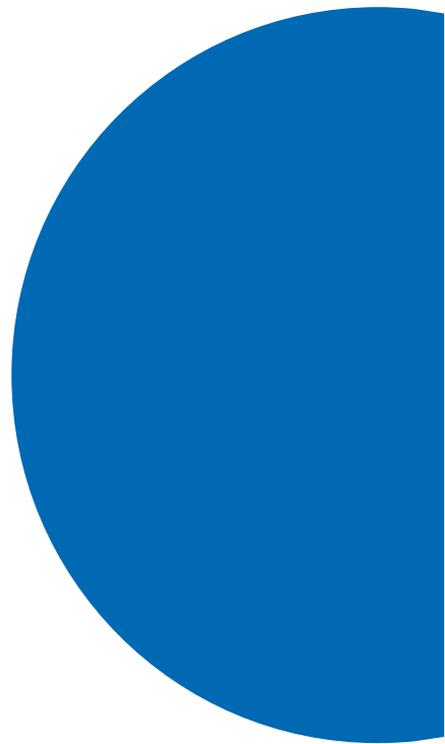




**FRANCE STRATÉGIE**

ÉVALUER. ANTICIPER. DÉBATTRE. PROPOSER.

# The Future of Work and the Challenges Facing the Welfare State





# Effects of changes already occurring in the workplace

**The causes of changes in the workplace:** not only technological reasons

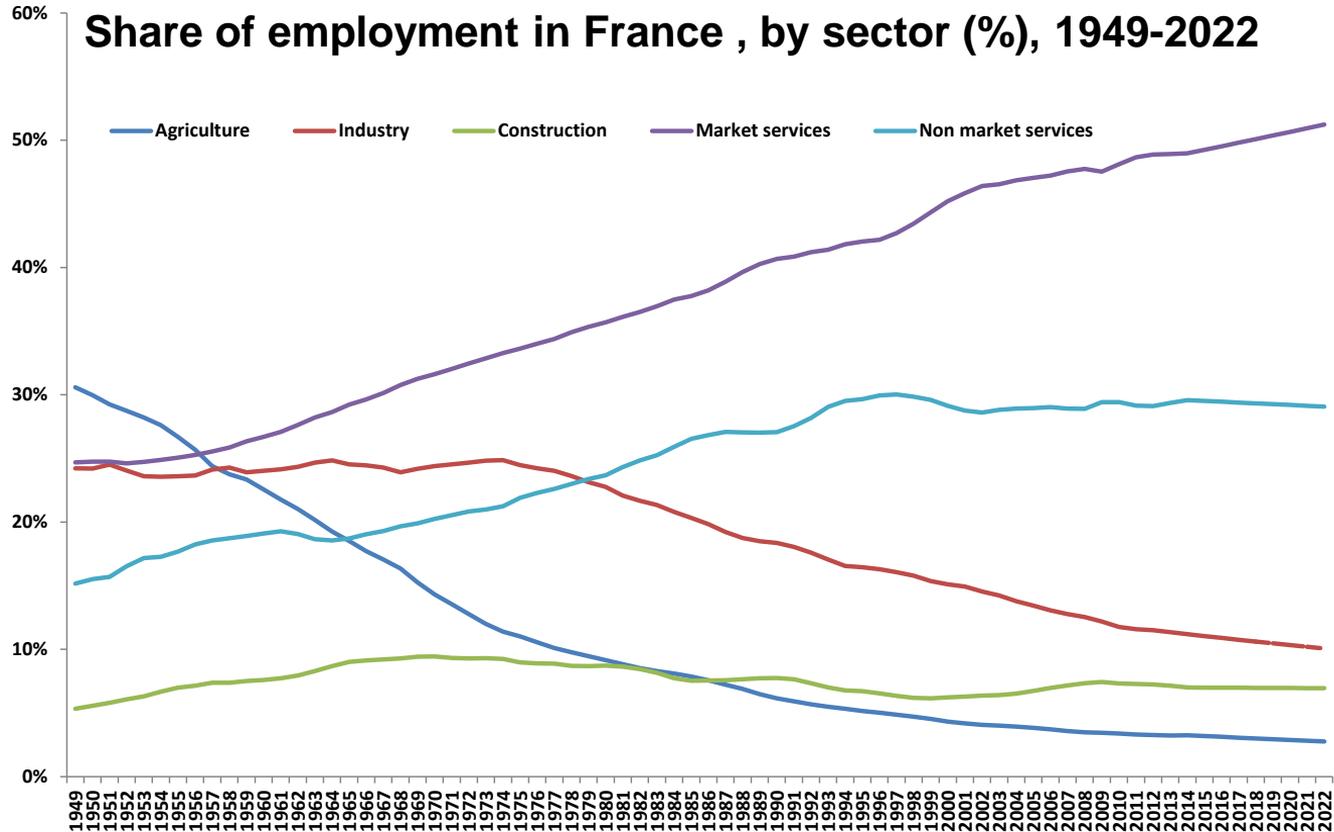
## **Several kinds of impact:**

- Impact on the sectoral composition of employment
- Skill-biased technological change, which increases demand for skilled labour only
- The increase of duality in the labour market, with insecurity at one end
