

# ***Thriving in the future of work: employers' recommendations for action***



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**Alessandra Assenza & Roberto Suárez Santos**

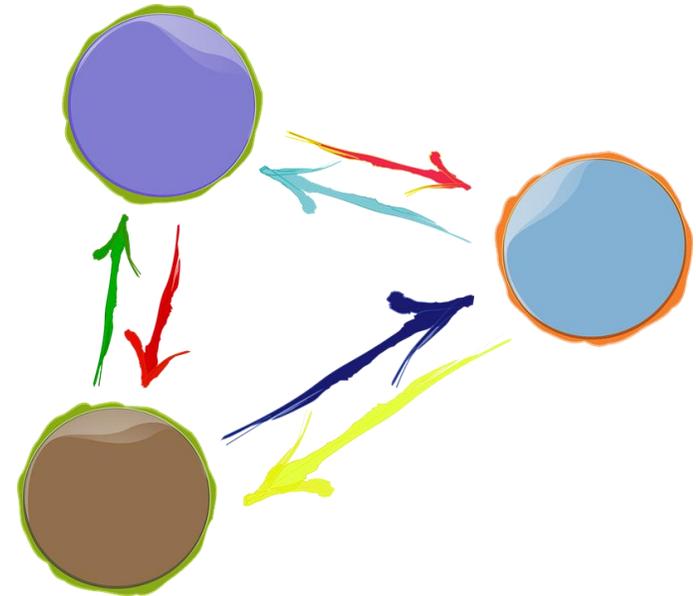
# Purpose of the paper

1. Consider the mega trends affecting the world of work
2. Highlight their impact on employment and the labour market
3. Analyse the three main areas where policies need to be modified or established
4. Present policy recommendations



# 1. What's happening?

- Globalisation
- Technology and innovation
- Demographic changes
- Climate change



Occurring simultaneously and at an unprecedented speed

# 1. What's happening?

## Globalisation:

### - **New opportunities**

- Helped a number of countries to benefit from economic growth and employment creation (ILO Declaration on Social Justice for a Fair Globalisation)
- Poverty reduction from 44% in 1981 to less than 10% in 2017 (World Bank)

### - **Challenges**

- Greater vulnerability of economies to external shocks
- Fragmented investment in human capital and youth in developing countries
- Migration policies are left outside this process

# 1. What's happening?

## **Technology and innovation**

- Drivers for economic growth and development
- Favour globalisation
- Reduced the cost of exchanges

## **Demographic changes**

- Ageing of population in advanced economies (number of elderly people is expected to more than double, from 841 million in 2013 to more than 2 billion in 2015)
- Youth bulges in developing countries and high youth unemployment

## **Climate change**

- Need to harness the new business opportunities
- Need to go through the “ecological conversion”

# 1. What's happening: jobs lost and jobs gained

- A. Research from McKinsey Global Institute covering 46 countries (90% of the global GDP) – December 2017
- Future labour needs could create demands for millions of jobs by 2030 but with enormous workforce transitions (to new occupations and with new skills)
  - Overall the new equilibriums seems to be in positive: between almost zero and one-third of work activities could be displaced by 2030, with a midpoint of 15%.
- B. Article from the Information Technology and Innovation Foundation – May 2017 (data collected in the US)
- It is not true that technology today is destroying “more jobs than ever”
  - Between 2010 and 2015, 6 jobs have been created for 10 lost, which is the highest ratio in the last 60 years



# 2. Areas for new policies and actions

**Key recommendation: the way in which transition is managed will be key**

- 1. Changing nature of work**
- 2. Skills and education**
- 3. Social dialogue and Industrial Relations**

# 2. Areas for new policies and actions

## Changing nature of work

- Changes in the meaning of work
- Changes in the attitudes at work
- Increased workplace flexibility (working time and location)
- New forms of work: definitional and legal approach

## The way forward:

- **What is the nature of work in the future? “Hybridation of employment and self-employment” (with multiple activities at the same time)**
- **Focus on the status of workers, as the one performing a professional activity, and embrace all forms of work**
- **Focus on the critical elements able to cover individual needs and expectations: social security coverage, FoA, protected transition from one job to another job**



# 2. Areas for new policies and actions

## Skills and education

- New skills needed (STEM, care sector, big data management, robotics, nanotechnology, etc.)
- Changes in the workers' attitudes towards skills and employability
- Worker as an “architect of the socio-technical systems” (Prof. Butera, ADAPT conference 2017)
- Recurrent learning or LEGO Approach:” work-stop-study-stop-work-repeat” (Prof. Gubitta, ADAPT Conference 2017)



# 2. Areas for new policies and actions

## The way forward:

- **A courageous and ambitious approach towards the reform of the education system and public services**
  - **Public/private partnerships**
  - **Job transition funds**
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- **Mapping of the jobs available in the market (WEF and the Boston Consulting Group)**
  - **Workers provided with the adequate financial resources to manage their own upskilling**

# 2. Areas for new policies and actions

## **Social Dialogue and Industrial Relations**

- The future of the industrial relation model is at risk
- Do collective channels for workers and employers fit the new reality of the world of work?
- Trade union membership has dramatically decreased: 30% to 17% over the last thirty years in the OECD countries (OECD Employment Outlook 2017)
- Employers' organisations membership has remained stable (51%)
- Question of effectiveness and inclusiveness
- What will happen if the system of interaction trade unions/employers will no longer work?

## **The way forward:**

- **Social partners need to find new roles (skills, effective job-to-job transition, new welfare schemes)**

# 3. Ten policy recommendations for action

- 1. Decrease of the digital divide**
- 2. Boost a vibrant business climate to allow innovation and foster job creation**
- 3. Avoid protectionism: open economies succeed**
- 4. Promote entrepreneurship**
- 5. Favour greener businesses, with tax and other types of incentives**
- 6. Reform welfare systems, so as to ensure a smooth job-to-job transition**
- 7. Adopt viable and sustainable social protection schemes, with portable rights and global recognition**
- 8. Implement the recurrent learning**
- 9. Efficient PPPs to improve the quality of TVET programmes, including apprenticeships**
- 10. Take advantage of data and traceability to collect data and fight informal work**

# Thank you



**Alessandra Assenza**  
[assenza@ioe-emp.com](mailto:assenza@ioe-emp.com)

**Contact us:**

[www.ioe-emp.org](http://www.ioe-emp.org)

[ioe@ioe-emp.com](mailto:ioe@ioe-emp.com)

