

## Contents

### Global Public Affairs

Executive Summary	2
WEC presents Social Innovation at ILERA 2018	2
WEC participates in OECD Collective Bargaining workshop	4

### European Public Affairs

Executive Summary	5
Access to social protection – WEC-Europe position paper published	5
EU Directive on transparent and predictable working conditions – Advocacy of WEC-Europe	6
Revision of the Posting of Workers Directive	7
EU Sectoral Social Dialogue – joint project 2018 and project proposal 2019/2020	7
European Commission publishes employment and social developments in Europe review	8

### National Public Affairs

Italy: Government decree introduces new restrictions on temporary agency work	9
Norway: New regulation imposes major challenges for the agency work industry	10
UK: New tensions in the government on Brexit negotiations	10

### Thought Leadership

Participation in EU-Japan symposium on the Future of Work	11
Presentation on online talent platforms project at ILO-ITC	11

### WEC Positions

Position on access to social protection for workers and self-employed in Europe

### Upcoming Events



August is a summer holiday month for most international organisations and the EU institutions. **The next Advocacy Report will be circulated in September.**

#### 30<sup>th</sup> August

Michael Freytag (European Public Affairs Manager) speaks at ILO-ITC Employers Young Professionals Academy

#### 19<sup>th</sup> September 2019

Denis Pennel (Managing Director) speaks at ILO France event on Future of Work

#### 19<sup>th</sup> September 2019

High-level conference on the Digitalisation of the World of Work

### Upcoming Events

In case you have questions on the Advocacy Report:

#### WEC Head Office

Tel. +32 2 421 1586  
 info@wecglobal.org  
 www.wecglobal.org

## Global Public Affairs

### Executive Summary

#### **WEC presents a paper on Social Innovation at ILERA 2018**

- WEC participated in the tri-annual ILERA conference by presenting a paper presented by the WEC Head Office.
- The paper highlights and assesses the various social funds develop in social dialogue in the European employment industry.
- Visiting the conference allowed for meetings with WEC-members in South Korea to discuss the harsh reforms firmly restricting the use of temporary labour by the business-community.

#### **WEC joins OECD expert meeting on collective bargaining**

- WEC participated in OECD discussions on their ongoing work on collective bargaining as a tool to improve the functioning of labour markets.
- Discussions explored two themes: collective bargaining addressing non-wage issues (working time, OSH training etc.), and the challenges global labour trends pose to social dialogue (union density, anti-trust etc.)
- WEC was able to input the discussions and papers.

### WEC presents a paper on Social Innovation at ILERA 2018

The World Employment Confederation was invited to speak on Social Innovation at the ILERA 2018 conference, that took place in Seoul/Korea last week of July. During the academic sessions, Jochem de Boer (Global Public Affairs Manager) presented a research paper highlighting the various funds social partners in the European agency-work sector have created to develop rights and benefits for flexible workers. The paper was written by Jochem de Boer and former research trainee Tommaso Grossi.

The paper highlights various efforts to create training, income-protection and other social benefits through social dialogue and collective bargaining. It serves to contribute to the global discussion on future proofing social security existing and developing systems. Speaking at the ILERA event was also a great opportunity to promote the WEC Manifesto on Social Innovation to the academic world.

The paper details the challenges the world of work faces, resonating the WEC white paper on the Future of Work, and showcases how social dialogue in the agency-work sector might serve as inspiration tackling them. Background is the flexible and diverse nature of agency-work, that will be more apparent for more workers in the future. Thereby, learning from existing initiatives from sectors that have inherently mitigated labour market transition. The paper concludes by an analysis of the typology of social dialogue within which these initiatives have developed (see below).

	<i>Table I</i>			<i>Table II</i>			<i>Table III</i>	
	Bipartite Social Dialogue	Tripartite Social Dialogue	Bipartite + Tripartite Social Dialogue	Sectoral Social Dialogue	Sectoral + Cross-Industry Dialogue	Cross-Industry dialogue	Dedicated Agency-work CLA	Other
Training	2 (NL, CH)	2 (AU, BE)	1 (FR)	5 (AU, FR, BE, IT, NL)	1 (CH)		5 (BE, FR, CH, NL, IT)	1 (AU)
Pensions	1 (NL)		1 (FR)	2 (FR, NL)			2 (NL, FR)	
Healthcare	1 (CH)	1 (BE)	1 (FR)	3 (BE, FR, IT)	1 (CH)		4 (BE, FR, CH, IT)	
Social Benefits		2 (AU, BE)	1 (FR)	4 (AU, BE, FR, IT)			3 (BE, FR, IT)	1 (AU)
Inclusion & coaching			1 (FR)	1 (FR)			1 (FR)	

## ILERA 2018

The International Labour & Employment Relations Association (ILERA) is a subsidiary of the ILO and is set up to study labour and employment relations developments. Apart from various regional conferences, ILERA organises a world congress every three years. During these conferences central issues are discussed next to an elaborate plenary programme highlighting and discussing academic papers. The paper prepared by the WEC Head Office was discussed in the session on the future of work.

