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European Business
Services Alliance on
Economic Recovery
after COVID-19

1st September 2020

WEC-Europe online
workshop on social
innovation linked to
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Dialogue Project

25th September 2020

WEC/ILO webinar on
activation

Contact us

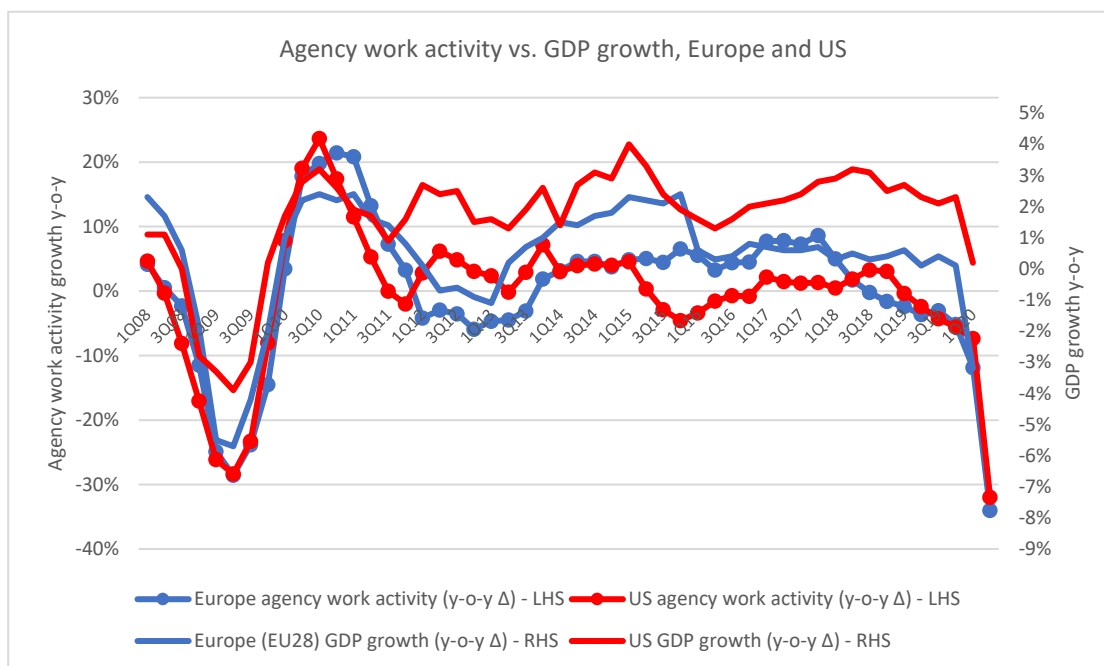
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General COVID 19 Updates

Agency work activity in Europe and the US below 2009-levels

The Covid-19 pandemic and the containment measures have sent agency work activity in the US and in Europe off a cliff at the end of the first quarter of 2020. Activity, measured in hours worked, has plunged on an annual basis by 12% and 34% in the first two quarters in Europe and is down by 7% and 32% in the US. The steepness of this decline is unprecedented, even compared to the downturn in 2009 during the Global Financial Crisis. Looking ahead, most recent monthly and weekly data on agency work activity in some countries (e.g. Belgium and the US) point toward cautious optimism, as the downward trend is either bottoming out or gradually reversing. For the most up-to-date overview of the statistics on the agency work sector, take a look at WEC's regularly updated agency work trends overview on the website.



Source: WEC National Federation members, Eurostat, Fed St. Louis.

Note: Europe agency work activity represents weighted average across 12 countries. Europe 2Q2020: only April; US 2Q2020: April and May

Safely Back to Work Alliance Taskforce

As of 1st July 2020, the World Employment Confederation will take over the Safely Back to Work Alliance from its 3 founding members (ManpowerGroup, Randstad, The Adecco Group).

