



TRADE UNION Key Messages to the OECD Ministerial on the Digital Economy

Inclusive Innovation Pathways, Regulatory Challenges, and the Role of Policies and Unions

**Tuesday June 21, 2016
Cancún, Quintana Roo, Mexico**

On the occasion of the OECD Ministerial Meeting on the Digital Economy (21-23 June 2016, Cancun, Mexico) and following discussions at the Trade Union Forum (21 June), TUAC is calling on Ministers and the OECD to develop a policy framework to ensure that the expansion of the digital economy contributes to inclusive growth. The opportunities and challenges arising from technological change must be assessed and legal instruments and regulation put in place so that the benefits of innovation are widely shared. Workers' voice and representation through trade unions must be strengthened so as to ensure that the digital economy is harnessed to create quality jobs with good working conditions. The following key challenges must be addressed:

- Developing the potential of innovation through comprehensive "whole-of-government" strategies that involve the social partners.
- Regulatory issues resulting from multi-channel business models operating across different market segments.
- Countering excessive market power that results from concentrated control of internet infrastructure, networks and data that distorts competition and digital uptake.
- Ensuring investment in ICTs, complementary changes and innovation drivers for productivity and employment growth.
- The promotion of investment that does not rely on short-term financing with the resulting high pressure on profit margins.
- Discouraging business models based on low wages, precarious employment relationships, and outsourcing.

- Strengthening existing international tax rules to stop profit shifting to subsidiaries located in low tax jurisdictions.
- Ensuring global and affordable access to ICTs and the Internet worldwide, while bridging digital divides in developing countries and for vulnerable groups including rural populations, low-skilled workers, youth, migrants, etc.
- Developing a comprehensive definition and statistical framework for measurement of the digital economy.

Principles and policies for decent work and the diffusion of competencies and gains in the digital economy should be reflected in an "Action Plan for Quality Jobs in the Digital Economy" based on four pillars:

Ensuring good working conditions through:

- Working time regulation
- New rules for mobile work
- Innovative work practices that enhance labour productivity and employee satisfaction
- Data protection (personal and commercial data), also of machine-collected data at the workplace
- Lifelong learning: on-the-job training and strengthened VET systems

Promoting employment relationships and a rights-based approach

- Extend rights and protections of employees to all workers, regardless of the type of their (labour) contract
- Re-attach employer responsibilities
- Establish binding corporate accountability for lead firms including transparency criteria on budgets, labour practices and workers in supply chains
- Strengthen safety nets for online platform workers
- Enforce minimum wages legislation
- Strengthen collective bargaining coverage and effective social dialogue

Developing systemic policies based on:

- Union involvement in all national, sectoral and local digital transition processes
- Social protection systems that provide universal and portable cover
- Commitment to quality jobs (including fair wages), upskilling and stronger labour market institutions
- Public investment in universal broadband access and education
- Smart automation processes that render production more efficient without displacing workers
- Job creation in the ICT sector and STEM related fields, in the health sector and services, as well as through the transformation of industries to a low-carbon pathway

Establishing foresight mechanisms including:

- Fair transition strategies for workers in sectors prone to automation and digitalisation processes – including a whole-of-government approach featuring technology, industrial, employment, social and training policies
- Predicting the quantity and quality of jobs
- Anticipating future skills needs by occupational task
- Analysing the spread and effects of new technology on production, service delivery and working conditions

Union engagement in the Digital Economy:

- Organise workers (in particular against new forms of non-standard employment)
- Provide new union services (including opening up to self-employed workers)
- Ensure fair wages, health insurance, overtime benefits, and liability of employers
- Design and implement training schemes
- Involve in national innovation and industrial policy discussions
- Engage in co-design processes at the workplace
- Promote a set of best practices and counselling platforms
- Establish collective agreements for job security in the digital economy

ABOUT TUAC

The Trade Union Advisory Committee (TUAC) to the OECD is the interface for trade unions with the organisation and its members in Paris. Its members come from 58 national trade union centres representing 66 million workers in OECD countries. Beyond that, TUAC has associate members in Brazil, Indonesia, the Russian Federation and South Africa. Over 500 trade union representatives take part each year in TUAC and OECD meetings. To address future challenges, comprehensive policies need to be developed in participatory structures with all stakeholders. This makes social dialogue and collective bargaining more important than ever.

TUAC closely monitors policies on investment, financial markets, corporate governance, innovation, the digital economy, skills, development and climate change, as well as on tax and responsible business conduct through its database on trade union cases under the OECD MNE Guidelines. In co-operation with the International Trade Union Confederation (ITUC), the TUAC co-ordinates inputs to the G20 and G7 processes through the L20.

MAIN ACTIVITIES

Informing on OECD Policies
Facilitating Policy Dialogue
Conveying Trade Union Positions
Convening Meetings and Working Groups



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