



TASK FORCE IV

CHANGING WORLD OF WORK: NEW EMPLOYMENT OPPORTUNITIES IN G20 COUNTRIES



**Changing World of Work:
New Employment Opportunities
in G20 Countries**

TASK FORCE IV

TASK FORCE IV- CHANGING THE WORLD OF WORK: NEW EMPLOYMENT OPPORTUNITIES IN G20 COUNTRIES

India's theme for its G20 presidency, *"One Earth, One Family, One Future"*, summarizes the need for unity of purpose and unity of action, it also includes fundamental implications on labor and work issues. The report analyzes critical inputs regarding changing world of work and new employment opportunities in G20 countries, which accounts for more than 60% of the world population. The concept of decent work holds significant importance with discussions on certain critical points, which are not only interconnected but impact on either affects other aspects in context of labour issues across the world. With women and future of work as one of the core themes for L20 Summit, the changing world of work and new employment opportunities hold focal significance. It seeks to look into relevant issues of the types of new opportunities that have emerged and can emerge in the constantly changing world of work. The issues that accompany along with new employment opportunities is the quality of work, especially in context of developing countries and countries not only with demographic dividend skewed in their favor and those which are facing the challenge of an aging population. The jobs in emerging world, specifically in G20 countries that contribute to around 85% of global GDP, ought to be inclusive in nature, taking into consideration the vast informal sector and women, which constitute as a significant factor in future of work. The policies designed and their effective implementation underlying the vision of growth and all- encompassing development, with corresponding skill development offered by different stakeholders is vital, covering governments, private, civil society actors sharing the responsibility of molding the large labor force into an asset for not just development of respective countries but bringing out the individuals to their best potential well-being.

Technological Innovation and Globalization: New Employment Opportunities and Collateral Effects

The world of work is changing rapidly and new employment opportunities are emerging in all G20 countries. However, workers in different parts of the world have been affected quite asymmetrically by technology and globalization. Globalization and increased pressures to relocate production have narrowed the margins of workers' bargaining power. In order to understand this complexity, we need to keep a close eye on long-term trends influenced by the drivers of change such as globalization, digitalization, demographic shifts, climate change and structural transformation processes. The ongoing and apparently never ending process of technological innovation is well described historically by academicians. Indeed, as history tells us, over time new types of employment opportunities are created while some other types are destroyed. The two main points are that both the quantity and especially the quality of these new jobs are questionable (i.e. deviating from a permanent full- time dependent employment status in the formal sector). For instance, we know that a job is something relevant to our overall wellbeing, not just in the term of decent pay, but also for the mental wellbeing¹



self-esteem of people. The introduction of new technologies in the past has required long periods of structural and socio-economic "adjustment". The current era is changing so fast, however, that there is no time for adaptation. Moreover, given the strong instability of the system, the new employment opportunities affect the "work-life balance" and health outcomes and, thus, in turn, the people, community and planet's wellbeing.

The new employment opportunities, especially for unskilled and low-paid workers[1], can be problematic (for example very short, very long, and unpredictable working time requirements) with no or ill-designed arrangements due both to the fierce competition and firms' constant search for profit and to an increasing weakness of collective bargaining (such as an institutional mechanism to establish negotiated standards regarding pay, working time, and other working conditions), and appropriate legislation and enforcement. This is creating new forms of "hidden employment" that circumvent labor laws and other obligations. In addition, the new employment positions require new skills to be developed.

In other words, the structural dynamics and powers at work, are creating 'good' or decent jobs only for a limited number of high-skilled people producing increasingly unequal societies. The problem is technological innovation, so far, is almost always driven by profit and not for people or good quality jobs. Indeed, we need to rethink innovation and the policies for R&D for sustainable human development rather than profits. Machines are more and more capable of performing human activities, even better than humans themselves, and have generated increasingly strong pushes towards the replacement of the latter. On the one hand, this dynamic has certainly produced very positive effects: an increase in labor productivity (in terms of value added) and growth in incomes and living standards. On the other hand, however, it has generated negative consequences since the wealth is distributed in a highly asymmetrical way, creating economic, social and power inequalities.

Moreover, the new work opportunities are often delocalized from communities and territories and the disconnection among workers makes them fragile in bargaining their position. This disjunction is functional only to provide profit to high-skilled people to individual income, but it is negatively impacting low-skilled workers, communities and the environment.

[1] According to the IPSP 2018, in "developed countries recent changes in the modern world of work have created new mental and psychological demands on individuals, creating stressful psychosocial work environments and working-time related stress."

[2] Often only high-skilled workers can garner higher economic rewards as independent contractors or consultants than they might as employees.

In this regard, the workers who benefit from new technologies are often diffuse and invisible. The ILO convention on home-based workers demonstrated the difficulties in bringing protection to industrial or service outworkers. Very often the position created in the global value chains via sub-contracting in developing countries reach the informal sector are often precarious working conditions. Differently from traditional informal sector, these “new workers” can be connected via the web, and the role of self-employment associations is crucial, along with the support of trade unions. This acceleration, which authoritative scholars estimate exponential, is capable of triggering generalized changes in mental models, strategic and operational behaviors and skills in the systems of beliefs and values on which societies are founded. The control and flow of information, the management of personal and aggregated data obtained automatically through the network are issues that need to be delved into. With changing world of work and emergence of digital space in all the realms of work, the question whether internet is a world of freedom and democracy or if it is just a realization of a utopian world where the human mind can only elevate itself?

