

Global employment and social trends and possible areas for the G20 in 2020

The Civil Society Engagement Group (C20)
Preparatory Bootcamp for Saudi Non-profits

Riyadh, 9 September 2019

About the ILO

"...labour is not a commodity..."

"...universal and lasting peace can be established only if it is based upon social justice..."



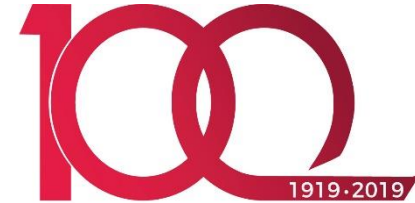
1919: *Global social contract* between governments, workers and employers



1944: The Philadelphia Declaration



1969: The Nobel Peace Prize



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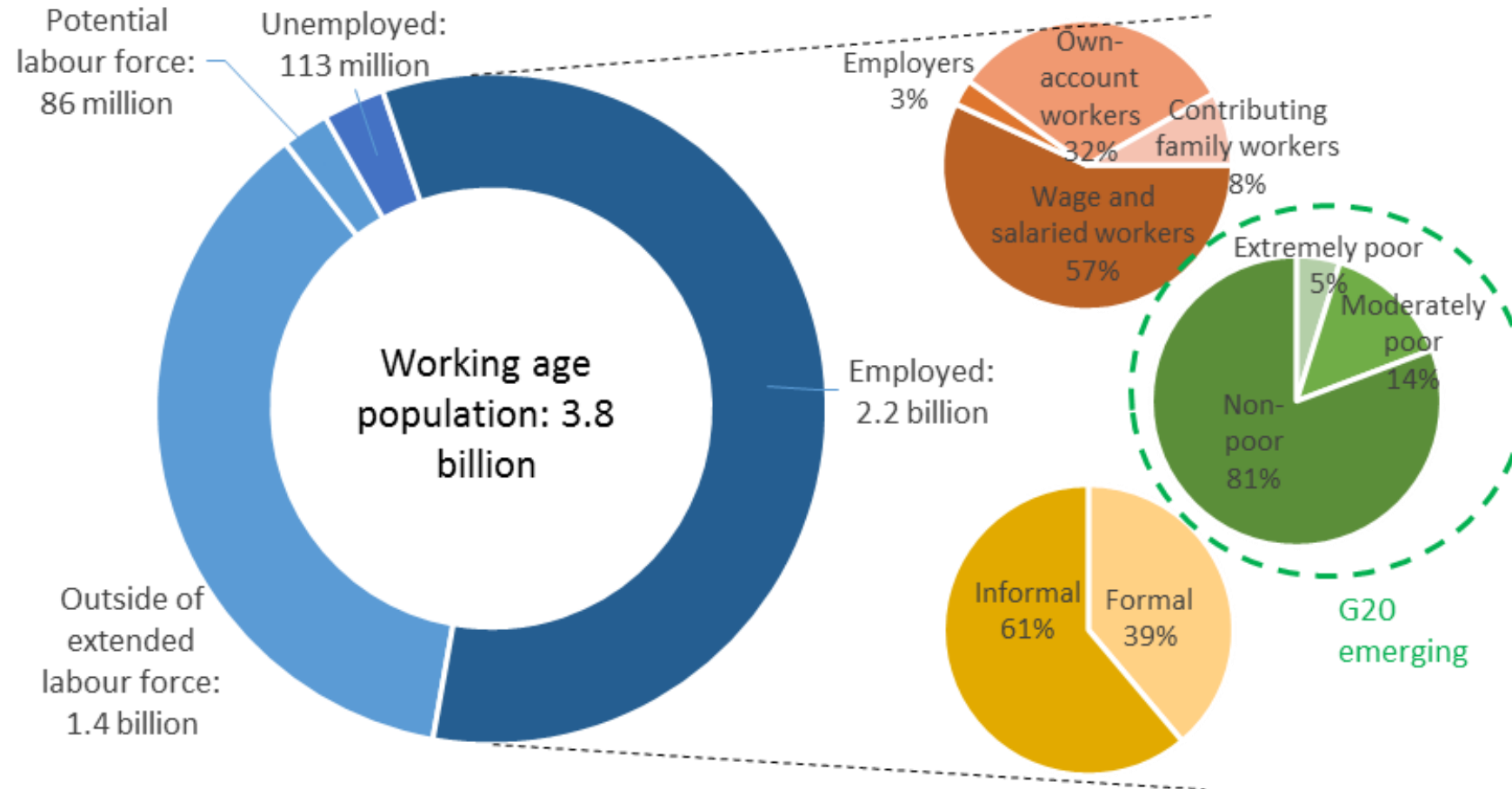
Tripartism



