediary and facilitator is also evolving and, depending on national circumstances, increasingly involves working in partnership with business and other relevant actors, including when delivering core services such as professional counselling, career guidance, retraining, the validation of skills and the organisation of training, including targeted support, apprenticeships and traineeships. The use of digital platforms and online tools alongside traditional methods provides new opportunities for employment services in meeting today's challenges that should be further explored, for example, in the context of outreach work with inactive persons and of assessing the effectiveness of active labour market policies. Closer cooperation between employment services and business is needed in order to fully embrace the emerging opportunities.
- 12. During the coming decades, the share of the active population is expected to decline significantly in most European countries. Demographic ageing is likely to lead to important reallocations of labour and other resources across sectors and occupations, partly due to changes in consumer needs from durable goods towards services. The geographical and occupational mobility of the labour force needs to function well which also means being socially, economically and regionally balanced.

- 13. In the age of digitalisation, information and communication technologies (ICT) offer an important source of new, predominantly high-quality, high-paying jobs on the EU labour market. Yet the ICT sector suffers from a persistent shortage of trained workers and high gender segregation. This gender imbalance is linked to cultural stereotypes and the perception of Science, technology, engineering and mathematics (STEM) subjects and ICT careers as being reserved for men. It is important to ensure that women can avail themselves of the opportunities in this area. The education and training system as well as career guidance services should therefore systematically prevent and combat stereotypes and discrimination and encourage both women and men to make non-stereotypical choices. To fill the shortage of ICT skills across all occupations and sectors, both women and men are needed. Getting more women involved in ICT would boost digital innovation in all areas, including the education, health and welfare (EHW) sector. Furthermore, vocational training should put an emphasis on the need to increase workers' digital literacy throughout the lifecycle, with a particular focus on adult workers who have lower levels of digital skills.
- 14. The adaptation of societies, companies and individuals to digital developments should also take into account the specific situation of disadvantaged groups and individuals, as well as those facing a higher risk of social exclusion, in particular, NEETs,¹ older workers, legally residing third country nationals and persons with disabilities. It is especially important to promote digital literacy and to facilitate the regular updating of basic digital skills. Further active implementation of the Upskilling Pathways Recommendation and the Recommendation on Key Competences for Lifelong Learning could provide new opportunities for the strengthening of basic digital skills.

¹ Young people neither in employment nor in education or training.

SKILLS, EDUCATION AND TRAINING

- 15. The increasing demand for new or specific skills is reshaping the profile required of workers in many areas. Digital competences are key to enhancing one's employability and making full use of modern forms of learning, being mobile on the labour market and quickly adapting to changes. It is important to ensure that technological change and the technical solutions applied in digitalised services do not leave anyone behind. The demand is also growing for social and cognitive skills such as communication, negotiation, social intelligence, creative thinking, decision-making and problem-solving. These skills are underpinned by mental wellbeing, which is needed in order to allow individuals to develop their potential and to work productively and creatively. People will also need entrepreneurial skills, including being innovative, knowing how to identify opportunities and taking initiatives. Atypical combinations of skills will also be required in response to new developments, such as the ethical dimension of robotisation.
- 16. The ongoing technological change means that many of todays' children will go into jobs that currently do not exist. Pupils and students therefore need guidance on existing and developing job opportunities in order to help them to make informed decisions relating to their studies and future careers.
- 17. Education and training systems also need to be adapted, so as to increase citizens' possibilities to acquire and update, throughout their lives, the necessary key competences, including digital skills, languages, science, learning to learn, entrepreneurial skills and an innovative mind-set.
- 18. Collaboration between all stakeholders is vital for the successful management of tomorrow's job requirements. The social partners--above all, employers--play a crucial role in this process, helping to maintain the adaptability of the labour force and contributing to the improvement of the quality of education and training. Employers have to be actively engaged in developing the potential of their workers throughout their working lives by providing an environment conducive to continuous training and skills development, which can be formal, non-formal or informal.