A WEC Taskforce to guide and steer the work of the Alliance has been set up and a webpage on the Alliance is being finalized for the WEC website. The main documents released by the three funding members of the Alliance are currently being rebranded with the WEC logo. In the next phase of the project, WEC will continue to engage national federations and corporate members to support a safe return to work for people and organisations globally. It will also seek to reinforce the critical role of the private employment services industry in driving healthy, resilient labour markets and economic recovery for countries, organisations and individuals alike in a post-Covid 19 environment.

Global Public Affairs

Executive Summary

2020 OECD Economic Outlook published

- OECD predicts the economy to averagely decrease by 6 to 7,6% and unemployment to averagely rise to 9,2% in 2020 because of the Covid-19 outbreak. Still, these numbers hinge on the world being able to prevent a second wave of the virus.
- To mitigate recommends fiscal expansion as long as inflation rates remain low
- Key labour market concerns revolve around social protection for temporary employees and self-employed and the ability for workers to transition to futureproof sectors, businesses as short-time working schemes come to an end.

ILO & WEC assess Covid-19 impact on Employment services

- ILO and WEC together hosted a successful webinar on the fallout of Covid-19 on PrES and PES.
- The webinar features WEC members present their responses to Covid-19 and for WEC, together with the ILO to set the agenda for recovery.
- The webinar is a result of the new relationship of WEC with the ILO. At least two more webinars will follow in this series.

ILO organizes Global Summit to address Covid-19 and the world of work

- After the cancellation of the ILO Governing Body and the International Labour Conference, the IO will convene with its constituents 'informally' during a series of webcasts from 1 to 9 July
- This will be a first formal opportunity to learn on how governments, workers and businesses look at the priorities for the ILO to mitigate the Covid-19 outbreak.
- WEC expects the most insightful to be the part on 9 July (12:00- 16:00 CET) from a global public affairs point of view. Yet, specific WEC members might be interested in the parts on the ILO priorities in the various regions.

ILO publishes briefing on Fair recruitment during Covid-19

- ILO provided a briefing on how Covid-19 impacts recruitment, especially cross-border recruitment.
- It finds existing challenges with regards to cross-border recruitment are further heightened which increase risks for abuse. These often result from workers being trapped between borders and procedures.
- The document is balanced and addresses the importance of the private employment services industry in reallocating (migrant) workers to a job.

IOM publishes recommendation on cross-border recruitment regulation

- The IOM has published recommendations for government regulators cross-border recruitment.
- The recommendations align strongly with the IOM IRIS principles and the ILO GPOG on Fair Recruitment
- Although no big concerns arise in terms of content of these recommendations, concerns can be raised on the lack of international resolve resulting from both the ILO and IOM trying to set standards on recruitment.

2020 OECD Economic Outlook published

OECD published its annual **Economic Outlook**. It provides a first consolidated macro-economic assessment on how the Covid-19 impacts OECD membership (the developed economies of the world). In a favourable scenario OECD unemployment is projected to rise to 9.2% in 2020 (compared to 5.4% in 2019). Moreover, given the sectors most hit and insufficient safety nets, OECD expects people working on a temporary and/or self-employed basis to be hit more significantly. Finally, on top off the overall analysis the OECD has provided country level projections (to be accessed [here](#))

The Economic Outlook forecasts global GDP to shrink by between 6% and 7.6% in 2020, depending on which of the two developed scenarios unfolds. Two equally probable scenarios of the Covid-19 pandemic are presented, with the first assuming that the outbreak is largely under control and the second expecting a second pandemic at the end of the year. Under the controlled scenario, the OECD unemployment rate is forecast to reach 9.2% in 2020 (compared to 5.4% in 2019). In the pessimistic case, the rate will likely double. The outlook remains very uncertain. Although confinement measures are gradually being lifted, some will remain in place for some time to come (e.g. international border closures). Any recovery from the recession will be slow.