TECHNOLOGICAL INNOVATION AND ARTIFICIAL INTELLIGENCE (AI)

The increasingly widespread use of AI is having a major impact on the world of work: the trend towards automation prevails over the enhancement of work itself. The diffusion and pervasiveness of AI (especially in the machine learning subset) has also induced changes in the composition and quality of both work activities and the skills employed.

The progressive marginalization of entire social strata is resulting in a concentration of power and wealth at the top and the exclusion of millions of people from the possibility of changing their situation, leading to deep socioeconomic asymmetries. The combination of digital representation of goods and services, internet and software systems with basically zero marginal costs, allows obtaining the effects of scale without the need for significant endowments of physical assets, personnel and geographical dislocation. Therefore, we entered in an era characterized by the continuous interaction between objects, people, processes and information flows, which inevitably affects individual and collective decision-making processes. Thus, a global environment is created in which digital technologies, software and algorithm structures are continuously redefining the interactions between agents, activities, and human beings on the basis of the incessant information flows.

Linking Employment Creation and Social Protection

Harmonizing Technological Innovation with Sustainable and Just Transitions: This is related to one of the key questions of our times. It is often claimed that technology and globalization are something given which we, as human beings, cannot influence: it is exogenous (as in the well-known Solow model) and technological innovation goes anyway independently from our willingness and aspirations. This is a false narrative. We as human beings can have a role to play. Indeed, we must play a role today for the future of the people and the planet.



Chasing technology without asking: “who is this technology going to benefit? And how?” is simply wrong. The question is thus much deeper. It is about us. Why we are running after something (technological progress) without understanding fully the meaning and the impact of these changes in our life, in our planet.

We lost the coordinates of our “progress”, progress for what, we need to find again the compass, to clearly state that technology for profits driven by finance for profit is destroying our planet and most people’s lives.

The truth is that technology and globalization are intimately related forces driving permanent structural change in employment and affecting the global distribution of economic activities and jobs for the sake of profits for profits and not the increase in wealth (which is often immaterial rather than material) or wellbeing of People, along with attention to Planet, Peace, Partnership and Prosperity – i.e., the 5 Ps of the 2030 Agenda).

These structural dynamics constitute the real challenge of nowadays society with a continuous change in the world of work. The point is that innovation in technology follows the logic of profit for profits and not the logic of people and workers’ wellbeing, including living and working in a nice, inclusive and unpolluted environment. This creates perverse dynamics. The problem, therefore, is not just the fact that technology coupled with globalization makes these changes and challenges even more dramatic in terms of the rapidity of changes: the point is that these challenges are producing strong instability in the ecosystem of which human beings are a part of.

The problem states “Human beings are the agents, beneficiaries and adjudicators of progress, but they also happen to be, directly or indirectly, the primary means of all production. This dual role of human beings provides a rich ground for the confusion of ends and means in planning and policy-making. Indeed, it can and frequently does take the form of focusing on production and prosperity as the essence of progress, treating people as the means through which that productive progress is brought about (rather than seeing the lives of people as the ultimate concern and treating production and prosperity merely as means to those lives).”

Therefore, there is a need to change the vision of development understanding the distinction from means to ultimate goals (Sen, 1999). Mahatma Gandhi had these points clear in his mind and heart. There is the need to adopt these visions and philosophy and to reverse the actual order between ultimate goals and means.

Unfortunately, the global financial industry focuses only on profits for profits. In other words, it connects with the issue of sustainable human development in general only as far as the latter can be the object of monetary profit. We have to go beyond growth, towards a quality of growth that take care of the planet and people. In a world with increasing structural inequalities due to the financial power of few people and groups.



In practice, and going much beyond employment policies, opportunities for economic development should be done in accordance with ecological sustainability and inclusivity: without such sustainable dynamism, good jobs for all are unlikely to be realized. In other words, technological progress should be driven by a new vision of sustainable human development and focus more on what, where and how to innovate.

Policies for Sustainable and Just Transition: The case of Europe

The new European Green Deal and Next Generation Europe are a good example of European politicians' willingness to change for sustainability transitions. In particular, for instance, the energy transition necessary to avoid climate and environmental risks requires a major change and has an impact on the world of work. These choices will have effects and consequences on the quantity and quality of employment and wages creating new opportunities but also new challenges that remain difficult to quantify. The new technologies with low or zero emissions require specific professionalism and skills, creating new jobs but, at the same time, will lead to the abandonment of the old ones making some professions obsolete.

New technologies and new business models are emerging. Through the “output-based approach” (type of job approach) it is possible to identify jobs more exposed to the energy transition by distinguishing between "green" and "brown" jobs and thus measure the skill gap. This allows us to focus attention on the professions/jobs that will be affected by the change. While “process-based” approach focuses on the technology output. This makes it possible to focus our attention on occupations in non-energy-intensive sectors.

