### Quality of work









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### **Foreword**

Dear Readers,

The advancing digital transformation and automation are having a profound impact on employment and on jobs. Globalisation has increased the pressure of competition, with the result that working conditions have deteriorated in many areas.

In this context, workers in Europe today are exposed to a number of developments that are detrimental to the quality of their work: human work is being replaced by machines and artificial intelligence, work is being increasingly controlled and monitored by corresponding technology, workers are expected to be available at all times with the boundaries between working hours and family time growing blurred, while stress increases constantly.

Hitherto unsolved problems in the world of labour also persist alongside the new phenomena, including aspects such as the gender pay gap and unsolved issues of cross-border work, particularly in the international transport sector.

During the education year 2018/19, the European Centre for Workers' Questions (EZA) coordinated a series of projects comprising five seminars in various European regions in order to analyse the pressing challenges currently confronting affected workers and the organisations that represent then, and to elaborate strategies for social dialogue.

As indicated in this report, the presentations and discussions during the seminars underlined the importance of well-functioning social dialogue and named many possible courses of action for workers' organisations. These are not only capable of counteracting the deterioration in working conditions and the erosion of labour rights, but also help to shape positive developments for the workers in many areas.

They can advocate better and equal access for all workers to life-long learning opportunities to improve the skills needed to cope with digitisation. In terms of social policy, they can stand up for just taxation systems to achieve more social justice. When it comes to collective bargaining, they can demand greater wage transparency and equal pay for men and women doing the same job or work. In the international transport sector, they can urge for compliance with mandatory break times. As far as EZA and its member organisations are concerned, it is also particularly important at this present moment in time to initiate a fundamental discussion about the value of work and to contribute Christian/social values in such discussions.

These fascinating questions have been summarised in the project coordination report on the "Quality of work" compiled by Pedro Estêvão from our member organisation CFTL (Centro de Formação e Tempos Livres). Many thanks go to him and to all those involved in coordinating the project for all the valuable commitment they have shown.

I hope you enjoy reading the report!

Sigrid Schraml EZA Secretary-General

### Introduction

As part of its educational programme, the European Centre for Workers' Questions (EZA) organised a series of seminars on the topic "quality of work". This consisted of altogether five seminars which were held across Europe between May 2018 and January 2019. Each seminar was organised by a different member of the EZA network and was dedicated to a specific subject within the overall topic of the series, as follows:

- "Technological evolution: challenge for proactive personnel and employment policies", organised by the Europees Forum VZW, which took place in Trogir, Croatia, from 3 to 4 May 2018.
- "Understanding the world of work and employment in terms of workers' quality of life and dignity", organised by LOC/MTC (Liga Operária Católica - Movimento de Trabalhadores Cristãos), which took place in Braga, Portugal, from 7 to 10 June 2018.
- "Sustainable growth and inclusive labour market what is the role of the social partners?", organised by LPS "Solidarumas" (Lietuvos Profesinė Sąjunga "Solidarumas"), which took place in Vilnius, Lithuania, from 4 to 6 July 2018.
- "Equality in the labour market: the position and role of women", organised by WOW (World Organisation of Workers), which took place in Leiden, Netherlands, from 2 to 4 October 2018.
- "Towards socially fair and competitive road transport in the European Union", organised by MOSZ (Munkástanácsok Országos Szövetsége), which took place in Budapest, Hungary, from 24 to 25 January 2019.

The current report aims to provide readers with an overview of the main points of debate in each of these seminars. It makes no claim

to being an exhaustive account covering all the nuances of the discussions, a task rendered impossible both by the inherent limits of a short report and by the richness of the discussions and perspectives which came to light at each of these events. Nevertheless, we hope that the text that follows will do justice to such richness and to the effort put into each of these seminars by organisers, speakers and participants alike.

# 1 Technological evolution: challenge for proactive personnel and employment policies

The first seminar of the "Quality of work" project co-ordination (Europees Forum VZW) focused on two main points:

- The discussion of broader trends and specific examples of digitisation and automation in the organisation of work, with the corresponding consequences for workers.
- The discussion of how social dialogue can help to harness the potential of digitisation for economic development while also averting (or at least mitigating) its undesirable social consequences

### 1.1 Digitisation: challenges and risks

The rapid development of increasingly powerful electronic devices for handling data (including gathering, analysis and storage) and communication is one of the most striking technological advances in recent decades. Applying these technologies to different spheres of human life and to an increasing number of aspects in these spheres is known as *digitisation*. One such application is known as *automation*, i.e. the development and utilisation of electronic devices to partly or fully perform tasks which were hitherto carried out manually.

The seminar focused on discussing these twin processes of digitisation and automation in the economy as a whole and particularly in the organisation of work, as well as their consequences for workers' lives and for trade union action. While there was a consensus among

participants that digitisation and automation brought significant changes in these areas, two major positions on the magnitude of such changes emerged in the discussions: one stressing that the novelty of these processes constituted a radical departure from previous eras; and another pointing out that in fact it is not new for production to see technological upheavals on a similar scale and that their impacts should be seen in incremental rather than revolutionary terms.