The deepest recession since the 1930s

Overall, the global economy is experiencing the deepest recession since the Great Depression in the 1930s, with no OECD economy being spared. In the first quarter of 2020, global output contracted by 3%, despite the still limited implementation of Covid-19 counter measures. The second quarter will be the peak of the recession with supply chains disrupted, world trade plunging and consumer demand and spending depressed (consumer spending in 2020 is expected to shrink by between 8.5% and 10.7% compared to last year). Global output is expected to be down 12.5% relative to the last quarter of 2019, with the Euro Area being particularly hit (-18%). Small-and-medium sized enterprises are most heavily impacted as they operate in the hardest-hit sectors, namely the wholesale and retail trade, accommodation and food services industries, which experienced the strongest activity declines.

Labour market effects

Inequality among workers is aggravated with the highly qualified workers able to telework, while the least qualified workers are often either at the forefront of the pandemic, working in essential sectors, unable to work, or laid off. Unequal access to social protection further exacerbated inequality. Young and unskilled workers bear most of the burden. Job losses and reduced hours are reflected in the increased numbers of unemployment claims and requests for access to short-time work schemes. The OECD unemployment rate is forecast to reach 11.5% in mid-2020, nearly 3 percentage points above the peak during the Global Financial Crisis. The rate is also expected to remain well above pre-crisis levels for some time to come, with hysteresis and entrenchment of long-term unemployment and discouragement to weigh down on labour markets and wage and income growth. The median OECD unemployment rate will be at a 25-year high in 2020. In European countries, the rise in unemployment was largely limited due to government-funded income support schemes, in particular for open-ended employees. 20% to 25% of the private sector workforce was supported by such schemes in the major European economies.

Impact on non-permanent workers

In the Outlook, the OECD takes a deep dive on the impact of the pandemic on part-time, temporary and self-employed workers. It finds these workers are disproportionately represented in the sectors that are hard hit by the pandemic. This adverse impact is further amplified by the finding that these workers have less access to social protection and short time working schemes. This is especially the case for self-employed. Even though many countries have

expanded safety nets during the crisis to cushion the blow, the OECD recommends further policy action to prevent long-term distributional effects. They amongst other call for enhancing social protection schemes for non-permanent workers.

The effectiveness of short-time-working schemes?

The OECD also thoroughly assesses the effectiveness of short-time working schemes as a job-retention instrument. It finds countries deploying them see significantly smaller rises in unemployment. Yet, on the midterm these schemes will be inefficient to sustain jobs as they restrain people from moving to futureproof sectors and firms that are better positioned in the post-pandemic world. As such, given the uncertain long-term prospects, the OECD recommends expanding unemployment and training benefits to ensure people can transition across the labour market.

Recovery scenarios hinge on possible new Covid-19 waves

Depending on the scenario, real income per capita levels will fall back to 2013 or 2016 levels in 2021 in most OECD countries. Economies are also becoming more fragmented as they diverge in terms of resilience against and impact felt by the pandemic. Emerging economies experience significant challenges due to the simultaneous health and economic crisis with often lower health care system capacities available to provide relief.

Macro-economic recommendations

During the recovery phase, the OECD advises governments to continue with accommodative monetary and fiscal policy as long as economic activity and inflation remain subdued. Transitioning of capital and workers from failing sectors to surging ones needs to be supported by providing income support between jobs, training courses and social protection for those who are vulnerable.

Country analysis and recommendations

Finally, the Outlook includes an overview of country specific assessment and recommendations. They can be easily access [here](#) to find the assessment of interest to you.

Assessment

The Economic Outlook paints a grim and dark picture of the economic and employment road ahead and especially showcases that the recovery remains strongly contingent on possible new waves of virus outbreaks.

On labour market analysis this Economic Outlook provides a preview for the Employment Outlook set for the first week of July. Key focus of the OECD is the persistent focus on structurally expending social protection for temporary and self-employed workers. This was already a recommendation that was promoted by the OECD. The Covid-19 pandemic has elevated its priority.

Although WEC has been open to these recommendations as a pathway for Social Innovation, the overall business community is increasingly worried about this OECD push. Especially when it comes to the costs involved and the extent to which OECD respects national circumstances in its recommendation.

