



B20 Employment & Education Taskforce

This document provides the position of the global employment and recruitment industry on the focus and priorities of the B20 Employment & Education Taskforce. For more information contact Jochem de Boer at the <u>World Employment Confederation</u> via <u>jochem.deboer@wecglobal.org</u> or +32 475 753 734 or consult the Manifesto "No Future of Work without Social Innovation!".

1. Adapting to change did not stop in Germany, nor will it end in Argentina. Implementation, consistency and continuity

Policy makers are lagging behind while the 'Future' of Work is happening all around us. The G20 priorities on the Future of Work¹ provide an excellent framework to deal with it, in particular on the creation of '[..] appropriate social protection rights for workers in all forms of employment and work arrangements'. Now it is time for implementation in the G20 countries and the monitoring thereof. The business community should first and foremost focus on holding governments accountable to their G20 ambitions and commitments, and push for monitoring to showcase progress and tackle implementation challenges.

2. Keeping eyes on the ball - do not re-invent the wheel

Several international policy makers are working on issues related to migration² and 'The Future of Work'³. No need to re-do all of these discussion in the G20 context. Rather, *go deeper* and take existing G20 discussions to the next level of implementation and monitoring.

3. Without labour market reform there is no life-long learning or inclusive growth!

The 2017 G20 declaration is clear on the profound changes happening on G20 labour markets: "Acknowledging the increasing diversity of employment, we will assess its impact on social protection and working conditions and continue to monitor global trends, including the impact of new technologies, demographic transition, globalisation and changing working relationships on labour markets." Education alone will not be enough to deal with these changes. Labour market reform is needed for inclusive growth for workers and businesses. Reform that will foster mobility and secure transitions on the labour market.

a. Underscore and acknowledge the need and existence of diverse forms of work

An inclusive labour market is a labour market that allows everyone to live and work in accordance with their respective personal situation and preferences (including women and persons with disabilities). This can only be achieved when regulation allows for diverse forms of (formal) contractual labour arrangements to accommodate these differences. For this to be sustainable there needs to be a level playing field between the different forms of work in terms of costs and social protection. This includes having a clear policy on the classification of different types of workers and the enforcement thereof.

b. Create portable training rights: education is the best social security!

Training rights turns safety nets into trampolines that allows displaced workers to bounce back to a job. This requires follow-up and implementation of the 2017 G20 priority to support the '[...] portability of benefits and entitlements across different jobs, different types of employment'. This is especially important when it concerns benefits and entitlements to training, education and skilling.

c. No one skill set fits all; or the future of work

Key factor of current labour market developments is <u>unpredictability</u>. Nobody knows what 'the' skills of the future are going to be. B20/G20 should be careful defining a top down skills set, but make sure the framework for training rights is in place when displaced workers have to adjust to the labour market at that moment. Which skills those are going to be can easily be defined by employers at that point in time if cooperation is improved between businesses and (public and private) educational organisations.

4. Promoting labour formalization and decent work

Formalization requires formal job opportunities. Labour market demand is becoming more dynamic, task based and short term. The more forms of legally allowed contractual arrangements available to respond to

¹ Toward an Inclusive Future: Shaping the World of Work – G20 LLEMM 2017: Ministerial Declaration, Annex A: G20 Priorities on the Future of Work

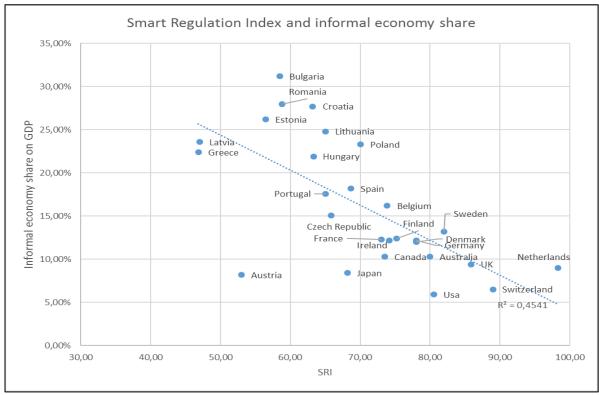
² See the intergovernmental UN negotiations for a Global Compact for Safe, Orderly and Regular Migration.

³ See the ILO Initiative on the Future of Work, including the ILO High Level Commission on the Future of Work





this changing labour demand, the more formal job opportunities will arise. Moreover, comparing the Smart Regulation Index on the employment industry⁴ with the levels of informality around the world⁵ clearly shows: adequately regulating the employment industry correlates with lower levels of informality:



Source: World Employment Confederation, Smart Regulation Index on the Employment Industry, 2017;

5. Strengthening social protection for the future of work

a. No future of work without social innovation!

Existing safety nets and social protection in general need to be reformed to align with the profound changes happening in labour markets everywhere. Social benefits for health, pension, sick leave, paid holidays etc. need to organised in a portable, easily transferable way, ensuring individual security and workers' rights when a labour contract ceases.

b. Avoid inequality between forms of work with regard to labour costs

Stimulate competition based on quality by making sure there no unjustified differences
between different levels of social protection. Classification of forms of work is crucial to create
transparency for workers and business.

6. Social dialogue

a. Recognize achievement of social dialogue in the agency-work sector

As new form of work in the 20th century workers and businesses in the agency-work sector got together and created labour conditions and benefits that align with the specific needs associated with working across different jobs, sector and contracts. This proves social dialogue is possible and productive in the Future of Work. Yet, it does mean that new forms of businesses and workers need to be recognized to negotiate on their own behalf. Instead of having to follow collective agreements that are negotiated along outdated sectoral lines.

⁴ The Smart Regulation Index measures the way the employment industry is regulated in different counties around the world including on the capacity to engage in social dialogue and on the legal framework to provide services. More information on the Smart Regulation Index for the Employment and Recruitment Industry on the Employment Industry in this document.

⁵ F. Schneider, Size and Development of the Shadow Economy of 31 European and 5 other OECD Countries from 2003 to 2015: Different Development, Johannes Kepler University of Linz, 2015: http://www.econ.jku.at/members/Schneider/files/publications/2015/ShadEcEurope31.pdf.