## Visiting KOHRSIA and Manpower Korea

As the conference was in Seoul/South Korea Jochem de Boer met with Korean WEC-members KOHRSIA and the Korean operations of the ManpowerGroup. The labour market of Korea is confronted with harsh labour reforms that threaten the ability of Korean firms to contract an external workforce which will – and has already - hit the Korean employment industry. The Korean government is pushing, incentivizing and enforcing the insourcing of workers to government agencies and businesses by outlining strict reason for the use of any form of non-temporary employment. Discussions were held with the members as well as with the Korean Employers' Federation (KEF) on how WEC can support KOHRSIA in dampening the impact.

### Assessment:

There is much scepticism in the academic community on the need for diverse forms of work and the bright prospects of labour market developments. Also, the academic focus tends to disproportionately look at the workers' interest in the labour market. Yet, they do have an impact on national and international policymakers. In alignment with the international Organisation of Employers (IOE) the business perspective and interest was highlighted during the ILERA conference by presenting best practices. This contributed to pushing the Social Innovation topic and the WEC Manifesto as well as generating exposure for existing efforts of the employment industry to develop sustainable and inclusive labour market.

## WEC joins OECD expert meeting on collective bargaining

WEC (Jochem de Boer) joined an OECD workshop on collective bargaining on July 2<sup>nd</sup> in Paris. The meeting is part of extensive OECD work on collective bargaining as a policy instrument to improve labour market inclusiveness and sustainability. One outcome of the result of the OECD was the chapter on collective bargaining in the 2018 OECD Employment Outlook. During the meeting, two issue-papers were discussed. One involved the quality jobs in relation to collective bargaining. The other explored collective bargaining in the future of work.

The first paper (on job quality) assesses if and how social partners in OECD countries address issues other than those related to wages, such as Operational health & Safety, working time and training and relates this to the OECD measurement of Job Quality. The second paper (on the future of work) addresses challenges labour market trends pose to collective bargaining, such as the limited representativeness of unions and employers within new industries and forms of work, anti-trust issues on the collective bargaining by self-employed gig-workers and past experiences of dealing with labour market innovations (such as agency-work).

WEC was able to participate to the meeting as part of the BIAC delegation. BIAC is the employers' representative at the OECD. The WEC was able to contribute to discussions by highlighting the various initiatives in the employment industry that social dialogue has produced, as well as by correcting various incomplete discussions about agency-work. Finally, new forms of work organisation was emphasized and the diversity of HR services to match this demand to the labour market supply.

### Assessment and next steps:

These expert sessions allow for influencing, shaping and correcting the OECD's work on labour market developments. As the OECD takes on an increasing advisory role on labour markets towards its member states, the importance of participating in these debates grows. The input of the WEC is used as well. The outcomes of the research project of WEC-Europe and UNI-Europa was used drafting the issue paper on collective bargaining in the future of work. The WEC will continue to engage with the employment-related issues and policy teams of the OECD.

## European Public Affairs

### Executive Summary

Five main topics of interest to the employment industry have been on the EU agenda of the EU policymakers in July:

1. **Access to social protection and the modernisation of social protection schemes in Europe**, where a discussion is gaining momentum based on a Commission proposal for a Council Recommendation. A WEC-Europe position paper has been published in July.
2. **The EU Commission proposal for a Directive on transparent and predictable working conditions**. The amendments tabled in the EP Employment Committee are available to WEC-Europe. They have been assessed and discussed within the WEC-Europe PA Committee and Taskforce.
3. **The revision of the Posting of Workers Directive** has been finalised with the final adoption by the Council and EP. The Directive now enters into the implementation phase.
4. **The EU Sectoral Social Dialogue on temporary agency work is currently focused on closing the project on online talent platforms and the drafting of an application for a new project on social innovation**. A new joint work programme for 2019-2020 is also prepared and discussed with UNI-Europa.
5. The European Commission published its annual **Employment and Social Developments Annual Review Report 2018**. The Report includes a special focus on the future of work and is quoting the World Employment Confederation White Paper on the Future of Work.

For the months of September to December 2018, a public affairs and advocacy programme has been set up. Landmark activities planned are the publication of a World Employment Confederation Vision Paper for the European Parliament and for the next European Commission, the organisation of a high-level event on social innovation in December and an event in the European Parliament on online talent platforms in a changing world of work.

