

THE FUTURE OF WORK

A Transition Agenda for a Future that Works for All



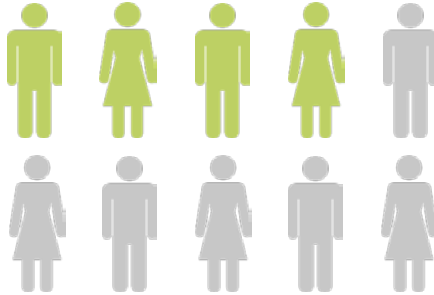
Workshop on Employment and Social Affairs: Achievements and Challenges Ahead

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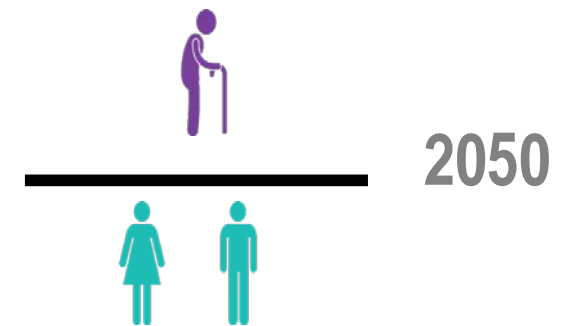
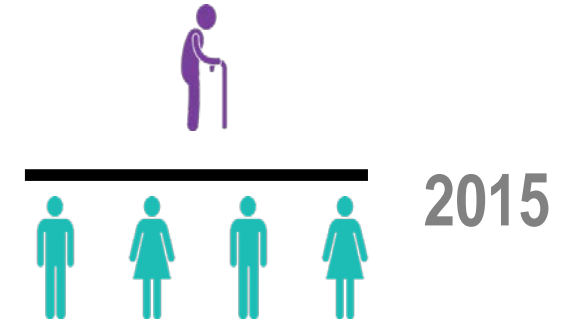
Three key megatrends are changing the labour market

Technology is changing the workplace

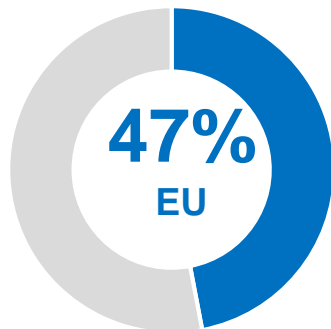
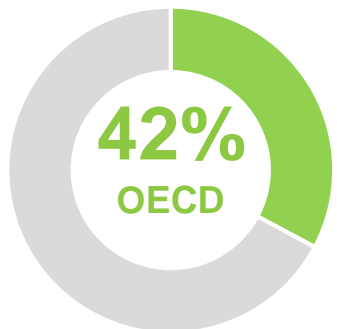
4 of every 10 new jobs in the OECD are in highly digital-intensive sectors



