



Digitalisation & Globalisation, LCU, and New Forms of Work

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1) Digitalisation & Globalisation

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UN CEBTS meeting, New York, 11-13 June 2019



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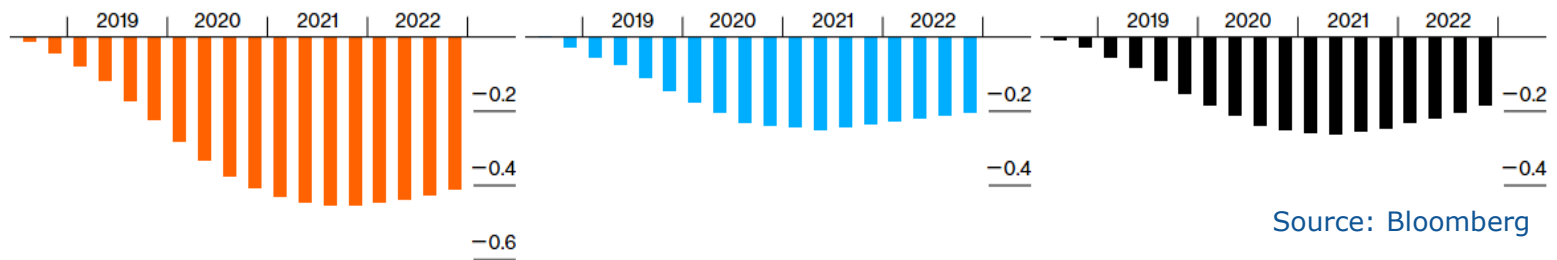
Trade war - Impact on GDP



Scenario 1: Current Tariff Levels


Percent impact on quarterly gross domestic product

■ China ■ U.S. ■ World



Source: Bloomberg

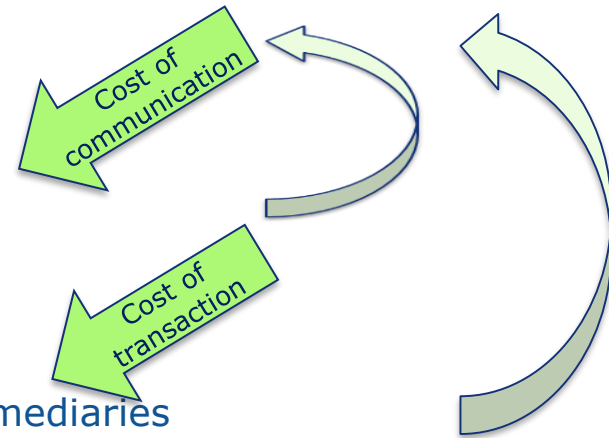




Partly driven by
digitalisation

Digital Drivers of Globalisation

- 1. Raw materials, knowledge, price differentials, constraints**
- 2. Transport**
 1. Ships, (wind, steam, oil), trains, flight
 2. Energy prices
- 3. Communication**
 1. Letters, telegraph, telephone, internet
- 4. Markets**
 1. Trading houses, Intermediaries
 2. Direct sale or large scale (global) intermediaries
- 5. Trade arrangements**
 1. Trade agreements, tariffs, technical standards, ...



- Effect on GDP if costs drop by X percent?
- How much attribute to Digitalisation?

Globalisation and Digitalisation

Take-away(s)

- Digitalisation change businesses
 - **Technical developments change cost structure, thereby accelerate globalisation: innovation = dynamic business environment = competitiveness;**
- Business perspective –information needs
 - **(2) Transport prices(?)** [NB: volume already covered]
 - **(3) Communication and (4) markets**
 - Access to internet, incl skills (see ICT statistics, LFS, ...)
 - Role of MNEs (see LCU, FDI, and other presentations)
 - Role of clusters (pre-agreements, EDIFACT, X12, ... - (not) **value-chain?**)
 - Role of websites and platforms bring consumers and producers together (See ICT statistics, but much unknown)
 - Innovation (see innovation statistics)

