



MAGAZINE

THE EU IN SEARCH
FOR ORIENTATION



THE GROWING THREAT FROM RIGHT-WING POPULISM

What the success of right-wing populist parties means for the future of the EU

THE EUROPEAN YEAR OF SKILLS

Agenda for strengthening workers in Europe

THE NEED FOR NEW SKILLS

Attempts to optimise further training in Croatia

AI IN THE WORKPLACE

Insights from the EZA kick-off seminar 2023

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Dear Colleagues, Dear Readers,

In November, a video speech allegedly given by the German Chancellor did the rounds, declaring that the right-wing populist and partly far-right party called the AfD (Alternative for Germany) would be banned. This was a so-called deep-fake video by political satire activists, amazingly realistic but actually produced with artificial intelligence. The pros and cons of AI were catapulted into public debate at the latest with the launch of ChatGPT. At this year's kick-off seminar in Sofia, the EZA network discussed the impacts of AI on the world of work with scientists and the two MEPs Dennis Radtke and Axel Voss from the European People's Party (EPP). AI must be demystified, also in workers' organisations, so that its undisputed advantages can be put to good use, while also containing the associated risks by implementing appropriate rules.

But back to the satire video. The German government was not amused. At the same time, the satirists unerringly put their fingers on a real problem that is meanwhile making itself felt throughout almost all of Europe. Populist parties, particularly far-right populist parties that are in some cases post-fascist and extremely right-wing, are gaining more and more support in Europe and even winning elections, as was recently the case with Geert Wilders' Party for Freedom in the Netherlands. Many of these parties openly question democratic institutions and processes; their party programmes frequently postulate dismantling the welfare state and oppose European integration. We must take a clear stand in this situation! Our democracies are at risk! But an honest response also needs to take a critical look at why these parties are winning votes despite their destructive potential. Many of them put their fingers on the open wounds of our economic system and on growing inequality. While this doesn't justify their anti-democratic policies, it does however indicate urgent need for better answers to social problems so that we can protect those on the losing side of the multiple crises, or answers to the whole issue of migration, to make sure everyone can be heard. That's the only way to take the wind out of the sails of the right-wing populists, and certainly not by adopting their slogans! The EZA conference in Brussels on 19/20 March 2024 will raise these questions and publish a study produced with ADAPT.

We would like to thank all our members and partners who have supported EZA over the last twelve months in our mission to strengthen the social dialogue and the social dimension in Europe!

We would like to take this opportunity to wish everyone a blessed Christmas and a healthy and hopefully more peaceful New Year 2024!

Luc Van den Brande, President and Sigrid Schraml, Secretary-General



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THE GROWING THREAT FROM RIGHT-WING POPULISTS

Impacts and consequences for workers' organisations, the welfare state and the European democracies of a possible swing to the right at the European elections 2024



TWO FIGUREHEADS OF RIGHT-WING POPULISM IN EUROPE: GIORGIA MELONI (FRATELLI D'ITALIA) AND GEERT WILDERS (PVV)

TEXT: Lukas Fleischmann
PHOTOS: Lukas Fleischmann/Shutterstock

Bergamo – Italy's Prime Minister Giorgia Meloni deliberately chose International Labour Day on 1 May 2023 to abolish the Italian 'citizens' income', which was a form of benefit payment. Introduced in 2019, the citizens' income was intended to drastically reduce poverty in Italy. The news platform Euronews estimates that as from 2024, 169,000 families will no longer receive the disputed

social benefit. In future, there will be a modified form of citizens' income for those aged 60 years and older, those living with under-age children in their household or those with a form of disability or illness. This is one example of how the current far-right Prime Minister is trying to change the welfare state, arguing that this would boost productivity and reduce unemployment.

The European Commission, experts from science and the trade unions criticise this and other measures by the Italian government, and expect to see increasing pressure from right-wing populists when looking ahead to the European elections in 2024 throughout the EU. The issue at stake here is no less than a possible reversal in European social policy, with less social security and pluralism and more unilateral action by certain countries, that could also have a severe impact on workers' organisations.

Deconstructing the welfare state

"There are two preconceptions about the citizens' income", says Francesco Nespoli, scientist at Rome's LUMSA university. "On the one hand, people say that the citizens' income makes the unemployed less motivated to look for work. On the other hand, there's the fraud narrative about people cheating to obtain benefits. This has been circulated on national TV and news programmes, generating a lot of publicity." Francesco Nespoli is a communications expert and is researching into mass communication with regard to the labour market, trade union communication and industrial policy. He works together with the ADAPT research centre in Bergamo, that has collaborated with the EZA network to produce a study on right-wing populism in Europe. Initially, Nespoli was highly critical of the citizens' income introduced in 2019 by the similarly populist Five Star government because of the vague implementation and numerous legislative errors, seeing urgent need for reform. But the current solution is certainly no improvement. "Everyone who is not older than 60, living with under-age children or has a disability is classified as employable.

