



October 2018
AK Position Paper

Programme „Digital Europe“ 2021 - 2027

COM (2018) 434

About us

The Austrian Federal Chamber of Labour is by law representing the interests of about 3.7 million employees and consumers in Austria. It acts for the interests of its members in fields of social-, educational-, economical-, and consumer issues both on the national and on the EU-level in Brussels. Furthermore the Austrian Federal Chamber of Labour is a part of the Austrian social partnership. The Austrian Federal Chamber of Labour is registered at the EU Transparency Register under the number 23869471911-54.

The AK EUROPA office in Brussels was established in 1991 to bring forward the interests of all its members directly vis-à-vis the European Institutions.

Organisation and Tasks of the Austrian Federal Chamber of Labour

The Austrian Federal Chamber of Labour is the umbrella organisation of the nine regional Chambers of Labour in Austria, which have together the statutory mandate to represent the interests of their members.

The Chambers of Labour provide their members a broad range of services, including for instance advice on matters of labour law, consumer rights, social insurance and educational matters.

Renate Anderl
President

More than three quarters of the 2 million member-consultations carried out each year concern labour-, social insurance- and insolvency law. Furthermore the Austrian Federal Chamber of Labour makes use of its vested right to state its opinion in the legislation process of the European Union and in Austria in order to shape the interests of the employees and consumers towards the legislator.

All Austrian employees are subject to compulsory membership. The member fee is determined by law and is amounting to 0.5% of the members' gross wages or salaries (up to the social security payroll tax cap maximum). 816.000 - amongst others unemployed, persons on maternity (paternity) leave, community and military service - of the 3.7 million members are exempt from subscription payment, but are entitled to all services provided by the Austrian Federal Chambers of Labour.

Christoph Klein
Director

Initial Situation

In the summer of 2018 the European Commission proposed a regulation for the **“Digital Europe” programme for the period 2021-2027**. The programme, which has a **financial envelope of 9.2 billion euros**, is to make investments in the main challenges for the digital transformation. The general objective of the programme is “to support the digital transformation of the European economy and society and bring its benefits to EU citizens and businesses”.

The Commission is proposing programme budgets for five specific objectives. These specific objectives and funding for the programme comprise:

1. **high performance computing**, funded with 2.7 bn euros,
2. **artificial intelligence**, funded with 2.5 bn euros,
3. **cybersecurity and trust**, funded with 2 bn euros,
4. **advanced digital skills**, funded with 700 m euros and
5. **Deployment, best use of digital capacity and interoperability** funded with 1.3 bn euros.

The relevant specifically eligible measures result from operational objectives which are assigned to the relevant specific objectives; **measures which can contribute to achieving these objectives can be allocated financial aid from the programme.**

A key role will be played by “Digital Innovation Hubs” which will be selected by the Commission on the basis of proposals of the Member States (with due consideration of the criteria determined in the Regulation). They can receive financial aid and pursue the objectives of the programme with their “thematic services”. Under the specific objective of “Advanced Digital Skills” they have been assigned the special function of being able to provide financial support to third parties within the programme.

General Remarks

There is no doubt that the digital transformation means change for workers, employers, consumers, in short: for the whole of society in Europe. According to the European Commission it can be presumed that the sector of the Platform Economy ("Collaborative Economy"), for example, is currently growing almost exponentially. Therefore it is **necessary to act on a European level and also use the corresponding means to ensure that the digital transformation can be managed successfully**. Since the digital transformation is also a social transformation, it is essentially to be welcomed that important questions will be dealt with at a European level and that European funding will be made available.

It is also essentially to be welcomed that the European Commission has set itself the explicit objective in this programme of ensuring that the advantages of the digital transformation are of benefit to businesses AND citizens. **In principle this means a fair distribution of the "digital dividend"**.

However, it remains questionable whether the selection of the specific objectives and their formulation can achieve this objective. At a European level in particular it may only be possible to tackle the challenges of the digital transformation successfully if the transformation is considered in a comprehensive and inclusive manner. This is not the case with an objective that focuses exclusively on "advanced" digital skills. Furthermore, the intention is that qualifications and skills are basically to play a larger role in this programme.

Tackling the digital transformation together means that, firstly, significant challenges will have to be defined together and, secondly, all social levels will have to be considered. **Therefore, social partners and civil society will have to be included extensively from the start. Not only technical developments need to be financed and investigated; but the effects of the technology on workers must also be investigated** in order to foster positive effects and mitigate negative ones. This must be supported by a social science approach, ethical guidelines and, not least, an awareness that the effects on businesses and workers (for example according to region, level of education or gender) will sometimes be very different.