Perhaps the most immediate concern when discussing digitisation and automation pertains to the extent of the resulting *job destruction*. Indeed, by its very nature, automation means that tasks which were previously performed manually by workers are now partially or wholly done by machines, referring particularly to standardised and repetitive tasks. As a result, jobs that were previously essential in the production process are either downgraded in terms of wages and social status, or rendered completely obsolete. Furthermore, advances in artificial intelligence and self-learning algorithms widen the scope of tasks subject to standardisation, with a growing number of occupational groups thus becoming vulnerable to automation.

However, up to now there has been no overall *net job reduction* related to digitisation in the United States and the European Union. This does not mean, of course, that such job destruction is not taking place. Rather, job destruction related to digitisation may have a highly asymmetrical effect on the economy, with a disproportionate impact on certain occupations and sectors of the economy – particularly those that are subject to high levels of standardisation. Furthermore, consideration also has to be given to the fact that such job destruction is accompanied by the emergence of new occupations dealing partly or wholly with digital technologies, including jobs involved in data gathering and analysis, software development, digital marketing, etc.

Nevertheless, there are some risks associated with digitisation and automation which trade unions should be monitoring carefully. In particular, the risks are more a result of general trends in the development and reform of how work is regulated, thus making them prime material for social dialogue and welfare state policies, instead of being some of the inevitable consequences associated with technological development.

The first risk is that of the rise of social and economic inequalities, both between and within countries in the European Union. The already existing high levels of emigration in the Southern and Eastern countries of the Union were further intensified by the major recession following the global financial crisis of the late 2000s. This has led to a brain drain phenomenon, i.e. the systematic departure of higher skilled and higher qualified workers from peripheral to core countries within the Union. A brain drain seriously deprives peripheral countries of the means of developing into a digitised, open economy, thus endangering the social, economic and even political cohesion of the Union.

On the domestic level, another possible outcome of digitisation is job polarisation, with an increasing chasm opening up between a group of highly rewarded workers in jobs related to digital technologies and a larger group of workers in undifferentiated, insecure and poorly paid jobs. Workers with lower qualifications are particularly vulnerable to this phenomenon.

Other risks pertain to the balance of power between workers and employers. Digitisation gives employers increasingly sophisticated tools for the surveillance and control of workers. Unless such tools are carefully regulated through collective bargaining agreements, their use not only drastically reduces the levels of autonomy and privacy that workers have in their jobs with correspondingly higher levels of stress and burnout for the affected workers, but may also pave the way for intensified harassment in the workplace.

Digitisation offers employers the means to demand permanent availability on the part of workers to answer the needs of the company, thus further augmenting stress and burnout. If left unchecked, professional life will increasingly encroach into other equally essential spheres of workers' lives, such as family, leisure and civic and religious participation.

Besides posing a risk to the individual worker, these phenomena also constitute a direct challenge to trade union intervention. On the one hand, trade unions are confronted with the need to adapt their mobilisation concepts to a more atomised workforce, particularly in sectors and occupations at the wrong end of job polarization. Traditional methods of mobilising workers and raising their awareness for the importance of collective bargaining are being hampered by overall job insecurity, a lack of regulation by both general labour law and collective agreements and highly varied forms of employment, including precarious full-time contracts, part-time work and self-employment. Also, trade unions can expect companies to show greater reluctance – if not outright hostility – to corresponding activities.

But trade unions also find challenges at the other end of the scale, where they must seek to organise highly skilled and highly qualified workers who are less susceptible to the approaches used for lower qualified workers in mass industrial contexts.

#### 1.2 The role of social dialogue

Social dialogue has always played a vital role in devising and supporting means of harnessing the potential of technological evolution for economic development, while averting (or at least mitigating) its undesirable social consequences. It is no different with digitisation.

Access to life-long learning and to adult education remains a key element for providing workers with the skills necessary to thrive in the face of digitisation. This much is recognized by both the OECD and the European Commission. The latter has inclusively enshrined the right to education, training and life-long learning as the first of the 20 core rights in its European Pillar of Social Rights.

Enforcing such rights requires national education and training systems – schools and higher education institutions – to provide training which meets the needs created by digitisation, particularly in the field of adult education. It also requires active employment policies closely linked with these systems, supporting vocational reconversion efforts for workers during unemployment and transition periods. Social partners and social dialogue can and should be closely involved in national education and training policies.

But social partners and social dialogue also play a crucial role in realising the right to education, training and life-long learning. Companies do not necessarily have to take a monolithic approach to digitisation. Investment in systematic in-house training programmes to foster digital skills in the workforce can offer major returns to companies, particularly when accompanied by extensive scope for job transfers with the companies themselves.

In the course of the collective bargaining process, trade unions should seize and build on the fact that firms stand to gain from promoting and supporting systematic training programmes for their workers, while at the same time putting a long-term focus on the professional development of the company's workforce. In effect, it should be possible to extend the scope and weight of training provisions within collective agreements, with both parties in the negotiation process having an interest in ensuring that such training is implemented in the best possible way.

But while undeniably important, life-long training and learning alone are not guaranteed to offset the more detrimental consequences of digitisation. Here again, trade unions play a key role by ensuring that society understands and is generally aware of the new risks brought by digitisation. Accordingly, trade unions must also push for stronger guarantees that workers will be protected from such risks. This entails amending both general laws and collective agreements to include provisions regarding the right to be disconnected, to be protected from harassment and to prevent stress and burnout.

