



Organización
Internacional
del Trabajo

Skills for a *“just digital transition”*

Agenda

1. The future of work
2. The rise of the Non-Standard Employment (NSE)
3. The digital world of work: land of opportunities or exploitation
4. Policy options for a “just digital transition”

Globalization

Technology

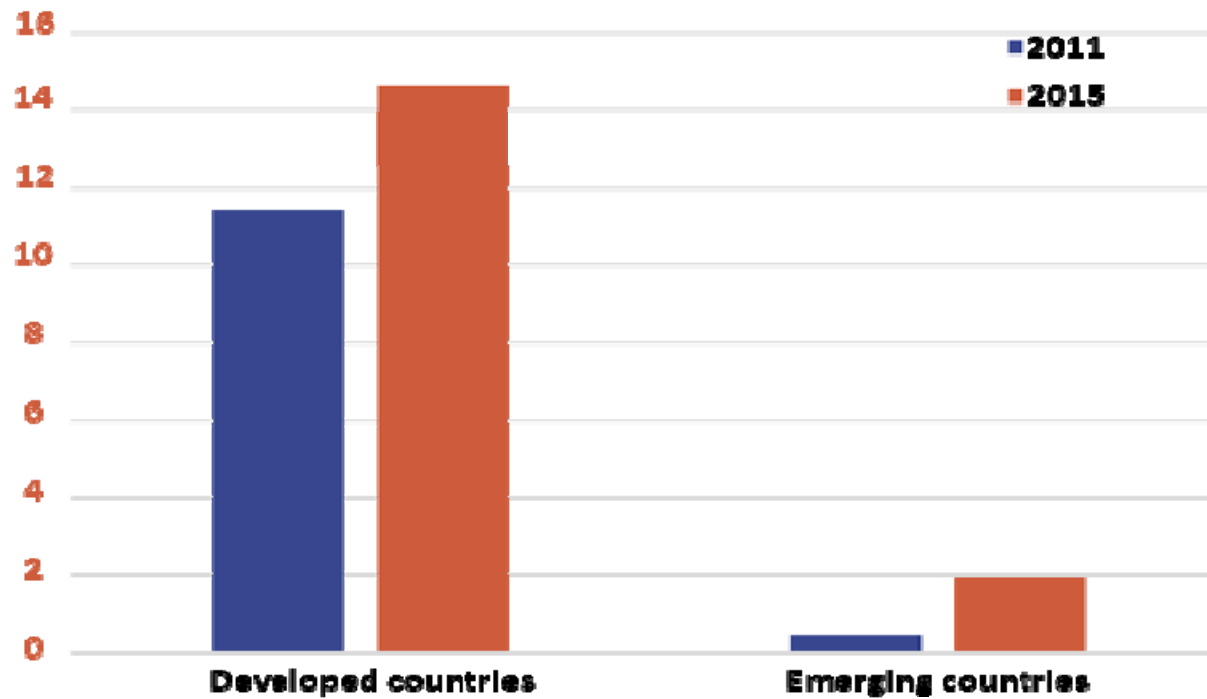
The Future of
Work

Demography

Climate Change

Robot density in manufacturing

Number of multipurpose industrial robots per 1,000 person employed in the manufacturing sector)



Source: ILO Trend Econometric Model November, 2016; World Robotics Industrial Robots Database, International Federation of Robotics

The impact of technology on the quality and quantity of jobs

- Future automation is unlikely to destroy complete occupations but will rather change the **types and number of tasks** in most occupations:
 - World Bank: less than 20% of jobs are predicted to disappear completely;
 - McKinsey Global Institute: estimated that by 2030, in about 60% of occupations, at least one-third of constituent activities could be automated

KEY FACTS ABOUT NON-STANDARD EMPLOYMENT

TYPES OF WORK



Temporary
employment



Multi-party employment
relationship



Part-time and
on-call work



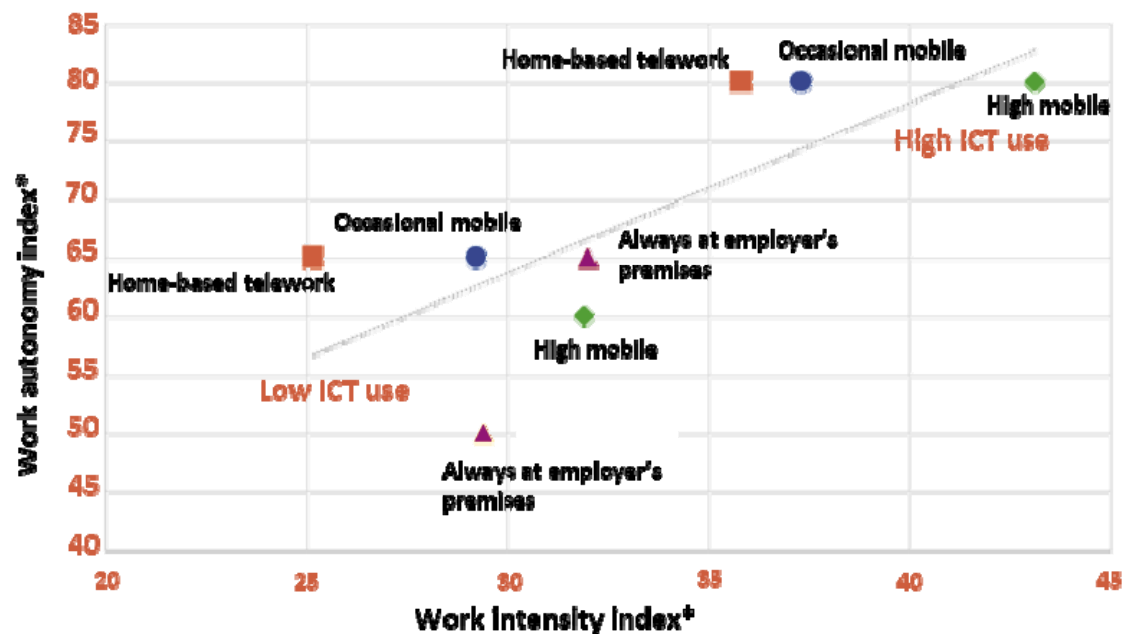
Disguised employment or
dependent self-employment

