

Shaping the future of work

- COMECE contribution to the European elections -

I. Introduction

Whereas the past European elections in 2014 were marked by a deep economic crisis, the challenge ahead for the next five years will be to shape the digital and ecological transformation of the European economy and society. Both trends will continue to alter the world of work and like at the era of industrialisation, there are again many uncertainties arising about the access to work, its conditions and its future contribution as an elementary and defining part of human life.

For the Church, work has always been a human and hence a Christian priority:¹ in the midst of industrialisation in the late 19th century, Pope Leo XIII shed light on the consequences of the new technologies and the mass production on the human being.² Today, the Church again feels committed to its mission to read the signs of the time³, the new developments of digitalisation, artificial intelligence and ecological transition, and to call for the dignity of work.

Based on Catholic social teaching, the following reflection shall contribute to the agenda of the next European Commission and European Parliament. Moreover, it shall feed into the *Future of Work Centenary Initiative*, which the International Labour Organisations (ILO) has launched to mark its 100th anniversary in 2019.⁴

The report emphasises the need for a clear European vision that shapes the current transformation as to ensure that everybody as well as the society as a whole will benefit from the new development. Highlighting the central role of human work, it takes a look at the consequences of the shifts and contributes with a vision that promotes a decent, sustainable and participatory future of work for all. Derived from this, the report concludes with 15 policy recommendations that shall help the European Union to ensure that human work will become the instrument of personal fulfilment and participation to society in a rapidly changing world.

¹ Cf. Pope Francis, 2017, address at the meeting with representatives of the world of work, pastoral visit to Genoa, <https://bit.ly/2rrwFmF>.

² Pope Leo XIII, 1891, *Rerum Novarum*, encyclical on capital and labour, <https://bit.ly/12fQ8aH>.

³ Cf. Second Vatican Ecumenical Council, Pastoral Constitution on the Church in the Modern World *Gaudium et Spes* (1965), 78.

⁴ Cf. <http://www.ilo.org/global/topics/future-of-work/lang--en/index.htm>.

II. The centrality of work for our societies

Work is more than a source of income. It is an integral part of human identity and defines our role as human beings in society. In this time of accelerating technological progress, full employment therefore remains a primary goal for politics and the EU economy with a view to build inclusive and just societies.

From the perspective of Catholic Social Teaching, “*we are created with a vocation to work*”, as Pope Francis stressed in *Laudato si*⁵. Under decent conditions, paid labour does not only reward us with money, but in balance with voluntary and family work, it helps us:

To participate in creation. In a time marked by the urgent need for an ecological transition, it is important to remember that work refers also to the common responsibility to care for the world as given by God and past generations.⁶ According to the biblical account, God placed woman and man in the garden he had created to make it fruitful (“*till*”), but also to preserve it (“*keep*”).⁷ Thus, work is part of our vocation to develop our common house in a prudent way so that it will remain fruitful for the present as well as the future generations.

To fully integrate into society. Work helps us to find our role in the community being the primary mean towards a truly inclusive and active society composed of people coming from diverse backgrounds. Work gives us social recognition. We feel that we are needed by society and can play a role in helping our community to flourish. Moreover, by sharing the task with our colleagues and creating something together, we can learn from each other, enter into conversation and hence can overcome prejudices and build trusting relationships.

To foster our personal development. Finally, work is the setting of rich personal growth, “*where many aspects enter into play: creativity, planning for the future, developing our talents, living out our value, relating to others [...]*”⁸. Through work people not only develop their skills, but become responsible, critically-minded and autonomous citizens. Indeed, “*[w]e thrive on work as young people become adults through work [...] and it anoints us with dignity*”⁹.

Much beyond its financial aspect, work can play a vital role in defining our meaning of life on earth, binding us together and unleashing our talents. Hence, in the wake of the transformative changes, politics should always remain committed towards the goal of full employment and facilitate the transition towards a people-centred economy that allows everybody a dignified and self-determined life through work.

⁵ para. 128, <https://bit.ly/1Gi1BTu>.

⁶ Cf. Pope Francis, 2015, *Laudato si*, para. 124, <https://bit.ly/1Gi1BTu>.

⁷ Cf. *ibid.*; Genesis (2:15).

⁸ Pope Francis, 2015, *Laudato si*, para. 127, <https://bit.ly/1Gi1BTu>.