<https://vimeo.com/287679305>

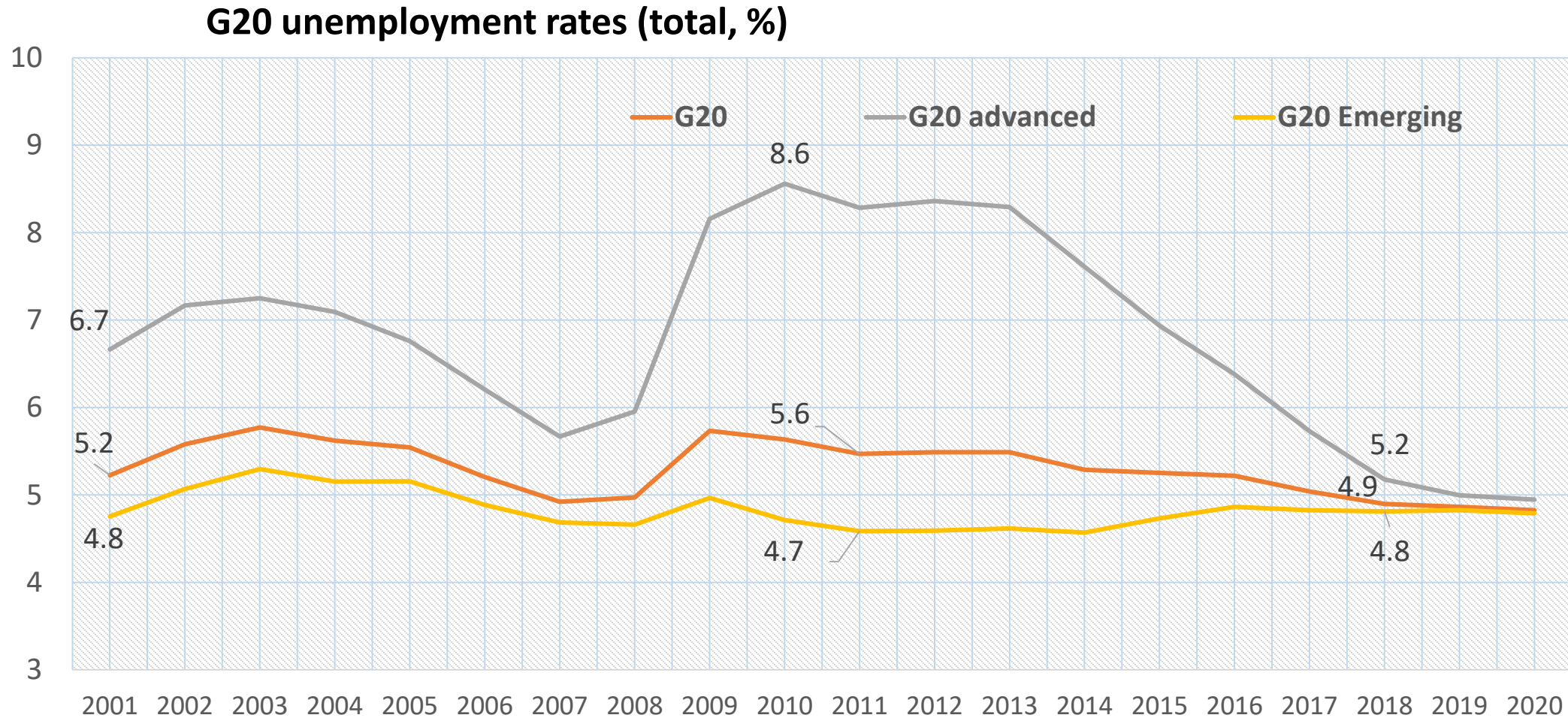
I. G20 labour market snapshot

G20 labour market snapshot



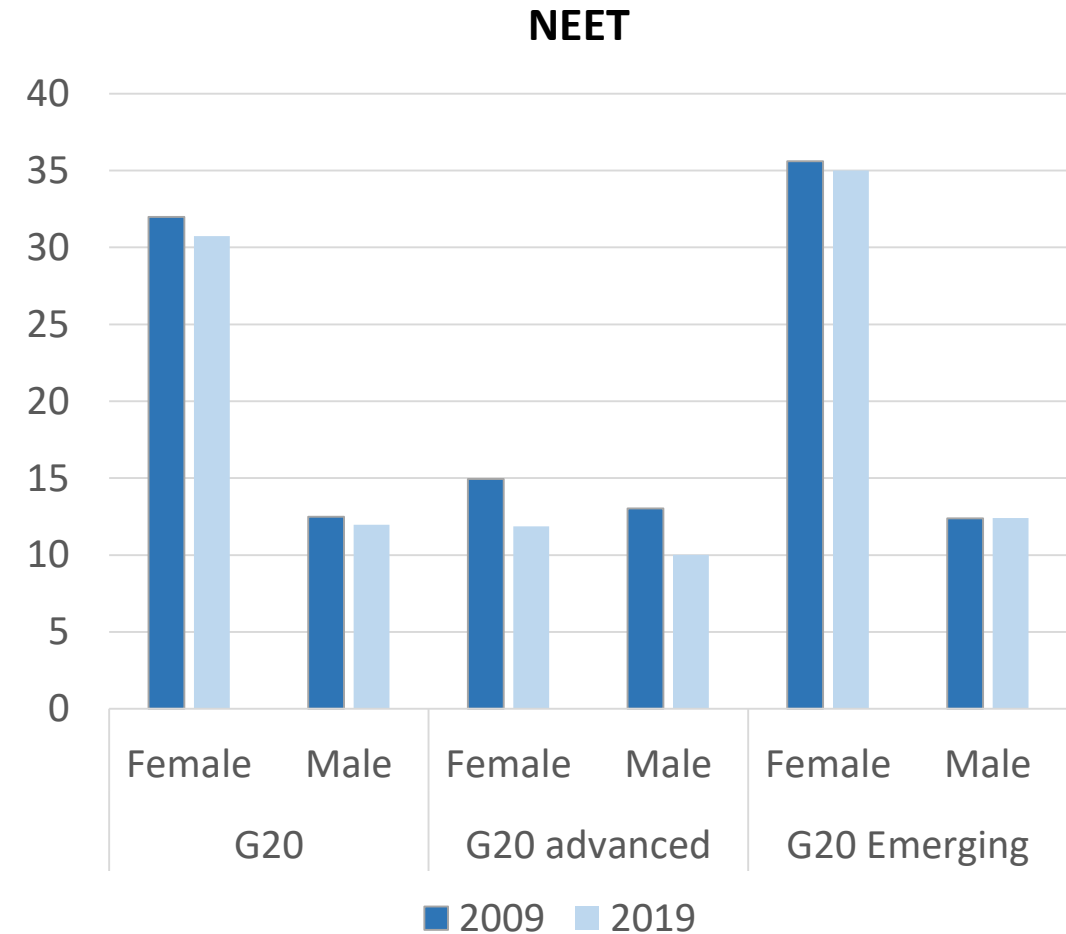
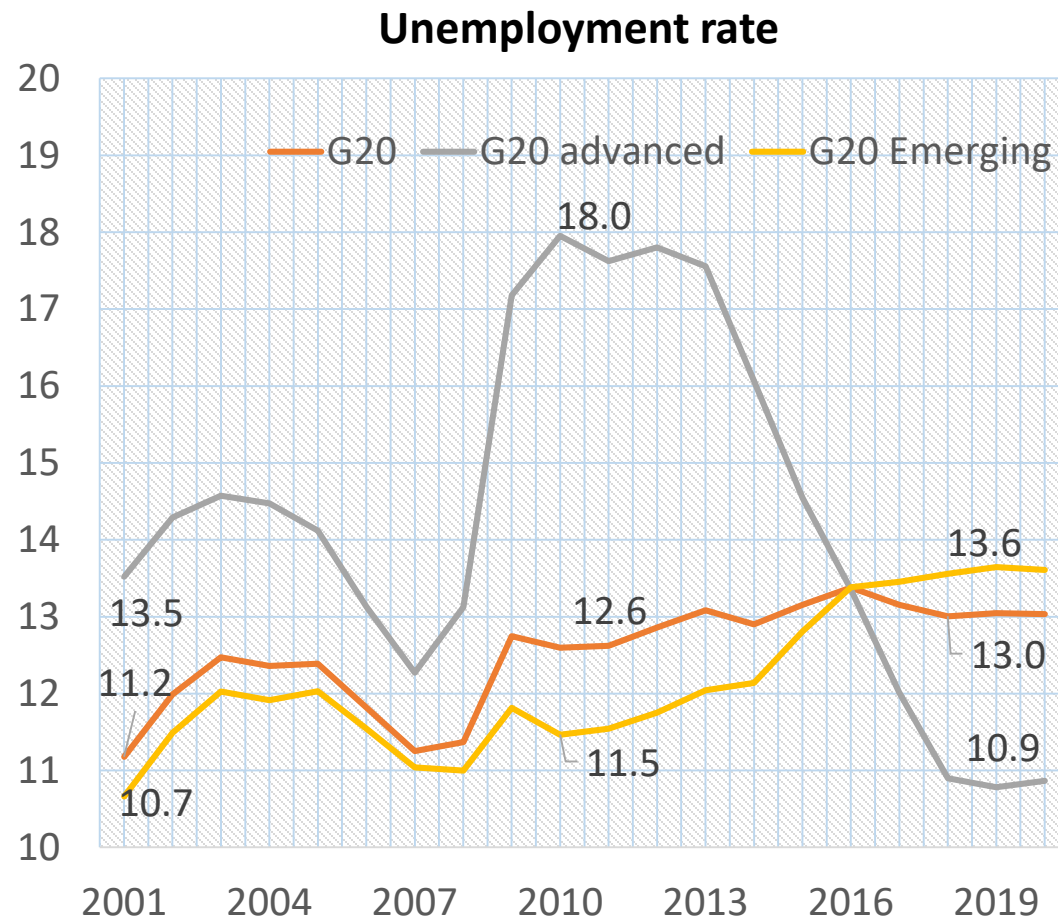
Source: ILO Modelled Estimates, November 2018. Age group 15+ years.

Unemployment is stabilizing



Source: ILO Modelled Estimates, November 2018. Figures for 2018 are preliminary, 2019-2020 are projections. Age group 15+ years.

