Ambrosetti Club Europe lunch meeting

The new world of work. The European agenda and the contribution of the business community on lifelong learning, upskilling and reskilling and labour policies in the light of the Twin Transition
Scene setter

The theme of the meeting is “The new world of work. The European agenda and the contribution of the business community on lifelong learning, upskilling and reskilling and labour policies in the light of the Twin Transition”.

Ambrosetti Club Europe is a platform reuniting the top management of major Italian multi-national corporations. The aim of the club is to facilitate an open and informal dialogue between top executives, policy makers and other stakeholders on priority issues for businesses.

open debate focusing on issues such as jobs, skills and social inclusion, in light of the post-pandemic scenario and the new needs imposed by the conflict in Ukraine.

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Dear members of the Ambrosetti Club Europe,

I commend the organisers of this meeting for choosing such a topical theme as the new world of work and the challenges raised by the twin green and digital transitions in the areas of lifelong learning, upskilling and reskilling and labour policies.

The meeting comes at a time when recovery and the twin transitions are in full swing. With the Commission at the forefront of EU action to ensure a social fair transition.

We are living in turbulent times, with the coronavirus pandemic still raging in several parts of the world and the ongoing war in Ukraine, with whom we stand in solidarity and to which we offer our full support. This only serves to strengthen our conviction that dialogue and constructive cooperation among all stakeholders, be they public authorities, trade unions, civil society organisations or employers’ associations such as this one, is the right way forward.

Climate change is already disrupting our environment and affecting the lives of billions of people around the world. At the same time, in light of Russia’s invasion of Ukraine, the new geopolitical and energy market reality requires us to accelerate the clean energy transition and increase Europe’s energy independence.

The stakes for the success of the transition are therefore even higher in the current context. We can only succeed if this accelerated transition occurs in a fair and just manner. This requires both mid- and long-term foresight, and policy action from the outset as well as in the long run.

EU initiatives on green transition

The European Green Deal sets the goal of making Europe the first climate neutral continent by 2050.

Fairness and solidarity are defining principles of this growth strategy for a sustainable Europe. The success of the green transition depends on our capacity to ensure that no one is left behind.

To reaffirm this ambition and put people at the heart of the transition, the Commission put forward on 14 December 2021, as part of the “Fit for 55” package, a proposal for a Council Recommendation on ensuring a fair transition towards climate neutrality.

This proposal sets out specific guidance to help Member States devise and implement policy packages that ensure a fair transition by addressing the relevant employment and social aspects linked to the transition in a comprehensive manner.
To take an example that is close to your scope of activities, industry employs around 30 million people and accounts for 20% of the greenhouse gas emissions in the EU.

However, the decarbonisation process will require a significant transformation of the industry (changing the production modes, creating sustainable supply chains etc.), with direct implications for workers. In the medium to long term, job losses are expected in declining industries, for instance, coal mining and certain parts of energy production.

It is also important to recognize regional disparities that just transition policies must consider. For instance, while all Member States face challenges, employment in energy-intensive manufacturing, including in the automotive industry and in extractive industries tends to be concentrated in regions in the South, Central and Eastern Europe.

At the same time, many regions in Europe, including in coastal areas and remote territories that may face specific adjustment challenges, have substantial potential to generate renewable energy.

[Green skills]

The Commission estimates that, with the right accompanying policies, the green transition could lead to the creation of up to 1 million additional jobs in the EU by 2030. Many of these new jobs are likely to be in the middle-skill and middle-income range.

The green transition coupled with the automation and digitalisation of our economies will lead to both new emerging green occupations and a transformation of existing jobs.

This shift will require what we broadly refer to as ‘skills for the green transition’. They include occupation- or sector-specific professional skills, for instance expertise in renewable energy, but also science, technology, engineering, mathematics skills, as well as soft and other transferable skills.

Overall, this points to the urgent need for policies to realise potential and address risks of the transition notably through measures looking at labour market policies, re- and up-skilling, investments and the mitigation of regressive impacts.