⁹ Cf. Pope Francis, 2017, address at the meeting with representatives of the world of work, pastoral visit to Genoa, <https://bit.ly/2rrwFmF>.

III. Understanding the transformation

Given the importance of work, it is necessary to shape the current developments that transform the labour world so as to ensure that everyone and the society as a whole will benefit from these shifts. Having this in mind, the current trends of job polarisation, new unregulated work forms and the intensification of work-life are clear indications where policy actions are needed.

Not only digitalisation and the drastic technological progress of the past years have shaped the conditions of labour in Europe, but likewise some long-term trends: already in 1981, Saint Pope John Paul II pointed out to the shifts in technological, economic and political conditions, which would *“influence the world of work and production no less than the industrial revolution of the last century”*¹⁰. He referred to the widespread automatisisation of production, the accelerating globalisation and the *“growing realization that the heritage of nature is limited and that it is intolerably polluted”*¹¹. While the speed and complexity of these trends have increased, the demographic shift marked by an ageing EU population and the technological-driven phenomena of digitalisation, big data and artificial intelligences have emerged and rapidly gained in importance as transformative drivers towards a new world of work.

Together these changes have triggered innovation and helped to create employment throughout the EU. However, we also have to note that the shifts undergoing in the world of work have likewise come with challenges that affect the European society as a whole, including the young people, families and citizens engaged in society:

1. Increasing job polarisation in European societies

While the changes of the past years have created work opportunities for high-skilled people, many routine-task jobs are at risk as they can either be relocated to a country of cheaper labour costs or replaced by robots or algorithms.

On the one hand, creativity and experience become more valued in Europe’s labour market and many of the newly created jobs are setting personal growth and tend to be much more rewarding than the routine-task and repetitive jobs that characterised to a larger extent the world of work of the past.¹²

Yet, current employment trends also show that in many EU Member States not just high-paid jobs, but likewise low-paid occupations in the service sector have increased.¹³ These are

¹⁰ Cf. Laborem Exercens, p. 2, <http://bit.ly/2sDk9PS>

¹¹ *ibid.*

¹² Eurofound, 2015, New forms of Employment, research report, p. 106, <https://bit.ly/2FS2nOc>.

¹³ Eurofound, 2017, Occupational Change and Wage Inequality - European Jobs Monitor 2017, p. 34, <https://bit.ly/2KKoB8G>; cf. also Eichhorst, Werner, 2017, Labour Market Institutions and the Future of Work: Good Jobs for All, Institute of Labour Economics (IZA) Policy Paper No. 122, <https://bit.ly/2wklKyX>.

professions that are difficult to automate or to offshore, such as providers of personal services, cleaning personnel and care workers, who in the past years had to work under an increasing time pressure, but still very low, if not ill-paid remuneration. As a result, in-work poverty has increased from 8 per cent in 2007 to 10 per cent in 2017.¹⁴

On the contrary, traditional middle-class jobs, such as clerical staff, bank tellers and sales workers, have diminished triggering a trend of job polarisation throughout Europe, which is most accentuated in those EU Member States where collective bargaining systems, regulatory employment policies as well as education and training schemes are less developed or, as in the case of Southern Europe, have been weakened in the aftermath of the crisis.¹⁵

In addition, digitalisation might further amplify the rural-urban and the North-South division in Europe as the digitalised economy is likely to create jobs in the urban areas and richer EU regions where digital infrastructure is already at place. This might further boost labour mobility, in particular of the young and highly-skilled people and, on the other hand, exacerbate the demographic challenges of Europe's rural areas and peripheral regions.¹⁶

2. Vanishing job security for young people

The changing world of work has allowed for the rise of more flexible work arrangements, including temporary contracts, involuntary part-time arrangement or agency work. In addition, new forms of employment have emerged, in particular in the collaborative (shared or platform) economy, which are radically transforming our understanding of work and the traditional relationship between employer and employee.¹⁷

Internet platforms that claim to be just intermediaries between consumers and service providers act rather as real employers by giving instructions to workers that are on paper designated as self-employed. Moreover, companies increasingly assign tasks and projects to freelancers or to crowd-workers recruited via internet platforms, without engaging in any employment relationship with them.

This development leads to a further flexibilisation of the labour market, in which foremost young people are left to manage their social protection, work health and safety protection on their own.¹⁸ The resulting job insecurity inhibits them to start a family, receive a mortgage or

¹⁴ Eurofound, 2017, In-work Poverty in the EU, research report, p. 3, <https://bit.ly/2wkFCO6>.

