

THE FUTURE OF WORK

Platform Economy in the Nordic countries
2 September 2019, Malmö

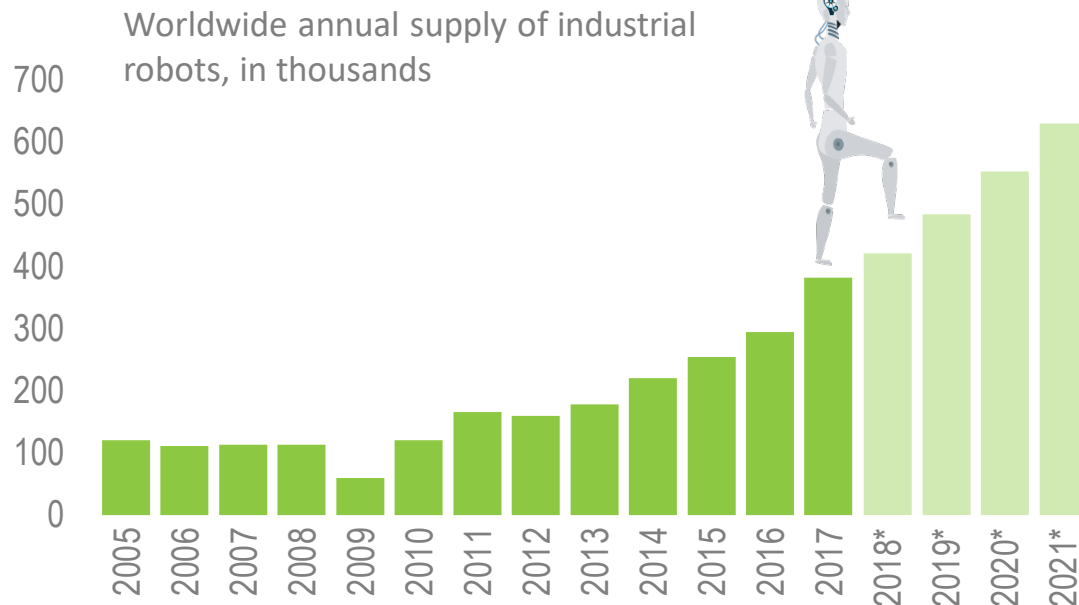
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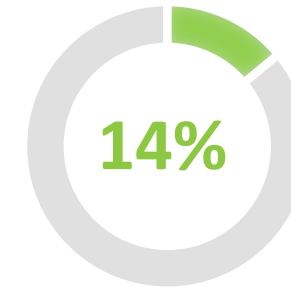
Should we brace for a jobless future?

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

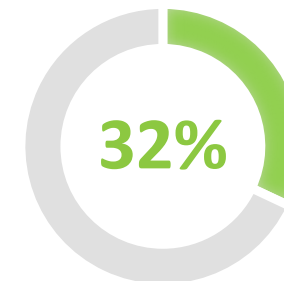
Orders of industrial robots have tripled over the past decade



14% of jobs could be automated...

