G7 Labor Ministers Meeting Consultation with Social Partners

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Committee on Labor Employment and Social Affairs (ELSA)

Discussion Points

Sharing Experiences on preparing jobs of the future
and the importance of partnerships

• Ministers, distinguished colleagues, Business at OECD, or BIAC, appreciates the opportunity to participate in this timely consultation.

• BIAC speaks for business. Through BIAC, national business and employer federations including the Canadian Chamber of Commerce provide expertise to the OECD and governments including the G7 and G20. We are also pleased to be here together with our colleagues from the IOE with whom we work together on a wide range of issues.

• We are very encouraged that the Canada G7 Presidency has brought together Employment and Innovation Ministers to address the Future of Work. This is perhaps the issue of our time and the opportunity of our time.

• Digital technology is becoming the silver thread running through the very fabric of all the work we do.

• Jobs very much depend on encouraging innovation and investment, ensuring access, and diffusing the benefits of the digital transformation across our economies.
• Therefore, we should advance with optimism and not regulate against change, because getting this right will encourage job growth, competitiveness and participation in our economies.

• Three key results from our 2017 Business at OECD Business climate survey are relevant to this discussion:

  1. A majority of business federations have not seen a significant improvement in enabling conditions for private investment in the past year.
  2. Uncertainty remains a major obstacle to investment and job creation.
  3. Innovation policies and human capital (including skills and education) are the top structural reform priorities for business.

• Indeed, skills and competencies will be even more critical to business success, and in some areas are emerging as more important than formal qualifications, particularly digital skills, STEM, and soft skills.

• 100% of jobs will be touched by digital transformation, as will every sector of business. These changes will bear on how we shape employment and social policies, and how we might adapt social benefits and safety nets. Having companies at the table to explain the new models will provide insight to better inform these policy choices.

• IBM’s CEO Ginni Rometty said it is our responsibility as a company to prepare for the future of work.

• At IBM we are already applying AI to better manage our global workforce, to empower our employees, and to improve skills acquisition. For example:

  • We empower employees with a Watson AI career coach on their iPhones, that recommends logical career paths and next step job opportunities, and the necessary learning and development experiences to get there.

  • Another AI system in pilot identifies employees at risk whose skills are no longer current or in declining demand. They are provided with a transparent analysis of their job prospects in IBM and elsewhere and given the option of up to nine months support to reposition or retrain for a new job inside or outside IBM. Our objective is direct job-to-job transitions without loss of employment.
• We are also using AI to increase inclusion by identifying “hidden figures” in our talent pool.

• To deliver workforce learning our Watson AI-powered learning system provides for each employee a personalised Netflix-like experience of learning recommendations. The system adapts to changing business priorities, and supports analytics that provide skills inference measures, and payback measures of business impact, and employee engagement and retention.

• And we are partnering with governments around the world to rapidly expand our innovative PTECH Year 9 – 14 school model that provides an employment-relevant technology-oriented curriculum and associates degree, with work experience, individual mentoring and a job offer.

• I also want to flag the importance for good policy of strong evidence and data, and specifically the OECD’s project on the Future of Work within the new OECD Jobs Strategy. We expect that G7 countries will lead in this work, where the social partners are also engaged.

• I will conclude with three points.
  o We must not regulate against change. Without the growth and productivity of new technology we simply won’t create enough new jobs and fully realize the benefits for society. We should protect the worker, and not the job or the past.
  o Digital literacy, STEM, and soft skills are top priorities within an urgent agenda to better align skills with emerging opportunities.
  o Partnerships are essential the future of work. Business will bring a values-based and responsible approach to working with governments, academic institutions and our employees to develop effective policies and innovative programs for priorities such as skills building and successful worker transitions.

Thank you.