Populations are ageing



The world has become more integrated

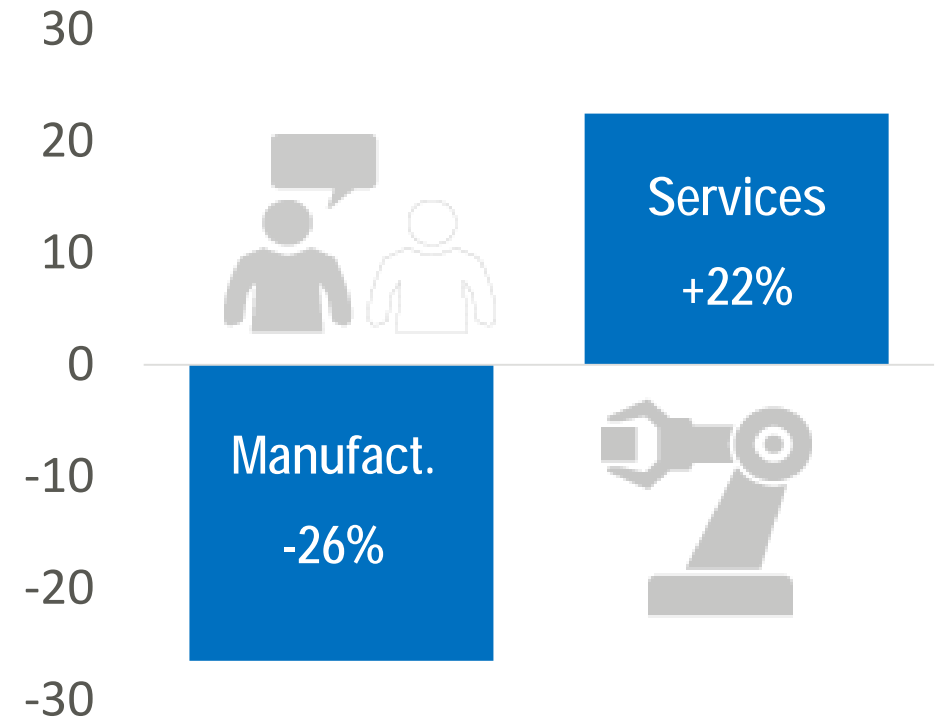
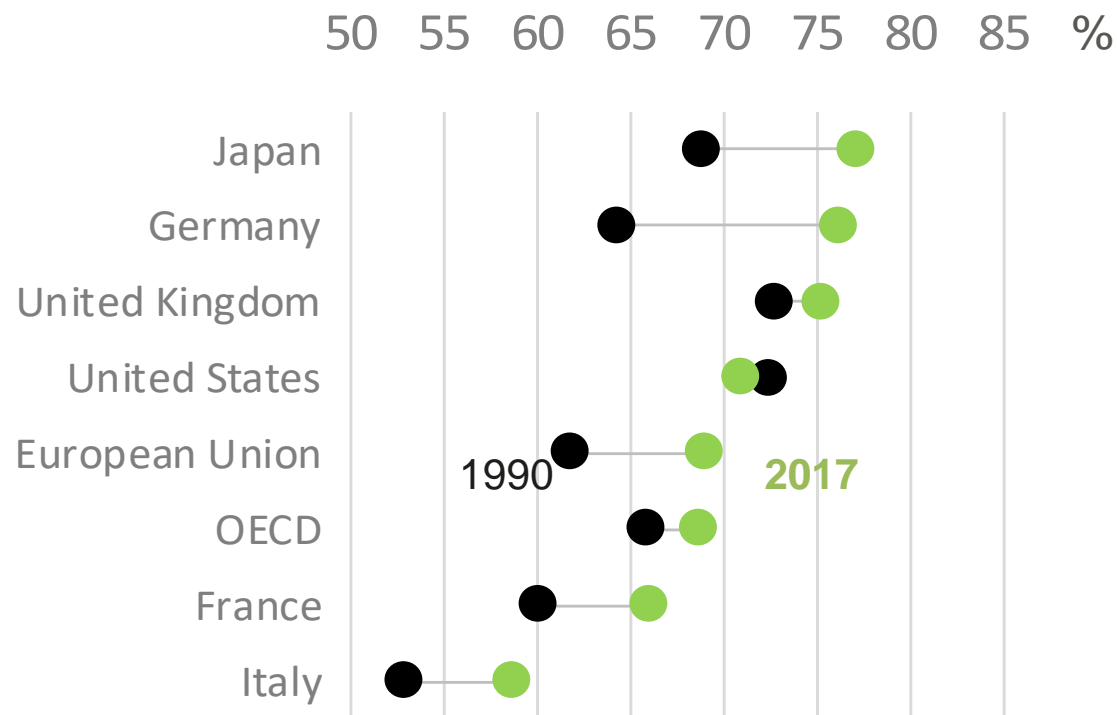


42 % of OECD business sector jobs sustained by consumers in foreign markets (47% for EU)

Should we brace for a jobless future?