¹⁵ Eichhorst, Werner, 2017, Labour Market Institutions and the Future of Work: Good Jobs for All, Institute of Labour Economics (IZA) Policy Paper No. 122, <https://bit.ly/2wkIKyX>; *ibid.*, 2015, Do we have to be afraid of the Future of Work?, Institute of Labour Economics (IZA) Policy Paper No. 102, p. 19, <https://bit.ly/2jDscsF>.

¹⁶ Eurofound, 2017, Occupational Change and Wage Inequality - European Jobs Monitor 2017, p. 14, <https://bit.ly/2KKoB8G>.

¹⁷ Cf. Eurofound, 2015, New forms of Employment, research report, p. 106, <https://bit.ly/2FS2nOc>.

¹⁸ Degryse, Christoph (2016): Digitalisation of the Economy and its Impact on Labour Markets, European Trade Union Institute (ETUI) Working Paper 2016.02, p. 34, <https://bit.ly/2lIkfGA>.

simply plan ahead for their future, as the ever-increasing demand for flexibility does not allow them. Moreover, on-the-job training, which researchers as well as politicians stressed to be of strategic importance for the future of the digital economy and Europe's competitiveness, is often not provided to those working in flexible work arrangements as access to further education remains highly dependent on permanent contracts in the EU.¹⁹

Hence, labour law at the national as well as at the European level needs to be adapted in order to cover also the new forms of work that little by little are replacing permanent forms of employment in Europe.

3. New opportunities and risks for balancing family, social and work life

The spread and use of new technologies have gradually blurred the line between professional life and private life as a growing number of workers is nowadays able to work from everywhere at any time.

Although the possibility of teleworking and in general more flexible working-time arrangements can help people to keep or even improve their balance between working life and family life, this development in its current unregulated form may lead to work intensification and pervasiveness. If unregulated, it may trigger a culture of permanent availability, which finally damages life balance, and can harm employees' health. This is certainly worrying as creativity and the ability to take balanced decisions, hence the key competence of the digital economy, require fixed and sufficient rest periods.

On the contrary, common rest periods, which are free from production and consumption and in which the society as a whole can calm down, is in many EU Member States under fire. Sunday, which is recognised by tradition or custom as the weekly day of rest in all the EU Member States²⁰ and which until 1996 has been protected by European legislation, has become in many countries just another day, in which shops are open and production is running.

The possibility of accessing work emails and work-related data from everywhere at any time, the intensification of job life, and the virtualisation of human relation in the workplace have thus contributed to an increase in absenteeism.²¹ As physically demanding, sometimes hazardous labour has been replaced by robots or by workers outside of Europe, new psychological diseases, such as burnout and depression, have emerged as symptoms of the unease in a society marked by rapidification.

¹⁹ Degryse, Christoph, 2016, Digitalisation of the Economy and its Impact on Labour Markets, European Trade Union Institute (ETUI) Working Paper 2016.02, p. 34, <https://bit.ly/2llkfGA>.

²⁰ Council of Europe, 1996, European Social Charter (revised), Art. 2 (5).

²¹ Eichhorst, Werner, 2015, Do we have to be afraid of the Future of Work?, Institute of Labour Economics (IZA) Policy Paper No. 102, pp. 22, <https://bit.ly/2jDscsF>.

IV. Vision: decent, sustainable and participative work for all

Against the background of a rapidly changing world of work, Europe needs a clear and common vision on the role of politics in shaping these trends for the benefit of all. As derived from Catholic Social Teaching, we believe in a vision of decent, sustainable and participative work for all, which based on an economy that serves the integral human development, will contribute to a more inclusive and prosperous society.

1. Prerequisite: An economy at the service of integral human development

The necessary building block for such a shared vision is an economy that is geared towards its ultimate goal of serving the people. The European Union, known for its advanced welfare systems and high living standards, has a particular responsibility in defending and promoting such a person-centred model in a globalised economy.

The financial crisis, its roots, but also its consequences, however, have shown that the dignity of the people, their welfare and right to social inclusion and participation in society played only a subordinated role in Europe.