- The growth in self-employment mainly among business owners without employees
- A certain blurring of the company borders
- More job versatility and more atypical and intermittent careers, which leads to a breakdown of social rights

## **Uncertainty associated with the size of the changes at work**



# The shift to the service sector: the impact on the level of employment?

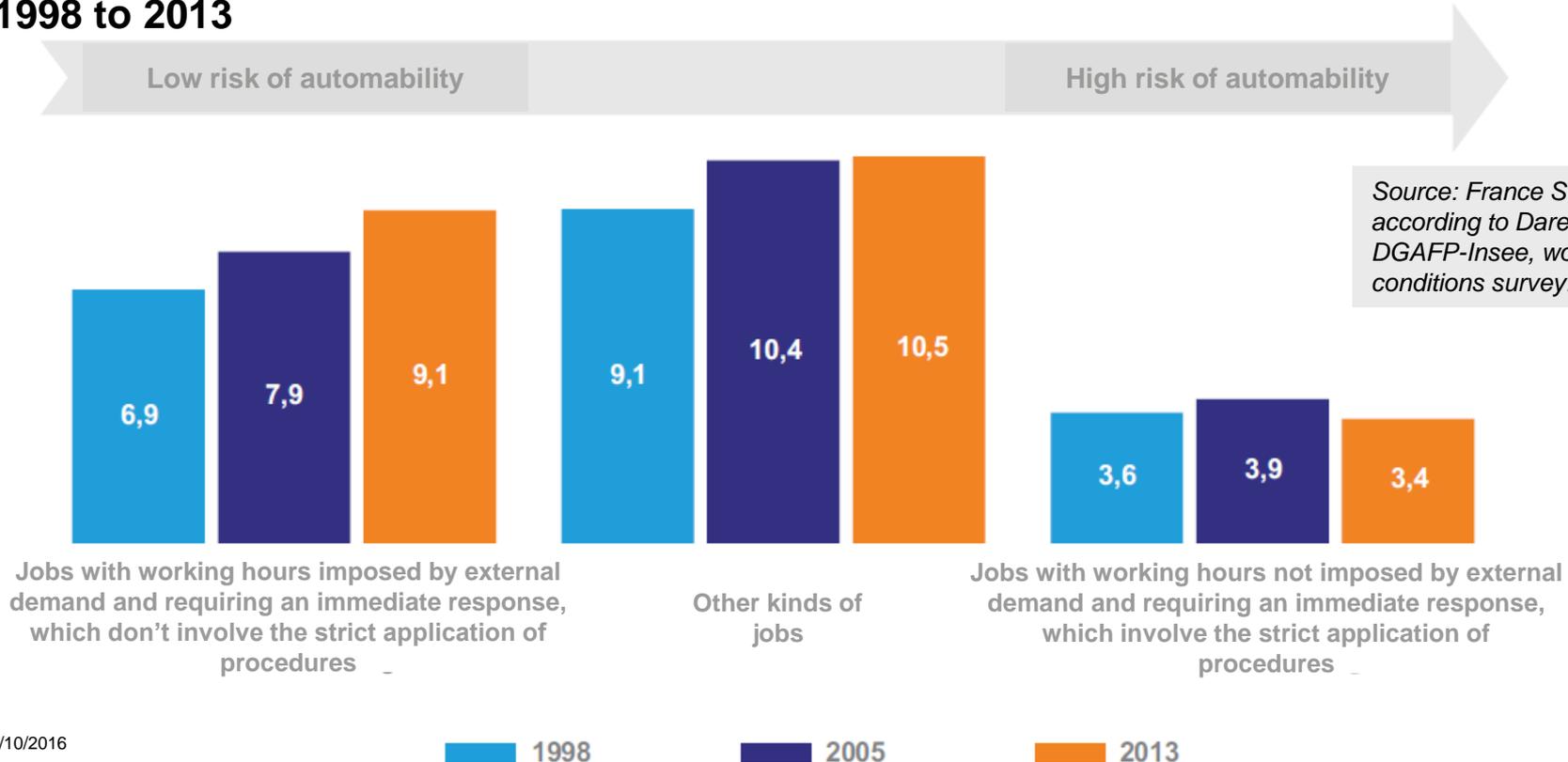


Source: Insee, Employment in full-time equivalents (on a national accounts basis), projections Nemesis-France Strategie