Until now, these OECD findings and recommendations have not led to new political statements by OECD membership. In September 2020 employment ministers will gather for the first time since the pandemic. In this meeting they are expected to provide political guidance to the OECD and the priority for their post-Covid work.

ILO & WEC assess Covid-19 impact on Employment Services.

As a first in a series, ILO and WEC took stock of the impact of the Covid-19 crisis so far on employment and employment services. The webinar was highly attended with over 100 participants coming from stakeholders and WEC members. Both Public (PES) and Private Employment Services (PrES) were impacted significantly in different ways. PES were overwhelmed with the amounts of request for support while PrES services saw an unprecedented drop of activity. Yet, the webinar showcased several national practices of how they dealt with the impact.

Responses from national PES (Korea & Morocco) and PrES federations (ABU, the Netherlands & RCSA, Australia) were provided. Also, a special focus was put on social dialogue to mitigate the impact of the crisis. Italian WEC member Assolavoro and trade union FELSA CISL presented their collective agreement to support workers as the crisis hit their country.

Director of the ILO Employment Policy Department, Sangheon Lee and WEC President Annemarie Muntz concluded the meeting by highlighting the importance of creating a regulatory infrastructure for PrES and PES by leveraging the existing ILO conventions, recommendations and guidelines. This could serve to further a social innovation agenda and promote the cooperation between public and private employment services.

The webinar series is a result of the regular contacts of WEC with the ILO via the industry liaison Mr. Sangheon Lee. The series will continue to address the role of employment services in the mitigation of the global pandemic. The next two will be on Activation and Social Protection.

This was the first time the ILO and WEC together hosted a session. As such it showcases the result of the structural engagement with the ILO via the Liaison. This webinar series will be a good way to support WEC messaging into the ILO. The webinar series will conclude with a report, which in turn will feed into a further shaping of the relationship and industry agenda with the ILO.

ILO organises Global Summit on post Covid-19 world

In the first week of July the ILO organizes a Global Summit to address the Covid-19 crisis and the world of work. During this five-day event several speakers from the governments, workers and business will address the audience. Although it will have no formal outcomes, the Summit will provide a first opportunity to input the ILO policy response to the labour market fallout of Covid-19.

The Summit is spread out over several webcasts for five days. The first part will be on regional developments. The second will give the floor to heads of state. Finally, the third part will give the floor to the constituents on the global policy response.

The focus

The final sessions will be the most important from a global public affairs perspective. The ILO has structured this session according to four main themes:

- **COVID-19 responses to support full and productive employment and decent work for all** – This will focus on the frameworks for recovery and the role of digitalisation and new ways of working.

- **COVID-19 – the first shock: Tackling informality and gaps in social protection**
COVID-19: Working together to build back better – This will focus on the lack of protection for vast swaths of the world’s working population
- **COVID-19: Spotlight on most impacted sectors of economic activity and vulnerable populations** – This will focus on which sectors require the most attention for recovery
- **COVID-19: Working together to build back better** – This will focus on the importance of multilateralism.

Participating in the Global Summit

Some of the regional meetings (1 & 2) could be of interest to our members:

▶ 1 July	7h00-10h30 GMT	Arab States
	12h00-15h30 GMT	Europe
▶ 2 July	4h00-7h00 GMT	Asia and the Pacific
	9h00-12h30 GMT	Africa
	15h00-18h30 GMT	Americas

WEC will prioritize on the final one held on 9th of July. For those interested it will be held from 12:00 – 16:00 CET. The webcast will be screened on here. The full concept note of the Global Summit is available here.

Assessment

After the cancellation of the ILO Governing body in March and the International Labour Conference in June, this is the first gathering of the ILO constituents to address their thinking on ILO’s Covid-19 response. As such it will be of interest to note where governments, workers and businesses will put their priorities.

Although no formal follow-up will be required or created, the comments will most certainly feed into a response proposal the ILO Office will put to its governance at a more formal setting. This could be the Governing Body in October; although it is unclear which format will be chosen to hold this meeting.

