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▶ EU-Korea Policy dialogue on the future of work

Meeting report

Technical workshop of the joint EU-ILO
Project "Building Partnerships on the
Future of Work"

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Meeting report

Policy dialogue under the project “Building partnerships on the future of work” funded by the European Commission.

February 2022

▶ Background and objectives

- The European Commission, the Korean Labor Institute and the International Labour Organization organized a EU-Korea Policy dialogue on the future of work. This was organized as part of the EU funded project “Building partnerships on the future of work”.
- The webinar took place on Tuesday, the 8th of February 2022 and Wednesday 9th of February 2022 via Zoom.
- The project “Building partnerships on the future of work” aims at developing new evidence around specific and understudied future of work themes.
- The objective of this online dialogue was to bring together experts and stakeholders to discuss various future of work-related topics, including youth and older workers’ transitions, digitalization, and new working arrangements.

► Day 1: Transitions throughout the life course

Chair: Sangheon Lee (Director, Employment policy department, ILO)

Introductory remarks

Introductory remarks by Sangheon Lee (Director, Employment policy department, ILO)

Mr Lee opened the conference and reminded the participants that it was organized as part of the EU funded project “Building partnerships on the future of work. The aim of this project is to find working and sustainable solutions to key challenges related to the changing nature of work, with a particular emphasis on new analyses and evidence as well as on building partnerships with the goal of common dialogue and policy actions. The goal of this present meeting is to strengthen the partnership between the EU and the Republic of Korea in tackling two important issues related to the future of work, namely i) transitions throughout the life course and ii) digitalization of the world of work. Mr Lee underscored the importance of these topics, especially in the context of the current pandemic and thanked the two co-organizers, the Korea Labor Institute (KLI) and the European Commission (EC).

Welcome speech by Seng Hi Park (Deputy Minister, Ministry of Employment and Labour, Republic of Korea)

Ms Park welcomed the organizers and the participants. She pointed out that digitalization, demographic changes, climate change and the pandemic have deeply affected the Korean and the European labour markets in recent years. The climate change and the COVID-19 pandemic require coordinated responses. The Deputy Minister expressed her gratitude for this policy dialogue and the space it allows for governments, the ILO, social partners, and civil society to express their thoughts. Ms Park listed a variety of government efforts that were designed to tackle these problems including training programs, employment support services, re-employment policies for the retired, and a comprehensive all-worker employment insurance scheme (which includes workers such as artists, platform workers, and self-employed workers). Ms Park ended her remarks by emphasizing the need for solidarity and cooperation in devising solutions for the future of work in line with the ILO Call to action.

Welcome speech by Lluís Prats (Social Affairs and Inclusion, European Commission)

Mr Prats welcomed all the participants to the meeting and highlighted the importance of the topics of discussion. Mr Prats reiterated the EU’s support for any project promoting decent work, as well as gratitude towards the projects the ILO has been undertaking in this regard. He mentioned some important aspects of the future of work, such as digitalization, labour platforms, telework and labour market transitions for young people among others. Digitalization and artificial intelligence (AI) have the potential to transform the world of work, through innovation and enhanced labour productivity. One feature of the pandemic has been to accelerate some of these trends, as new forms of work have emerged on digital platforms, with a special focus on part-time, freelance and self-employment business models. This, however, has led to some causes of concern, such as a lack of social protection, precarious working conditions, and a widening gap between high and low skilled workers. Addressing future of work challenges such as the creation of quality work, therefore, remain an important topic of concern. Mr Prats referred to the European Skills Agenda launched by the European Commission in 2020, which underscored the importance of both re-skilling and up-skilling the workforce for a ‘green’ digitization. Another feature has been the presence of a strong regulatory framework for AI, such as general data protection regulation which has been enforced since 2018. Mr Prats underscored the aim of the European Commission, which is to ensure decent, transparent and predictable working conditions for people

active in the digital economy while supporting the sustainable growth of digital labour platforms in the EU. Mr Prats also raised the important issue of the “right to disconnect”, as teleworking has invariably resulted in the blurring of the workers’ professional and private lives, which particularly affects women. Regarding young people, Mr Prats stated that the European youth unemployment rate was more than twice as high as the general unemployment rate even before the pandemic. The importance of preparing young people for the labour market, as well as for the multiple labour transitions throughout their lives, therefore, remains high.

Research findings (1): Youth transitions on labour markets

Presentation 1 by Yoo Bin Kim (Research Fellow, Korea Labor Institute)

Mr Kim focused on the current status of youth employment and policy directions in the post-Covid era in the Republic of Korea. The presentation was divided into three parts, namely i) the current status and implications of youth employment, ii) the youth employment outlook, and iii) the youth employment projects and undertaking in Korea. Since 2000, the total and youth employment rates have been on the rise. However, the *gap* between the total unemployment rate and the youth unemployment rate has been slightly decreasing, as there have been gains in the youth’s participation. Mr Kim made a few additional points about youth unemployment trends since 2000. First, although there have been quantitative improvements, the share of the youth employed has decreased from about 24% in 2000 to 18.1% in 2021. This points towards limits in the capacity of the Korean economy to accommodate continuous youth employment. Second, there is a large gap between the youth employment rates of Korea (for the age group 15-24 and 15-29) and other OECD countries. Third, the gap between the youth unemployment rate and the labour underutilization rate also seems to be widening. Fourth, the share of the NEET population in Korea is among the highest in OECD countries. Surprisingly, a large portion of NEET individuals in Korea is in the 25-29 age range, many of whom are university graduates. An interesting finding as pertains to the COVID-19 pandemic is that a significant share of the youth in Korea is increasingly becoming part of the economically inactive population, dropping out of the labour force entirely. Moreover, although youth employment has significantly rebounded since the pre-COVID peak, this recovery has been uneven, as the number of temporary workers has increased, while that of daily workers has decreased. This phenomenon has given rise to concerns regarding job security.

Regarding the youth employment outlook, there has been a consistent decline in the youth population, due to a low birth rate in Korea. Moreover, a serious concern facing the Korean labour market is the deepening structural distortion currently taking place. First, young workers are delaying their entering the labour market, and are avoiding employment in SMEs. Second, there is evidence of job mismatches as well, as the turnover rate is very high.

Finally, Mr Kim discussed several youth employment undertakings and projects in Korea as part of the government’s youth employment policy. The Youth Employment Measures (2018) help create new job opportunities for the youth by facilitating start-ups through tax exemptions and incentives, especially in small and medium enterprises. The Youth Hope Ladder (2019) offers job creation, housing and education support, as well as assistance with finances such as resuming Sunshine loans. The Youth Basic Act (2020) focuses on the responsibilities and duties of the central and local governments towards the youth, while the Second Improvement Measures for Youth Improvement of Life (2020) targets 5 areas, namely job, housing, education, life and participation and rights. Finally, the recent Youth Employment Reinforcement Measures target jobs creation, skill development and employment support for young job seekers. Additional measures include the *Naeil Chaeum* Mutual Aid Program for the Youth which offers asset-building support for new entrants working for 2 years or more in SMEs and the expansion of the quota system for youth employment in the public sector.

