Speech by the president, Georges Dassis,
at the opening of the EESC-ILO Conference
on the Future of Work

(Brussels, 15 November 2016)

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Dear colleagues and friends, ladies and gentlemen,

I would like to start by welcoming you to the EESC - home of European civil society - and would like to thank Commissioner Marianne Thyssen most warmly for accepting our invitation to take part in the dialogue we are holding here today, as well as my long-standing friend Guy Ryder, Director-General of the International Labour Office, whom I would like to take this opportunity to congratulate publicly on his recent re-election for a second term. Dear Guy, I would like to assure you of our full support and our commitment to working together with the International Labour Office on this and all other issues of concern to organised civil society, not only in Europe but throughout the world.

Dear friends,

The world of work is changing, thanks to at least four medium- and long-term structural factors which now, more than ever, are influencing the content, nature and organisation of work: demographic change, globalisation, and the economic and technological crises (in particular the digital revolution).

As our Committee has said, “These developments challenge the traditional understanding of employment, working time and place, and companies”.

The changes — in particular the developments of the digital age — raise questions of substance on the future and governance of work:

*How do we adapt policies on the labour market and institutions?*

*How do we ensure decent working conditions and acceptable social welfare?*

*How do we create a favourable environment and a level playing field?*

These challenges go beyond our borders. We cannot reflect on the future of work by considering the European context alone.

We need to take into account the impact of these challenges on the way that the EU should manage work, not least because external factors weigh heavily on the European economy: the importance of exports, trade liberalisation, migration flows, etc.

*How do we ensure that our workers and businesses can benefit from the legal frameworks which protect them when they develop their activities outside the European Union, for example through proper coordination of the social security systems in the countries concerned by these activities?*

*How do we secure human, economic and social rights in the global supply chains, the products of which end up on the European market?*

All these elements will have to be taken into account in the debates at this conference.

The European Economic and Social Committee is therefore particularly happy to support the International Labour Office's centenary initiative on the future of work, which focuses on four topics: work and society, organisation of work and production, decent work for all, and governance of work.

In addition, I should point out that the presidents and secretaries-general of the national economic and social councils of the European Union have, with us, welcomed the ILO initiative, devoting their recent annual meeting, in Madrid, to this same topic: “The future of work”.

Dear friends,

According to the World Economic Forum — although to my mind, this is not set in stone – the fourth industrial revolution could result in the creation of 2.1 million new jobs over five years. However, if action is not taken in time, it could also lead to the loss of 7.1 million jobs.

The threat of “technological unemployment”, which Keynes raised for the first time in 1930, is resurfacing today and is still just as worrying, especially in view of the particularly high level of unemployment, not only in the European Union's Member States, but also in OECD countries.

On this issue, opinions differ. Some believe that a large number of jobs are likely to be replaced; others suggest that existing professions will adapt, that new, complementary jobs will appear and that, for each job created, five new complementary jobs could come into being.

That is why the EESC is calling for more information and analysis, but also for action, stressing that “the challenge is to encourage innovation and creativity and deliver positive outcomes for a sustainable and competitive social market economy".

One thing is certain: the structure of professions is going to undergo far-reaching changes: flexibility for employers and workers will increase, bringing a risk of greater job insecurity.

Additionally:

* Polarising the structure of professions could increase polarisation in the pay structure, with very highly-paid jobs and very low-paid jobs. Incidentally, CEOs’ salaries, in almost all EU countries, are a scandal. I would even add that they are worse than another scandal: the amount that football players earn. There is, in actual fact, a difference: without going so far as to endorse what happens in football, when players stop playing well they stop earning those millions, whereas when the CEOs of large multinationals perform poorly they reduce others' pay but continue to increase theirs. That is what I call a scandal.
* Digital developments certainly do create jobs, but not everywhere: regional disparities and cross-border obstacles also constitute obstacles to growth and job creation;
* Women are under-represented in the field of information technology and communication;
* Changing requirements for skills and work organisation are going to create tensions affecting the quality of jobs, the balance between work and private life, equal treatment and social cohesion;
* The digitalisation of work poses new challenges for both employers and workers, which need to be tackled by clear rules in social and employment policies and by an investment strategy which would enable industries to embrace and anticipate those changes, so they can contribute to job creation, growth and regional convergence.

