Max Neufeind
Jacqueline O'Reilly
Florian Ranft

QIISP Future of Work:
What do we do?
15th-17th August 2018
Outline

"Future of Work and Social Protection”

• What can we learn from the past?
• What the key issues discussed by authors in the book?
• What can we learn from other countries?
• How is Canada shaping up?
Politics Matters: Managing Uber in Ontario

- Reform to by-laws by the Kingston Area Taxi Commission requires:
  - Signs on cars
  - Safety checks; no cars over 7 years old
  - Licencing fee; Driver registration; criminal background check
  - Goods and service tax

- Politics between Kingston and Toronto are different
What can we learn from past revolutions?

• Ugly, brutal and sometimes very fast

• Massive displacement to the cities (China today; S.EU youth?)

• Varied by country – cf UK and France or Greece

• Often entailed conflict and social fragmentation

• Flourishing of arts and creativity - coexist
Who were/are the key actors of change?

• New Industrialists

• Liberal thinkers and humanists

• Trade Unions

• Political Parties
BOOK ESSENTIALS

Comprehensive picture of the impact of new technologies on employment and the economic model

Part I: Debating the fourth industrial revolution
- The destructive creation of employment in the digital age
- The changing face of work in the digital age
- Labour relations and the welfare state in the digital age

Part II: Comparing digital discourse in Europe
- 21 case studies (17 European + US, Canada & India)
CHANGING ECONOMIC MODEL

Capitalism with different capital: intangible assets and investments become increasingly important

For US. Source: Corrado/Hulten.
EMERGING DEMATERIALISED ECONOMY

Accelerators of this trend:
- Lower costs of production and services
- Powerful use of data, services and information allows for significant scalability, spillovers & synergies

Consequences:
- Business models built on venture capital
- “Winner-take-all” dynamic markets
- Power shift from labour to capital
PUBLIC POLICY CHALLENGES

Themes explored in the book:
- Labour market disruption
- Value creation
- Consequences of digital platforms for workers
- Regulatory framework
- Skills and education
- Social and tax policy

Download pdf for free: http://progressive-policy.net/
CONVERGENCE AND DIVERSITY IN EUROPE

Starting point: EU-Digital Economy and Society Index

1. Connectivity
2. Human capital
3. Citizens’ use of the Internet
4. Business integration of digital technology
5. Digital public services - eGovernment
EU SKILLS INDEX:

Digital Economy and Society Index (DESI) 2018, Human Capital

2a Basic Skills and Usage
2b Advanced skills and Development

DESI Report 2018 – Human Capital

European Commission
EU BUSINESS INDEX

Digital Economy and Society Index (DESI) 2018, Integration of technology

Source: European Commission services based on Eurostat data

DESI Report 2018 – Integration of Digital Technology
E-GOV- ARE WE THERE YET?

Digital Economy and Society Index (DESI) 2018, Digital Public Services

DESI Report 2018 – Digital Public Services
Key challenges

• Cecile Jolly - slow adaption – need multilevel social dialogue – challenge hyperconnectivity and integrating non-standard workers in new laws
• Zysman & Kenney – investment and inequalities
• Howcroft and Rubery – gender inequalities reproduced
• Stefano and Berg – gig worker protection
• Bruno Palier – challenges for welfare states and different paths

• But why some are less effective compared to front runners?
Lesson from EU front runners: Denmark & Finland

• **Denmark** – TU-employer negotiations – voluntary agreements not legislation

• **Finland** – need to improve upskilling, context tripartite co-operation but in a context of mistrust and uproar unions accepted wage freeze, increased working time, reduced holiday pay an transfer of social security costs to employees; government leadership around AI.
Lesson from EU front runners: Sweden & Netherlands

- **Sweden** – codetermination & ALMP as workers transfer between sectors; integrate platforms into existing collective bargaining & social protection.

- **Netherlands** – flexible jobs and job quality; emphasis sectoral analysis & tripartite negotiations; issues: workers rights, welfare, training & inequalities;

- Intelligent Augmentation – improve human learning requires co-creation; education; ownership & social wealth funds from a ‘robot dividend’
Canadian context: Canada ‘gets it’
Juan Gomez & Rafael Gomez

• resourcefulness, leadership and ‘major enhancements to post-secondary education, physical infrastructure, pensions, unemployment insurance, income support and public housing, and the rollout of universal healthcare….. Ontario, opened nine public universities in under 10 years.’

• Innovation Superclusters Initiative, which will invest substantial sums in areas, such as machine learning and AI.

• The fund also seeks to invest in projects that cross-pollinate high tech in more traditional sectors like agriculture, retail and energy.
Education & Wages

• blend apprenticeship, work-based learning and improved labour market information.
• world-class primary, secondary and post-secondary educational system
• labour and income support policies: respond to low-wage and precarious employment.
• increased minimum wages,
• support for collective representation,
• giving workers a greater say in scheduling,
• equal pay for contract and casual employees, stronger enforcement of labour legislation (eg hiring more inspectors) are becoming the norm.’
Supporting new tech

- first mover advantage in fourth industrial revolution areas like machine learning and AI, with the city of Toronto
- neural net research programme
- powering most of the voice recognition software in mobile phones
- fundamentals like education and economic supports for displaced workers will help reduce inequality and mitigate what could be difficult transitions for some industries
Dark clouds?

• concern that the existing welfare state will be replaced with a threadbare basic income

• too much tech centred focus on the labour market side, which ignores opportunities for meaningful employment in other sectors eg: personal services and care based work

• advance innovation and productivity improvements across all sectors and occupations, not only tech.
Mixed blessings: mixed economy of tech firms

• large tax breaks and subsidies – to attract ‘big’ tech firms worrying.
• focus on supporting smaller, successful Canadian start ups
• Toronto waterfront district Quayside – dominated by Google
• Corktown Common – local start ups
• open data advocates need national discussion about information, related public infrastructure, and the degree to which we want private actors based in Silicon Valley influencing our governance and public services
Stall out countries Challenge of loosing momentum, ‘digital plateaus’ Need to sustain growth Chakravorti et al. (2017)
To avoid stall out

• Rebuild momentum by adopting **public-private partnerships** on digital innovation;

• **Investment in reskilling workers** and digital skills in schools and universities;

• improve **access to capital and digital infrastructure** to reduce inequities;

• Keep pace with **transforming rules of competition**;

• Direct **investment** to more complex less fad driven ideas that take on deeper problems, rather than a stampede to unicorn investments
What can we learn from past revolutions?

• Ugly, brutal and sometimes very fast
• Massive displacement to the cities
• Varied by country, regions, cities and sectors
• Often entailed conflict and social fragmentation
• Flourishing of arts and creativity - coexist
Who are the key change actors where you are?