In particular, people most affected - in certain sectors and regions - must have access to skills development and adequate income security to transition towards the green economy or other sectors with labour needs.
Digitalisation

- We also need to ensure that every European can benefit from the opportunities the digital transition brings. European Commission is determined to make the coming decade Europe’s Digital Decade. The EU’s digital strategy aims to strengthen business competitiveness, improve infrastructure and modernise public services. Most importantly, it is anchored on rights and principles that put solidarity and skill development at the core of the strategy.

- Over 90% of jobs now require some level of digital skills, as does participation in society at large. The collaborative economy, robotisation, artificial intelligence, e-services all require a workforce with relevant skills.

- Today, over 28 million people in the EU work through digital labour platforms. In 2025, their number is expected to reach 43 million people. The Commission’s proposal for a Directive on improving the working conditions in platform work aims to ensure decent, transparent and predictable working conditions and adequate social protection for them, while supporting the sustainable growth of such platforms.

- The COVID-19 pandemic has significantly impacted the world of work and made one thing clear: being able to use digital technology has become necessary not only to study or to work, but also to carry out many daily activities, such as accessing medical care.

- One impact of this social transformation is that job stability has decreased in most countries.\(^1\) It is a very visible fact that workers today face more frequent job transitions throughout their careers. This requires them to update and widen their skills to adapt to quickly changing demand.

- In the EU, we benefit from a strong labour acquis that sets rules related to working and resting times, health and safety, sound working conditions and preserving the boundaries between professional and private life.

- It is important that we continue monitoring the context and evolution of telework and the right to disconnect, in the broader context of the new forms of work, as well as exchanging experience and good practices on the various responses to the challenges and opportunities posed by digitalisation of the world of work.

- Such research and exchanges will feed evidence into the Commission’s reflections on the appropriate response to the requests of the European Parliament’s Resolution on the right to disconnect.

Poverty/inequalities

- The twin green and digital transitions have a positive potential but are not inclusive by default: we must work together to tap into this potential and ensure they are truly fair and inclusive, in line with the principles of the

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\(^1\) OECD Employment Outlook 2019
European Pillar of Social Rights. The Pillar is our guiding compass, together with its action plan and targets for 2030 in the area of jobs and working conditions, skills and equal opportunities, as well as social protection.

- **One in ten workers is at risk of poverty in the EU (9.4%).** Work must pay. Low wages make it more difficult for people to make ends meet and, at the same time, they affect the dignity of work.

- We estimate that 37 to 69% of tasks are automatable thanks to new technology, which also presents risks for minimum wage earners.²

- To help remedy this situation, the Commission proposed a Directive for a framework on adequate minimum wages. The proposal would in particular benefit women, who are twice more likely to earn the minimum wage than men, as well as migrants, young and low-skilled workers, single parents and workers with non-standard contracts, by allowing them to earn a decent living for them and their families.

- This year we will present a proposal for a Council Recommendation on minimum income schemes to strengthen upwards convergence of people who find themselves unable to access the labour market.

- Also, an upcoming European Care Strategy will aim to support men and women in finding the best care and work-life balance.

[The relevance of lifelong learning]

- Skills are a necessary ingredient - for innovation, for the economy, and for the society at large – as acknowledged by the European Pillar of Social Rights, whose first principle is that “everyone has the right to quality and inclusive education, training and life-long learning”.

- At the EU Social Summit in Porto in May 2021, the leaders of the European Union agreed on three ambitious headline targets to steer our joint action by 2030:
  
  - increasing employment (to 78% employment rate, from 72% in Q3 2020);
  
  - reducing poverty (15 million fewer people at risk of poverty and social exclusion, of which 5 million children, from 91 million people in 2019);
  
  - developing skills.

- By 2030, at least **60% of adults in the EU should participate in learning** every year, from less than 40% (in 2016). Moreover, 80% of adults should have basic digital skills by 2030 (versus 56% in 2019).

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² Employment and Social Developments in Europe. Annual review 2018, European Commission
These are ambitious targets that we cannot afford to miss. With the shift to a climate neutral society and the digitalisation of all aspects of work and life, lifelong skills development has become a necessity for all.