Instead, *“priority tends to be given to speculation and the pursuit of financial gain, which fail to take the context into account, let alone the effects on human dignity and natural environment”*²². Workers and their families are still too often reduced to mere statistics, to cost-intensive workforces that can be pared down, replaced by machines or “cheaper” workers from abroad in order to maximise the margin of profits.²³ A focus on short-term benefits and the increase in competition within companies have undermined trust, which shall be the soul of every organisation.²⁴ Hence companies struggle and implode, as there is no rope anymore that holds it together.²⁵

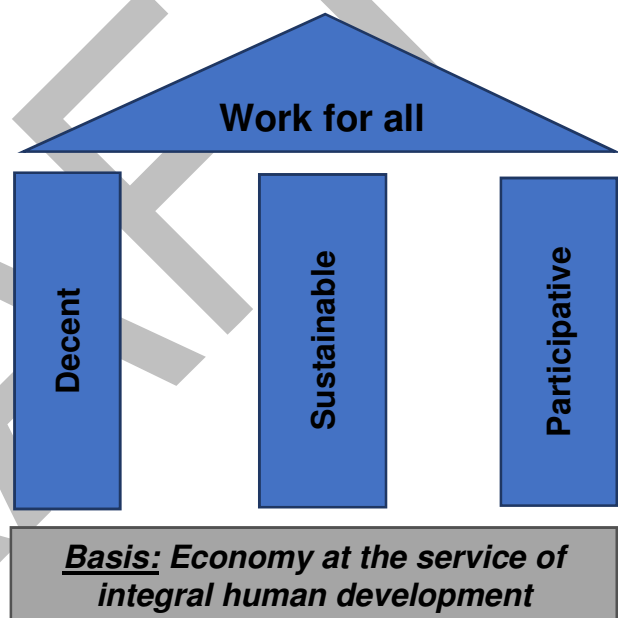


Figure 1: The vision of decent, sustainable and participative world of work for all

Source: COMECE illustration

²² Pope Francis, 2015, *Laudato si'*, para. 56, <https://bit.ly/1Gi1BTu>.

²³ Cf. Pope Francis, 2017, Address to the COMECE (Re)thinking Europe Dialogue, <https://bit.ly/2KKRkiq>.

²⁴ Cf. Pope Francis, 2017, address at the meeting with representatives of the world of work, pastoral visit to Genoa, <https://bit.ly/2rrwFmF>.

²⁵ *Ibid.*

Against this background, the EU and its Member States can lead the way in showing that the future of work will be prosperous for everybody and that it is not alone the margin of the profit, but first and foremost the integral development of the citizens that shapes the whole economy. It could show that solidarity, care for creation and respect for workers' rights on the one side and a free, competitive and innovation-driven market economy on the other are not mutually exclusive objectives, but rather goals that go hand in hand.

Based on this conviction, we encourage the European Union to further reorient its economy towards its Treaty objective of the social market economy²⁶, which links the idea of the free market economy with the precepts of solidarity and the policies to serve the common good.²⁷ The European Pillar of Social Rights is an important step in this direction, and we recall the EU as a whole to keep the promise and to quickly translate the principles into concrete policy actions using all instruments. We strongly recommend that the principles and rights of the Pillar will further shape EU policy-making and in particular guide the negotiations of the next Multiannual Financial Framework (MFF). It should also contribute to the development of a follow-up strategy to Europe 2020, which should place the Sustainable Development Goals (SDGs) at its centre and through the new MFF put emphasis on the development of the rural and less-developed regions in the EU.

2. Decent work that provides an adequate standard of living and leaves space for family and society

A first and important cornerstone for the future world of work is the fundamental and indivisible right to decent working conditions, which shall be not just limited to workers in the EU, but to all people that around the world contribute to the functioning of our interconnected global economy.

Following the ILO definition²⁸, decent work is such to enable people to foster their personal development and live a life in dignity. A digital and technological transformation, replacing routine-tasks and hazardous jobs with much more creative and fulfilling employment for all, can play an important role in this regard. From the viewpoint of Catholic Social Teaching, we would like to emphasise two aspects in this context in particular:

First, nobody – regardless of the form or the place of her or his work – can be denied the legitimate right to just working conditions and a remuneration that “*will give [workers] and their families a decent standard of living*”²⁹. Every person, notably those working under the supervision of somebody shall be entitled to a core set of enforceable rights, including health and safety protection, access to mandatory training and information. We therefore welcome the broad scope of the proposal for a *Directive on Transparent and Predictable Working*

²⁶ Cf. Art. 3 Treaty of the European Union (TEU)

²⁷ Cf. Pope Francis, 2016, Acceptance address on the conferral of the Charlemagne Prize, <https://bit.ly/24BFExe>.

