

# OECD Employment Outlook 2023

## Artificial Intelligence and the Labour Market

11 July 2023

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

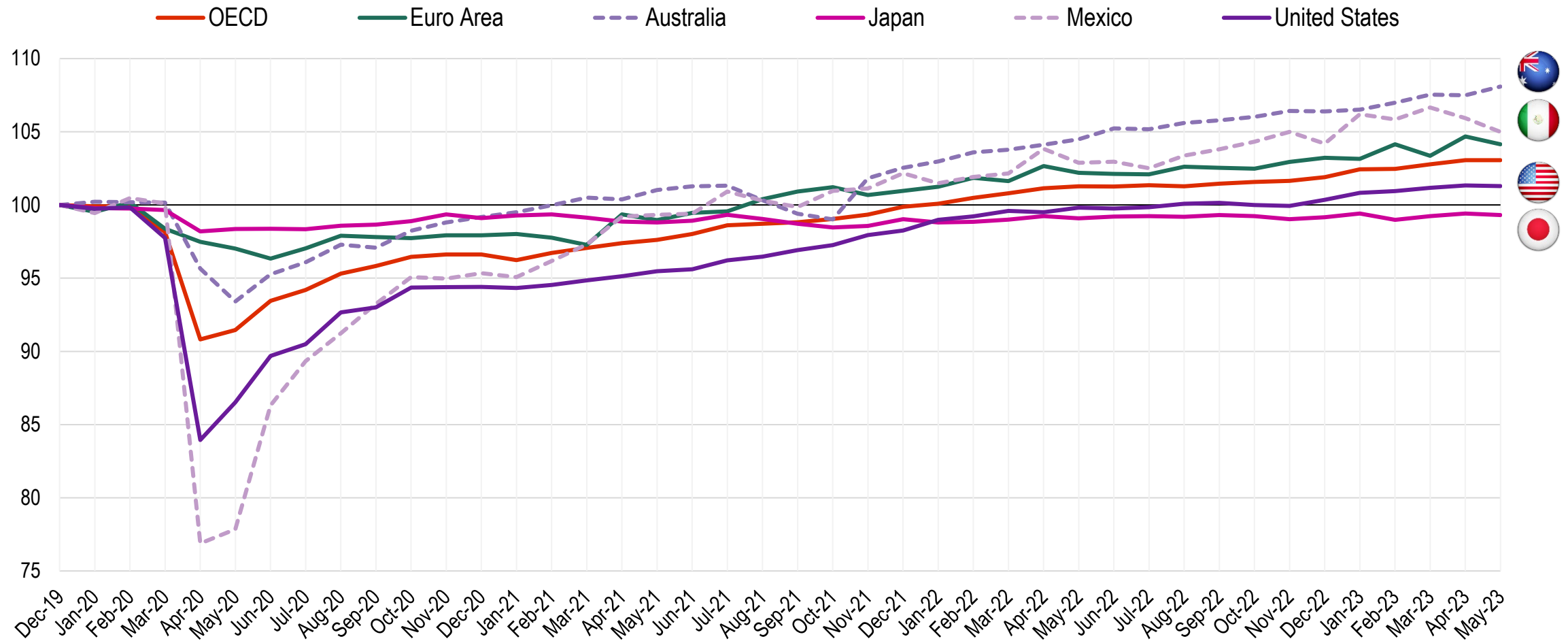


# I. The situation of labour markets

# Labour markets lost momentum but held their ground