But this of course is an oversimplified classification. The first group is entitled to 500 euros per month, the potentially employable are entitled to up to 350 euros per month if at the same time they are looking for work, serving the community or attending further training courses. But no-one can live on 350 euros a month anywhere in Italy. The notion of preventing possible fraud will result in even more fraud, due to the prevailing need." Nespoli therefore fears an increase in clandestine employment: "I'd look for an illegal job, one that's undeclared, so that I can put my informal wage together with the 350 euros."

Francesco Seghezzi has a similar view of the situation. He is the Director of the ADAPT research centre, with a team of more than 40 researchers seeking to build bridges between unions, employers' associations, companies and universities. "There are regions in southern Italy where up to 40 percent of all women have no job. There are also long-term unemployed people who have not been able to find work for 20 years. If you ask me, these political interventions were mainly to keep the Fratelli d'Italia voters happy."

New narratives and the relationship with the trade unions

Portraying the welfare state as a scattershot approach and the unemployed as potential fraudsters and social welfare scroungers – these are positions and, above all, narratives that are frequently used by far-right parties in Europe. Since 2022, Italy's Prime Minister Giorgia Meloni has increasingly morphed into the kingpin of this political group. But she's not the only one in this position. Another prominent figure is the Dutchman Geert Wilders, who returned to the headlines on winning the parliamentary elections in the Netherlands in November 2023. "Populism is hard to define", says scientist Francesco Nespoli. "But I think that for right-wing populism, the three main concepts are anti-pluralism, a simplified depiction of the nation, and a confrontation between the people and the elites. Right-wing populists divided society figuratively into two groups: those who are controlled by the elites, and those who do the controlling."

As a rule, this differs fundamentally from the view taken by most trade unions, who advocate pluralism and social inclusion, according to Thomas Miessen. "Trade unions and right-wing populists are antagonists." Miessen works in the international department of the Belgian trade union association ACV-CSC. He observes and catalogues the voting behaviour of the individual groups in the Committee on Employment and Social Affairs of the European Parliament. He observes and catalogues the voting behaviour of the individual groups in the Committee on Employment and Social Affairs of the European Parliament.



**SCIENTIST FRANCESCO NESPOLI
FROM ROME'S LUMSA UNIVERSITY**

He fears that the increasing strength of far-right forces on the national level will give the European Conservatives and Reformists (ECR) and the Identity and Democracy (ID) groups more influence on the European level after the 2024 elections. “Yes, I’m worried. I fear that parliament will be weakened by the right-wing populists. Up to now, we have produced in-depth analyses of the work and voting behaviour in the European parliament. As far as social legislation is concerned, for the most part nearly all groups in the committees are in agreement, from the left to the liberals. But not the ECR and ID MEPs. They fundamentally reject legislative proposals for the European minimum wage or for dealing with the situation of the working poor. They argue that these are national concerns where the EU should not interfere.”

On the national level, an example in Italy already shows the discord that a right-wing populist government can trigger, for instance when it comes to dealing with trade unions. Francesco Nespoli from the University of Rome: “After experiencing a number of disappointments, now only one of three major trade union confederations is willing to negotiate with the government. So the other two major confederations are currently planning strikes and protests against the government. Ironically, the answer from the Meloni government is now the opposite of

anti-pluralism. It is trying to get a few smaller trade unions on board. This is a very subtle way of undermining the relationship between government and trade unions. Traditionally in Italy, only the major trade union confederations are allowed to negotiate with the government or be taken into consideration.” But the government is now also garnering smaller trade unions to incite confrontation and make it harder to negotiate. The politically engineered fragmentation of Italy’s trade union landscape means that the former major confederations are increasingly losing influence. It is a case of divide et impera – a divide-and-conquer strategy used by right-wing populists, and the Meloni government’s attempt to reduce the influence of the labour movement in general.

National action as a threat for EU policy

Out-and-out attacks by right-wing populists on the welfare state and the unemployed in general are not just an Italian phenomenon. In Germany too, measures such as the citizens’ income are also coming under massive criticism from right-wing populists. For example, one of the demands made by

the ever stronger far-right and in some cases even extremely right-wing AfD (Alternative for Germany) is that the long-term unemployed should be forced to perform ‘citizen’s work’ to get them “out of the social hammock”. But the difference is that the demands being made by Germany’s right-wing populists have already become reality in Italy – and could turn into a problem for Europe. The EU has been under pressure for years and is trying to find ways of dealing with the new right-wingers. More and more member states are turning their back on the welfare state on the national level, moving in the opposite direction to the European trend which has advocated expanding the social dimension of the EU since the first Juncker Commission. “Social Europe is making advances in many areas”, says Thomas Miessen, “but scarcely anyone is talking about it. It’s not filtering through to the people.” The current European Commission is understandably wary about Italy’s social policies. A Commission spokesman told the EURACTIV news portal that while the EU has no competence in this field, a minimum wage is still seen as an important social safety net.