### Access to social protection for workers and self-employed

Linked to the European Pillar of Social Rights, the European Commission started a dialogue with the EU Member States on access to social protection for workers and self-employed, reflecting on the increased diversity of labour contracts and the rise of online platforms and on demand work. The Commission invites Member States to look at de jure and de facto coverage by social protection schemes, at the transparency of entitlement to social benefits, their adequacy and transferability.

The debates are thus closely related to key messages of the World Employment Confederation Manifesto "No Future of Work without Social Innovation". The related EU Commission Proposal for a Council Recommendation is currently discussed at the level of the Council Social Affairs working group. Progress on the file is slow, also due to the fact that the Recommendation would require unanimity to be adopted by the EU Member States.

### WEC Assessment and next steps:

The World Employment Confederation-Europe Head Office had several meetings at the European Commission's DG Employment to discuss the file and to provide input based on the Manifesto. A Position Paper has been discussed internally and published in July, welcoming the main approach of the Recommendation, but also underlining the competence of the EU Member States in the field of employment and social protection. Examples and approaches of the employment industry to foster social innovation and portable rights have been presented and explained in the position paper.

In Autumn 2018, the European Commission will hold a major stakeholder conference on access to social protection to foster the debate on diverse forms of work and social protection, offering the World Employment Confederation-Europe to participate and contribute to the debate on social protection schemes in a changing world of work.

### EU Directive on transparent and predictable working conditions – Advocacy at EU level

The Commission proposal for a Directive on transparent and predictable working conditions continues to be discussed at the EU level. In the Council, an agreement has been reached between the EU Member States. Some critical aspects of the Directive, such as the European definition of a worker and the employer have been removed from the text and some technical improvements could be reached with regard to the obligations to provide information to workers on the employment relationship. The Council position will now form the basis for negotiations with the European Parliament, once the EP Employment Committee has adopted its position.

In the European Parliament Employment Committee, 891 amendments have been tabled by Members of Parliament and a first debate on the Commission proposal was held in June. Key elements of discussion focus on definitions, the access to information for workers, and the basic employment conditions that shall apply to all workers. Some WEC-Europe recommendations on the definitions, on the access to information and special obligations linked to the posting of workers have been taken up by several Members of Parliament. A detailed assessment of the amendments is available on the information hub.

After the summer break, a debate on compromise amendments will be held among Members of Parliament, prior to the European Parliament's position being adopted. At this stage, all Brussels sources indicate that the Directive might be adopted before the end mandate of the current EU Commission and Parliament. Chances for delaying the process are rather limited.

### WEC Assessment and next steps:

Several meetings have been implemented to discuss the draft Directive with Members of the European Parliament and to put forward the WEC-Europe positions. Some Members of Parliament reacted positively to the concerns raised. The amendments tabled have been assessed carefully by the Head Office and discussed with members during the Taskforce Conference call and while some correspond to demands of the employment industry, others would be critical and negative.

Maintaining close contacts with BusinessEurope and with the European Commission/DG Employment has been an essential and important instrument to discuss sensitive issues and to put forward recommendations of the employment industry.

The recently completed WEC-Europe/UNI-Europe study on online talent platforms, labour market intermediaries and the changing world of work has been instrumental in the context of the WEC-Europe advocacy, as online talent platforms have attracted a lot of attention in the context of the debate on this Directive.

## Revision of the Posting of Workers Directive adopted by EU Council and Parliament

On 28<sup>th</sup> of June 2018, the European Parliament and Council adopted the revised Posting of Workers Directive, marking the end of several years of discussions and negotiations at EU level. The final text provides for comparable remuneration for posted agency workers in accordance with the applicable national law and collective labour agreements. Special rules have been established regulating the working conditions for long-term posting. For temporary agency work, the principle of equal treatment as defined in Article 5 of the Directive on temporary agency work is also applied to posted agency workers. Member States maintained the right to apply more favourable conditions to posted agency workers. A new provision furthermore aims to limit cascade/double postings.

During the implementation phase of the revised Directive, an EU Expert Group will be set up to provide assistance and support to the EU Member States and to discuss issues linked to the transposition of the Directive. EU level social partners at cross-industry and sectoral level (for those sectors particularly exposed to the posting of workers, such as the employment industry and its temporary agency work activities) and the construction sector will be invited to some of these Expert Group meetings to provide input.

### WEC Assessment and next steps:

While the overall revision of the Posting of Workers Directive is still assessed critically by the World Employment Confederation-Europe, BusinessEurope and the employers' community, important improvements could be reached based on a comprehensive advocacy programme. This included the wording of the principle of equal treatment and equal pay for posted agency workers and the option to apply further/complementary conditions.

