



THE FUTURE OF WORK

Paolo Falco

Labour Market Economist

Division for Employment Analysis and Policy

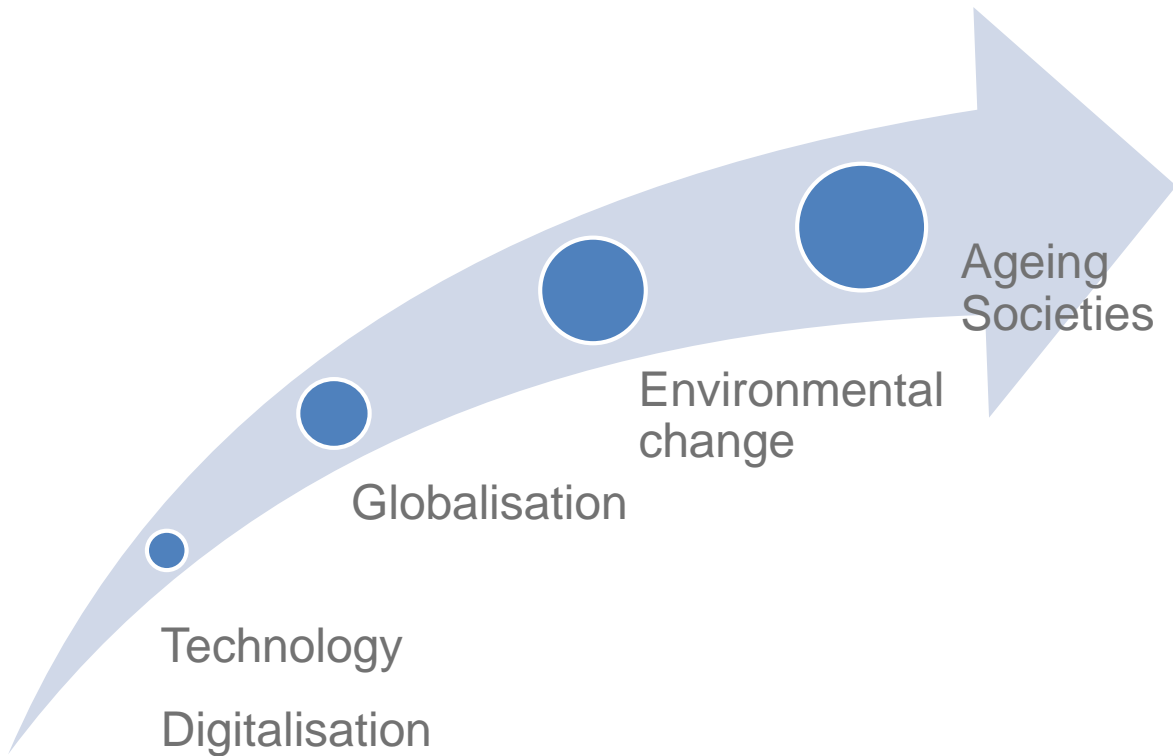
Directorate for Employment, Labour and Social Affairs

Fact-finding seminar on Digitalisation

Berlin, 14 February 2017



Megatrends changing the world of work



Changing:
What jobs will be created
How, where and **by whom** they are carried out