**[EU responses]**

- Raising the skills of the workforce and the adult population in general is a major objective of the European Social Fund Plus, the EU’s main instrument for investing in people with a budget of close to EUR 100 billion for the period 2021-2027.

- The Recovery and Resilience Facility (RRF) – the temporary recovery instrument of over EUR 720 billion at the heart of NextGenerationEU recovery package – has added firepower to this objective. All EU Member States have allocated a significant share of the facility to improving education and training, with a focus on upskilling adults, while driving forward the green and digital transitions.

- The EU policy framework for skills at European level is the European Skills Agenda, a five-year plan (2020-2025) to help individuals and businesses develop more and better skills.

- Our European Skills Agenda also heralds concrete measures to support the development of digital skills and skills for the green transition.

- With regard to the green transition, we developed tools to help identify the policies and the skills needed for this transition.

- Last year, the Commission put forward a Recommendation on fair transition to encourage Member States to put in place comprehensive policy packages to deliver on the promise of leaving no one behind. Skills are key in this regard.

- Another concrete example of the Commission’s actions is the taxonomy of skills for the green transition that we published in January this year. Here, we identify 381 skills, 185 knowledge concepts and 5 transversal skills considered as most relevant on a greener labour market.

- This classification will provide an important reference point when it comes to designing and planning learning programmes.

- We have supported the development of a core green skills set of professional skills that will be needed for the green transition across economic sectors.

- We have recently updated the Digital Competence Framework to take account of emerging technologies such as Artificial Intelligence, and phenomena such as increased teleworking, and the green and sustainability aspects of interacting with digital technologies.

- And we have created the Digital Skills Assessment tool to help people assess their digital skills levels.
• The Commission has also proposed to Member States to set up schemes for individual learning accounts, providing training entitlements for all adults of working age.

• In other words, we aim to put the individual in the driving seat with a training budget that can be transferred between jobs.

• Information and guidance also play a major role. Guidance services need to rely on good anticipation of skills needs, both in general and related to the local or regional labour market.

• There has been a proliferation of so-called micro-credentials, which are small, targeted qualifications that can support flexible upskilling and reskilling.

• But workers do need good advice in order to find those micro-credentials that are most useful for their professional development. And both they and employers need to be able to trust micro-credentials.

• For this purpose, the Commission has just proposed to set up a common European approach to micro-credentials, to increase their quality and credibility.

• Micro-credentials work very well, among others, to validate the skills acquired in non-formal and informal settings.

• Education and training institutions need to cooperate with industry, both employers and unions, and with civil society.

• We are trying to promote innovative cooperation through an action that we call the Pact for Skills, launched in November 2020, which is emblematic of the Skills Agenda – an initiative built upon partnership and shared endeavour.

• This call for action has been heard. Almost 600 organisations have joined the Pact and eleven large-scale skills partnerships have been established in key industrial ecosystems, including the automotive sector, offshore renewable energy, and cultural and creative industries.

• Together these partnerships have committed to providing training opportunities for 6 million working-age people across Europe.

• At the European level, we established support services for Pact members to provide networking opportunities and facilitate access to skills intelligence and information on funding opportunities.

• By the end of this year, our ambition is to have at least one large-scale skills partnership in each of the 14 ecosystems identified by the EU industrial strategy.

• And in the coming months, we will also seek to develop new regional skills partnerships.
• Working in partnership is the key to cracking the skills gap challenge. The Pact for Skills is built on this principle - calling on companies to work together to build skills throughout the value chain.

[Social Dialogue]

• Social dialogue is a key factor for achieving a just transition that is fair to workers and employers. Because the social partners are best placed to explore solutions suitable for both sides.

• This is why the Commission works closely with the social partners, involving them in the process in various ways. Just transition is a constant subject of discussion in the social dialogue meetings supported by the Commission, which provide valuable input to the decision-making process.

• As announced in the European Pillar of Social Rights Action Plan, the Commission is preparing a major social dialogue initiative for this autumn.

• The initiative will include a chapeau Communication on strengthening social dialogue in Europe and a proposal for a Council Recommendation on the role of social dialogue at national level.