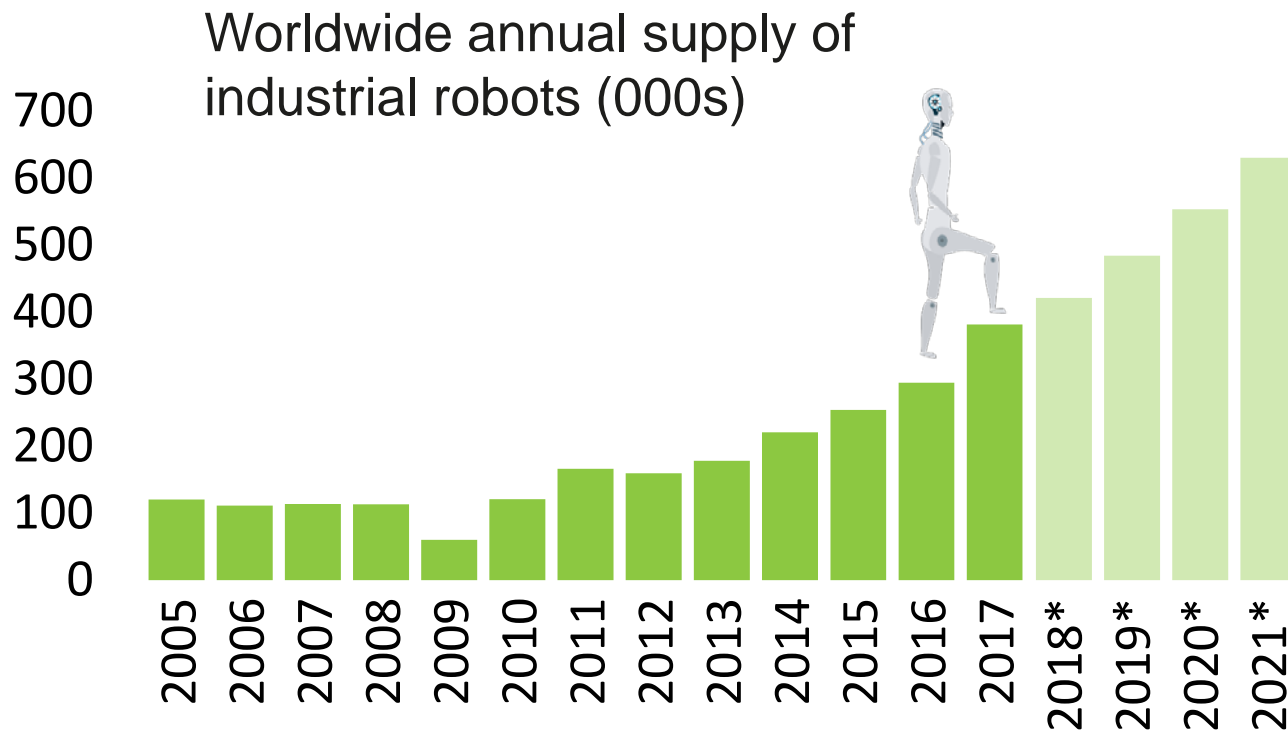
Massive technological unemployment is unlikely, but many jobs will change and transitions will be difficult

Employment rates have risen in most countries

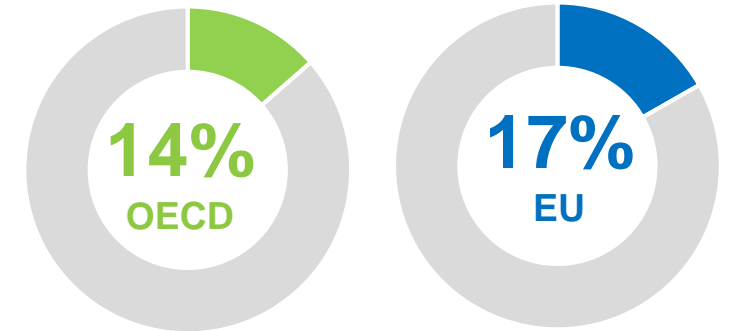


Should we brace for a jobless future?