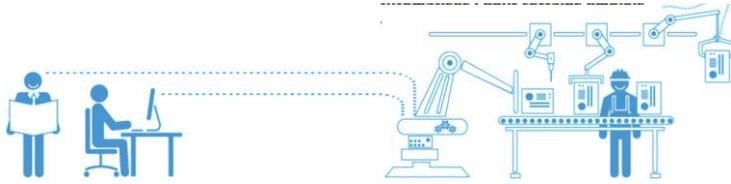


# Not all jobs are automatable

Jobs (millions), according to working hours and the strict application of procedures, 1998 to 2013

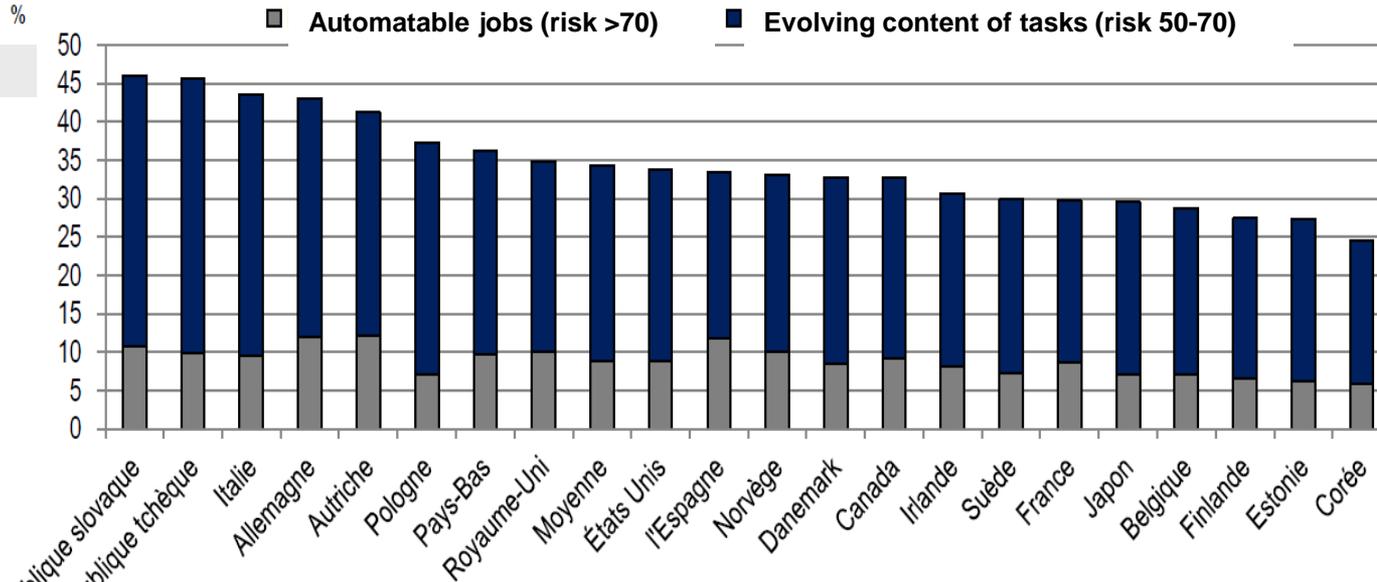


Source: France Stratégie, according to Dares-Drees-DGAFP-Insee, working conditions survey.