• Social dialogue, including collective bargaining, is a crucial factor and beneficial tool for a well-functioning, socially fair and highly competitive social market economy.

• A strong involvement of social partners is key for ensuring fair transitions to a climate neutral and digital economy and for shaping the future of work.

[Conclusions]

• Before I conclude let me say a few words on Italy. The Italian national Recovery and Resilience Plan includes a comprehensive set of actions, including a reform agenda that concerns the entire education cycle, from early education to higher education. It also aims at strengthening employment, social and territorial cohesion by financing Active Labour Market Policies, public employment services, upskilling and reskilling initiatives. It also envisages social inclusion actions targeted towards vulnerable and disadvantaged groups, such as people with disabilities and the elderly.

• The ESF – and the ESF+, which is the main EU fund investing in human capital – plays a also key role in supporting Italian companies and public authorities at national and regional level to address these challenges. Its 2021-2027 budget amounting to more than EUR 14.8 billion investing on employment, social, education and skills policies, combined with the EUR 50 billion of RRF support in these areas can make a significant difference and represents a unique opportunity for skills development in Italy.

• The COVID-19 pandemic, and now the Ukraine refugee crisis have created
a broad consensus that we need to work together,

- **We need to build a true, strong Social Europe** in a moment where digitalisation, artificial intelligence, automation and the greening of the economy are transforming the world of work at breath-taking speed, challenging workers’ rights and our social protection systems.

- We need to act swiftly and effectively to foster investments towards quality job creations, inclusive education systems and skills, and to ensure fair living, working conditions and well-bei

**Background**

**European Skills Agenda**

The European Skills Agenda includes **12 actions** organised around four building blocks:

- A call to **join forces** in a collective action:
  - Action 1: A Pact for Skills

- Actions to ensure that people have the **right skills for jobs**:
  - Action 2: Strengthening skills intelligence
  - Action 3: EU support for strategic national upskilling action
  - Action 4: Proposal for a Council Recommendation on vocational education and training (VET)
  - Action 5: Rolling out the European Universities Initiative and upskilling scientists
  - Action 6: Skills to support the twin transitions
  - Action 7: Increasing STEM graduates and fostering entrepreneurial and transversal skills
  - Action 8: Skills for life

- Tools and initiatives to **support people** in their lifelong learning pathways:
  - Action 9: Initiative on individual learning accounts
  - Action 10: A European approach to micro-credentials
  - Action 11: New Europass platform

- A framework to **unlock investments** in skills:
  - Action 12: Improving the enabling framework to unlock Member States’ and private investments in skills

The European Skills Agenda sets objectives to be achieved by 2025, based on well-established quantitative indicators.

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<th>Current level (latest year available)</th>
<th>Percentage increase</th>
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<td>Participation of adults aged 25-64 in learning during the last 12 month (in %)</td>
<td>50%</td>
<td>38% (2016)</td>
<td>+32%</td>
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<td>Participation of low-qualified adults 25-64 in learning during the last 12 months (in %)</td>
<td>30%</td>
<td>18% (2016)</td>
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<td>Share of unemployed adults aged 25-64 with a recent learning experience (in %)</td>
<td>20%</td>
<td>11% (2019)</td>
<td>+82%</td>
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<td>Share of adults aged 16-74 having at least basic digital skills (in %)</td>
<td>70%</td>
<td>56% (2019)</td>
<td>+25%</td>
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**Digital skills**

Digital skills are omnipresent across the Skills Agenda: in the Pact for Skills, the Blueprint for sectoral skills cooperation and so on.

More specifically, Action 6 of the 2020 Skills Agenda aims to support skills for the twin transitions and, more specifically, digital skills for all. This includes actions 8 and 9 of the Digital Education Action Plan, which are under the responsibility of DG EMPL.