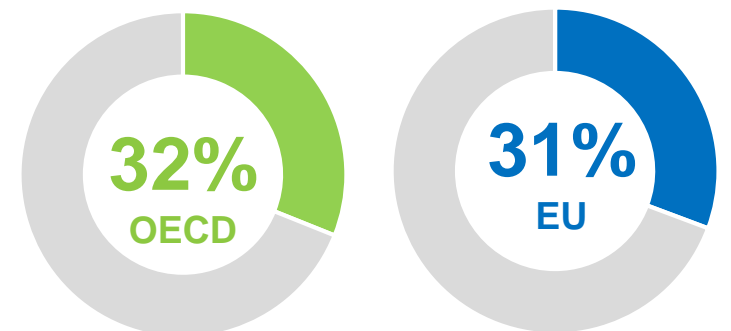
Orders of industrial robots have tripled over the past decade



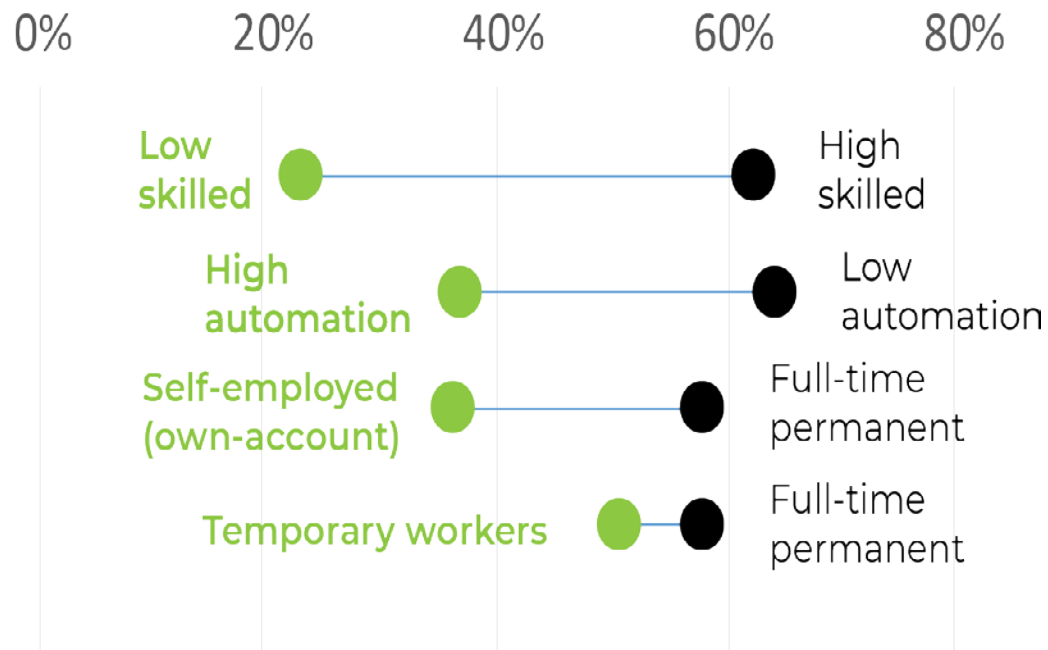
14% of jobs could be automated (17% for EU) ...



... but many more will change significantly

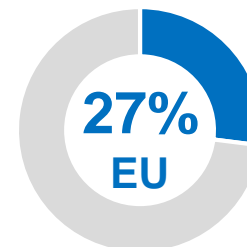
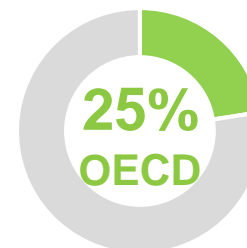


The demand for skills is changing, but adult learning systems are ill-equipped for this challenge