## Monthly employment level

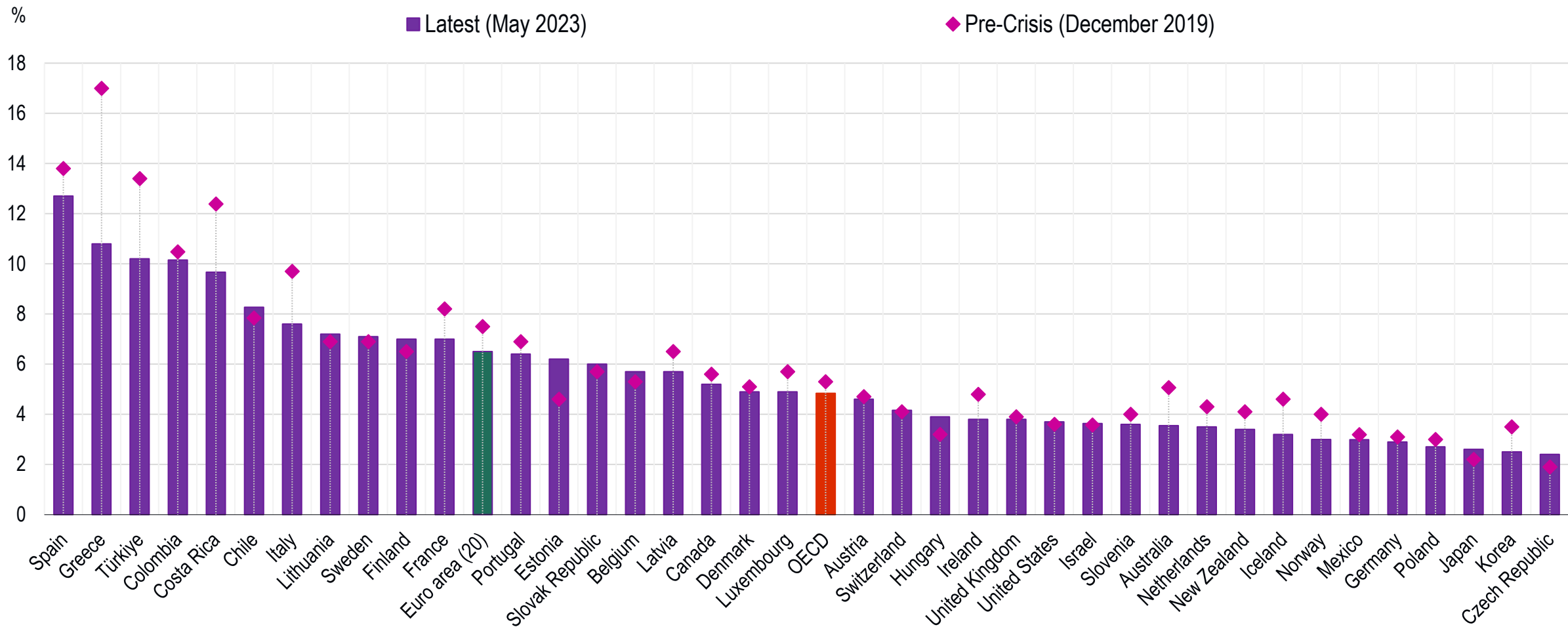
Index base 100 in December 2019, seasonally adjusted data



# Unemployment reached historical low

## Unemployment rates

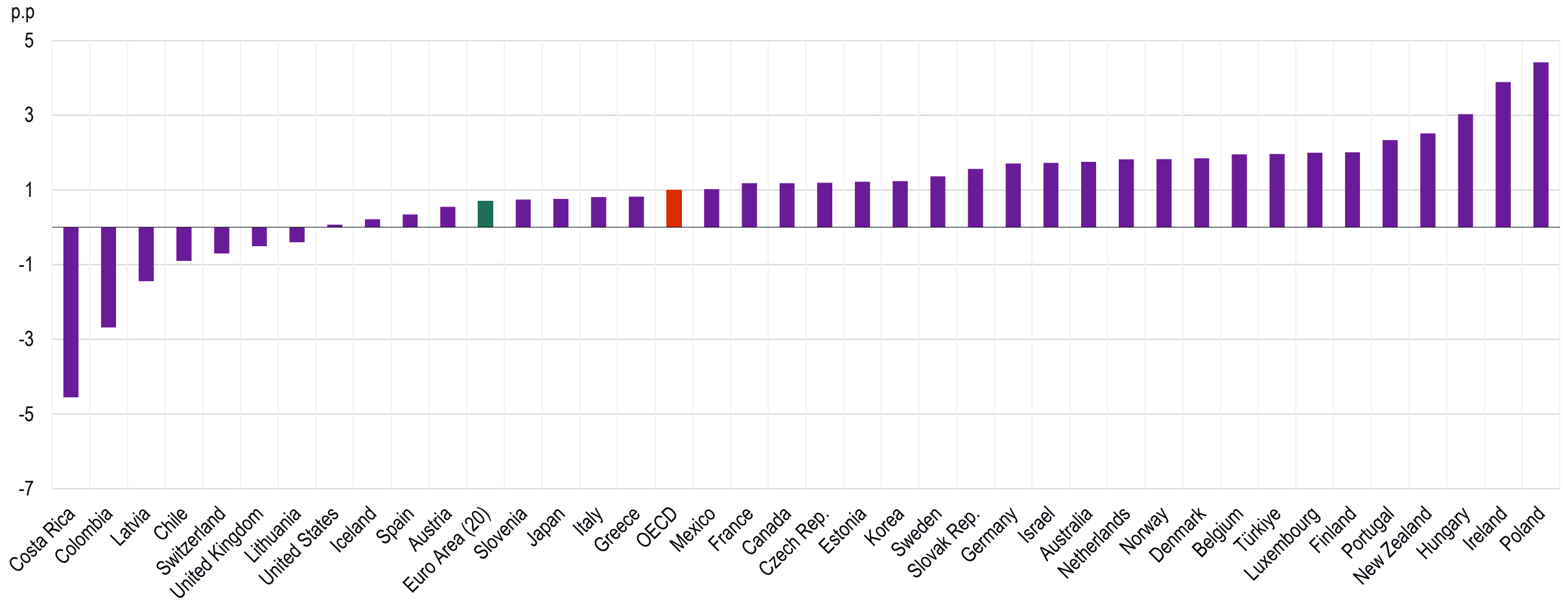
Percentage of total labour force, seasonally adjusted data



