



Policy Brief

ADDRESSING WORKER'S INSECURITY IN THE AGE OF DIGITALIZATION

Task Force 2

**Meaningful Digital Connectivity, Cyber Security,
Empowerment**

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Abstract

Digital technology revolution brings about vulnerability to the mass of workers. This is evident particularly in two respects. First, the massification of precarious work, as can be seen saliently in the “gig economy” sector characterized by the high use of digital technology. Second, the threat of automation in the workplace which renders human workers obsolete. As a result, workers are hard pressed to continually learn to stay relevant. The proposal of this Policy Brief highlights the importance of securing the workers’ right to decent work and creating a conducive ecosystem of continuous upskilling and reskilling for workers.

Challenges

The so-called era of Industrial Revolution 4.0 has brought major changes to the global work landscape in the form of increased precarity among workers. This precarity manifests in two aspects. First, the massification of flexible work conditions breeding precarious works in various sectors and levels, which most egregiously can be seen in the “gig economy”. Second, the threat of obsolescence of human workers because they will be replaced by technology through the automation process.

The term “precarious workers” aptly points to the first aspect. Even though there is no agreed legal definition of precarious work, it is generally widely understood as unstable, insecure, unprotected, and poorly paid work. They can be found in various sectors and types of work (Livingston, 2021). However, official economic and employment statistics cannot accurately portray the number of precarious workers. If more than a decade ago it was estimated that in many countries, at least a quarter of the adult population were precarious workers (Standing, 2011), the number is likely to be even higher today. Between 1985 and 2013, the share of nonstandard employment rose in many developed countries. Out of all jobs created in OECD countries in the 1990s and 2000s, 60 percent were nonstandard (Benanav, 2020).

The main factor behind this phenomenon is the introduction of labor market flexibility as an alibi to maintain investment and employment level. The real manifestation of this practice is in the increasing number of companies recruiting employees with contract (including zero-hour contract), casual, outsourcing, temporary, part-time, and internal schemes. It is the cheapest way to recruit workers because companies do not need to provide various rights that are usually attached to traditional workers, such as minimum wages, leave, insurance, and pensions. Precarious workers also become more salient with the growing popularity of the “gig economy”. Under the pretext that they only connect providers and users, “gig economy” companies place those who work for them as “partners” or “self-employed contractors” rather than employees with traditional employment rights (Standing, 2011; Livingston, 2021; Jones, 2021).

Another challenge that workers face is the threat of automation. Technology stimulates the underdemand for labor by automating the work process (Brynjolfsson & McAfee, 2014; Ford, 2015; Srnicek & Williams, 2015; Susskind, 2020). Consequently, there is less incentive for companies to hire full-time workers with full employment rights. In a report, 43 percent of business leaders stated that they would reduce their workforce because of technology. By 2025, 85 million jobs will be lost to machines (World Economic Forum, 2020). Forty-seven percent of jobs in the US are at high risk of automation, and 14 percent of jobs are at high risk and 32 percent at risk of significant change due to technology (Benanav, 2020). In the face of automation, workers are pressured to learn new skills constantly to stay relevant. Unfortunately,

a conducive policy or scheme to ensure the growth of a sustainable learning climate for all workers in the digital era in most countries does not exist yet.

Proposals for G20

1. Securing the rights of workers

The first policy proposal put forward to address the issue of worker vulnerability is to provide fuller employment rights. Although this policy can be applied to precarious workers in general, this is an urgent issue for workers who work on platform companies. In platform companies, technology is often used unilaterally by companies to obscure the status of workers for their own benefit. In fact, technology must be designed in a way that meets the needs of the people who use it, not just a handful of parties. The company claims to be a technology company that only connects “partners” with consumers. However, in practice it enforces full control over the “partners”, starting from setting rates, workloads, and the power to terminate “partners” at any time. The flexibility that is the selling point of the platform company translates into zero-hour contracts and bogus self-employment that are detrimental to workers. The promised flexibility only applies to companies and not to workers (Livingston, 2021), creating the imbalance of power between the company and its “partners”. This is unfair because platform companies can only operate and make huge profits because of the hard work of their “partners”.