Europe’s prospects

“There’s currently a debate about where Europe’s going”, says Thomas Miessen. “The trade unions want further expansion of the social dimension in the national and European context. That’s not what the right-wing populists want. Sound scientific evidence shows that austerity policy drives people to the extremes, and above all to the far right.” Whenever shortages are artificially created and people feel they don’t have enough money, the blame is quickly put on immigrants. “The social media also cultivate this narrative”, says Thomas Miessen. Public discussions shift when the authorities don’t have enough money for everything: “If you compare tax fraud with social fraud, the ratio is 100 to 1. The statistics are clear enough.

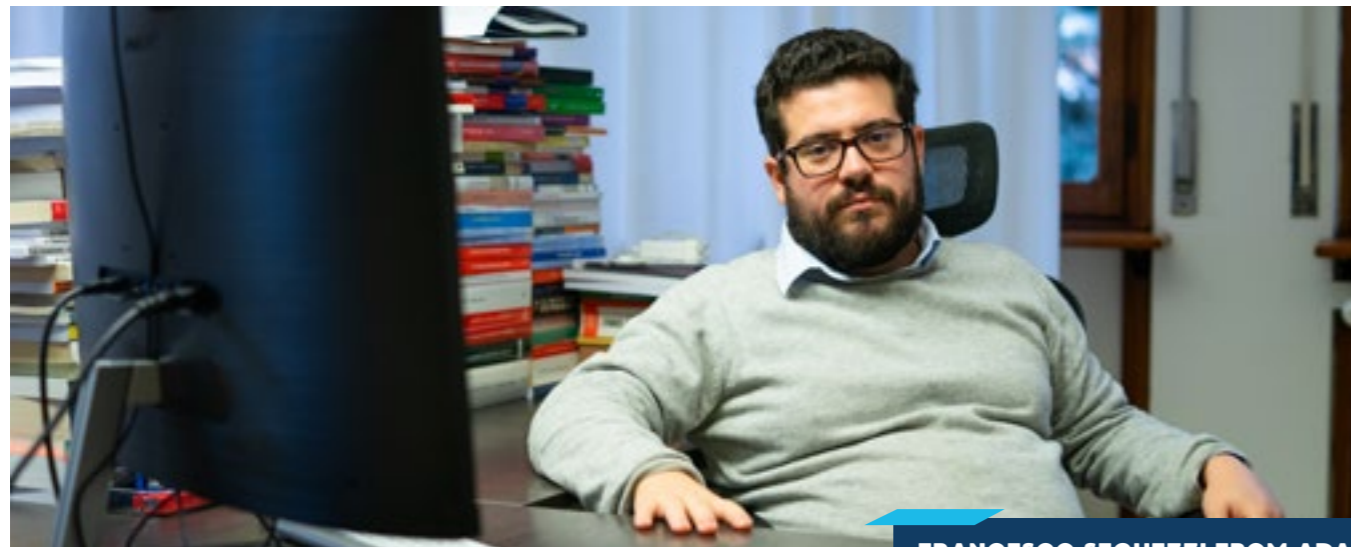
Increased inspections by the tax and financial authorities could generate additional resources to allow reasonable funding for the welfare state. There’s incredible wealth out there.” While cases of social fraud

do exist, the narrative of the social hammock is just a myth because as a rule, unemployment benefits are lower than wages, although this still doesn’t mean that wages are high enough, or that measures to reactivate the unemployed are a bad thing in principle. “We need real wage increases and clear improvements in working conditions. But on the EU level, it’s the right-wing parties who don’t want that, as shown by the voting behaviour on the working poor resolution”, says Miessen. All MEPs in the ECR and ID groups voted against the working poor resolution or abstained, while the majority of the EVP group also abstained, but did not vote against the resolution.

Thomas Miessen feels that Europe currently underestimates the dangers associated with ever stronger right-wing populism. “We are fortunate that at the moment we are still in the position to vote extreme right-wing forces out of office again. We saw with the Trump example how close things can get. And the example of Milei in Argentina shows that there are meanwhile countries out there that are getting increasingly unstable.” The Netherlands probably also belongs in this category. Winning 37 of 150 seats in the Dutch parliament, the right-wing populist and, to a certain extent, extremely far-right Party for Freedom managed to more than double the results it had achieved in the previous elections.

