



The Future of Work



ITUC CSI IGB International Trade Union Confederation

The Future of Work

The global workforce is around three billion people. The world economy depends on their labour, and their families and communities depend on the income from that labour.

However, the right to work and the dignity of that work are being undermined by an economic model founded on labour arbitrage in the endless quest for profit. The erosion of fundamental rights, the absence of minimum living wages and the decline in collective bargaining resulting in a global slump in labour income share, along with the failure to ensure universal social protection, have led to historic levels of inequality.

Tragically, the vested interests of the few have been afforded preference over the interests of the great majority. Naked self-interest has been dressed up as modern economic models to justify why wealth is not being shared, why natural resources are being exploited unsustainably, why corporations and the wealthy pay no or little tax, and why there is a severe lack of resources for social protection including health and education.

“Trickle-down” economic theory and more recently, austerity, have failed. Trade and investment rules have favored finance and capital in developed economies. Global supply chains channel wealth to a handful of corporations, while workers in those supply chains experience low wages, insecure and often unsafe work. A war against unions and freedom of association is being waged, and democracy is being corrupted by concentrated wealth. Indeed, too many corporations and business associations are buying or bullying legislators and executive branch officials to influence public policy to the detriment of working people.

The result is a global workforce in serious trouble:

- Only 60 per cent of workers are employed in the formal economy and more than 50 per cent of these workers are in precarious or insecure work.
- Forty per cent struggle to survive in the informal economy – with no rights, no minimum wages and no social protection.
- More than 45 million people are in modern slavery/forced labour.
- Three quarters of the world's people have inadequate or no social protection.

According to the ILO, in emerging countries, 1.6 billion people of working age are out of the labour force and in addition to this, official unemployment is more than 143 million workers. In developing countries, some 90 million are out of the labour force and 15.7 million are unemployed. Sixty-nine percent of the working population in developing countries are classified as “working poor”, earning less than US\$ 3.10 per day. Informal employment accounts for 90% of total employment in developing countries and 67% in emerging countries. Some 70 million people in developed countries are classified as “working poor”, earning less than 60% of national median household income.

Global GDP has trebled since 1980, yet labour income share has declined and vital investment in infrastructure, care and the green economy are inadequate.

In addition to these challenges and the consequent vulnerability of the global economy, the potential for a vastly more unequal world is emerging with waves of new technology. There are major deficits in the regulatory environment for ensuring decent work in internet-mediated platforms, and there is scant investment in new jobs to mitigate the displacement of workers in the face of the future of production.

Our most recent global polling shows that the majority people are not opposed to new technology but they are anxious about their jobs.

While digitalisation will accelerate, new business models are being founded on the expectation that workers will give up employment contracts and social security, and forget the notion of a regular working schedule where work, family and leisure can be balanced.

Effectively, many of these businesses are informal, sometimes not registered, paying no or little tax in the country where profit is earned, and they take no responsibility for an employment relationship. Without a social license to operate, they are effectively above the law. They operate outside of jurisdictions and thereby disrupt key sectors including transport, health, hospitality, financial services, education and more.

Workers providing services via such companies are left on their own to pay for their social security, taxes and training – all while they have no control over pricing, working conditions, safety or their personal data. They compete against each other for an irregular and unpredictable supply of work. Those who own the big platforms reap billions from this model, and traditional companies are also starting to outsource work through platforms, encouraging wage dumping and avoiding responsibilities.

Unions know that technology itself is not the issue – innovation will be successful or not on its merits. Societies will embrace the potential of scientific advances in health and many other areas where

it is safe. Unions have been involved in shaping technological change for decades. They will need to look at how to support organising and collective action by workers doing internet-mediated jobs and by setting floors for contract prices including through cooperatives.

The basis of decent work remains the same:

- Freedom of association
- Minimum living wages and collective bargaining rights
- Safe work
- Universal social protection
- Mandated due diligence for all business to mitigate violations of rights

Access to lifelong learning is also crucial, with technology impacting on the tasks that workers do and creating a continuous need for workers to be able to upgrade their skills.

The G20 Labour Ministers declared that violation of workers' rights could not be part of the competition. This must remain true for all forms of work including that dependent on digital platforms, or where changes in production take place. All employers must take responsibility for decent work for all their workers, whether directly employed or through contractors in supply chains, and for those dependent on the market place of platform businesses.