ILO publishes briefing on Fair recruitment during Covid-19

The ILO has published a briefing on how Covid-19 impacts recruitment, especially in a cross-border context. The briefing zooms in on how the crisis have impacted the roles of workers, employers and governments. It can be accessed here.

Key challenges are the postponement of work, being stranded between adjusted border regulation and lacking the financial means. This all poses risks to labour rights and working and living conditions and increasing the risk of abuses. Businesses and recruiters have been impacted because of the drop in demand and the increased costs of (workplace) training transportation and accommodation. Finally, governments oversight has been impacted as physical inspections were decreased and workers fears for auditors increased.

Next the ILO puts forward policy recommendations to deal with these (new) challenges. These very much align with the General Principles and Operation Guidelines for Fair Recruitment and Convention 181 on Private Employment Agencies. Although one key addition is made (after WEC intervention), the document calls upon stakeholders to ensure private employment

services are able to offer jobs to migrants that might have lost their job because of the pandemic and might not be able to return home.

Assessment

The Brief is a balanced document that adequately addresses the interests of private employment agencies. WEC, via its role in the Business Advisory Group for Migration, was able to provide input to this document. These inputs have been adequately represented in the document. It directs readers to WEC resources and highlights the essential reallocation role of private employment services during the crisis as well as Convention 181.

IOM publishes recommendation on cross-border recruitment regulation

As a follow up of their Conference on cross-border recruitment held in June 2019, the International Organization for Migration (IOM) has published recommendation for regulating cross-border recruitment. In 9 themes 55 recommendations are provided, ranging from enforcement migrant welfare. The document can be accessed [here](#).

These IOM recommendations do not significantly differentiate from the ILO Guiding Principles and Operational Guidelines for Fair Recruitment, other than that they are solely focused on cross-border recruitment and governments. Of course, it also draws heavily from the International Recruitment Integrity System (IRIS) Principles. Key concern in this document is that it does not mention or recognize ILO Convention 181 as international standard to regulate employment services. Still, overall, these 'recommendations' do not hold big concerns on their content and could contribute to the promotion of better regulation of cross-border recruitment.

Assessment

This publication must be seen in the ongoing discussion between IOM and ILO on who is the main UN body to address cross-border recruitment. This discussion is of concern as it deviates from creating a dedicated international response on promoting fair recruitment practices.

WEC will continue to address the need for such comprehensive approach, as well as international consistency on the recognition of ILO standards, through its role in the Business Advisory Group for Migration.

European Public Affairs Dossiers

Executive Summary

- A central focus in June was laid on a joint webconference of WEC-Europe and UNI-Europa on Covid-19 and the recovery, building on the joint recommendations.
- The European Commission published a report on the General Data Protection Regulation
- The EU Project on Social Innovation in the temporary agency work industry is progressing
- EU second stage consultation on minimum wages – WEC-Europe reply drafted
- Transposition deadline of the Posting of Workers Directive
- EU cross-industry social partners agreement on digitalisation signed
- Concerning European Parliament resolution on protecting cross-border and seasonal workers in the COVID-19 crisis, calling for better protection of temporary agency workers acting as cross-border or seasonal workers
- EU Commission adopted report on impact of Demographic changes in Europe

Webconference of WEC-Europe and UNI-Europa on COVID-19

On June 24 the World Employment Confederation-Europe and UNI-Europa organized a joint webconference to discuss with EU stakeholders the policy framework needed to put Europe on the pathway to an inclusive economic and social recovery and demonstrated through concrete examples by agency work sectoral social partners how social dialogue can make the difference.

“Social dialogue has played a key role at European, national, sectoral and company level during the Covid-19 crisis to ensure continuity of employment, enable workers’ transitions between sectors and invest in skills and qualifications,” said Sébastien Delfosse, chairman of WEC’s EU Sectoral Social Dialogue Committee. “, to open the event.