Trade unions need to keep in touch with a changing workforce and adapt their strategy and practices accordingly in order to be effective in pursuing these goals. They have to know all about the everyday reality of workers at both ends of the scale – high-end well-paid workers and low-end vulnerable workers threatened by different aspects of precarious employment – in order to adequately address their problems and convey their aspirations in social dialogue.

# 2 Understanding the world of work and employment in terms of workers' quality of life and dignity

As had already been the case at the Trogir seminar, the issue of technological development and its consequences for the world of work took centre stage at the Braga seminar (LOC/MTC). The two main subjects were:

- The multiple meanings of work in our societies and the relation of technological development to them.
- The role of trade unions in achieving a fair distribution of the gains of technology development.

### 2.1 Technology and the multiple meanings of work

The relationship between automation and employment was once again a major topic of debate at the seminar, with heated discussions on the hypothesis that job cuts resulting from the automation of hitherto manual tasks would lead to perennial mass unemployment.

Up to now, neither current nor historical data has lent much support to this hypothesis. Previous instances of technological upheaval led to deep changes in the production processes in many sectors of the economy. While a vast array of occupations was made obsolete, at the same time new occupations also emerged, with a negligible net effect on the number of jobs. In fact, the major episodes of rapid job destruction in recent history, such as the Great Depression of the 1930s and the major recession of the late 2000s and early 2010s,

were triggered by large-scale financial crises. These crises were mainly caused by dysfunctionalities in excessively deregulated financial systems, and not as a direct result of technological change.

In this seminar, the debate on technology and job destruction led to an extensive discussion on the very nature of work and the roles it fulfils in our societies. Work is, of course, the major and often only source of income for most of the working-age population in European societies. This aspect of work is so important that the regulation of wages is a primordial goal of our social dialogue institutions: ensuring that workers receive fair and just wages has been and must remain a top priority for trade unions.

However, the meaning of work for human beings goes beyond generating an income, however vital this may be. Work provides a fundamental opportunity to make a creative, socially beneficial contribution to the world in which we live. As a necessarily cooperative activity, work generates social identity. In sum, work is conditional for full participation in society. As frequently emphasised by Pope Francis, work is a source of human dignity.

This is not to say that work should prevail at the expense of other aspects of life, such as the family, civic and spiritual areas, nor that all forms of work are necessarily decent work (e.g. precarious or informal work). But it certainly poses a strong case for the right to work as a fundamental social right and for full employment as a key policy goal.

These considerations help understand the unease with which some aspects of technological development – and digitisation and automation – are regarded. Such developments give rise to new risks for workers such as those that were already discussed in the previous seminar: reduced autonomy, increased scope for harassment and

surveillance and blurring of the borders between work and private life. As made clear in the previous section, preventing and offsetting these risks is an extremely important task for trade unions.

#### 2.2 The role of trade unions

But beside the risks of technological development, the discussions also looked at the gains that technology development brings – and particularly, how should they be fairly distributed among workers and employers. After all, mechanisation and robotisation have freed workers from some of the more tedious, degrading and/or dangerous tasks in the production process.

Technological development has also brought massive gains in productivity, reflecting both extensive increases in output and reductions in the necessary lead time. The question that ensues – and which was extensively debated at the seminar – is how these gains are being and ought to be distributed between workers and employers. For workers, fair distribution of gains in productivity should take the form of both higher incomes and an improved quality of life, through strong social security and social investment schemes funded by fair taxation of increased profits, as well as shorter working hours that allow workers a better work/life balance.

The conclusion of this debate is that social dialogue is of paramount importance in order to guarantee a fair distribution of both time and wealth gains, as demonstrated by both research and historical experience. This fair distribution is achieved in countries with strong trade unions and sound social dialogue institutions, such as Germany, Belgium, Austria or Scandinavia, as testified by their lower levels of social and economic inequality.

Trade unions thus remain bulwarks for promoting social justice, but this cannot be taken for granted. As Pope Francis has underlined repeatedly¹, trade unions do have a "prophetic" role, in the sense that they ought to maintain a well-grounded but critical view of society and thus give voice to the sufferings, concerns and aspirations of those who have less power and who are more affected by social injustice. But that prophetic role can only be performed if trade unions do not shut themselves off, becoming partisan to party politics and/or caring only for their current membership. On the contrary, the prophetic role of trade unions is dependent on what Francis deems "innovation", i.e. their permanent effort to reach out and promote the living conditions of all workers – particularly those who are in a more vulnerable, precarious position.

<sup>1</sup> See, for instance, the 2017 addresses of the Pope to the International Meeting of Workers' Organizations (<a href="http://mmtc-infor.com/en/noticias-4/noticias-del-mmtc/254-francisco-habla-a-los-sindicatos-2">http://mmtc-infor.com/en/noticias-4/noticias-del-mmtc/254-francisco-habla-a-los-sindicatos-2</a>) or to delegates from the Italian trade union confederation (<a href="http://press.vatican.va/content/salastampa/en/bollettino/pubblico/2017/06/28/170628a.html">http://press.vatican.va/content/salastampa/en/bollettino/pubblico/2017/06/28/170628a.html</a>)

# 3 Sustainable growth and inclusive labour market – what is the role of the social partners?

The Vilnius seminar took place against the backdrop of Lithuania's new labour code being implemented. This was a major concern for Solidarumas, the trade union hosting the event. The seminar debates could easily have shifted their focus into an excessive discussion of Lithuanian domestic matters, but, to their credit, the organisers and speakers prevented this from happening. Furthermore, they also managed to frame the Lithuanian experience in comparative terms that allowed participants to enter into appropriate discussions and become more aware of the crucial importance of social dialogue mechanisms in our societies. The seminar debates thus centred on two major topics:

- The role of redistributive policies in countering social and economic inequalities.
- The key role of social dialogue in counteracting growing wage inequality.