The move to provide more proper employment rights for platform economy workers took precedence in February 2021 when the UK’s Supreme Court ruled that Uber drivers should be classified as workers and gain access to minimum wages and paid holidays. Their worker status is valid as long as the driver activates the application. The basis for the decision is that Uber has full control over its drivers, for example in setting fares (Butler, 2021). Similarly, a group of South African Uber drivers has won the right to be classified as employees following a court case in which the issues raised were very familiar: long working hours for low pay; the potential to be dismissed from the platform without notice at any given moment (Livingston, 2021).

However, relying on solutions to court decisions on a case-by-case basis is far from sufficient. The fact that there are around 1,000 cases challenging the self-employed status of gig economy workers (Butler, 2021) shows that the lack of worker rights in the platform economy is systemic and needs to be resolved at a more institutional level through binding policymaking, both at the G20 level as well as nationally by individual member countries. After all, winning through court decisions also provides an opportunity for platform companies to carry out various pretexts that minimize their responsibilities. For example, shortly after the court decision, Uber stated that the decision to provide minimum wages and paid holidays only applies to drivers who are directly involved in the case (Butler, 2021).

Enforcing the right to decent work

Workers’ rights that are taken for granted today, such as weekend holidays, the eight-hour day, the average wage, sick pay, the right to unionize, paid leave, and pensions are the fruit of long struggles and bottom-up campaigns (Tippet, 2020). The new phenomenon of massive

precaritization of workers which most saliently can be seen in platform companies brings new challenges. Although traditionally the role of fighting for workers' rights is occupied by union, platform company workers are reluctant to defend their rights, whether through union or not, including those who occupy white-collar positions within the company (Roy, 2021). Therefore, it is appropriate to call on the G20 as a multilateral institution to create a regulation aimed at protecting workers' rights that apply in member countries, with the hope that the core of this regulation can be applied globally in the future.

G20 can ensure the recognition of workers' rights for platform company "partners" and precarious workers in general in the form of a general policy. This general policy acts as a framework that serves as a minimum benchmark for member countries. The main principle underlying the general policy is the right of all people to get decent work, which the ILO understands as "productive work for women and men in conditions of freedom, equity, security and human dignity." The right to decent work applies to all regardless of type of work, employment status, and differences in worker identity. Basically, the right of decent work is in accordance with various international documents that have global appeal, such as the International Covenant on Economic, Social and Cultural Rights (Article 7) and the ILO Declaration on Fundamental Principles and Rights of Work.

Ensuring the fulfillment of the right to decent work for all workers will ease the burden of many who are classified as precarious workers. Although the right to decent work has been declared and stated, its universal implementation is still far from being a reality. Apart from reaffirming its importance in the communique, the G20 could set up a committee to oversee its implementation. The task of the committee is to monitor whether the fulfillment of the right to decent work has been fulfilled in member countries. Main attention needs to be paid to companies that are prone to overriding workers' rights to decent work behind the argument of technology "neutrality" such as platform companies. Each year, the committee will prepare a comprehensive report that records its supervisory work. If it is found that there are many violations of the right to decent work in member countries, this is recorded in the report which is then followed up by providing recommendations to improve the conditions or suggesting appropriate sanctions to the violators.

Providing wider benefits to the decent work scheme

The affirmation of the importance of decent work as a general principle is realized by providing rights for all workers irrespective of employment and contract status. The list of rights covers rights such as living wages, health insurance, work accident insurance, maximum working hours, the right to collective bargaining, severance pay, the right to challenge unfair dismissal, and inhibition to discrimination in all forms. For permanent workers, additional rights that can be given are paid leave, pension pay, and the right to competency development. By extending the rights related to decent work to non-regular workers with atypical contract, this policy ensures the establishment of "flexicurity" (Murray & Gollmitzer, 2012), in which flexible working conditions or

contract typically experienced by workers in platform companies do not hinder the assurance of security among its workers. With regard to this type of worker, the criteria formulated by Berg et al. (2018) on behalf of the ILO on the standard of decent work in the online world deserve to be adopted or extended.