Fear and reality

Back to Italy: through to the second quarter 2023, the country’s economy had recovered from the shocks of previous years. By the end of this year, analysts expect the GDP to grow by 0.7 percent. The situation on the labour market has also improved. The EU presumes that the unemployment rate will continue to decrease beyond the forecasting window. However, this is also due to the predicted decline in the working population. So the question arises as to exactly how much the Italian government has contributed to this, in other words, what has been the real impact of the strict austerity measures.



FRANCESCO SEGHEZZI FROM ADAPT

Inequality is the problem

The game that the right-wing populists play is to manoeuvre between fear and reality. Leading right-wing populists pursue the strategy of averting the nimbus of being right-wing hard-liners in order to win over moderate voters. “Ten years ago, Meloni would have defended fascism”, says Francesco Seghezzi from ADAPT. “Today she seems to be more of a conservative. Like a strict mother figure. I think that came as a surprise for most people in Italy. But I also think that in 2022 she was the only real opposition and that’s why she was elected. Not because of her right-wing mentality.

But no matter how pragmatic national governments with right-wing parties seem to be, they still pose a threat to the current system, to pluralistic civil society organisations such as trade unions, and to the EU. They reject central elements of basic democratic principles and institutions. This national success could also be transposed to the European level, with the risk that things will take an about-turn in the social dimen-

sion pursued hitherto. This would be a real blow for workers’ organisations and other social organisations, who see themselves as being diametrically opposed to what most right-wing governments and parties demand. The roots for this right-wing success go deep, but they are associated in essence with inequality and poverty. It remains to be seen whether dismantling the welfare state, weakening the unions and focussing on a libertarian economy will solve the problem. Thomas Miessen says: “The solutions are right there and are actually quite easy: one the one hand, wage justice through collective bargaining. Wage justice means that when I make a contribution, I’d like to have an adequate livelihood in return. The other thing is taxation: taxes on wealth, on income and so on. There are lots of possibilities for sharing the burden out over many shoulders.”

To complete the narrative: the ratio of 100 to 1 for tax fraud to social fraud should really be convincing enough on its own.

This text was produced in cooperation with the ADAPT research centre in Bergamo. The podcast **“We Work Europe”** introduces Francesco Seghezzi and Francesco Nespoli. It also presents the statistically most egalitarian region in Italy which has stood up to right-wing populism for longer than any other regions in the country. Use this QR code to find the latest episode of **“We Work Europe”**.



AN AGENDA TO STRENGTHEN WORKERS IN EUROPE



TEXT: Katrin Brüggem
PHOTOS: Shutterstock

With the European Year of Skills 2023/24, the European Commission is aiming to expand further training for workers. This should help to ensure the EU stays competitive on the international stage in future and to answer the most urgent questions posed by the European labour market. It also looks at current chal-

lenges such as the digital transformation, artificial intelligence (AI), the impacts of the Covid-19 pandemic or the climate crisis. A central role is being played by young Europeans in particular who are going through the transition from training to working.

Skills for Europe

For many young people in Europe, joining the world of work means not only collecting professional experience but also developing a wide range of skills that go over and beyond the specific knowledge needed for a certain job or profession. The European Year of Skills offers an opportunity to put a focus on the diversity of skills that young Europeans could bring into the working world. One particular aspect consists in fostering digital skills. The ability to make effective use of digital tools and to develop innovative solutions is becoming a crucial factor for the success of those who are just starting their career and for those who are already established in their jobs. The initiative should provide courses and resources to ensure that Europeans can acquire the necessary digital skills.

Motivation for training

Statistics clearly show that prospects on the job market are currently challenging due to the many crises. There are large gaps between what the initiative is striving to do and everyday reality. Throughout the EU, employers are having problems in finding workers with the necessary skills. One quarter of the 25 million small and medium-sized companies in Europe say that their biggest problem consists in finding good executives and employees. In 2022, the quota of job vacancies in the European union was 2.87 percent, ranging from 0.8 percent in Romania to 4.6 percent in Austria. In most member states, this is above the pre-pandemic level.

To bring these figures down, the European pillar of social rights guarantees among others the right to general and vocational education. However, only 37 percent of the workforce takes up any kind of further training. The EU wants to increase this to 60 percent. According to Eurostat, the average

European quota of those attending further training courses is above 52 percent for 25- to 34-year-olds, just about 44 percent for 45- to 54-year-olds and only around 32 percent for 55- to 64-year-olds. It is striking that young Europeans coming straight from school or training continue seamlessly to learn new skills. An important source of information in this context is the Adult Education Survey that looks at the participation of adults in general and vocational training (formal, non-formal and informal learning).

