

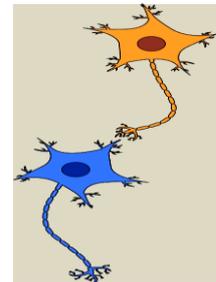
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Future Work: It is all in the neurons

As we have all been forced into virtual meetings over the past years because of Covid, questions have been asked as to whether such virtual meetings can ever really replicate the interactions of in-person meetings and whether we miss vital clues and messages when we simply see other people on a screen. According to Dr. Camille Preston:

- *Building relationships on remote teams is more challenging than building relationships in person.*
- *The explanation may rest on mirror neurons, which are activated when a person performs certain actions and when they see others doing the same.*
- *Online work platforms (e.g., Slack and Zoom) limit one's ability to observe others, and as a result, mute the effects of mirror neurons.*
- *Mirror neurons may be irreplaceable; still, there are many things leaders can do to build authentic and sustainable relationships online.*



You can read the full article [here](#) (many thanks to our colleague Anne-Perrine Cades for drawing our attention to this article. We will have a session at our September meeting in Brussels on this issue.)

Bloomberg reports on a new type of employee, the business-leisure traveller, which it describes as a subset of digital nomads, living and working abroad for longer than a typical holiday without taking up permanent residence. Business-leisure travellers usually spend weeks or months overseas before returning home, while other nomads may spend years on the road.

According to Bloomberg, Governments around the world are trying to work out visa and tax rules while employers consider compliance and corporate culture ramifications amid growing enthusiasm for the option. "One issue is navigating the tax, social security, and employment and labour provisions of both countries to ensure compliance in both locations," said Migration Policy Institute analyst Kate Hooper, while another is the risk of triggering permanent establishment rules that may incur corporate tax

obligations, she said. *Bloomberg* lists the more than two dozen countries and territories that have set up programs to accommodate travellers looking to balance work and vacation.

Employers in the UK, who cut remote and hybrid workers' salaries could face discrimination lawsuits, employment lawyers have warned. A survey from the Chartered Institute of Personnel and Development (CIPD) shows that 13% of UK employers are considering cutting pay or benefits for staff who work from home. However, legal advice suggests that paying remote and hybrid workers less “could raise potential discrimination issues” – particularly if the policy disadvantages women, who may choose to work from home due to child caring responsibilities, or those with physical or mental disabilities.

Further, employers who seek to argue that as those working from home are saving on travel costs, it is reasonable to pay them lower salaries could also face the counter argument that working from home saves employers' rental costs on expensive city office space. Further, employees working from home incur additional personal costs on heating and utilities and may also be missing out on subsidised office perks, such as free coffee or low-cost lunches.

Brexit: Cut red tape and you'll lose data adequacy



The EU will scrap a series of concessions to the UK if Boris Johnson pushes ahead with a “bonfire of EU red tape,” Maros Sefcovic, the EU's chief Brexit negotiator has said. Sefcovic told a London conference: “A long shadow being cast over our relationship in this way increases our vigilance including in relation to UK statements about ‘slashing EU regulation,’ touted by some as a major benefit of Brexit.

“The UK is, of course, fully entitled to diverge from the EU if it wishes to do so. But this regulatory divergence has limits as well as consequences.

...For instance, in the area of financial services, data, and certain food products, the EU's unilateral decision to grant market access is conditioned on the UK's current regulatory framework.”

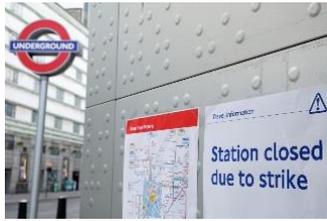
As we have repeatedly advised in this newsletter, moves by the UK to diverge from the GDPR will result in it losing the “data equivalence” decision by the EU Commission. This would stop the free flow of personal data from the EU to the UK. It would mean onerous and costly burdens on companies to navigate around the blockage.

In a speech earlier this week, the UK Labour leader, Keir Starmer, said a Labour government would stay close to the GDPR to avoid this difficulty. To the disappointment of many, Starmer also said that a Labour government would not seek to rejoin the Single Market or Customs Union. For the foreseeable future, no matter which party is in government in the UK, businesses will have to grapple with onerous barriers to trade between the EU and the UK.

Meanwhile, the Governor of the Bank of England has warned that Britain faces a faster and steeper downturn than other rich countries as households are battered by a “very large national real income shock.” Andrew Bailey said the UK economy is at a “turning point” after Covid, the energy price surge and the war in Ukraine combined to trigger spiralling inflation and the worst drop in disposable incomes for decades.