## 3.1 Redistributive policies and social and economic inequalities

Right from the start, the speakers at the seminar focused on dispelling the myth that redistribution policies such as progressive taxation of income, strong social security schemes and public-owned essential services such as health and education act as a major hindrance to economic growth and employment. On the contrary, weak

redistribution policies are accompanied by disproportionate hidden social costs, while evidence on the benefits of tax cuts for employment or investment is notoriously flimsy.

Presentations at the seminar on the current economic and social situation in Lithuania offered a very interesting point of departure for the discussion. Lithuania has one of the European Union's least progressive tax systems and some of the lowest levels of social and public spending on health and education in relation to the gross domestic product.

This situation has several consequences. According to the Eurostat data available at the time of the seminar, Lithuania had the second highest levels of income inequality in Europe as measured by quintile share ratio, with only Bulgaria showing higher levels. Low wages also foster massive emigration of Lithuanian youth to Western Europe, depriving the country of a considerable part of its more qualified workforce.

Another two examples of the consequences of low public spending in Lithuania were discussed at length. In education, a third of all Lithuanian students resort to private extra tuition, indicative that parents have little trust in the quality of Lithuania's education system. What's more, this becomes a sort of hidden tax and a source of inequality between those students whose parents can afford to pay for extra tuition and those whose parents cannot. The situation in terms of healthcare is similar, with Lithuania presenting some of the highest rates of avoidable mortality in Europe, while being one of the EU countries with higher out-of-pocket payments.

As summarised by Professors Romas Lazutka and Jolanta Bielskiene, two of the speakers at the seminar, this shows how lowering taxes beyond a certain threshold means citizens actually end up paying more for what are in effect lower quality public services. This happens when the economies of scale available from a solidarity-based response to social risks such as unemployment or poverty are eschewed in favour of fragmented individual responses to such risks and problems.

During the seminar, the Lithuanian situation was contrasted with that of Portugal, taking education policies as a yardstick for the differences. On the eve of the democratic revolution of 1974, Portugal presented some of the worst educational statistics in Europe. Roughly a quarter of the population was illiterate. Only one out of every four Portuguese children entered fifth grade and only roughly 5% of youngsters enrolled in secondary education.

This had huge consequences in terms of poverty exposure and wage inequality and was a major obstacle to modernising the Portuguese economy. Despite reasonable progress made in the ensuing decades, by the early 2000s Portugal's early school leaving rate still hovered above 40%, meaning that almost every second Portuguese youngster left school without completing their secondary education.

A major overhaul of the Portuguese education and training system started in 2005. It hinged on two major reforms: the mass introduction of secondary-level vocational education pathways in public schools; and the construction of a nationwide capillary network of adult education centres, based on recognising and validating skills acquired through life-long learning together with a new pedagogical approach in adult education courses.

The results were far-reaching. In the decade between 2006 and 2015, early school leaving plummeted to just over 10%, close to the EU tar-

gets of the 2020 horizon, while between 2005 and 2011 alone, more than 1.6 million people (roughly 28% of the active population) enrolled for adult education courses and for validation and recognition of skills acquired through life-long learning.

In the context of the seminar, it is also interesting to note Portugal's education reform was preceded and anchored by a historic all-encompassing agreement for education and training between the two main Portuguese trade union confederations and the main employers' associations.

## 3.2 The key role of social dialogue in regulating wage inequality

A second major subject of the seminar consisted of the obstacles facing trade unions in European countries. The dimensions of this obstacle are severely detrimental to social dialogue. The cases of Lithuania and Slovakia were discussed at length. In Lithuania, the new labour code is seen by trade unions as failing to offer relevant legal protection to union work inside the companies while also being bereft of tools to prevent the exacerbation of wage inequality. In turn, Slovakia illustrated the difficulties encountered by trade unions in achieving recognition in small and medium-sized enterprises, which compose most of the country's economic fabric.

By contrast, the case of Belgium constitutes an example of a highly advanced social dialogue framework. This framework is anchored in a historic compromise agreed after World War II for a solidarity-based response to social risks and equitable sharing of the benefits of economic growth between employers and workers.

The first aspect of this compromise is reflected to this day in the tripartite governance of social security in Belgium, with the Belgian national government, the trade unions and the employers' associations all represented in the management of social security measures.

The second aspect of this historic compromise is the strong and allencompassing structure of collective bargaining in Belgium. The cornerstones of the Belgian collective bargaining system consist of multi-level negotiation, indexation to inflation and an exhaustive definition of occupations and professional categories together with extensive and binding coverage of collective agreements.