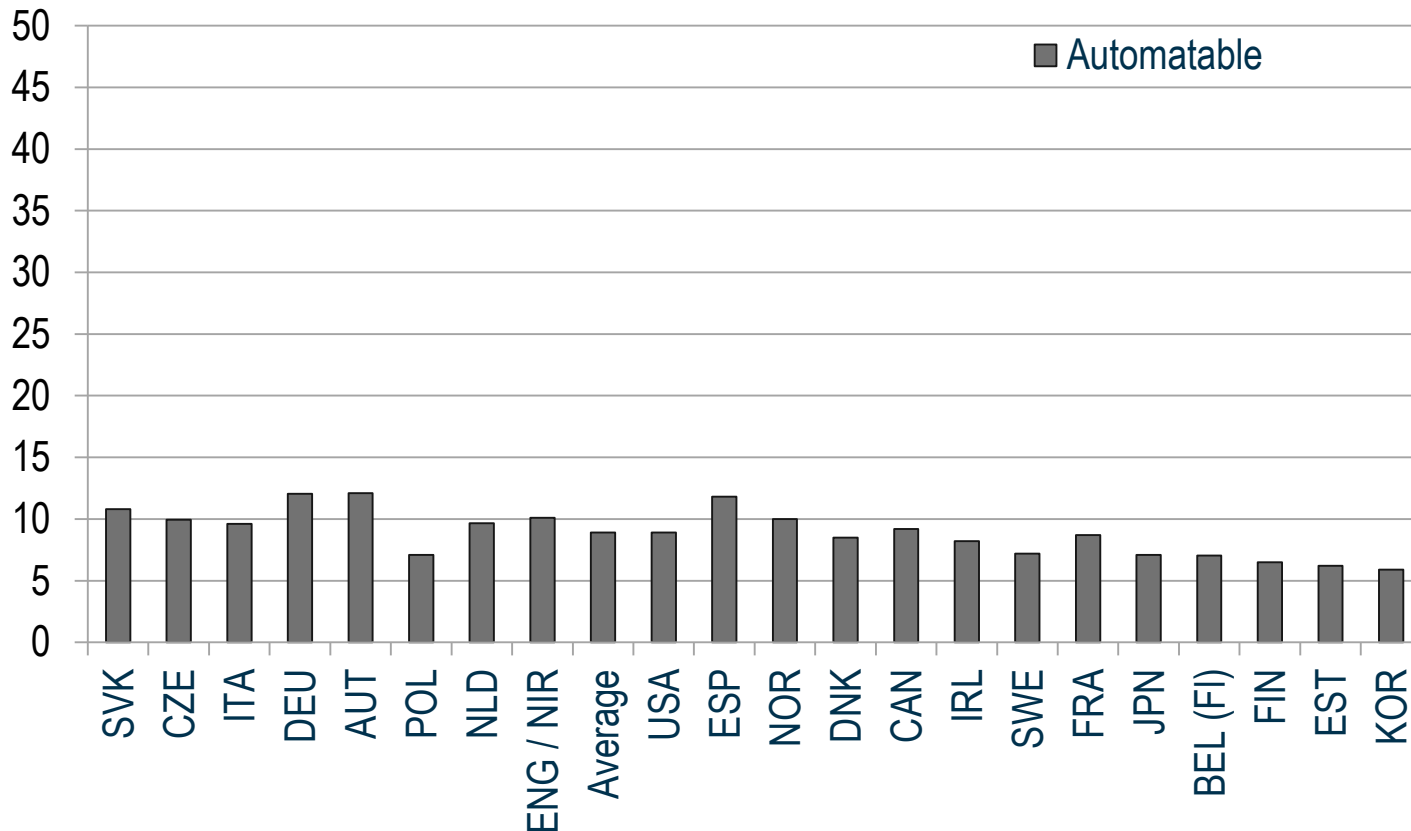




What can we expect from the 4th industrial revolution?

Jobs with high and medium potential for automation

Percentage of jobs with 70 % and between 50 % et 70 % of substitutable tasks



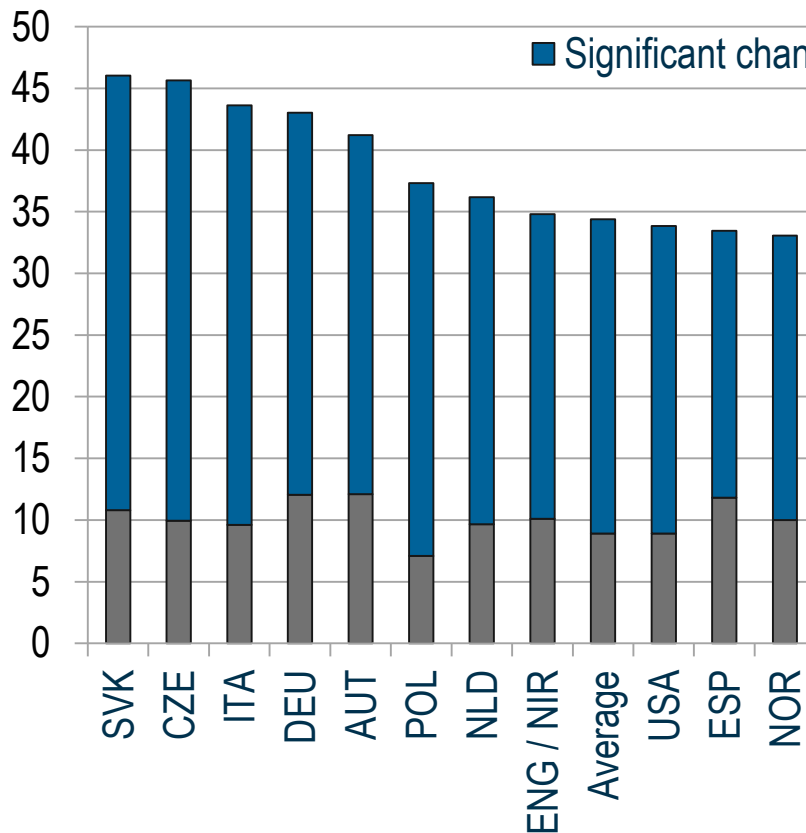
Source: Survey of Adult Skills (PIAAC); Arntz et al (2016)