²⁸ Cf. <http://www.ilo.org/global/topics/decent-work/lang--en/index.htm>

²⁹ Cf. Council of Europe, 1996, European Social Charter (revised), Art. 4 (1).

Conditions, which includes numerous new forms of employment. Moreover, we encourage the European Union and the Member States to enhance the working conditions for those that provide a vital service for society and the common good, in particular in the caring sector. While the need for domestic workers will grow in an ageing society, their remuneration and working conditions should remain a focal point of European as well as national employment policies.

Yet, the responsibility of the European Union to uphold adequate working conditions does not end at its borders in today's globalised economy. Instead, the EU, home of numerous multinational corporations and one of the largest consumer markets, has the moral responsibility to fulfil and promote adherence to international labour standards throughout the whole supply chain. It could become a frontrunner in a better implementation of the ILO international labour standards and the ILO Declaration on Multinationals and Social Policy and moreover, put emphasis on these core labour standards and social policy norms in its free trade agreements.

Second, we have to recall ourselves that work – even if it is paid a lot – is only decent if it leaves space for a life in society and family.³⁰ Mobile working devices and project-based work have blurred the boundaries between work and life, resulting in a culture of permanent availability, in which paid work does not become only a part, but the whole of our life³¹. As highlighted in the analysis, people can work nowadays from anywhere anytime. While this flexibility comes also with opportunities, the key challenge for today's politics and society is to prevent that the freedom in organising one's work and life does not lead to unlimited working hours, self-exploitation and a life that is dominated in all its spheres by work.

We therefore call on the EU to help preserving the spaces that beyond the market-oriented paradigm enable us to work for the common good of our societies. In a Union that socially as well as politically tends to grow apart, civic engagement and volunteering as an active expression of EU citizenship and contribution to cohesion have a central role to play.

Equally important is the recognition of unpaid work done by families, which in rearing and caring for our children and the elderly perform a vital service for the common good. We therefore encourage the EU to facilitate with its Member States the access to pension schemes and social security at large for those who provide with their daily work for their families. This policy could be flanked by strong minimum requirements on parental and carers' leave in Europe as suggested by the current proposal for a EU Work-life Balance Directive.

For both family and societal life, but also for workers' health, common free time and decent working hours are pivotal. Yet, they are also increasingly more difficult to preserve in a digital economy that has vanished the boundaries between private and professional life. Instead,

³⁰ Pope Francis, 2017, address at the meeting with representatives of the world of work, pastoral visit to Genoa, <https://bit.ly/2rrwFmF>.

³¹ Ibid.

companies should promote a corporate culture that protects the employees from long working-hours and (self-)exploitation. Likewise, the European Commission could facilitate the exchanges of good practices among the Member States that in a digitalised economy can curb the tendency towards permanent availability. There are already promising examples, such as the *Right to Disconnect* in France, which could help increasing protection of workers in other Member States and might provide elements for a revised European Working Time Directive.

However, central for a vivid civil society and a healthy family life are common days of rest that allows us to live together. Recalling our support for the European Sunday Alliance, we therefore remain strongly committed to its objective of reintegrating the Sunday as a synchronised day of rest in European law. The Sunday is the unique day of the week that allow us to spend and enjoy time together as society and to “do more, learn more, and have more so that [we] might increase [our] personal worth”³². Reinserting Sunday as a weekly day of rest in a revised European Working Time Directive will therefore prove that the EU is more than just a union of economic interest, but a community that places the rights and interests of its people as citizens – not as economic actors - at the centre of the common policies.

3. Sustainable work that provides stability for today’s and future generations

As complement to the aspect of decent employment, work must be sustainable in both, its socio-economic and its ecological dimension. This will ensure that work does not only provide the conditions for a stable and fruitful life of the present, but also of the future generations.

In response to an ever more flexible world of work, people first of all need employment conditions that support them in engaging and remaining in work throughout their working life, and policies that protect them in case of unemployment. Young people need the security to start a family, to build their home and to settle down. Fixed-term contracts, on-demand work and other new forms of employment that do not deliver a steady income fail to provide them the security in life that permanent jobs used to give over the past years. Moreover, in today’s knowledge-based economies, life-long learning schemes and on-the-job training gain a vital role for workers to catch-up with the accelerating pace of technological change. Yet, which incentive has a company to offer these trainings if the employee will stay just for a limited period of time?