- **Update of the European Digital Competence Framework** (with JRC - action 8 of the Digital Education Action Plan: On March 22, the Commission has published an updated framework to improve digital skills in the European Union. The Digital Competences Framework (DigComp 2.2) takes account of emerging technologies such as Artificial Intelligence or the Internet of Things – i.e. connected devices like washing machines, or connected cars – and phenomena like increased remote working, which requires new and increased digital competence from workers and employers. An additional focus of the new framework is on digital literacy, enabling people to fact-check online content and its sources. Schools, companies and others will use DigComp 2.2 to update their learning curricula, set learning goals and outcomes, assess digital skills in education and the labour market, and to certify skills. The Commission presented DigComp 2.2 at the Digital Education Stakeholder Forum. It will play a central role in achieving the ambitious EU objective to ensure that 80% of the population should have basic digital skills by 2030.

- **European Digital Skills Certificate** (with JRC), action 9 of the Digital Education Action Plan – to develop a European Digital Skills Certificate (EDSC) that may be recognised and accepted by governments, employers and other stakeholders across Europe. This would allow Europeans to indicate their level of digital competences, corresponding to the Digital Competence Framework proficiency levels. The EDSC levels will correspond (map onto) to specific DigComp 2.1 (and then future DigComp 2.2.) proficiency levels but will require regular updates of certification content. The EDSC could be issued by organisations (government recognised bodies, schools, VET colleges, industry) following an agreed set of guidelines for quality, assessment. The EDSC will support the ambitious 70% and 80% objectives mentioned in the Skills Agenda and Digital Compass. The EDSC will only work if there is an agreement between key stakeholders (governments, ministries of education and training, employers, unions, digital stakeholder organisations and existing training providers egg CISCO and Microsoft, etc.) on the process for obtaining certification, the skill levels indicated and what they represent.

**Green skills**

- **ESCO taxonomy of skills for the green transition**: The taxonomy was published end of January 2022 and had been announced under the European Skills Agenda.
ESCO is the multilingual classification of European Skills, Competences, Qualifications and Occupations. It identifies and categorises skills, competences, qualifications and occupations relevant for the EU labour market and education and training, supporting the transition in the labour market and the connection between job seekers and employers. In its current version (v1.1) it includes 3008 occupations and 13890 skills and knowledge concepts in 27 languages. Occupations and skills in ESCO are interlinked, meaning that the classification displays the skills and knowledge that are essential or optional to perform an occupation. As workers need a skill set that can respond to the need of reducing emissions in working practices, the Skills/Competences pillar of ESCO has been enriched with the additional information at skill level to distinguish green skills and knowledge concepts. This means that within the whole dataset of ESCO skills, it is possible to download the set of identified green concepts in different formats. In the next future, it will be possible to filter the green skills and knowledge concepts in the ESCO website and to look at green skills in occupational profiles. A total of 571 ESCO skills and knowledge concepts are labelled as green. They were identified following an approach combining human validation and machine labelling, based on a definition of green skills as the knowledge, abilities, values and attitudes needed to live in, develop and support a society which reduces the impact of human activity on the environment; Green skills and knowledge concepts in ESCO refer to technical and technological skills, cross-sectoral skills looking at the broader dimension of sustainability and transversal skills related to individual sustainable and eco-friendly behaviours.

- **Core green skills:** The Commission launched an Erasmus+ call for proposals under the Annual Work Programme 2022, focusing on green skills in the VET sector. The objectives of the call are to develop a set of core green skills for the labour market across different economic sectors to guide training and to integrate this set of core green skills into VET curricula, as well as in the training of teachers, trainers and other staff. Application deadline was on 15 March 2022. Currently, the evaluation committee is assessing the applications received.

- **Developing a European competence framework on education for climate change.** “GreenComp”, the European sustainability competence framework, was published in January 2022. It maps out the competences needed for the green transition, including critical thinking, initiative-taking, respecting nature and understanding the interconnections between the environment, society and the economy. While the taxonomy of skills for the green transition focuses on technical skills needed on a greener labour market, GreenComp defines more transversal competences that all citizens need to live in a greener and more sustainable society.

Council Recommendation on European approach on micro-credentials

Negotiations of the proposal are ongoing since March 2022. The FR presidency decided to hold the negotiations in the EYCS filière.

However, an important part of the Recommendation focuses on the use of micro-credentials in active labour market policies (ALMPs). It is important that labour authorities are fully involved and that the final text will enable the use of this flexible tool for upskilling and re-skilling for the labour market to its full potential.