# Labour market participation has increased as well

## Participation rate among the working age population (persons aged 15-64)

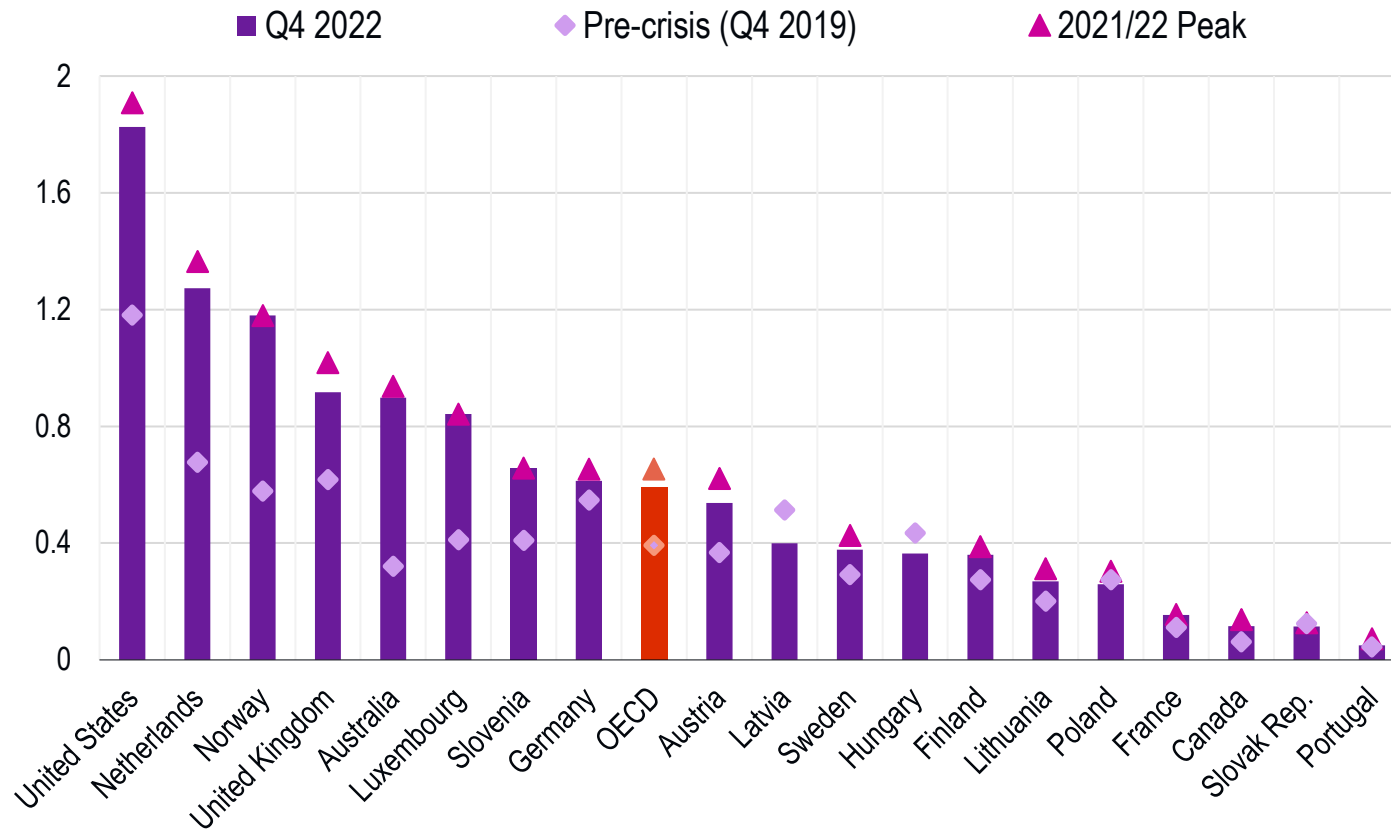
Percentage point change from Q4 2019 to Q1 2023, seasonally adjusted data