The European Union could play a vital role in discouraging the use of short-term contracts or other non-standard work forms, in particular zero-hour contracts, as cost-cutting measures. A temporary job can become a tool to bridge long-term sick leave or parental leave, but it should not become a regular device for companies to hire people. Furthermore, we

³² Blessed Pope Paul VI, 1967, *Populorum Progressio*, encyclical letter on the development of peoples, para. 6, <https://bit.ly/1EVok1z>.

encourage the EU and its Member States to ensure that everybody, regardless of the type of contract or employment relationship, has access to social protection in the EU. Every citizen in the Union should be insured against the risks in life and shall be able to accumulate and transfer social security entitlements across all types of employment forms.

Yet, in a world where everything is interconnected and where today's decision about our lifestyle will have a vital impact on the quality of life of our children, work becomes only sustainable if it does not harm or destroy the livelihood of the others. In particular, our work should not be guided by short-termism, but by a long-term perspective that respects the right of future generations. Likewise, it is necessary to take into account the effects of our work and life on people in other parts of world, where the effects of man-made climate change have already deteriorated the life and work of millions of people.

The EU instead could become a frontrunner in promoting those types of occupations and businesses that, in line with the biblical account, seek to continue creation and care for the environment. Sustainable investment that together with enabling regulatory policies supports and further shapes the idea of a European circular economy can play a vital role.

4. Participative work that allows employees to shape their environment

"If there is one word that we should never tire of repeating, it is this: dialogue", underlined Pope Francis in his acceptance speech of the Charlemagne Prize.³³ He reminds us that dialogue is the privileged mean for building consensus and agreement for a just, responsive and inclusive society. It follows that not state policies alone, but primarily social dialogue among workers and employers at equal footing shall shape the working environment.

Starting from *Rerum Novarum*, the Catholic Church has promoted the right to freely form and join a workers' association.³⁴ Together with minimum standards guaranteed by EU and national law, social dialogue helps to guide the sometimes-conflicting interests of employers and workers towards the common good.³⁵ Indeed, countries with long tradition of social dialogue have been more resilient throughout the economic crisis and are less polarised in terms of job creation along the income scale.³⁶

It is hence surprising that this fundamental right as enshrined in the European Treaties under Art. 152 TFEU³⁷, has come under pressure by recent political interventions throughout the crisis, in particular by the European Semester and the Troika agreement. Contrary to this

³³ Pope Francis, 2016, Acceptance address on the conferral of the Charlemagne Prize, <https://bit.ly/24BFExe>

³⁴ Cf. Pope Leo XIII, 1891, *Rerum Novarum*, encyclical on capital and labour, para. 54, <https://bit.ly/12fQ8aH>.

³⁵ Cf. Pope Francis, 2017, Address at the encounter with the world of work, unemployed representatives of Unindustria, trade unions, the National Confederation of Cooperatives and Legacoop, pastoral visit to Bologna, <https://bit.ly/2HZHcMg>.

³⁶ Eurofound, 2017, Occupational Change and Wage Inequality - European Jobs Monitor 2017, p. 14, <https://bit.ly/2KKoB8G>.

³⁷ Treaty on the Functioning of the European Union.

practice, social partners should be involved in the design and implementation of European employment and social policies as to ensure that the policies will be in balance of interest between employers and workers.³⁸ Especially in the European Semester, social partners as well as civil society actors, including the Church-based organisations, and Churches should be consulted as to allow them to bring in their insights and expertise of day-to-day social work.

With a view to these objectives, the EU should remain committed to its initiative of a new start for the social dialogue and should improve its conditions at all levels by means of capacity building and increased funding. We also call on the social partners to keep their promise in reinvigorating the European social dialogue and contributing to the European integration process by negotiating and adopting EU-wide framework agreements.

Workers' organisations could foster their ties and dialogue also with workers beyond the European borders. They contribute to the economy and sometimes work in the same company on the same product, but often under less favourable and sustainable conditions. Likewise, the EU could facilitate the conditions of trade unions and workers' organisations to better represent the interests of those employees working in the new forms of employment and hence allow also them to take part in the social dialogue.

5. For all: inclusive world of work that allows everybody to contribute

Lastly, but most importantly, the decent, sustainable and participative world of work is not exclusive, but open to everybody. Centred around the goal of full employment, it seeks to enable everybody to contribute to the development of a just and sustainable society.