Collective bargaining in Belgium takes place on three sequential levels – national, then sectoral, then company, working according to the enshrined principle of the most favourable treatment of the worker. As such, the provisions of national agreements provide minimum baselines that must be respected by all companies as well as functioning as buttresses for trade unions to achieve improved deals for workers at sectoral and company-level negotiations.

A further bulwark available to trade unions in the Belgian collective negotiation system – and one which specifically affects wages – is the principle of indexing wages to inflation. According to this principle, the inflation rate provides a mandatory baseline for wage increases. Collective agreements at all levels can only improve on this and never go below it.

Another key aspect of Belgium's collective bargaining system is its meticulous and exhaustive classification of job functions, providing professional and occupation categories which must be respected by all firms. The initial definitions (and subsequent revisions) of these categories are made by experts nominated by the social partners of

the relevant sectors. This is yet another buttress for collective negotiation, providing fair standards for comparing jobs within a sector and also enforcing the provisions of collective agreements.

Perhaps the finest example of how the Belgian system embodies the principle of social dialogue is the sectoral committees. A sectoral committee is a structure comprising representatives from both trade unions and employers' associations in a specific economic sector. It is in these structures that sectoral collective bargaining takes place. The resulting collective agreement is binding for all workers and companies in the sector, regardless of their affiliation to the trade union or association.

The Belgian case illustrates the many advantages of advanced social dialogue structures for all social partners. As far as Belgian workers and trade unions are concerned, these advantages are obvious, taking the form of high wages, good working conditions and equitable treatment across any specific sector. But employers also stand to benefit greatly from their involvement in social dialogue. Social dialogue provides an institutional way for preventing and dealing with conflict. It is also a prime instance for preventing social dumping and guaranteeing fair competition between companies within a sector.

Above all, the Belgian case demonstrates how strong social dialogue structures and social justice go hand in hand. This is illustrated by the fact that Belgium has managed to prevent the widening of wage gaps that has plagued almost all European countries in the past thirty years. It also demonstrates that strong trade unions and strong employers' associations are vital for a fruitful social dialogue. The challenge in many EU countries, and particularly in Eastern and Southern Europe, is to make their societies and often also their governments aware of this reality.

## 4 Equality in the labour market: the position and role of women

The Leiden seminar (WOW – World Organisation of Workers) differed considerably from the three previous seminars in the "Quality of work" project co-ordination on two accounts. On the one hand, it looked to discuss at great length a specific but nevertheless acute and central problem in the world of work: gender inequality and how to tackle it. On the other hand, it made use of the worldwide network of WOW by showcasing some extremely interesting and advanced examples of experience gained in this respect not just in the EU but also in non-EU countries, such as Iceland and Canada. The seminar focused on two main topics:

- The roots and manifestations of gender inequality in the world of work.
- Measures for combating such inequalities.

### 4.1 Roots and manifestations of gender inequality

One of the main asymmetries that crosses our societies is socially constructed around gender. In the world of work, this asymmetry takes multiple forms. Perhaps the most widely known is wage inequality between women and men. According to Eurostat data from 2017, women in the EU earned on average 16% less than men. In some countries, such as Estonia, the Czech Republic, Germany and the UK, the gender pay gap exceeded 20%.<sup>2</sup> This is even more remarkable in

 $<sup>{\</sup>it 2} \quad {\it See https://ec.europa.eu/eurostat/statistics-explained/index.php/Gender\_pay\_gap\_statistics}$ 

view of the fact that in the EU, women are better qualified than men on average.

Such striking wage disparities are just some of the more visible manifestations of deep-rooted sources of tacit or open discrimination that women endure in the world of work. One of the more direct forms of discrimination, which was and still is particularly prevalent in undifferentiated jobs in industry and agriculture, is the payment of different wages according to the worker's gender. In other words, women are simply paid less than men for performing the same tasks. However, gender-based wage disparities go far beyond the – albeit still serious – problem of different pay for the same job.

Among the younger generations, the proportion of women with university degrees is significantly higher than that of men, while early school leaving is much more prevalent among young men than among young women. As such, the problem of wage inequality is found not only in undifferentiated jobs but also in the discrimination women face in gaining access to better paid jobs and to positions of effective power in business and the economy. Consequently, although women tend to have higher average qualifications, men continue to be disproportionately present in top positions in companies, reflecting long-standing prejudices about women.

Another powerful source of inequality is the genderisation of occupations. Genderisation in this context refers to the fostering and/or prevalence of stereotypes of specific occupations being eminently suitable for either women or men. Such persistent stereotypes have a major impact on the training options and career choices made by young men and women, and often permeate recruitment policies in the companies. As a result, there are occupations and sectors of the economy where women constitute the majority of workers, such as

health and education, for instance, alongside others where they are scarcely present at all, such as construction and transport. The key issue here is that "feminised" occupations tend to be assigned lower wages and/or lower social status than male-dominated occupations with equivalent (or even lower) skills and qualifications within the same sector or across sectors.