After an introduction of the joint recommendations adopted by the World Employment Confederation-Europe and UNI-Europa in April, Sigrid Caspar, Team leader Sectoral Social Dialogue at the European Commission’s DG Employment, praised the social partners of the agency work sector for delivering exactly what the Commission expects of social dialogue. She then explained the different measures took to mitigate unemployment risks, such as the EU Sure initiative to support national short-time working schemes and the recovery plan put forward by the European Union.

Tina Weber, Research Manager, Eurofound presented the conclusions of research done by the Foundation on the employment impacts of Covid 19 and the role of social partners in the crisis. In general, the research found that social dialogue was often a ‘victim’ of the rapid evolution of the pandemic which made it difficult for social partners to be involved in the adoption of government measures.

Yet, in the agency work sector, many concrete actions were taken through sectoral social dialogue at national level. Social partners from the Netherlands, France and Italy presented some of these initiatives. In the Netherlands, agency workers who had lost their jobs because of Covid-19 were offered training vouchers, so they could gain new skills and maintain their employability. For some, it was an opportunity to embrace a career change they had been

considering. This benefit comes on top of the training benefits already available to agency workers through the bipartite fund, DOORZAAM.

In France, social partners worked a lot on providing adequate information to ensure health and safety of agency workers. For instance, dedicated fact sheets made available on the Ministry of Labour's website clarified the obligations for the temporary work agency, the client company and the worker. In Italy, sectoral social dialogue also offered extensive support to agency workers, mobilizing the bipartite fund to guarantee continuity of employment and salary for more than 100 000 workers in March and April. This was particularly critical as government support was not yet provided.

Oliver Roethig, Regional Secretary of UNI-Europa, concluded the event by reflecting on how the crisis has shown that countries which had effective collective bargaining had been more resilient. "The work we have been doing together for more than 20 years is actually delivering and stabilising the system," he said, pointing out that in view of rising challenges like digitalisation, the model of the agency work sector could serve as inspiration to make flexibility positive by empowering workers and ensuring responsible providers.

The World Employment Confederation-Europe and UNI-Europa will continue working together through the EU Sectoral Social Dialogue. Their latest joint research project focuses on social innovation in training, working conditions and social protection for agency workers and its conclusions will be presented by the end of 2020.

Assessment:

With around 50 participants, including EU Commission officials, Members of the European Parliament, EU level social partners, WEC-Europe members and UNI-Europa affiliates, the webconference provided an important platform to discuss the joint recommendations and to present national practices and actions of social partners to address the pandemic and its economic and social implications. The feedback from the EU policymakers and stakeholders on the joint recommendations was very positive, underlining that several recommendations are in line with the EU policy response to the crisis.

EU Commission Report on Data Protection Regulation

On 24th June, two years after its entry into application, the European Commission published an evaluation report on the General Data Protection Regulation (GDPR). The report shows the GDPR has met most of its objectives, in particular by offering citizens a strong set of enforceable rights and by creating a new European system of governance and enforcement. The GDPR proved to be flexible to support digital solutions in unforeseen circumstances such as the Covid-19 crisis. The report also concludes that harmonisation across the Member States is increasing, although there is a certain level of fragmentation that must be continually monitored. It also finds that businesses are developing a compliance culture and increasingly use strong data protection as a competitive advantage. The report contains a list of actions to facilitate further the application of the GDPR for all stakeholders, especially for Small and Medium Sized companies, to promote and further develop a truly European data protection culture and vigorous enforcement.

Europe's data protection regime has become a compass to guide us through the human-centric digital transition and is an important pillar on which we are building other policies, such as data strategy or the approach to AI. The GDPR is the perfect example of how the European Union, based on a fundamental rights' approach, empowers its citizens and gives businesses

opportunities to make the most of the digital revolution. But we all must continue the work to make GDPR live up to its full potential.

Assessment:

The report has been shared with the WEC-Europe Data Protection Taskforce and will be discussed and assessed at that level.