# Between 7% and 15% of jobs are fully automatable in France

Share of workers at high risk of automatability

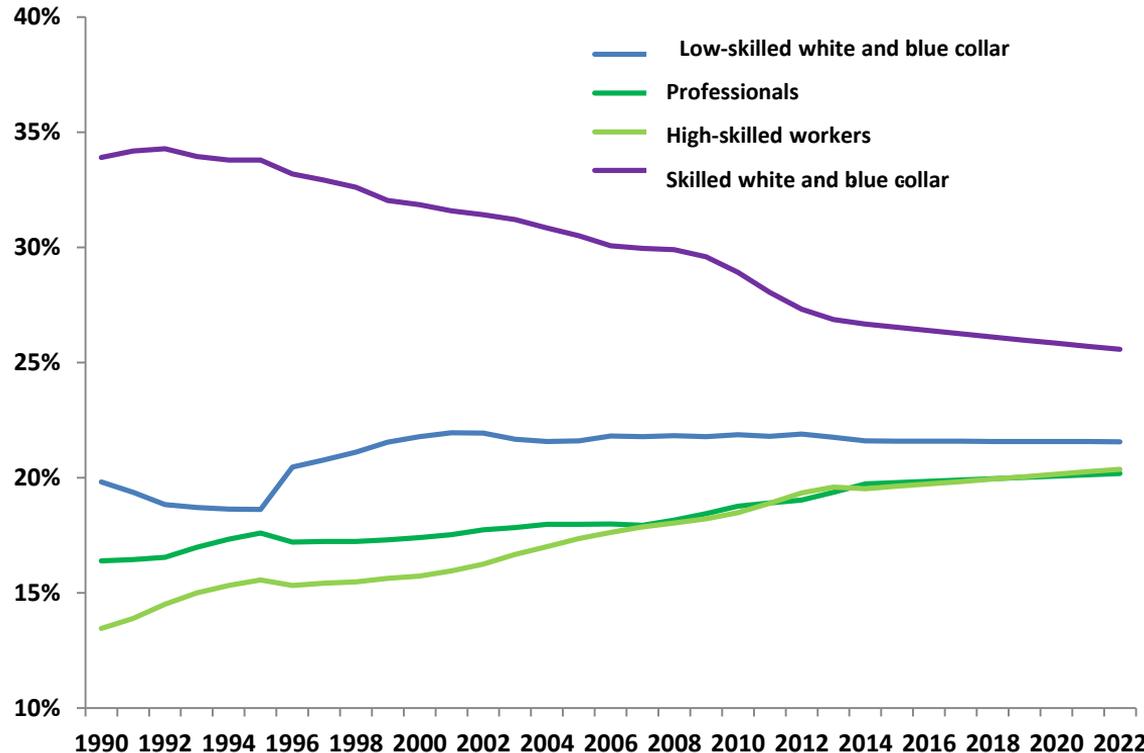


Source: OECD



# A slow polarisation of jobs without increasing the share of low-skilled workers

## Share of employment (%) in France, according to skill level, 1990-2022

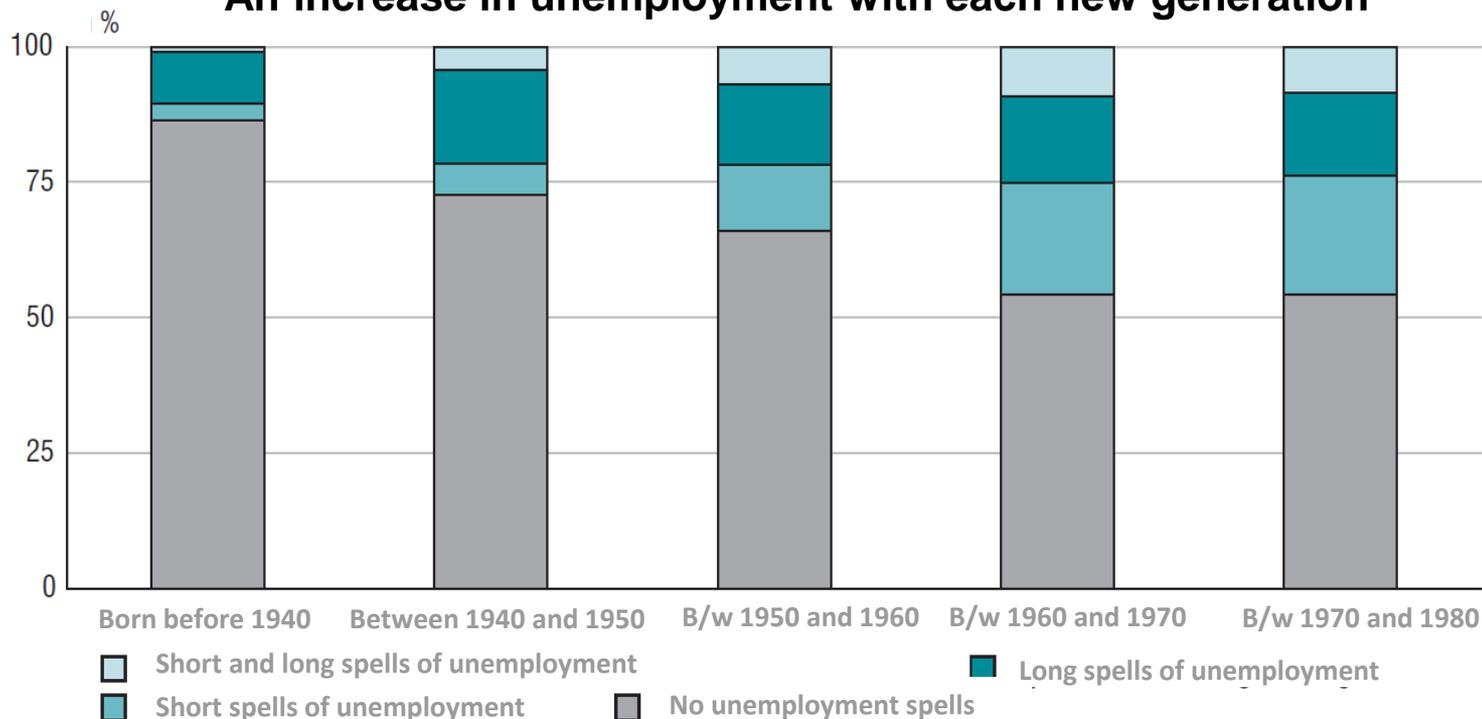


Source: Insee, Labour Force Survey, projections France Strategie-Dares  