What can we expect from the 4th industrial revolution?

Jobs with high and medium potential for automation

Percentage of jobs with 70 % and between 50 % et 70 % of substitutable tasks



Source: Survey of Adult Skills (PIAAC); Arntz et al (2016)

Tasks that lower risk of automation:

- Presenting
- Influencing
- Reading books and/or professional publications
- Writing articles
- Using programming language
- Training others

Tasks that increase risk of automation:

- Exchanging information
- Selling
- Using fingers or hands

Source: Arntz et al (2016), Table 3.



But we should avoid technological determinism

- Automation hinges on the ***adoption*** and ***diffusion*** of technology
- While some jobs disappear, some **new ones are created *directly* and *indirectly***
 - The new jobs do not necessarily replace the old ones but they are accompanied by large multiplier effects and increased productivity (Autor, 2015; Moretti, 2010; Goos, Konings et Vandemeyer 2015).
- **Jobs evolve** as technology drives their task content (Autor, 2015; Bessen 2015)

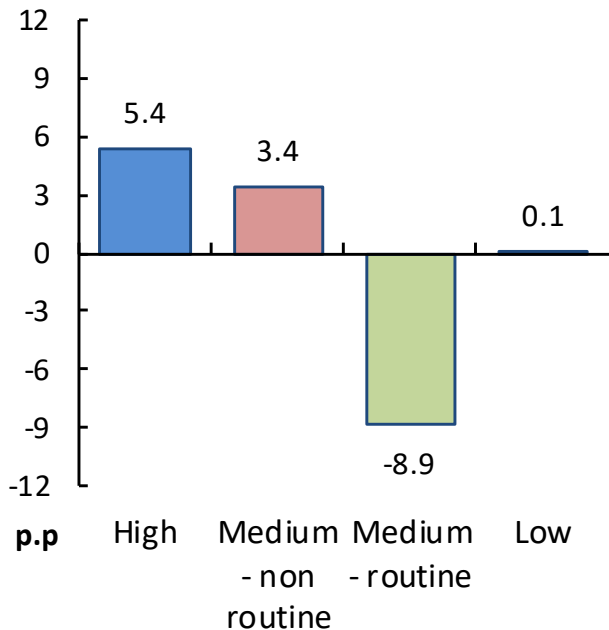


The labour market is polarising

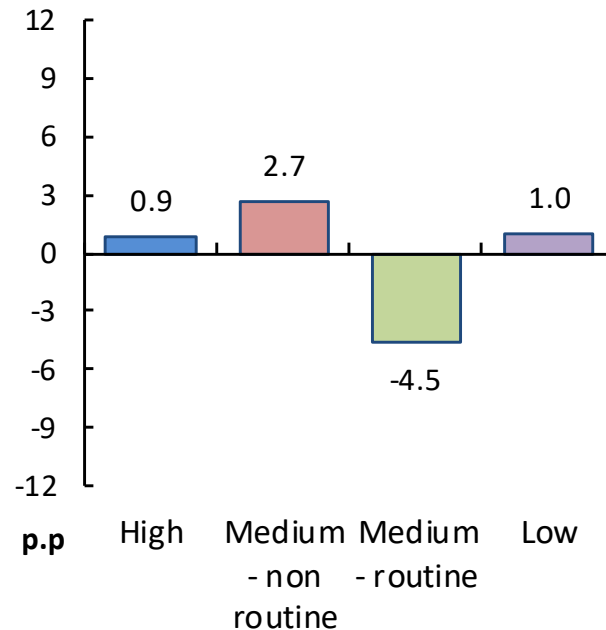
Job polarisation in major OECD economies, 2002-14