Micro-credentials can offer quick and targeted upskilling and reskilling for workers, learners and jobseekers. They can be developed jointly by social partners to meet specific labour market needs and address targeted skills shortages, including in the context of the recovery to respond to the digital and green transition.

It would be important to keep the current section on active labour market policies and to actively promote the use of micro-credentials for labour market purposes, as well as the involvement of social partners in the design and use of micro-credentials.

Micro-credentials should by no means replace state-recognised qualifications. They can be used to complement qualifications and to top-up and certify people’s skills in a flexible and relatively fast manner.

Proposal for a Council Recommendation on Individual learning accounts:

The proposal for a Council recommendation on individual learning accounts (adopted by the Commission on 10 December 2021, COM(2021) 773 final) recommends Member States to:

- Set up an individual learning account for all working-age adults and ensure an adequate provision of training entitlements, with additional support for those individuals most in need of up- and reskilling. This account should allow individuals to accumulate and preserve individual training entitlements over time, in order to use them for eligible, quality-assured training, guidance or validation;
- Embed the individual learning accounts in an enabling framework, which includes a national registry of training, validation, and career guidance opportunities that are eligible for funding from the training entitlements.
- The proposal for a Council Recommendation also calls on Member States to allow for training leave arrangements that cover all the working-age population.

Negotiations started in January 2022 under the FR Presidency.

Telework

The coronavirus crisis has forced many companies to switch to telework, thereby accelerating the already ongoing increase of teleworking arrangements. According to a recent Eurofound report for EU countries based on an e-survey, one third of respondents worked exclusively from home in July 2020. Nearly half of the respondents teleworked at least some of the time. Telework allowed many companies to stay afloat and workers to keep their jobs during the pandemic.

- Figure 1: Teleworking during the pandemic
The Commission is monitoring closely the developments in the labour market arising from the coronavirus crisis. Eurofound estimates that about 37% of jobs are teleworkable and that telework is here to stay. While the flexibility deriving from telework offers opportunities, it can also challenge the work-life balance by blurring the lines between professional and private life. Therefore, these opportunities need to be seized and the challenges need to be addressed through the appropriate policy tools.

In the EU, a strong set of social and labour laws already address several of the challenges of telework and the right to disconnect. These include the Framework Directive on Occupational Safety and Health, the Working Time Directive, the Directive on transparent and predictable working conditions and the Directive on work-life balance for parents and carers.

Furthermore, in line with the European Pillar of Social Rights Action Plan and the Commission Work Programme 2021, the new OSH Strategic Framework 2021-2027, scheduled for adoption in June 2021, takes into account the challenges brought by the digital transition related to the changing nature of tasks, work patterns and workplaces. It points to the Commission’s aim to ensure appropriate follow-up to the EP Resolution on the right to disconnect. It also repeats the invitation to the social partners to find commonly agreed solutions to address the challenges raised by telework and digitalisation and the right to disconnect, and invites social partners to take action to update agreements to address such issues as for example psychosocial risks. The OSH legislative framework, moreover, provides for several “hooks” that are relevant for the right to disconnect which may be further explored as part of the current exercise.

The Implementation report of the Working Time Directive, foreseen for Q4 2022, provides a good opportunity to reflect on the implications of remote work on working time. As agreed with Commissioner Schmit at the Jour Fixe of 13 April, the accompanying Communication to the report will consider some of the more strategic challenges related to working time and indicate possible need for further reflection and forward looking approach.

In addition, social partners’ cross-industry Framework Agreement on telework (2002) and the more recent Framework Agreement on Digitalisation in 2020, tackle telework and modalities of connecting and disconnecting. The latter agreement is currently being implemented at national, regional and local level. European Cross-industry social partners have acknowledged the need to clarify the “modalities of connecting and disconnecting” from work. As with “remote work”, there is no one definition of the right to disconnect. It is generally understood as the right of a worker not to be asked to work outside contract-bound hours, through formal or informal solicitations by digital means. The practicalities through which this may be achieved are up for discussion.
Some countries have introduced legislation, some have left social partners deal with the issue, while others are still debating if and how they should act.

