

Advocacy Report

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Global Public Affairs

OECD-WEC collaboration on Artificial Intelligence and Labour Market Matching

Artificial intelligence (AI) is reshaping economies and societies, offering new products and services, promising to generate productivity gains, improve efficiency and lower costs. It facilitates people's everyday lives and helps them to make better predictions and more informed decisions.

As part of the implementation of the OECD AI Principles, the OECD has set up a dedicated Programme on AI in Work, Innovation, Productivity and Skills (AI-WIPS).

As part of the AI-WIPS programme, the OECD is collaborating with the World Employment Confederation to better understand the potential benefits as well as risks of artificial intelligence in labour market matching by the private employment services. Good labour market matching is essential to reduce unemployment, boost productivity growth and wages. Better matches also lead to higher job satisfaction as people find jobs that are consistent with their skills and interests.

There are plenty of reasons to believe that AI could help improve matching in the labour market. Many applications are already being developed to help with: identifying vacancies, optimizing job descriptions, profiling, skills assessments, applicant sourcing, pre-screening, interviewing, training—to name just a few. The use of such tools could lead to efficiencies and cost savings, the automation of repetitive and routine tasks (leaving more time for tasks requiring a human touch), better and faster matches between candidates and employers, and potentially reduced bias in recruitment.

At the same time, however, these tools raise questions about dehumanization of the matching process, reliability (particularly when it comes to facial and voice recognition), the perpetuation of existing or introduction of new biases, accountability, transparency and privacy, amongst others.

Assessment and next steps:

WEC is supporting the OECD research programme and promotes the responsible use of AI at work, to enhance the safety of workers and the quality of jobs, to foster productivity, and aim to ensure that the benefits from AI are broadly and fairly shared.

WEC members will collaborate in the OECD research by sharing their knowledge and analysis on the use of AI within their organization that promote a more efficient labour market and address labour market shortages.





Agenda and dates of the 110th Session of the International Labour Conference

The next International Labour Conference (ILC) will take place from 30th May to 10th June 2022. The items placed on the agenda are the following:

- Apprenticeships (standard-setting, first discussion)
- A recurrent discussion on the strategic objective of employment under the follow-up to the ILO Declaration on social Justice for a Fair Globalization
- Decent work and the social and solidarity economy (general discussion)
- Inclusion of safe and healthy working conditions in the ILO's framework of fundamental principles and rights at work through an amendment to paragraph 2 of the ILO Declaration on Fundamental Principles and Rights at Work, 1998

In the context of apprenticeships, the ILC published a report that contains a questionnaire, which, in accordance with Article 39 of the Standing Orders of the International Labour Conference, calls for a reply from Governments, after consultation with the most representative organizations of employers and workers. The replies to this questionnaire must reach the Office no later than 30 April 2020. They will form the basis of the background report for the ILC discussion.

Assessment and next steps:

WEC welcomes a discussion on apprenticeships as skills mismatch and lack of employment opportunities for young people around the world constitutes a serious challenge. The private employment industry is committed to fostering social innovation in the area of skilling and learning through innovative apprenticeships schemes.

Skills and training are also of key importance in the context of the economic recovery after the Covid-19 pandemic. Therefore, the World Employment Confederation calls for a focus on the recognition of prior learning, the validation of non-formal and informal learning and a renewed focus on apprenticeships and dual learning.

Public policies should foster and facilitate quality apprenticeships composed of work and institution-based learning through social dialogue and public-private partnerships to help youth to develop their knowledge, skills and competencies and gain work experience.

B20: WEC President, Bettina Schaller, to participate at International Advocacy Caucus

Indonesia has been entrusted to host the 17th G20 Summit. The Indonesian Chamber of Commerce and Industry, KADIN Indonesia, will become the B20 host organization, the business arm of G20.

The Business 20 (B20) is the official G20 dialogue forum with the global business community. Established in 2010, B20 reserved companies and business organisations and it is among the most prominent Engagement Groups in G20.





The B20 aims to deliver concrete actionable policy recommendations on priorities by each rotating presidency to spur economic growth and development. B20 bases its work on Task Forces (TFs) and Action Councils (ACs) entrusted to develop consensus-based policy recommendations to the G20 and to international organizations and institutions.

To carry out the mandate, B20 Presidency will be overseen by an Advisory Board composed of prominent Indonesian CEOs. Along with the board, an International Advocacy Caucus consisting of high level CEOs from the G20 countries will also assist the B20 leadership respectively.

Assessment and next steps:

WEC is proud to announce that its President, Bettina Schaller, has been nominated to participate in the International Advocacy Caucus to support the Indonesian Chair in B20 Indonesia 2022.

