OECD Multilingual Summaries Good Jobs for All in a Changing World of Work The OECD Jobs Strategy

Summary in English



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This report presents the new OECD Jobs Strategy, a comprehensive and forward looking response to the changing world of work that puts a well-functioning labour market at the centre of inclusive growth. It provides guidance to policy makers on a wide range of policies that enable workers and firms to harness the opportunities provided by new technologies and markets, while helping them to cope with the required adjustments and ensuring that the fruits of growth are broadly shared.

The Strategy stresses that while policies to support flexibility in product and labour markets are needed for growth, they are not sufficient to simultaneously deliver good outcomes in terms of job quantity, job quality and inclusiveness. While the 2006 Reassessed Strategy already recognised that good labour market performance could be achieved with different models, the new OECD Jobs Strategy considers job quality and inclusiveness as central policy priorities. The Strategy also emphasises that, in a fast changing world of work, there is a need to foster resilience and adaptability of the labour market to achieve good economic and labour market performance.

In other words, it is necessary to combine policies that encourage economic growth with policies and constructive social dialogue that protect workers, foster inclusiveness and allow workers and firms to make the most of ongoing challenges and opportunities. A whole of government approach is needed, embedding the new OECD Jobs Strategy in the OECD Inclusive Growth Initiative and making appropriate linkages to other OECD strategies.

Key policy principles

Promote an environment in which high-quality jobs can flourish

High-quality employment requires a sound macroeconomic policy framework, a growth friendly environment and skills evolving in line with market needs.

- The recent global economic and financial crisis was a stark reminder of the importance of counter-cyclical macroeconomic policies for stabilising economic and labour market outcomes and preventing temporary downturns in activity from turning into low-growth traps.
- Flexibility in product and labour markets is essential to create high-quality jobs in an ever more
 dynamic environment but the gains and costs of this flexibility need to be fairly shared between
 businesses and workers.
- Policies need to strike the right balance between employment flexibility and stability. The challenge
 is to ensure that resources can be reallocated to more productive uses while providing a level of
 employment stability that fosters learning and innovation in the workplace.
- High-quality employment depends crucially on having an effective education and training system, which equips workers with the skills needed by employers and offers opportunities and incentives for education and training throughout their working lives.

Prevent labour market exclusion and protect individuals against labour market risks

The best way of promoting an inclusive labour market is by addressing problems before they arise. This means that a shift in emphasis is required from remedial to preventive policies. Such an approach could boost efficiency and equity at the same time.

- Equality of opportunities needs to be strengthened so that socio-economic background does not become the key determinant of success in the labour market. Barriers to the acquisition of education and labour market skills by individuals from disadvantaged backgrounds must be tackled, through targeted interventions during (pre)school years and in the transition from school to work.
- A life-course perspective is essential, to avoid the accumulation of individual disadvantages that
 require costly interventions at a later stage. Workers need continuous opportunities to develop,
 maintain and upgrade skills through learning and training at all ages. Working conditions should
 also be adapted to workers' needs over the life course.
- Activation measures, wage-setting rules and the tax-and-benefits system can be combined to make
 work pay and handle individual shocks by protecting workers rather than jobs, so that the required
 adaptability of the labour market is not jeopardised.

Prepare for future opportunities and challenges in a rapidly changing labour market

Product and labour market dynamism are essential to deal with the rapid transformation of economies resulting from technological progress, globalisation and demographic change. Helping workers move from declining businesses, industries and regions to those with the highest growth prospects should be accompanied by appropriate policies.

- Workers need the right skills in a context where the demand for skills is likely to evolve rapidly and
 where people may continue working at a higher age. The challenge is to design novel tools that link
 education and training to individuals rather than jobs.
- Workers still need protection against labour market risks in a world where flexible forms of work
 may increase. This includes ensuring that everyone has access to social protection and is covered
 by basic labour market regulations, regardless of contract or employment type.
- Social protection coverage could be extended through the creation of new benefit schemes; an
 expanded role for non-contributory schemes; implementation of minimum floors for social benefits;
 and more portable social protection. Some countries are also exploring universal basic income
 schemes.

Policy implementation

To support countries in building stronger and more inclusive labour markets, this new OECD Jobs Strategy provides guidance for the implementation of reforms:

- Policy reform strategies need to be adapted to a country's specific characteristics in terms of its institutional set-up, social preferences, administrative capacity and social capital.
- Policies are more effective when combined into coherent packages that enhance synergies and limit the potential cost of reforms in the short-run or for specific groups.
- Packaging and sequencing reforms in effective ways acting first on those that are a prerequisite
 for the success of others minimises trade-offs between individual policies and can broaden
 support among the electorate.
- Building support for reforms is vital. This requires winning a mandate for reform, effective communication including through the use of new technologies, and complementary reforms and policy actions to cushion short term costs.
- Once reforms are passed, they must be fully implemented, effectively enforced and rigorously evaluated. This requires suitable data for monitoring compliance and outcomes and strengthening evaluation mechanisms to assess impact.
- Policy making must be proactive, identifying potential challenges and opportunities ahead of time.
 Employers, workers and their representatives must work closely with the government in a spirit of co-operation and mutual trust.

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