

The impact of AI on the Labour Market

Future of work and new employment dynamics in the Americas

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<http://oe.cd/employment-outlook>

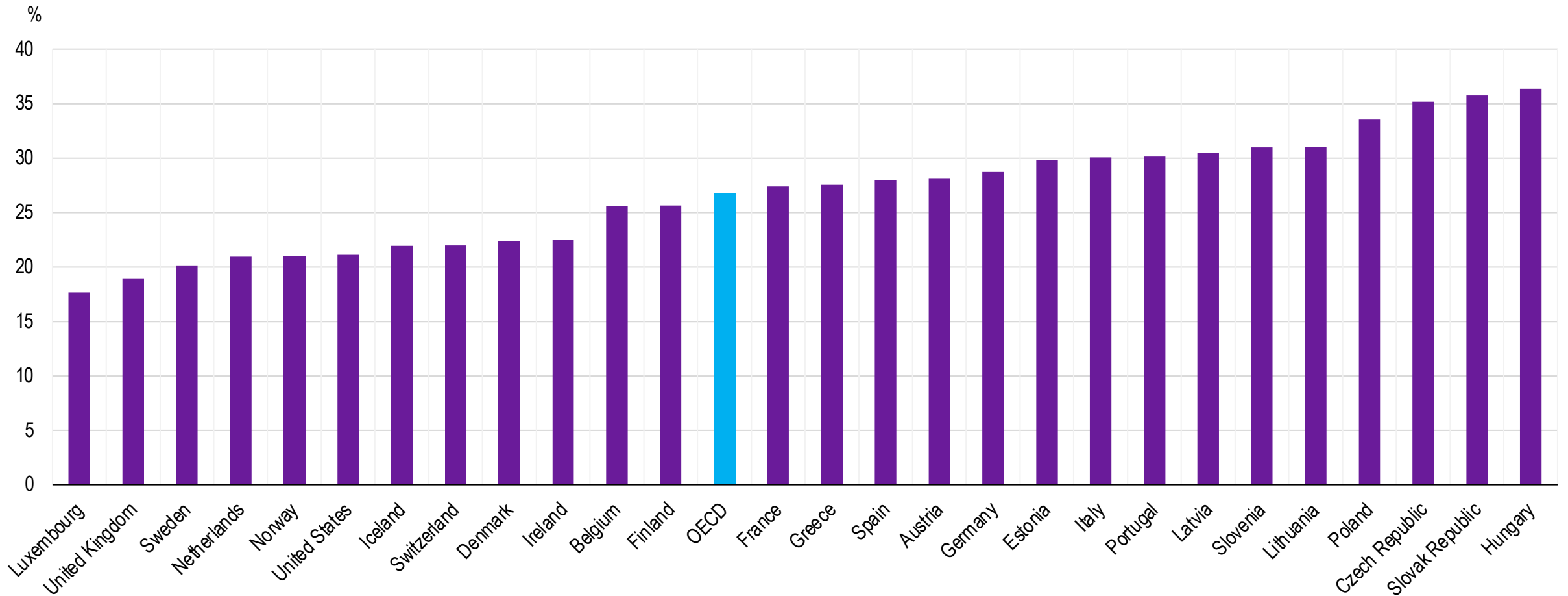


Does automation mean the end of employment?



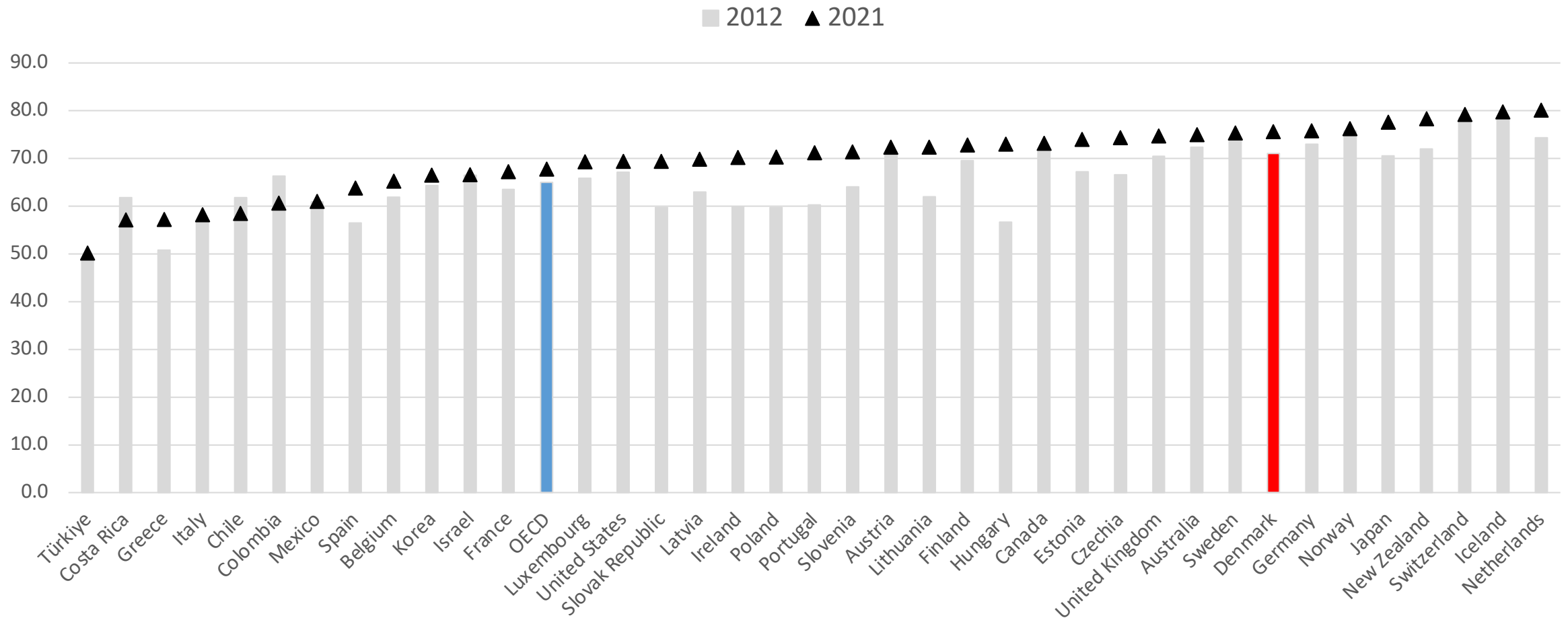
The risk of automation is high

Share of employment in occupations at the highest risk of automation by country, 2019