The B20 Indonesia International Advocacy Caucus will focus on 3 topics, namely: Green Transition Financing, Gender Parity, and Universal Healthcare Coverage.

The B20 Inception meeting will take place on 27/28 January 2022.

First International Migration Review Forum (IMRF), the global review of the Global Compact for Migration (GCM), 9-13 May 2022, New York

The first Global Review of the GCM implementation will take place from 9 to 13 May 2022 at the United Nations (UN) headquarters in New York, under the auspices of the UN General Assembly. The Conference's objective is to assess the progress of Governments in their implementation of the GCM objectives. It will follow strict UN choreography and protocol; no program is yet available. The UN Network on Migration, housed at IOM, is coordinating the organization of the conference and engagement with non-State stakeholders. Thematically, the 23 GCM objectives are clustered into 4 roundtables. Roundtable 1 addresses objectives 5 (regular pathways), 6 (recruitment) and 18 (skills development), which are of interest to Private Employment Services.

Assessment and next steps:

WEC is represented at the Executive Committee of the Business Advisory Group on Migration to provide insights on recruitment in the context of migration.

As a contribution to the IMRF, the Business Advisory Group on Migration will take the following actions:

- -Elaborate a survey for employers/companies to understand the barriers that hinder governments in implementing the GCM objectives 5, 6 and 18 and in crafting effective migration policies.
- -Elaborate a policy/white paper. The survey would inform a paper which would highlight what a holistic labour migration policy could be and its effective governance.





European Public Affairs

European Parliament President David Sassoli died aged 65

The President of the European Parliament, David Sassoli died on 11 January 2022 after having

been in hospital since end of December. Sassoli began his professional career as a journalist and was elected to the European Parliament in 2009. Sassoli had spent much of his two-and-a-half-year term steering the Parliament through the extraordinary difficulty of the coronavirus pandemic, which effectively shuttered its buildings in Brussels and Strasbourg for some time and forced him and the Parliament administration to devise unprecedented remote-working



methods. He also helped steer a tough negotiation over the EU's long-term budget, paving the way for the establishment of a historic €1.8 trillion budget-and-recovery package. The World Employment Confederation-Europe issued a statement of condolence.

More information on David Sassoli is available in available here. The European Parliament is expected to elect a new President during its plenary session of 17th to 20th January.

European Commission proposed Directive on working conditions in platform work

On the 9th of December, the European Commission adopted a proposal for a Directive on working conditions in platform work, which forms part of the Strategic Priorities of the von der Leyen Commission and follows up on a two-stage EU Social Partner consultation.

The EU Commission underlines that more than 500 digital labour platforms operate in the EU and many of them are active in several EU countries. 28 million people are currently working through digital labour platforms and the European Commission expects these numbers to rise. The European Commission recognizes in the proposed Directive the potential, positive role of digital labour platforms, while also underling the need for a level-playing field and creating an environment that allows digital platforms to strive, while combing them with fair working conditions and social protection.

The Commission proposal for a Directive is based on the following approach and main principles:

- An introductory part recognises the role of digital labour platforms and provides a set of definitions to clarify terminology.
- As a core element of the Directive, the European Commission proposes a presumption of an employment relationship, which is to be determined at the national level based on a set of European criteria. This presumption is considered as a core element to ensure a level playing field and fair competition between digital labour platforms and more traditional companies. The European Commission underlined when presenting the proposal that it does not aim to limit or stop flexibility and diverse forms of work, while underlining that a clear classification of the employment status of people working via online platforms can and should be combined with flexibility and social protection.
- A further core element in the proposed Directive centres around the use of algorithms. Here, the European Commission aims to ensure transparency on how tasks are allocated,





how prices are set and how ratings via platforms are performed. These provisions aim to enhance accountability.

- The European Commission also highlighted that national authorities must be able to trace digital labor platforms and get access to data and therefore includes obligations for digital labour platforms on their activities and the people working via them.
- Finally, the European Commission includes provisions on social dialogue and collective bargaining.

The European Commission proposal for a Directive will be subject to the EU ordinary legislative procedure involving the European Parliament and the EU Council, which might take at least two years. Thereafter, the Directive will enter into the implementation phase at the national level.

Assessment and next steps:

In a first press statement, the World Employment Confederation-Europe and the HR Services Industry called for the correct classification of people providing services through platform work. WEC-Europe reacted by supporting the Commission's intention to create a level playing field for providers of flexible work solutions like agency work and by recommending finding a more sensible and feasible solution to correctly classify people providing services through platforms.

The complete WEC-Europe press statement can be found on our website. As next step, a comprehensive position paper on the Commission proposal will be developed and discussed internally in January, prior to the launch of related public affairs and advocacy activities at EU level.