Reduction of jobs in the most polluting industries brings important benefits in terms of environment and health but requires an effort in terms of policies for reskilling in terms of technical skills. The impact is different among countries and between territories and communities. Another problem is that polluting sectors are often geographically located in places where the effects will be multiplicative for the local economy. Place-based policies are thus fundamental. The reallocation of workers whose skills have become obsolete to new jobs is often penalizing in terms of wages and working conditions and therefore requires active labor policies. Active labor market policies are needed for re-entry into employment but the delivery of such policies can be quite unequal according to the country's institutional, administrative, and fiscal constraints. For instance, the social pillars perspective and policies based on EU citizen rights are central to the EU transition process.

The Role of Governments: Rethinking Capital, Financial Capital and Re-Balancing the Tax System

Capital ownership based on current market principles has concentrated rather than broadened income/wealth. These policy outcomes strongly reflect the preferences of the most affluent while the preferences of poor or middle-income citizens are neglected.



The decrease in the quotas of national wealth that ended up at work in almost all the most developed countries and the decline in the prices of capital goods at a global level. In parallel with the phenomena indicated, another global trend has taken place: the increase in the number of billionaires. The accumulation of capital, or rather the self-reinforcing dynamic of an increase in innovation, therefore of an increase in the demand for capital goods and the labor to produce it.

The key point is the fact that the remuneration from capital and financial capital is always higher than the remuneration of labor. In the age of automation/AI, production becomes more capital intensive, the distribution of capital earnings needs to be rethought. The taxes of capital factors of real and virtual production are de facto lower and less complex than real production linked to labor which in developed countries is close to 50%. This together with other factors create a structural bias at the disadvantage of labor and decent work. The problem is not taxing labor the point is taxing more the capital and financial capital profits. Also taxing more, the natural "commons" exploited in production to produce profits and goods with large material footprint - policies for both social and natural equity and resources used to support those at a disadvantage from current system and transition.

The Role of Governments: In Social Protection and Basic Social Services

In a flexible and volatile labor market, welfare state components like unemployment benefits and active labor market policies can offer financial security and adaptability through increased chances of finding work again. With this understanding of unemployment insurance, security goals can balance a flexible labor market that depends on successful transitions from job to job. This clearly calls for public (and private) investment in human capital and new silks for the young labor force and for those expelled by the job market.

As underlined by IPSS (2018), unemployment protection through social insurance and basic income support should be coupled with appropriate active labor market policies to both replace income losses in phases of unemployment and accelerate reintegration into employment. Social protections should cover all types of work, yielding no particular hidden advantage of choosing one or another type of work

Governments should rethink the regulatory approach and drive both technological and social innovation and information flows from a sustainable human development perspective considering them as mean for common good Universalization of Social Security for the global workforce is required. Considering the aging work force population and labor shortage problems in rich countries (while developing countries have young workers unemployed) more movement of people is expected. Countries should deliberate and coordinate on the Portability of Social Security, as a part of this relevant process of universalization to mitigate the strong inequalities.



The Roles of the Private Sector

Although a central role should be played by trade unions and association of workers, self-employed association, firms- from big companies to small and micro firms- play a central role.

The private sector needs to collaborate to sustainable and just transition through its creativity and capacities and include among the business objectives social protection and environmental protection. Only through this alignment, thank also to the public policies to stress for changing in the “profit for profit” paradigm and thanks to the changes in consumer behaviors. Shifting from shareholders to stakeholder capitalism to better distribute long term value creation in an inclusive society.

New role for social economy, social business, social enterprises and cooperatives. For instance, the role of cooperative movements and community movements or Muhammad Yunus’ Social Business do not maximize profits but maximize the positive social and environmental impact. This can involve micro-small enterprises as big companies.

Trade Unions and Association of Workers

Negotiations between trade unions and employers or employers’ organizations, like the statutory minimum wage, collective agreements establish a floor in the labor market and provide a level playing field for fair competition. A maximum wage ceiling will help in rethinking how people relate with each other and with the planet. New employment positions require new skills to be developed and implies the re-skilling of workers expelled from obsolete jobs. Investing in people, particularly through social protection and skills development, will be key to ensuring just transitions.

Supranational Regulation and Coordination Among Countries

Additionally, because of their confinement to the national context, negotiations on fair employment and working conditions between employers, trade unions, and governments are becoming more and more difficult to advance. As a result, initiatives to establish efficient supranational regulation are required to guarantee fundamental human rights at work globally. It is crucial to establish efficient supranational regulations (as this G20 L20 in India) to guarantee fundamental human rights at work globally. Therefore, multilevel governance needs to play a central role vertically and horizontally (Local, meso, national and international levels). A central role can be played by the UN system and its specialized agencies ILO and UNDP in primis (but also UN Habitat, FAO, UNIDO, UNICEF, UNESCO etc.).

Therefore, the international community should aim to increase systematically the Tax on capital in a targeted way considering its impact on environment and labor output based and process based. Reduce systematically the fiscal pressure on labor targeting both to sustainable and just transition.



Moreover, governments at different levels should enhance social protection policies (including and extending new forms of social security for non-standard employment), fostering research & innovation policies for Sustainable Human Development centered on technology. In other words, institutions to protect workers from insecurity and uncertainty, as well as to facilitate the creation of good jobs, must be created by political forces and agreements.