From a youngster's perspective

Tony is a young European, 17 years old who passed his German Abitur (A-levels) this year. While looking for the best way to start his future, Tony helped out in the EZA Secretariat in Königswinter. In recent years, Tony's year group has been seriously impacted by the Covid-19 pandemic. Particularly in view of all the multiple crises of recent times, Tony is currently finding it difficult to decide what he wants to do in future. He talks about all the basic prerequisites and skills that haven't been learnt properly in this time or that could be improved. He sees the impacts as being underestimated, while this generation is under additional pressure. "Social interaction was reduced to a minimum and we had no possibility for practising social skills. For example, we don't know what is expected of us in an job interview or how to behave in negotiations." Tony continues: "I'm afraid that when we start a degree course or begin training or whatever without really knowing what we want or expect, in the long term nobody's going to be satisfied, let alone happy. Doing something just to have something to do isn't sustainable." There's a risk that resources such as time and money will be invested in initial and further training that won't benefit to anyone on the labour market in the end.

"IT IS AN OPPORTUNITY FOR YOUNG EUROPEANS NOT ONLY TO ENHANCE THEIR PROFESSIONAL SKILLS, BUT ALSO TO FOCUS ON THEIR INDIVIDUAL STRENGTHS FOR TACKLING PRESENT-DAY PROBLEMS. THE FOLLOWING SECTION LOOKS AT A CONCRETE EUROPEAN EXAMPLE THAT SHOWS HOW CROATIA IS USING THE PERSPECTIVES OF FURTHER TRAINING."

Gloomy future ahead

The multiple crises and the rapid developments in AI mean that young people tend to see their future prospects as being very gloomy. According to the opinion research institute YouGov in March 2023, 52% of the 16- to 25-year-olds are pessimistic about their future. The survey was conducted among 7,000 young people from seven different European countries (France, Germany, Greece, Italy, Poland, Spain and United Kingdom). Only 22% believed that their generation would eventually have it better than their parents. Another result of the survey is that only 5% have the feeling that their interests are "fully and completely" represented by politics. Altogether 26% "didn't have this feeling at all." "Young Europeans are getting increasingly and continuously gloomy about their life in the long term. Looking ahead, this means that a sudden trend reversal is not very likely", says political scientist Thorsten Faas from the Free University of Berlin to the weekly newspaper "Die Zeit".

Caught between demands and pressure

In the context of the European Year of Skills, Ursula von der Leyen talks of the need to match what companies need with people's aspirations, with the

aim of attracting the right skills to Europe in order to master the challenges. The political sector needs to ask how the corresponding skills can be attracted when most of tomorrow's workforce doesn't see any chance of winning the future. "The pressure of solving this whole complexity of problems, changes and demands, or at least of making an essential contribution to finding a solution, acts as a deterrent for me personally. and I think many others of my generation feel the same. Of course we want to do something meaningful. But it should make us happy too and not just fulfil a purpose", says Tony.

On the bottom line, the appeal to continue training is a good one. But it tends to ignore the fact that young workers are presumed to have certain skills that they couldn't actually acquire properly due to external factors. While diamonds are formed under pressure, a young generation of Europeans risk being crushed under the pressure. All in all, the European Year of Skills is an important step towards having a better, more diversely qualified workforce in Europe. It is an opportunity for young Europeans not only to enhance their professional skills, but also to focus on their individual strengths for tackling present-day problems.

The following section looks at a concrete European example that shows how Croatia is using the perspectives of further training.

CROATIA NEEDS NEW SKILLS

New technologies such as artificial intelligence could result in Croatia with its shrinking population facing a brain drain. Representatives of the unions and the economy discuss further training as a countermeasure.



TEXT: Ralph Würschinger
PHOTOS: Ralph Würschinger, NHS, Shutterstock

“Some of them are young enough to be my children”, says Đuro Trbojevic with a laugh, talking about his fellow students at the University of Zagreb. The 35-year-old recently decided to study for a Bachelor’s of Information Technology. He’s not in urgent need of this degree. Đuro Trbojevic is a successful businessman, dealing with CNC machines and printers for more than eight years. He sees the academic degree as an investment, and probably the very best one that he can make. Of course, he could get knowledge from

the internet, but he prefers the university’s system of learning: lectures and courses with fixed assignment deadlines. “It’s easy to put things off, until tomorrow, then the day after, then days become weeks, months, years . . . But as soon as you enrol with an institution, you’re forced to work within their rules.” As the boss of his own firm, he can plan his working hours around the university timetable. But it’s not easy, he says. “It demands great sacrifice, particularly on the personal level.” Đuro Trbojevic often works at the weekend or



ĐURO TRBOJEVIC IN FRONT OF THE INSTITUTE OF APPLIED SCIENCES AT ZAGREB UNIVERSITY

at night. It’s not rare for him to get no more than just a few hours of sleep. But his wife supports him by looking after their two children. Without this support and the freedom that his work gives him, it wouldn’t be possible.