EU Project on “Social Innovation in the temporary agency work industry”

Despite some challenge in implementation a pan-European project in times of travel restrictions and the COVID-19 constraints, the World Employment Confederation-Europe/UNI-Europa joint project on “Social Innovation in the temporary agency work industry” is progressing. A final thematic workshop on social innovation in the area of social protection is taking place on 1st and 3rd of September 2020 in a webconference format and linked to a project steering committee. The main focus of these meetings is laid on case studies and examples of social innovation in the area of social protection, involving the relevant national experts. After the September workshop and steering committee will finalise the research report, which will present the compendium of social innovation practices. This report will then be launched and presented in December to the European policymakers and stakeholders.

Assessment:

The project on “Social Innovation in the temporary agency work industry” has become even more relevant in the context of COVID-19. Identifying and using new ways of working, learning and social protection will be of central importance in the recovery after the COVID-19 lockdown and the safe return to work. The project is also instrumental to strengthen the relationship with the new leadership for the sectoral social dialogue on temporary agency work, at EU level Dimitris Theodorakis and David Espinosa and at global level Cornelia Berger.

EU Social Partners Consultation on minimum wages

In June 2020, the European Commission launched a second stage consultation of social partners on minimum wages in Europe. The consultation focuses possible avenues for action at EU level, possible legal instruments, such as a Directive, a Council Recommendation or the use of EU country-specific recommendations in the framework of the European Semester process. The European Commission also aims for getting the views of EU social partners are willing to negotiate on the topic.

The World Employment Confederation-Europe reply will include a number of general comments, focusing on the fact that there already more protection than minimum wages based on equal treatment and rights set through collective labour agreements. The World Employment Confederation-Europe will also reflect on the impact of the COVID-19 pandemic on social protection and working conditions for workers.

On the possible legal instruments, the World Employment Confederation-Europe will advocate for using soft policy tools such as the European Semester process and the country-specific recommendations. A Directive, which would set one common framework on minimum wages for all EU countries (but not one single minimum wage) would not be right way forward and is thus not supported by the World Employment Confederation-Europe.

In a public hearing of the EU Economic and Social Committee, EU Commissioner Nicolas Schmitt underlined that minimum wages are important to guarantee that work pay, while there is a needed discussion on fairness on the labour market. He also underlined that minimum wages could help to close the gender pay gap and underlined the link between wages and productivity. Economic recovery from the COVID-19 pandemic will not be possible or sustainable based on low wages or inequalities, but the value of work needs to be reflected. He concluded by stressing that Europe needs innovation, which means investment in skills and people. In the same hearing, Maxime Cerruti, Social Affairs Director at BusinessEurope underlined that wages should not be a political instrument, but that wages need to reflect the economy and productivity. The European Trade Union Confederation ETUC called for a framework Directive, which should set thresholds for minimum wages as a percentage of medium and average wage.

Assessment:

The debate on minimum wages in Europe is important for the private employment services industry to position the agency work sector as an appropriated regulated form of flexible work. A potential, European Commission legal initiative on minimum wages at EU level could be particularly challenging for the Nordic countries and other EU Member States who allocate the responsibility for settling minimum wages to the national social partners.

Transposition deadline of the Posting of Workers Directive

On 30th of June 2020, the deadline for the transposition of the revised Posting of Workers Directive ends. For temporary agency workers, this means especially that the principles of equal treatment and equal pay will become applicable also to posted agency workers, if the Directive has already been transposed into national law. At the same time, it has become clear that in several EU Member States, the transposition of the Directive has been delayed due to the respective, national legislative procedure and impacts of the COVID-19 pandemic and the decision-making process.

Assessment:

The World Employment Confederation-Europe supported the main, new provisions on the posting of temporary agency workers in the revised Directive. As EU sectoral social partner for temporary agency work, the World Employment Confederation-Europe participated in several expert group meetings that discussed the transposition of the Directive.

EU Cross-industry social partners agreement on digitalisation

On 22nd of June 2020, BusinessEurope, SMEunited, CEEP and ETUC published their framework agreement on digitalisation, which aims at the successful digital transformation of Europe's economy and to manage its large implications on labour markets, the world of work and society at large.