KEY FEATURES OF CHANGING WORLD OF WORK

The world of work has been undergoing significant changes in recent years, driven by various factors such as technological advancements, globalization, societal expectation change and COVID-19. The following are the underlying key aspects of changing world of work:

Technology with Automation: Advances in technology, particularly in artificial intelligence (AI), robotics, and automation with smart technology, have revolutionized the world of workplace. Automation has the potential to replace certain tasks, leading to concerns about job displacement or change of how to work. However, it also creates new opportunities for job creation as the new technologies did during the earlier industrial revolutions.

Remote and Flexible Work Arrangements: The COVID-19 pandemic has accelerated the adoption of remote and flexible work arrangements. Many companies shifted to remote work to ensure business continuity, and this trend has continued beyond the pandemic. Remote work offers benefits such as increased flexibility, reduced commuting time, and access to a global talent pool. However, it also presents challenges related to work-life balance, social isolation, and maintaining collaboration and productivity.

Gig Economy and Freelancing: The gig economy has gained prominence, with an increasing number of people opting for freelance, temporary, or project-based work rather than traditional, full-time employment. Platforms and apps have emerged that connect freelancers with clients, facilitating flexible work arrangements. While the gig economy offers flexibility and autonomy, it can also be characterized by income instability, lack of benefits, and limited employment protections.

Skills and Lifelong Learning: Rapid technological advancements require individuals to continuously update their skills and knowledge to remain relevant in the workplace. Lifelong learning has become essential as jobs increasingly demand digital literacy, adaptability, problem-solving, and critical thinking skills. Employers are placing greater emphasis on skills-based hiring and are investing in upskilling and reskilling programs for their workforce.



Workforce Diversity and Inclusion: There is a growing recognition of the importance of diversity and inclusion in the workplace. Employers are striving to create inclusive environments that value and leverage diverse perspectives, experiences, and backgrounds. This includes efforts to address gender and racial disparities, provide equal opportunities, and promote work-life balance.

Well-being and Work-Life Balance: Employee well-being and work-life balance have become crucial considerations for employers. Organizations are implementing initiatives to promote mental and physical health, such as flexible work hours, wellness programs, and employee assistance programs. Recognizing the importance of work-life integration, companies are adopting policies that support employees' personal lives and overall well-being.

Sustainability and Corporate Social Responsibility: There is an increasing focus on sustainability and corporate social responsibility (CSR) in the workplace. Companies are expected to operate in an environmentally and socially responsible manner. This includes initiatives to reduce carbon footprints, promote diversity and inclusion, support local communities, and adhere to ethical business practices.

The changing world of work has brought about new employment opportunities across various sectors. Here are some emerging sectors that have seen significant growth:

IT and Artificial Intelligence (AI): The rapid advancement of technology and AI has created a demand for professionals in fields such as software development, data science, machine learning, cybersecurity, and robotics. As businesses increasingly rely on IT to streamline processes and innovate, there is a growing need for skilled professionals to develop, implement, and manage these technologies.

Digital Marketing and E-commerce: With the rise of the internet and social media, digital marketing has become a crucial component of business strategies. Employment opportunities in this field include roles such as digital marketing specialists, social media managers, content creators, SEO specialists, and e-commerce managers. As more businesses shift their operations online, e-commerce-related roles, such as online store managers and digital product marketers, are also in high demand.

Renewable Energy and Sustainability: The focus on sustainable practices and renewable energy sources has led to new employment opportunities in areas like renewable energy production, energy efficiency, waste management, and environmental consulting. Jobs in solar and wind energy installation, sustainable construction, green transportation, and sustainable agriculture are increasingly in demand.



Healthcare and Biotechnology: The healthcare sector continues to expand due to population growth, aging demographics, and advancements in medical technology. This has created opportunities for healthcare professionals, including doctors, nurses, medical technicians, and allied health professionals. Additionally, the biotechnology sector offers careers in research and development, genetic engineering, pharmaceuticals, and personalized medicine.

Remote Work and Freelancing: The rise of remote work and the gig economy has opened up a range of opportunities for freelancers and independent contractors. Remote work enables individuals to offer services such as graphic design, web development, content writing, virtual assistance, online tutoring, and digital consulting to clients worldwide. Freelancing platforms and online marketplaces have made it easier to connect with clients and find project-based work.

Cybersecurity: As digital threats and cybercrime continue to increase, the demand for cybersecurity professionals has surged. Job roles in this field include cybersecurity analysts, ethical hackers, incident responders, and security consultants. Protecting digital assets, data, and privacy has become a critical concern for businesses and organizations, creating a need for skilled cybersecurity experts.

Virtual Reality (VR) and Augmented Reality (AR): VR and AR technologies are expanding beyond the entertainment industry and finding applications in sectors such as education, healthcare, architecture, and engineering. This has created opportunities for professionals skilled in VR/AR development, content creation, user experience design, and immersive technology integration.

Social Media Management and Influencer Marketing: With the increasing influence of social media platforms, businesses are seeking professionals who can manage their social media presence, engage with audiences, and create compelling content. Additionally, the rise of influencer marketing has created opportunities for individuals with a strong social media following to collaborate with brands and earn income through sponsored content.