Đuro Trbojevic was already enrolled at Zagreb University many years ago, but financial reasons forced him to work for a living after just a few semesters. The job he did at the time didn’t allow him to continue attending lectures, so he had to drop out of his course. This is the kind of situation that the European Year of Skills is trying to change through its initiative for lifelong learning.

Recruiting instead of reskilling

“Employers don’t see any need to invest in further training for their employees”, says Krešimir Sever. He is the President of NHS (Nezavisni Hrvatski Sindikati), Croatia’s second largest trade union federation and an EZA member centre. According to Sever, it is easier for employers to recruit skilled workers from abroad. Croatia therefore recruits employees from Asian countries such as Nepal, Pakistan or the Philippines. According to the Ministry of the Interior, last year around 125,000 employees from third countries received residence and work permits in the country. This is because many Croatians seek their fortunes in countries such as Germany which has been recruiting skilled workers from abroad for some time now. “Our country comes last in the EU in terms of providing em-

ployment for highly skilled young people. We are also the country with the most short-term work contracts”, says the union president. This has led to around 400,000 Croatians emigrating in the last ten to fifteen years. At the moment, immigration from third countries cannot offset this brain drain. The impact is felt not just in highly qualified jobs but also when it comes to seasonal workers for the tourism industry, which accounts for around 20 percent of the gross domestic product and is one of the most important sectors of the economy, particularly in the coastal regions.

The fact that people leave to work abroad is nothing new for the Adriatic country. There have already been several waves of emigration, in the early 1990s during the war in Yugoslavia, then during the global financial crisis in the early years of the new century and more recently in 2011 when Croatia joined the EU. Krešimir Sever fears a further emigration wave in the next five to ten years. Those who are currently in work cannot presume that their job’s safe. Predictions indicate that new technologies such as artificial intelligence and automation will severely impact on Croatia’s labour market and eliminate jobs, he says, referring to a study entitled “The Future of Work in Croatia” conducted by McKinsey in 2021. According to the study, jobs involved with physical activity and simple data input tasks will be particularly affected. As a conclusion, about 140,000 Croatians will have to change their employment by 2030 to ensure they don’t lose their job. Emigration wouldn’t be an option for these employees because digital development is also taking place at the same time in other EU countries

Estimations by the EU presume that in future, 90% of the population will need digital skills. There is already a shortage of digital experts on the labour market. The international community predicts that by 2030 there will be 20 million jobs in the ICT sector (information and communications technology), compared to 8.9 million at present. At the start of the 2020s, the European Commission declared this to be the digital decade, and has been advocating the transformation to a digital Europe for a few years now. In September, the European Commission presented the first annual report with analyses and recommendations for the individual Member States: 2030 Digital Decade. 2023 Report on the state of the digital decade. For Croatia, it suggests that the capacity of the education system should be increased, more ICT specialists trained and action taken to retain these professionals in the labour market while attracting new talent at the same time.

Need for faster adjustments

“Our education system is not geared to our swiftly changing world”, says Vjeran Buselic. He adds that the notion of someone spending their whole working life in one and the same company doing one certain task has become obsolete. As Professor at the Institute for Information Technology at the University of Zagreb, Vjeran Buselic gives courses on digital economy, as well as critical thinking and information literacy. The latter deals with teaching students where they can find information, which tools they can use, and also how to verify and classify information. He would like to see critical thinking already being taught in schools, because “these are the skills that facilitate learning, that encourage people to be open and willing to try new things” – an increasingly important skill, the Professor thinks.

No-one is probably better suited to teach this course than Vjeran Buselic. Originally, the 66-year-old did a degree in mathematics, worked as a programmer for Microsoft among others, and was employed as a project manager. During this time, he attended many training courses before turning to an academic career and gaining a PhD in 2018. Eventually, it was Vjeran Buselic’s desire to keep on training and learning new skills that led to him becoming a professor. At the university, he tries to pass this attitude on to his students, while teaching them soft skills such as team work, work organisation and rhetoric. He also works to bring students and companies together. Just a few years ago, companies needed a great deal of persuasion. „But today they come of their own accord.

You don’t need to invite them anymore. There is such a shortage of IT specialists that students in their third semester get direct job offers – even though they still can’t do much at that point. But the companies say that’s ok, they’ll show them how to do it.” In Vjeran Buselic’s opinion, you probably don’t really need a degree to find a job in this sector. But degrees and qualifications are important for personal development, given the rapid change in the world of work.