NEW FORMS OF WORK AND WORKING CONDITIONS

- 19. It is necessary to ensure the fair distribution of the benefits of new forms of work across society through appropriate tax policies, social policies and wage formation policies.
- 20. Many emerging employment models allow for increased flexibility in the organisation of work, including determining when, how long and where to work. ICT, which paved the way for these changes, can also facilitate and benefit work-life balance; however, the possibility to work anywhere and at any time can also endanger this balance.
- 21. Where necessary, measures should be taken to ensure decent work for persons in non-standard employment relationships, including, by adapting the national legislative framework. Adequate and sustainable social protection for such workers through access to social security systems should be ensured where necessary and social protection policies should be balanced with making-work-pay policies. It is important, moreover, to seek to ensure that persons in non-standard employment relationships are represented in social dialogue and can benefit from collective bargaining.
- 22. In terms of job quality, one of the main challenges for the future is how to ensure that overall working conditions continue to improve. All types of employment should respect applicable legislation regarding the working environment (including health and safety at work), taking into account the intensity of work; regarding the duration and distribution of working time (allowing work-life balance); regarding non-discrimination in terms of career prospects; and regarding opportunities for acquiring and enhancing skills and qualifications.
- 23. Current rules on employment relationships and existing social security models may, where necessary, be further improved so as to cover emerging forms of work. The challenge is to ensure that dynamic innovative labour markets, vital for the EU's competitiveness, are regulated in a way that ensures an adequate and proportionate level of protection for all workers as well as high productivity, thus contributing to the improvement of living and working conditions across the EU.

24. This set of Conclusions builds on previous work and political commitments voiced by the Council, the European Parliament, the Commission and other relevant stakeholders in this area, including the documents listed in Annex I.

THE COUNCIL OF THE EUROPEAN UNION

INVITES THE MEMBER STATES, in accordance with their competences, and taking into account national circumstances, while respecting the role and autonomy of the social partners:

- 25. to continually update and where relevant develop comprehensive national strategies that address the changing world of work and offer a lifecycle approach, addressing the challenges faced by citizens in the different stages of their working lives, and to encourage the development of tools to better implement these strategies.
- 26. to further develop labour market forecasting tools, taking into account the processes of digitalisation and automation, in order to anticipate trends and guide education, training and employment policies so as to constantly adapt the labour force to changes in the labour market, where necessary with the involvement of CEDEFOP and EUROFOUND.
- 27. to promote the development of relevant practical knowledge, skills and competences from an early age throughout the working life, including digital, cognitive, emotional, and entrepreneurial skills, as well as mental wellbeing, which are key for integration into the labour market, for higher productivity, for life-long learning and for achieving successful transitions from education to the labour market and between jobs.
- 28. to reinforce cooperation between the Member States, including with a view to adjusting their education and training systems to the evolution of the labour market, including by ensuring adaptability and creativity, and by supporting lifelong learning for all.

- 29. to develop and provide more flexible and accessible forms of learning, including work-based learning, on-the-job-training, innovative learning methods, non-formal training and self-learning and the use of on-line learning tools. This would further facilitate geographical and occupational mobility as well as transitions between jobs and between the labour market statuses of employment, unemployment, and economic inactivity throughout their working lives.
- 30. to support the use by public and, where relevant, private employment services of digital tools to improve the matching of labour supply and demand, while respecting applicable rules on data protection. This would allow the improvement of tailored approaches to activation and motivation, job search support and inclusion in training, taking into account each person's specific characteristics and needs, as well as current and future labour market trends.
- 31. to evaluate policies that help workers take advantage of mobile and flexible work arrangements, to promote respect for a healthy work-life balance and to promote the right of workers to digitally "disconnect" from work outside working hours.
- 32. to promote accessibility in the digital world of work and support tools and technologies that can improve the employability of persons with disabilities.
- 33. to continue to implement the Council Recommendations on Upskilling Pathways, on a Quality Framework for Traineeships, on a European Framework for Quality and Effective Apprenticeships and on Key Competences for Lifelong Learning.

INVITES THE MEMBER STATES AND THE EUROPEAN COMMISSION, in accordance with their respective competences, and taking into account national circumstances, while respecting the role and autonomy of the social partners

34. to prevent and combat gender stereotypes, to reduce gender segregation in the labour market and to promote the participation of women in the ICT sector, including through awarenessraising among young women and girls as well as their parents, and through educational campaigns, as well as to promote the development of basic digital skills for both women and men.