Scope: metropolitan France



# Intermittent careers and variable income

## An increase in unemployment with each new generation

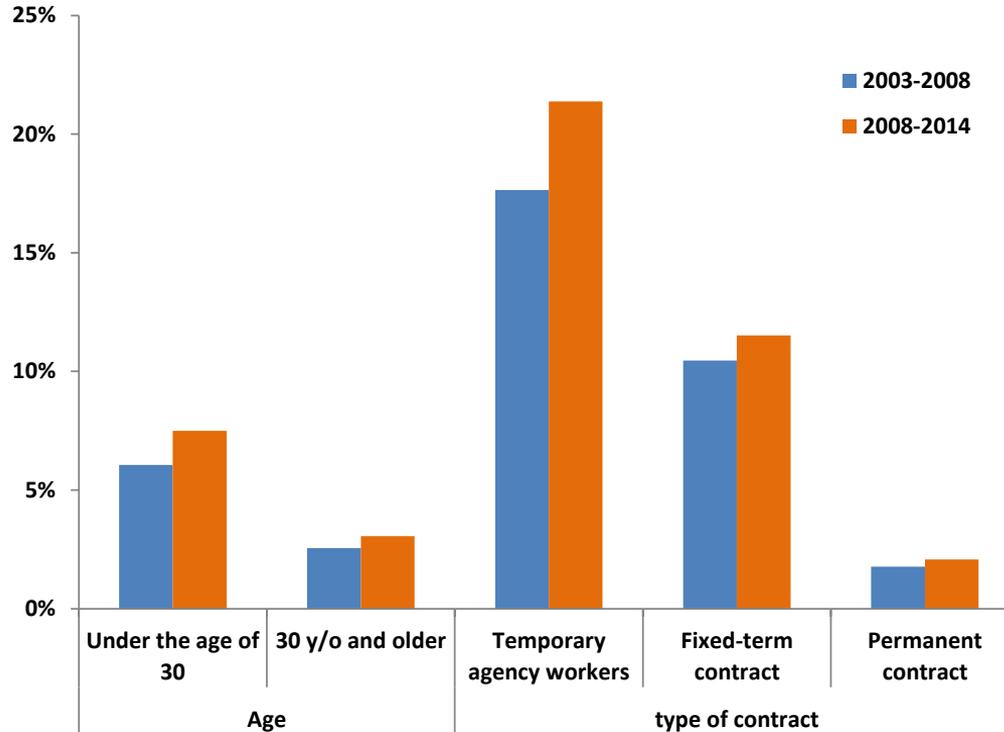


Source: DARES, DREES, Health and professional careers Survey, 2006  
 Note: in 2006, one person in two born after 1960 had been unemployed



# Higher episodes in unemployment

Transition rate into unemployment, according to age and type of contract, 2003-2014 (by year, %)