These are the reasons why, among other things, we are pleased to see that the future of work is one of the key topics in the consultation on the European pillar of social rights which the European Commission launched in March this year, on which our Committee is currently developing a proposal in the form of an opinion.

We have often discussed the matter here at the Committee, either following a referral from the Commission on our own initiative, and we have sounded an alarm: in addition to the people who are poor because they have no job or income, we are likely to witness the creation of a new category of poor - workers who have a job but who do not earn enough to make a decent living. The OECD emphasises that the developments I have mentioned might increase the risk of poverty in employment and persistently low income.

The Committee has already called for a minimum income level. This is not, of course, a solution to the issue of decent pay, but it is a reaction to an unacceptable fact, at least if we want to live up to our reputation as civilised people: we must combat extreme poverty and no longer accept that human beings can die of cold and hunger. Our proposal is only a start. We hope it will gain momentum and that there will be genuine policies for combating poverty and, in particular, for securing employment and pay, enabling workers to live a decent life.

In 2015, our Committee delivered its opinion on the effects of digitalisation on the services sector and employment. In 2016, it adopted two other opinions, making the following points:

* We stressed the need to adapt to and take advantage of new developments, to boost job creation, matching skills to jobs and encouraging entrepreneurship;
* We reiterated that EU social dialogue needs to be developed in greater depth at all levels "to discuss labour market consequences as well as adjustments in the field of social and labour law (...) that should ensure protection for the entire workforce”;
* Social dialogue itself is encountering difficulties because of digitalisation: changes in employment and work, destructuring conventional collective work spaces or creating new collaborative spaces, challenge the traditional forms of relations between employers and employees and their representative bodies. I have often said it before, and I will say it again: no form of consultation can replace the collective voice in social dialogue.

Dear colleagues, ultimately, work is changing. It is not disappearing. To take three famous economists, it seems that Schumpeter is right, rather than Friedman or even Keynes: we are entering an economy of "creative destruction", an economy that destroys jobs once and for all but which can create others.

That said, in deliberate, targeted digitalisation of the world of work, I also see a real opportunity to create a new working culture in Europe.

The initiatives taken in the framework of the ILO centenary provide a basis for discussion and recommendations for securing a better and fitting future for everyone.

It is important for civil society — employers, workers and all people, speaking through the representative associations making up our Committee — to express their views and engage with these important changes.

The search for solutions must therefore be stepped up. The European Economic and Social Committee is committed to this and can provide a forum for discussion and, where applicable, for seeking compromise.

Dear colleagues and friends, in 1762 Jean-Jacques Rousseau published his "social contract", not in France, but in Amsterdam. Today, other philosophers such as Bernard Stiegler are referring to the need for a new social contract, as everything has changed. My friend Bernard Thibault, former secretary-general of the CGT (General Confederation of Labour), has recently published a book entitled *La troisième guerre mondiale est sociale* (The third World War is a social one). Personally, I would prefer there to be no war at all. But perhaps Bernard is right, since this war started quite some time ago. It is the responsibility of decision-makers, European ones but also those in the International Labour Organisation, to take the decisions needed to achieve more social justice, so that there is fairer distribution of the wealth produced on this planet, in order to preserve it and to secure the right to a decent life for people throughout the world. We all have the responsibility — whether we belong to the trade union movement or employers' or other organisations — to take action to persuade decision-makers to take the right path. Otherwise, there is a danger that we might drift towards wars and, I am afraid, perhaps especially, towards a social war.

I hope that through our action, working together closely with the International Labour Office, we will convince our European decision-makers of this — the European Commission to put forward the necessary measures and the Council and Parliament to decide on them — so that everyone can continue to live in peace and relative prosperity.

Thank you for your attention. I am delighted to give the floor to my friend, Guy Ryder, Director-General of the International Labour Organisation.

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