According to Mr King, these policies have seen success, evidenced by the growth in youth recruitment by companies benefitting from incentives, as well as a lower turnover rate among subscribers to the *Naeil Chauem* Mutual Aid Program.

Presentation 2 by Massimiliano Mascherini (Head of unit *ad interim* for Social Policies, Eurofound)

Mr Mascherini's presentation provided a picture of the impact of the COVID-19 crisis on the youth in Europe. Mr Mascherini noted that the COVID-19 crisis can be seen as a "three-headed hound", as it represented a health, an economic as well as a social crisis. Each of these facets of the crisis has affected various demographic groups differently. For instance, there is a clear age profile in coronavirus deaths. On the other hand, younger generations and women suffer disproportionately more because of the restrictive measures implemented to limit the spreading of the virus. Moreover, the economic and social consequences on the youth will further affect their life course transitions. The Eurofound survey, entitled *Living, Working and COVID19* collected more than 150,000 responses over multiple waves. Regarding employment, Mr Mascherini noted that in the first year of the crisis, the EU27 employment rate for workers 15-24 years old fell by 2.1 percentage points (pp), decreased by 0.8 pp among those aged 25-54, and *increased* for those in the 55-65 group by 0.3 pp. The good news is that the impact on unemployment was reabsorbed to a large extent in 2021. Mr Mascherini noted that an important driver for the disproportionate impact on young people was the fact that they were overrepresented in sectors most affected by the pandemic, such as accommodation and food service. Furthermore, young people were overrepresented in jobs characterized by short, easy-to-terminate, temporary contracts.

Mr Mascherini noted that an important consequence of the current pandemic was the increase in telework, as 12.3% of employed people aged 15-64 in the EU worked from home (as a point of reference, this share was consistently around 5% over the past decade). However, young workers between 15-24 were much less likely to work from home in 2020, despite a large fraction of them (52%) stating their preference to do so at least several times a week. One consequence of telework has resulted in conflicts between work and home life, especially among women with children aged 0-11 according to the Eurofound survey. Regarding education, teaching and school assessment were moved online, which resulted in an additional burden placed on parents' shoulders, particularly working women with young children. A direct implication of schools' closure resulted in negative impacts on young people's human capital and skills accumulation. Moreover, this shift to online learning exacerbated existing inequalities, as the more privileged enjoyed a higher level of support and better equipment relative to the more vulnerable.

Regarding mental health, Mr Mascherini noted that COVID-19 has resulted in a mental health epidemic, due to not only a fear of the illness itself, but economic hardship, increased social isolation as well as tensions within families due to social restrictions stemming from lockdown policies. Mr Mascherini further noted that, according to the Eurofound survey, young people, especially young women, were most likely to express feelings of tension, loneliness and depression. In conclusion, Mr Mascherini stressed the need for policy responses to be enacted to prevent long term scarring on young people.

Research findings (2): Older workers' transitions and active ageing

Presentation 1 by Seungho Lee (Research Fellow, Korea Labor Institute)

Mr Lee focused on the ageing workforce and the related policy issues in Korea. The elderly employment rate in Korea (i.e. for people aged 50+) is quite high, and has generally been on an upward trajectory since 2000.

Although the elderly male employment rate has always been higher than the corresponding one for females, the female rate has been rising while the male rate has stagnated or declined since 2014. Mr Lee further observed that the elderly in Korea work longer than the elderly in other OECD countries, with the employment rate for the 70-74y being the highest in Korea. Moreover, there are also significant differences in the employment rate-age profile between men and women in Korea. Another specific feature of the Korean elderly labour market is that the share of the self-employed rises with age, whereas that in regular work decreases. Moreover, an increase in the legal minimum retirement age has also made it difficult for the elderly to decide when to retire.

An overarching feature of Korean demography is that the population has been rapidly ageing. The share of the working-age population is projected to swiftly decline, increasing the burden on active workers to support the rest of the population. Mr Lee noted also that the educational composition of older workers has also changed since 2000, with older workers increasingly better educated compared to the past. This, however, has not been fully reflected in labour demand. Structural change away from agriculture has led to a decrease in demand for older workers. Mr Lee further indicated that elderly disposable income declines from the age of 60 onwards, which has contributed to a high level of the elderly poverty rate (47% in 2016).

There have also been recent changes in the elderly labour market system, with an increase in the mandatory retirement age to 60. In order to offset the resulting increase in labour costs due to the higher retirement age, many businesses have adopted a wage-peak system, which reduces wages for older workers. Regarding social security, although the average level of old-age pension has more than doubled in 2020 compared to 1999, the beneficiary rate is still only at 54.9%, leaving a large fraction of the elderly without sufficient means in their old age. As a response to this, several measures have been introduced. Specifically, public assistance to the bottom 70% of the elderly (in terms of income/wealth) is being provided, and a basic Old-Age Pension has been introduced in 2014. A system to create jobs for the low-income elderly has also been implemented.

Mr Lee then presented results from his own work, in which he and his co-authors made use of sequence and cluster analysis to categorize workers in their 50s and 60s into different types based on labour market status. The results suggest that most workers maintain their employment status (regular, irregular, self-employed, unemployed) in their 50s, and that labour market participation is high even for workers well into their 60s. Besides, labour market stability is associated with a lower poverty rate for workers in their 50s, while retirement is associated with increasing poverty for individuals in their 60s. Consequently, it is reasonable to think that extending the employment period after the age of 60 can help curb such poverty in old age. Other policy measures such as vocational training and daily education for older workers can help boost their productivity.

Presentation 2 by Dorothea Schmidt-Klau (Employment Policy Department, ILO)

The following presentation by Ms Schmidt-Klau was also on the topic of older workers' transitions and active ageing, but from a global, and therefore, broader policy perspective. Ms Schmidt-Klau motivated her presentation with some key facts about trends regarding ageing, and noted that longevity has doubled since 1900, representing the fastest change ever over a century. The rate of growth for older people (65+) is expected to outpace that of the working-age population (15-64), and developing countries will in fact age more rapidly. Ms Schmidt-Klau noted that older people do not take more sick leave days than younger workers, have a higher success rate with the survival of start-ups beyond one year compared to younger people, and have similar productivity levels as well. This dispels the myth that older workers are necessarily less capable than their younger counterparts. From an economic perspective, there are some inevitable economic consequences of ageing societies, such as changes in labour supply, consumption patterns, dependency ratios, the types of transitions people see and changes in spending relative to tax revenues. Regarding changes in labour supply, Ms Schmidt-Klau pointed toward a consistent finding across many OECD countries, that the labour force

participation rate for the age group 55-64 has been steadily increasing relative to 2000. Using data from UN World Population Prospects, Ms Schmidt-Klau pointed toward significant projected increases in old-age dependency ratios across multiple countries by 2050. Regarding changes in consumption, there are no clear-cut predictions, as old and poor societies might experience a decrease in aggregate demand, while old and rich societies might increase their demand for services. It is hard to assess whether transitions are getting more difficult for older people due to a lack of data, although there is evidence that old age poverty is increasing in many European countries.