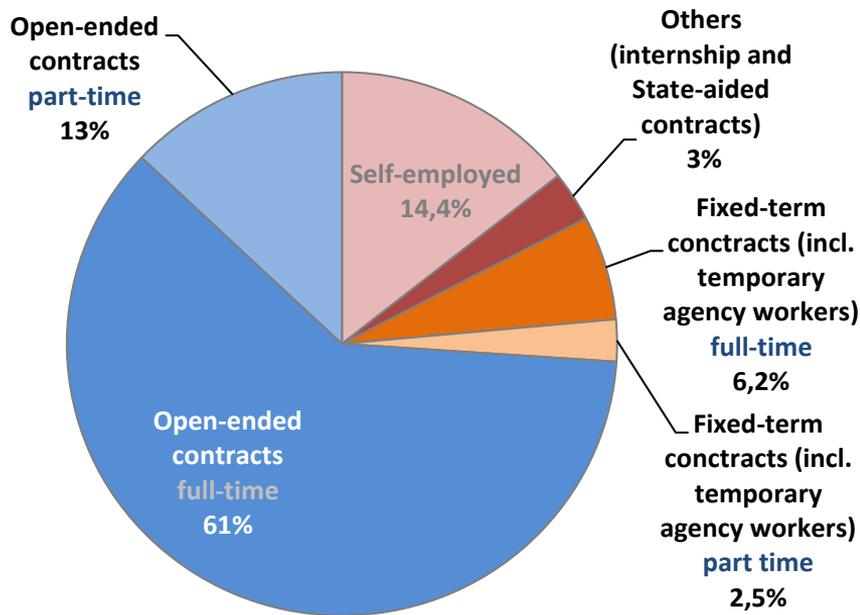


*Scope: metropolitan France, households, persons in work (except public sector) age 15 and up (age at the last day of the reporting period).  
Source: France Stratégie, on the basis of the Insee Labour Force Survey 2014.*



# Diversification of forms of employment and of working time

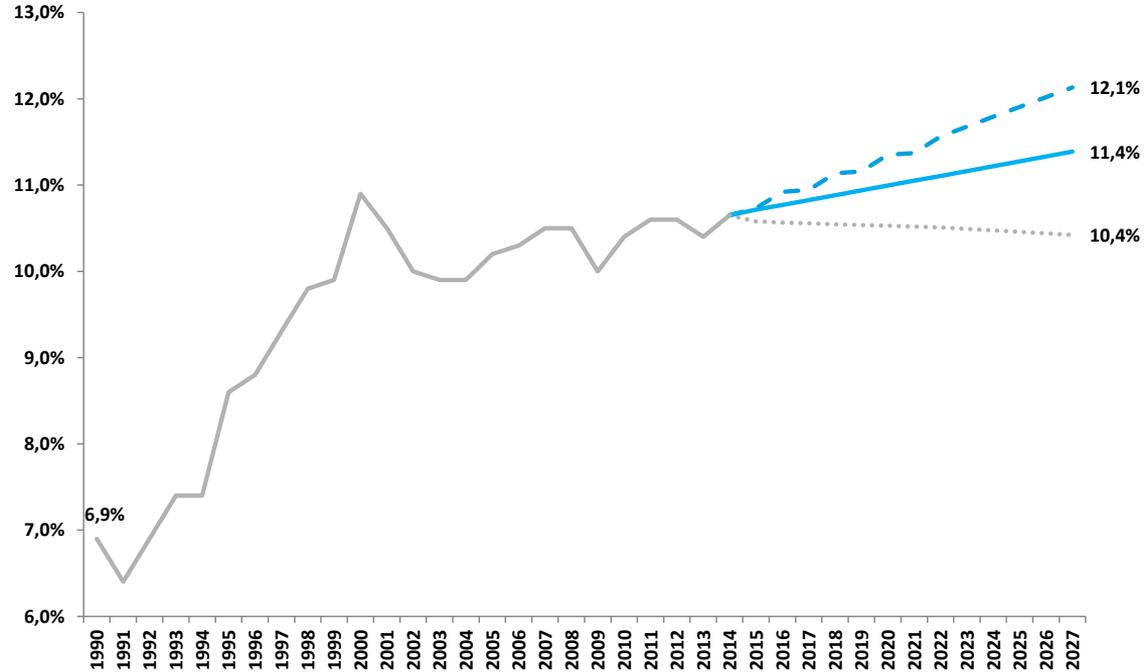
Employment share of full-time and part-time jobs, according to contract type (%)



Scope: metropolitan France, households, persons in work (except public sector) age 15 and up (age at the last day of the reporting period).  
Source: France Stratégie, on the basis of the 2014 Insee Labour Force Survey.