Creating incentives

It is in a privileged position due to the digital transformation of the world of work. Workers in other areas won’t be courted quite so eagerly in future. Up to now, those who are already in work have found little opportunity for further training. The NHS wants to change this. The unions have joined forces with the Croatian government and employers to introduce EU-funded training vouchers. These vouchers can be acquired by employees and the unemployed. Nearly 1,000 courses from various private training centres are offered on the portal of the Croatian job centre, ranging from UX design via maintenance of hybrid cars to digital marketing. The courses are held either online or on site and usually consist of several hundred lessons.



KREŠIMIR SEVER, PRESIDENT OF NHS (NEZAVISNI HRVATSKI SINDIKATI)



VJERAN BUSELIC WOULD LIKE TO IMPART KNOWLEDGE TO HIS STUDENTS THAT GOES BEYOND THE COURSE ITSELF.

According to the NHS, the response up to now has been rather reserved. Reasons for this include inadequate advertising for the programme, and the fact that older generations in particular don’t see the urgency for lifelong learning. But Krešimir Sever also feels that the offered courses aren’t adequate. Although they offer trendsetting skills for the green economy and digital industry, he and his organisation would have preferred to see a broader range being made available. Altogether, it’s going to take more than just vouchers to have a lasting positive effect on Croatia’s labour market. He sees the government as having great responsibility in this respect: “If you can’t make sure that workers get higher wages, then perhaps you can improve other aspects of their lives, with lower rents, and safe jobs now and particularly in future. That means that the workers don’t pay the costs for further training on their own. And that they can rely on having a job in future – not in the next two to four years – but in the next ten or more years, and that companies invest in their skills that will be needed there in future.” Although Croatian employers currently attract many low-skilled workers from third countries, highly qualified workers tend to look to other European countries further to the west. What Krešimir Sever wants to see is employers making more of an effort to train and reskill Croatian workers, keeping them in their own companies. Krešimir Sever also criticises other EU countries such as Germany who attract trained workers from Croatia, the Czech Republic or Bulgaria with well-paid jobs. He sees this as a pan-European problem. “It’s not fair”, says the union president. “These countries should give something in compensation for the skilled workers who

are now missing in Croatia, for example.” After all, the countries of origin invest many thousands of euros in training these workers, but are then left empty-handed if they emigrate to work elsewhere. In his opinion, the EU must find a solution for this problem. Otherwise, the rich countries will continue to get richer and the poor countries poorer. Krešimir Sever emphasises that he doesn’t oppose the EU – on the contrary: the NHS supported Croatia in joining the European community.

Đuro Trbojevic knows the problem from his own circle of friends. Many of them live and work abroad. He thinks about it sometimes as well. But his family and his own company in Croatia are what keep him there. In about twelve months from now, Đuro Trbojevic hopes to finish his Bachelor’s degree. He says he can’t cope with the double load for long. Even so, he doesn’t rule out the possibility of doing a Master’s at some point in the future or getting some other further training. He sees the flexibility offered by his work as a privilege that others don’t have. “I’m sure that lots more people would go in for further training if the employers would give them the opportunity,” he says. If he’s right in this and both employers and the government push ahead with investing in initial and further training, then Croatia may possibly be able to mitigate the next wave of emigration.



The “We Work Europe” podcast provides more information and insights into the labour market in Croatia. Simply scan this QR code or go to <https://www.eza.org/en/eza-podcast>

AI IN THE WORKPLACE: INSIGHTS FROM THE EZA 2023 KICK-OFF SEMINAR



TEXT: Sergio De la Parra
PHOTOS: Katrin Brüggem

The key takeaway from this year's EZA kick-off seminar was clear: "The black box can be opened!" Workers' representatives have a duty to demystify artificial intelligence (AI) systems and to support workers in

countering the adverse effects of this burgeoning technology. The acquisition of in-depth knowledge of AI is the first step in this direction.

EZA in Sofia

This was precisely the aim of this year's EZA kick-off seminar, held on 23-24 November in Sofia, and hosted by the Bulgarian confederation of trade unions, PODKREPA. The event featured five panels where participants delved into several crucial aspects of AI in the context of employment. Key topics included exploring the current applications of AI across various industries, understanding its impact on job creation and displacement, and recognising the evolving skill requirements in an AI-driven economy. The seminar also placed a strong emphasis on the vital role of unions in safeguarding workers from potential negative impacts of AI, with discussions focusing on strategies for protecting workers' rights and a consideration of the ethical aspects of AI integration. The discussions also examined the need for effective regulatory frameworks to manage AI deployment and an understanding of its broader socio-economic implications.

Approx. 60 participants from across Europe attended the event, representing 48 member organisations of the EZA.

