The quantity of jobs may not fall, but job quality and disparities among workers may worsen

Despite widespread anxiety about job destruction driven by technological change and globalisation, a sharp decline in overall employment is unlikely. While certain jobs may disappear (14% are at high risk of automation in the OECD), others will emerge, and employment has been growing overall. However, transitions will not be easy. There are concerns about the quality of some of the emerging new jobs and, without immediate action, labour market disparities may grow, as certain groups of workers face greater risks than others.

- The United Kingdom is one of the OECD countries that have experienced the fastest growth in ICT use in the workplace over the past two decades. Despite this, jobs in the United Kingdom are at a lower risk of automation than the OECD average.

- Certain types of non-standard work (specifically, short part-time and dependent self-employment) are more prevalent in the United Kingdom than the OECD average. Some of these short part-time contracts are zero-hour contracts, in which there are no guaranteed minimum hours. Nearly 3% of people in employment (about 900 000 people) said that they were on a zero-hour contract at the end of 2016.

- While self-employment has fallen over the past three decades in OECD countries (largely due to a fall in agricultural employment), the United Kingdom is one of the few countries (including the Netherlands and the Slovak Republic) where self-employment and own-account self-employment have increased. In the United Kingdom, part of this increase is likely driven by tax incentives for self-employment.

Young workers and those without tertiary education face the most significant risks

The labour market experiences of many young people and of those with less than tertiary education have worsened over the past decade. In fact, young people with less than tertiary education have been particularly affected, with more of them being under-employed, non-employed or receiving low pay. Women are particularly at risk, but increasingly men are also being affected.
• Under-employment increased in the United Kingdom between 2006 and 2017, particularly among younger workers. It is likely that some of the increase observed was driven by persistent structural changes, such as growth in the service sector where non-standard contracts are more common.

A key challenge is to extend labour law protections beyond standard employees

Labour market regulation plays an important role in protecting workers, but many non-standard workers are weakly covered or not covered at all. The rights and protections of non-standard workers can be strengthened by: tackling false self-employment, including scaling back tax incentives to misclassify workers; extending protections to workers in the grey zone between self- and dependent employment, including many platform workers; and addressing excess employers’ market power.

• In the United Kingdom, the statutory category of “worker” was introduced to extend selected employee protections (e.g. covering working time, holiday pay and the minimum wage) to all individuals who work under a contract to provide a personal service, independently of whether they have a contract of employment. Despite the original intention, the creation of this separate category of workers may have created opportunities to take rights and protections away from workers who would have otherwise had them, and shifted the objective of litigation down from obtaining employee status to merely obtaining “worker” status – as has been evidenced in recent court cases involving ride-sharing services.

• The OECD Employment Outlook 2019 suggests that non-compete covenants – contract clauses preventing workers from working for a competitor after they separate from the employer – are often used to reduce competition in the labour market, especially for vulnerable workers.

Recent rulings of United Kingdom courts and new restrictions on exclusivity clauses in zero-hour contracts are welcome attempts to limit their abusive use.

### Accessing social protection can be very difficult for non-standard workers

Social support may not be available to workers in less secure forms of employment. In some countries, workers engaged in independent work or short-duration or part-time employment are 40-50% less likely to receive any form of income support during an out-of-work spell than standard employees. Unless access gaps are closed, further increases in non-standard employment will have negative consequences for inclusiveness and equity.

• The United Kingdom provides relatively good access to out-of-work support for part-time workers and those with intermittent employment. However, very large access gaps exist for self-employed workers as unemployment insurance is not open to them and they may not qualify for means-tested support.