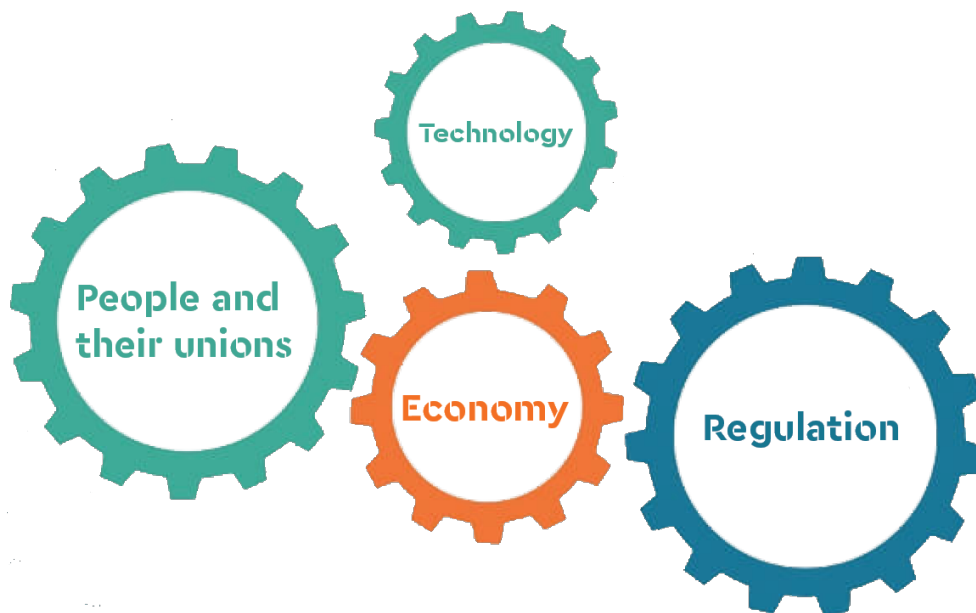
We welcome the ILO's Future of Work Commission. The challenge for this Commission is to chart a pathway for full employment and decent work in the face of technological change.

The ITUC also supports the Global Deal initiated by the Prime Minister of Sweden, Stefan Löfven. Social dialogue is a vital tool to ensure the regulatory framework and the workplace practices that guarantee both a social license to operate for business and the formal, rights-based work essential for working people and their families.

Sharan Burrow
General Secretary, ITUC

ITUC Report: Shaping the Future of Work

This report sets out a series of key policy issues, and points for consideration by unions, in shaping the future of work, under four main headings



Economy

The failures of governance which led to the 2008 global financial crisis and the ensuing recession have, following more than two decades of corporate globalisation, deepened inequality, failed to ensure full employment and decent work, increased precarious work and informalisation, and fuelled a tide of disillusionment which is being exploited by populist politicians across the world. It has also placed the global economy itself on a highly precarious footing, with economic demand stagnating due to lack of purchasing power.

The future world of work is not just about technology. It is about tackling the enormous economic and political

challenges facing society, and the debate around it must avoid being confined to the narrow perspective of new technologies being implanted into a system which is already failing working people. Nor can it be about an “old” economy where work was mainly done by people and a “new” economy where work is automated and the tasks of those who do have jobs are governed by algorithms and apps.

The ITUC Global Poll has consistently shown overwhelming support for action to rein in the power of global corporations and the finance sector, to ensure secure and decent jobs, a fair share for working people through wages and social protection, and other key objectives of the union movement. Governments have however not heeded this

sentiment. Unless this changes, the transition into the future world of work will be disorderly and corporate-dominated, deepening insecurity and inequality yet further and eroding democracy.

Governments and business need to recognise that the transition into a highly digitalised economy must be a just transition, with investment in the occupations, sectors and communities affected to maximise the quality and productivity benefits, while ensuring that those whose jobs are affected or at risk receive the necessary support. In the same way, the future of production and services must ensure that wherever jobs are located, they are decent and safe with decent wages, the right to collective bargaining and social protection. The transition must also support development and sustainability, especially through close connection with the UN Sustainable Development Goals and the transition to a zero-carbon, zero-poverty future.

For this to happen, urgent action, including by global institutions such as the G20, ILO, OECD and UN is needed across a range of key global challenges:

Wages and social protection – the world needs a pay rise

The falling wage share, with millions of workers in supply chains and the informal economy struggling even to survive, is causing untold misery and threatening the global economy itself as purchasing power stagnates. Unions across the world are campaigning for better wages, with a minimum living wage and extension of social protection to the 75% of the world's workers who have no or insufficient social protection. Economic and social policies are needed to ensure a fairer distribution of income and wealth. The time has also come for an informed analysis of the benefits and costs of a basic income guarantee.