Ms Schmidt-Klau noted that different countries are at different stages of ageing and development, and can further have different labour market conditions. These differences result in unique challenges. For instance, Latin American countries are characterized by high levels of informality, while European countries experience high levels of inactivity. Some policies which can capture the benefits of ageing societies include increasing labour supply and active ageing. Moreover, implementing a life course approach that involves lifelong learning and career development can help in coping with an ageing population and workforce.

Policy dialogue

Presentation 1 by Song Yee Kim (Deputy Director of Division for Youth Employment and Planning, Republic of Korea)

Ms Kim thanked the participants and presenters. She added that the Ministry of Employment had successfully focused policy interventions on youth employment. She pointed out also that the ministry was currently devising policy solutions for the particularly concerning issue of NEET.

Presentation 2 by Boo Hee Kim (Director at the Division for Human Resource Policies in Aged Society, Ministry of Employment and Labor in Korea, Republic of Korea)

Mr Kim pointed out the specificities of Korea with regards to ageing. In Korea, older workers' participation is high but their earnings are low which results in a high poverty rate at old age. While policies encouraging the economic participation of older workers are important, Mr Kim emphasized the need for increasing earnings for older workers, which could happen through an income guarantee program. He added that the issue of time lag between retirement and receiving pension benefits has been discussed through social dialogue with social partners and experts. Active ageing policies are particularly noteworthy, beyond the increase in labour market participation of older workers. This would also include policies and social dialogue on fighting discrimination against aged workers. Mr Kim concluded by requesting further examples of best practices from the ILO.

Presentation 3 by Pirkko Pyörälä (Social Affairs and Inclusion, DG EMPL, European Commission)

Ms Pyörälä's presentation focused on youth transitions, as well as how related challenges are addressed under the reinforced EU Youth Guarantee. Ms Pyörälä began her presentation by listing several labour market challenges for young people. She first noted that the youth unemployment rate is constantly twice as high as the general unemployment rate in the EU. Additionally, the labour market for the youth is increasingly characterized by longer school-to-work transitions, as well as multiple, complex transitions. Furthermore, although there are substantial heterogeneities between EU member states, young people are often involved in precarious forms of employment, characterized by temporary contracts, lower-wage jobs, platform work and gaps in social security. The Youth Guarantee, launched more than 8 years ago, represents a common framework to help the youth in the EU reach the labour market. This was a recommendation by the EU Council, wherein member states committed to offering young people below the age of 30 either a job, apprenticeship, continued

education, or a traineeship. The implementation of the Youth Guarantee is monitored through a common monitoring framework. Worryingly, across EU nations on average, only about a half of the NEETs have been reached by the Youth Guarantee schemes. Ms Pyörälä concluded by providing a structure of the Youth Guarantee, which starts with mapping and outreach phases, followed by a preparatory and finally an offer phase.

Presentation 4 by Jeonghee Lee (Director, Policy department, Korean Confederation of Trade Unions)

Mr Lee focused on the ways that the ageing workforce, platform work and digitalization have affected the labour market in Korea. These changes were not necessarily positive, as increasing retirees did not necessarily translate into more jobs for the youth, digitalization sometimes meant reducing employment, and platform work is often precarious.

Mr Kim followed up by saying that Korea has the largest proportion of NEET amongst the OECD. Because of the inequality between workplaces, especially between large conglomerates and small and medium enterprises, many youths are hesitant to enter the labour market and spend a lot of time preparing to get hired in formal jobs in conglomerates. With regards to the problem of youth employment, Mr Lee mentioned two types of issues to focus on in order to reduce inequalities. The first one is the gap between standard and non-standard employment, and the other is the gap between conglomerates and SMEs. He also noted that the issue of fair pay was raising like in Europe. However, he opined that fair pay would not be able to change the divide between standard and nonstandard forms of work, and that focus should be put on abolishing nonstandard employment through social dialogue. Platform work is a new form of precarious and non-standard employment. According to him, platform companies forego responsibility and outsource the risks to workers. Mr Lee also pointed out that youth unemployment (according to a more expansive definition of unemployment which encompasses everyone who has a potential to work) is over 20% and that overall unemployment is 10% in recent reports. Consequently, the government should do more to increase jobs for youth, for example through expanding jobs in public transportation, renewable energy, green work and care.

On the theme of the ageing workforce, Mr Lee explained that the high employment level of older workers was deeply related to old-age poverty. The average wage for older workers is not a liveable wage. Similar to his proposal for youth unemployment, he emphasized that the government should take responsibility for older workers' employment. Since older workers are in a better physical and cognitive condition than before, the government should institutionally extend the retirement age. In addition, the level of basic pension should be increased and the supply of pension funds eased. The pension system should at least guarantee 45% of wages in order to stabilize the income of older people. Finally, more efforts should be done for the employment of older workers by local governments through community-oriented and meaningful work.

Presentation 5 by Rebekah Smith (Deputy Director, Social Affairs Department, Business Europe)

Ms Smith began her presentation by describing the role of Business Europe which is the EU level employers' organization. Ms Smith noted that various structural labour market issues remain important in terms of employment as well as integration. Tackling these structural issues is of prime importance to ensure the facilitation of employment, labour market integration and transitions on the labour market for different groups. To achieve this goal, it is necessary to ensure labour laws and employment policies that work well, enact active labour market policies, promote a connection between activation and support services, and have a diversity of different types of contracts and possibilities in the labour market. Such diverse contracts can offer both the employers and the employees the required flexibility in interacting on the labour market. Ms Smith noted that at present, the labour shortage is an important issue for the business community. She agreed with previous

presenters that it is better for workers to have a life-course approach to deal with various issues throughout the career such as health and safety, education, skills and lifelong learning. Regarding structural issues, education and training systems should be better targeted to meet the needs of the labour market. Business Europe would like to see a more holistic approach to dealing with structural issues, above and beyond Youth Guarantee programs. The issue of NEET individuals could, in part, be addressed through the European Semester program, as well as through strengthening vocational training and education systems. Regarding older workers, as people are living longer and are generally healthier, they are thus willing and able to work longer. Labour markets should be shaped to take their abilities into account. Therefore, it is important to reduce incentives to retire early and to reward longer careers. Ms Smith concluded by mentioning the specific framework agreement drafted by Business Europe on active ageing in 2017 which has resulted in many actions taken by national social partners to address specific issues related to ageing.