WEC-Europe and Prism'emploi will jointly host a webconference on working conditions in online platform work

On 17th of February 2022, the World Employment Confederation-Europe and Prism'emploi (our member representing France) will host a webconference on the topic of online talent platform work. Purpose is to present the position and views of the private employment services industry and to put forward a set of recommendations on the European Commission proposal for a Directive on online platform work.

The two-hour online event will include interventions and presentations from WEC-Europe, Prism'emploi, the European Commission / DG Employment and the French EU Council Presidency, as well as a panel debate including a digital labour platform, a representative of the European cross-industry employers' organisation BusinessEurope, an academic expert and representatives of the private employment services industry.

The webconference will have simultaneous interpretation into English and French and be open to WEC-Europe members, Prism'emploi members and EU policymakers and stakeholders.

France has taken over the EU Council Presidency for six months since 1st January 2022 and the French EU Council Presidency is focused on "Recovery, strength and a sense of belonging". Three priorities have been identified:

1) A more sovereign Europe: by strengthening the Schengen area, protecting European borders, controlling migration and improving the asylum policy, in line with Europe's values and its international commitments; by building a stronger Europe which is more capable of action in the fields of security and defence; by taking action for the prosperity and stability of its neighbours, particularly through its engagement in the Western Balkans





- and its renewed relationship with Africa; and by bringing forth solutions to global challenges.
- 2) A new European model for growth: to make Europe a land of production, job creation, innovation and technological excellence; in which economic development is aligned with climate goals; that supports innovation and the growth of European digital players and sets its own rules for the digital world; and that offers high-quality, high skilled and betterpaying jobs.
- 3) A humane Europe: that listens to the concerns expressed by its citizens through the Conference on the Future of Europe; that defends the rule of law and upholds its values; that takes pride in its culture, trusts in science and knowledge, and is committed to fighting discrimination and securing a future for the next generation.

Especially the priorities no. 2 and 3 relate to priorities of WEC-Europe's 2022 Advocacy Programme and will capitalise on these priorities in the coming months. An online meeting with the Social Affairs Councillor of the French Permanent Representation was held on 11th January to present WEC-Europe priorities and the Manifesto "Recovery, Reform and Resilience".

Beside the WEC-Europe Executive Committee members Menno Bart and Sonja van Lieshout, Isabelle Eynaud-Chevalier and Mathilde Bonnichon from our French member federation Prism'emploi also participated in the meeting.

Assessment and next steps:

As for previous EU Council Presidencies, WEC-Europe offered also to Prism'emploi to organise a webconference event jointly to focus on current priorities of common interest. The webconference on digital platform work is very timely and includes a range of high-level speakers. It will also be a central element in the WEC-Europe advocacy on online talent platform work. WEC-Europe members are invited to attend the webconference.

EU Institutions adopt common legislative priorities for 2022 including a focus on resilience, recovery, digital and green transitions

On the 10th of December, the three main EU institutions (EU Council, European Commission, European Parliament adopted a joint declaration on the EU legislative priorities for 2022. In the introductory part of the joint declaration, the EU institutions stress the impact of the Covid-19 pandemic and the impact of the digital and green transitions. A focus is laid on promoting resilience, but also economic recovery which is expected to take place faster than anticipated in early 2020. The declaration underlines the need for support and consent of the EU citizens for the transitions ahead and then focuses on six core themes:

- 1. The European Green deal and the objective of climate neutrality by 2050 based on a broad set of legislative proposals that have been presented in 2020.
- 2. To achieve a Europe fit for the digital age and entering a digital decade. In this context, focus will be laid on digital services and the digital single market, as well as on new technologies such as the use of artificial intelligence and data.
- 3. To deliver an economy that work for people, the EU will focus on supporting EU Member States in addressing and repairing the economic and social damage brought by Covid-19 and deliver on the European Pillar of Social Rights and the employment targets of the Porto Social Summit, including a focus on working conditions of platform workers and to remove the gender pay gap. A focus will also be laid on improving opportunities for young people under the European Year of Youth
- 4. For a stronger Europe in the world, the EU will look at security and defence policy





- 5. Under the theme of promoting the European way of life, the EU institutions aim to strengthen cooperation in the area of health policy and the prevention of potential, future health crisis. A further priority topic under this theme is migration and asylum policy.
- 6. The final priority is focused on protecting and strengthening democracy and common European values, including the rule of law, media freedom and pluralism

Assessment and next steps:

The common priorities of the EU institutions in 2022 provide an important framework and roadmap for the World Employment Confederation-Europe advocacy and public affairs activities in 2022. The agreed WEC-Europe focus on appropriate, less restrictive agency work regulation, online talent platforms and skills and labour shortages matches with the EU agenda and the priorities agreed by the EU institutions. The topic of labour market resilience was already addressed in the 2020 WEC-Europe Manifesto "Recovery, reform and resilience" and is covered in the agreed WEC positioning. It will thus be continue to be a key theme in the WEC-Europe positioning and advocacy work.