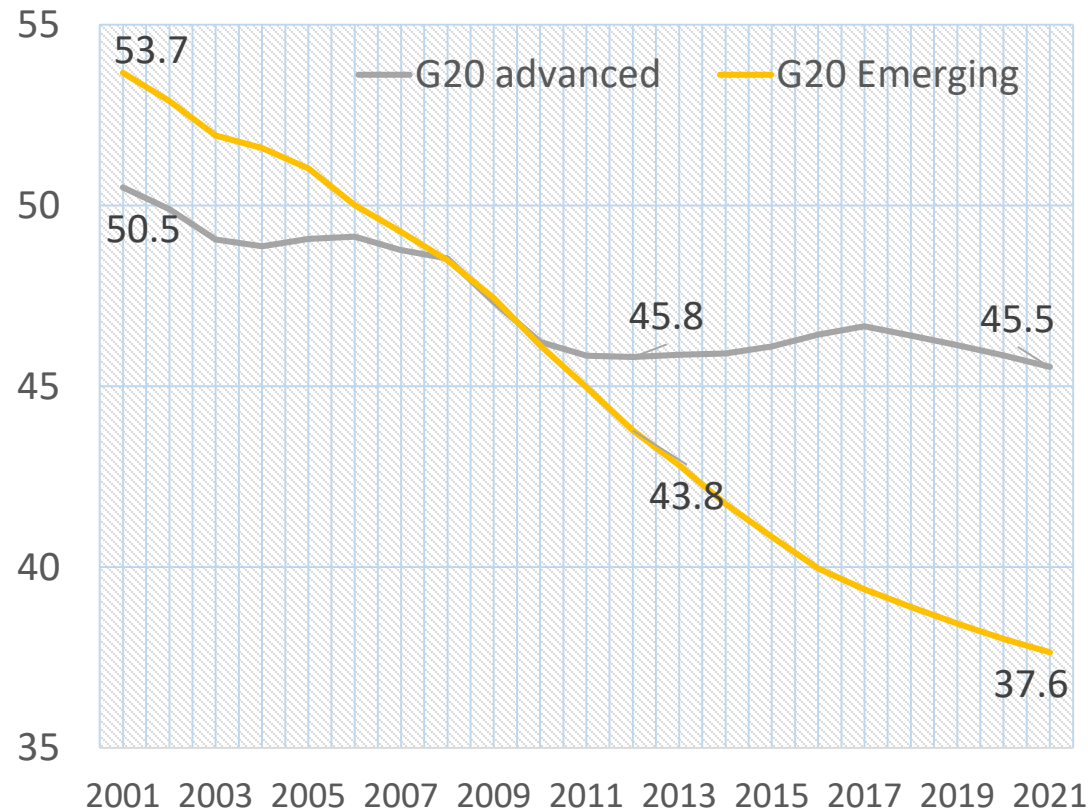
Growing concern for youth



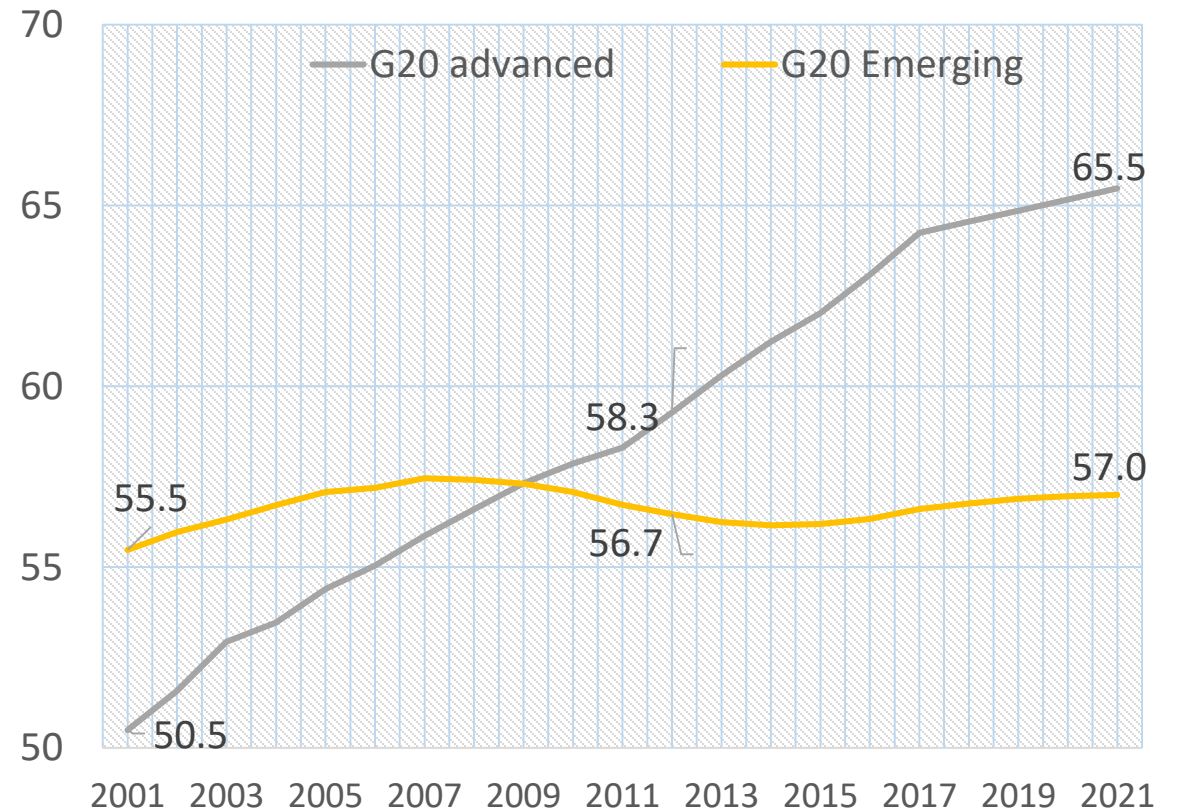
Source: ILO Modelled Estimates, November 2018. Figures for 2018 are preliminary, 2019-2020 are projections. Age group 15-24 years.

LFPR - Opposing trends for youth and older workers

Youth (15-24) LFPR %



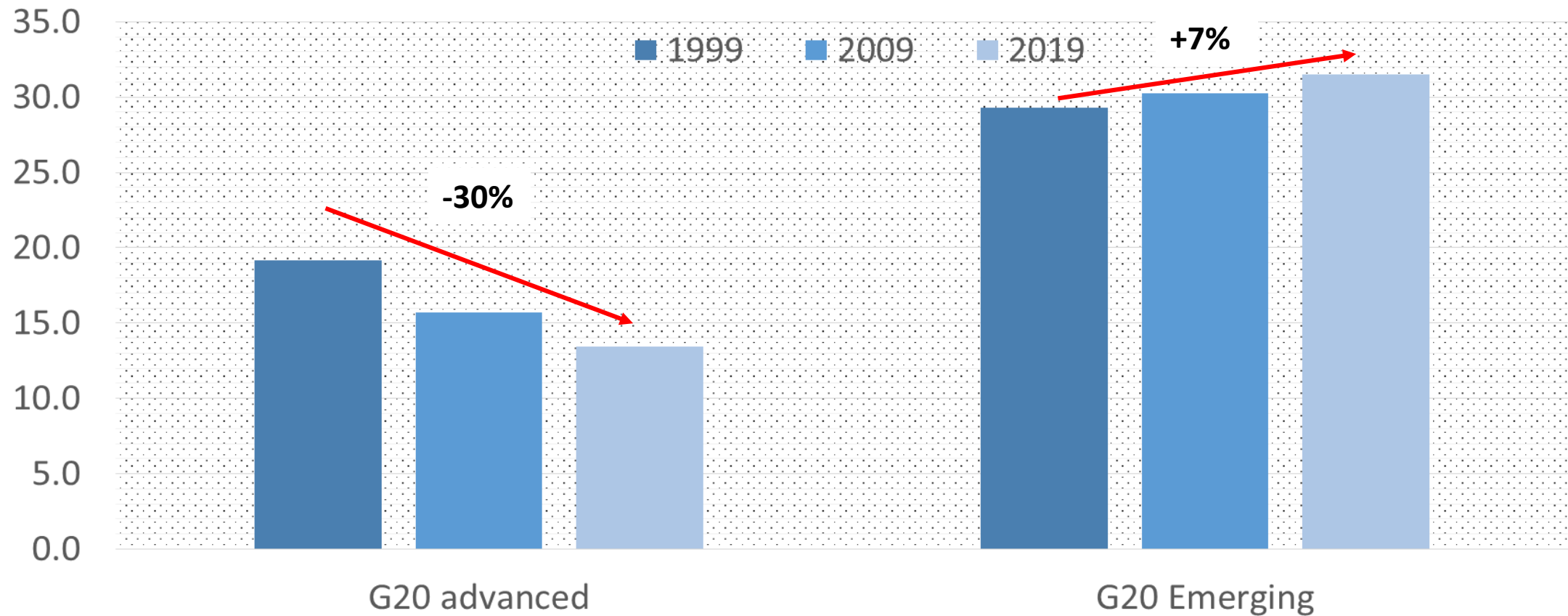
Old-age (65+) LFPR %



Source: ILO Modelled Estimates, November 2018. Figures for 2018 are preliminary, 2019-2021 are projections.