# Share of fixed-term contracts in employment, 1990-2027



Sources: Labour Force Survey  
Insee,  
projections  
France Stratégie

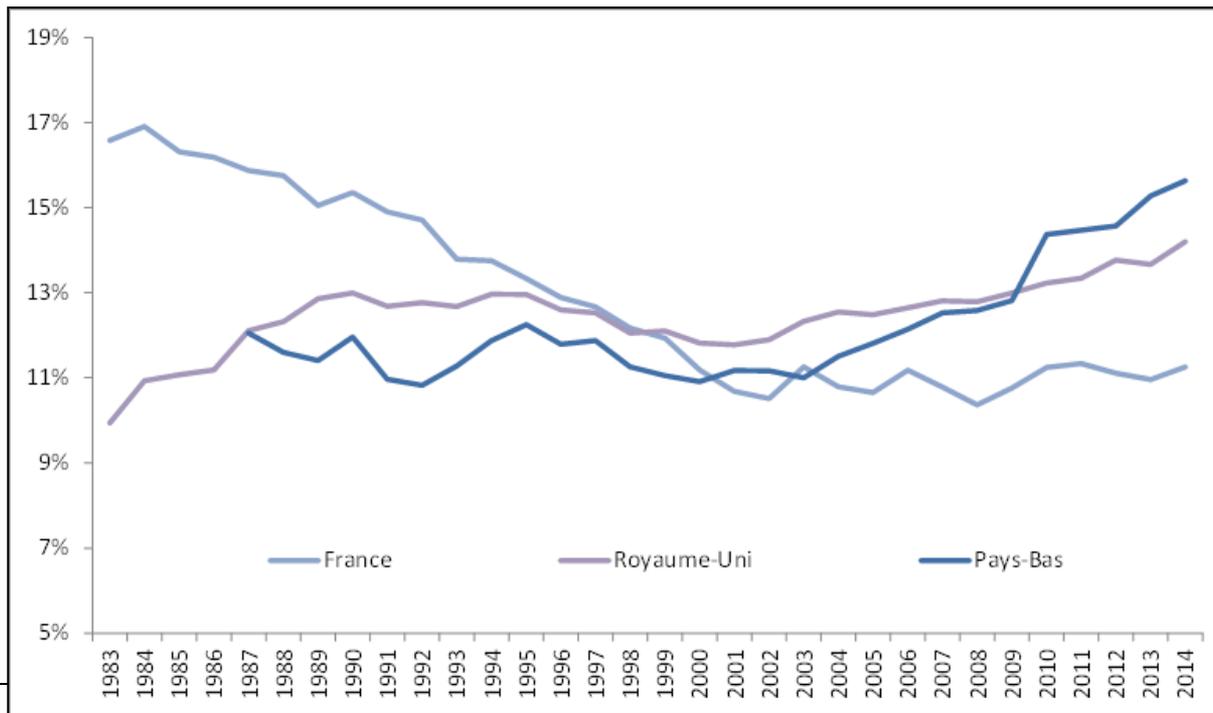
- Share of fixed-term contracts (FTC)
- - - Projections of the share of FTC according to its trend by occupation between 2004 and 2014 if it increases, otherwise the share is maintain to its 2014 value
- Projections of the share of FTC according to its trend by occupation between 2004 and 2014 if it increases, otherwise the share is maintain to its 2014 value
- ..... Projections of the share of FTC by occupation kept constant at its 2014 value



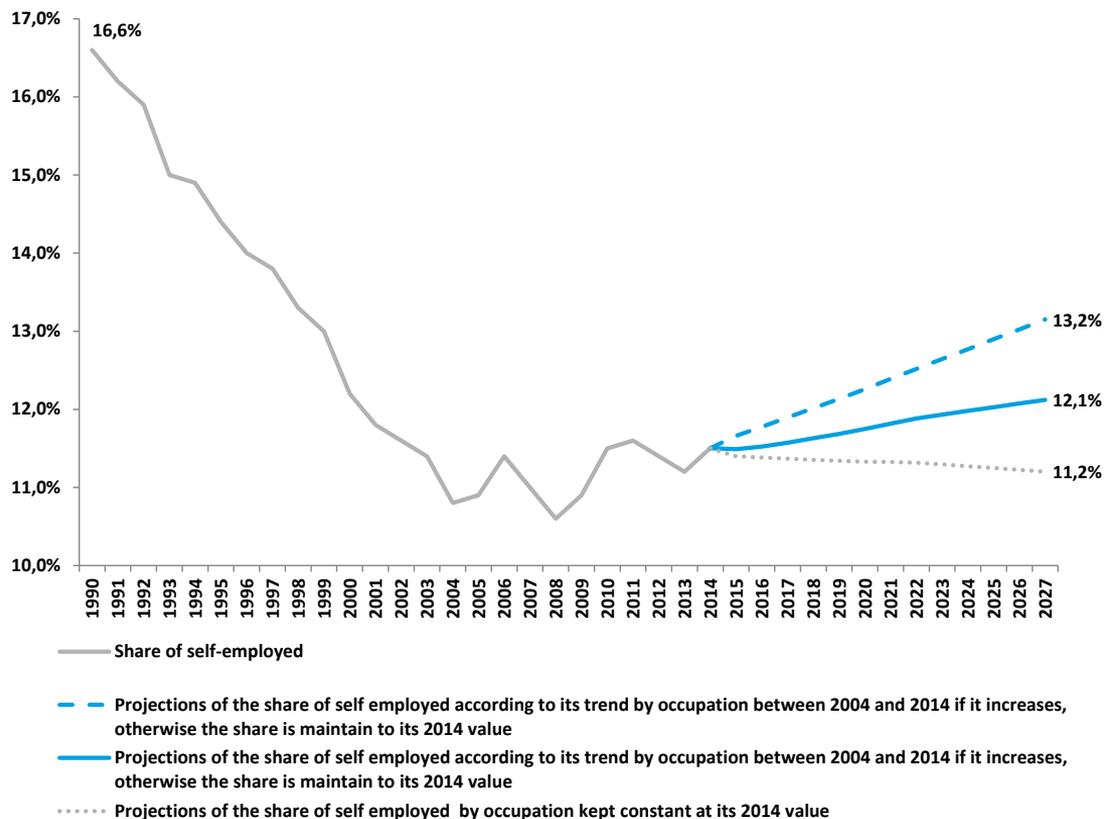
# Increasing employment share of the self-employed in France, the Netherlands and the United Kingdom