Closing the gender gap

Stagnating participation of women and the gender pay gap are the most tangible consequences of the systematic discrimination against women at work and in society that exists in every country. Where austerity policies have been imposed, it is women who have

shouldered the heaviest burden, through unpaid work providing care and through disproportionate impacts on their incomes and opportunities. On current trends, the gender pay gap of 23% globally will not be closed until 2069. This alone demonstrates the gravity of gender discrimination and the absolute necessity for action to end it. The future of work must be a future where women and men are equal.

Eradicating Tax Avoidance and Evasion

Rampant tax avoidance and evasion, especially by multinationals and the finance sector, is depriving governments of the revenue needed to deliver quality public services and social programmes. Stagnating wages and the “Uberisation” of work will mean that governments will be able to rely less and less on taxation of workers to make up for the low-to-zero taxes paid by the ultra-rich and many corporations. Privatisation and asset sales may provide governments with temporary fiscal relief, but at a huge cost to societies and economies. Tax justice is essential to ensuring that governments have the revenue needed to provide quality public services, social protection and the range of other functions that will shape the future of work based on social inclusion.

Investment in infrastructure and the care economy

The lack of infrastructure and the ageing of existing infrastructure in many countries is choking economic growth and hampering job creation. At the same time, demographic trends and inadequate existing provision are creating a time bomb in health and social care. **Investment in the care economy and in infrastructure** are not only vital to fix these problems – both types of investment create much-needed jobs and growth.

Tackling climate change through industrial transformation

Digitalisation at work and future production technologies offer tremendous potential to boost efficiency and replace carbon dependency with a renewables energy future. The global challenge to achieve a zero-carbon, zero-poverty economy requires vision, commitment and courage by

politicians and businesses alike. The key to achieving this is the agenda for a Just Transition, based on rights, social dialogue, investment in transition and negotiating change in industries and in the workplace that addresses climate change and creates the industrial transformation necessary to save humanity and the planet.

A coherent and tripartite approach

In many countries, policies on digitalisation have been developed in government ministries responsible for technology with limited involvement from other ministries and little if any public consultation, leaving the private sector in the driving seat. This has begun to change, partly due to debates about the future of work; nevertheless, only a few countries are undertaking the necessary “whole of government” approach along with engagement with trade unions and other relevant groups. Tripartite social dialogue must be at the centre of coherent and comprehensive approaches to the possibilities and challenges of digitalisation and the future of production and services, including training and re-skilling of workers.

Trade and investment policies

The growing influence of populist and nationalist policies has had an impact on the international trade agenda, with many of the potential consequences not yet fully understood. While trade unions have mobilised against those elements of agreements which disempower workers and entrench corporate power over governments and that limit the space for good public policy making, the solutions offered by populists are not in the interests of working people. Provisions such as those contained in the proposed **TiSA** and the e-commerce agenda being promoted in trade agreements would lead to wholesale “Uberisation” of economies and further encroachment of multinational companies into vital public services. These must be rejected.

Sustainable development

The adoption of the UN Sustainable Development Goals provides an agenda for development with decent work at its heart. The SDGs must not remain simply an aspiration – they provide an important

universal framework for decisions about the future of work, and it is important that the implementation of the SDGs and decisions about the future of work, and in particular the role of government, are integrated.



Powerful corporate interests have succeeded over many years in weakening or eliminating legislation which regulates the private sector, through lobbying governments, corporate-friendly trade agreements and indeed through corrupt practices. This corporate capture of government is a major threat to a future that ensures good and sustainable jobs, secure incomes on which people can build a decent life, tax justice and a range of other matters which are crucial to prosperity for the many rather than the few.