The most vulnerable are **least likely to participate** in adult learning

6 out of 10 adults lack basic ICT skills or have no computer experience



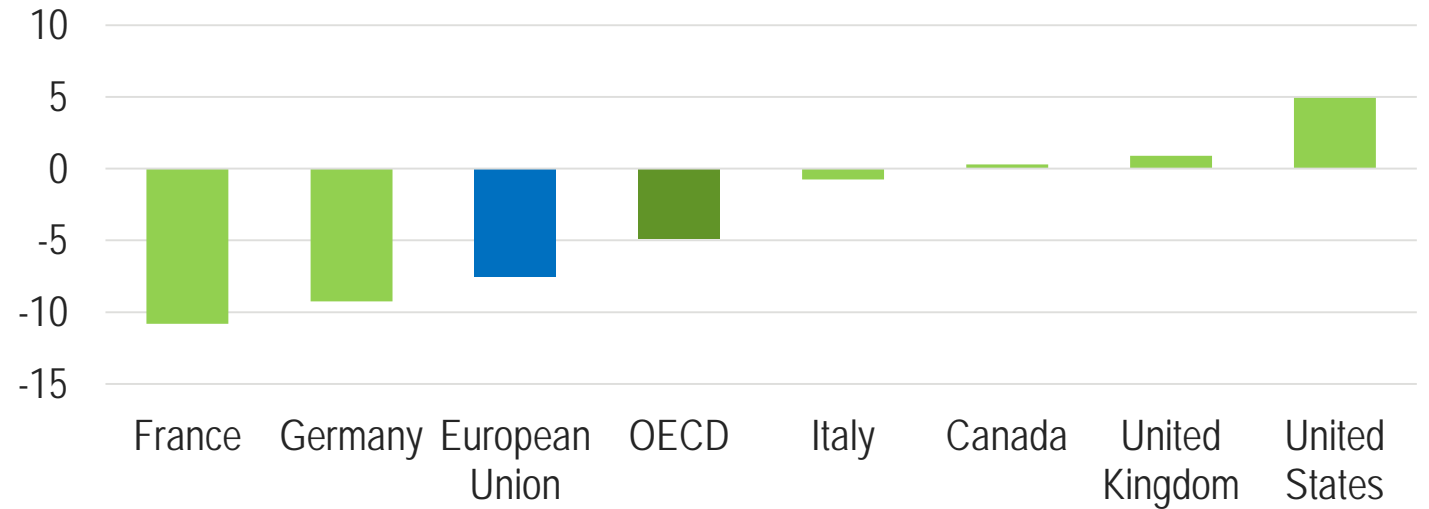
The share of high-skilled jobs has **increased by 25%** over the last two decades (**27% for EU**)

Adult Learning *Policy Directions*

- Foster a mind-set for learning among firms and individuals
- Tackle barriers to training
- Encourage employers to train groups at risk
- Target adult learning policies on the groups that need them most
- Tackle unequal access to training based on employment status
- Make training rights portable
- Share the financial burden of scaling up adult learning systems

Some social protection systems are not well prepared for the future of work

Average job tenure has decreased by ~5% in OECD countries and ~7.5% in the EU since 2006



2 in 3 jobseekers received no unemployment benefits in 2016



Workers in non-standard employment are up to 40-50% less likely to receive any form of income support when out of work

Social Protection *Policy Directions*

- Review social protection entitlement criteria, to give access social protection to more non-standard workers
- Enable workers in independent forms of employment to build up rights to out-of-work support
- Maintain/strengthen risk sharing across labour market and income groups by tackling financial incentives that favour non-standard work
- Make entitlement portable across jobs and forms of employment
- Strengthen universal and unconditional forms of support

Despite growth in non-standard forms of employment, standard employment remains the norm