## EU Sectoral Social Dialogue on Temporary agency work

The European Sectoral Social Dialogue on temporary agency work continues to be an important driver and challenge to shape the EU policy agenda and to influence the approach of trade unions to our industry.

In July 2018, a focus was laid by the WEC Head Office to close the recently completed project on online talent platforms, labour market intermediaries and the changing world of work. The project was implemented successfully with a comprehensive research report, joint recommendations of the EU Sectoral Social Partners, a pan-European Conference held in May and the publication of the project results on our website and in a leaflet format. The

OECD has already quoted and referenced the joint study in a recent issue paper on the future of work. On 27<sup>th</sup> of June, the European Commission published a further report on the digital economy platforms, prepared by the European Commission's joint research centre. The report provides evidence on this emerging phenomenon based on a survey of over 32 000 people across 14 Member States. It helps to estimate the size of platform work, outlines the main characteristics of platform workers, informs about their working conditions and motivations, and describe the type of services provided through digital labour platforms. The report is available on the EU Commission's website.

At present, the new work programme for the Sectoral Social Dialogue is being prepared and negotiated with UNI-Europe and the application for new joint project on social innovation is being compiled.

The EU Sectoral Social Partners for temporary agency work have also been approached by the European Foundation for the Improvement of Living and Working Conditions regarding a potential, in-depth analysis of working conditions in the temporary agency work sector based on data of the most recent European Working Conditions Survey. However, based on first discussions with Eurofound and UNI-Europe, it has become clear that the data sample available is actually too small to conduct a comprehensive, European analysis.

#### WEC Assessment and next steps:

Activities in the framework of the European Sectoral Social Dialogue on temporary agency work are instrumental to advance on the European, public affairs and advocacy agenda, but they are also intended to influence in a positive way the sectoral social dialogue on temporary agency work at national level.

The project on online talent platforms was in this context an integral part of the World Employment Confederation-Europe thought leadership work on the changing world of work, as the planned, new project will be related to the theme of social innovation.

During the next sectoral social dialogue committee meeting on 2<sup>nd</sup> of October, a focus will be laid on the current and future projects, on current, EU social affairs dossiers (Directive on transparent and predictable working conditions, Access to Social Protection, EU elections), as well as trends and challenges linked to national sectoral social dialogue and collective bargaining.

### European Commission publishes Employment and Social Developments in Europe Review Report

Technological transformation, global competition forces, and demographic change will continue to affect how people work, consume and live. These mega-trends have made the labour market more dynamic and have brought with them more diverse forms of work and new jobs, requiring new skills. Established labour market regulatory frameworks and solidarity mechanisms need to be adapted so as to ensure the sustainability of the welfare state and guarantee adequate protection for workers.

These are key messages of the European Commission's Employment and Social Developments in Europe - Annual Review 2018, which has just been published. The publication is available on the website of the European Commission / DG Employment



The report confirms the positive trends on the European labour markets, characterised by economic growth that continued to improve in 2017 and 2018 and increased job creation. At the same time, the report underlines challenges related to the changing nature of employment and the rise of new forms of work such as online talent platforms.

In chapter 6 of the report (“Social Dialogue for a changing world of work”), specific reference is made to the World Employment Confederation White Paper on the Future of Work as an important, recent publication on trends and developments linked to the changing world of work.

#### WEC Assessment and next steps:

The World Employment Confederation-Europe assesses the report overall positively. It is encouraging to see that the European Commission now publishes data specifically on temporary agency work, whereas previous editions of the report referred to flexible forms of work in general. The agency work industry is also specifically addressed with regard to social dialogue and collective bargaining, where it is underlined that temporary agency work has a crosscutting nature as agency workers are assigned to many different sectors. The Commission also underlines the diverse landscape in Europe with regard to social dialogue and collective bargaining in the agency work sector. Also the special focus on the changing world of work is very much welcomed by the World Employment Confederation-Europe and several key messages put forward in the EU Commission’s publication are also reflected in the World Employment Confederation-Europe thought leadership work, in our recent publications and position papers. This illustrates the positive impact of the advocacy and thought leadership work of the World Employment Confederation-Europe.

## National Public Affairs

### Italy: Government adopted decree introducing new restrictions on TAW

In Italy, the recently elected government adopted a new decree imposing restrictions on the use of temporary agency work. With regard to agency work labour contracts, a reason for use system will be introduced after 12 months (sum of initial contract and extensions) or after the second renewal of the contract with the same worker. Furthermore, the temporary work agency will be obliged to wait 10 days before the same worker can be employed again. Thirdly, the costs renewals will be increased by 0,5% for each renewal and the maximum length of assignments is reduced from 36 to 24 months. Assolavoro has been discussing these reforms internally and with policy makers to identify a strategy to address and fight the new restrictions.

