



BUSINESSatOECD



The New OECD Jobs Strategy - Guidance for a Successful Digital Transformation of Work

Business at OECD Statement on the occasion of the launch of the new OECD Jobs Strategy

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Introduction

The 2018 OECD Jobs Strategy comes at a critical moment when digital technology and new business models bring both opportunities and challenges for individuals and firms, our economies and societies. More than ever, this calls for a forward looking, whole of government approach to employment policy and meaningful social dialogue in order to achieve the goal of sustainable and inclusive growth.

The productivity gains generated by digital technologies should be used to better tackle issues such as safety, work life balance, and training. At the same time OECD estimates that 14% of jobs across OECD are at a high risk of automation due to digital technologies, which implies that alternative opportunities for employment must be created. The Jobs Strategy policy recommendations should support individuals in face of this change, facilitating transition to new forms of employment.

Today, over 50% of workers lack good problem solving skills for technology rich environments; and currently there are 250 million fewer women on line than men worldwide (OECD).^[1] These numbers indicate that OECD Member States have significant skills challenges to tackle. Furthermore wide coverage of digital infrastructure such as 5G communications networks, necessary for the delivery of efficient services, training opportunities, work, and enhanced productivity will also be very important for the success the success of the digital transformation.

Key requirements for the successful implementation of the new OECD Jobs strategy to promote a successful digital transformation of work:

We welcome that the new Jobs Strategy emphasizes necessary conditions to foster job creation. With this foundation, the new Jobs Strategy should:

1. Promote access to quality education and training to navigate change and enable individuals to thrive in the digital work environment - this is a shared challenge for all stakeholders.

Literacy and numeracy combined with soft skills such as critical thinking, problem solving and creativity are necessary for all to navigate 21st century labor markets.

- As a top priority, there must be adequate investment in and access to quality education, and training for all, that is aligned with the needs of employers and relevant to job opportunities. Special attention should be paid to disadvantaged groups;
- Lifelong learning must be the norm in a future of work characterized by change. We must commit to developing a lifelong learning mindset and culture for all including the low skilled and less educated;
- We must put technology to use in training systems, which can extend the reach and lower costs for training and raise productivity.^[1]

2. Promote diverse forms of work

It is time to move away from the terminology of “non-standard” as opposed to “standard” forms of work. Diverse forms of work will be needed on an equal footing to satisfy both the wish for more flexible work and work-life balance, and the requirements of new business models.

- Implementation of the new Jobs Strategy should go hand in hand with a more in-depth analysis of the vast variety of rights, responsibilities and entitlements attached to the vast variety of (employment) contracts present in OECD countries;

^[1] OECD Going Digital Project.

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- The value of flexibility - or improved ability to decide where and when one works - should be a part of that assessment and contribute to job quality.

3. Promote reforms of social protection systems to ensure appropriate coverage of all forms of work

The focus should be on activating the integration of people into the labor market. A Universal Basic Income approach will not work towards this important goal.

- Social benefit systems should align with new business models and digital technologies, creating new opportunities for individuals to enter the labor markets;
- It should be the objective that all types of contracts should be possible and have access to social protection;
- Systems should ensure the portability of benefits – allow for the creation and buildup of rights for individuals across different forms of work, jobs and sectors including with regard to training rights.

4. Respect the value and context of social dialogue and other labor relations systems in helping to navigate change.

Social dialogue and labor relations models are a reflection of local cultural, societal and legal traditions, unique across countries. There is no universal blueprint for finding the right solutions and facilitating the implementation of reforms.

- Effective social dialogue requires political will to engage with the social partners and responsible social partners. Social Dialogue is not an end in itself;
- Meaningful dialogue with the social partners should respect their autonomy and can only be successful in helping to find the right solutions if it is embedded in cultural and societal traditions;
- Social dialogue only works when the social partners are representative and willing to achieve joint solutions;
- Other models of labor relations and employee relations can effectively facilitate adaptation to new business models and job opportunities by promoting strong employee engagement and maximizing transparency about change.

Conclusion

To have real impact, implementation of the new OECD Jobs Strategy Recommendations will require that governments have the fortitude to advance reform across all issues essential to employment creation and inclusiveness. Key to this success will be establishing a culture of learning, and adaptability to change, and clear communication by governments regarding opportunities, rights and obligations to their constituencies.

The implementation of the Strategy needs to ensure consistency with other OECD Recommendations - Going for Growth, the Innovation, Green Growth and Skills Strategies, and the Going Digital Project, all of which work to strengthen economies and employment opportunities.

Business at OECD looks forward to working with OECD also in the G7 and G20 contexts to shape the robust evidence base of the new jobs Strategy for a successful navigation for all in the future of work.

^[i] Cloud computing and artificial intelligence are being used to anticipate skills needs and assist employees with job transition.