Percentage points changes in employment shares by occupation

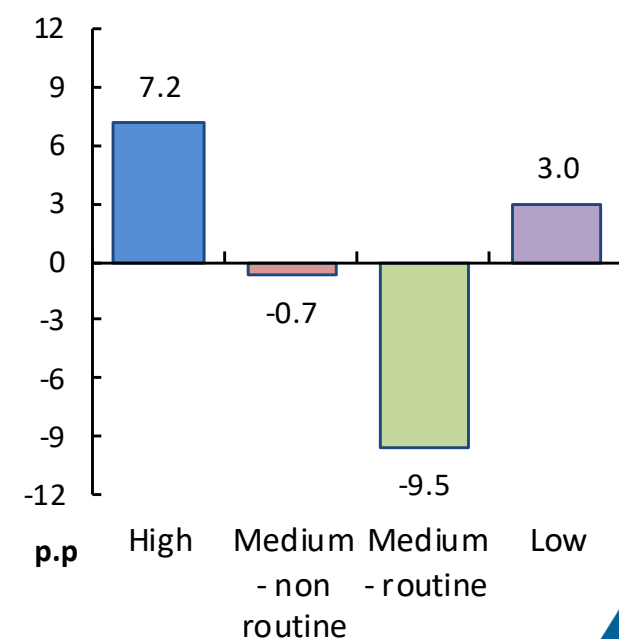
European Union



Japan



United States

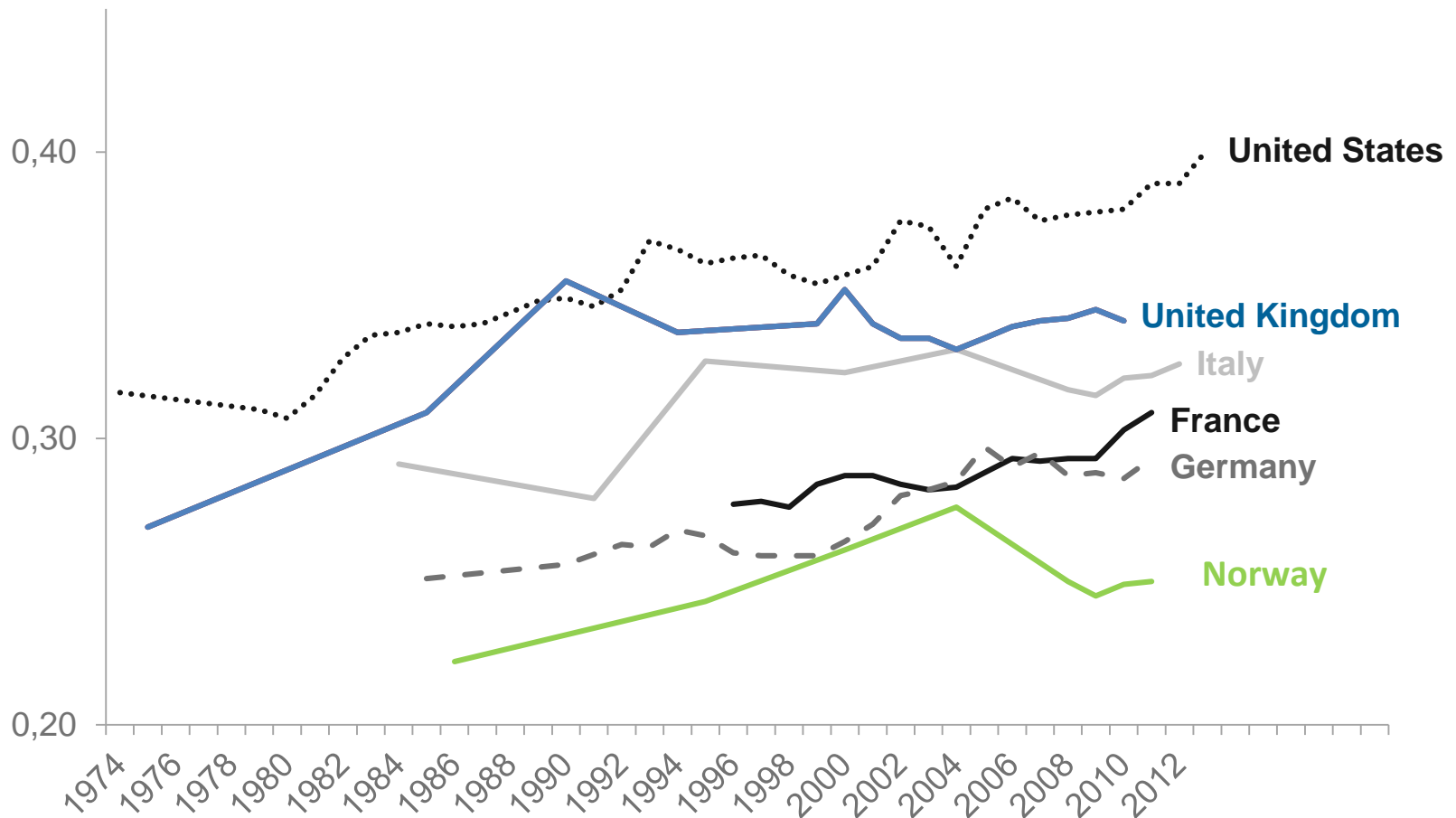


Source: OECD estimates based on EU-LFS, Japanese Labour Force Survey, BLS Current Population Survey.



Inequality has been rising

Gini (at disposable income, post taxes and transfers)





The platform economy is coming near you!

Greater income, efficiency and flexibility?

Greater risk for individuals who manage their jobs, protection and training?



Less social protection and greater precarity?