Gender participation gap remains

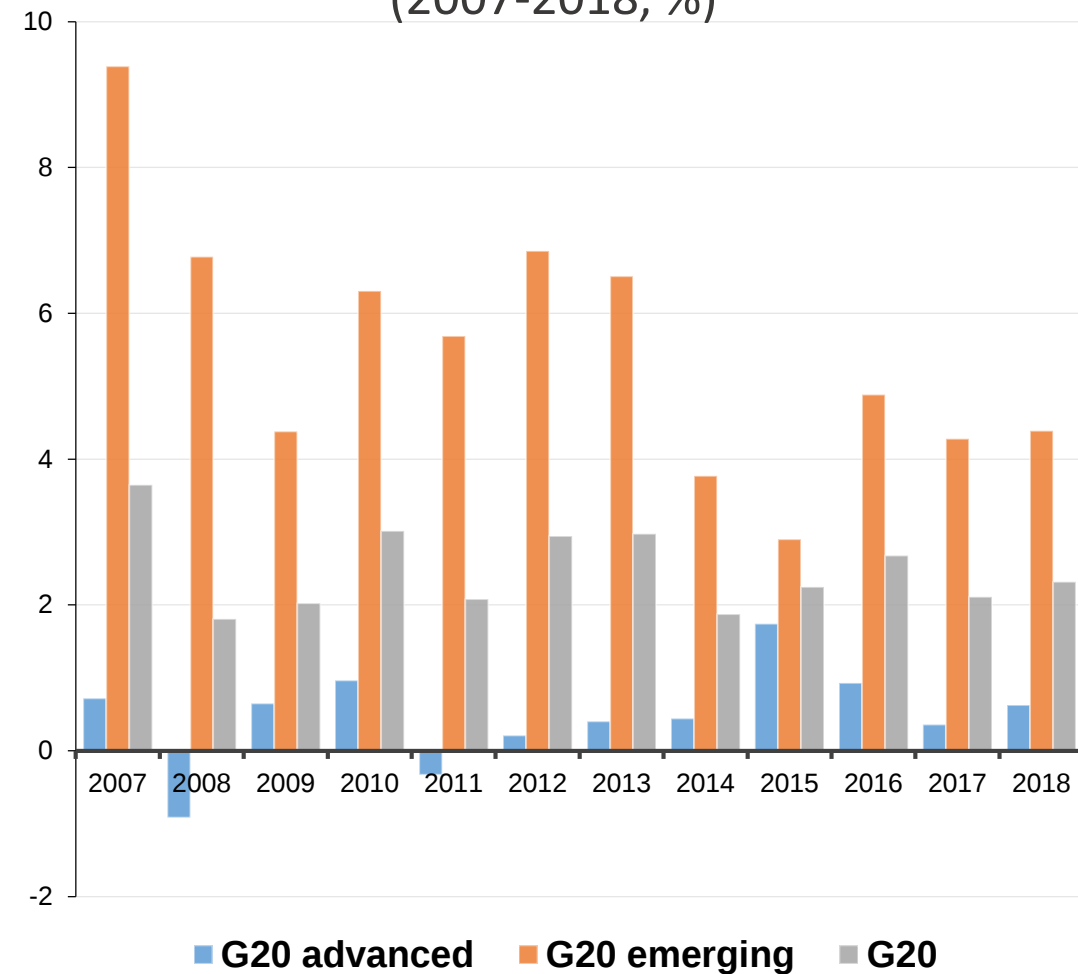
Male vs female labour force participation rates, %



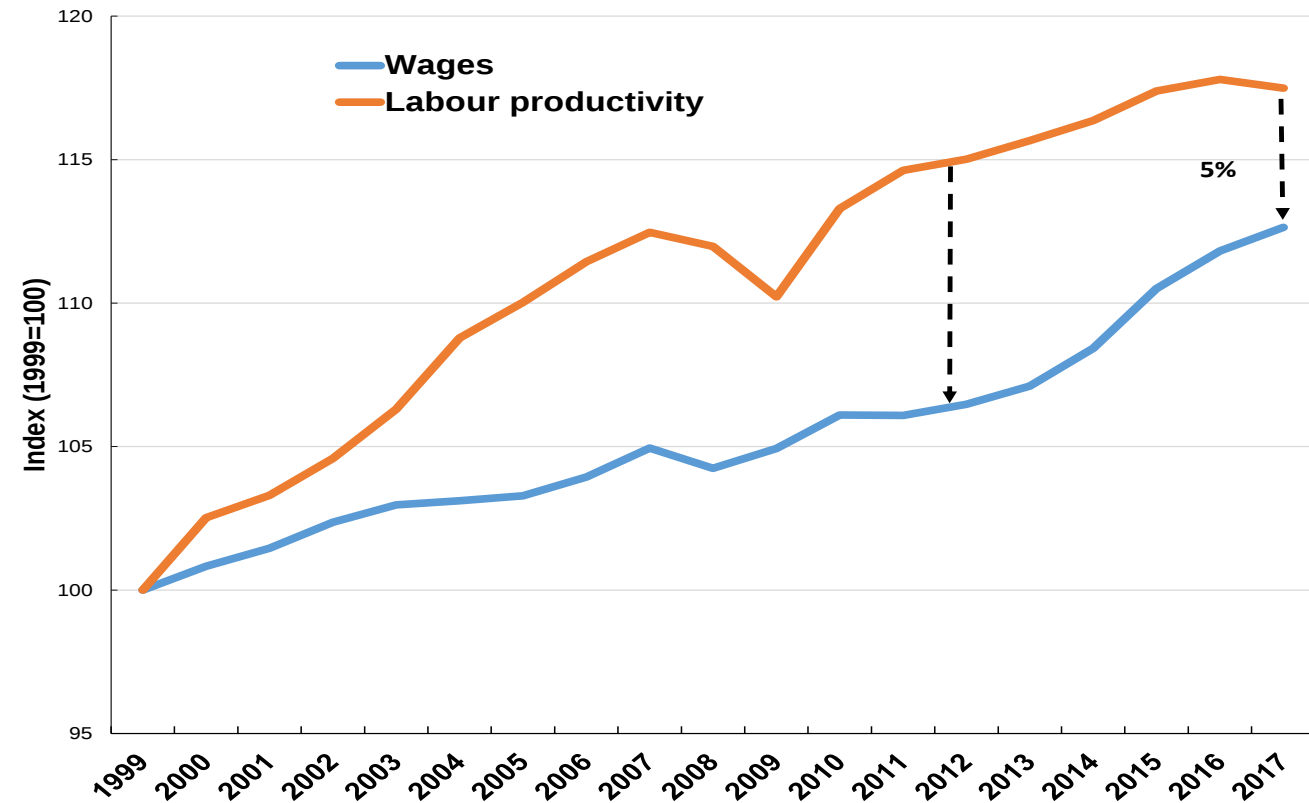
Source: ILO Modelled Estimates, November 2018. Age group 15+ years.

Weak wage dynamics

Annual average real wage growth
(2007-2018, %)