European Commission proposes two initiatives on skills and life-long learning

Related to the EU social target of 60% of all adults taking part in training every year, the European Commission presented on 10^{th} of December two initiatives in the area of skills and training policies, that aim at increasing employability:

- A proposal for a Council Recommendation on individual learning accounts aims to ensuring that everyone has access to relevant training opportunities. To address current bottlenecks in that area, mostly in the area of motivation, time and funding, the proposal for a Council Recommendation asks EU Member States and Social Partners to set up individual learning accounts and provide training entitlements, define a list of labour market relevant and quality ensured training entitlements and offer career guidance and validation of previously acquired skills.
- A second initiative focuses on micro-credentials and outcomes of small learning experience, such as short training courses. Micro-credentials offer a targeted way to help people develop knowledge, skills and competences. The EU Commission proposal for a Recommendation focuses on a common definition of micro-credentials, standard elements of their description and key elements for their design and issuance

Assessment and next steps:

As agreed by WEC-Europe Governing Body of December 2021, positioning the private employment services industry on skills and training will be one of the main public affairs priorities for 2022. The initiative on micro-credentials can certainly provide opportunities for the private employment services and some WEC-Europe members are already active on the dossier. On the individual learning accounts, it is disappointing to see that the alternative approach of training provision via bipartite training funds is not sufficiently recognised by the European Commission. Individual learning accounts can be an important instrument to ensure training entitlements, foster career guidance and validation of previously acquired skills, while it should be taken into account that individual learning accounts are not yet widely used across





Europe and that training and skills policies need to be adapted and reflect national labour market needs.

Webinar of the European Network of Public Employment Services on future skills, career guidance and life-long learning

On 9th of February, the EU Public Employment Services Network and the European Commission will organise a webinar on skills, career guidance and life-long learning. The webinar will be focused on exchanging national practices among public (and private) employment services and to foster labour market transitions and inclusive labour markets through skills policies and career guidance.

Assessment and next steps:

WEC-Europe is in touch with the European Commission to investigate in opportunities for the career management and private employment services industry to attend and potentially contribute to this event, which would certainly provide an important opportunity to profile and position the HR services industry as an enabler of transitions, as intermediary managing labour market risks and improving skills and employability of people.

Major Labour Market Reform adopted by the Government in Spain

The Spanish government proposed in December a major labour market reform mostly aimed at addressing the wide use of fixed-term contracts in Spain. The proposed reform includes the following six main elements:

- Limitation of temporary contracts: As of the main elements of the reform, the contract for projects or services is removed and the temporary contacts in case of circumstances of production and substitution of absent employees is redefined.
- Strengthening of permanent contracts, offering the opportunity for permanent contracts for work related to seasonal work and non-seasonal work that it is intermediated and has a certain, determined period of execution. In that sense, Private employment services are given the possibility to hire workers on a permanent-seasonal contract or on a (regular) permanent contract and deploy them in the user company. The permanent-seasonal contract implies working during the season, but they are considered as a permanent type of contract though. Such as reform will imply a greater flexibility for the user companies. For the employees will translated into more stability and employability and it will help them to transition into more permanent jobs.
- Focus on collective bargaining and the application of collective labour agreements for the industry.
- The redefinition of training contracts offering training in alternation to make work activities more compatible with professional activities
- Creation of a so-called "Red Mechanism" for employment flexibility and stabilisation, including modalities for industry related and cyclical flexibility and stabilisation
- With regard to the use of agency work and the outsourcing of services, which was a main issue of negotiation between social partners, the main elements of the previous





reform have been maintained. At the same time, it has been clarified that the collective labour agreement to the contracting companies will be that of the user company (sector in which the activity is carried out).

Assessment and next steps:

Throughout the past months, WEC-Europe has been in close contact with Asempleo to provide advice on the sensitive but looking at the current government proposal constructive and overall positive reform. Offering information on the use of open-ended contracts within the agency work industry has been instrumental to support the social partner negotiations. Of course, Asempleo, in close coordination the Spanish central employers' federation CEOE played a key role in shaping the report, especially with regard to the regulation on temporary contracts and the new opportunities offered to the private employment services industry to offer also open-ended contracts.

Abbreviations	
Al	Artificial Intelligence
CEO	Chief Executive Officer
EU	European Union
GCM	Global Compact for Migration
ILC	International Labour Conference

