

# Robots versus workers: Towards an open, equitable and inclusive digital economy

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**A clash between robots and workers is unlikely. Rather, disruptive technology can make workers more efficient without replacing them, and raise profits, while maintaining or increasing a company's workforce.**

Disruptive innovation, if not well-managed and regulated, can have a negative impact on jobs and working conditions. The digital economy and the shifts it causes are moving at a fast pace across all sectors. It bears both opportunities for productivity and well-being, and risks for certain job profiles, specifically routine heavy tasks. It may also affect working conditions, as evidenced by the thriving platform economy.

A clash between robots and workers, however, is unlikely. More realistically, a disruptive technological process can be used, first, to make processes more efficient without replacing workers, and second, raise profits, while maintaining or increasing a company's workforce. Therefore, how the digital economy evolves is as much about the organisational decisions a company makes together with trade unions as partners and the business models they adapt, as the digital technologies themselves.

Unions are by no means bystanders in the digital economy; they contribute to the development of future company strategies, support employee-driven innovation and accompany the introduction of new organisational models and technology (including in view of data protection and workers' health and safety).

Operational robots are already among us. They displayed growth of over 70% in the last 10 years in numbers. Advanced manufacturing, where automation is already under way, is seeing the emergence of man-machine collaboration and 3D printing. Job losses have so far been marginal. One reason is that information and communications technologies (ICTs) simply cannot manage complex processes

on their own. Nor can a robot make the same reasonable choices or have the socio-emotional skills of a human worker.

Still, policy attention should be directed to the degree of routine content and the potential for ICT intensity in all occupations. While making use of intelligent systems to achieve more effective, tailor-made production, the employee must always come first.

To avoid any job displacements and rising inequalities, it is crucial to devise the right transition strategies. To make smart choices, policy makers and social partners must look at different dimensions: how jobs will change in terms of both design and tasks, and what new forms of employment are emerging.

Ultimately, innovation needs to be attached to the right goals, such as the creation of new and better jobs, the transformation of industries to a low-carbon economy or the use of ICT in the health sector. At the same time, new challenges need to be addressed straight away. One of them is the spread of precarious work in the platform economy—which in itself is a “business model versus workers” scenario. This contingent employment is by no means a new phenomenon, but has rarely been so deeply enshrined in business models.

As a contingent worker, you earn less on average due to the lack of (or reduced) employer and public benefits. Platform economy companies mostly rely on avoiding regulatory obligations (on the employment relationship, regarding consumer protection or taxation) to ease pressure on their profit margins. In doing so, they avoid employer responsibilities (including contributing to social security benefits) by classifying employees as independent contractors and paying them by “task”. They prevent them from obtaining any rights as employees, including paid or even sick leave, but have no problem setting fees, pricing and service standards for their employees to adhere to.

These companies spend substantial resources on lawsuits and in lobbying for relaxation or removal of important regulations. On-demand jobs and crowd work could become much more widespread: platforms are growing exponentially and expanding to new sectors (think UberHealth or Amazon Flex). Other companies are acquiring some of these firms, leading to a potential proliferation of the underlying business models.

The question is whether such strategies are sustainable. There are other platform companies, who chose to refrain from the independent contractor approach and provide employees with benefits and rights (albeit to a varying degree). Some of the reasons for that is to retain and train employees to increase customer satisfaction. Others simply cannot afford 50 legal actions a year against them.

Another model should take centre stage: it is proven that firms, who provided adequate wages, job security and training for employees, will expand profits

through the accumulation of tacit knowledge at any skill level and commitment of workers.

The opportunities and challenges arising from the digital economy should be addressed through effective regulatory frameworks and innovation policies that aim to bridge digital divides by enabling the widest possible diffusion of new innovation opportunities. Half of the world's population still does not have proper internet access. This needs to be driven by systemic policies with public investment going into universal broadband access, knowledge-based capital, education and training.

As a priority, we need an “Action Plan for Quality Jobs in the Digital Economy”. The action plan would promote enabling working conditions and employment relationships with all labour rights and social protection in place, regardless of the type of contract, and underpinned by corporate accountability. Clearly, 21st century technology cannot be built on 19th century working conditions. Workers need to have a voice, and the trade unions are the players able to ensure quality work and wages. Expanding union membership and collective bargaining coverage to the digital economy is not an oxymoron: after all, it was during the heady changes of the Industrial Revolution that the collective organisation of factory workers led to decent pay. From then on, the spread of the benefits of innovation accelerated. This is replicable: robotics, AI and IoT can go hand in hand with quality jobs. It's not Robots versus Workers, but Digital Technology for Quality Jobs.

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