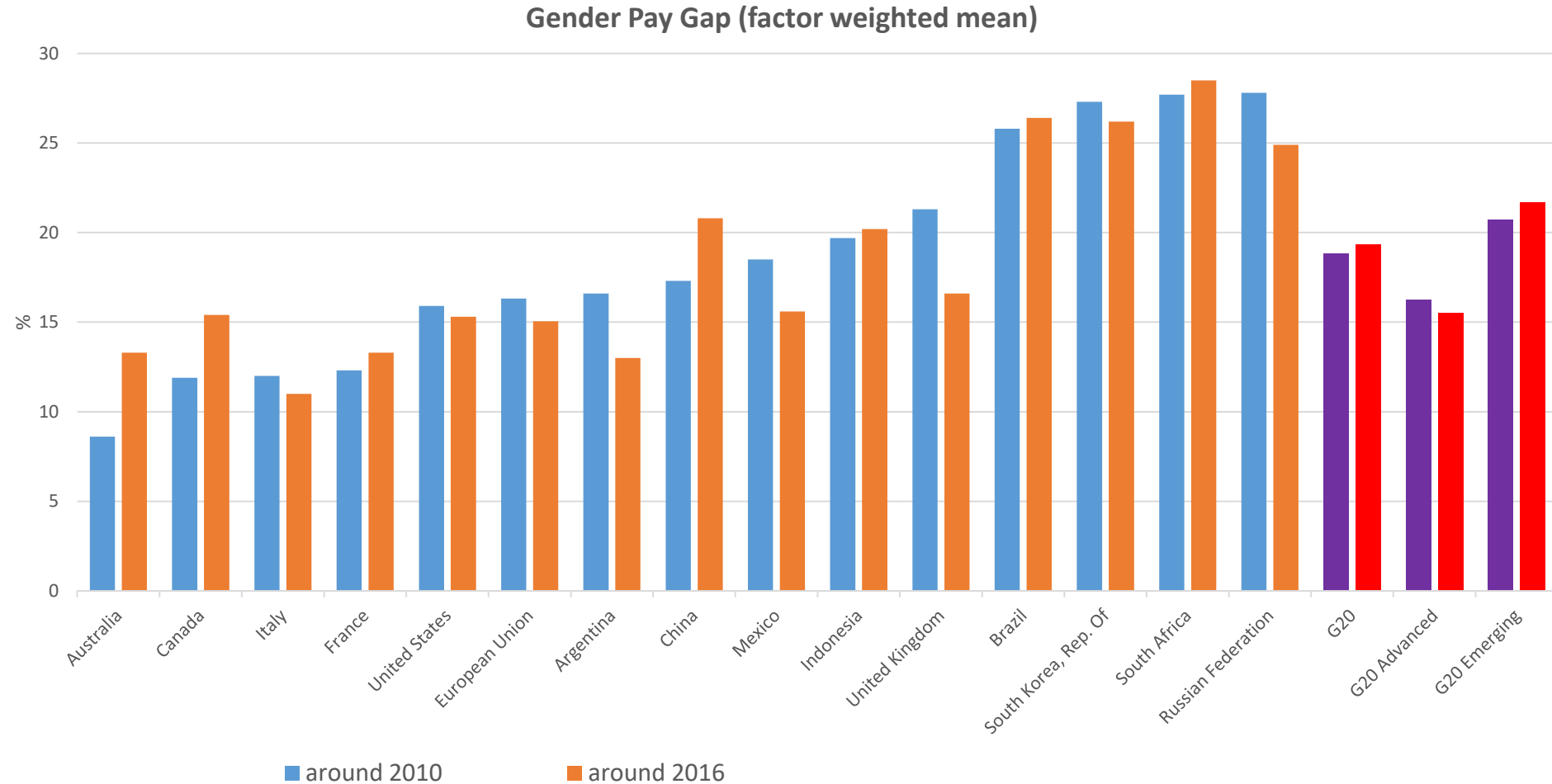
Source: ILO estimates based on official national sources as recorded in the ILO Global Wage Database. Figures for 2018 are preliminary.



Gender Pay Gap persists



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Source: ILO estimates using household and labour force surveys. For all countries we use the two available points in time that allows for a more harmonious comparison; in most countries these are 2010 for the earlier and 2015 or 2016 for the latest year. The exceptions are China (2007 and 2013), Republic of Korea (2009 and 2016) and Russian Federation (2013 and 2015). For the EU all estimates are based on the Structure of Earnings survey and for that the latest year is 2014.

II. Future drivers (selection)

Technological change

47 per cent of workers in the United States are at risk of having jobs replaced by automation
(Frey and Osborne, 2015)

ASEAN-5: **56 per cent** of jobs are at risk of automation over the next 20 years
(Chang and Phu, 2016)

About **60 per cent** of all occupations have at least 30 per cent of constituent activities that can be automated
(MGI, 2017)

An average **9 per cent** of jobs in the OECD are at high risk of automation
(OECD, 2016)

Two-thirds of jobs in the developing world are susceptible to automation
(WBG, 2016)

Nearly **50 per cent** of companies expect that automation will lead to some reduction in their full-time workforce by 2022
(WEF, 2018)



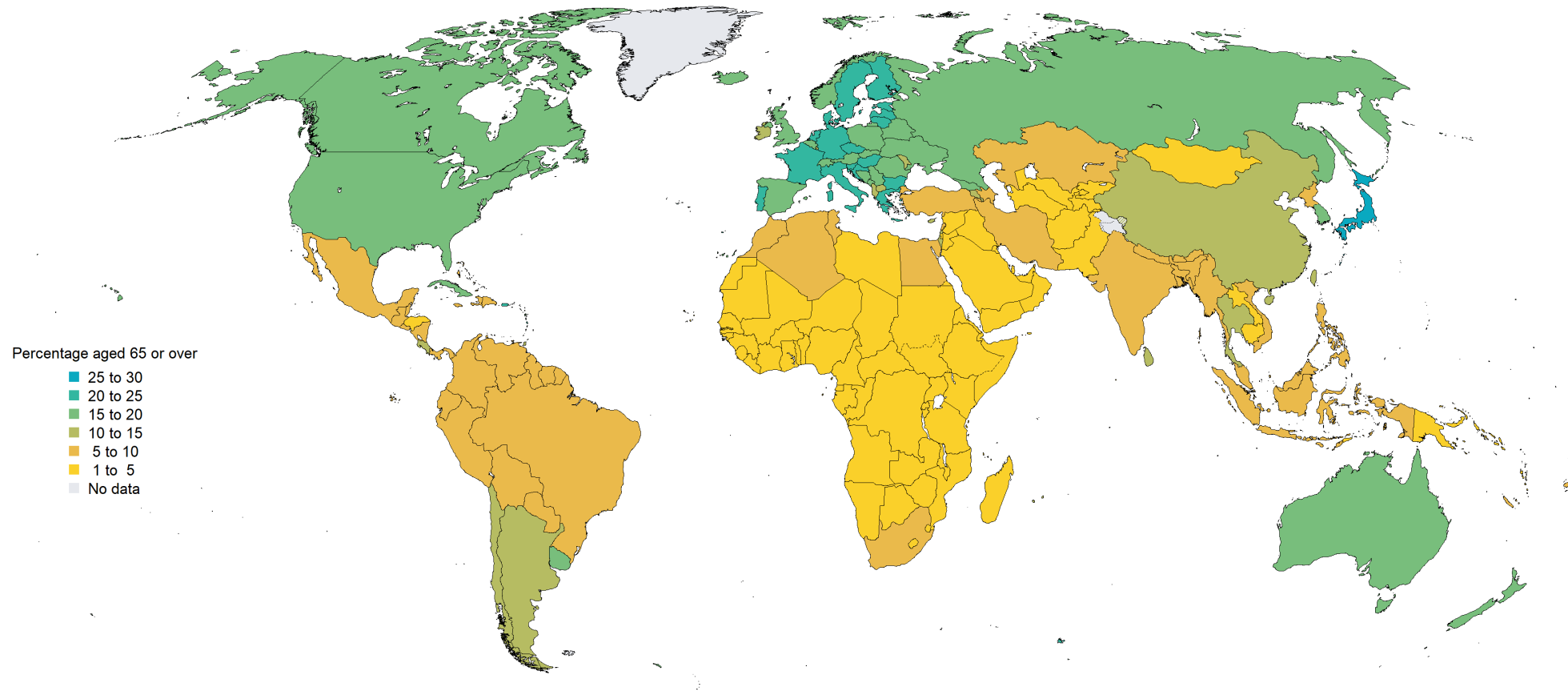
CTMX	0.45	▲	+0.4%
FTR	-0.23	▼	-2.34%
CSCO	-1.01	▼	-1.89%
CHK	0.02	▲	+0.2%
AAPL	+2.58	▲	+2.58%
PRTG	-0.01	▼	-0.01%
AMZN	0.01	▲	+0.01%

Demographic change



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Percentage of population aged 65 or over, 2020



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Data source: United Nations, DESA, Population Division. *World Population Prospects 2019*. <http://population.un.org/wpp/>