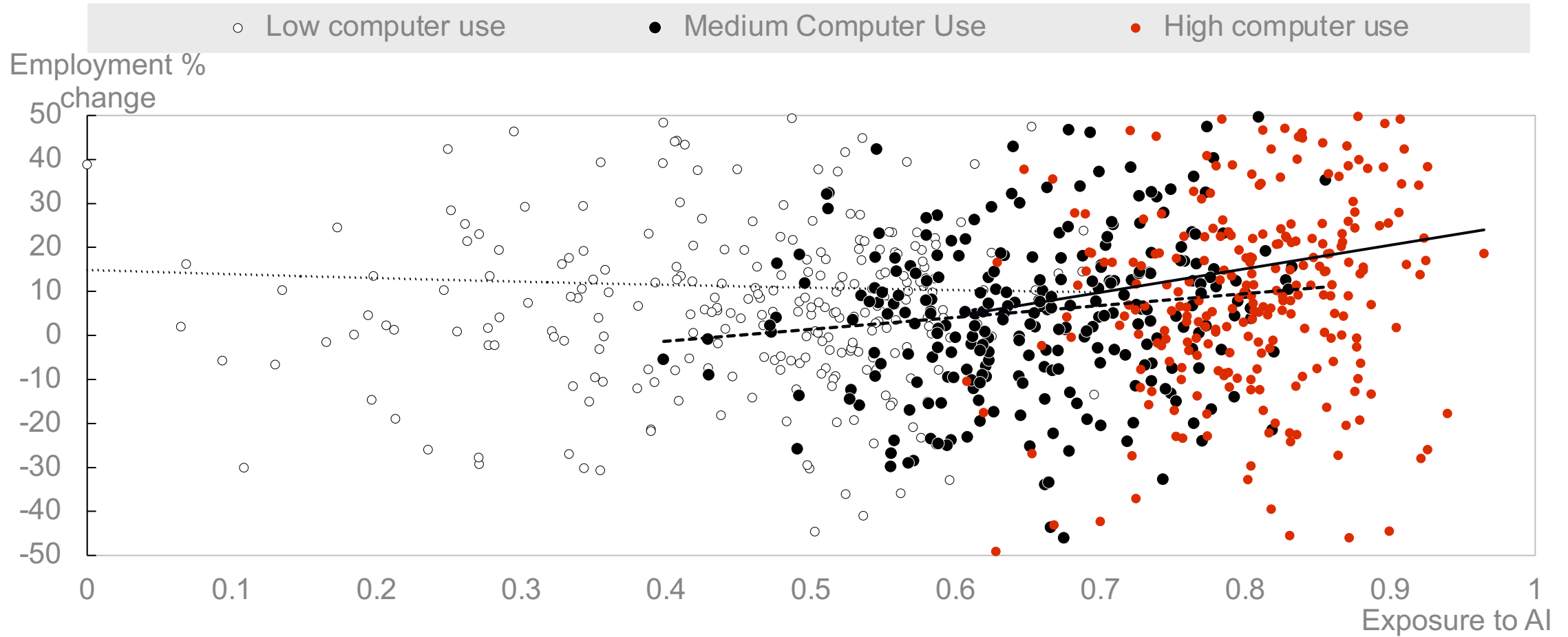


But in many countries, employment is at a record high

Employment to population ratio, ages 15 to 64

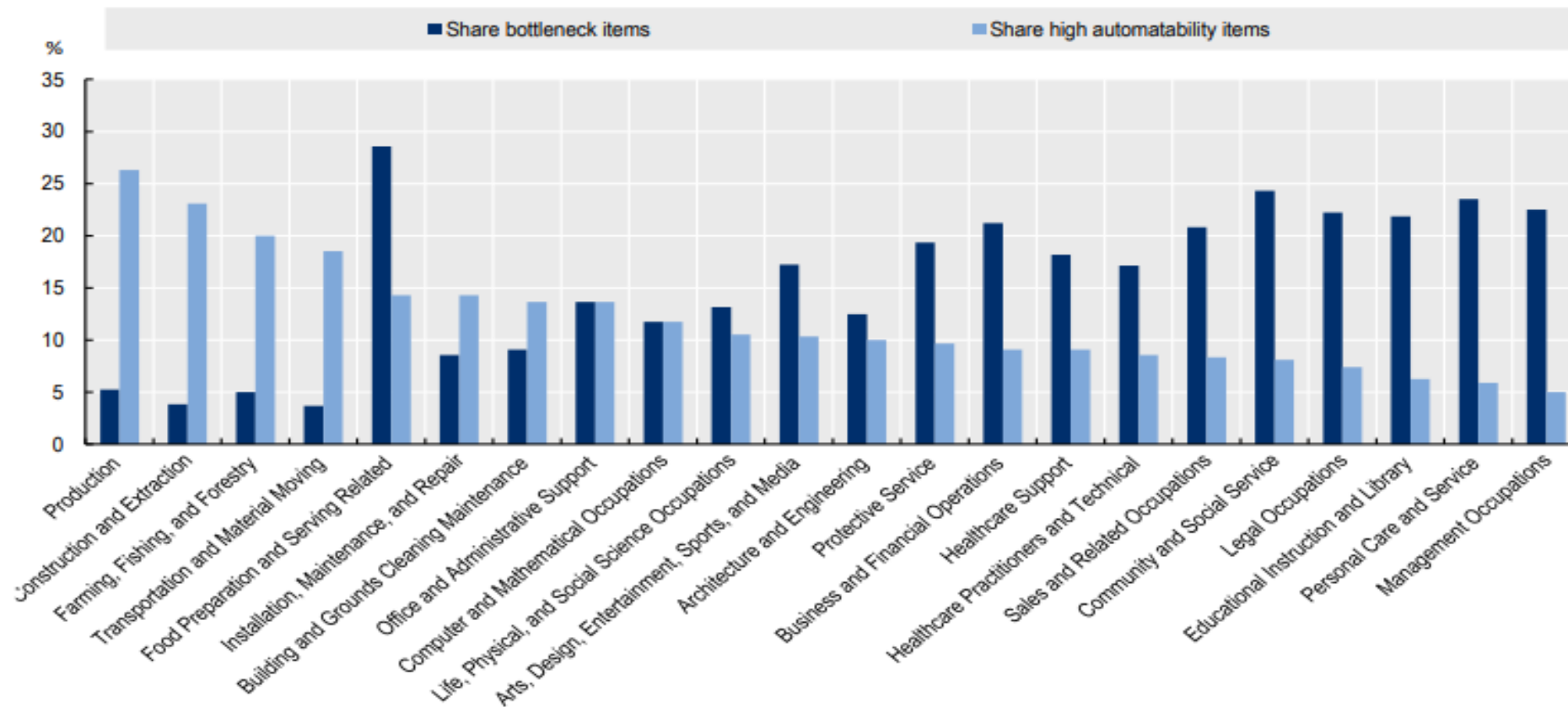


Exposure AI may be related to HIGHER rather than lower employment in occupations with high computer use

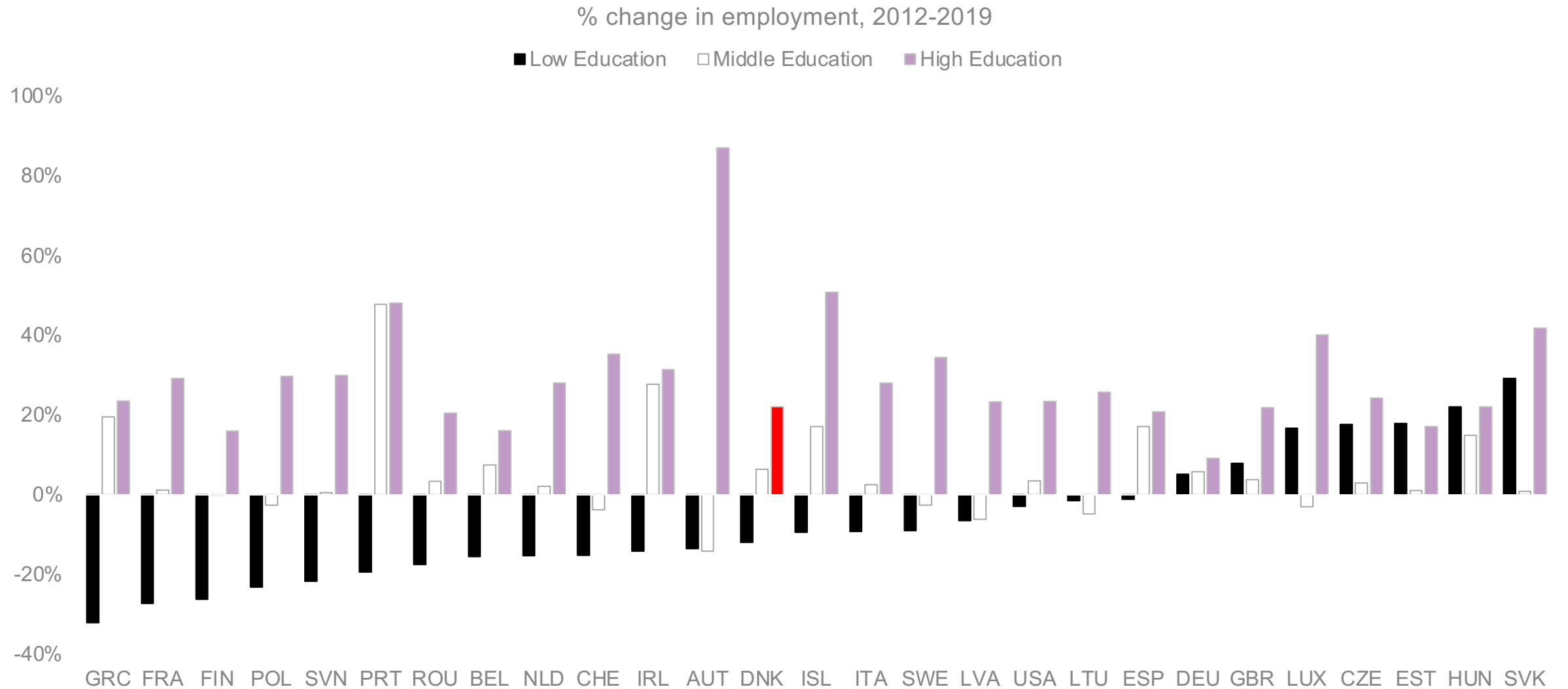


High-skilled workers possess more skills that cannot be automated yet (“bottleneck skills”)