Potential challenges of NSE workers

<i>Employment security</i>	Transitions from temporary to permanent employment are limited, typically ranging from a yearly rate of under 10% to around 50%.
<i>Earnings</i>	For temporary employment, studies indicate that wage penalties can reach up to 30%.
<i>Hours</i>	NSE workers typically have limited control over when they work, with implications for work–life balance, but also for income security, given that pay is uncertain.
<i>Social security</i>	Some workers may be excluded by law from social security, or they may not reach minimum thresholds with respect to the duration of employment, working time or earnings
<i>Training</i>	Workers in NSE are less likely to receive on-the-job training, which can have negative repercussions on career development.
<i>Representation</i>	Workers in NSE may lack access to freedom of association and collective bargaining rights.

New technologies are bringing opportunities and challenges to working lives

Figure: Indexes of autonomy and intensity in relation to working outside the employer's premises and frequency of use of ICT



Source: Working anytime, anywhere: The effects on the world of work (ILO-Eurofound, 2017).

The digital labour platforms

- **Jobs**: employment through digital labour platforms remains small – estimates range from 0.5% of the labour force in the United States (Farrell and Greig, 2016) to 5% in Europe (European Parliament, 2017).
- **Trends**: 89% of crowdworkers surveyed by the ILO reported that they would like to be doing more crowdwork than they are currently doing.
- **Earnings**: The ILO survey found that earnings varied depending on the platform and the country (from US\$2 to US\$4.4 per hour).
- **Social protection**: In the case of the crowdworkers, only 55% report that they have access to health coverage – and only 24% make contributions to their health insurance. The proportions are even lower with respect to pensions: only 25% have access to a pension scheme, and only 15% make contributions towards a pension.

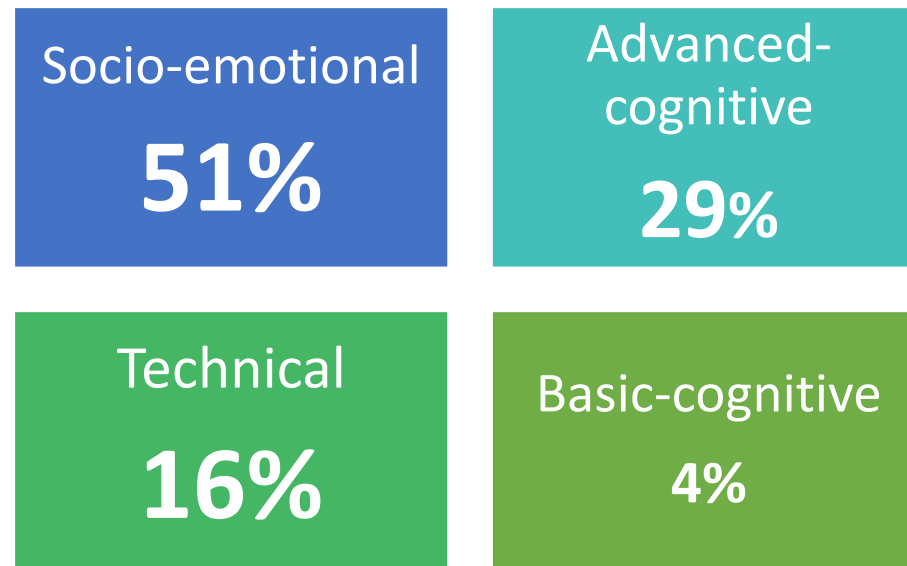
What to expect in the future?

- The **overall effects of technological change** are likely to be context-specific, differing among countries, sectors and occupations. They will depend on a number of factors including:
 - the **institutional set-up** that influences the opportunity costs of automation
 - the **capacity of the workforce to adjust** to the new, robot-based work environment
 - the potential for worker **mobility across sectors and locations**

Policies are needed to ensure a “just transition”

- Key policy questions:
 - ✓ How to share **technological gains** (“technological dividends”) in terms of jobs and income?
 - ✓ How to re-design **labour market systems** that can address the diverse personal, individual shocks that workers face throughout their working lives including the need for life-long learning and personal development?
 - ✓ How do **education and training systems** need to be transformed to equip the workforce with the skills and competencies required in the future?

SKILLS MOST VALUED BY EMPLOYERS



Fuente: Minds and Behaviors at Work. World Bank Group, 2016.

Skills policies and systems for a future workforce

- ***Basic education** remains the foundation for future employability and further learning*
- *Facilitating the **school-to-work transition***
- *The future of work will require **lifelong learning** and agile, flexible training systems*
- *Need for **increased and diversified funding** of lifelong learning*
- *Better **utilization and recognition of skills** for inclusive labour markets*



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Gracias

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