Even though rights related to decent work are fairly extensive, it does not mean that workers cannot enjoy additional benefits beyond what can be contained in the concept of decent work. G20 members can add additional packages that provide wider benefits for workers. The choice of additional benefits to be given depends on the capacity and conditions of each country. These packages are:

- Provision of workers' rights that are broader and more comprehensive than the benefits mentioned above by adding other benefits relevant to the job, for example paying workers' accommodation and transportation costs. The benefits can also be expanded by providing help for the unemployed adult citizen by providing unemployment insurance with a sufficient amount for a decent life. In this latter instance, the responsibility to implement this scheme belongs to the state.
- Mainstreaming various practices of workplace democracy, in which workers are given more voice and strength in the decision-making of the company. An example is the Employee Share Ownership Plan (ESOP), a scheme that guarantees employee share ownership through the stipulation that every company should form a company board in which the representatives from the workers are equal in number or proportion to the representatives from the shareholders (Parker, Fournier, & Reedy, 2007). With this practice, workers can influence decision-making within the company, and not only become passive objects of decisions that are determined unilaterally by the company. This policy can guarantee the achievement of decent work with the assumption that if workers have some control over the company, the company will not make decisions that are detrimental to workers, including guarantees for decent work. Through the company board, workers can also press for other agendas in their favor such as limiting the wage ratio so that there is no longer an excessively high wage gap between a CEO and ordinary worker in the company.
- Universal Basic Income (UBI). This policy gives all citizens a given sum of money regularly in accordance with the standard of decent living, regardless of their wealth and employment status. This is the most ambitious package and has never been implemented at the country level. In order to finance it, following Piketty (2020), the state can implement a progressive tax scheme, including a high inheritance tax.
- Universal Basic Services (UBS). This is the most encompassing scheme which can be given to workers. By reflecting on the experience of precarious workers whose vulnerability exceeds their economic vulnerability, it is ideal to provide wider benefits than

economic benefits. By providing UBS, workers are not only guaranteed to survive economically, but also guaranteed to live a full and quality life. The broader benefit is welfare, including guarantees for housing, food, health services, and education. During the crisis due to the COVID-19 pandemic, we saw many countries providing a lot of assistance to vulnerable workers in the form of these social benefits. Now, assistance during the crisis can be considered as a permanent feature provided to workers.

Creating a database of precarious workers

Since the typical workers experiencing vulnerability in relation to the fulfillment of the right to decent work are those who are classified as precarious workers, it is important to create a more accurate database of precarious workers. Data on the reality of the existence of precarious workers and their contribution to the economy is still very limited. If policymakers cannot recognise the presence of precarious workers, the precarious workers' productivity and economic contributions will remain overlooked and they will not receive labor protections and welfare benefits.

For this purpose, since there is no globally agreed legal definition of precarious workers (Livingston, 2021), it is necessary to develop clear definition and indicators of precarious workers that apply at least among G20 member countries. With these clear definition and indicators, accurate and comparable data between countries can be obtained. In addition, concerted and coordinated efforts to assist them multilaterally will be made easier.

2. Creating an ecosystem of continuous upskilling and reskilling for workers in the digital era

Technological developments continue to increase to a level that can replace human abilities in carrying out various jobs. Experience during the pandemic provides an incentive for businesses to accelerate the transition to an automated work model. To prepare workers for this technological acceleration, a series of government interventions are needed.

Expanding access to technology

In order to increase human capacity in the midst of an increasingly technological presence in work, the first step that must be ensured is the availability of proper technology. This is to ensure that humans are familiar with the technology and can "cooperate" with it in constructive ways. Considering that the cornerstone of technology in today's world of work is digital in nature, reliable internet access is an ultimate prerequisite. However, more than four billion people or over half of the world's population are still offline. About 75 percent of this offline population is concentrated in 20 poor countries and is disproportionately rural, low income, elderly, illiterate, and female (McKinsey&Company, 2014). The ease of access to this technology is the first door

of opportunity to compete in a digitalized work ecosystem. In this regard, G20 member states can provide assistance by providing reliable internet infrastructure to countries in need.