Presentation 6 by Akustina Morni (Senior Adviser for Asia-Pacific, International Organisation of Employers)

Ms Morni started her presentation by reminding that the International Organisation of Employers represents the viewpoints and interests of 50 million companies in more than 150 countries. Her presentation focused on the youth, one of the vulnerable groups during the ongoing crisis. The ongoing demographic change represents an important concern for businesses. 26% of businesses from high-income countries reported demographic changes as representing their second most important consideration, behind technological changes.

According to Ms Morni, three policy levers that have been successful in the past. The first policy priority relates to skills development and lifelong learning, which contributes to a stronger economy and an agile future-ready workforce. Ms Morni also discussed the roles and importance of apprenticeships, core skills (such as communication and critical thinking) and the reform of the educational system under the umbrella of skills development. The second policy lever relates to the importance of effective social dialogue and engaging employer organisations, as these organisations are closest to the labour market. Such dialogue has been successful in Asia, where social dialogue has led to a future-ready workforce, for instance, in Singapore. The last policy lever is to have an environment that is conducive to business growth, especially for SMEs.

Open Dialogue

The open dialogue comprised of responses to either the questions raised during the presentations, or the panel discussion.

Final Remarks by Yoo Bin Kim (Research Fellow, Korea Labor Institute)

Mr Kim thanked everyone for the opportunity to hear about the experiences in the EU and other countries. He pointed out that everyone seemed to agree that youth unemployment was due to a structural problem in the labour market. There was however some debate on the ways to decrease the discrepancy. He commented that it would be difficult to simply force or push the private sector to improve working conditions. Also, he observed that a certain link was broken in the process by which youth get hired, the company's productivity increases, and wages and working conditions improve. In Korea, the discrepancy between conglomerates and SMEs is particularly wide (entry-level salaries in large conglomerates are around 40 million KRW and that of SMEs is 27 million KRW).

Mr Kim continued by pointing out two policy experiments that were recently carried out in Korea. The first was the mutual aid project that was mentioned in his presentation, which provided 2-3 years of direct cash support to workers. He said that since the problem was a wage problem, the project aimed at motivating youth to look

for jobs in SMEs. Mr Kim made reference to Mr Lee's point about abolishing nonstandard forms of employment and commented that it could bring a moral hazard problem. The youth in Korea themselves are increasingly concerned with the concept of fairness. The youth themselves do not desire a no-condition safety-net, but ask for pay raises that reflect performance. Mr Kim noted that public employment by itself may be inefficient in the long run, but short-term solutions were viable. While many pointed to the "hiring cliff" in recent years, more analysis would be required to determine whether this was empirically true. He reflected that perhaps better investment was needed prior to the pandemic. For example, programs such as the mutual aid project could expand further than the 2-3 years mark. The second policy experiment he highlighted was that of promoting more "regional" workplaces¹, for example through the Gwangju-type Job Agenda. In these programs, performance sharing and wage sharing systems across supply chains were effective in distributing profits from conglomerate companies to their suppliers. These types of policy experiments were examples of policies that the government could leverage in the future.

Final Remarks by Massimiliano Mascherini (Head of unit *ad interim* for Social Policies, Eurofound)

Mr Mascherini reiterated that although his presentation had focused on the impact of COVID19, there are also further challenges that have arisen in the transitions towards post-COVID societies. These include structural problems, such as the labour market attachment of young people. Moreover, to increase resilience in the younger generation in the transition to a new industrial model, it is important to focus on education and skills, including re-skilling and up-skilling. Although Mr Mascherini agreed that temporary contracts can serve an important purpose at the beginning of the work cycle, a vicious cycle is likely to happen when young workers move from contract to contract. Mr Mascherini further noted that countries should ensure that all workers are covered by social protection systems and that such systems provide active support to workers to increase their employability and integrate them into the labour market.

Final Remarks by Seungho Lee (Research Fellow, Korea Labor Institute)

Mr Lee started out by addressing a point that he was not able to make earlier. He mentioned that after the Asian Financial Crisis, there had been an increase in the employment of older workers. However, more recently, there has been a trend where men in their 50s have been starting to lose their job. This could signal the start of a new trend in employment. He added that while a lot of policy was focused on addressing the poverty levels of people in their 60s, recent trends of men in their 50s may call for different policy solutions. Retirement age extension or employment extension may be a solution, but there should be more research and deliberation on why employment levels for men in their 50s are decreasing. He hypothesized various factors, including that even if men continue to work after their retirement age, the current legal rules force them to stop working for a time. Consequently, they should be able to decide whether to exit the labour market, cash out their retirement funds earlier and perhaps start their own business or decide to retire at age 60 and stop working. Unfortunately, workers' and employers' representatives have weak incentives to extend the retirement age. Since workers would not be earning income between the ages 60-62, and that the level of pension funds are decreasing, arriving at a solution based on social dialogue on this point would prove to be very difficult. Extending the retirement age is also not a solution for the workers that are not in standard employment and would therefore not tackle the levels of poverty of elders. Other factors should then be considered to arrive at an appropriate solution. Replacing old age pensions with the national pension also has its limits. This solution would be appropriate in the long run for people who are currently in the labour market, but in the short term, there would be institutional limitations that would prevent the policy to tackle sufficiently poverty amongst the elders. Therefore, policy solutions such as basic pensions and other social protections should accompany these policies. The poverty rate amongst the elderly has decreased slightly due to an increase of basic pension. In terms of

¹ Given the Seoul-Regional divide, the government has been pursuing policies to increase the number of attractive jobs outside Seoul.

employment for people who are not covered by retirement benefits, government's efforts have not been necessarily effective. Innovative solutions should be found to respond to these problems, including services and professional consulting that specifically target older workers.

Final Remarks by Dorothea Schmidt-Klau (Employment Policy Department, ILO)

Ms Schmidt-Klau addressed a question related to old-age poverty. She noted that this is a huge challenge with no easy solutions. Some potential solutions include social protection systems, although only a few countries provide a pension that is sizeable enough to prevent the older population from falling into poverty. Ms Schmidt-Klau noted further that those who end up in old-age poverty generally had a bad start in labour markets at the beginning, as well as multiple interruptions throughout their career. This then results in low levels of accumulated resources throughout their working lives, and consequently, low levels of pensions.