Prevailing preconceptions of men and women's roles in family life also spill over into the world of work, as women tend to be disproportionately burdened with domestic tasks and child and family care. This inequality carries with it an inherent toll on the physical and mental well-being of women. It also severely penalises women's professional careers in a male-centric working environment where availability and physical presence in the workplace are still seen as key performance indicators. On the other hand, and particularly in countries in Northern and Western Europe, it pushes women to take up part-time jobs, which usually offer lower wages per hour than full-time jobs, or they may even withdraw completely from the labour market. This is related to major issues regarding the financial autonomy of women not only during their active years but also later on, with part-time jobs and patchy contributory careers resulting in lower retirement pensions.

Finally, and while not directly tied to wage inequality, it is worth emphasising that women also face other forms of inequality at work. They find themselves particularly vulnerable in male-centric work environments, becoming preferential targets for various forms of sexual harassment and bullying.

### 4.2 Tackling gender-based inequality in the world of work

A complex and deep-rooted problem such as gender inequality requires a multidimensional approach. During the seminar, participants had the opportunity to find out about measures and initiatives from a range of countries which targeted different aspects of the phenomenon.

One of the more important aspects of institutional infrastructure for fostering equal integration in the labour market consists in universal and affordable day-care provision for children and the elderly. Such systems are still not fully established in many countries. Traditional systems of this kind did not tackle gender inequality directly. Rather, they simply accepted the disproportionate burden that women carry in providing domestic labour and caring for dependents, and were conceived as a means of relieving part of this burden. Nevertheless, they continue to play a crucial role in letting women participate more in the labour market and are critical for preventing families from being overwhelmed with care-related tasks. Likewise, the introduction of paid maternity leave was a crucial step in protecting the health of women and new-born and infant children. While continuing to play the same role, it has now been recast as parental leave, with mandatory periods also for fathers, and is thus a relevant element for dispelling persistent stereotypes regarding the role of men and women in rearing children and in the family as a whole.

Besides reaffirming the crucial role of day-care systems and parental leave in tackling gender inequality, the seminar participants also had an opportunity to hear about innovative experience gained in this field from different countries.

On such case was Iceland's experience with the Equal Pay Standard (EPS). The EPS was the result of protracted negotiations between the Icelandic government and the country's social partners which lasted for a full decade, becoming Icelandic law in 2017 and entering into force in early 2018. The EPS is a process for assessing the characteristics of jobs within each company and for determining their respective wages. Companies are required to evaluate and classify all jobs, according to an EPS – which is, in essence, a standard grid that stipulates criteria and sub-criteria. Different job titles are thus clustered into jobs of equal or same value, ranked and assigned according monetary value. Crucially, the whole process must be certified by an accredited body. Certification also depends on the company's system being assessed by the public institutions responsible for monitoring and assessing compliance with the law. Furthermore, certification has to be renewed every three years.

The EPS can be a useful tool for fostering transparency in the wage systems within companies, reducing the scope for arbitrary use of power and discrimination in wages between workers. Currently, the EPS is company-specific. Nevertheless, it offers potential to be used on a broader basis to create benchmarks for collective bargaining. In this sense, it might be used not only within companies, but also to address sector inequality rooted in gender bias within entire sectors of the economy, and even across several sectors.

Austria contributed another example of experience, consisting in policies of alternate recruitment, which some Austrian companies attempt to implement. These policies work similarly to recruitment quotas. In a nutshell, if a man is hired for a certain position in the company, then the next person to be hired for a similar function must be a woman – and vice-versa. Although this type of quota-like approach does not directly address the discrimination women will find in these positions,

it can nevertheless be very useful to break down the barriers that women face when they enter male-dominated occupations and sectors of the economy. It can also combat the problem of status and wage devaluation which tends to affect sectors with a predominantly female workforce.

The seminar also looked at the Canadian experience of countering the genderisation of occupations and economic sectors. Representatives of the Christian Labour Association of Canada talked about how their affiliated trade unions have used social dialogue to achieve important advances in two heavily genderised sectors: construction, where the workforce is traditionally overwhelmingly male; and healthcare, where women are in the majority.

In the construction sector, Canadian trade unions and employers' associations have joined forces to devise several programmes with the twin goals of encouraging women to pursue careers in construction and transforming workplaces in order to make them safe and friendly to women. This included a vast array of measures. Initiatives for encouraging women to join the construction sector included raising awareness about careers in construction for women through radio, TV and internet advertising campaigns, as well as setting up vocational counselling and training programmes targeting women and providing the skills necessary for a successful career in the construction sector. At workplace level, initiatives included intensive awareness campaigns focusing on respect for women, such as replacing chauvinistic conversation with respectful conversation or removing inappropriate images from lunchrooms and offices, devising personal safety equipment that takes account of the specific features of women's bodies and setting up mentorship programmes by women for women.

In the healthcare sector, the trade unions shifted their focus to promoting better working conditions in general and particularly among the lower paid jobs, which have a disproportionately high share of women. Such initiatives included lobbying for wage equality legislation to be adopted by the state and national governments, improving access to affordable childcare, increasing the sectorial minimum wage, widening the range of job-protected leave opportunities and wages, and raising workers' awareness of their rights.

## 5 Towards socially fair and competitive road transport in the European Union

As its title suggests, the final seminar of the "Quality of work" project co-ordination (MOSZ) was entirely dedicated to the problems of the road transport sector. It took place against the backdrop of discussion of the European Commission's Mobility Package, which ensured there was a heated debate during the seminar, with very different positions being put forward by speakers and participants alike. The presentations and the debate focused on two major topics:

- The situation of the workers in the road transport sector, particularly long-distance truck drivers.
- Measures for improving the situation of these workers.