Speaking at a conference in Portugal, Mr Bailey said: “The UK economy is probably weakening rather earlier and somewhat more than others. I think that's been somewhat evident now for a few months.”

UK: Major staffing agencies reject strike breaking role



Major recruitment companies, including BEERG/HR Policy Global member, Manpower, Randstad, and Adecco, have said that the government’s plan to use temporary workforces to break industrial action would prove inflammatory.

The government has tabled draft legislation that would remove the prohibition on “employment businesses . . . introducing or supplying agency workers to hirers to replace individuals taking part in official strike or official industrial action.”

In a letter to Kwasi Kwarteng seen by the *Financial Times*, they urged the business secretary to rethink plans to repeal a decades-long ban on providing agency workers to cover for striking staff. “*We can only see these proposals inflaming strikes — not ending them,*” they said.

“We strongly believe it has the potential to cost our businesses — as we will be held responsible for sending strike breakers across a picket line and putting our workers in harm’s way,” wrote the companies, adding that it would “not matter if our individual businesses choose not to supply — the industry will be called into disrepute.”

Ministers were critical of ferry operator P&O for using agency staff to replace workers it had sacked on its ships this year.

This [comment](#) on the issue from the House of Commons library is worth reading. For a Canadian view on what is happening in the UK, see [here](#)

Australia: Uber cuts deal with Transport Workers Union

Uber and the Transport Workers Union of Australia have cut an [agreement](#) in which they jointly call for the creation of an independent body tasked with setting minimum standards for the working conditions of platform workers. This body will have the capacity to:

- *set minimum earnings;*
- *facilitate a mechanism to resolve disputes, such as when platform workers see their accounts deactivated;*
- *ensure the right of platform workers to be represented by a trade union;*
- *and make sure the country’s legislation allows these objectives to be reached.*



Michael Kaine, national secretary of the TWU, says the deal marks a “significant and positive development in the years-long campaign led by gig economy workers to modernise out-of-date industrial laws.” He also underlines that the agreement “sends a strong signal to the newly-minted Federal Government that it must act,” referring to the recent election win of prime minister Anthony Albanese, of the Labour Party, who wants to regulate the gig economy.

Dom Taylor, Uber general manager in Australia and New Zealand, says: “Whilst Uber and TWU may not seem like obvious allies, we’ve always agreed that driver and delivery partners must come first.” The deal follows similar agreements reached in Canada and the UK

Data Protection: DPA activism and trust company approaches



[Derek Mooney](#) writes: The question of over-zealousness by data protection authorities is at the centre of a long-running row - which has lately emerged - between the EU Commission and the Dutch Data Protection Authority (AP). Referring to specific AP decisions, the EU Commission [wrote to the AP](#) in 2020 to say that these do not strike the right balance between the right to data protection on the one hand and the freedom of undertaking on the other.

One of those decisions, from Nov 2019, concerned the imposition of a half million Euro fine on amateur football broadcaster, VoetbalTV. (See case report on [NRC.nl](#) – in Dutch). The AP ruled that the “strictly commercial purpose” of the streaming service did not justify broadcasting images of players and fans without their individual consent. The EU Commission – and the Midden-Nederland court - rejects this interpretation, stating that it:

“... constitutes a serious obstacle for companies to process personal data for commercial reasons, because they would have to obtain consent from every data subject.”

In [his reply](#) to the EU Commission, the AP Chair, [Aleid Wolfsen](#), denied that the AP view of legitimate interest conflicted with that of the EU Commission and the CJEU. He agreed that GDPR must be interpreted in the same way across the EU, but then suggested that the AP’s interpretation was a matter for consultation with the other national supervisory authorities via the European Data Protection Board. Almost two years later, there is no sign of the EDPB adopting the Dutch view, in the meantime the contradiction between Den Haag and Brussels remains.

Meanwhile, a recent survey among trust companies by law firm, [Herbert Smith Freehills](#) points to trust companies no longer seeing data protection to be as much of a risk as they once did saying that:

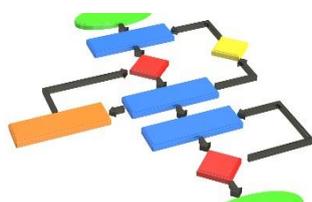
...despite the high-profile implementation of GDPR in 2018, CCPA in 2020, and multiple other data privacy laws around the world in recent years, compliance with data protection legislation only ranked fifth with the participants out of seven key issues posing the greatest challenge to trust businesses.