# Labour markets remain tight in many countries even as pressure is easing

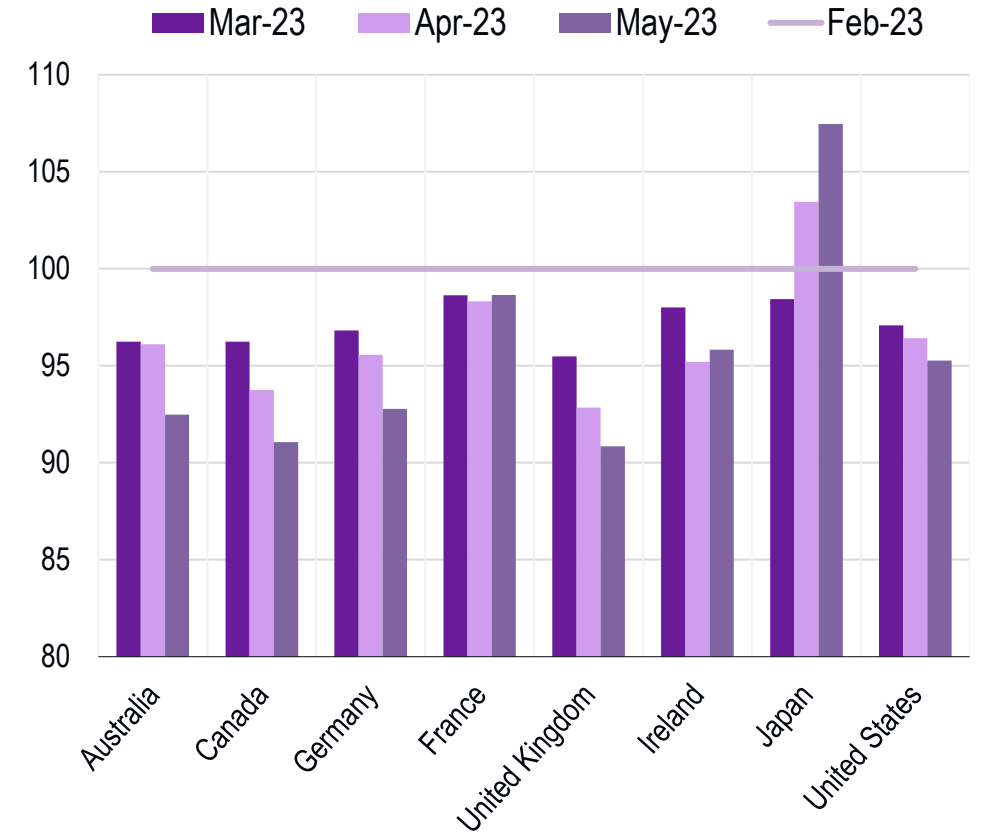
## A. Number of vacancies per unemployed person