New Employment Opportunity with Augmented Skill Development

We need to take a look at the potential of augmented skills composed of traditional skill and digital skill. Augmented skills refers to the combination of existing or traditional skills with digital literacy and capabilities. any kind of new industry has two parts combined traditional(physical) part and digital(virtual)part to work. Traditional skills cannot be replaced by digital skills. Basic concept of O2O is connecting off-line with on-line. When we create some new product or service, new one will connect on-off line. New skill training needs to provide how to connect traditional skills with digital skills.



On the other hand, digital skills refer to the ability to effectively navigate, utilize, and leverage digital technologies and tools. This includes skills such as digital literacy, data analysis, coding, online collaboration, cybersecurity awareness, and proficiency in software applications.

When traditional skills are augmented with digital skills, individuals can better adapt to the changing demands of the digital era and harness the power of technology in their respective fields. The integration of digital skills into traditional skill sets can enhance productivity, efficiency, and innovation.

For example, a marketing professional with augmented skills might possess both the traditional marketing knowledge and expertise in digital marketing techniques, such as social media marketing, search engine optimization (SEO), data analytics, and online advertising. This combination allows them to leverage digital platforms and tools to create targeted marketing campaigns, analyze consumer behavior, and optimize marketing strategies.

Augmented skills can be valuable in various industries, including business, healthcare, education, finance, engineering, and many others. They enable individuals to effectively navigate digital environments, leverage technology for problem-solving and decision-making, and stay competitive in an increasingly digitized world.

By continuously developing and augmenting their skills, individuals can adapt to evolving workplace demands, contribute to organizational growth, and seize emerging opportunities in the digital age, at the same time skill development institutes should be equipped how to teach new skills when they teach traditional skills. Government policy needs to facilitate transition of traditional skill development institutes to be augmented skill development institutes.

Understanding the new employment patterns and protection of workers' rights and interests: A Perspective from China

In recent years, with the rapid development of the platform economy and the sharing economy, new forms of employment have emerged in large numbers. In 2020, there were about 830 million participants in China's sharing economy, including about 84 million service providers, including 20 million truck drivers, more than 7 million takeaway riders, more than 3.5 million front-line couriers and more than 3 million net car drivers, so it is important to promote the work of trade unions for workers in new forms of employment. This is a brand new issue for trade union organisations coming as a result of the booming digital economy and profound changes in the way enterprises are organised and workers are employed. Such a large group of workers also faces problems such as difficulties in identifying labour relations, lack of social security, poor living conditions, low levels of organisation and difficulties in redressing their rights.



In terms of organizing, China has aimed to following objectives:

- Strengthening coordination, and further forming multi-sectoral linkage of the work pattern: Trade unions at all levels actively promoted the establishment of a joint meeting system with local governments at the same level, and took the initiative to contact and communicate with departments such as human resources and social welfare, industry and information, transportation, market supervision and postal services to do a good job of information sharing and resource support and protection. The All-China Federation of Trade Unions (ACFTU) also jointly issued a number of relevant policy documents with relevant departments.

- Focusing on top platform enterprises and making remarkable results. ACFTU beginning from the top enterprise determined by sales volume, the number of employees, the aggregation of the actual force criteria, guiding trade unions at all levels, focusing on 12 top enterprises from the freight, express, online car, take-away delivery and other 4 key industries, negotiates with the leadership of the top enterprises, guides their employees to establish trade unions, and with a focus on promoting the top Internet enterprises. At present, DDT, Meituan, Jingdong and other 12 head platform enterprises to achieve a breakthrough in the establishment of the Association.

- Building work carriers and accelerating the pace of membership accelerate the pace of membership among the workers of new employment patterns. Trade unions at all levels insisted on taking the centralized action as an important grasp, through increasing publicity, holding special meetings, holding launch ceremonies and other ways to quickly set off the fervor of the centralized action for membership. National Committee of the China Defense, Post and Telecommunications Union, the Grassroots Work Department of ACFTU jointly organized the courier industry "trade union, rest station, workers'home" integrated building and 50,000 collective registration of the new membership ceremony, 50,000 couriers collectively registered the trade union membership together and at this event online.

Focusing on exploration and innovation, and further expanding the coverage to a wider area and deeper level. The trade unions at all levels are actively adapting to the characteristics of the newly employed workers, focusing on "how to build", "where to join", "how to join" and "how to attract", and actively implementing various convenient ways of joining such as online application for membership, collective registration for membership, mobile window for membership, and employee communication meeting for membership, so that the newly employed workers can easily find the trade unions and join them quickly.

Secondly, with regard to the protection of rights, China's trade unions have participated in the formulation of guidelines by government departments on the protection of the labour security rights of workers in new employment patterns, focusing on the following two areas:



- Regulating the use of labour and clarifying the responsibility for the protection of workers' rights and interests by guiding and supervising enterprises to comply with the law in employing workers, actively fulfill their employment responsibilities and stabilize the workforce. Where labour relations are established, enterprises should conclude labour contracts with workers in accordance with the law. Where the circumstances of the establishment of labour relations are not fully met but the enterprise manages the labour of the workers (hereinafter referred to as not fully meeting the circumstances of the establishment of labour relations), the enterprise is instructed to enter into a written agreement with the workers and reasonably determine the rights and obligations of the enterprise and the workers. Individuals relying on the platform to carry out their own business activities and engage in freelance work, etc., should be adjusted the rights and obligations of both parties in accordance with civil law.