Final Remarks by Song Yee Kim (Deputy Director of Division for Youth Employment and Planning, Republic of Korea)

Ms Song Yee Kim agreed that youth unemployment was a big problem in Korea. Short-term governmental programs such as the mutual aid program have been effective in curbing youth unemployment. She also added that technological solutions, such as AI and other digital innovations are likely to make SMEs more attractive to the youth and mentioned that the government was making efforts to foster technological growth in these companies. The government also launched skills-training programs, such as K-Digital training in order to upskill the youth to find quality jobs. This is an incentive for SMEs looking to hire skilled workers. Wages are not the only issue of youth. Many of them have also an interest in addressing bullying and toxic organizational cultures in their workplaces. Therefore, a governmental support for improving organizational culture in SMEs was necessary to attract more youth into the labour market. Ms Kim finally mentioned other programs that the government was implementing, including information sharing programs about SMEs and work-experience programs

Final Remarks by Ho Jin Lee (International Cooperation Department, Ministry of Labor and Employment)

Ms Lee thanked the speakers for their insights on digitalization and the ageing population in Korea. She said that many policies have been enacted to tackle these issues in the past few years and that there should be further efforts to be done. She looked forward to facilitating the efforts between the ILO, the EU, and the Ministry of Labor and Employment in the future.

Final Remarks by Pirkko Pyörälä

Ms Pyörälä closed her intervention by observing young people's lack of social protection compared to adults. The driving force behind this phenomenon is not age, but rather the lack of the required employment status to receive these benefits, which young people often fail to obtain. Access to stable employment, therefore, would improve the social protection of young people.

Final Remarks by Rebekah Smith

Ms Smith remarked that from an employers' perspective, temporary and fixed-term contracts represent a steppingstone to more standard contracts. It is, therefore, important to not stigmatize these types of contracts. She further noted that in countries where standard employment contracts are rigid, alternative types of contracts might be more common to mitigate the lack of flexibility in standard arrangements.

Final Remarks by Akustina Morni

Ms Morni stressed the need to create an enabling environment for businesses, especially SMEs, which make up 90% of total businesses in the world and account for 50% of global GDP. This can be done for example by the simplification of taxes and opening up the economies for foreign investment.

► Day 2: Digitalization and new technologies

Chair: Jeseong Park (Head of International Cooperation & Information, Korea Labor Institute)

Research findings (1): Digital platforms and the world of work: challenges and opportunities

Presentation 1 by Jongjin Kim (Senior Research Fellow, Korea Labor and Society Institute)

Mr Kim's presentation focused on the growth of digital platform work in Korea and the lag in the establishment of the relevant legal institutions addressing such work. Mr Kim motivated his presentation by asking whether digital platform work is simply a transformation of existing work, or whether it involves entirely new work. An important issue related to platform work is the exclusion from rights and protection by labour law and social security. In particular, platform workers cannot claim protection and rights set forth in the Labour Standards Act, the Occupational Safety and Health Act and the Labour Relations Adjustment Act, among others. A staggering 56.8% of the Korean youth is engaged in platform work, according to the Korean Labour and Society Institute (KLSI). This translates into 7.6 % of the total number of employed persons in Korea as of 2020. Platform work in Korea is mostly dominated by male workers (66.5%), who also enjoy a wage premium relative to their female counterparts (37%).

Mr Kim noted that given this rise, platform workers' trade unions and alternative social dialogue institutions have begun to form since 2018. Such unions are attempting to bring about legal and institutional improvements, such as enhanced labour rights, standardization of laws, fees as well as industrial safety standards. Moreover, given the changing industrial landscape, there has been an increase in central-local government discussions on the establishment of common measures for platform work. For instance, the Korean Government and the National Assembly drafted four bills related to platform worker protection, although differences in the ruling and opposition parties' positions raise doubts about whether these bills will be passed by the National Assembly. Additionally, the National Human Rights Committee has recommended that platform workers should be classified as employees. This issue has also been raised during the Presidential Elections of 2022. Mr Kim concluded by discussing the ILO's responses to platform work which i) call for a "human-centred" approach to technologies (ILO Centenary Declaration) and ii) stipulate conditions under which a platform operator should be considered as an 'employer'. He also mentioned the 2021 Proposals of the European Commissions to improve the working conditions of people working through digital labour platforms He saw these initiatives and legal tools as having the potential to inform future legal activities on platform work in Korea.

Presentation 2 by Uma Rani (Senior researcher, ILO)

Ms Uma Rani's presentation revolved around the main findings of the ILO World Employment and Social Outlook (2021). Her presentation was composed of two parts: i) recent trends and ii) a summary of surveys conducted on working conditions. There has been a consistent rise in the growth of digital rapid platforms, which have increased exponentially since 2010 (5 times). This rise comes amid a notable increase in the use of big data and algorithms, cloud computing and infrastructure. The COVID-19 pandemic has accelerated the relevance of these platforms, as the pandemic has necessitated flexible and innovative ways of working. Ms Rani further discussed some prominent features of the platform business model, such as novel management practices (algorithmic, either fully or semi-automated), the shifting and maintenance of capital assets from physical capital to workers and the duality that these platforms are bringing about. This duality represents a break from the past, where a larger fraction of the workforce fell under standard employment, while a smaller fell under more precarious

arrangements. In a digital platform setting, a small minority of workers are directly employed, and the platform mediates a much larger workforce who are normally designated as driver-partners, independent workers, self-employed workers or independent workers. These workers do not have a proper employment relationship and are therefore not entitled to labour or social protections.

Ms Uma Rani drew on surveys and interviews done by the ILO on 12,000 workers across 100 countries on freelance, content-based competitive programming platforms and taxi and delivery sectors mostly in developing countries. The survey found that most platform workers are highly educated, below the age of 35 and mostly men, especially in location-based platforms. Ms Rani noted that opportunities also exist for persons with disabilities as well as migrant workers. From the workers' perspective, platform work can complement pay and flexibility, and this is especially helpful for many women to whom working from home can be an important motivating factor. Platform work can also help in improving existing skills, and thus advancing career opportunities. Ms Rani pointed out that several challenges do in fact exist with platform work. For instance, earnings are quite low on these platforms (average salary is USD 3.4), due to the global competition and bidding which exist, along with platform-based commission fees. Moreover, working hours can be quite long, such as in the taxi (65 hours per week) and delivery (59 hours per week) sectors. Furthermore, as noted by the previous presenter, the majority of workers on digital labour platforms are lacking social protection coverage. For instance, 7 out of 10 workers on location-based platforms indicated not being able to take paid sick leave. Finally, algorithmic management governs the experiences of everyday workers through ratings and reputation. For instance, low ratings and rejection of work are quite common, which can lead to account deactivation. Monitoring of workers is also quite common, irrespective of the platform. Several measures have been taken around the world to address the working conditions of platform workers but there is a need for an international policy dialogue and more coordination at the global level.