- 35. to take into account the new forms of work in employment and social security policies, and to promote appropriate safeguards for different categories of workers.
- 36. to seize the opportunities offered by the social economy including social enterprises to create sustainable and decent jobs, to improve social justice for all and to reduce regional and social inequalities.
- 37. to hold regular exchanges with the European and national social partners in the context of the tripartite dialogue on the future of work and on measures to adapt the European labour markets to changes due to digitalisation and automation.
- 38. to enhance cooperation between the Member States in order to facilitate mutual learning and the exchange of good practice on matters relating to the future of work.
- 39. to further develop and supplement tools for mapping the key developments in the Member States related to the future of work and related developments in global labour markets, especially insofar as they affect European labour markets.
- 40. to explore possible ways in which the next Multiannual Financial Framework could continue to support the Member States in their efforts to adjust to the ongoing profound changes to the labour market, including the growing need for skilled workers.
- 41. to continue their efforts, taking into account the relevant principles set out in the European Pillar of Social Rights, to support a lifecycle approach to the future organisation of work;
- 42. to promote in relevant international fora, such as ILO, G7, G20 and the OECD, the European approach to the challenges related to the future of work.
- 43. to facilitate mobility at the EU level via mechanisms identifying sectors in need of skills and by helping unemployed workers to seize opportunities in the EU labour market, while taking into account the need to ensure a regional balance.

CALLS UPON EMCO AND SPC

- 44. to closely follow the impact of increasing robotisation and automation in the employment and social fields and assist the Council in formulating responses to these developments, with a particular focus on employment opportunities for workers in the sectors most affected; and
- 45. to continue to monitor the adequacy and sustainability of social protection policies in the context of ongoing demographic change and changes in the world of work, using existing instruments.

References

1. EU Interinstitutional

- European Pillar of Social Rights <u>https://ec.europa.eu/commission/sites/beta-political/files/social-summit-european-pillar-social-rights-booklet_en.pdf</u>

2. Council:

- Council Conclusions on Moving towards more inclusive labour markets adopted on 9 March 2015 (7017/15).
- Council Conclusions on The promotion of the social economy as a key driver of economic and social development in Europe adopted on 7 December 2015 (15071/15).
- Council Conclusions on Towards making-work-pay strategies of 15 June 2017 (9647/17).
- Council Conclusions on Enhancing the Skills of Women and Men in the EU Labour Market (6889/17).
- Council Conclusions on Enhanced measures to reduce horizontal gender segregation in education and employment (15468/17)
- Council Conclusions on the Future of Work: making it e-Easy (15506/17)
- Council Recommendation on a Quality Framework for Traineeships (OJ C 88, 27.3.2014, p. 1-4.)
- Council Recommendation on Upskilling Pathways of 19 December 2016 (OJ C 484, 24.12.2016, p. 1-6.)
- Council Recommendation on a European Framework for Quality and Effective Apprenticeships of 15 March 2018 (OJ C 153, 2.5.2018, p. 1-6)
- Council Recommendation on Key Competences for Lifelong Learning of 22-23 May 2018 (8299/18).

3. European Commission:

- Opinion of the Advisory Committee on Equal Opportunities for Women and Men on how to overcome occupational segregation <u>http://collections.internetmemory.org/haeu/20171122154227/http:/ec.europa.eu/justice/ gender-equality/files/opinions_advisory_committee/151125_opinion_occ_ segregation_en.pdf</u>
- Communication on Europe's next leaders: the Start-up and Scale-up Initiative (COM(2016) 733 final)
- Commission Staff Work Document "2017 Report on equality between women and men in the European Union" (SWD(2017) 108 final).
- Digital Skills and Jobs Coalition <u>https://ec.europa.eu/digital-single-market/en/news/european-commission-invites-organisations-attract-more-girls-and-women-digital</u>
- Communication on a New Skills Agenda for Europe: working together to strengthen human capital, employability and competitiveness (COM(2016) 381 final)
- Communication on Artificial Intelligence for Europe (COM(2018) 237 final)

4. European Parliament:

- European Parliament resolution of 28 April 2016 on gender equality and empowering women in the digital age (P8_TA(2016)0204).

5. Other

- European Economic and Social Committee, Opinion on the Future of work acquiring of appropriate knowledge and skills to meet the needs of future jobs [Exploratory opinion requested by the Bulgarian Presidency] (SOC 570)
- EIGE Research Note on 'Women and men in ICT: a chance for better work-life balance' (2018)
- OECD report "Fit Mind, Fit Job: From Evidence to Practice in Mental Health and Work" (March 2015).
- OECD paper "Future of Work and Skills" Presented at the 2nd Meeting of the G20 Employment Working Group (February 2017)
- Eurofound (2017), Non-standard forms of employment: Recent trends and future prospects