On 21 January, the European Parliament adopted a legislative initiative resolution on the right to disconnect. The resolution calls on the Commission “to put forward a proposal for a Union directive on minimum standards and conditions on the right to disconnect, as well as to present a legislative framework establishing minimum requirements for telework across the Union. At the same time, it highlights the central role of social partners in the negotiation, application and enforcement of rules on telework and the right to disconnect.

The Commission, in the framework of its follow-up actions to the European Parliament’s resolution, invites social partners to find commonly agreed solutions to address the challenges raised by telework, digitalisation and the right to disconnect. It proactively supports social partners in their endeavour, facilitating discussions and the identification of best practices, by assessing existing practices and rules related to the right to disconnect.

In parallel, the Commission will also continue to explore the context and implications of the right to disconnect in its wider context of remote work beyond the pandemic. This will entail facilitating debate on these topics with Member States, social partners and relevant stakeholders and exchanging good practices through various fora, as well as conducting research on the trends, evolution and implications of remote work.

The outcome of these exchanges and research will underpin the Commission’s considerations for the need for a possible EU initiative addressing the requests of the Resolution.

The Commission will make sure that existing EU laws aiming to preserve a separation between private and professional life, as well as a good work-life balance, are properly enforced by Member States.

This concerns for instance the Working Time Directive and from next year on the Work-Life-Balance Directive, which is due to be transposed into national law by August 2022.

Council Conclusions on telework

The Council Conclusions on telework, adopted on 14 June 2021, highlight that the recent increase in telework makes it necessary to consider the potential limits and risks of teleworking.

It underlines the opportunities offered by telework, which include for workers the possibility to improve their work-life balance, achieve greater productivity and autonomy, and reduce the time needed for commuting. For employers, it allows for savings on the costs of premises and offices and can encourage the development of IT skills by employees. It also underlines several risks for workers, including, among others, excessive control through monitoring of the use of corporate IT equipment, blurring of lines dividing work and private life and higher levels of work intensity. The conclusions note that rules of employers, collective agreements and labour laws have often not yet been adapted to take into account the increase in telework.

The Council Conclusions therefore call on Member States to, among others, to consider:

• Establishing new, or expanding existing national action plans or strategies, addressing the opportunities and risks related to telework, taking into account the gender perspective.
• amending their policies regulating telework or issuing guidance, for instance with regard to the organisation and monitoring of working time, risks related to equality between women and men, equal training and career opportunities, allowances to cover the costs of teleworking and the promotion of social dialogue between employers and workers.

• establishing or reinforcing initiatives to strengthen labour inspection and occupational health and safety in view of the risks arising from telework.

The Council Conclusions also call on the Commission to analyse the context and implications of telework in the EU and the extent to which current social and labour law in the EU ensures decent working conditions for teleworkers and responds to their particular situation and challenges, including the right to disconnect.

The Council Conclusions recognise the important role of social partners in finding commonly agreed solutions.

The topic of telework is high on the agenda of the Portuguese Presidency. Portugal has recently published a green paper on telework at national level.

The Council Conclusions on telework were widely welcomed by MS. In SQWP discussions, stronger emphasis on the issue of social partners’ autonomy and on gender equality were supported by the vast majority of MS.

The Conclusions also refer to the European Parliament resolution on the right to disconnect\(^3\), which requests the Commission to submit legislative proposals on telework and the right to disconnect.

The Commission, in its response to the European Parliament\(^4\) outlined a number of follow-up actions responding to the requests of the resolution. These include a large-scale study (2022), as well a high-level conference in Q1 2022. The Commission will also call for debates in EMCO, EPSCO and the European Parliament. The Commission may proceed with a first-stage consultation of social partners in early 2023 in line with Art. 154 TFEU.

The Council Conclusions’ call on the Commission to examine the context and evolution of telework and the right to disconnect, including the adequacy of the current applicable labour acquis corresponds to the Commission’s follow-up actions to the EP Resolution.

**Right to disconnect**

With the rise of digitalisation, there are growing demands for new rights tailored to the digital age.