1 in 9 workers in OECD countries



And 1 in 7 workers in the European Union are on a temporary contract

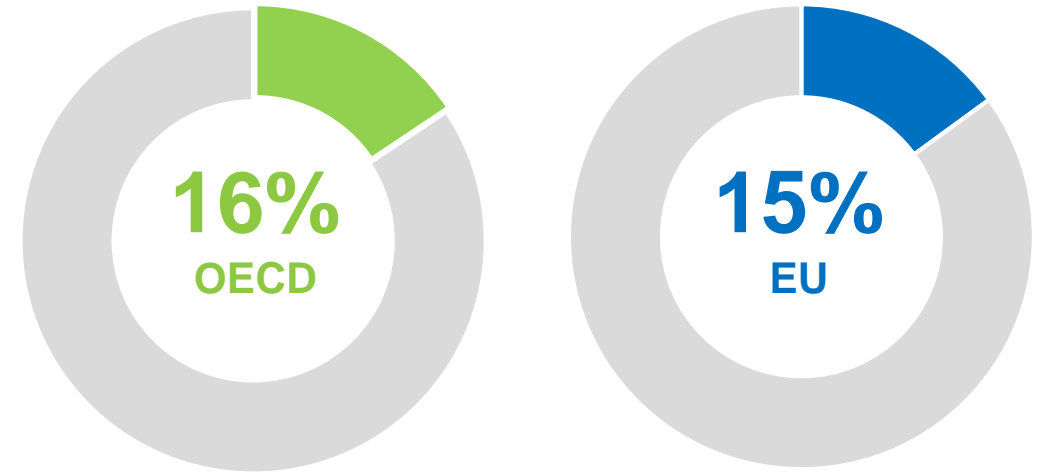
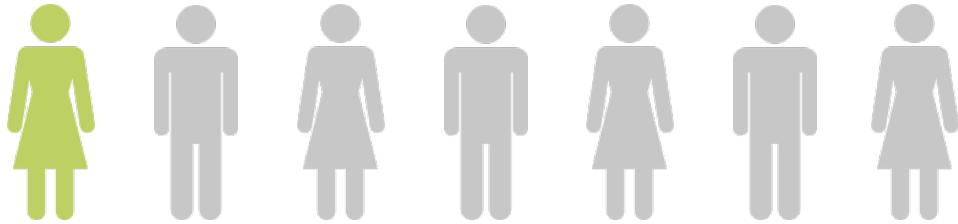


Non-standard work represents **over one-third of total employment** in both areas



New forms of work have sometimes challenged definitions of “employee” and “self-employment”