It goes on to say that:

... this appears to contradict many FTSE 100 and similar lists of major international companies, who often cite data protection and cyber security risk as the two key risks to their business. The results also seem at odds with an industry usually in possession of large quantities of personal data, often including ‘sensitive’ personal data.

The survey authors speculate about this apparent difference in approach to data protection regulation pointing to factors such as: *geographical location; privacy fatigue; Client confidentiality.*

Algorithms: Japanese court orders details be revealed



As the European Union considers a raft of legislation that would mandate employers to share algorithm details with employees’ representatives where such algorithms are used to make human resource decisions, a Japanese court has handed down a ruling which shows the way the legal wind may be blowing. Hanryumura, a restaurant chain, argued successfully that Kakaku.com altered how user scores were tallied in a way that hurt sales

Legal experts in Japan have said that the case related to a restaurant website could change how platforms such as Google, Facebook and Amazon run in the country, forcing them to reveal the workings of their algorithms.

Last month a Tokyo court ruled in favour of Hanryumura, a restaurant chain, in an antitrust case brought against Kakaku.com, operator of Tabelog, Japan’s largest restaurant review platform. Hanryumura successfully argued that Kakaku.com had altered the way user scores were tallied in ways that hurt sales.

Kakaku.com has been ordered to pay Hanryumura ¥38.4mn (\$284,000) in damages for “abuse of superior bargaining position”. The internet group has appealed. Experts said the outcome could have far-reaching implications, as the court requested that Kakaku.com disclose part of its algorithms.

Technology companies have long argued that their algorithms should be considered trade secrets in all circumstances, giving them competitive advantage, and that sharing information about algorithms could hurt the business. This view is increasingly being challenged by unions and works councils in Europe, and their concerns are being picked up by legislators.

Proposed laws on AI governance, gender pay transparency, and platform workers, all require that companies inform and consult employees, or their representatives, about the use of algorithms in decision making. The extent of such consultations, and the information to be provided, will prove controversial and will be contested.

We will be discussing this issue at our next BEERG Network meeting in Brussels on Wednesday/Thursday, September 28/29 – See details on next page

THE BEERG AGENDA:

Note that BEERG events are now 'in person' unless listed as a webinar

HRP India: Changing Scenario in Global Workforce Deployment Webinar July 20, 9 - 10am EST

HR Policy in India is organizing a panel discussion on 'Changing Scenario in Global Work Force Deployment' on 20th July 2022, at 6.30 PM India time for 60 minutes. We plan to have some CHROs of member companies on the panel, give valuable insights into what changes are likely to happen in the future of work from a work force deployment point of view.

[Book July Webinar](#)

Impact of Inflation & Uncertainty on Annual Incentive Design Webinar July 26, 12 noon EST

This HR Policy webinar will dive into the challenges employers faced evaluating performance for 2022 and focus on potential strategies employers may want to consider related to the performance metrics and targets of their 2023 incentive plan design in light of continued inflationary periods and sustained economic uncertainty.

[Book July Webinar](#)

BEERG Members' Network Meeting Pullman Hotel, Gare du Midi Brussels Sept 28/29

Attendance at the September BEERG Network Meeting in Brussels is open to BEERG members, HR Policy Global members. Click link on right to book a place at the meeting.

You can find draft agenda outline and accommodation booking form via this [BROCHURE](#).

[Book Sept Meeting](#)

BEERG Training: Managing European Employee Relations Hotel Estela Sitges: Oct 18-21

Over the past fifteen years, hundreds of executives have participated in our twice yearly BEERG training programs. We have radically restructured our program to include a twin track component offering participants a tailored choice of modules.

Download the training brochure and draft course schedule [ONLINE HERE](#).

[Book Oct Training](#)

*BEERG/HR Policy Global Members can self-register online for these events via the links supplied. Members who get the "No Tickets Available for Purchase" message online should contact [Derek](#).

BEERG Dates for your Diary:

Date	Event	Booking Links	Venue
July 20	HR Policy in India: The Changing Scenario in Global Workforce Deployment	Book July Webinar	Webinar on Zoom
July 26	HR Policy Webinar: Impact of Inflation & Uncertainty on Annual Incentive Design	Book July Webinar	Webinar on Zoom
Sept 28/29	BEERG Members' Network Meeting	Book Sept Meeting	Hotel Pullman, Gare du Midi, Place Victor Horta 1, 1060 Brussels
Oct 18 - 21	BEERG Training: "Managing European Employee Relations"	Book Oct Training	Hotel Estela, Port d'Aiguadolc, Sitges, Barcelona, Spain