Key policy areas

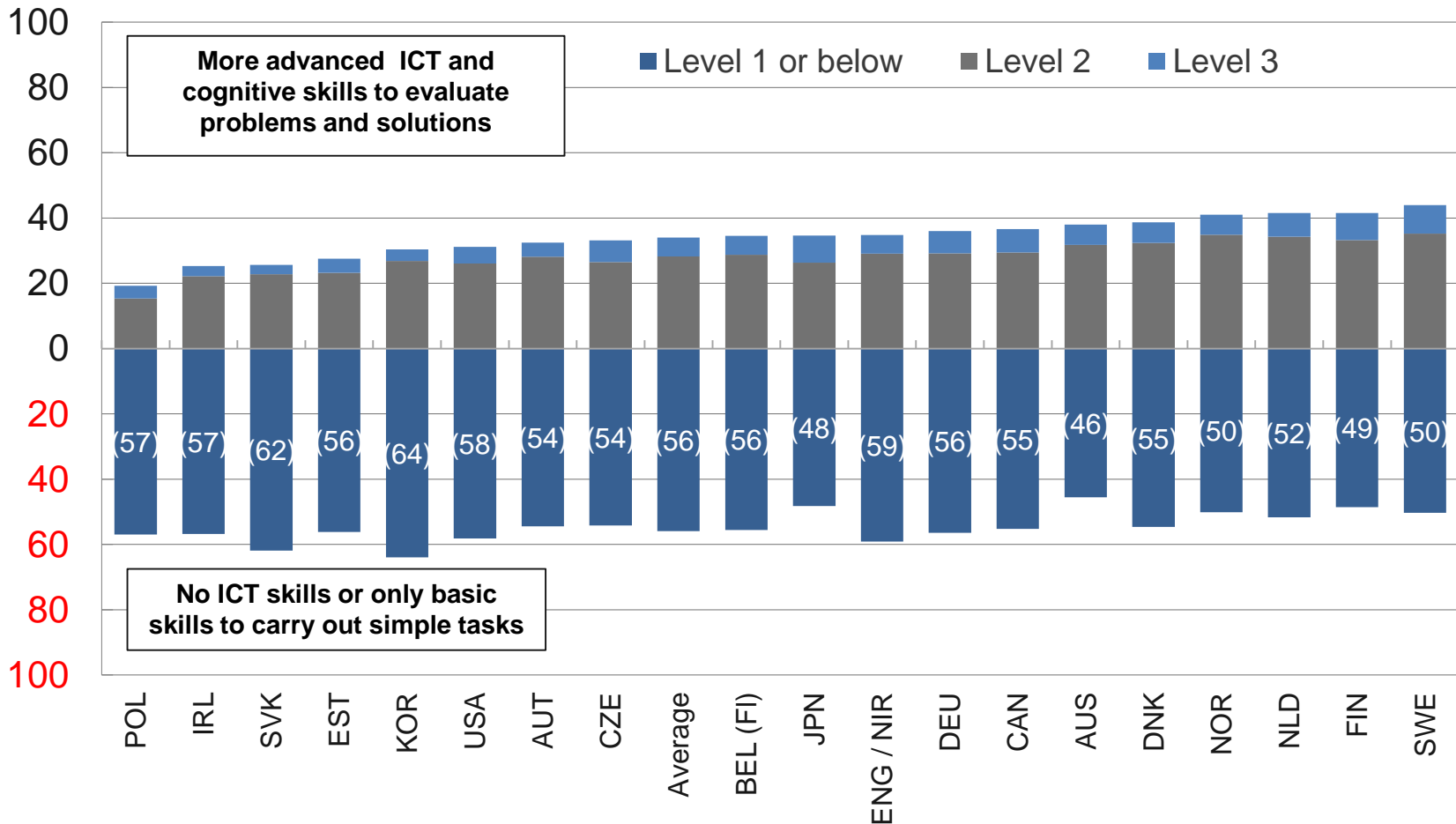




Do workers have the skills for the new jobs?

Problem-solving skills in