Shares of bottleneck and highly automatable skills and abilities, by occupation



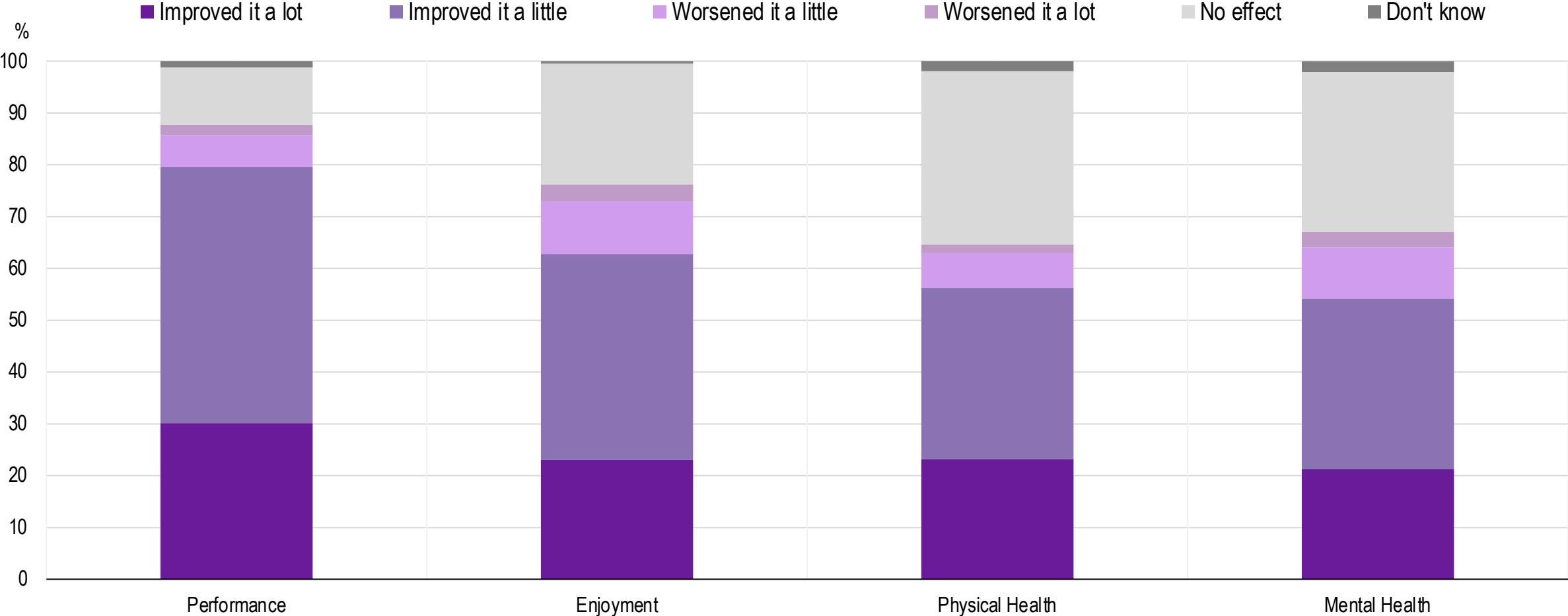
There are fewer and fewer jobs for the low-educated



Workers are positive about the effect of AI on job quality

The impact of AI on performance and working conditions

% of workers who work with AI



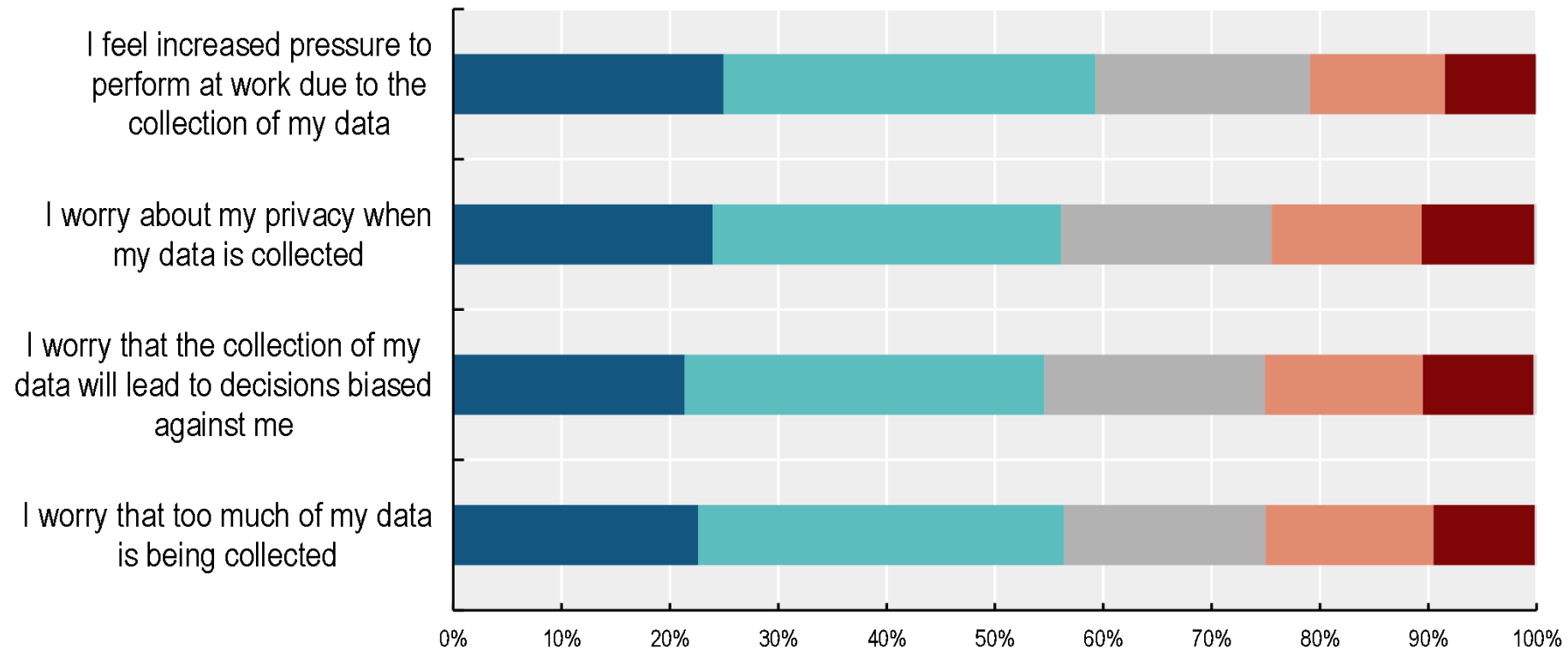
But workers have concerns about the way AI is being used