1 in 7 workers (in OECD countries and the European Union) are self-employed

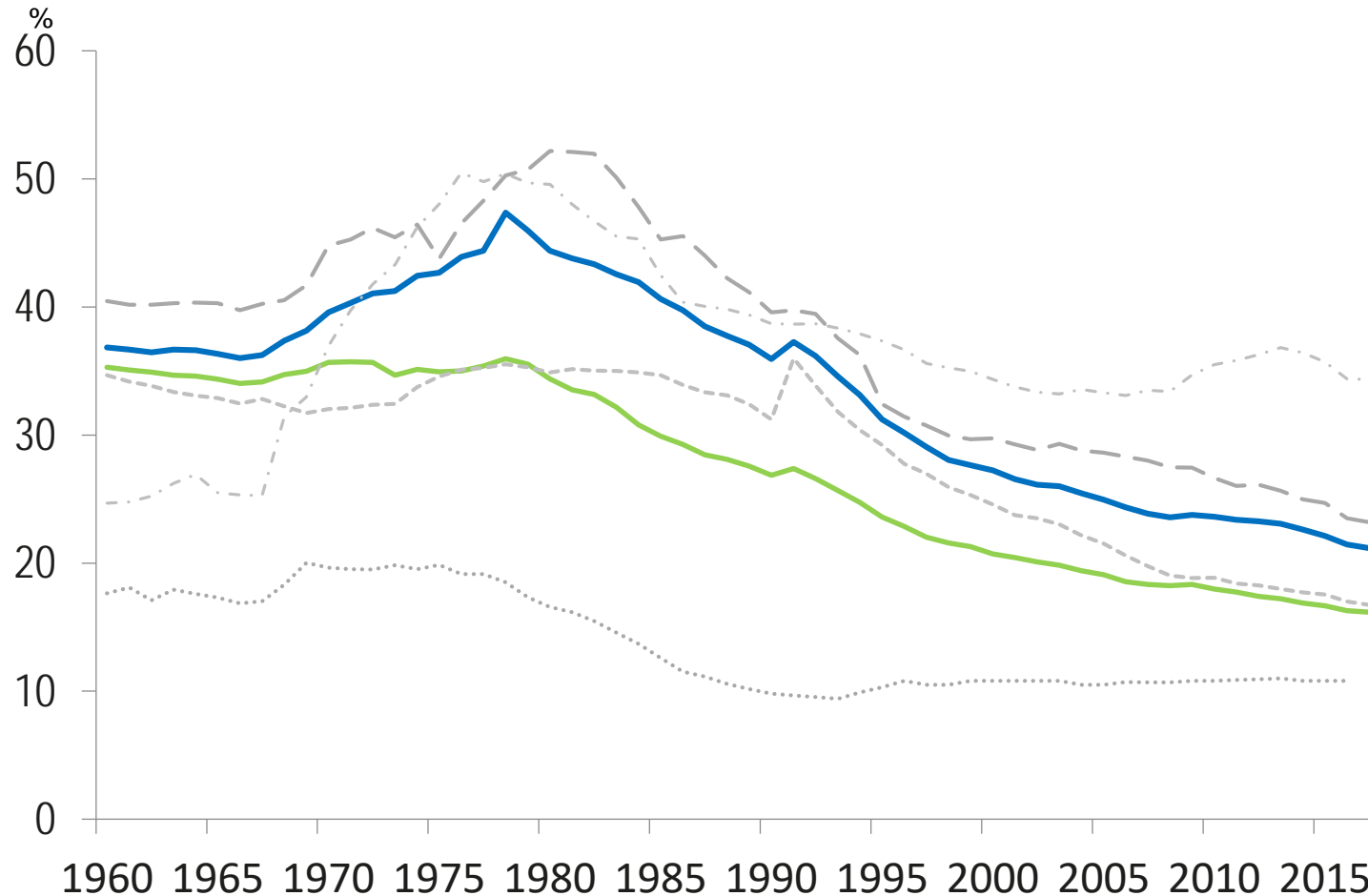


16% of the self-employed are financially dependent on one client (15% for EU)

Labour market regulation *Policy Directions*

- Tackle false self-employment
- Reduce the size of the “grey zone” between self- and dependent employment by properly classifying labour relations
- Extend rights and protections to workers left in the “grey zone”
- Address labour market monopsony through better regulations and more effective enforcement
- Put in place a comprehensive strategy to tackle barriers to potential job mobility in the labour market

Many workers have weak bargaining power



Non-standard workers are **50% less likely to be unionised** than standard employees

— European Union — OECD - - - Germany
..... France - - - United Kingdom - . - Italy

Social Dialogue *Policy Directions*

- Accompany the efforts of unions and employers organisations to expand their membership without discouraging the emergence of other forms of organisation
- Leave scope for collective bargaining and incentivise self-regulation among actors by making a limited but strategic use of legislative interventions
- Promote national consultations and discussions on the future of work

Key Policy Directions for the EU

- **Wages:** Focus on reviving and extending collective bargaining and tackling monopsony power
- **Platform workers:** Clarify classification and extend rights and protections to vulnerable self-employed workers
- **Social protection:** Strengthen social protection systems so fewer people fall between the cracks
- **Skills:** Support adult learning and skill-building opportunities, regardless of employment status
- **Social dialogue:** Extend collective bargaining rights to certain groups of self-employed workers

A transition agenda for a future that works for all

The future of work is not set in stone – with the right policies and institutions, it can be more inclusive and rewarding

Action at the margin will
not do

Whole-of-government

Life course approach

Target those who need it
most



Adequate funding

Spending review

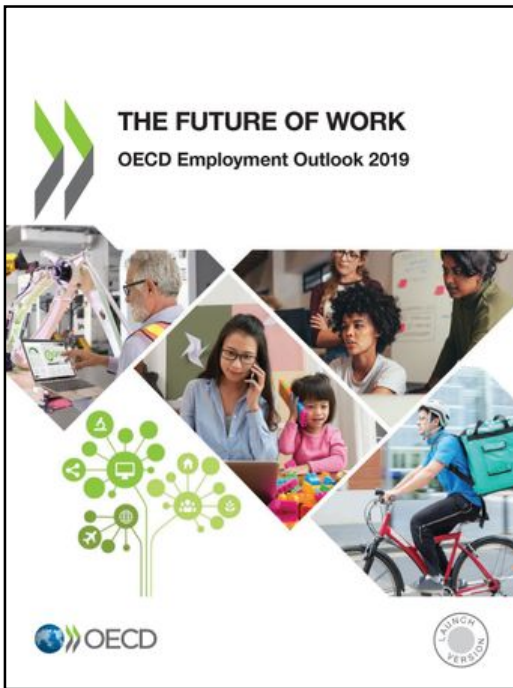
Effectiveness

Improve revenue sources

Thank you!

OECD Employment Outlook 2019: <https://oe.cd/il/2zn>

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