Technology-Rich Environments

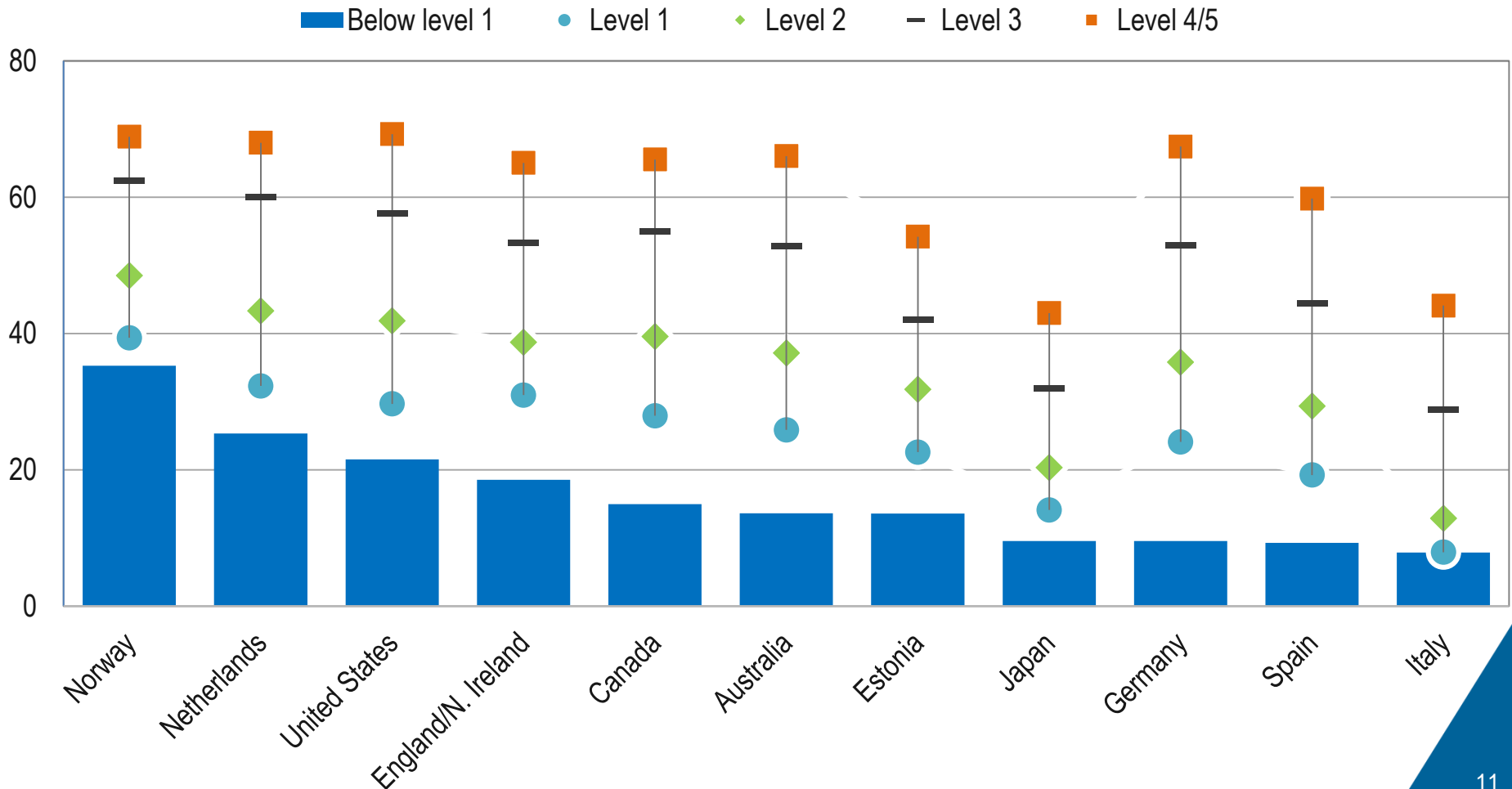
Percentage of the working-age population (aged 15/16-64)