National definitions, seasonally adjusted data



## B. Online job posting

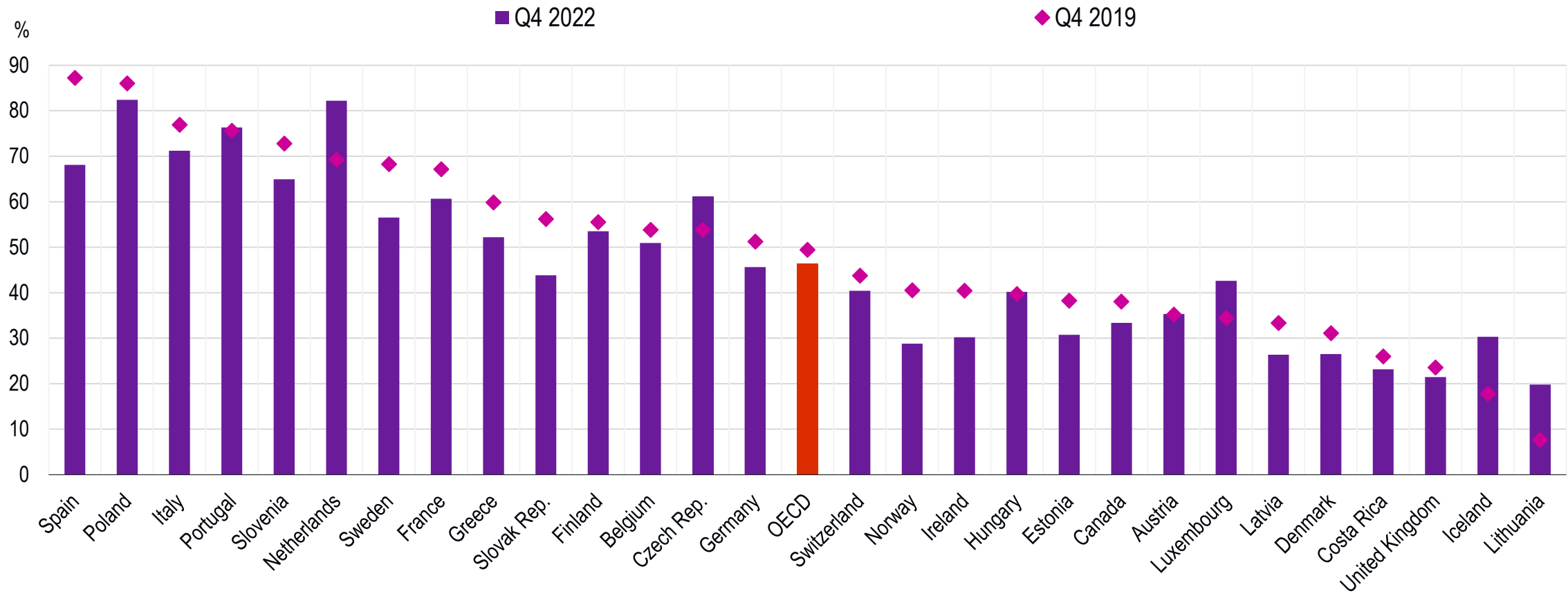
Feb 2023 = 100, seasonally adjusted data



# Employers are offering better deals in posted vacancies amid tight labour markets (I): more stable jobs

## Temporary workers among new hires

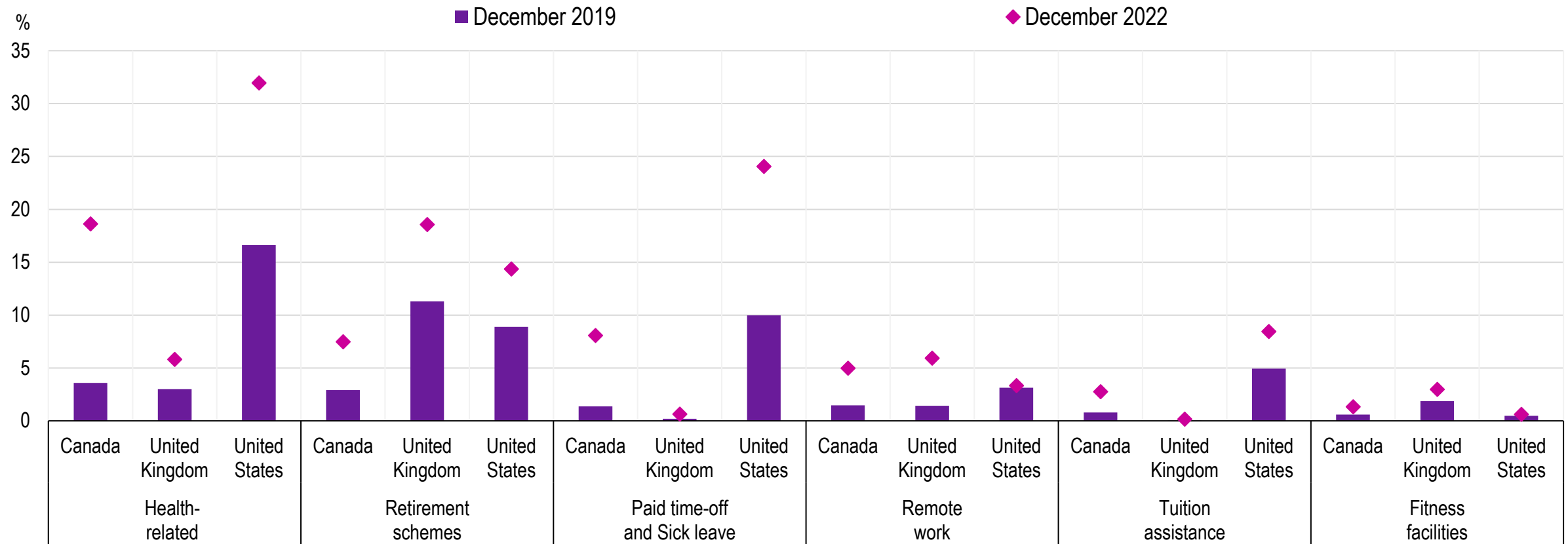
Percentage share of new hires with a temporary contract