Employment share of the self employed in France, Netherlands and United Kingdom. 1983-2014.

Source: Eurostat, Labour Force Survey, population aged 15-64  
Scope: metropolitan France



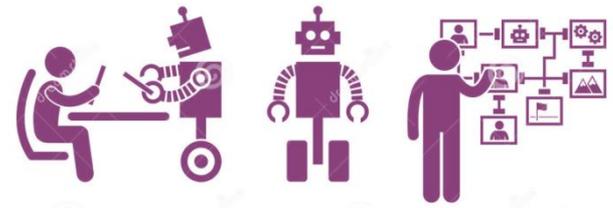
# Employment share of self-employed, 1990-2027



Sources: Labour Force Survey  
Insee,  
projections  
France Stratégie



# What is the future of work?



## Are new forms of employment going to replace permanent contracts?

In 2027, the fixed-term contracts and the self-employed will increase slowly: their employment share will reach a maximum of 25% (21% in 2014), and permanent jobs will still account for the major part (75%).



*Not taking into account a possible disruption*

## Will increased automation mean less work or/and more skills updating?

## What will work activity mean tomorrow?

Without a relationship with an employer, without a work place, without pay (volunteer, digital labour), etc.



# What impact on worker protection?

## What is certain and already occurring for some workers

- Breakdown of social rights (status change, moving from one company to another or from one industry to another, spells of unemployment)
- Some workers are less protected against risk of revenue losses (fixed-term contracts, self-employed without employees and without capital, youth)
- A permanent adaptation of workers skills is needed but access to professional training is uneven
- The need of new forms of collective bargaining

## Uncertainties regarding the amplitude of changes

The options within the debate are closely related to the vision for tomorrow of their supporters. But everyone is convinced that a change in workers protection is necessary.



# Options at stake in the debate

Still working together

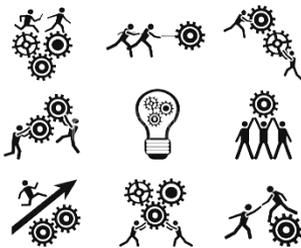


**Adapting labour law and social protection to work changes**

*not too much will need changing*

**Universalising the labour and social rights at work**

*big disruption should be accompanied by the reform of the 21th century*



Separated and connected

No more work



**A universal income disconnected from work**

*not enough work for all*



# Adapting labour law and social protection to work changes

**Extending the salaried contractual relationship** (vs self-employed one)? By law, by the court, by collective bargaining?

**Further protecting the self-employed and fixed-term workers** (better social benefits for discontinuous careers, extending protections to some self-employed workers, etc.)

**New forms of collective action** and collective bargaining

**Securing employment transitions**

CPA: an individual activity account to accumulate points for job-related training and education, days off not taken and strenuous work, making benefits portable, adapting them to people rather than jobs themselves



# Universalising the labour and social rights at work

## **An occupational right without distinguishing between self-employed and salaried workers**

A common set of rights for all workers (on the basis of ILO fundamental labour rights or beyond?)

Labour rights growing according to the degree of subordination (what those levels should be and how to measure them?)

## **Social drawing rights**

Individual social rights for all social protection (unemployment insurance extended to self-employed, social benefits and unemployment insurance to guarantee a minimum welfare support for the poorest workers and extended to youth)

This rights still derives from the work of insured individuals and their investment in such an insurance ( $\neq$  universal income financed through tax revenues).





# A universal income disconnected from work

## **A universal income accounting for all the system of social protection and assistance**

An unconditional cash payment given to all citizens including the children  
Total replacement of social benefits and full disconnection from work

## **What level of income and how to finance it?**

A basic income for the lowest incomes or a liveable level for all?  
Depending on the level, replacement of some or all social-spending programmes (including health and education maximum) and tax increases are required