- Improving the system and making up for the shortcomings in the protection of workers' rights and interests by implementing a fair employment system and eliminating discrimination in employment. Enterprises must not unlawfully set discriminatory conditions such as gender, ethnicity or age for the recruitment of workers; they must not collect property from workers in the name of paying deposits or deposits or otherwise; and they must not unlawfully restrict workers from taking up employment on multiple platforms. The minimum wage and payment guarantee system is being improved, and the inclusion of workers in new forms of employment that do not fully comply with the circumstances under which labour relations are established is being promoted to be covered by the system.

In terms of promoting the improvement of the rest system:

- Improve and implement the responsibility system for labour safety and health, and strictly enforce national standards for labour safety and health protection.
- Improve policies related to basic pension insurance and medical insurance by liberalising the restrictions on household registration for flexibly employed persons to participate in basic pension and basic medical insurance at their place of employment.
- Organise flexibly employed persons who have not participated in basic pension and basic medical insurance for employees to participate in basic pension and basic medical insurance for urban and rural residents in accordance with the regulations, so as to ensure that they are fully covered.

For promoting the construction of an occupational injury protection system.

- Focusing on platform enterprises in the travel, takeaway, instant delivery and crosstown freight industries, organise pilot projects on occupational injury protection for flexibly employed persons on platforms, in which platform enterprises should participate as required.



- Adopt a combination of government-led, information technology-led and social force-undertaking approach to establish and improve the management service specifications and operational mechanism for occupational injury protection.

It also successfully aims in supervising enterprises to formulate and revise system rules and platform algorithms directly related to workers' rights and interests, such as platform entry and exit, order allocation, piece rate, draw percentage, composition and payment of remuneration, working hours, rewards and punishments, etc. fully listen to the views and suggestions of trade unions or workers' representatives, and publicise the results and inform workers.

Understanding the new employment patters: perspectives from Brazil and Mexico

For Latin American countries in general, and Brazil and Mexico in particular, the Covid-induced crisis brought into light many features of labor structure and growth patterns that pose relevant questions about the future of work in the region. Being the two largest economies in Latin America, both countries share several labor market structural features, like a large informal sector (50-60% of the total labor force), low average wages, an unequal income distribution, and an important role in Global Value Chains (in the case of Mexico, in the global manufacturing chains, while Brazil has a significant share of export-oriented commodity production (mainly agriculture and livestock products).

In Latin America, self-employment and very small-scale capitalist economic units provide a large share of current and new jobs. Thus, they are a source of income for many families. At the same time, they contribute to the maintenance of low-wage workers by providing low-cost goods and services for the working class. Thus, these activities have an essential role in social reproduction and were severely hit by the Pandemic itself and the measures taken to stop or diminish the virus transmission. The Covid pandemic also exposed the impact of the neoliberal dismantling of the public health services in Mexico and the limited resources assigned to health care in Brazil after 2016. Overall, for both countries, the lack of a social safety net to allow the population to confront crises (present and future ones) was visible. bringing to the fore a discussion about the need for some General Income Scheme or other social protection programs to shield the population against the impact of health or economic crisis.

During this period, it also became clear the limited role of unions (particularly in Mexico) in the policy decisions needed to implement new national social protection programs. In the case of Brazil, this is a result of governmental opposition to any social protection programs. This was the case of a monetary income transfer initiative that the government initially rejected before the Parliament decided to support it.



The temporary breakup of Global Value Chains during the Pandemic's peak exhibited the fragility of a globalization process based on the assumption of the unfettered and constant flow of products along these chains. An important example is the automotive global value chain, whose interruption led to temporary plant closures in Mexico and permanent closures in Brazil, as the global market was restructured during the Pandemic.

Some measures taken to control the spread of the virus, such as the so-called home office activities, were expected to become permanent work features in the post-pandemic period. However, the situation is not what was predicted. On the one hand, the social and economic measures taken to support the population have been canceled or limited in scope. On the other hand, the possibility of working at home is limited to a series of well-defined economic activities, particularly in the service sector. Current experiences have shown that these forms of work will not continue with the intensity they did during the pandemic.

In the context we examined in the previous paragraphs, two additional phenomena stand out today. The first is that both economies were in a stage of slow growth in which self-employed activities and unprotected organized activities grew steadily. In the Brazilian case, wage growth was very low during 2016-2022, while in the Mexican case, from 2019 onwards, with the increase in the minimum wage, a period of recovery of the real wage began.

Under the conditions described above, a series of questions arise connected with the near future of work in both countries and, more generally, in the Latin American area. The following comments discuss the probable evolution of work. Then we discuss public policy measures needed to achieve better working and living conditions for the vast majority of the laboring population and their families.

What stands out is the need to generate jobs in the salaried sector while seeking mechanisms to support self-employed workers and, in a second moment, to help them transition towards quality salaried employment. Here is the next question how to do this in a context of low growth and with a latent threat of loss of salaried jobs due to technological change derived from or materialized in what is commonly called artificial intelligence?