The 2016 ITUC Global Rights Index revealed an increase of 22% in the number of countries with restrictions on freedom of speech, association and assembly, that 82 out of 141 countries surveyed exclude workers from labour law and that more than half exclude all or some workers from collective bargaining. The 2017 Index revealed that 116 countries had violated the right to strike in practice. Legal frameworks governing the employment relationship have also been eroded in many countries. Where good laws and regulations do exist, they are too often not enforced, while in some of the world’s richest countries in the Gulf, the total absence of rights leaves workers in modern slavery. Reversing the erosion of workers’ rights, by ensuring that governments fulfil their responsibilities to regulate, must be a central objective of trade union action around the future of work. Workers in the “digital economy” must have the same rights and protections, including the ILO’s core labour standards, as other workers. Along with this, questions around regulation in a number of other areas will be vitally important. These include:

Global rules for global supply chains

With 50 of the world’s largest multinationals having a “hidden workforce” of 94% of the workers in their supply chains, governments, in particular in the home countries of these companies need to make them legally accountable for due diligence throughout their

supply chains, for ensuring fundamental rights and safe work for the entire workforce and for ensuring justice where rights are violated.

Fighting modern slavery

Some governments are now legislating to hold companies accountable specifically on the scandal of modern slavery in their businesses at home and abroad. Analysis of this legislation, its impact and enforcement and its deficiencies, will provide useful tools for the fight against modern slavery as a basis for political demands for governments everywhere to introduce legal requirements on companies, with appropriate penalties for non-compliance.

Definition of a business

Companies such as Uber effectively operate in the informal sector, avoiding responsibility for the rights and entitlements of their global workforce. The ability of such companies to operate within, and often outside, the law, has major implications for workers, for tax receipts, public safety and a range of other areas.

Data protection and digital rights

Employer monitoring and surveillance of workers is increasing dramatically and related to this are concerns about the vast collection, analysis and manipulation of data by large corporations. Therefore, legal frameworks around the rights of individuals and groups, including workers, to protection of their data need also to be considered. The growing importance of algorithms being used to substitute decision-making by people is also leading to calls for regulation of how algorithms are deployed and for what purposes. The creator of the World Wide Web is now also [warning about data abuse and the use of algorithms to influence elections](#), in ways that circumvent electoral law.

Competition law

The emergence of a relatively small number of multinational corporations into positions of dominance in the data marketplace globally poses major questions about the extent to which competition regulators are equipped and willing to ensure a level playing field, as well as to the adequacy of current competition laws

and the extent of international cooperation in this field. In addition, competition law has been used in some countries to deny collective bargaining rights to freelance workers, including in the setting of minimum prices for freelance work.

Taxation

Many of the multinational companies which derive all or much of their profits from collecting, manipulating and selling data are notorious for tax avoidance, and the expansion of internet-mediated production and services threatens to deprive governments of even more tax revenues. Some in the industry, such as Microsoft founder Bill Gates, now call for a “[robot tax](#)” even as Microsoft, like other technology companies, itself has faced criticism over its tax affairs.



Technological innovation has always been a part of the world of work; however, in the past 20 years the internet has enabled dramatic and exponential increases in the pace of change. With the advent of the “Internet of Things”, the number of devices connected to the internet is expected to reach more than 20 billion by 2020. Nevertheless, around 50% of the world’s people still do not have access to the internet. With much of the new technology coming into the world of work dependent either directly or indirectly on the internet, unless there is massive and rapid investment in connecting the remaining 50%, there will be a huge increase in inequality between the internet “haves” and “have-nots”, with dramatic economic and social consequences.

“Advances in technology and the expansion of internet access create enormous opportunities and challenges for working people. Union engagement in education, training and organising in the internet age is crucial. The ITUC is committed to internet governance which is free from domination by any government or corporate interest, and which ensures the free flow of information with strong protections for personal information and freedom of speech subject to the rule of law.”

Congress Statement of the 3rd ITUC World Congress (Berlin, May 2014)

Advances in robotics, nano- and bio-technology, “artificial intelligence”, machine learning, the Internet of Things and 3D printing in manufacturing, materials science and a host of other areas will deliver enormous benefits to society, and are already doing so in a number of areas, such as health and tackling climate change. At the same time, these advances will have profound consequences on employment and on workers. Some estimate that, over time, around 60% of jobs could be partially automated, with up to 10% of jobs being displaced altogether. Others forecast even greater impacts. Virtually all the studies show that lower-skilled or routine intensive jobs are most at risk; however, there will also be impacts on more highly skilled occupations.