Among these, the so-called “right to disconnect” is an important issue in the future of work debate that deserves careful consideration.

There is no single EU law addressing the Right to Disconnect. However, we have in the EU a strong set of social and labour laws, which already address several of the challenges raised by this report:

**The Framework Directive on Occupational Safety and Health** creates an obligation for employers to take the measures necessary for the protection of workers’ safety and

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The Working Time Directive lays down minimum requirements for the protection of workers’ safety and health in all sectors of activity. It sets minimum daily and weekly rest periods and a minimum period of paid annual leave, and limits weekly working time and the length of night work.

The Directive on transparent and predictable working conditions will give workers without a predictable working pattern (e.g. on-demand or zero-hours workers) the right to know reasonably in advance when work will take place; this will de facto grant them the right to be disconnected outside such periods. The Directive is due to be transposed into national law by August 2022.

Last, the Directive on work-life balance will facilitate the reconciliation of work and family life, providing parents and people with caring responsibilities with rights related to suitable leaves and flexible working arrangements. The Directive is due to be transposed into national law by August 2022.

As highlighted in the European Parliament’s report, social partners have a central role in dealing with issues linked to a right to disconnect and the broader issues raised by remote working.

In the past, social Partners had already agreed on a cross-industry Framework Agreement on telework (2002).

More recently, European social partners concluded a Framework Agreement on Digitalisation in 2020. It specifically tackles telework and modalities of connecting and disconnecting although it didn’t foresee the right to disconnect. This agreement is currently being implemented at national, regional and local level.

The Commission’s follow-up actions to the EP resolution on the right to disconnect

The following follow-up actions are being prepared / implemented:

- ECE seminar on post-COVID working arrangements, 18 June 2021
- Study on the context and implications of remote work and the right to disconnect beyond the pandemic – to kick-off in March 2022
- Conference on telework and the right to disconnect – organisation in progress
- Informal ISG meeting on telework and the right to disconnect: first meeting was held on 17 September 2021.

Council Conclusions on the socio-economic impact of COVID-19 on gender equality

These Conclusions adopted on 14 June 2021:

- noted that women, on average, have less access, less exposure, and less experience with digital technologies than men, which risks limiting women’s opportunities and individual capacity to respond to the demands emerging from the increased use of telework; and

- that the lack of balance in domestic and care responsibilities can exacerbate the workload and mental burden of female teleworkers, especially those with
small children.

The Council invited the Commission and Member States to develop and disseminate more data disaggregated by sex, information and research on the impact of COVID-19 on gender equality, including:

a) The implications of increased telework for gender equality including in the context of the reconciliation of work, family and private life, taking into account the relative prevalence of teleworking among women and men, and the impact of the temporary closure of schools and childcare facilities, as well as different household configurations and their work arrangements.

b) The extent of men's increased participation in domestic work and unpaid care work during the pandemic and its reasons and impact.

c) The impact of the crisis on working patterns, including working hours, inactivity and work interruption.

d) Take-up of parental, family and child-related leaves.

Social dialogue

The Social Dialogue initiative to be adopted in September 2022 will promote social dialogue and collective bargaining at European and national levels.

A chapeau Communication will outline the main challenges ahead in terms of social dialogue and collective bargaining in light of the recovery, the transitions, the new forms for work and the societal expectations.

It will outline key actions on strengthening social dialogue at European level, stress the European support to national social dialogue and collective bargaining, recall the international dimension of strong social dialogue and set out actions to improve the analytical underpinning on the topic,

A proposal for a Council Recommendation on the role of social dialogue at national level would support the implementation of Principle 8 of the European Pillar of Social Rights and focus on the role of social dialogue at national level. It will address the main challenges:

(1) the substantial differences between Member States when it comes to the structures, processes, and quality of social dialogue;

(2) the lack of proper involvement on social partners as evidenced again during the preparations of the National Recovery and Resilience Plans;

(3) the decreasing trends in the coverage of collective bargaining agreements and lack of participation of younger generations in social dialogue and

(4) the need for social partners to find innovative solutions to better cover new forms of work including the platform economy.