Let's start with the analysis related to the possibilities of labor substitution derived from the application of the so-called artificial intelligence. Note that this "intelligence" involves applying either machine learning models or the so-called large language models. Despite the hype surrounding machine learning, it does not display autonomous intelligent behavior, and language models don't exhibit creativity. At this point, it is essential to remember the noise made by the predictions that around 2030, a significant percentage of routine activities and high-skilled jobs will be replaced by automated processes. So far, these predictions have not materialized, at least on the scale predicted in the past decade. However, for some activities and sectors, the specter of technical change and the replacement of work by machines or computer applications is a constant threat.



Thus, in countries like those in the Latin American region, where economic growth has very low rates, the question is where the new jobs will come from. And more generally, where will the income guaranteeing a basic standard of living for most of the population come from?

Stimulating the creation of cooperatives in the self-employed sector looks like a path to a new economy, the so-called solidarity economy. But experiences in Brazil and Mexico have shown how difficult it is to guarantee their continuity and existence since they often must compete with capitalist firms acting in the same activities. Successful experiences, like the Mondragon cooperatives, are extremely rare.

In the case of the Mexican economy, there is a growing tendency of foreign investment oriented to what has been named a nearshoring process. That is a relocation of firms to places closer to the United States and, thus, less vulnerable to transportation problems like those observed during the Pandemic. Transportation problems due to the closing of ports and health-related problems aboard ships were behind the interruption of flow of goods, leading to the breakup of many global value chains. A stronger push to nearshore value chains would undoubtedly lead to job growth in several manufacturing sectors, like automobile and auto parts, along with peripheral and supporting activities. But overall, job creation would not be enough to absorb the labor surplus in the Mexican economy.

In the case of the Brazilian economy, there are two critical issues. In the first place, the need to reindustrialize the country, from a perspective of regional complementarities, that involves the southern Latin American countries. On the other hand, a discussion is gaining relevance on the so-called bio-economy, that is, the sustainable use of the biome, mainly, but not reduced to the one concentrated in the Amazon Basin. In other words, it is about using or creating new products, for example, in the pharmaceutical area through the economic use of plants native to the Amazon area.

In this way, instead of clearing the jungle areas or other tropical forests to take advantage of them in the production of soy or cattle, it is about creating an economy based on nature, but that does not mean destroying it. Due to the novelty of the approaches to the possible nature of the bio-economy, it is difficult to estimate its impact on the creation of good quality and sustainable employment.

We now discuss the possible impact on job creation in the Purple Economy: the conjunction of economic activities in the so-called green economy and care activities understood broadly. The green economy has been conceptualized as a group of economic activities with low-carbon use, resource efficient, sustainable and socially inclusive, while internalizing environmental costs. Under the constraints of Climate Change, achieving an overall green economy is a significant development goal. Nevertheless, although current estimates of job creation through an energy transition show that an essential number of direct and indirect jobs could be created, although the overall contribution of green activities might not be enough to absorb all the surplus labor existing in Mexico or Brazil.



In addition to the Green Economy activities, the Purple Economy represents a vision of economic activities that stresses the importance of care work, understood as direct and indirect care activities, including education and the more traditional activities carried inside households and oriented to guarantee the social reproduction of the household. Thus, it includes domestic work, child care, and elderly care, among other activities. By socializing these activities, a myriad of direct and indirect jobs can be created while empowering women who usually carry the burden of most of the care work inside households. Because of its very nature, and according to recent research, investing in the Purple Economy could generate a vast number of good-quality jobs.

We have reached the point where we must consider the origin of the funds needed to carry out these activities. First, we must emphasize that nearshoring activities belong to the private sphere by their very nature. In contrast, creating a Bio-economy must be a public-private arrangement due to the needed investments to carry on specific research related to the creation of pharmaceutical products, for example. However, Bio-economy production should also take advantage of the knowledge of the people who inhabit those regions. The latter makes it necessary for the state to intervene actively.

In the case of the purple economy, also by its very nature, the state must encourage actions aimed at supporting care activities. Regarding the funding of these activities, the need for the State to participate as a job guarantor of last resort is foremost. This is a policy that, unlike universal income policies, pays an income for people in exchange for their work in the activities of the purple economy. However, it is necessary to analyze more carefully how and when these employment policies could ultimately be implemented.

Inferences and Recommendations:

The world of work is not what it was thirty years ago, and it is also changing fast. Rapid advances in digital technologies are changing the content of work in all industries. Artificial intelligence will further change the content of work to be performed by human beings. Digital technologies are changing patterns of employment. Long duration employment is being replaced by payments to workers only for tasks performed. In fact, the digital platforms, through which the workers are engaged and paid, claim that the providers of services are not even their “employees” and therefore they have no responsibility for their welfare.

With these paradigm shifts in patterns of work and employment, earlier institutions, and forms of regulation of work, employment, and wages, which presumed long term relations between employers and workers, and which all states relied upon for the welfare of employees, can no longer provide adequate solutions.



It is worth noting that these paradigm shifts from old forms of formal employment to new forms of informal employment are happening everywhere, even in the advanced industrial economies in the G20. A new phenomenon of precarity of incomes and livelihoods, even when measured “unemployment” levels are relatively low, has grown even in rich OECD countries. In the less industrially advanced economies, where the extent of informal employment is very large (over 50% in some countries), and precarity is already high, it will increase further, because even fewer employment opportunities may come in the formal organized sector in future even in less developed countries.