#### WEC Assessment and next steps:

The World Employment Confederation-Europe assesses this reform very critical, as it imposes new and unjustified restrictions on the agency work industry. The WEC-Europe Head Office has been in touch with Assolavoro to offer support and advice. World Employment Confederation-Europe letters will be sent to Italian policy makers, to the European Commission’s DG Employment and to Commissioner Marianne Thyssen as well as to BusinessEurope.

## Norway: New regulation imposes major challenges for the agency work industry

In Norway, the agency work industry is confronted with major challenges linked to labour contracts, including the requirement to define the notion of permanent employment. Furthermore, the new regulation might also be breaching the EU Directive on temporary agency work, as it introduces new and unjustified restrictions on temporary agency work and interferes into the collective bargaining of social partners in Norway.

### WEC Assessment and next steps:

The World Employment Confederation-Europe assesses the reform adopted in Norway as very critical and, after liaising with its Norwegian member (NHO Services), has addressed a letter to the Norwegian Prime Minister to highlight these concerns.

## UK: Renewed discussions and tensions on Brexit

In the UK, renewed discussions and tensions have emerged on the Brexit and the future EU - UK relations. The British Prime Minister Theresa May had proposed a rather soft plan for the Brexit, which would allow the UK to keep quite close relationships and ties with the EU. However, this plan was heavily criticised by members of her government, including Boris Johnson and David Davis, who resigned from their government positions in July. On 12<sup>th</sup> of July 2018, the UK government published a White Paper on Brexit, outlining that Theresa May's government will ask the EU for an 'association agreement' including a free-trade area for goods.

### WEC Assessment and next steps:

The World Employment Confederation-Europe monitors the Brexit negotiations on a general level, as these have implications for the overall EU policy agenda and future directions for social Europe. Based on the discussions in the past months, it has become clear that the time remaining up to the date on which the UK will be leaving the UK is becoming short to reach an orderly Brexit agreement, despite the transition agreement agreed between the UK and the EU.

## Thought Leadership

### Participation in high-level EU-Japan Symposium “Future of Work – new forms of employment

On 4<sup>th</sup> of July 2018, WEC-Europe Public Affairs Manager Michael Freytag participated in the 17<sup>th</sup> EU-Japan Symposium, which focused in 2018 on the future of work and new forms of employment. The seminar included presentations from the European Foundation for the Improvement of Living and Working Conditions in Europe, from Japanese employment and labour law experts, as well as from the European Commission and the Japanese Ministry of Labour. Also social partners from both Japan and Europe participated.

Michael Freytag took part as part of the BusinessEurope/employers delegation and obtained the opportunity to present key findings of the WEC-Europe/UNI-Europa project on online talent platforms, labour market intermediaries and the changing world of work. Some presentations from the seminar are available on the WEC Information Hub.

#### WEC Assessment and next steps:

The EU Japan-Symposium provided a great opportunity to illustrate the thought-leadership role of the World Employment Confederation-Europe on the changing world of work and to present findings of the recently completed project on online talent platforms, labour market intermediaries and the changing world of work,

### Presentation of the sectoral social partners’ study on online platforms at international training centre of the ILO

The International Training Centre of the ILO (ILO-ITC) will be hosting from 29<sup>th</sup> to 31<sup>st</sup> of August 2018 its Employers Young Professionals Academy, a training programme focused on engaging as social partners. The three-day programme includes presentations on industrial relations and social dialogue in Europe, a joint intervention of the EU cross-industry social partners BusinessEurope and ETUC, as well as a simulation exercise on social dialogue. The World Employment Confederation European Public Affairs Manager Michael Freytag has been asked to moderate a session on online talent platforms and to present the results of the recently completed project on “Online talent platforms, labour market intermediaries and the changing world of work.

#### WEC Assessment and next steps:

The Young Professionals Academy provides a great opportunity to illustrate the thought leadership role of the World Employment Confederation on the changing world of work and to present the WEC-Europe/UNI-Europa project on “Online talent platforms, labour market intermediaries and the changing world of work”.

## Abbreviations

DG	Directorate General / Policy Department of the European Commission
ETUC	European Trade Union Confederation
EU	European Union
ILO	International Labour Organisation
IOE	International Organisation of Employers
ITC	International Training Centre of the ILO
OECD	Organisation for Economic Cooperation and Development
UK	United Kingdom