

High-Level International Conference

Towards a Digitalized World of Work: What Future Works for All?

In the context of the International Labour Organization's Centenary

3rd Parallel Session

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M. K. Čiurlionio 84, Vilnius, Lithuania



Ministry of Social Security
and Labour of the Republic
of Lithuania

3rd Parallel Session: Future of work without inequalities— gender and youth perspective

Chairperson: Prof. Dalia Leinartė, Vytautas Magnus University, Member of the UN Committee on the Elimination of Discrimination against Women

Participants: heads of delegations of Member States, international institutions

DISCUSSION POINTS:

- *What are the most important policy priorities on gender and youth inequality issues in the labour market? What are root causes and main symptoms?*
- *How can early intervention measures contribute to decreasing these types of inequalities? What measures have proven to be effective?*
- *How can governments be more responsive to the concerns of the disadvantaged groups?*
- *Economic benefits of gender equality: how closing the gender gaps in labour market activity and pay leads to economic growth?*

Aim: To highlight sources of and remedies for inequalities in the future of work. Women still suffer under labour market discrimination (e.g. wage inequality, worse protection, lower participation and unpaid care work), while youth struggle to find jobs, especially decent jobs.

Context: Discrimination in the labour market is one of the most persistent challenges for women and youth. Both groups stand out through higher than average unemployment rates and lower participation rates, and are more affected by the increasing prevalence of non-standards forms of employment (incl. part-time and temporary employment), lower social protection coverage, lower income levels and various other detrimental factors.

While there have been advances in the region in decreasing gender gaps, these have been slow and gaps remain large in most countries. Particularly the gender pay gap remains a pressing issue, as women account for 50 to 60 per cent of all employees in the bottom 30 per cent of paid jobs, but only 20 per cent of the highest paid 1 per cent. Meanwhile, women in nearly all European countries are more likely than men to be employed in part-time work. This difference is even more extreme in jobs with very low hours (<15 hours per week), and a substantial share of these women find themselves in part-time employment involuntarily. In high-income countries, women spend on average two hours more per day on unpaid care work than men do. Combined with paid employment, women spend about half an hour more per day working than men – a fact that is neither reflected in their income nor their entitlements to social protection. Disadvantages in the labour market are especially severe for mothers of young children, while fathers actually benefit by having a higher labour market participation rate than non-fathers. Women in employment are overrepresented in a narrow range of sectors and occupations (including in care and domestic work), where low quality jobs, informality, inequality and precariousness prevail.

With globalisation and rapid technological advances, boundaries between work and the home are blurring. This has meant increasing challenges for workers to be able to successfully reconcile the conflicting demands of paid work and their personal lives. Dramatic increases in women's labour force participation and the resulting demise of the so-called "male breadwinner" model have often resulted in a "double burden" for women. In addition, with the aging of the workforce in many countries, there are increasing concerns about how workers can address the needs not only of their nuclear families, but of their extended families as well (e.g. elderly parents, disabled or ill relatives, etc.). This provides a number of challenges, including finding appropriate working time arrangements and forms of paid leave to ensure equal participation in the labour market. Ensuring that unpaid care work is divided more evenly between men and women should be a priority for decreasing the gender pay gap and increasing formal labour market participation of women.

Finally, while Artificial Intelligence can make hiring processes more efficient, it can also reinforce biases in the hiring process if algorithms are not created with special attention to potential discrimination.

Meanwhile, the challenges for young people seem to have worsened since the global financial crisis. While the current generation of the young is the most educated to date, young people face unique challenges as they enter the labour market. Youth unemployment has decreased since the peak of the crisis, but remains high in much of Europe. The share of youth neither in employment, nor in education or training (NEETs) in the region ranges from 5 per cent or fewer in the Netherlands and Norway to over 30 per cent in Albania and Armenia. Even in countries with low unemployment, young people often struggle to find positions that match their qualifications.

With all these challenges, the question arises, are there fundamental differences in the labour market today? Have these increased the skills mismatch? Increased specialisation of jobs due to technological advances and an increased need for socio-emotional skills due to the rise of the service sector are two examples of how youth today need a different skill set than previous generations. One way to meet the needs of employers is to design curricula together with industry representatives, including workers, and also offer practical training within enterprises. Information flows on labour market needs also must improve and can be aided by adequate labour market information systems. To decrease skills gaps, solutions need to be found that hold relevant stakeholders accountable and ensure stable financing.

Early-life interventions can also have large impacts, with mounting evidence that public healthcare; education, early childhood education and care (ECEC), and reduced income inequality have markedly positive effects on later results in the labour market. The provision of high-quality public services in these areas is not only fundamental for breaking the inter-generational cycle of poverty and social exclusion by providing better opportunities for the next generation, but also in minimizing present inequalities and enabling parents to participate in the labour market on an equal footing.

Meanwhile, both women and young people are more negatively affected by the continuing shift towards non-standard forms of employment – including part-time and temporary work - while older men continue to benefit from the benefits of the standard employment relationship. The resulting lack of security in terms of job quality, benefit entitlements and career development have negative effects on family planning and purchasing decisions of these groups. How does this impact demographic composition and aging in Europe?

To address the outlined challenges, social dialogue will be critical, especially dialogue that includes representatives of disadvantaged groups. Yet, social dialogue faces challenges of its own, including poor representation especially in those sectors where women and young people are predominant. Outreach strategies of traditional social partners and governments need to adapt to the changing world of work and modern culture to better address the needs of women and young people. In addition, collective bargaining needs to expand its scope beyond wages and working time to better reflect the needs of these groups and give them a voice in their work environment. How should social partners adapt to meet these challenges?

Moreover, there is a need for systemic strategies that can boost labour demand and facilitate more diverse career paths. For these, we need to think outside the box of traditional labour market policies and develop holistic approaches that incorporate fiscal, monetary, education, social protection, industrial, trade and employment policies. Targeting of vulnerable youths and women should also be considered in all these aspects, starting by creating a sound evidence base on potential impacts. Existing and future challenges need to be addressed through better policies, but also by changing social norms.