On the positive side, the agreement supports the successful integration of digital technologies at the workplace, the investment in digital skills, skills updating and the continuous employability of the workforce. The agreement aims at enabling employers and unions to introduce digital transformation strategies, including modalities of connecting and disconnecting and respect of working time rules as well as appropriate measures to ensure compliance. On the use of Artificial Intelligence, the framework agreement includes a concerning statement, as the cross-industry social partners call for taking the bias out when using artificial intelligence, while the World Employment Confederation-Europe underlined in a recent position for creating awareness around the issue of bias in the use of artificial intelligence, while it can be questioned whether it is possible to take the bias out.

Assessment:

The World Employment Confederation-Europe will continue the dialogue with BusinessEurope, European policymakers and stakeholders on digitalisation and the use of Artificial Intelligence, while also aiming for alignment and consistency of the key messages of the EU cross-industry employers and the private employment services industry on the topics of digitalisation and artificial intelligence.

Concerning European Parliament resolution on protection of cross-border and seasonal workers in the context of the COVID-19 crisis

On 19th June 2020, the European Parliament adopted a concerning resolution on the need for European protection of cross-border and seasonal workers in the context of the COVID-19 crisis.

While it is positive that the European Parliament emphasises the right to the free movement of workers as a fundamental principle of the European Union and the fact that cross-border workers are executing this right, it is concerning to see that the report underlines that business models of some temporary work agencies can be based on reducing labour costs and working based on precarious working conditions. In the recommendations on promoting resilience, the European Parliament calls on the European Commission "to undertake an urgent study of the general situation of the employment and health conditions of cross-border and seasonal workers, including the role of temporary work agencies, other intermediaries and subcontracts, with a view to identifying protection gaps and possible the need to revise the existing legal framework, such as the legislative framework for health and safety at work, the Directive on seasonal workers and the Directive 2008/104/EC on temporary agency work, as well as pandemic proofing." The European Parliament underlines that evidence-based policymaking should contribute to addressing shortcoming of EU and national legislations in times of crisis and (new) normality.

Assessment:

In full alignment with the main European cross-industry employers' organisation BusinessEurope, the World Employment Confederation-Europe remains opposed to a possible revision of the Directive on temporary agency work. Based on input obtained through consultation with WEC-Europe member federations and the European Public Affairs Committee, a letter will be drafted to respond to this call for a revision of the Directive on temporary agency work.

EU Commission adopted report on impact of Demographic Change in Europe

On 17th of June, the European Commission adopted its first-ever Report on the Impact of Demographic Change. It presents the drivers of this long-term change and the impact it is having across Europe. It also highlights the links between demographic structures and the impact and recovery potential from the crisis. The COVID-19 crisis has exposed many vulnerabilities, some of which are linked to the profound demographic change already affecting our societies and communities across Europe. This double challenge must help shape the way policymakers in Europe think about healthcare, welfare, public budgets and public life in the next decades. It must help to tackle issues such as access to services, community care and even loneliness. This is ultimately about the way we live together. Addressing demographic change is key to building a **fairer and more resilient society.**"

The report shows long-term demographic trends in Europe's regions - from longer life expectancy, to lower birth rates, ageing societies, smaller households and increasing urbanisation. It also shows Europe's declining share of global population - expected to account for less than 4% of the world's population by 2070. The report illustrates the considerable differences in demographic change across regions, as well as the need to address its impact on growth and sustainability, employment, health and long-term care in different parts of Europe.

The report on demographic change in Europe is complemented with country fact sheets and a full statistical breakdown, which can be found on the Commission's new dedicated webpage on demography.

Assessment:

The Commission Report on Demographic Change and the country factsheets provide useful background information for the World Employment Confederation-Europe advocacy and thought leadership on the changing world of work and social innovation.

Abbreviations

EU	European Union
ETUC	European Trade Union Confederation
ILO	International Labour Organisation
IOE	International Organisation of Employers
ITUC	International Trade Union Confederation
OECD	Organisation for Economic Cooperation and Development
PrES	Private Employment Services