Workers expressed worries about privacy and excessive data collection

% of workers who reported AI-related data collection

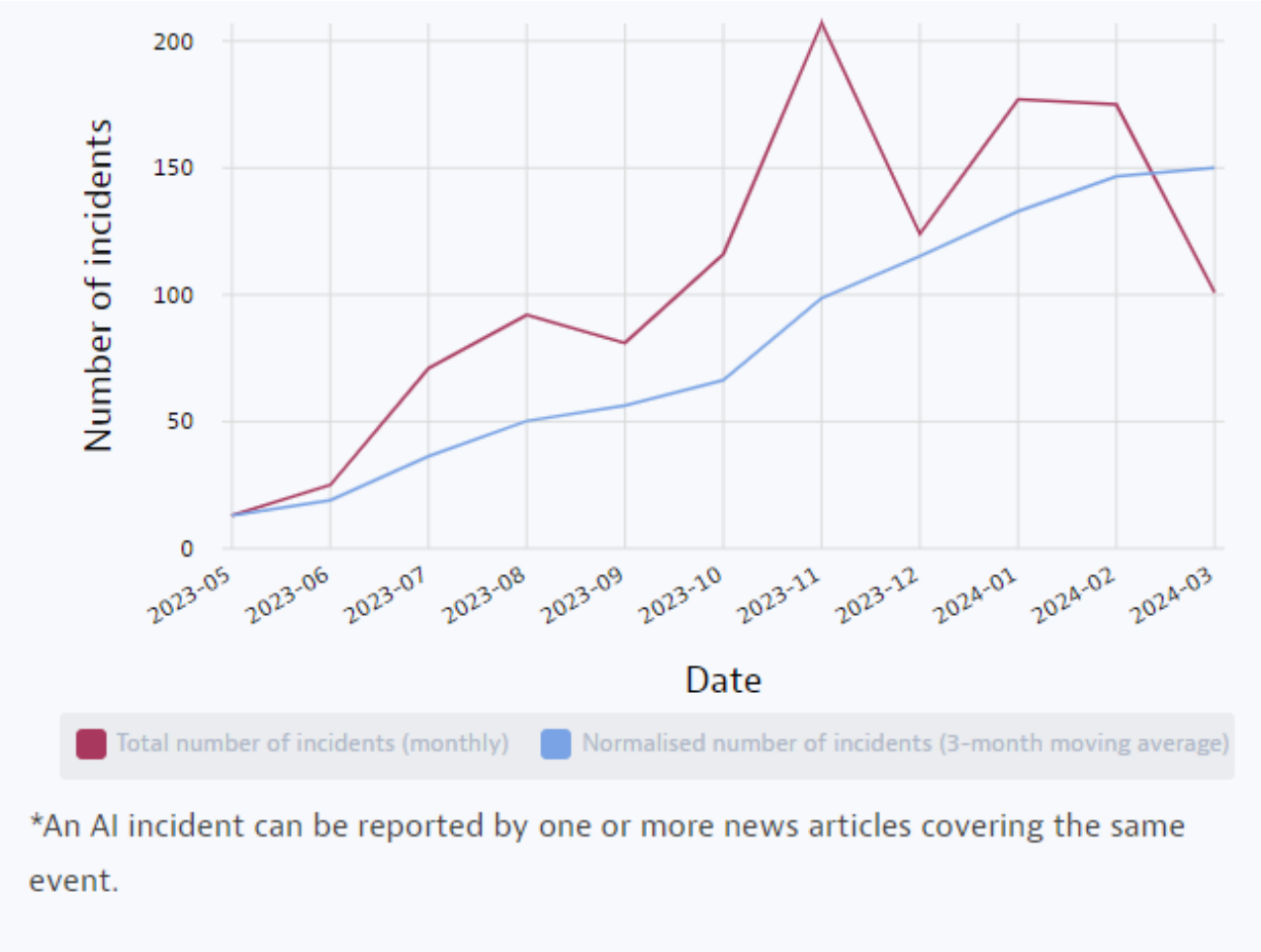
■ Strongly agree ■ Somewhat agree ■ Neither agree nor disagree ■ Somewhat disagree ■ Strongly disagree ■ Don't know

Both sectors - average



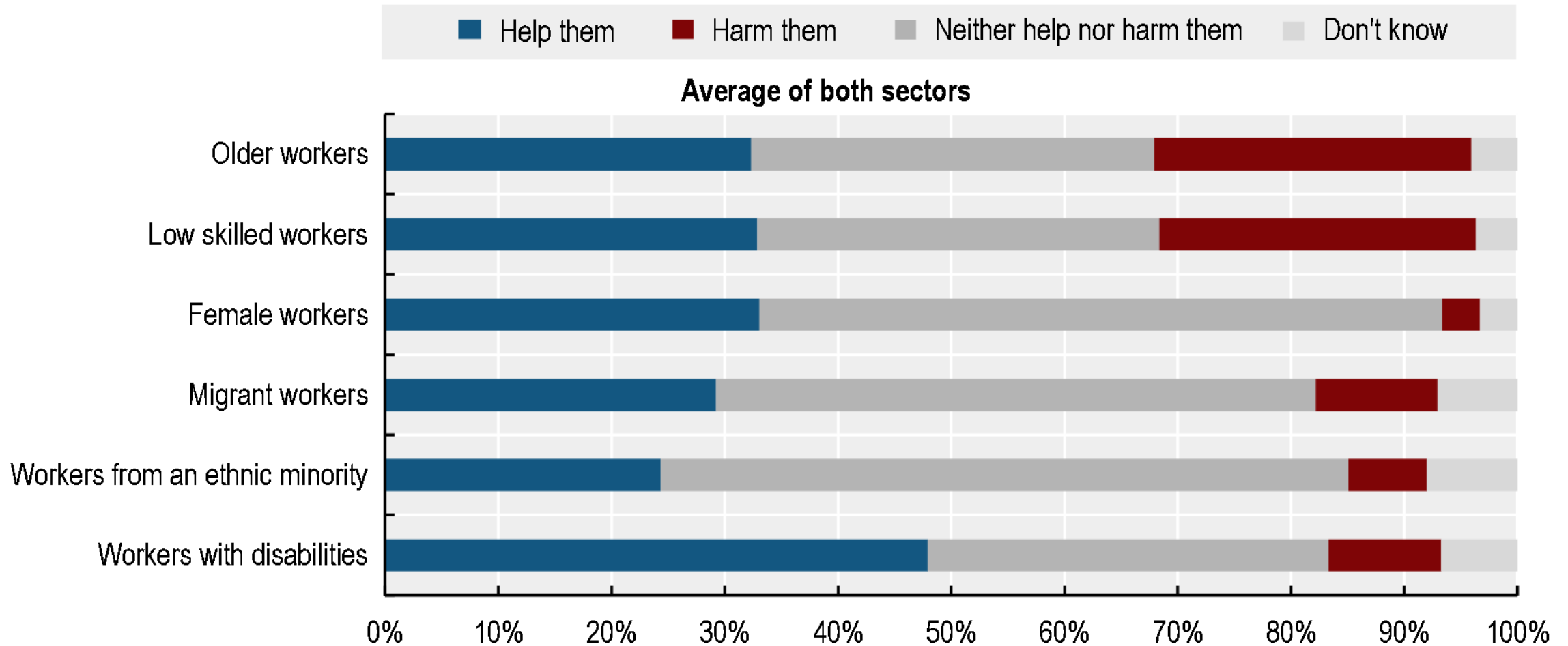
AI is increasingly in the news for the wrong reasons...