Research findings (2): Telework and changing working time arrangements

Presentation 1 by Yeon Jeong Son (Research Fellow, Korea Labor Institute)

Ms Son's presentation focused on the current status and trends of telework in Korea, as well as the state of knowledge and lessons for the future. She began her presentation by offering a definition of telework, which according to the Ministry of Employment and Labour (MOEL), is "a system in which workers work in a space prepared for this purpose in their residence, and not in the company, using ITC devices". In Korea, flexible work was introduced under the labour standard act in 1997, but given the rigid corporate culture in Korea, it had not gained momentum. COVID-19, however, did result in a shift from face-to-face and group-oriented work to telework. This shift has taken place due to a confluence of factors, including the development of digital technology (high-speed internet, widespread use of emails and smartphones) as well as a shift in preferences (increased value of time and space by newer generations). Ms Son presented results from a survey of the economically active population from 2016 to 2021 and showed that the proportion of wage workers in some type of flexible work has increased from 4.2% to 16.8% in 2021. This definition of flexible work includes various sub-categories, such as reduced working hours, alternative work schedules, flexible start and finish times and telework. According to the same survey, the proportion of workers in telework has increased from less than 0.5% to 5.43% of all workers in 2021. Ms Son then proceeded to splice this broad, aggregate data into various sub-categories. First, she noted that there is a large gap in the adoption of flexible work between SMEs and larger enterprises, stemming from financial resources and overall mentality. This has led to telework being much more prevalent in enterprises comprising of 300+ workers. Second, the prevalence of telework varies a lot by profession and sector, where professions that require a lot of physical and face-to-face contact (such as

technical and mechanical jobs) display a much lower adoption of telework, compared to managerial, specialized and office jobs. Third, the survey results suggest that the prevalence of telework is much higher among regular than non-regular workers. Finally, men generally resort to telework more than women, except for the period of childbirth and childcare between mid-twenties to late thirties.

Regarding government policies on telework, the *Comprehensive Manual on Telework* was released in September 2020 by the MOEL. This manual laid out the operating rules, HR management and related legal issues involving telework. However, the manual was more focused on employers' rights, rather than duties. Ms Son highlighted the various impacts of telework on the broader labour market. Some beneficial impacts include enhanced efficiency, workers' well-being, more job opportunities and prevention of career gaps. For instance, survey results indicate that workers are quite satisfied with telework in terms of Quality of Life (QoL), due to enhanced work-family compatibility, less physical tiredness and enhanced personal development. However, companies have also reported that telework is associated with its own sets of challenges, such as fairness with other positions in the company, infrastructure and information security. Looking to the future, 70% of workers responded that they would be willing to continue telework after the pandemic, although companies (especially SMEs) signalled their intention to reduce or abandon telework entirely. Ms Son concluded her presentation by highlighting the need for measures needed to protect teleworkers, such as the right to disconnect, by putting in place stricter definitions of working hours, mental health considerations (due to isolation) as well as a separation of work and life (providing childcare services).

Presentation 2 by Enrique Fernández-Macías (Senior researcher, EU Joint Research Centre)

Mr Fernández-Macías' presentation focused on telework and digitalisation in the context of the COVID-19 pandemic from a European perspective. Mr Fernández-Macías first noted that the pandemic has functioned as an accelerator of digitalization, due to the need for social distancing. In Europe, this has led to a big expansion of remote work, and in critical periods of the pandemic, almost anyone who could do telework did so. Mr Fernández-Macías noted that according to recent estimates for Europe, more than 1/3rd of the workforce could telework due to the nature of their work. Mr Fernández-Macías then differentiated between two types of constraints that determine the ability to telework. The first, a hard constraint, involves working with hands (manual work involving physical contact with objects). The second, a soft constraint, involves working with people (physical contact with people, or work involving social interaction such as working with video cameras). Mr Fernández-Macías noted that the ability to telework or not has led to a re-emergence of an older divide between manual and intellectual work. Workers involved in intellectual activities benefitted from a double divide, namely job security as well as health. Looking toward the future, the estimates done by the EU-JRC show that although the prevalence of telework has increased across the board in the EU, it still remains far below the potential (37%).

Mr Fernández-Macías then discussed three potential effects of telework, namely automation, digitisation and platformisation. Regarding automation, Mr Fernández-Macías noted that it is unlikely that COVID-19 will accelerate automation but can still lead to some job restructuring. Digitisation, on the other hand, has seen a big push, mostly related to telework, but also to all office work in general. This is due to an increased prevalence of digital work devices and permanent connectivity. Finally, changes related to the pandemic such as the increase in telework and digitisation are likely to lead to an increased platformisation of work. This, according to Mr Fernández-Macías, is possibly the most consequential effect of the pandemic in the long run.

Policy dialogue

Presentation 1 by Sang Yoon Park (Head of Task Force for Digital Labor Response, Ministry of Employment and Labor, Republic of Korea)

Mr Park's presentation focused on the government's perspective on digitalization and the future of work. He mentioned that there has been an increase in the number of workers employed in platform work in Korea. As of 2020, 1.8 million workers were employed in platforms, increasing to 2.6 million in 2021, although these numbers vary according to metrics. As with other countries, the increase has been particularly important in the delivery industry. The government is monitoring the labour market closely, as well as deliberating the way to enhance working conditions for platform workers. A Task Force for Digital Labor Response has been established in 2021, with a mandate focused on these issues.

With regards to the labour market, the most important task has been to consider strategies for protecting platform workers who have a diversity of working conditions and hours, leading to various discussions on the method by which existing social and legal institutions can protect platform workers. Mr Park added that the government's perspective is unequivocal and that they deserve protection as working people. Two discussions are taking place currently. The first considers legal strategies, including the bills on platform workers that had been presented to the National Assembly. The government is working actively to incorporate the discussions, deliberating the definitions of who to be included and excluded in the classification of platform work. There has also been a general Workers' Bill that incorporates platform workers, and the government is looking into it with great interest. With regards to legislative measures, Mr Park emphasized the importance of social dialogue. The second discussion relates to governmental and administration efforts outside legislation. The government has looked into social insurance measures that can incorporate platform workers. It is actively involved in improving standards on safety and health and working time, using governmental funds for these initiatives. Workers deserve a fair contract, and the government is working to devise contractual standards. Lastly, Mr Park called for further research on algorithmic management.

Presentation 2 Sang Im Lee (Director of Division for Employment Culture Improvement, Ministry of Employment and Labor, Republic of Korea)

Ms Lee's presentation focused on the impacts of telework and the governmental initiatives in this regard. Due to the COVID-19 pandemic, companies have been expanding telework practices. The government has especially focused its efforts on supporting small and medium enterprises, since large enterprises have various resources and infrastructure for telework. Five areas of activities have been supported by the government. First is cultural and awareness-raising efforts to publicize the merits of telework on flexibility and efficiency of work. Second, the ministry supports ICT and organizational best practices of telework through a consulting and grants project. Third, the ministry supports infrastructural projects of companies including informational and security systems to allow for telework. Fourth, the ministry subsidizes some of the indirect labour costs that go towards expanding telework practices. Lastly, Ms Lee mentioned incentive systems for small and medium enterprises to adopt telework practices, such as through exemptions from labour inspections for a short period, or privilege status to companies seeking governmental support programs. She emphasized that despite such activities having a short history, support has increased 30-fold since 2018.