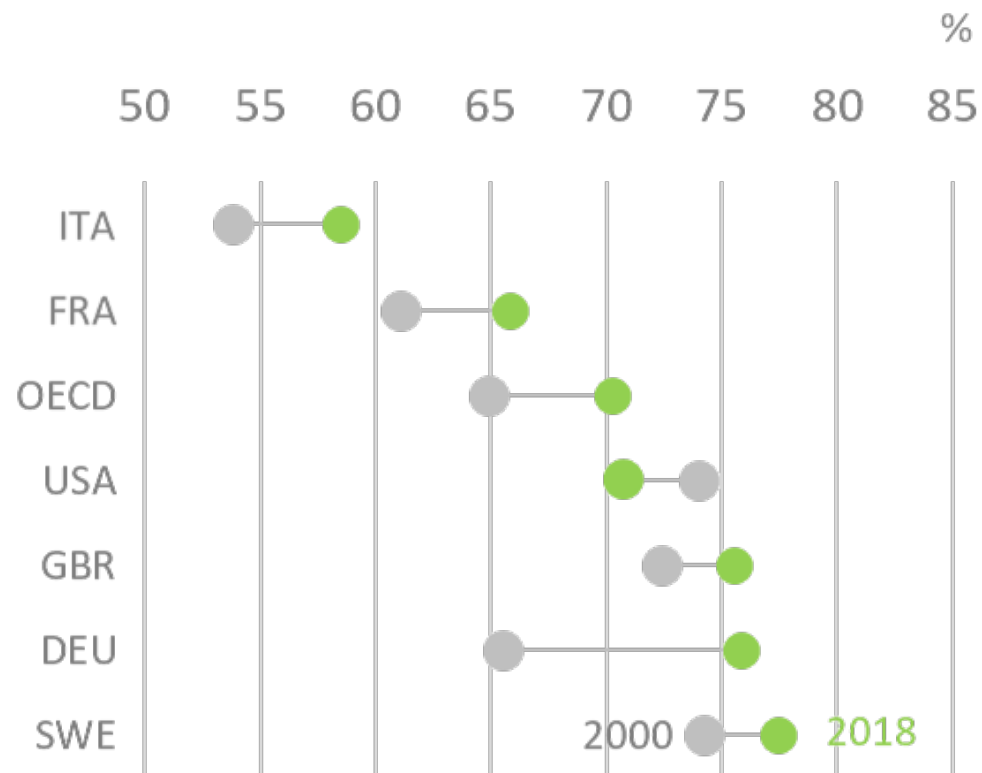


... but many more will change significantly

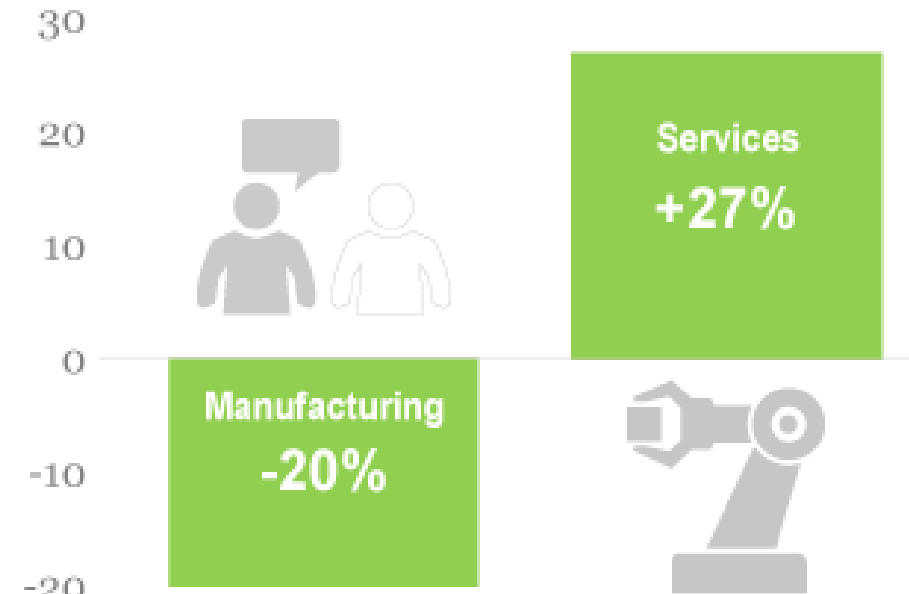


Should we brace for a jobless future?

Employment rates overall have risen in most OECD countries (2000-2018)



Over the past 20 years, employment in manufacturing went down by 20%, while it went up by 27% in services



Is the end nigh for the standard employment relationship?

Many countries have seen growth in non-standard forms of employment, but standard employment remains the norm




- Platform work as a person's main job is still a limited phenomenon, covering between **0.5% and 3%** of the workforce in OECD countries
- **1 in 9** employees are on a temporary contract
- **1 in 7** workers are self-employed
- Non-standard work represents **over a third** of total employment

Employment status: A gateway to rights and protections

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

- **False self-employment:** situations where working arrangements are essentially the same as those of employees but individuals are declared as self-employed in order to avoid regulations, taxes and unionisation
- **Grey zone:** some workers will be genuinely difficult to classify – they are self-employed, but share characteristics of dependent employees and so share vulnerabilities and a need for protection



16% of the self-employed are financially dependent on one client

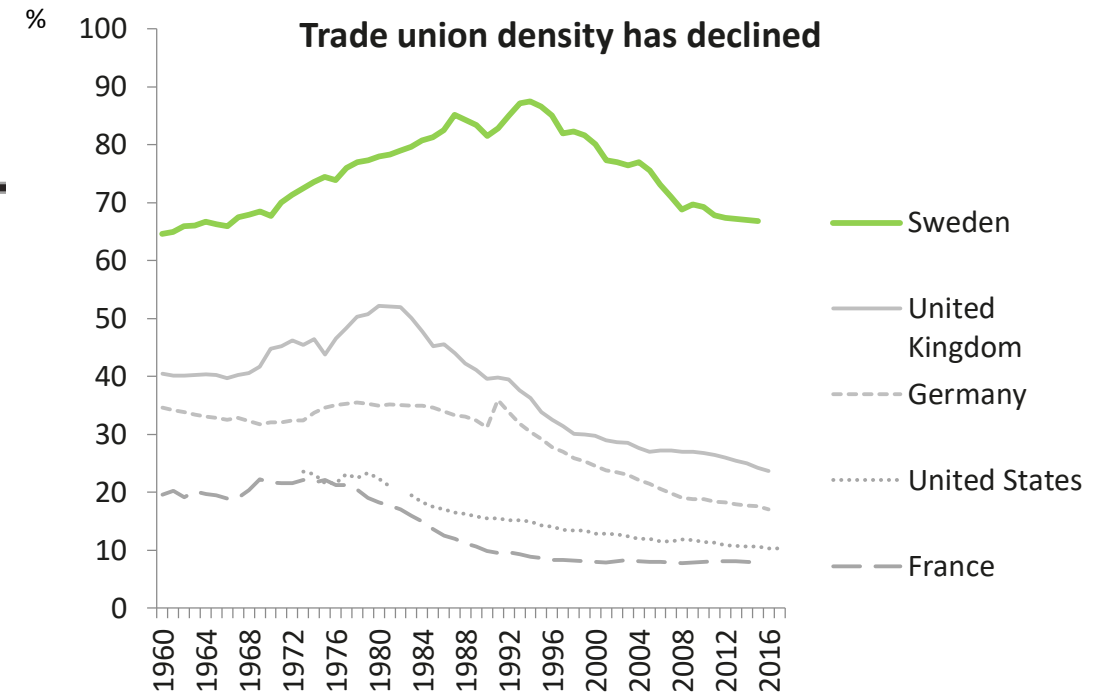
Labour market regulation *Policy Directions*