AI incidents affecting workers, past year




Some groups risk being left behind

% of all employers saying AI will help/harm certain groups




OECD Principles for Trustworthy AI


Values-based principles




Inclusive growth, sustainable development and well-being >




Human rights and democratic values, including fairness and privacy >



Transparency and explainability >



Robustness, security and safety >




Accountability >


Recommendations for policy makers




Investing in AI research and development >




Fostering an inclusive AI-enabling ecosystem >



Shaping an enabling interoperable governance and policy environment for AI >



Building human capacity and preparing for labour market transition >



International co-operation for trustworthy AI >



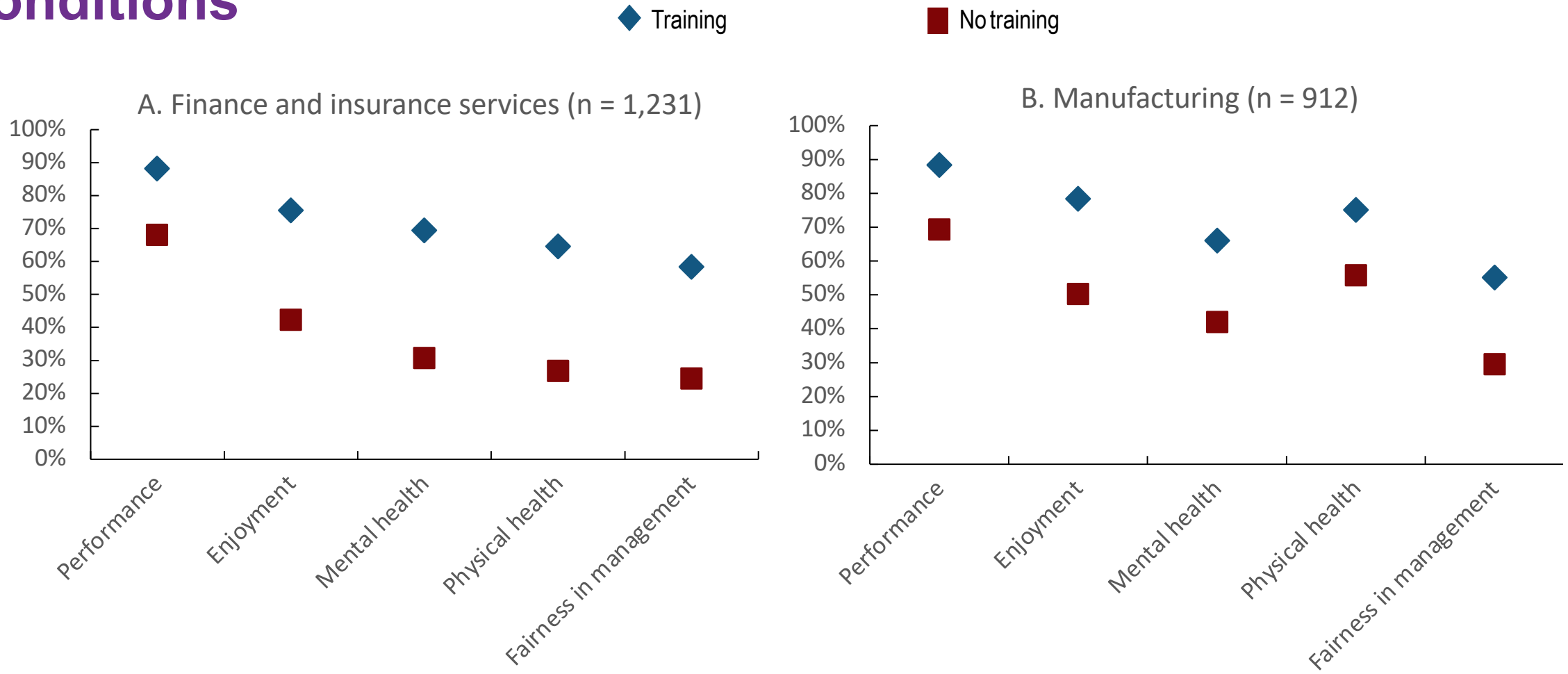
Labour market opportunities and risks mapping: Identifying the gaps



& development of an action plan



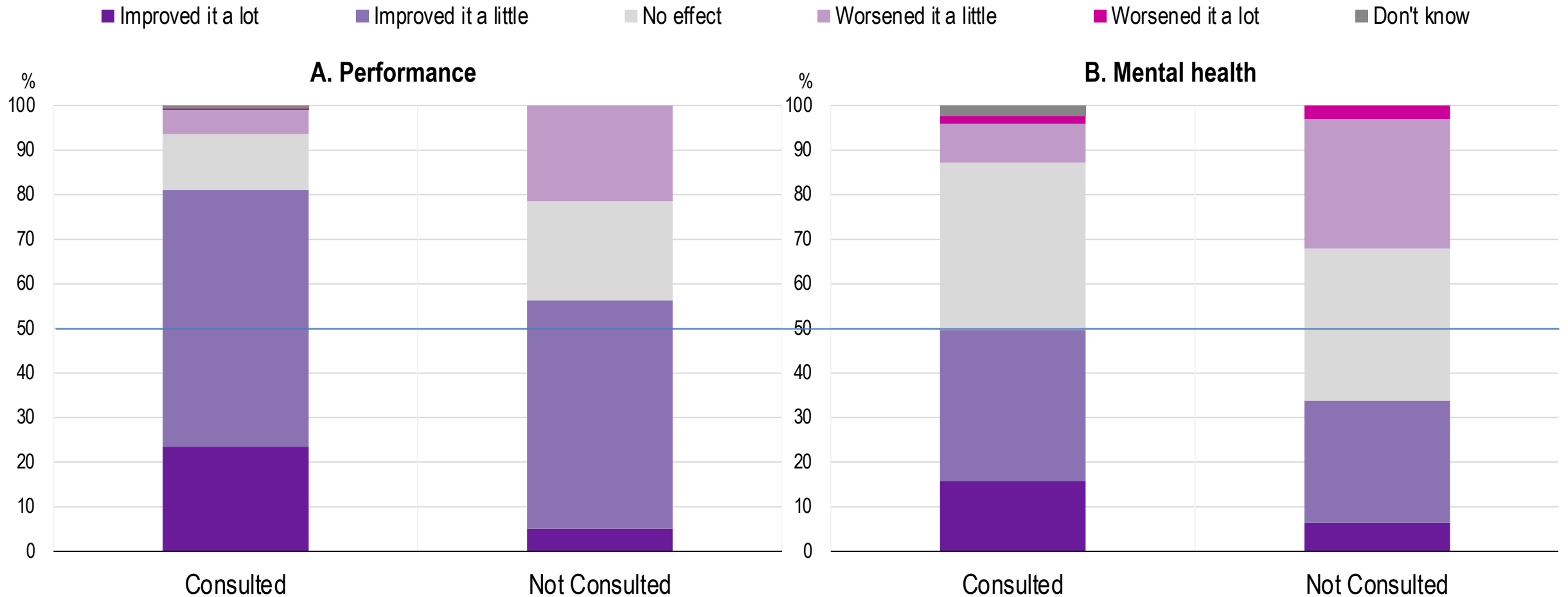
Workers who have received training are more likely to report positive outcomes of AI on performance and working conditions



Social dialogue can lead to better outcomes

The impact of AI on performance and working conditions, by worker consultation

% of workers who work with AI



Thank you

Find out more about our work at:

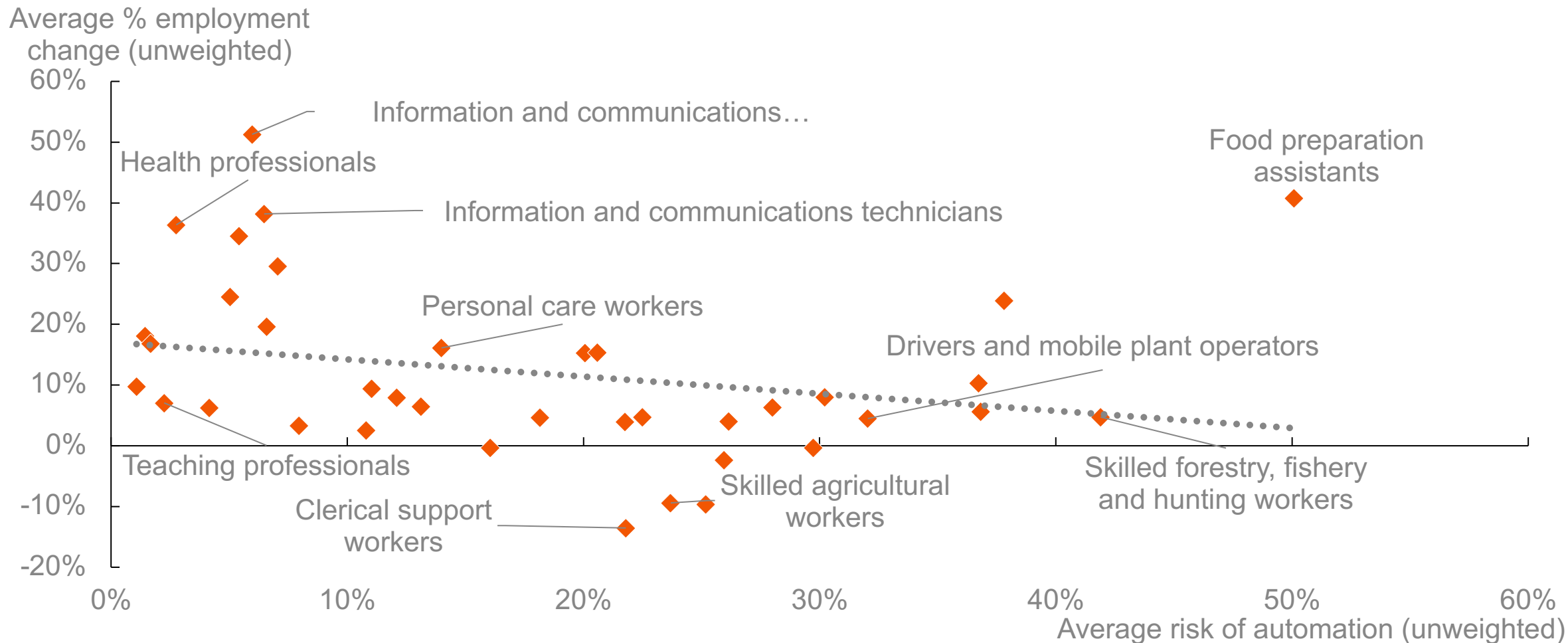
 <https://oecd.ai/en/work-innovation-productivity-skills>
<http://oe.cd/employment-outlook>