Adopting freedom and connectivism in learning scheme

Preparing workers to respond to technological challenges in the workplace requires preparation from an early age through intervention in the education sector because students are essentially the prospective workers in the future. Thus, policymakers must ensure that the skills needed in the future work are included in the educational curriculum from elementary to higher education levels. Instead of focusing solely on science, technology, engineering, and math (STEM) subjects, the education system should put emphasis on fostering critical and systemic thinking and cultivating the attitude of adaptive and lifelong learning. This attitude is suitable with the demand to continuously learn in the era of disruptive technology. Moreover, education needs to be transformed to give students freedom in choosing certain skills and subjects that they want to develop. Giving the independence of learning from an early age will familiarize students with the habit of learning quickly with full initiative, a suitable character in a work landscape characterized by ever-shifting technology.

Specifically, education needs to adopt a connectivist approach to create an ecosystem that enables continuous learning. Connectivism is an approach to learning in a social world with an abundance of information that is always connected. The main principle is that human beings develop their competence from the formation of connections. The assumption is that learning occurs in a nebulous environment in which the core elements are constantly on the move. Learning focuses on connecting sets of information, and the relationships that enable us to learn are more important than the content of knowledge. Fueled by the understanding that decisions are based on an ever-changing basis, new information is acquired constantly. The ability to distinguish between important and unimportant information is vital, as well as the ability to know when new information is changing the landscape based on past decisions (Siemens, 2004; Downes, 2012).

In the realm of the workplace, the principle of continuous learning can be established by enlarging the flexibility to change work between the public and private sector. Collaboration between the public and private sector can be enhanced by making it easy to change jobs aimed at fulfilling certain skills that can only be obtained in the private sector or the public sector. This can be done for example through an apprenticeship scheme for a certain period of time. In addition to acquiring the complex and diverse skills so that workers can “compete” with technology, this also responds to the need of the public sector to keep pace with the more challenging public demands.

Building humanist and inclusive digital literacy

Given that most of the disruptive technologies that challenge the relevance of human beings in the workplace are digital-based, anticipating this requires humanist and inclusive digital literacy. Digital literacy here refers not only to the ability to search, evaluate, and communicate information in the online realm, but also the ability of using technology and working alongside technology in a way that serves humanity in an inclusive manner. Human interaction facilitated by technology needs to be based on the awareness that behind technology, there are human beings whose dignity must be respected. Technology is not a means to exploit and dehumanize people. The development of these skills needs to be carried out in schools through a curriculum designed to develop humanist and inclusive digital literacy skills. Training programs for workers should also provide these skills. By mastering this skill, it is hoped that humans will remain relevant in the face of technology and control it rather than be driven or controlled by it.

Beyond technology users, this principle also needs to be practiced by technology designers and developers. Technology developers need to embed the value of humanity and inclusiveness into the design and operation of their product. Algorithms and artificial intelligence for example, are designed and operated in a way that serves the interests of human beings rather than to divide, surveil, and exploit workers. Since the impact of technology often spills over to society, it is reasonable to call all stakeholders that are impacted or citizens at large to play a more active role in influencing the design and operation of technology. Through this mechanism, the enactment of digital citizenship, which emphasizes on the capacity to utilize the digital medium positively, critically and respectful towards human rights and dignity (Council of Europe, n.d.), can be meted out in new possibilities. By working together with many groups in the spirit of collaboration and solidarity, the hope of humanist and inclusive design of technology designed for socially useful ends and shared goals rather than profit-making can be kept alive (Muldoon, 2022). Additionally, ethics committees can be established in institutions that develop technology to oversee the technology development process so that it is in line with values of humanity and inclusivity.

CONCLUSION

Digital technology revolution brings about vulnerability to the mass of workers in two respects. First, the prevalence of precarious working conditions exacerbated by technology in many parts of the world. Second, the threat of human workers' obsolescence due to the introduction of technology in the workplace. To address these problems, the following recommendations are proposed to the G20 and the member states:

First, securing the rights of all workers to decent work by giving adequate monetary and social compensation. This basic appeal can be complemented with more progressive measures such

as providing unemployment benefits, instituting practices of workplace democracy, Universal Basic Income, and Universal Basic Services. Moreover, governments need to collect a database of workers in precarious conditions to get a clear picture of the problem and give benefits to the entitled parties.

Second, creating the ecosystem of continuous upskilling and reskilling for workers. Tackling this challenge can be taken into a multitude of actions: expanding access to technology, adopting freedom and connectivism in learning schemes, enlarging the flexibility to work between public and private sector, and building humanist and inclusive digital literacy.

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