As explained in the second chapter, work is much more than a source of income, as it helps us to care for creation, to define and integrate ourselves in society, and to unleash the rich personal growth inherent in all of us. *"It follows that, in the realities of today's global society, it is essential that 'we continue to prioritize the goal of access to steady employment for everyone', no matter the limited interest of business and dubious economic reasoning."*³⁹

The idea of granting an unconditional income to every citizen has gained some prominence in recent months. Yet, as supporters and opponents bring different models into the discussion, there remain numerous questions: can it become an adequate alternative to the current social security system and allow people to catch-up with some other types of work, such as family and voluntary work? On the other hand, is it just to grant everybody the same amount of money, though some people due to illness and blows would require more extensive support to live a life in dignity? Will such a scheme enable the most vulnerable to fully take part in society, or will they, their families and children, feel neglected from society, and discarded with money? Considering all this, unconditional income support does not

³⁸ *While respecting the diversity of national systems and in line with the principle of subsidiarity.*

³⁹ Pope Francis, 2015, *Laudato si'*, para. 127, <https://bit.ly/1Gi1BTu>.

seem to be the panacea to the complex challenge of unemployment and poverty. Pope Francis reminds us that decent and sustainable work anoints us with dignity and “[i]t [therefore] must be clear that the real goal to be achieved is not ‘income for all’ but ‘work for all’! Because without work, without work for all there is no dignity for all.”⁴⁰

Hence, society is called to ensure that nobody feels left behind and cut off from the technological and societal evolution. Education and training, notably life-long learning schemes will play a pivotal role in this regard. Yet the ever-accelerating pace of these changes will require a considerable amount of public investment to allow workers that have lost their jobs a smooth transition towards new employment. We therefore recommend enhancing the support for workers affected by the mutation in the world of work and suggest turning the Globalisation Adjustment Fund (EGF) into a European Transition Fund. The EGF, which since 2007 supports European workers whose jobs have been replaced by trade liberalisation, could broaden its focus. The funds, for instance, might also facilitate the transition of those employees used to work in environmentally damaging activities and that lost their routine-task jobs due to automatisations of processes. Such a new fund equipped with an extended budget could help workers to extend their knowledge and explore other possibilities in a more creative and people-centred economy. Furthermore, the EU and its Member States could explore the possibility of better re-integrating the long-term unemployed, by offering them tailored-made job search assistance, training, socio-educational help and – if possible – publicly financed jobs in order to bridge the access to the labour market.

With a view to an economy that serves the human integral development, businesses need to remain encouraged to invest in people and fulfil their noble vocation of generating prosperity and creating employment. Currently, however, EU average tax rates on labour are still considerably higher than taxes on capital, and they have subsequently increased since 2009 while top corporate income taxes have steadily fallen since then.⁴¹ In an increasingly capital-intensive economy, we therefore encourage the EU and its Member States to rebalance the taxes to be paid between capital and labour and better capture the value added generated by robots as well as by transactions on intangible assets, information and data. By targeting profits, the EU should thus focus on removing mismatches between national systems and preferential regimes that allow tax avoidance. We therefore support the proposal on a Common Consolidated Corporate Tax Base (CCCTB) and strongly encourage the Council of the EU to come to a swift decision that proves that the EU is more than just a collection of interest groups, but “a single community that sustains and assists its members”⁴².

The additional tax revenues can hence help to bolster the national and European security schemes and help to shape the transformation towards a more decent, sustainable, participative and above all inclusive future of work. For instance, the revenues can partly

⁴⁰ Cf. Pope Francis, 2017, address at the meeting with representatives of the world of work, pastoral visit to Genoa, <https://bit.ly/2rrwFmE>.

⁴¹ European Commission, 2017, Taxation Trends in The European Union – Data for the EU Member States, Iceland and Norway, <https://bit.ly/2w05d24>.

⁴² Cf. Pope Francis, 2017, Address to the COMECE (Re)thinking Europe Dialogue, <https://bit.ly/2KKrkiq>.

contribute to the EU budget, as proposed by the European Commission, and provide the money for the European Transition Fund.