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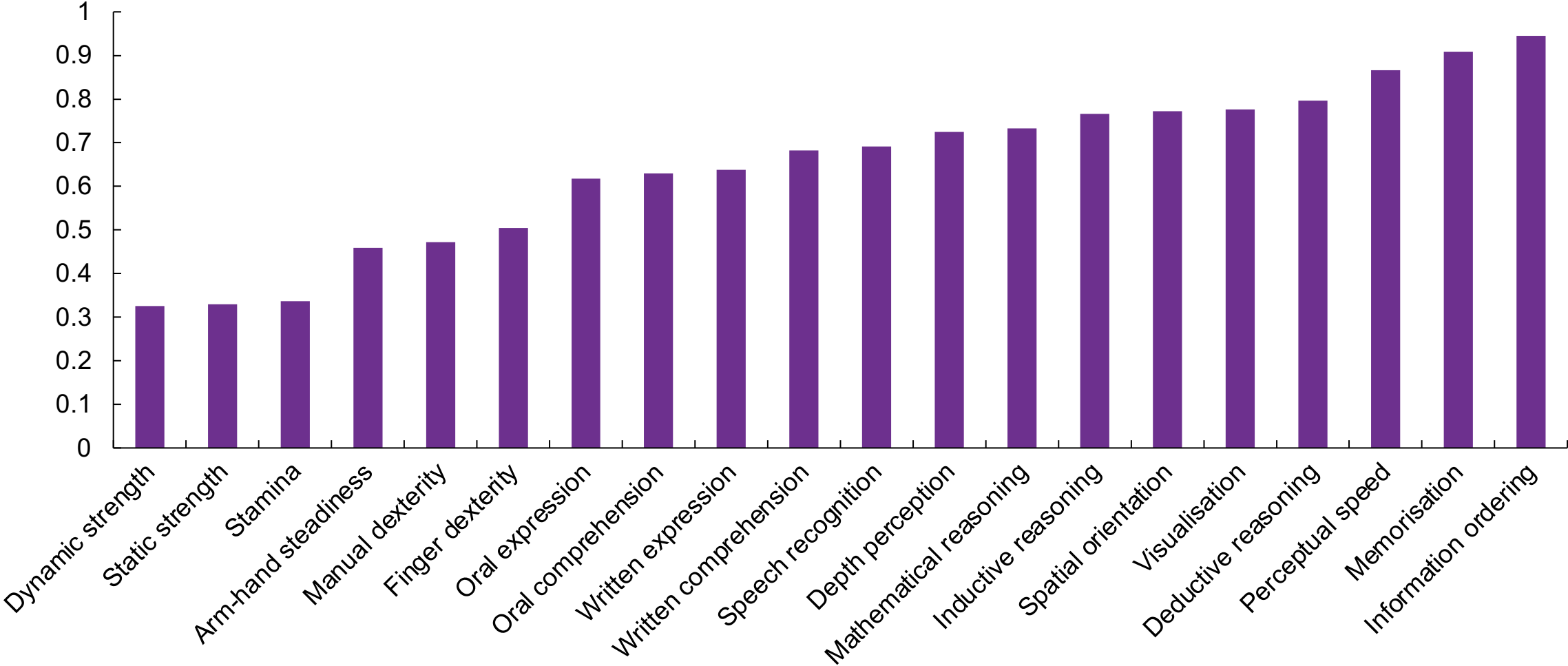
 stijn.broecke@oecd.org



Automation was affecting employment within countries: there was lower growth in high-risk occupations

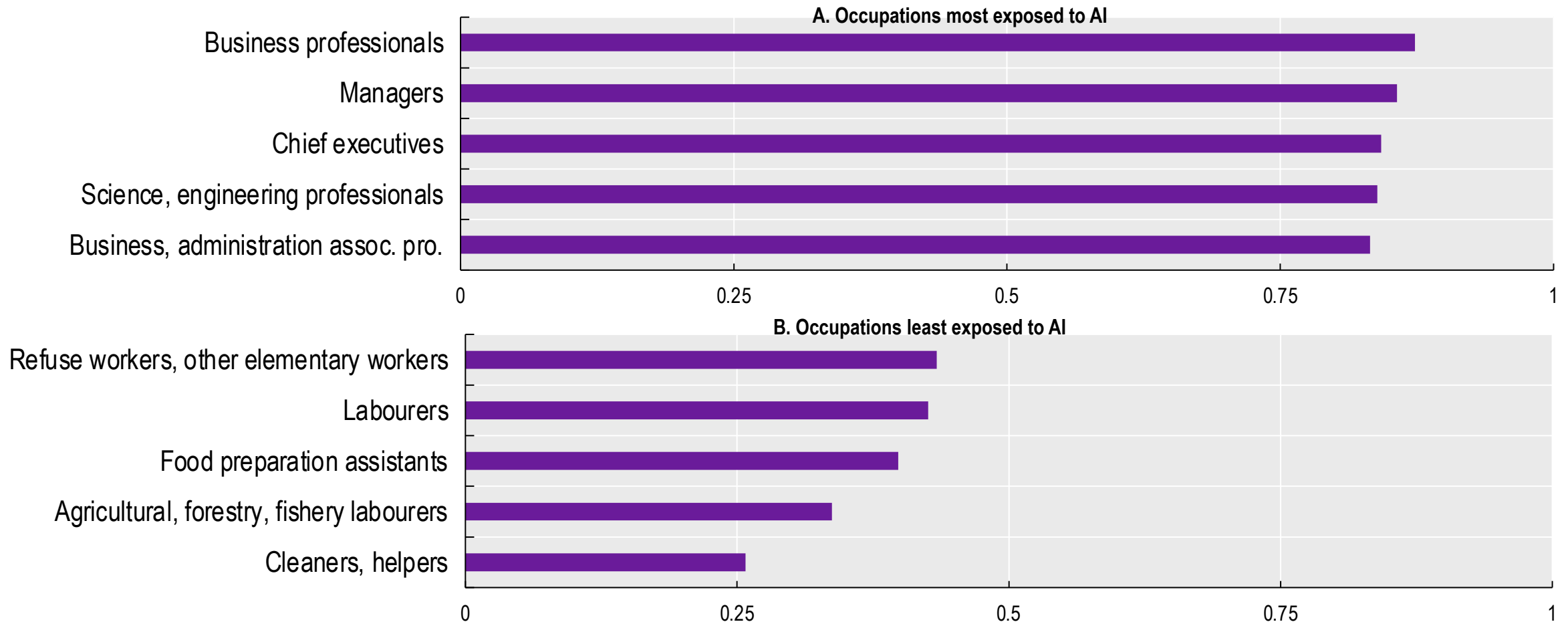


AI has made the most progress in abilities that are required to perform non-routine, cognitive tasks