In terms of the impacts of telework, she pointed out that telework allowed the continuity of economic activities, and listed the benefits of telework for companies and workers. According to research, a large percentage of companies reported no or positive effects of telework, while companies that incorporated telework saw a larger number of hiring taking place. The ministry foresees an expansion of telework in the labour force and is considering ways to support a more sustainable form of alternative working. Given the tumultuous nature of

the pandemic, Ms Lee emphasized that there should be more funds available to support these services, especially as telework becomes more institutionalized. She also pointed out some of the common criticisms made to the programme with regard to sectoral and demographic preferences.

Presentation 3 by Petra Pirklova (Social Affairs and Inclusion, European Commission)

Ms Pirklova's presentation focused on the most recent policy response in the EU related to the spread of digital labour platforms and its implication for workers. In December 2021, the EC adopted a package for improving the conditions of workers involved in platform work, which is currently being discussed by the European Council. According to some impact assessment studies done by the EC, 28 million people are estimated to be involved in platform work. Of these 28 million, 6 million perform 'on-location' platform work such as delivery, ride-hailing services while 22 million do 'online' platform work such as the training of AI systems and software development. This number is expected to grow to 43 million people by 2025. Moreover, a large fraction of those working in platform work are self-employed, and worryingly, 55% of people on such platforms earn less than the minimum wage.

Ms Pirklova then discussed existing and upcoming initiatives tackling challenges related to digitization and new forms of work. Specifically, the European Pillar of Social Rights functions as a tool for member states to address major challenges including digitization, green transition, ageing populations as well as migration. The European Council has also adopted the Directive on Transparent and Predictable Working Conditions, which sets minimum standards for workers as well as access to social protection. Additionally, several other initiatives have also been adopted, such as the General Data Protection Regulation, the Platforms-To-Business (P2B) Regulation and the Artificial Intelligence Act. Ms Pirklova also discussed the package adopted on the 9th of December which includes a directive on improving working conditions in platform work (measures on employment status misclassification, fairness in algorithmic management and transparency in platform work), an accompanying communication (complement EU actions with concrete measures at the national and sectoral level) as well as draft guidelines on the application of EU competition law to solo self-employed persons.

Presentation 4 by Moonju Chung (Director, Policy department, Federation of Korean Trade Unions)

Mr Chung's presentation focused on the position of the FKTU on platform work and the impacts of digitalization on labour flexibility. According to him, the COVID-19 pandemic prompted the expansion of digitalization and platform work. As telework expands, the FKTU follows governmental guidelines but expressed hope for further legislative measures, including laws concerning texting after work hours, privacy, and other considerations. Since the majority of teleworkers are highly educated and work in standard employment in larger companies, there should be caution in simply citing productivity as a reason to expand telework. It is also important to pay attention to manual work as well. In terms of platform workers, Mr Chung mentioned the participation of the FKTU in the Korea Tripartite Commission to push forward legislation that covers platform workers and highlighted the role of the Korean Employment Insurance program that encompasses platform workers and the 2020 Tripartite Agreement that resulted in an Accident and Sickness Benefit policy for all workers. Mr Chung also noted the current discussions on labour laws in the presidential campaign, and highlighted the importance of non-discrimination, social security, occupational safety and employment security. According to Mr Chung, COVID-19, digitalization and automation have increased inequalities amongst workers in Korea.

Presentation 5 by Jungwoo Chang (Director, Labour Policy Department, Korea Enterprises Federation)

Mr Chang started by pointing out the various ways that digitalization has changed the world of work beyond platform work. According to him, sectors such as shipbuilding and other steel industries have also benefitted greatly from AI technology and digitalization. If homogeneity characterized the nature of work in the past, where everyone worked the same hours for the same types of work, diversity and flexibility characterize the digitalized present. It would be thus erroneous to apply a homogeneous outlook on the current situation. Laws and institutions that are applied homogeneously to a diversity of workplaces would hamper innovation. The freedom of contract should allow this flexibility.

From the perspective of enterprises, Mr Chang pointed out that digitalization introduced a revolutionary challenge in the world of work, and the focus should be put on allowing companies to innovate freely in order to generate more jobs for future generations. First, there should be less labour market rigidity. Mr Chang pointed out that Korea scores highest on labour market rigidity according to WEF and IMF data. Second, he called for further flexibility in working time. Mr Chang said that working time legislation in Korea was not attuned to the nuanced required in a diverse job market, and does not fit with the digitalized present. According to Mr Chang, Korea has the most rapidly decreasing working time in the OECD. Lastly, he pointed out that the labour process should be modified. Notably, the use of part-time and outsourcing is too constrained in Korea, which poses difficulties for emerging industries and companies. Mr Chang closed his statement by commenting that labour relations should be seen through the lens of innovation and adaptation to complexity to respond to future of work challenges.

Presentation 6 by Ludovic Voet (Confederal Secretary, European Trade Union Confederation)

Mr Voet's presentation focused on the position that EU trade unions take on the issue of platform work. Mr Voet began his presentation by noting that the enforcement of labour rights is low in the platform economy. Platform work is a business model which externalizes the economic risk to workers. He globally disagreed with the description of platform work as a "new form of work", as such description might lead to misleading policy implications. According to him, employment and labour law regulations should apply for all workers.

Another concern raised by Mr Voet was regarding algorithmic management practices, and how these must be better understood to prevent discriminatory practices that could stem from fully automated decision making. For instance, bad ratings by consumers on platforms can affect task availability for workers. The human oversight of these algorithms could correct at least some of these problems.

Mr Voet expressed the need to have initiatives that draw the lines between employment status and solo self-employment, as well as enforcement of such initiatives. Specifically, regulations need to be in place that specifies the responsibilities of employers' and workers' rights whenever subordination exists regarding working time, right to disconnection, health and safety provisions and social contributions. Mr Voet acknowledged that the recent directive involving the presumption of an employment relationship and the reversal of the burden of proof on the employer should help improve the wellbeing of platform workers.

Open Dialogue

Final Remarks by Jongjin Kim

Mr Kim commented on the impact of algorithms and customer reviews on platform workers. He mentioned that similar patterns were happening in Korea but institutional and legal changes are difficult due to the

fragmentation on the workers' side. Mr Kim would like to get more examples of international best practices with regard to platform work.