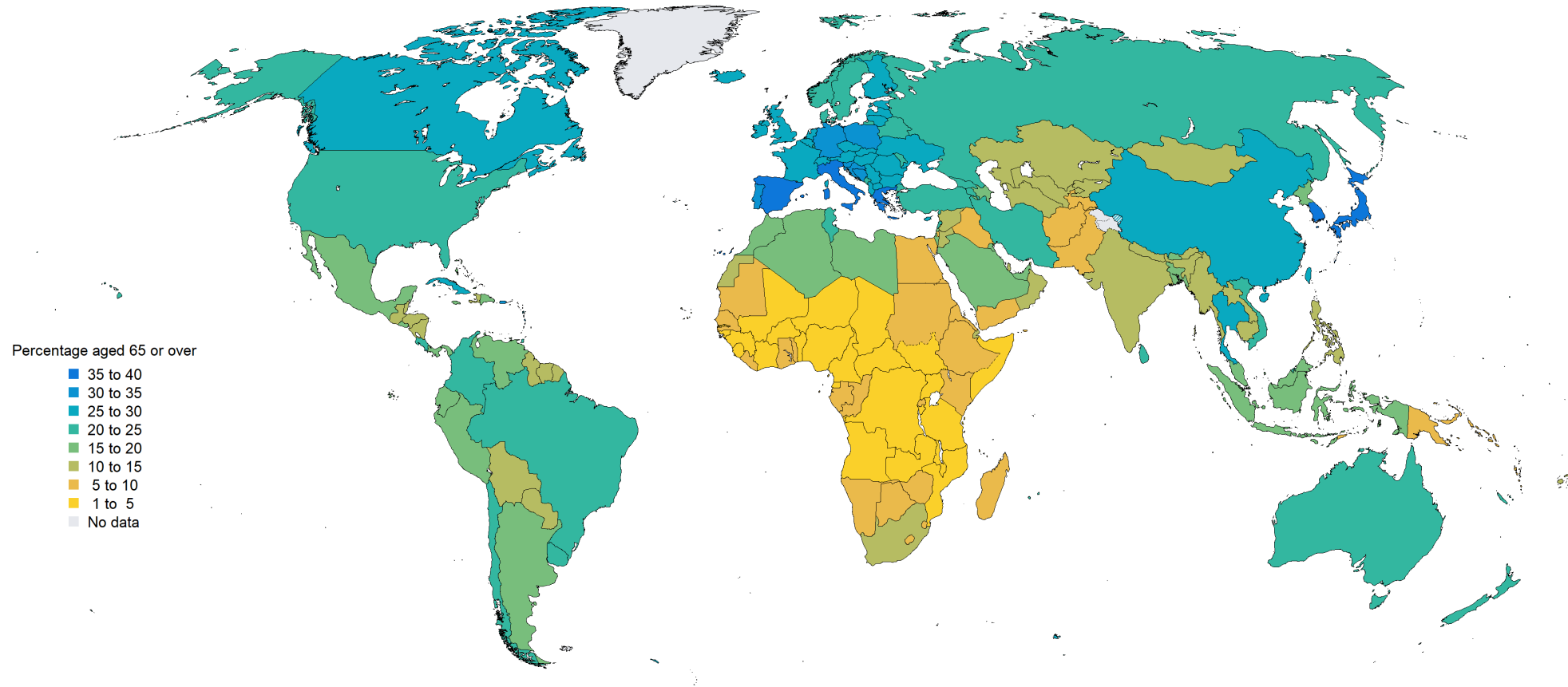
The designations employed and the presentation of material on this map do not imply the expression of any opinion whatsoever on the part of the Secretariat of the United Nations concerning the legal status of any country, territory, city or area or of its authorities, or concerning the delimitation of its frontiers or boundaries. Dotted line represents approximately the Line of Control in Jammu and Kashmir agreed upon by India and Pakistan. The final status of Jammu and Kashmir has not yet been agreed upon by the parties. Final boundary between the Republic of Sudan and the Republic of South Sudan has not yet been determined. A dispute exists between the Governments of Argentina and the United Kingdom of Great Britain and Northern Ireland concerning sovereignty over the Falkland Islands (Malvinas).

Demographic change



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Percentage of population aged 65 or over, 2050 (medium-variant projection)



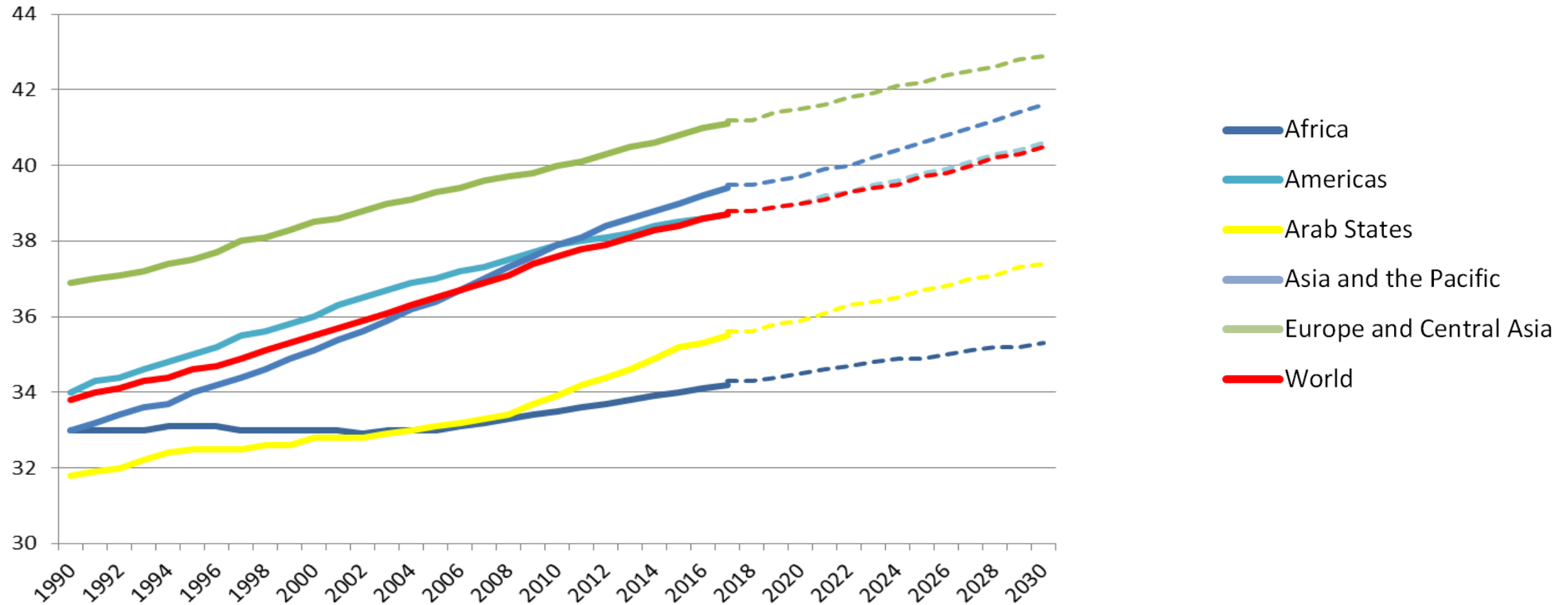
© 2019 United Nations, DESA, Population Division. Licensed under Creative Commons license CC BY 3.0 IGO.

Data source: United Nations, DESA, Population Division. *World Population Prospects 2019*. <http://population.un.org/wpp/>

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Demographic change

Median age of the labour force, 1990-2030



Source: ILOSTAT, ILO Labour Force Estimates and Projections (projections for 2018 and beyond)