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V. Policy recommendations

Derived from the analysis and the vision of decent, sustainable and participative work for all, we suggest to the institutions of the European Union and its Member States the following 15 policy recommendations:

1. ***Prerequisite: Economy at the service of human integral development***

- **Promote human integral development.** We encourage the EU and its Member States to guide its policies towards the Treaty objective of a social market economy, which links the freedom of the market with solidarity and care for creation. Towards this aim, the EU should strictly adhere to the climate, employment and poverty targets of the Europe 2020 strategy and place the Sustainable Development Goals at the centre of a new strategy for 2030.
- **Rebalance economic freedom with social rights.** The EU should swiftly translate the European Pillar of Social Rights into concrete policy actions using all policy instruments, including legislations, the European Semester, EU funds and European social dialogue.

2. ***Decent ...***

- **Ensure decent working conditions in all forms of employment.** In line with European Court of Justice case law, European legislations should safeguard that every person that works under the supervision of somebody shall be entitled to a core set of enforceable rights, including health and safety protection, access to mandatory training and information.
- **Uphold international labour standards.** Together with its Member States, the EU should become a frontrunner in advocating, promoting and implementing international labour standards, with particular reference to the ILO Declaration on Multinationals and Social Policy. Especially, it should incorporate these labour standards as conditionality in its Free Trade Agreements.
- **Promote the recognition of family work and volunteering.** With a view to their vital service for the common good, also family members rearing their children and caring for the elderly should have access to health insurance as well as a right to adequate pension. Moreover, the EU should better recognise the work and the informal qualification attained by volunteering.
- **Facilitate the exchanges of good practices on decent working hours.** The spread of mobile work devices has facilitated the trend towards a culture of permanent availability. We therefore call on the EU to secure working hours respecting workers' health, safety and human dignity through a revised Working Time Directive and other relevant legislations, including a *Right to Disconnect*.

- **Reintegrate Sunday protection into EU law.** Whereas EU citizens are increasingly faced with work on public holidays and Sundays, we recommend that the EU protects Sunday in the revised Working Time Directive as a collective day of rest for society in order to preserve the health of workers and as a pre-condition for a participatory society.

3. ... sustainable ...

- **Promote permanent employment.** The European Union should discourage the use of short-term contracts or other non-standard work forms, in particular zero-hour contracts, as cost-cutting measures, and help to convert temporary labour into permanent employment.
- **Guarantee access to social protection to all forms of employment.** Every citizen in the Union should be protected against the risk in life and shall be able to accumulate and transfer social security entitlements across all types of employment forms. We therefore encourage the EU and its Member States to ensure that everybody, regardless of the type of contract or employment relationship, has access to social protection in the EU.

4. ... participative ...

- **Strengthen the involvement of social partners, civil society and Churches in the European Semester.** The European Union should foster the dialogue with the aforementioned institutions and involve them in the design and implementation of European employment and social policies, in particular the European Semester. This will enhance ownership and favour a smooth implementation of policy measures.
- **Reinvigorate social dialogue at all levels.** The EU and the Member States should facilitate the conditions for effective and genuine social dialogue at all levels, which is characterised by regular consultation, negotiations and exchange of information between and among independent trade unions as well as employers' associations and governments on policies of common interests. The EU should especially encourage the negotiation of autonomous EU-wide framework agreements.
- **Adapt trade unions to the post-factory environment.** Today's more segregated and autonomous world of work challenges the strategies of trade unions and in particular those workers employed in the new labour forms feel barely represented by them. Against this background, trade unions should be supported in adapting their established models of campaigning and advocacy in order to more effectively and inclusively represent the interests and rights of all workers, especially the most vulnerable, across the EU.

5. ... work for all.

- **Support workers in the transition towards the new labour world.** We recommend enhancing the support for workers affected by the transformation and suggest turning the Globalisation Adjustment Fund (EGF) into a European Transition Fund that equipped with expanded resources helps workers to adapt to the new world of work, in particular in the rural regions.
- **Develop tailored-made programmes to curb long-term unemployment.** The EU and its Member States should explore the possibility of better re-integrating the long-term unemployed by offering them tailored-made job search assistance, training, socio-educational help and – wherever appropriate – publicly financed jobs in order to bridge the access to the regular labour market.
- **Promote tax justice between labour and capital.** Fairer taxation, especially of multinational and digital companies can help raising resources for financing the transition towards a decent, sustainable and participative future of work. We therefore call on the Council of the EU to improve the taxation of the digital economy and swiftly agree on a comprehensive directive on a *Common Consolidated Corporate Tax Base (CCCTB)*, which is capable of removing the mismatches and preferential regimes that allowed for tax avoidance.

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