New challenges for work and employment?

Future of work conference

Dublin Castle,
May 12th 2017

David Foden, Eurofound
Eurofound – the basic facts

- Established in 1975
- Budget of €20.5 million
- 95 staff members
- Tripartite agency
Strategic areas of intervention

- Working conditions and sustainable work
- Quality of life and public services
- Industrial relations
- Labour market change

Monitoring convergence in the EU

The digital age: opportunities and challenges for work and employment
Eurofound research and the future of work

• **Specific projects**
  – New forms of employment
  – ICT-mobile work
  – Foundation Seminar Series 2016 – the impact of digitalisation on work
  – Fraudulent forms of contracting work and self-employment
  – Exploring self-employment in the European Union

• **Data and resources**
  – European Working Conditions Survey
  – European Company Survey
  – EurWORK, EMCC, EJM

• **Future work**
  – The digital age – challenges for work and employment
  – Casual work
Scope of presentation

- Structural change in the labour market
- New forms of employment and their implications
- The case of ICT/mobile work
- Self-employment
- Looking forward and challenges
Long term trend in high growth of well paid jobs – with some polarisation


Source: EF: European Jobs Monitor
Net employment change in selected Member States: mixed picture

Employment change (in thousands) by wage quintile in Hungary and Sweden, 2011-2016

Source: EF: European Jobs Monitor
Job growth in wage quintiles by type of contract in the EU, 2011-2016
New forms of employment

Employees

Self-employed

Employment relationship

- Employee sharing
  - Job sharing

Voucher-based work

Interim management

Portfolio work
  - Crowd employment

Casual work

ICT-based mobile work

Collaborative employment

Work pattern
### Implications for working conditions:

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<thead>
<tr>
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<th>Employee-sharing</th>
<th>Job sharing</th>
<th>Interim-management</th>
<th>Casual work</th>
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Percentage of Employees Teleworking or ICT mobile working, EU28, 2015

Source: EWCS 2015.
Working outside the workplace gives more working time autonomy...

... but might end up working in free time

Source: EF: 6th European working Conditions Survey
Main Effects of T/ICTM: ambiguity

- Longer, more “porous” working hours, including supplemental working hours, BUT reduced commuting time, more working time autonomy for employees to organise work schedules based on personal needs

- Better overall work-life balance, BUT more work-home and home-work interference due to blurring of work-life boundaries

- Greater work intensity, BUT more working time autonomy appears to offset the greater intensity except for “high mobile” T/ICTM workers

- More stress for some T/ICTM workers, especially ICT-mobile workers

- Lack of attention to ergonomics and the potential for isolation

- Overall positive effects on individual performance/productivity

- **Partial (part-time) telework and occasional ICT-mobile work seem to produce the most positive balance in relation to the effects of T/ICTM work**

Source: Eurofound/ILO-study, Working anytime, anywhere (2017)
Exploring self-employment in Europe: Three policy concerns driving the debate

Supporting entrepreneurship

• Ensure (genuine) choice in creating one’s own business

Economic dependency/‘false’ self-employment

• Address blurring boundaries between employee and self-employed
• Detect fraudulent use / introducing regulation

Economic sustainability

• Ensure financial sustainability in long and short-term
• Address ‘precarious work’
Heterogeneity

Self-employed workers

Self-employed with employees (SEWE)

Self-employed without employees (SEWoE)
## Why become self-employed?

<table>
<thead>
<tr>
<th>2015</th>
<th>All SE</th>
<th>SEWoeE (without employees)</th>
<th>SEWE (with employees)</th>
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<tbody>
<tr>
<td>% Workforce</td>
<td>15%</td>
<td>10%</td>
<td>5%</td>
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<tr>
<td>Personal preference</td>
<td>60%</td>
<td>54%</td>
<td>71%</td>
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<tr>
<td>Has no alternative</td>
<td>20%</td>
<td>24%</td>
<td>10%</td>
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Source: ELFS; 6EWCS
What do self-employed workers think?

- I enjoy being my own boss (89%)
- I find it hard to bear the responsibility for my business (26%)
- If I had a long-term sickness, I would be financially secure (48% disagree or strongly disagree)

Source: 6EWCS
What is genuine self-employment?

**Checklist**
(Self-employed without employees - SEWoE)

- More than one client
- Authority to hire/dismiss staff
- Authority to make strategic business decisions

Source: 6EWCS

- ✔️ ✔️ ✔️ = genuinely independent
  - 56% of SEWoE
- ✔️ ✔️ = grey zone
  - 30% of SEWoE
- No or just one criteria fulfilled = Economically dependent worker
  - 13% of SEWoE
Heterogeneity of self-employed workers

EU28 workforce 220.7 million (% within workforce)

Employees 188.7 million (86%)
Self-employed 32 million (14%)

Self-employed 32 million (% within self-employed)

Stable own-account workers 8.3 million (26%)
Small traders and farmers 8.0 million (25%)
Vulnerable 5.4 million (17%)
Concealed 2.6 million (8%)
Employers 7.4 million (23%)

Self-employed 32 million (% within self-employed)

Source: 6EWCS
## Comparing outcomes

<table>
<thead>
<tr>
<th></th>
<th>Effect on health</th>
<th>Effect on mental well-being</th>
<th>Ability to work till 60</th>
<th>Effect on work-life balance</th>
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Source: 6EWCS
Key conclusions

Heterogeneity of self-employed workers

- Need to go beyond the traditional dichotomy ‘Self-employed with and without employees’
- Some self-employed workers face particular issues in job quality and sustainability of work

Working conditions and social rights – Issues on which all Member States can reflect:

- Social protection systems, incl. specific (potentially new) risks
- Address abusive situations, e.g. bogus self-employment
- Representation of self-employed workers
Looking forward – research on the digital economy

A new activity in Eurofound’s Work Programme 2017-2020: The digital age – challenges for work and employment

- How the widespread application of digital technologies transforms the production and distribution of goods and services, and the implications of such transformation for work and employment
- Conceptual framework and literature review (2017)
- The automation of services:
  - Game-Changing Technologies in Services (2017-2018)
  - Automation, task reorganisation and employment (2017-2018)
- Mapping the contours of the platform economy in the EU (2018-2019)
- The nature of work and employment in digitized workplaces (2019-20)
Looking forward – the role of social dialogue

Foundation Seminar Series 2016

• Participants from 15 Member States to discuss, explore and learn about the impact of digitalisation on work. Aim to build up national agendas for better implementation of digital changes.

• Sectoral impacts, new business models, skills needs, job quality and social dialogue

“Addressing digital and technological change through social dialogue”

• Five countries (CZ, DK, DE, ES, IT)

• Social partners active in national debate

• OSH, working-time, HR development, data protection etc.

• Expectation that negotiations will follow – though limited so far
Challenges

• Can governments regulate to ensure protection in the new world of work?
• European pillar of social rights foresees improved rights for leave and flexible working time
• And improved coverage of social protection (temporary workers and self-employed exposed)
• Can social partners negotiate better job quality?
Job quality profiles

EU28 workforce 2015

- High flying
- Smooth running
- Active manual

- Under pressure
- Poor quality

Skills and discretion
Social environment
Physical environment
Work intensity (reversed)*
Prospects
Working time quality
Earnings

20%
21%
13%
25%
21%