AI in the workplace: Today, not tomorrow

The integration of AI into diverse sectors highlights the fact that this technology is not a futuristic concept; it is shaping our present here and now. AI plays a crucial role in finance with algorithmic trading, while the travel industry benefits from AI by generating personalised recommendation systems. The healthcare sector uses AI to perform enhanced patient diagnosis capabilities and, in transport, AI is driving the development of autonomous vehicles. Even

the retail industry harnesses AI to improve customer service experiences. AI's influence extends across various business processes, with notable applications in human resources (HR). Here, it is employed for tasks including CV screening, predicting employee performance and to influence decisions to hire and fire. AI is also used in other business domains such as customer service, accounting, marketing and legal.

No major job losses... yet

While the deployment of artificial intelligence could potentially lead to job losses in certain areas, AI also contributes to job creation and a shift in labour demand arising from increased productivity. It introduces new tasks and roles, notably for individuals with skills that complement AI technologies. High-skilled occupations that involve cognitive tasks are particularly influenced by advances in AI. However, evidence suggests that significant negative effects on employment have been limited to date, which can be attributed to factors such as low AI adoption rates, the reluctance of companies to immediately reduce their workforce and the time required to integrate new technologies.

In terms of skills, the influence of AI is driving a notable shift in the skillset required by the modern workforce. Skills that can be replicated by AI, including certain manual or cognitive abilities, are becoming less critical. Conversely, there's a growing demand for skills relating to the development, maintenance and interaction with AI systems. This covers a spectrum from basic digital literacy to specialised AI expertise. This shift is forcing a re-evaluation of education and training systems to adapt to these rapid changes. Training for AI is becoming crucial not only for vulnerable groups, but also for higher-skilled workers and managers, which is in turn promoting the development and adoption of AI.

The toll of AI on workers' rights

From a labour law perspective, the integration of AI in the workplace raises significant concerns about workers' rights. One of the most pressing issues in this regard is the blurring of traditional distinctions between the status of employee and self-employed due to the advent of AI and algorithmic management. Consequently, approx. 30 million platform workers in the EU, including food delivery riders and Uber drivers, are often classified as self-employed, despite being subject to the same rules as employees. However, this self-employed status deprives them of a range of rights and entitlements enjoyed by employees, including collective bargaining rights, social security benefits, protection against contract termination and minimum wage guarantees.

Additional conflicts can arise from intrusive AI-based monitoring tools, which may encroach upon workers' privacy and data protection rights. Similarly, the use of AI-based systems to monitor employees can lead to increased stress and pose a threat to workers' mental health. Other legal questions around AI include the lawfulness of automated decision-making, the exacerbation of information asymmetry between employers and employees and the potential for discrimination by AI-based tools.

EU Law adapts to the challenge

At the EU level, policymakers are actively addressing these concerns and are considering two key pieces of legislation. On the one hand, the Platform Work Directive analyses the burgeoning gig economy and digital labour platforms. This directive aims to confront the employment status of individuals engaged in work through these platforms, often under precarious conditions. A primary objective of this directive is to ensure that platform workers receive equivalent labour rights and protections as their traditional employee counterparts.

On the other, the "AI Act" is the EU's ambitious initiative to establish a comprehensive legal framework for AI. Its primary goal is to guarantee that AI systems operate safely, transparently and in accordance with fundamental rights and values. The Act categorises AI systems based on their safety and risk to fundamental rights, ranging from unacceptable risk to minimal risk. Depending on the assessed risk level, more or less stringent conditions are applied to their development and market launch, and systems that pose unacceptable risks are prohibited.

Unions in the AI era

Unions too can play a pivotal role in this context. Their primary task is to "open the black box" and to reveal the inner workings of AI systems. On this basis, unions can support workers by ensuring that existing AI-related legal standards are enforced within workplaces, often through collective agreements. These agreements not only ensure compliance with the current standards, but also enable unions to set more robust guidelines for the use of AI that go beyond the basic legal requirements to safeguard workers' interests in AI-integrated environments. Challenging unfair AI practices is another essential aspect of the role of unions, which may entail legal action against unjust AI-driven practices or collaboration with data protection authorities, particularly in cases involving sensitive worker data. Unions are instrumental in providing the necessary resources for workers to pursue these avenues effectively.

Finally, unions themselves can embrace AI to enhance their capabilities, i.e. to analyse labour trends, improve communication between members and to establish effective advocacy strategies. This will not only align with advances in technology, but will also strengthen their role in safeguarding the interests of workers. When implemented correctly, AI can serve as a powerful tool for unions to thrive in the evolving landscape of work, ensuring that the rights and well-being of workers remain a top priority in the age of artificial intelligence.

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