Concept note

Special plenary debate 1

Decent jobs for all

Aim

To ensure decent jobs for all, it is necessary to fully understand and adequately assess the demand and supply side of future labour markets. This session is invited to discuss the needs and roles of employers, workers and governments, to ensure productive and decent employment for all in the future.

Context

Economies in the region are currently undergoing fundamental adjustments, driven by technological advances, migration, and demographic and climate change. Growth projections for the near and medium future are conservative for most of the region, and labour markets are struggling to include (even highly educated) young labour market entrants.

With various predictions on how the future will unfold, it is clear that employment will continue to play a central role in people’s lives. Full employment, decent work and social protection for all need to remain our goals for the future. While some parts of the region are nearing full employment, others continue to face high unemployment. Despite progress achieved in past decades, various subgroups in societies – including women, youths, people with disabilities and migrants – remain disadvantaged in their access to labour markets and in the quality of jobs available to them.

There is ample speculation on who will be the “winners” and “losers” in the future world of work. Research is divided on the question of whether new technologies will predominantly replace jobs or rather reshape them. Historically, the fear of replacing labour with technology is not new, and traditionally new technologies have always created unexpected new fields of employment that more than made up for the job losses in some sectors. Yet, the question remains – will it be different this time? Challenges arise on two ends of a spectrum, with the risk of automation for an increasing number of jobs on the one hand, and a shortage of skilled workers to fill certain jobs on the other. Moreover, there will be less routine work, yet more high-skill jobs will include more routine elements. While some see this as an intermediate step towards automation, it does not appear likely that the most routine jobs will be fully replaced through automation. These diverging tendencies add to the challenges of predicting the future labour markets, and increase the vulnerabilities of several segments in the labour market.
Yet, some things are clear, including increasing demand for workers in specific sectors of the economy, such as technology, the knowledge economy, environment-related manufacturing and services, and the care economy, which can provide opportunities for many. In addition to the prevalence of the informal economy and undeclared work – though to varying degrees – in several economies in the region, it is also expected that self-employment will increase exponentially in various sectors. With advancing structural change of economies, questions on the quality of work will take centre stage, as these sectors drive changes in the employment relationship and the accompanying rights and responsibilities of workers and enterprises. Hence, there is a need to adequately regulate these emerging jobs to ensure decent conditions for all. This also entails finding new ways to finance public goods and services, including the care economy, where the care burden often is unpaid work that disproportionately falls on women.

The rapid pace of change is increasingly adding pressure to an often already challenged labour market, with workers who lose their jobs not always being able to reintegrate into the labour market. There are indications that current technological changes could exacerbate job polarization, and in some countries contribute to a hollowing out of the middle class and widening wage inequality. Current labour markets are influenced by technological change at a pace like never before, with fundamental advances in robotics, digitalization, artificial intelligence and nano-technology, and the proliferation of these technologies into new and old sectors of the economy. Differences in the capabilities to absorb and incorporate these advances may exacerbate inequalities within and across countries.

In order to succeed in today’s and tomorrow’s “knowledge economy”, it is important to strengthen the employability and skills sets needed in the real economy in the short, medium and longer term. While skills mismatches are commonly acknowledged, it is often less clear how to best address them. Therefore, better ways need to be found to anticipate ever faster changing skills needs, and education systems need to be adapted to supply a workforce with these skills in sufficient numbers. One path towards adaptability will be to teach people “how to learn”, rather than “what to do”, to enable them for lifelong learning. Cognitive and soft skills are also increasingly demanded by employers. In this quest, educational institutions will have to cooperate more closely with all participants of the labour market, and facilitate: (i) the upskilling of current workers; (ii) the reskilling of those out of work; and (iii) instil the new skills needed for a high-tech future. Yet, education needs to extend beyond traditional educational institutions. In future, enterprises will need to play a more active role in equipping the workforce with the skills that are needed to increase competitiveness and productivity in the shorter and the longer terms, aided by an enabling environment provided by the State. Education and training are costly and solutions need to be found, so the sole burden of risks and responsibilities does not rest on the individual worker.

In future, it will be even more important that governments, in cooperation with workers and employers, provide comprehensive employment frameworks to ensure a better match between supply and demand of jobs. These frameworks need to balance a variety of targets, including the inclusion of disadvantaged segments of the population, and provide the right equilibrium of rights, protections and incentives. They need to ensure competitiveness, be flexible enough to accommodate technological progress in an ever faster changing world, create the skilled workforce that is needed for economic and employment growth, and ensure that workers are adequately protected over the life cycle. In this context, social protection coverage and adequacy of benefits play a central role in smoothing downturns in the business cycle and in protecting workers against the volatility and pace of change, while enabling them to return to productive employment. At the same time, labour market and skills policies need to help people to stay ahead of the pace of change. The right mix of policies will also support innovation and entrepreneurship, by decreasing the risks that individuals have to bear and sharing the costs for protection and education more fairly.
Potential questions for consideration

- Will there be a significant growth of job opportunities in the future? Where will new jobs be located? What is the role of governments, employers’ and workers’ organizations towards maximizing such jobs opportunities and seeing that they are decent?

- What is needed to successfully forecast skills, and assist workers to acquire them? Who are the actors that need to infuse these skills? How can enterprises help in shaping the workforce they need?

- What are the key competences of an employable worker in the nearer and longer term future? What needs to happen, so that the workers of tomorrow are equipped to cope with the rapid changes in the world of work?

- What are the responsibilities of governments, employers’ and workers’ organizations in ensuring that workers in all forms of employment enjoy effective and adequate access to social protection as well as lifelong learning opportunities?