# Employers are offering better deals in posted vacancies amid tight labour markets (II): more benefits

## Online job postings offering benefits in Canada, the United Kingdom and the United States

Percentage share of job posting offering each benefit by country

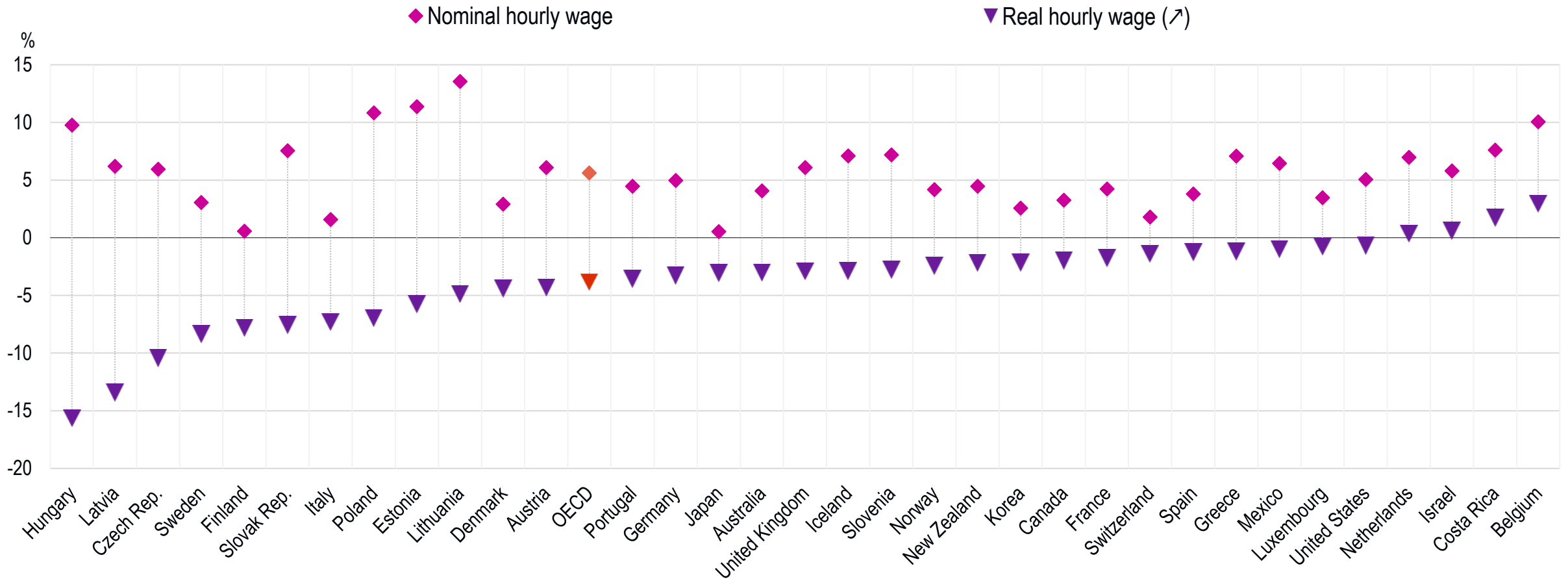




# But real wages are below pre-pandemic levels, despite the recent nominal