New, out of box, solutions are required to provide good work, decent employment, and adequate social security in all countries. Merely extending old systems for providing social security tied to formal employment will not work.

RECOMMENDATIONS FOR NEW EMPLOYMENT OPPORTUNITIES:

The good news is that two global forces are creating new employment opportunities. One is the demand for more “green” solutions in every country; the other is the evolution of the “care economy”.

- Increasing awareness of the need for life-style changes for sustenance of the natural environment, which India is promoting in the G20 as a LiFE mission, will create new employment opportunities.
- Most of the solutions will perforce have to be community-based solutions, not industrial solutions. Old industrial forms of work and wage regulation and social security will not apply.
- Therefore, policymakers must develop innovative methods to ensure that workers’ rights and needs are protected even in these new employment opportunities.

The other global force changing the nature of work is the demand for more “care giving” services. The Covid pandemic has revealed the weaknesses in public health and care giving services in all countries.

- With populations ageing everywhere, needs for caregiving for older persons are increasing. Even before the pandemic, demands were being made on large employers in formal organizations to provide maternity and paternity leave, and to provide child-support services, because women were compelled give up their roles in families and communities and to join formal organizations to earn money.

- While, on one hand, the need for caregivers in society is increasing, on the other hand, the numbers available to provide care is reducing with more women being persuaded to join the organized sector workforce. At the same time, costs for caregiving are increasing for large employers in the formal economy, who must provide for the care-giving needs of employees within their own organizations.

Economic growth is being increased everywhere by reforming social institutions—by breaking up family and community structures—to provide resources for the formal economy. With this



- accelerating shift, the social compact is broken. Presently, the work women and caregivers do is not being undervalued in societies and in the economy. New forms of employment are necessary to provide good care in communities and, at the same time, compensate caregivers fairly, most of whom are women.

- The time has come to rethink the concept of “work” and to give more value to the work that women and caregivers do for communities. The present approach to women and work is to train more women to join the formal workforce. This cannot be a socially tenable solution any longer. New forms of work engagement, with fair compensation, must be developed for women and caregivers in communities and homes, and for public health workers, to provide for the increasing needs for such services in all countries.

- Changing patterns of work and employment in all sectors, will require fundamental shifts in systems for skill development. When employers are unable to anticipate what skills they will need, and when they are no longer willing to keep employees on their rolls long enough to train them in new skills, new paradigms for skill development must be devised.

- Skill development programs will not be able to operate like supply chains any longer, producing skilled workers for industrial demands. Just-in-time and in-the-job, vocational skill development will be required. In less advanced countries, where skill development needs are greatest, but where precarity in employment at the bottom of the ladder is also greater, employees and even self-employed entrepreneurs must learn while they earn (and earn while they learn).

LISTEN AND PROVIDE ACCESSIBILITY TO THE VOICES OF WOMEN AND WORKERS

- The design of economies must be reformed to serve human needs, rather than humans being pulled out of their roles in society and communities to serve as resources for the growth of economic enterprises. Economies exist for fulfilling the needs of human beings; Human beings are not born to grow economies and GDP. Therefore, employment reforms must fulfill the needs of workers, especially women, which present patterns of employment and incomes are not.

- The voices of women and workers must be listened to for developing good reforms. Presently they are not listened to enough. Solidarity amongst women and amongst workers gives them greater voice and agency too. Therefore, women and workers (including self-employed workers) must organize themselves in stronger cooperatives, unions, and associations. Government policies must encourage, and enable, such forms of association to give women and workers more agency.

Local systems solutions for global systemic problems, of work, employment, skills, and social security



The world of work is undergoing a paradigm shift. Industrial concepts of work, patterns of employment, processes for skill development, and means for social security must be changed. Moreover, they must be changed together. None of them can be changed separately from others because they are inter-connected as a system. This requires a change in the approach of policymaking. Policies cannot be developed separately by experts in each subject. Policies in all subjects must harmonize. They must flow from an integrated concept of the future of good work, good employment, and good incomes.

Solutions must be systemic. They must be local too. Social and economic conditions differ amongst G20 countries, and even amongst different regions within countries. Therefore, solutions for the future cannot be universal, though all must be directed towards universal principles of fairness. Every country, every region, and even every locality, will have to develop its own, practical solutions to fit its own present context.

We call upon the G20 to create a systematic Learning Practice amongst the countries to share case studies, and good practices. The evolution of the new paradigm of work will not happen in a year. The systematic learning practice will have to continue for many years, and through many G20 presidencies.

We call upon the G20 leaders to set up an active Learning Practice for the future of work that will continue to work between the annual G20 meetings and will also connect the agendas of future G20 meetings.

The agenda of the Learning Practice at this time must be to find and share new solutions for:

1. Forms of cooperation, association, and representation, of workers and women in all sectors of the economy, including the gig economy, and in clusters of small enterprises
2. New forms of work and employment in the care-giving and green economies
3. Increasing the respect for and value given to care-giving work in communities
4. Dynamic, just-in-time and on-the-job, processes for skill development for learning while earning
5. Reduction of “precarity” of employment and incomes in all countries
6. New social security structures that fit the changing patterns of work and employment and fit the context of each country.