- 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

Power imbalances between employers and workers

- Power imbalances are inherent to the employment relationship
- Many workers have few alternative employment options
- Trade union density has declined
- Many workers in the “grey zone” between dependent and self-employment have little scope to bargain collectively



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

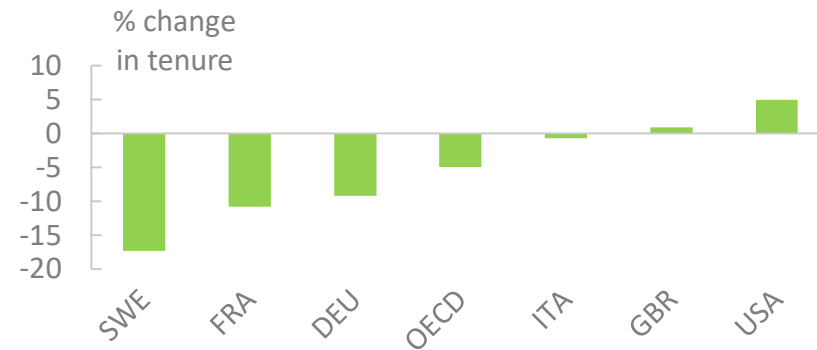
Social Dialogue *Policy Directions*

- 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

Social protection: Not leaving anyone on their own

Some social protection systems are not well prepared for the faster pace of job reallocation and new forms of work

After adjusting for changes in the demographic structure, **average job tenure has decreased by around five months** (or 4.9%) since 2006



On average across countries, **two out of three** jobseekers did not receive unemployment benefits in 2016



In some countries, workers in non-standard employment are **40-50% less likely to receive any form of income support** when out of work



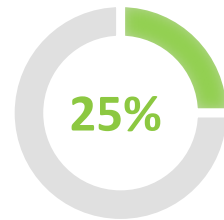
Social Protection *Policy Directions*

- Review social protection entitlement criteria, to enable more non-standard workers to access social protection
- Enable workers in independent forms of employment to build up rights to out-of-work support
- Maintain or strengthen risk sharing across all 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

Make adult learning systems future-ready for all

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

The share of high-skilled jobs has increased by 25% over the last two decades



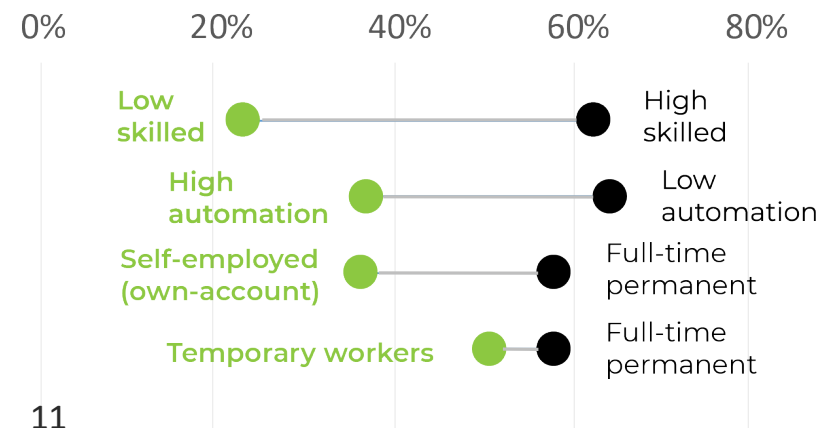
But many adults lack the skills needed for the new jobs emerging



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

The most vulnerable are least likely to participate in adult learning

Skill level
Automation risk
Self-employed
Temporary workers



Adult participation in training

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

Thank you

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www.oecd.org/employment/outlook/

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