The TUAC document “**Digitalisation and the Digital Economy**” gives a good overview of the key issues, a number of which are highlighted in the following. While the specific impacts of various technologies in different sectors and occupations varies considerably and will continue to do so, there are a number of key overall trends and risks that, from a global perspective, are not being properly addressed:

- Digitalisation is contributing to fragmentation of work, breakdown of employment relationships and social dumping, as companies which organise work through online platforms (e.g., “ride-sharing” such as Uber and piece-work services such as Mechanical Turk and UpWork) seek to expand and as they lobby effectively for deregulation. Governments need to **ensure that these companies are regulated**, that they pay a fair share of tax and that the people who work for them and with them have the same rights as other workers including the right to organise, the right to collective bargaining, through portable entitlements to social protection, pensions and other benefits.
- While “platform” businesses today only account for a small amount of GDP and employment, they are becoming increasingly important in services such as care. Unions need to work to shape how these business models operate, while maintaining the fight for public investment and provision of vital services.

- Significant **skills gaps** are emerging, limiting the potential for replacement of jobs lost to technology by new jobs which have higher IT, STEM or service content. These skills gaps need to be addressed through education and training systems that are in tune with the evolution of work in the digital age.
- Increasing reliance on digitally-mediated production and services requires high levels of **cybersecurity** to protect systems and avoid disruption. This poses particular challenges in ensuring that workers’ rights are not infringed, and also in ensuring that the growing skills gap in this field is addressed.
- For increasing numbers of workers, the “total surveillance workplace” is now a reality, with **continuous and intrusive monitoring** which sometimes extends beyond the workplace into private lives and gives employers unprecedented control. Some companies are also using social engineering techniques on their workforce to increase productivity and profits, but without commensurate increases in pay or protection from overwork and stress. This is linked to the overall issue of people’s rights concerning data about them, especially as a small number of “big data” corporations consolidate and expand their influence over workers and society in general.
- The blurring of private life and life at work is also a reality for many, with disruption of **work/life balance** and often extra hours worked without compensation, especially in mobile work.
- Occupational and public **health and safety standards** are often not sufficient or sufficiently enforced as automation is deployed, frequently using poorly-tested algorithms, and as new materials are used in production processes.
- There is a pronounced **gender gap in the information technology sector** in particular, with women accounting for only around one-quarter of jobs. This gap is worsening where “old” jobs are being replaced with “new” jobs which have higher technology content, with women having as little as 20% chance of finding a “new” job compared to men. Urgent attention to this problem, including through education and training as well as anti-

discrimination measures and maternity benefits, is required.

- The limitations of and potential damage caused by the deployment of algorithms, in particular with little or no human involvement, are becoming increasingly apparent. **UNI Global Union is calling** for the establishment of a global convention on the ethical use, development and deployment of artificial intelligence, algorithms and big data.
- Developments such as the deployment of “**blockchain**” or distributed ledger technology by businesses in a number of sectors are likely to have unpredictable but potentially substantial impacts on the way businesses operate and on the nature of jobs in the future. Trade unions need to increase their understanding of the possible effects and uses of such systems, both in terms of the evolution of work and in potential uses of them by unions themselves to reach and organise workers.

All workers must have the fundamental rights to freedom of association and collective bargaining, protection from discrimination, exploitation and hazardous work, the assurance of a living minimum wage and social protection in the new world of work. Online platforms in particular must be required to ensure that workers’ social protection and other entitlements are met, and that their rights are respected.

Achieving a digital just transition will be challenging, in particular as many governments show no real inclination to ensure proper regulation of the digital economy or to protect and promote workers’ rights to social dialogue and collective bargaining. Meeting that challenge will be central to ensuring the maximum social and economic benefits of digitalisation and avoiding a dystopian corporate free-for-all of yet greater inequality, insecurity and exploitation.

The TUAC document “Digitalisation and the Digital Economy” sets out the key principles for ensuring a “digital just transition”. These include:

- Research and early assessment of social and employment impacts
- Social dialogue and democratic consultation of social partners and stakeholders
- Active labour market policies and regulation, including training and skills development
- Social protection, including securing of pensions
- Community renewal and economic diversification plans
- Sound investments leading to high quality, decent jobs.



People and Their Unions

For the trade union movement, the future of work starts now, and trade union organising, collective bargaining and political strategies to shape the future world of work are firmly embedded in the realities of working life today.

People have formed and joined unions for over 150 years to promote and defend their interests at work, and pursue broader goals of social justice, equality and democracy. Workers still come together to take collective action, even when the denial of their rights by governments and by employers is absolute, whether they be **Uber drivers in Qatar**, **plantation workers in Honduras** or workers in Asia's **supply chain factories**.