High-skilled occupations have been the most exposed to recent advances in AI

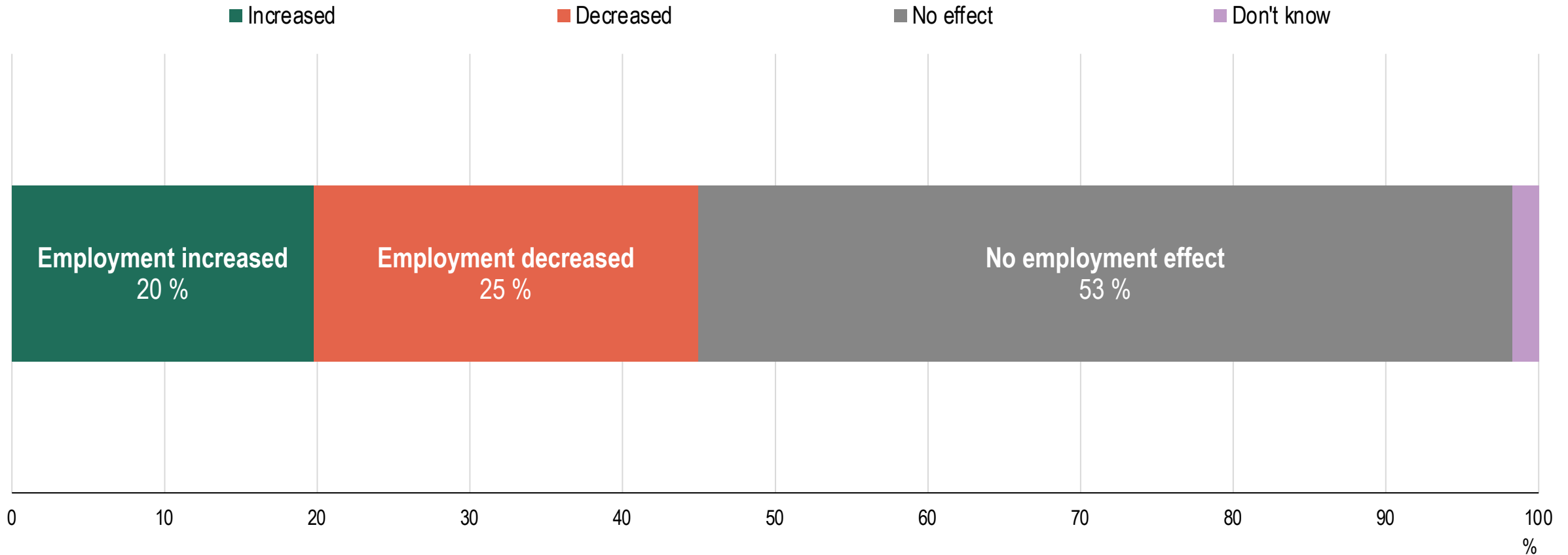
Average exposure to AI across countries by occupation



The impact on employment appears to have been limited so far

AI impact on overall employment in company

% of employers in manufacturing and finance sectors who say that employment has increased/decreased/stayed the same



Why is the employment effect of AI small (so far...)?

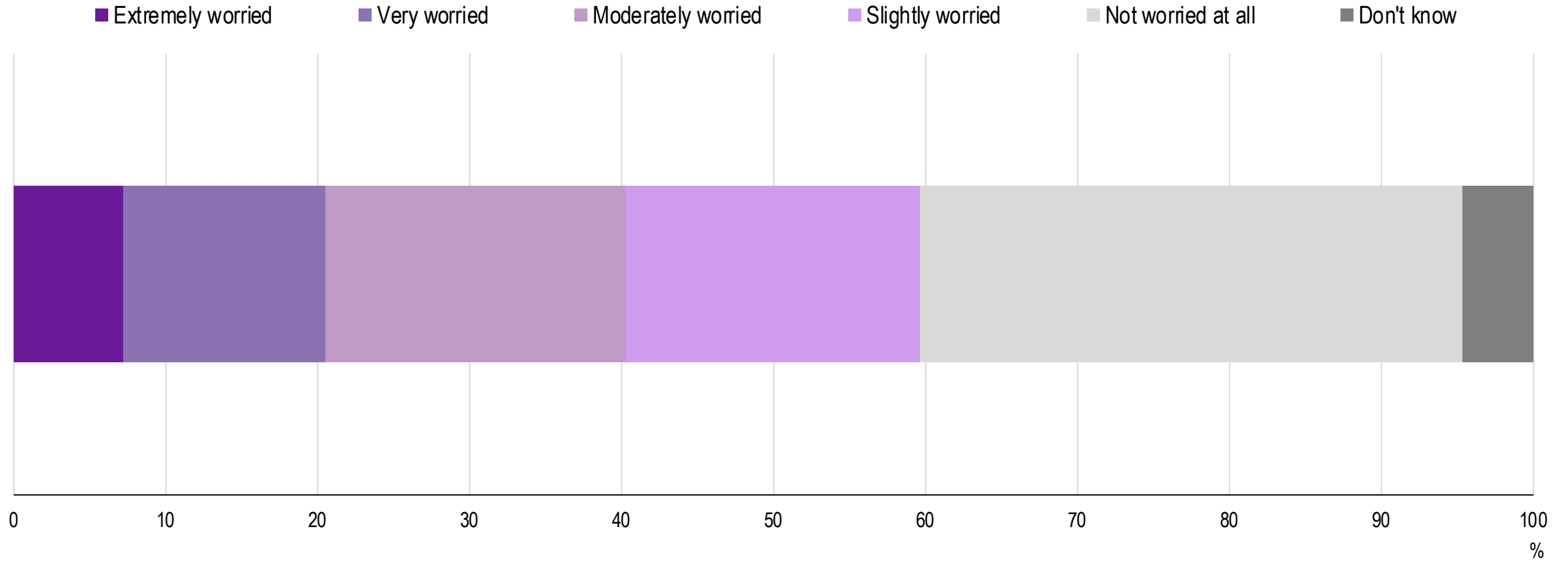
- Currently, AI adoption is low and the cost savings to firms are modest
- Firms rely on worker attrition rather than layoffs to adjust labour demand
- Given labour shortages, workers were typically reallocated within firms



Many workers are worried about job loss to AI

Share of workers worried about losing their job to AI in the next 10 years

% of workers



AI could help people with disabilities in the labour market

People with disability (PWD) face persisting difficulties in the labour market

Artificial Intelligence brings new risks for PWD

- Reliability
- Bias and discrimination
- Privacy
- Inequalities in use

Artificial Intelligence brings new opportunities for PWD

- Multi-purposed
- More personalised
- Well-suited for collaborative development
- Easier to integrate in mainstream technology
- Lower cost