Climate change

1.2 billion

jobs depend on services
provided by the environment



18 million

jobs can be created by achieving
sustainability in the energy sector



6 million

jobs can be created by embracing
a circular economy



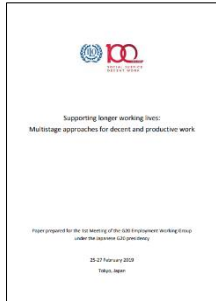
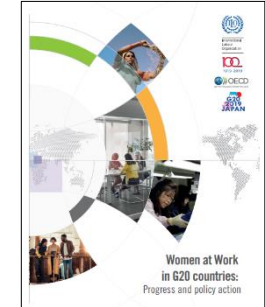
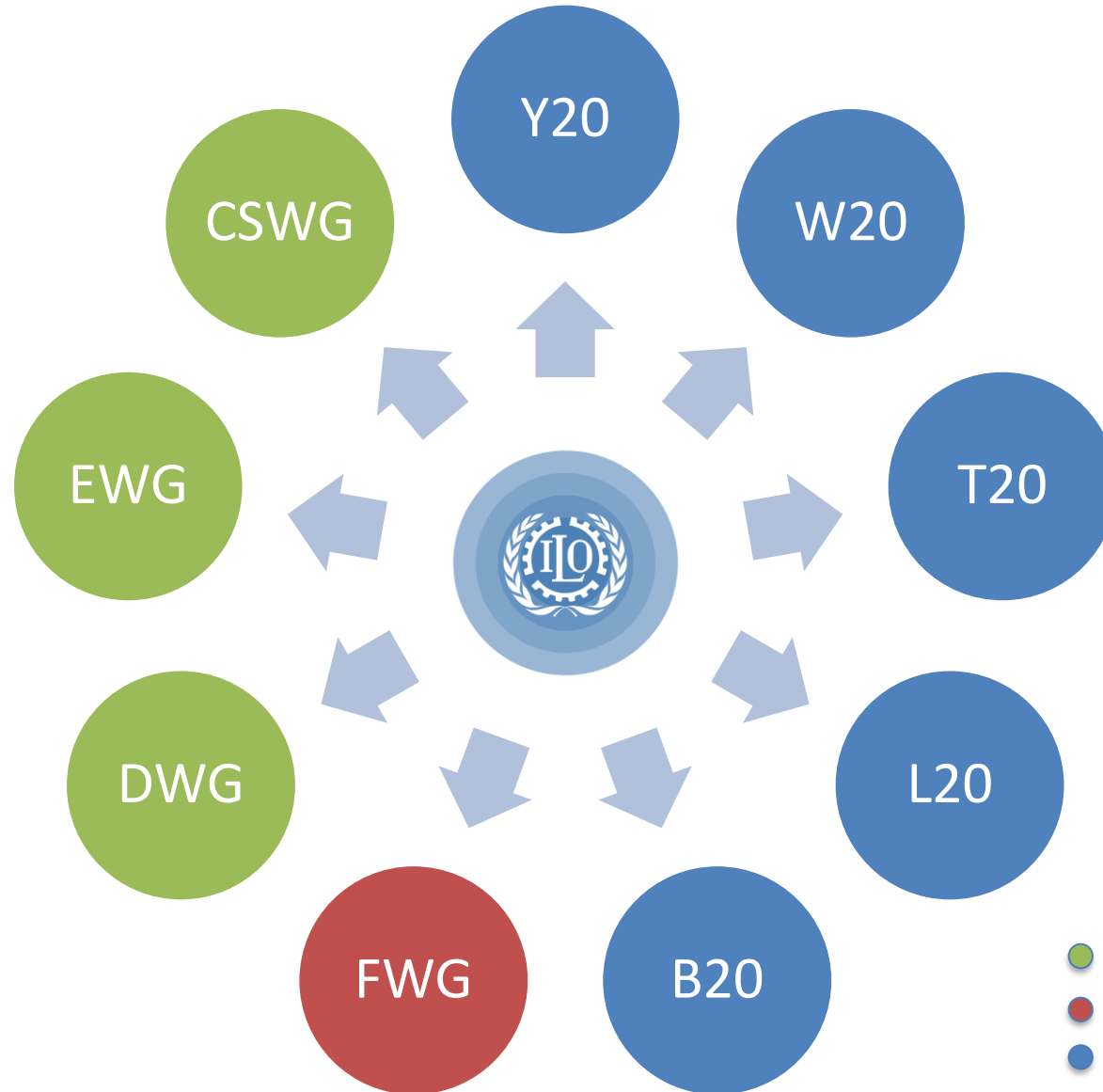
72 million

The equivalent to
full-time jobs will be lost in 2030
due to heat stress



III. Possible areas for the G20 in 2020

ILO's contributions to the G20



- Sherpa track
- Finance track
- Engagement groups

Suggested approach

Strengthen institutions and policies that **support people and businesses through transitions**

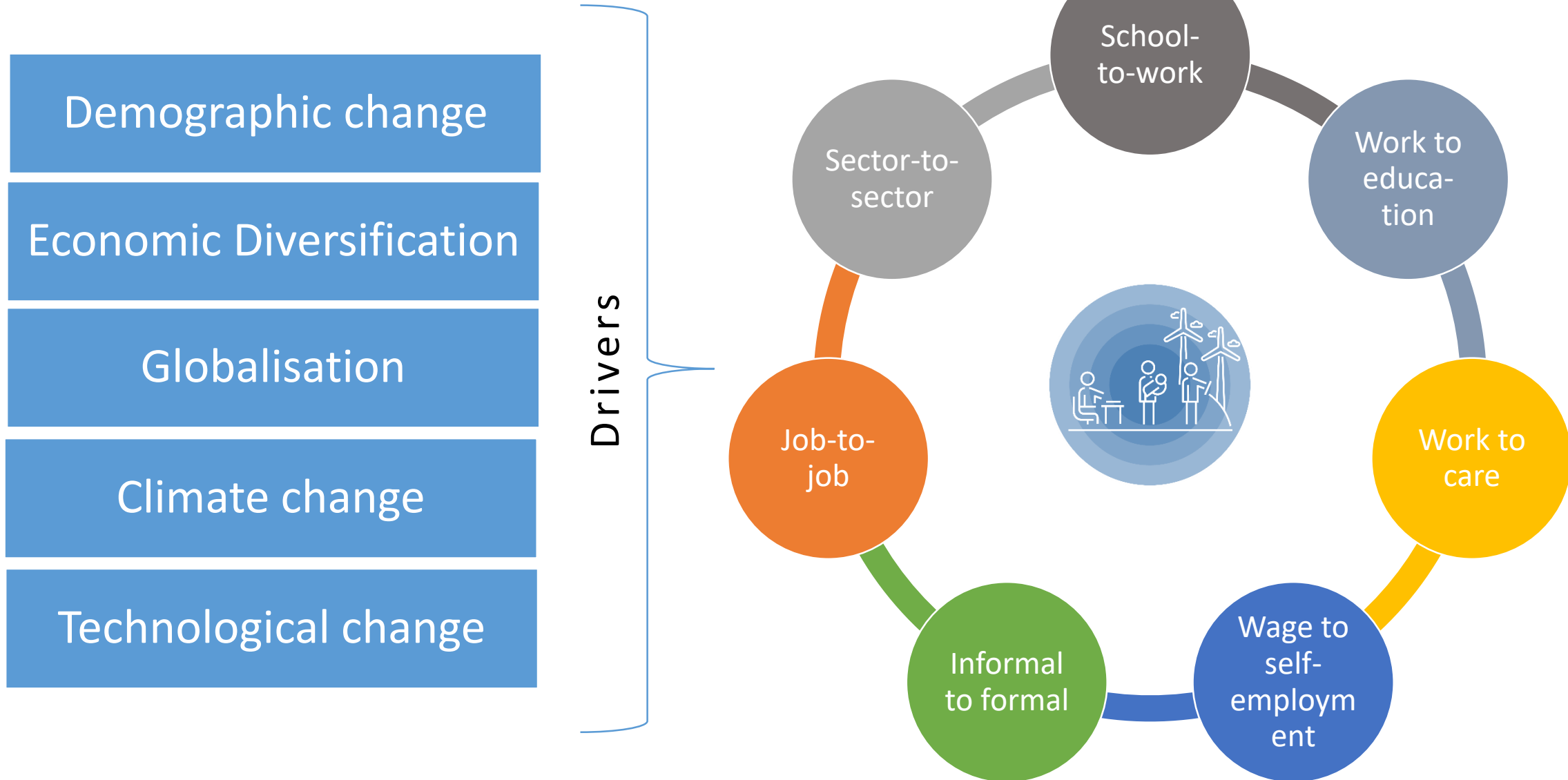
- Expand people's **choices**
- Provide **security** to cope with change

*...effective measures to support people through the **transitions** they will face throughout their working lives...*

ILO Centenary Declaration for the Future of Work



Examples of transitions



School-to-work transition

Youth unemployment is on average **2.5 times** higher than overall unemployment

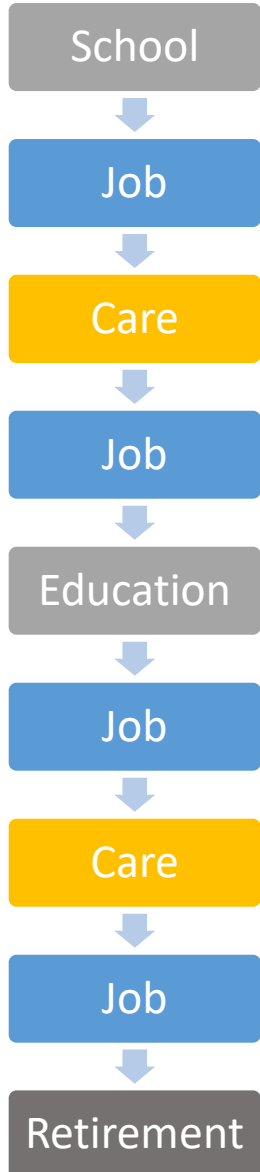
About **21%** of youth in the G20 is neither in education, employment or training (NEET)



