THE FUTURE OF WORK
A place-based perspective

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Introducing the OECD

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The world of work is changing

- Ageing populations
- Globalisation
- Digitalisation

Digitisation is shaping the Future of Work [video]

https://www.youtube.com/watch?v=z6Ew7N9tPOo
The use of technology in the workplace has increased dramatically

ICT capital services per hour worked, index (1995 = 100), 1995 to 2014

Source: OECD Employment Outlook 2017

ICT technology has spread fast throughout the world of work

Many jobs are likely to experience significant change

9% of jobs are at high risk of automation in OECD countries

However, not all jobs will disappear!

Employment rates have risen in most advanced countries

Trend in employment-to-population ratio
Percentage of the working-age population, 1990-2015

In this new reality, many employers have difficulties finding the right skills

% of firms reporting difficulties filling jobs

Source: Manpower talent Shortage Survey -2015
The rise of alternative work arrangements

Employment growth by type of employment in selected OECD countries, 2007-2013

In most advanced countries, the occupational structure is “polarising”

Labour market polarisation, selected OECD countries, 1995-2015
Percentage point change in share of total employment

High skill  Middle skill  Low skill

France  United Kingdom  Italy  OECD Average  Germany  United States  Canada  Japan
Digitalisation and the rise of the online platform economy could exacerbate rising inequalities in OECD countries.

Inequality has risen in most advanced countries.

Skills are the great equalizer!

Percentage change in wages associated with a change of one s.d. in years of education, proficiency in literacy and use of reading at work.

Many workers do not have the right skills for the new jobs

Problem-solving skills in Technology-Rich Environments
Percentage of the working-age population (aged 15/16-64)

- Failed ICT core or had no computer experience
- Lacks basic skills to fulfill simple tasks (Level 1 or below)

Labour policies and institutions need to be adapted to this new context

Skills
- Lifelong learning, skills recognition

Activation frameworks
- Mitigate adjustment costs

Quality of work
- On-demand economy, fair salaries, etc.
The place-based dimension needs to be addressed

Regional disparities in multi-dimensional living standards are higher than for income alone

Disparities among regions within countries have led to the so-called ‘geography of discontent’

A local perspective is key for inclusive labour markets

Neighbourhood segregation by income in OECD metropolitan areas

Source: OECD (2016), Regional Outlook 2016

Do independent contractors help to boost regional productivity?

% of U.S. firms employing independent contractors


OECD work on local job creation

Participating countries: Australia, Canada, Ireland, Northern Ireland, Korea, United States, Czech Republic, the Philippines, Poland, England, Israel, Sweden, Flanders, France, Slovenia, Turkey
How might the digital economy create new opportunities to address regional divisions and discontent? [video]

https://www.youtube.com/watch?v=ej805mMzMz0&feature=youtu.be&t=5m58s

Thank you for your attention

Further information:
http://www.oecd.org/els/
http://www.oecd.org/cfe/