### 5.1 The situation of road transport workers

Road transport is part of the economic infrastructure that allows the very realisation of two types of economic freedom that were at the very heart of the European project right from the start: the free movement of goods and the free movement of people within the borders of the Union. As such, it is not surprising that the sector is a microcosm of many of the challenges and difficulties but also the benefits and opportunities faced by the process of European integration over the years.

Road transport has to deal with the diversity of national legislation and tax regimes to a far greater extent than other sectors of the economy. This means that countries may engage in a race for the bottom in fiscal terms, illustrated for example by letterbox companies –

i.e. companies operating mainly in one country while being registered in another that boasts lower tax rates, more lax labour laws and/or worse working conditions in general.

But the diversity of national legislation is not only an exploitable loophole for cynical fiscal planning. The sector's workers, particularly long-distance truck drivers, are keenly aware of this as something they experience in their everyday work situation. In fact, normal international deliveries within the EU are a good illustration of the problems stemming from this diversity. As a truck leaves one country, crosses another and arrives in yet another, its driver may have to deal with different rules regarding several aspects of his trade, such as maximum working hours, for example.

The inherently international character of truck drivers' work also means that they can be inadvertently caught in conflicts that have nothing to do with them directly. Here geographical restrictions also play a role. A strike and/or general road blockade in France, for instance, will necessarily affect Portuguese and Spanish drivers working outside the Iberian Peninsula. Similarly, truck drivers are also particularly vulnerable to manifestations of xenophobia and prejudice while travelling.

Driving across national borders also means drivers have to deal with the still vast differences in wages and living costs between the EU member states. The costs of food, fuel and accommodation vary greatly. Finding a way to determine adequate travel expenses is a point of contention between workers and employers. But being on the road also highlights such fundamental problems as the boundaries between working times and rest periods. Drivers have mandatory rest periods. But, for obvious reasons, drivers on an international run cannot return home at the end of the day. In addition, they remain

responsible for protecting the cargo from robbery or damage while parked for rest. In more than one sense, they are still serving the company even while resting.

But drivers also face problems resulting from the institutional culture of the road transport sector. Apart from the aforementioned problem of letterbox companies – resulting in poorer working conditions for workers – the road transport sector is still rife with informality. In some situations, the official wage of the worker is only a part of his income, with the rest being received from the employer as either per diems or different forms of under-the-counter payment. This results in the avoidance of tax obligations and social security contributions by the employer and the worker. These are not only detrimental to society at large but also harm the worker himself in the long run, including subsequent calculation of retirement pensions later in the life of the worker, to mention just one example.

Finally, it is worth noting that digitisation has had a considerable impact on the road transport sector. While georeferencing technology such as the Global Positioning System (GPS) and digital tachograph allows for more efficient fleet management practices on the part of the employers, they come at the cost of increased surveillance of the workers by the employers.

### 5.2 Measures to improve the situation of road transport workers

The aforementioned problems mean that the road transport sector is acutely in need of strong EU-wide regulation, with great benefits for the social partners. For European companies, it is about ensuring a

level playing field by preventing social dumping. For workers, EU-wide regulation represents a bulwark against a "race to the bottom" between countries in terms of working conditions. But it also offers workers, particularly those from peripheral countries in the East and South of the EU, the prospect for earning wages that are at least comparable to their counterparts from the West and North. It is, in sum, the only way to reconcile the imperatives of social justice and workers' well-being with those of economic competitiveness.

Several suggestions were made during the seminar for how this regulation should take place. Some pertained to wages. On the one hand, both wages and travel expenses should be made fully transparent to combat tax and social security evasion. Efforts for tax harmonisation in the road transport sector can help in this regard, while also making it harder to set up letterbox companies.

On the other hand, EU-wide regulation can provide European baselines for wages. Up to a point, such baselines should consider the specific conditions of the different economies in the EU member states. Nevertheless, they help to mitigate the deep asymmetries that currently exist in truck driver wages within the EU. Furthermore, this would also create scope for cross-national collective bargaining structures – and thus help to consolidate the European project.

Such regulation efforts can also take advantage of technological advances in ways that bolster workers' rights. One example is the use of GPS and digital tachographs to help determine fair compensation for drivers' travel expenses. By knowing precisely where a driver stops and for how long, it is possible to apply collectively bargained rates.

However, successful EU-wide regulation cannot be treated as a onesize-fits-all policy. If the road transport sector is to be socially fair for its workers and a level playing field for its companies, it must consider the geographical diversity of the EU. Regulation solutions will struggle to obtain the consensus necessary for their approval if they fail to take account of the fact that some countries necessarily face higher costs by no other reason than their location – and thus foresee some sort of compensation. Also, it might be beneficial to negotiate more extensive transition periods, coupled with measures for supporting the modernisation of firms in these countries.

Finally, one must bear in mind that regulation is not simply a matter of approving laws but also of providing the physical and institutional infrastructure for implementation and enforcement. One example which was frequently mentioned during the seminar consisted in the conditions for drivers to spend their mandatory rest periods. These periods are crucial for ensuring road safety and the health of drivers. However, existing parking facilities are inadequate in both number and quality. For workers to fully benefit from these gains, there is an additional need for programmes to support the creation of new parking facilities, as well as upgrading the existing ones.