In most countries, union membership is stagnant or in decline, as **governments weaken or eliminate laws** protecting fundamental rights to organise and bargain collectively, and impose yet further limits on **freedom of speech and assembly**.

Changes in the organisation of work in the era of globalisation, in particular through technological innovation, have made it more difficult for unions to organise. Growing **fragmentation and precarity in the labour market** are making the challenge yet harder. 40% of the world's workforce is struggling to survive in the informal economy, and the majority of formal economy workers are experiencing levels of insecurity as never before – the ITUC 2017 Global Poll shows that 73% people are worried about losing their jobs.

In addition, erosion of the **public sector**, with its relatively higher level of union density, threatens both job security and social cohesion. The union movement faces the twin challenges of defending and promoting the public sector, as well as organising workers in privatised services, such as the growing numbers of women working in privatised care services.

At the same time, trade unions are the largest and most potent force for social justice in the world, with more than 200 million members, and with influence often beyond their actual membership through political action and through the positive impact, for workers who are not unionised, of collective bargaining and legislative gains.

The **ITUC Global Poll** has consistently shown huge public support for the core values and demands of trade unions and for the rights to organise, to bargain collectively and to take industrial action.

Building the power of workers has never been more important in the face of a dominant model of globalisation that has marginalised workers with insecure, low-paid and often unsafe work. People know that the power has shifted. Ninety-three percent of people say the economic system favours the wealthy rather than being fair to most people, and 90% say it's time to re-write the rules of the global economy.

This puts **unions on the frontline of defending of decent work**, whether the work is done through direct employment, subcontracting, agency recruitment or contracted through digital platforms or other means. All workers must have the same fundamental rights; the right to social protection, a minimum living wage, to collective bargaining and employer compliance with labour standards. Those employed through “digital platform” businesses are already organising and taking action.

Unions will fight to guarantee that these rights are fully exercised.

With the rapid acceleration of technological change through **digitalisation** of production and services, and the use by companies of digital platforms to avoid their responsibilities as employers, unions are adapting their strategies, and will need to further adapt. Well-established principles and methods including cooperatives or other collective bodies, where digital work is organised and shared and a floor price is set, can be part of the answer. Just as SEWA is organising cooperatives and associations of **self-employed women workers** in the poorest areas of India, Georgian unions are organising informal **transport workers**, Sweden's UNIONEN is working on **regulation of platform businesses and digitalisation** for decentralised collective representation and Germany's IG-Metall is, with other unions, engaging with **“crowdworkers”**.

The weakening of legal protections for workers is the result of companies looking to escape responsibility for an employment relationship. The **responsibility of governments** is to hold them accountable as

registered businesses which obey the rules of a social license to operate, including on taxes and social security contributions, minimum wages/contract prices and organising and bargaining rights.

Companies should be:

- Registered and pay taxes in the jurisdictions in which they do business
- Take responsibility for the employment relationship and supply chain due diligence
- Comply with the core ILO standards including Convention 155 on Occupational Health and Safety
- Engage in social dialogue and just transition measures on climate and technological change
- Fully respect workers' rights to privacy of their data.

The establishment of an ILO Commission on the Future of Work, which will culminate in 2019 with the ILO's Centenary, provides an important focus and platform for trade unions to shape the international debate. The ITUC, with its affiliates, GUFs and the Workers' Group, will engage in the work of the Commission based on the policy objectives and action items set out in this report.

With powerful corporate forces seeking to erode laws and standards yet further and deploying technology in a way that makes labour entirely subservient to capital, union action to shape the future world of work is indispensable not only to guarantee fairness at work, but also to the very future of democracy and equality in every part of the world. Shaping the future of work is fundamental to achieving the vision of social and economic justice for all.

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Unions are working to shape the future of work through **political action** to challenge the dominant economic model and ensure decent jobs and rights for all workers, through **negotiating and bargaining** around new technology and industrial transformation, and through **campaigning** to increase the wage share and ensure living minimum wages.

Success will depend not only on effective action in these spheres, but also on organising workers from all sectors and all types of employment into union membership. At the global level, the ITUC is helping unions build **strategic organising** through the Global Organising Academy, complementing global campaigning and advocacy work.

The work of the **Global Union Federations** in shaping the future of work in their sectors through research, campaigning and organising is crucial, and the ITUC will intensify its work with the GUFs to support their activities and to draw together the experiences of the work they are doing.