Job-related training – most in need get the least

Percent of workforce in job-related education and training by level of proficiency in literacy



Source: OECD (2013), OECD Skills Outlook 2013: First Results from the Survey of Adult Skills, OECD Publishing.



The future of work requires a change to how we think about **social protection**

Benefit rules for the self-employed are different from those of standard workers, 2010

	Old age, invalidity	Health	Accidents	Unemployment	Family
Australia	No benefit	Optional enrolment	Optional enrolment	Optional enrolment	Optional enrolment
Canada	Optional enrolment	Optional enrolment	No benefit	No benefit	Optional enrolment
France	Different rules from standard workers	Different rules from standard workers	Different rules from standard workers	No benefit	Optional enrolment
Germany	Different rules from standard workers	No benefit	No benefit	Optional enrolment	Optional enrolment
Italy	Different rules from standard workers	Different rules from standard workers	Optional enrolment	No benefit	Different rules from standard workers
Japan	Different rules from standard workers	Different rules from standard workers	No benefit	No benefit	Optional enrolment
Korea	Optional enrolment	Optional enrolment	Optional enrolment	Optional enrolment	Optional enrolment
Mexico	Optional enrolment	Optional enrolment	Optional enrolment	Optional enrolment	No benefit
Portugal	Different rules from standard workers	Optional enrolment	Optional enrolment	No benefit	Optional enrolment
Turkey	Different rules from standard workers	Optional enrolment	Different rules from standard workers	No benefit	Optional enrolment
United Kingdom	Different rules from standard workers	Different rules from standard workers	No benefit	Different rules from standard workers	Optional enrolment
United States	Different rules from standard workers	Optional enrolment	No benefit	No benefit	Optional enrolment

No benefit
Optional enrolment
Different rules from standard workers
Same rules as the general scheme

Source: OECD (2015), *In It Together: Why Less Inequality Benefits All*, OECD Publishing, Paris.



The self-employed risk slipping through the net

54.5% The share of self-employed (15-64) in the EU at risk of not being entitled to **unemployment benefits**

37.8% The share of self-employed (15-64) in the EU at risk of not being entitled to **sickness benefits**

46.1% The share of self-employed women (15-49) in the EU at risk of not being entitled to **maternity benefits**

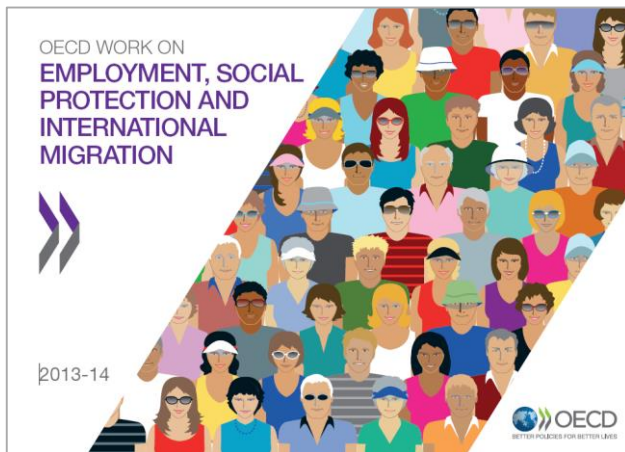


Thank you

Contact: Paolo.FALCO@oecd.org

Read more about our work

Follow us on Twitter: [@OECD_Social](https://twitter.com/OECD_Social)



Website: www.oecd.org/els/social

Newsletter: www.oecd.org/els/newsletter