wage growth

## Change in nominal and real hourly wages

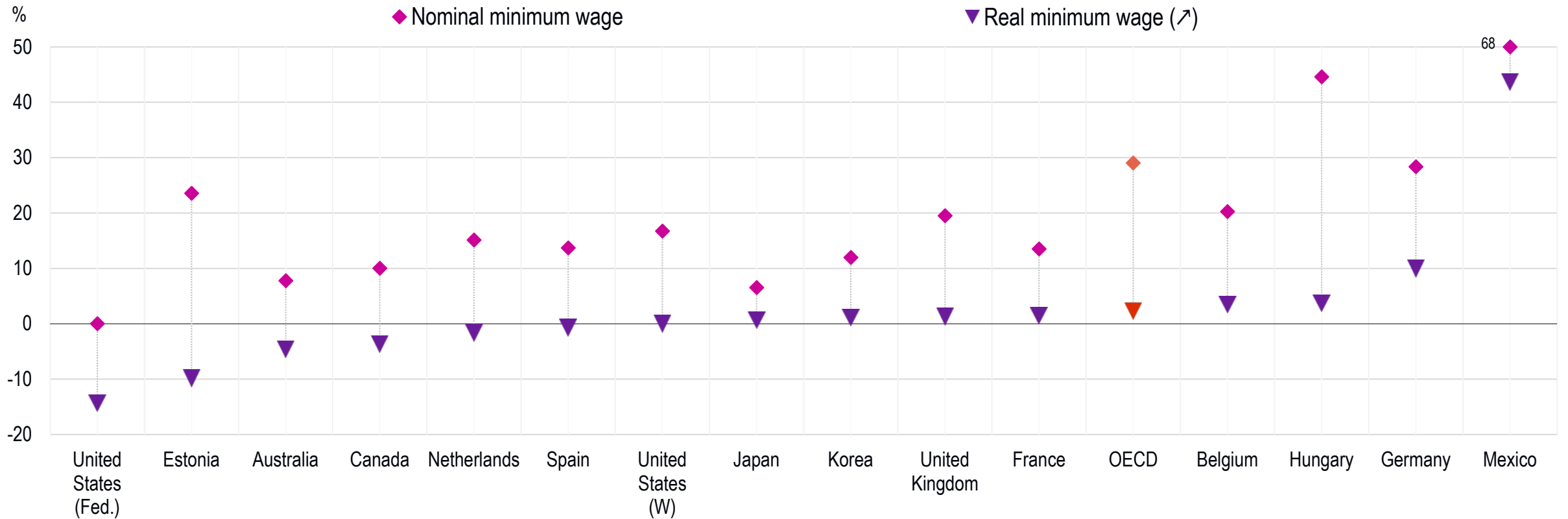
Year-on-year percentage change, Q1 2023



# Minimum wages are keeping pace with inflation, but real gains may vanish over time if inflation remains high

## Nominal and real minimum wages

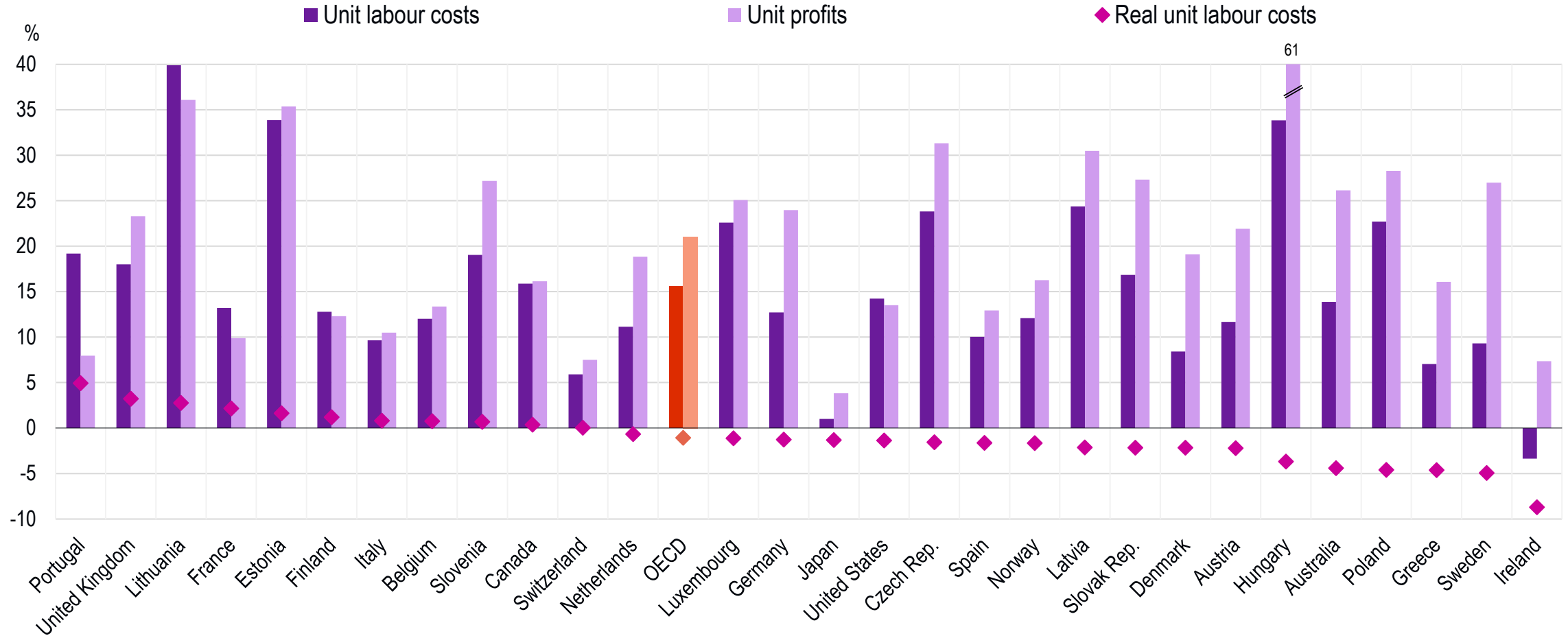
Cumulative % change from December 2020 to May 2023