G20 Advanced:	11%		10%	
G20 Emerging:	35%		12%	
Saudi Arabia:	26%		7%	

Policy areas: employment content of growth; second chance programmes; public employment services (career guidance, mentoring); entrepreneurial skills; active labour market programmes; role of the private sector; gender equality; apprenticeships

Lifecycle transitions



Global average life expectancy increased by **5.5 years** between 2000 and 2016*

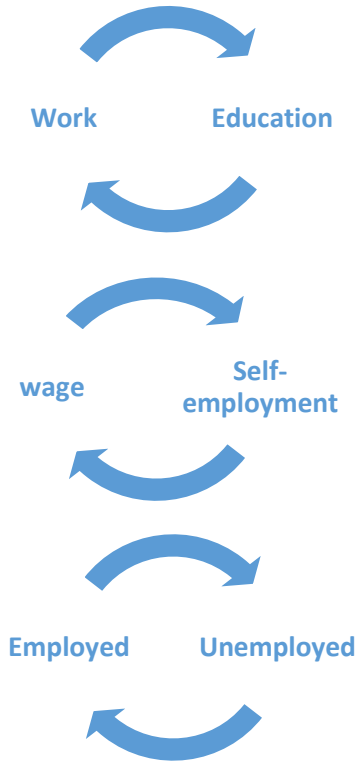
 average duration of working life has increased from **33 years** in 2000 to **36 years** in 2017**

Policy areas: active labour market policies; lifelong learning; public and private employment services; social dialogue and collective bargaining; social protection systems; gender equality; care economy and care work; HRD policies

*) WHO

**) EUROSTAT

Transitions resulting from economic restructuring



- Technological change (AI, digitalisation, robotisation)
- Greening and transition to a low-carbon economy
- Formal and paid employment
- Economic cycles

3 to 14% of the global workforce will need to switch occupational categories by 2030*

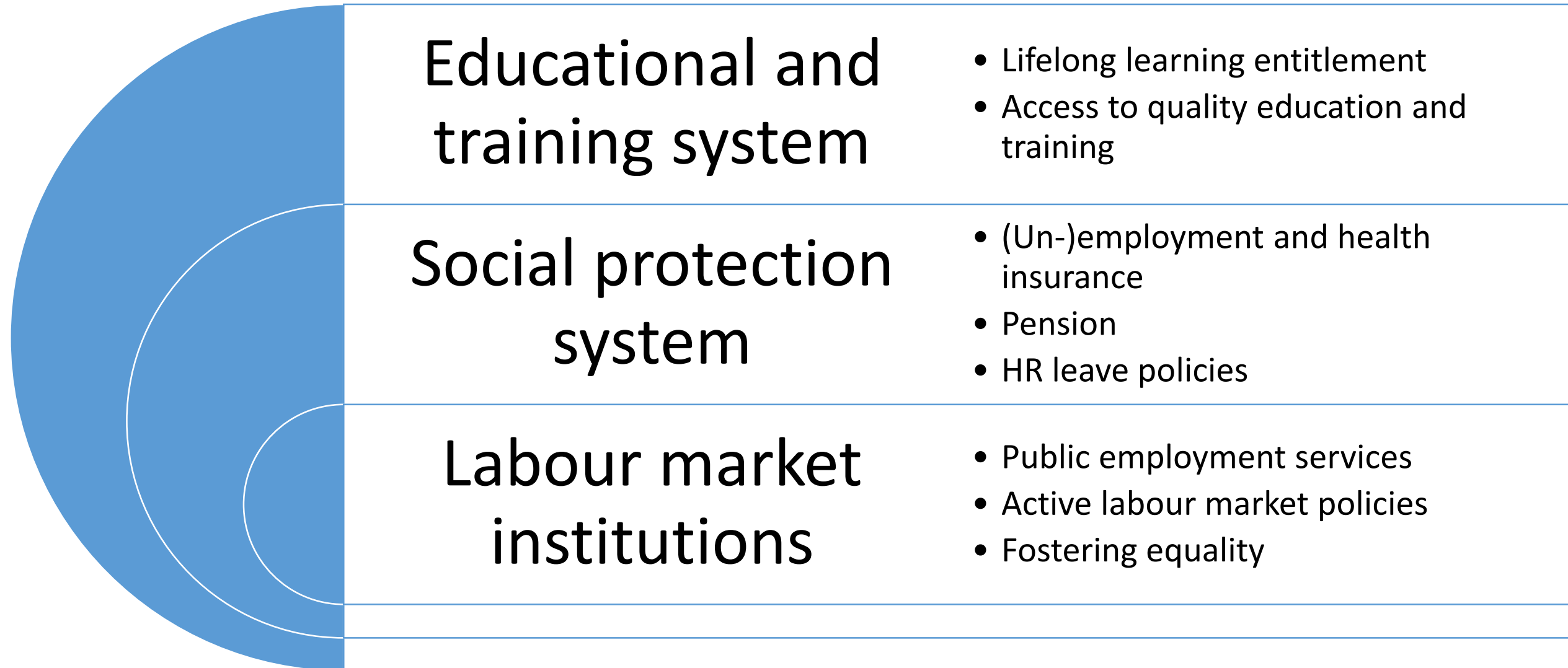
54% of all employees will require significant reskilling and upskilling by 2022**

Policy areas: pro-employment macroeconomic policies; training and skills development; active labour market policies; social dialogue; social protection; gender equality; vulnerable groups and left-behind regions

*) MGI (2017) Jobs Lost, Jobs Gained: Workforce Transitions in a Time of Automation

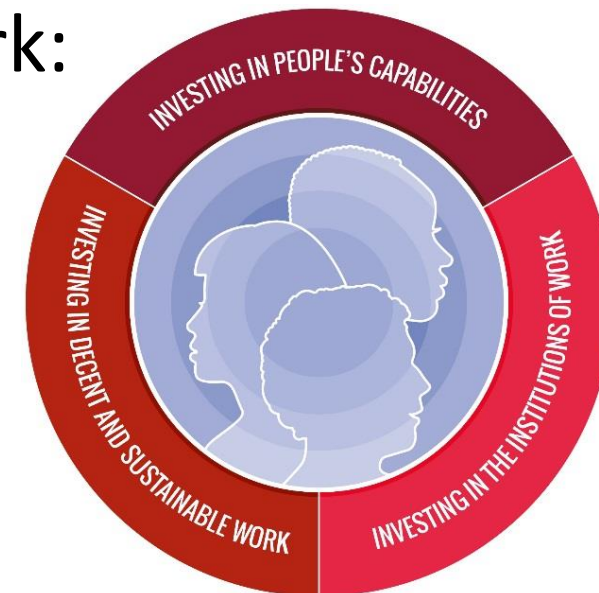
**) WEF (2017) The Future of Jobs Report 2018.

Pillars of a human-centred agenda



Concluding remarks

- Many challenges and opportunities for G20 countries
- Working towards a brighter future of work for all
- Increasing number of labour market transitions
- Human-centred approach towards the future of work:
 - Increasing investment in **people's capabilities**
 - Increasing investment in the **institutions of work**
 - Increasing investment in **decent and sustainable work**



Thank you شكراً جزيلاً



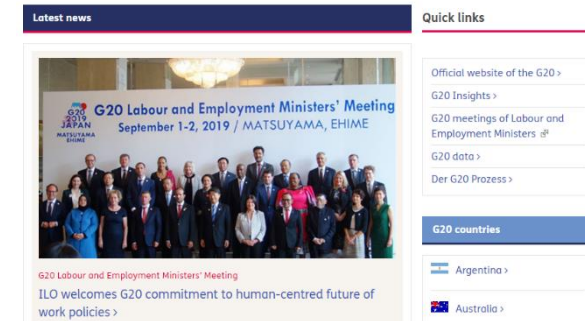
<http://ilo.org/fow>



<https://ilo.org/100/ar/>

The ILO and the G20

The ILO actively supports the G20 in its role as the premier forum for international economic cooperation. At the request of the G20, we contribute data, analysis and policy recommendations on labour, economic and social issues in order to strengthen the global economy.



<http://ilo.org/g20>

مؤتمر العمل الدولي

إعلان مئوية منظمة العمل الدولية من أجل مستقبل العمل
اعتمده مؤتمر العمل الدولي في دورته الثالثة بعد المائة،
جنيف، ٢١ حزيران/يونيه ٢٠١٩

<http://ilo.org/100>