Globalisation and Digitalisation Take-away(s)

- Link between globalisation and digitalisation is **costs** (as perceived by an enterprise)
- Many surveys collect relevant information
 - **Need to connect the dots, and identify gaps**

Impact

- **Make business statistics relevant**

Think policies

- **Location of value-added, employment, but also**
- **Drivers and barriers**

e.g. infrastructure, skills, knowledge, investment, innovation environment



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2) Supporting LCU work in the EU

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Eurostat G1, Coordination and infrastructure development

European Commission

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Objectives and Eurostat's activities

- Objective
 - **Ensuring quality of statistical output – addressing MNEs a key feature**
- Large Cases Units (LCUs) or similar national organisational arrangements to
 - **ensure consistency of MNE related data across statistical domains and across countries**
- Activities
 - ⇒ **promotion and support for capacity building**
 - ⇒ **establishment of a repository of guidance material**
 - ⇒ **establishment of a network of LCU for mutual support**

Recent developments

(1)

- Organisation on workshops in 2017-2018 and training events (ESTP courses)
- Experienced Member States described the national LCU set-up, its objectives and processes and provided examples on addressing the consistency of data related to MNEs' activities in economic/business statistics.
- Topics covered included:
 - **institutional arrangements, size of LCU operations,**
 - **data management,**
 - **tools for consistency checks,**
 - **relationship building and communication with MNEs, and**
 - **daily operations and processes.**

Recent developments

(2)

Grants for further developing LCU expertise within the ESS:

A multi-beneficiary grant action has commenced (January 2019) with a consortium of 5 countries (NL -coordinator, DK, SE, LU, IE), with the objective that the consortium will:

- Support LCU activities by providing coaching, advice and non-financial support to 8 EU Member States planning to establish/establishing an LCU;
- Contribute to the establishment of an LCU network in the ESS by supporting Eurostat in setting up of an information/discussion forum for sharing best practice and to developing long-term LCU capabilities within the countries (link to EWS network);



3) New Forms of Work

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Eurostat F3, Labour market and lifelong learning

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New forms of work

- *Traditional model (simplified)*
 - **self-employed; employed in long term, open-ended jobs**
- *Evidence of new forms of work, new on the basis of:*
 - **Contractual form** (ex. Coexistence of features of both, self employment and dependent work)
 - **Work relationship** (ex. Triangular relationships among the worker, the final client and the employer)
 - **Platform intermediation** (ex. Uber, Deliveroo, Upwork ...)
- *Represent an opportunity for many (freelancing = more freedom, less protection)*
- *Source of concern*
 - Deterioration(?) of working conditions and quality of life
 - transfer of the enterprise risk from capital to the labour factor without the corresponding benefits

Measurement problem

- *Policies must be rooted on robust measurements of the phenomenon but no reliable sources are yet available*
- *Still missing definitions, classifications and measurement tools*
- *First milestone: 20^o International Conference of Labour Statistician (October 2018) revision of*
 - **International Classification of Status in Employment (ICSE)**
 - **Definition of ten categories (including intermediate categories such as dependent contractors) applicable to employment. Can be organised according to:**
 - **Type of authority (capacity to determine working modalities)**
 - **Type of economic risk (employment for pay or for profit)**

Measurement problem

Next steps:

- **EU, ILO and OECD** Expert Group on harmonizing definitions, concepts and measures of platform/gig work.
The aim is to preparing a set of guidelines for measuring platform work. From September 2019
- **EUROSTAT** Task Force on measuring the collaborative/gig economy, with the aim of implementing the guidelines in the context of the European Labour Force Surveys (EU LFS) to better identify the platform workers . From September 2019
- **EUROSTAT** Conference on Gig economy and gig works, with the aim to address issues linked to data sources, definitions and measurement as well as current experiences in measuring the phenomenon. To be held by the end of 2020
- First results from the COLLEEM survey, designed by the Joint Research Centre (**JRC**) of the European Commission, specifically to better understand the work conditions of platform workers

Thank you for your attention!

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