Challenges to R&D

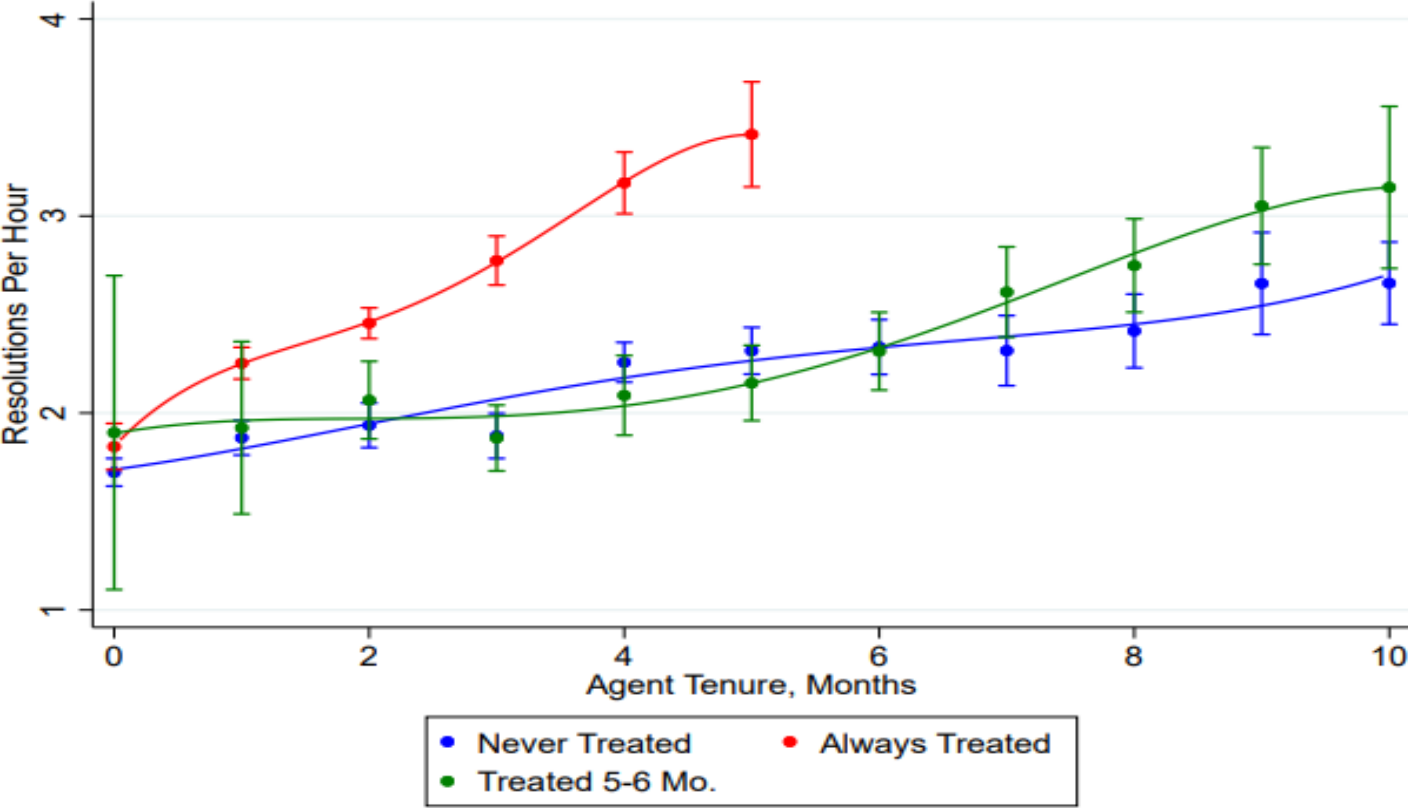
Challenges to commercialisation

Challenges to adoption



AI may be especially helpful for the low-skilled, and those with less experience

Call centre resolutions per hour, by agent tenure

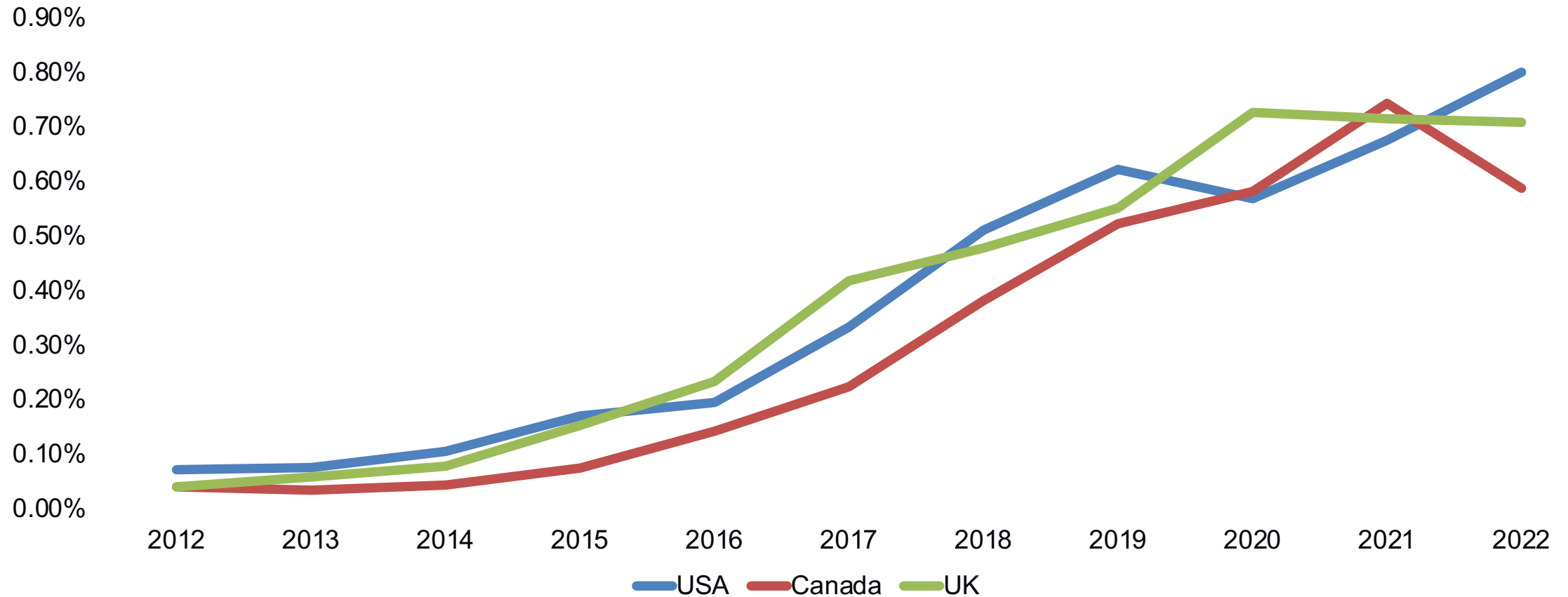


Source: Brynjolfsson, E., D. Li and L. Raymond (2023), Generative AI at Work, NBER WP no. 31161.



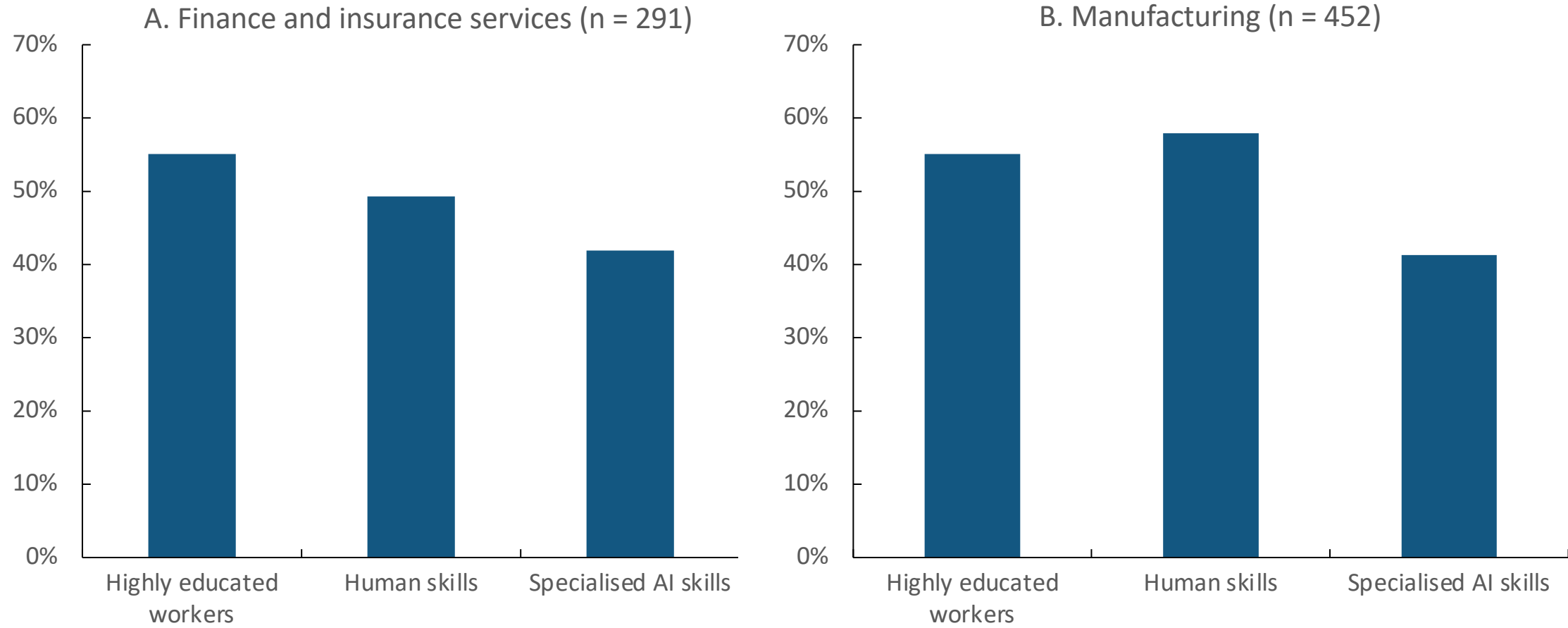
Workers with AI skills are increasingly demanded in the labour market

% of vacancies demanding AI skills



More employers say that AI has increased the importance of human skills than of specialised AI skills

% of employers that have adopted AI



Action is already being taken – but more will be needed

- 2019 OECD AI Principles (being updated)
- AI does not operate in a regulatory vacuum – but likely need to adapt policies
 - E.g. data protection and privacy, anti-discrimination, OSH, freedom of association
- Many countries are introducing AI-specific legislation
 - E.g. EU AI Act, EU Platform Directive, Executive Order on Safe, Secure, and Trustworthy Artificial Intelligence
- Who are the workers most at risk and how can policies be better targeted?