In short: We need a clear statement that technology is not an end in itself but must be an aid for people to improve their living conditions and that binding rules are needed in the light of this statement which Europe must develop together. Digitisation in Europe must be made inclusive. People must not be excluded from digital progress due to factors such as gender, social status, formal level of education, origin or age or disability. A programme for a "Digital Europe" must be oriented to these fundamental guidelines and they should be expressed correspondingly in the Regulation.

AK's position in detail

Greater focus on skills, inclusion of basic skills

Basically we welcome the fact that qualifications and skills are core elements of the "Digital Europe" programme. However, it is regrettable that the specific objective of "advanced digital skills" is the objective with by far the least amount of funding in the programme, of 700 million euros.

It is also **problematic that the specific objective focuses exclusively on advanced digital skills.** Instead it should be aimed at the extensive development of workers to introduce basic as well as advanced digital skills. Many workers or citizens still do not have basic digital qualifications or digital culture skills.

The aim of this programme should be to improve the quantity and quality of jobs and to make the necessary qualifications and skills which workers need comprehensively accessible. In this regard we refer to the conclusions of the European Council of 19 October 2017. These conclusions are mentioned several times in the Recitals of the European Commission in this Regulation. An important position of the European Council can also be found in these conclusions: **Investments in digital skills should have the objective "to empower and enable all Europeans"**.

Other programmes proposed by the European Commission for the period 2021 to 2027, such as InvestEU or ESF+, are essentially aiming at basic key skills or social investments and skills; **how-**

ever, this cannot compensate for the fact that basic digital skills are completely excluded from the "Digital Europe" programme. Otherwise there is a danger that only a minority will benefit from the aid from this programme.

Inclusion of social partners in "Digital Innovation Hubs"

The Digital Innovation Hubs to be established are given special importance in this programme; here the Member States are to report possible sites to the Commission on the basis of an open and competitive process for a decision to be made on the selection of the Innovation Hubs.

In order to orient the work of the Digital Innovation Hubs closer to social realities and the needs of workers, the **inclusion of social partners and civil society should become standard for these Digital Innovation Hubs. This should be clearly expressed as a criterion in the Regulation.** With this stipulation the work of the Hubs can be adapted to the needs of local businesses and workers and the benefits made accessible to broad sections of the population.

Inclusion of the effects of the digital transformation, lack of social investments

The "Digital Europe" programme should set itself the aim of a fair distribution of the digital yield which will accrue in the coming years and decades across the whole population of Europe.

Since digitisation affects all aspects of life and people, it is essential that all can benefit from it. Public investments are needed because the market will not ensure that all areas are integrated or that a minimum of digital access is provided for the weakest members of society. **Social investments are especially important in this regard but are not addressed sufficiently in this draft Regulation.**

The specific objectives and operative objectives named in the draft Regulation are characterised by **a very high level of technocentricity. These objectives exclude the option that digital research should not investigate technical innovation exclusively but also its effects on society**, citizens and workers with the objective of utilising opportunities for society and minimising the risks. The different effects of technical developments on the sexes must be observed in order to contribute towards an equal society. All specific objectives of the programme are more than simply technical developments and need underpinning by social sciences.

Specifically the focus of the specific objective of "Artificial Intelligence" should be **the question of legal liability in the utilisation of Artificial Intelligence and automated systems** - in addition to strengthening capacities and making them accessible.

Clear guidelines are needed as to who is liable when accidents or suchlike occur. **The protection of workers and citizens should take precedence over the economic benefit, therefore this legal question must be looked at in more detail.** Notwithstanding the significance of investing in research into Artificial Intelligence in Europe, investi-

gations should also concentrate on the risks which Artificial Intelligence can pose to workers and which technical and legislative means can be applied to mitigate these risks.

Ethical principles, climate goals

Not least **all activities within the programme should be carried out according to ethical guidelines.** Technology should serve people and not the other way round. **This ethical principle** (on which binding rules for protection, such as questions of liability, data privacy, employee protection, etc. could be based) **is missing in the draft Regulation.**

A critical comment should be added to the fact that in the Recitals the European Commission assumes that this Regulation will contribute to **achieving general climate goals**, but **no practical measures** are included in the Regulation.

Should you have any further questions
please do not hesitate to contact

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