Final Remarks by Uma Rani

Ms Rani, in response to questions that were raised, clarified that the ILO surveys mostly targeted English-speaking platforms. Additionally, the Online Labour Index and the Online Labour Observatory include platforms from Spanish speaking countries, as well as the Philippines and Russia. Moreover, Ms Rani clarified that the English-speaking platforms cover workers from around the globe, and in particular, developing countries. Although Ms Rani agreed with Mr Voet's contention that algorithmic management practices of platforms remain relatively unknown or obscure, the design features across platforms are quite similar.

Final Remarks by Moonju Chung

Ms Chung responded to two questions. The first question was related to the right to disconnect/log off. She said that a bill had been introduced on SMS and other messaging systems in 2016, but without widespread support, the bill failed to become legislation. However, with the recent expansion of telework, there have been talks to introduce new legislation. The second question was related to telework. Ms Chung made references to the data sources that supported her statement that productivity was not affected by telework. The data came from fieldwork from July to September 2021. Since telework expanded at the end of 2020 and early 2021, by the time the KLI started its fieldwork, companies had implemented the practices for 6 to 12 months. The short-lived experience could be a factor that might affect findings. In terms of percentages, while telework increased significantly, it picked around 5.4%, while 35% of companies were capable to switch to telework. Employees perceived telework to be more productive since their commute was cut short and that they used the time saved to work.

Final Remarks by Enrique Fernández-Macías

Mr Fernández-Macías responded to a question on telework about the difference between the theoretical maximum level of telework and the actual level. He first noted that it is surprising that the level of telework had been so low prior to the pandemic (less than 3% of the workforce in Europe), given its technological feasibility. In many European countries, governments mandated that everyone who could work in a telework regime should do so, in order to curb the spread of COVID-19. Consequently, this "hard constraint" on telework, namely its technological feasibility, is what determined the telework take up in the initial period of the pandemic (roughly 1/3rd of the workforce during the harshest period of the pandemic). This actual take-up during the worst period of the pandemic can be thought of as a theoretical maximum.

Closing Statement and Way Forward

Closing Statement by Martha Newton, Deputy Director-General for Policy, ILO

Ms Newton thanked all participants and reiterated that this event was organized as part of the EU funded project "Building Partnerships for the Future of Work". This project provides a space for open debate between stakeholders, experts and constituents on common future of work challenges, and allows peer countries and

actors to learn from each other on the basis of cutting-edge research. Given that the future of work is transnational, Ms Newton emphasized the need to continue discussing challenges and solutions together.

The topics chosen for the discussion, namely labour market transitions and digitalization, were at the heart of the ILO's Centenary Declaration for the Future of Work. In this declaration, ILO member states expressed the need to strengthen the capacities of all people to benefit from the opportunities of a changing world of work and to support individuals in the various transitions they face in their working lives. This includes the youth in the transition from education to work, as well as older workers. Importantly, transitions are becoming more complex in these two extremes due to economic, technological and demographic changes. It is therefore of prime importance to better understand these evolutions in order to guide policymakers in their decisions.

Ms Newton further noted that although digitalization comes with many opportunities (such as new sources of income), it also presents new challenges, which have been extensively discussed in the debates of the Global Commission on the Future of Work and in the preparation of the Centenary Declaration. These challenges include difficult working conditions, lower wages as well as a lack of protection. Consequently, Ms Newton stressed that the need to find innovative mechanisms to address potential unfair treatment and inequalities.

Ms Newton also recognized that teleworking was a well-functioning organizational arrangement that helped mitigate the economic and social consequences of the pandemic and is indeed expected to continue in the future. As such, policies and national legislation will have to be developed to guarantee equal treatment for those that are in such arrangements. Social dialogue is the way forward to deal with this process of transformation of work. The Global Call to Action adopted by ILO constituents in June 2021 has emphasized the importance of a "human-centred recovery from the COVID-19 pandemic which is inclusive, sustainable and resilient." The ILO continues to be a central player in the promotion of dialogue and support within the international system. As such, it will convene a major policy forum in order to leverage the support of other multilateral organizations and international institutions for a human-centred recovery.

Ms Newton concluded by expressing her sincere gratitude to the Korean Labor Institute, the Directorate-General for Employment, Social Affairs and Inclusion of the European Commission, and the EU delegation in Seoul for their support and collaboration in the organization of this event.

Closing Statement by Deok Soon Hwang (President of the Korea Labor Institute, Republic of Korea)

Mr Hwang also thanked the participants and reminded that the event was planned with the objective of building partnerships across borders. He thanked the experts from the ILO, EU and KLI who presented their findings, the constituents for having shared their views, the two chairpersons and the translators for their work. According to Mr Hwang, the conference was a good example of the benefits of digitalization.

Mr Hwang highlighted that the impacts of COVID-19, climate change and demographical changes on the labour market are notable. In this context, the policy dialogue on digitalization and demographical changes under the pandemic gave useful insights on the future of work, and the ways that policies could respond to these changes. With these two days of dialogue, the audience had an opportunity to learn about the similarities and differences between the EU and Korea and the innovative solutions adopted to respond to the COVID-19 crisis on both sides.

According to Mr Hwang, the Korean labour market has many specificities. For example, college graduates make up 70% of the workforce. Men have to serve in the military for 1.5 years outside the labour market. On the demographic side, fertility is rapidly decelerating to less than 1 while the baby-boomer generation is retiring with limited old age income security. Finally, a narrow sector of wage-earning workers only has the right to collective bargaining. These factors impact the Korean economy in specific ways and must be taken into account in research and comparisons.

Mr Hwang also talked about the focus of the KLI on the impact of the COVID-19 in recent years and emphasized the importance of long-term research on health and education. The pandemic has been an opportunity to imagine different solutions to pre-existing problems such as employment security. Propositions regarding a more comprehensive employment insurance scheme that encompasses platform workers, freelance workers, and self-employed have received a lot of attention in the last months.

In conclusion, the COVID-19 emphasized the value of labour and work in distressing times and invites us to reaffirm the message of the ILO Declaration of Philadelphia. The pandemic demonstrated that if one person is not safe, nobody is safe. Mr Hwang celebrated the importance of international solidarity and reiterated the need for an international partnership on the future of work.

Closing Statement by Maria Castillo-Fernandez (EU Ambassador to Korea)

In closing, Ms Castillo-Fernandez first thanked the KLI, the ILO and the JRC-EC for the preparation and organization of this dialogue on the Future of Work, a very pertinent and relevant issue, especially against the backdrop of the pandemic.

In line with the objectives of the project “Building partnerships on the future of work”, the conference has offered opportunities to discuss the challenges and possible policy responses to ongoing transitions. In this context, there is a moral obligation to ensure that workers have decent working conditions and are able to exercise fundamental labour rights.

Ms Castillo-Fernandez also invited participants and stakeholders to have additional and, possibly, more informal discussions and exchanges among labour experts to tackle ongoing issues in the future. Other policy areas such as due diligence legislation, sustainable corporate governance and the fight against forced labour products could also be considered.