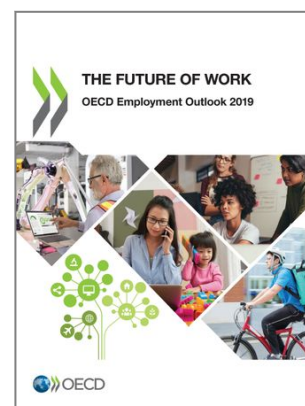


OECD *Multilingual Summaries*

OECD Employment Outlook 2019

The Future of Work

Summary in English



Read the full book on: [10.1787/9ee00155-en](https://doi.org/10.1787/9ee00155-en)

Digitalisation, globalisation and ageing bring new opportunities but also risks widening disparities among workers

The world of work is changing in response to technological progress, globalisation and ageing populations. In addition, new organisational business models and evolving worker preferences are contributing to the emergence of new forms of work. Despite widespread anxiety about potential job destruction driven by technological change and globalisation, a sharp decline in overall employment seems unlikely. While certain jobs and tasks are disappearing, others are emerging and employment has been growing. As these transformations occur, a key challenge lies in managing the transition of workers in declining industries and regions towards new job opportunities. There are also concerns about job quality. While diversity in employment contracts can provide welcome flexibility for many firms and workers, important challenges remain in ensuring the quality of non-standard work. Moreover, labour market disparities could increase further unless determined policy action is taken to ensure a more equal sharing of the costs of structural adjustment in the world of work. While there are risks, there are also many opportunities – and the future of work is not set in stone. With the right policies and institutions, the future of work can be one of more and better jobs for all.

The labour market outcomes of young people without tertiary education have worsened in most countries

Over the past decade, labour market conditions have deteriorated for young people with less than tertiary education in many countries, with a rising proportion out of work or, under-employed or low paid in work. These changes are unlikely to be the short-lived product of the economic downturn, which raises significant policy challenges for the years to come. From a gender perspective, in a number of countries, men have seen an increase in joblessness and under-employment. Nevertheless, the latter remain more widespread among women, who are also more likely to be in low-paid jobs.

All workers, regardless of their employment status, should have access to an adequate set of employment protections

The emergence of new, non-standard forms of work poses challenges to employment regulations largely designed for permanent employees working for a single employer. Employment status acts as a gateway to various rights and protections. Ensuring the correct classification of workers (and tackling misclassification) is therefore a key step to ensure that those in non-standard forms of work have access to labour and social protection, collective bargaining and lifelong learning. For some workers, however, there is genuine ambiguity about employment status as they find themselves in a “grey zone” between dependent and self-employment. While the size of this grey zone should be kept as small as possible, labour market regulations need to be extended and adapted to adequately protect workers, and to ensure that firms that respect these regulations are not disadvantaged. Tackling power imbalances between employers/clients and workers also involves addressing abuses of employers’ market power, e.g. by

fighting labour market collusion by employers, limiting the scope of non-compete covenants and redressing inequalities in the information available to employers and workers.

Collective bargaining can be a complementary and flexible tool to shape the future of work

Collective bargaining can help workers and companies adapt to the opportunities and challenges of a changing world of work. As an instrument to reach flexible and consensual solutions, it can contribute to shape new rights, regulate the use of new technologies, or foster labour market security and adaptability. However, low levels of organisation among workers, in particular non-standard workers, pose a serious challenge to collective bargaining. This partly reflects legal obstacles for workers classified as self-employed, for whom the right to bargain collectively may be seen as infringing competition law. In this context, some OECD countries have made tailored extensions of collective bargaining rights to some non-standard workers. However, practical difficulties remain. Employers' organisations are being put to the test by the emergence of new forms of business. Established trade unions are developing strategies to reach non-standard workers, while new vehicles of workers' representation are also emerging.

Strengthening adult learning is crucial to help workers successfully navigate a changing labour market

Effective adult learning can help prevent skills depreciation and facilitate transitions from declining jobs and sectors to those that are expanding. A major overhaul of adult learning programmes to increase their coverage and promote quality is essential to harness the benefits of the changing world of work. In all OECD countries, training participation is lowest among those who need training the most, including the low-skilled, older adults, job losers as well as non-standard workers. These groups face several barriers to training participation, such as poor training choices, and a lack of motivation, time, money or employer support. Policy options revolve around building a learning culture among firms and individuals, removing time and financial constraints to training participation, tackling unequal access to training based on employment status, encouraging firms to train groups at risk, and making training rights portable between jobs. Training also needs to be of good quality and aligned to labour market needs in order to be effective. This requires adequate and sustainable funding, shared by stakeholders in line with the benefits that are received, as well as governance arrangements that can help countries to make different parts of adult learning systems work well together.

Social protection reforms must ensure that support remains accessible for disadvantaged groups

Social protection systems play a key stabilising role in the current context of heightened uncertainties about the pace and extent of labour market changes. But accessing social protection can be especially difficult for workers in less secure forms of employment. More volatile career patterns or a growing diversity of employment forms pose potential challenges for support provisions that link benefit entitlements or financing burdens to past or present employment. Existing social protection systems have many strengths and will remain viable. But they will need to adapt to changing risks. Key priorities include making protection sufficiently agile to respond to changes in people's need for support, ensuring that entitlements are portable across jobs, and adapting the scope of activation and employment support to evolving work patterns. Keeping funding levels in line with evolving demands on social protection also requires a proactive policy debate on how new or expanded initiatives can be paid for.

It is time for a transition agenda for a future that works for all

Shaping a future of work that is more inclusive and rewarding calls for a Transition Agenda for a Future that Works for All – a whole-of-government approach that targets interventions on those who need them most. Some policy options involve negligible costs for public finances and may even increase tax revenues. However, many others, and in particular strengthening social protection and adult learning, will require significant additional resources. Much can be done to enhance the effectiveness and targeting of key policies by undertaking a comprehensive spending review and deepening the whole-of-government approach to public policy objectives and solutions. But there may also be a need to improve revenue sources and this requires a profound reflection on tax systems.

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