### 6 Conclusions

The EZA "Quality of work" project co-ordination ran from May 2018 and took place in five different cities across the EU: Trogir, Braga, Vilnius, Leiden and Budapest. The seminars allowed for extremely interesting debates on some of the more pressing issues that the world of work faces today, as well as the key role of trade unions and social dialogue structures in devising and implementing sustainable ways of addressing such issues.

The Trogir seminar focused on wider trends and concrete examples of digitisation and automation in the organization of work as well as the role of social dialogue in harnessing the potential of digitisation for social and economic development, while also averting its undesirable social consequences. Speakers and participants discussed at length risks such as job destruction and job polarisation, the rise of social and economic inequality, the increased surveillance capacity of employers over workers and power asymmetries resulting in increased scope for different forms of harassment and undermining the work/ life balance. Recognising these risks, discussion proceeded to demonstrate how social partners are major players in promoting access to life-long training and adult education and how trade unions should strive to promote an awareness in society at large for the risks of digitisation, pushing for both general law and collective agreements to be amended with provisions regarding the right to be disconnected, to be protected from harassment and to prevent stress and burnout.

The Braga seminar discussed the multiple meanings of work in our societies and the role of trade unions in fighting inequality and achieving a fairer distribution of the gains of technological develop-

ment. Speakers and participants recognised that wage earning is the major – and often only – source of income for most of the population in Europe. However, one should also bear in mind that work also provides a fundamental opportunity to make a creative, socially beneficial contribution to the world in which we live, as well as being a fundamental generator of social identity. In short, it is a prime source of human dignity. These dimensions can, in different ways, depend on technological development. Trade unions and social dialogue play a major role in offsetting these problems and in ensuring a fair distribution of productivity gains in the form of both higher incomes and an increased quality of life, through strong social protection and social investment schemes funded by fair taxation of increased profits, as well as shorter working hours.

The Vilnius seminar focused on the role of redistributive policies and social dialogue in countering the growing social and economic inequality in Europe. Speakers and participants discussed the hidden social and economic costs of tax cuts and regressive tax regimes, including in particular the degradation of essential public services. This happens as the economies of scale which can be obtained by solidarity-based responses to social risks such as unemployment or poverty are eschewed in favour of fragmented individual responses to such risks and problems. The seminar participants also pondered the problems faced by trade unions in Eastern Europe, such as the hostility and lack of protection that trade unionists have to endure, and the difficulties they encounter in gaining a foothold within companies. This refers particularly to small and medium-sized enterprises, which are the bulk of the economic fabric. The seminar participants reasserted that strong social dialogue structures and social justice are inextricably linked and that strong social partners – both trade unions and employers' associations – are vital for achieving that.

The Leiden seminar took an in-depth look at promoting equality between men and women in the world of work. Gender inequality is one of the main social asymmetries in our society. In the world of work, this becomes manifest in wage inequality, with women earning considerably less on average than men. Such inequality derives from instances of women being paid less than men for the same job as well as the barriers that women face in accessing better paid jobs, despite having better qualifications than men on average, and the genderisation of occupations. The discussions also looked at how women are overwhelmed with domestic work and family care and how such burdens spill over into professional life, as well as the vulnerability of women to various forms of harassment on the workplace.

The speakers and participants then discussed different approaches for tackling the problem in all its many dimensions. Importance was given to universal access to day-care for children and the elderly together with parental leave, as well as the benefits of setting up mandatory quotas in corporate recruitment policies. Participants also had an opportunity to find out about examples of innovative experience in this context, including the Icelandic Equal Pay Standard or the efforts of Canadian trade unions to combat genderisation through programmes of vocational counselling, raising awareness and mentorship for women in the construction sector with its predominantly male workforce, as well as promoting better working conditions and wage equality legislation in the healthcare sector, with its disproportionately high share of women, particularly in lower paid jobs.

Finally, the Budapest seminar focused on the specific problems of the road transport sector and its workers, especially long-distance truck drivers. While being crucial for the European economy, the road transport sector is also rife with social dumping practices such as the proliferation of letterbox companies and the under-the-counter nature of

a significant portion of wages. These have detrimental consequences not only on the current income level of truck drivers but also on their retirement pensions. In their everyday work, truck drivers also have to deal with problems stemming from the diversity of national rules governing road transport, vastly different travel costs, xenophobia, blurred boundaries between working time and rest periods, and inadequate and insecure resting facilities while on the road, as well as increased pressures stemming from digitisation. A European regulatory framework for road transport is needed to deal with these problems. Such a framework should aim to create a level playing field in the sector through tax harmonisation and the means to combat under-the-counter payments. It should offer workers guarantees regarding health and safety – such as clearly defined working hours and mandatory rest periods – and make use of digitisation in a way which is favourable to workers, such as helping to determine fair compensation for travel expenses. Nevertheless, such regulation must take account of the fact that some EU member states necessarily face higher costs by no other reason than their location, and thus foresee some sort of compensation. It must also be accompanied by the provision of the physical and institutional infrastructure to implement it, such as adequate conditions for drivers to park or rest.