# Wages have grown less than profits in many countries

## Change in labour costs and profits

Percentage change from Q4 2019 to Q1 2023, seasonally adjusted data

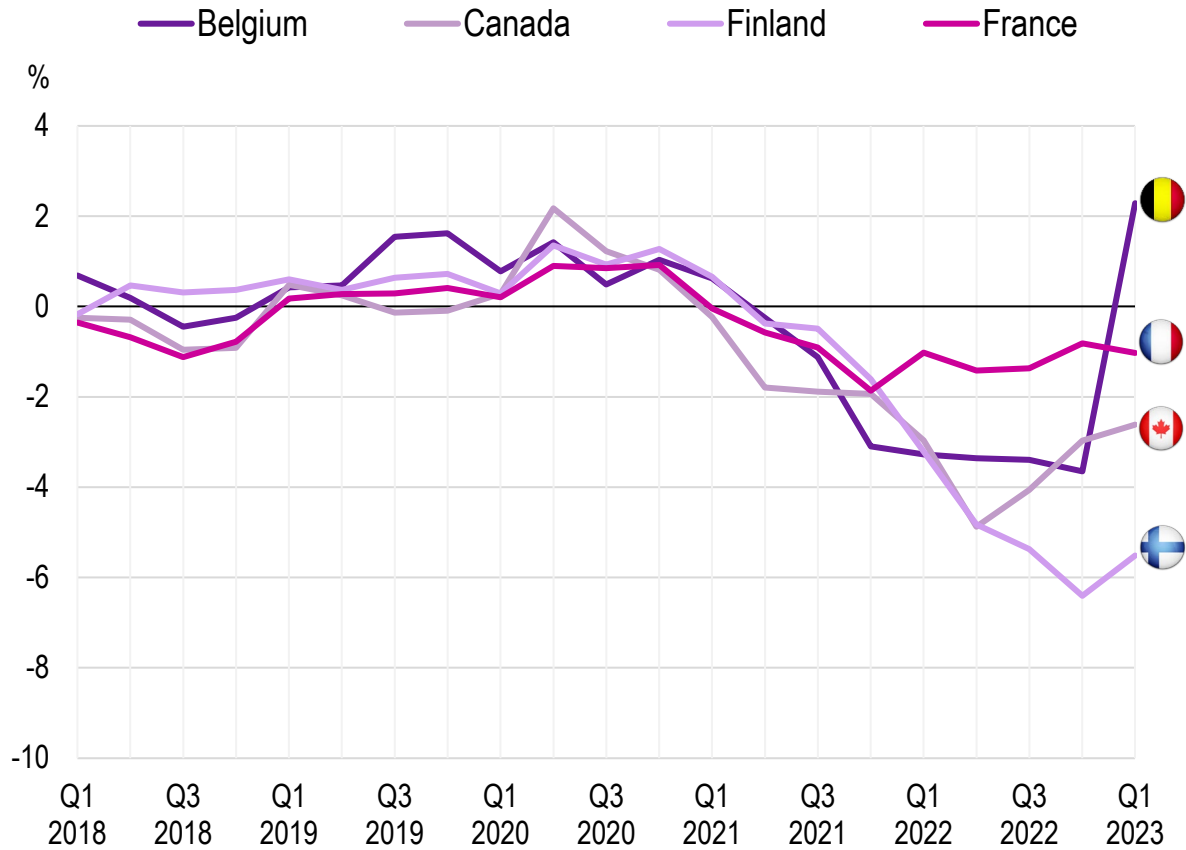


# Negotiated wages are reacting with longer delays

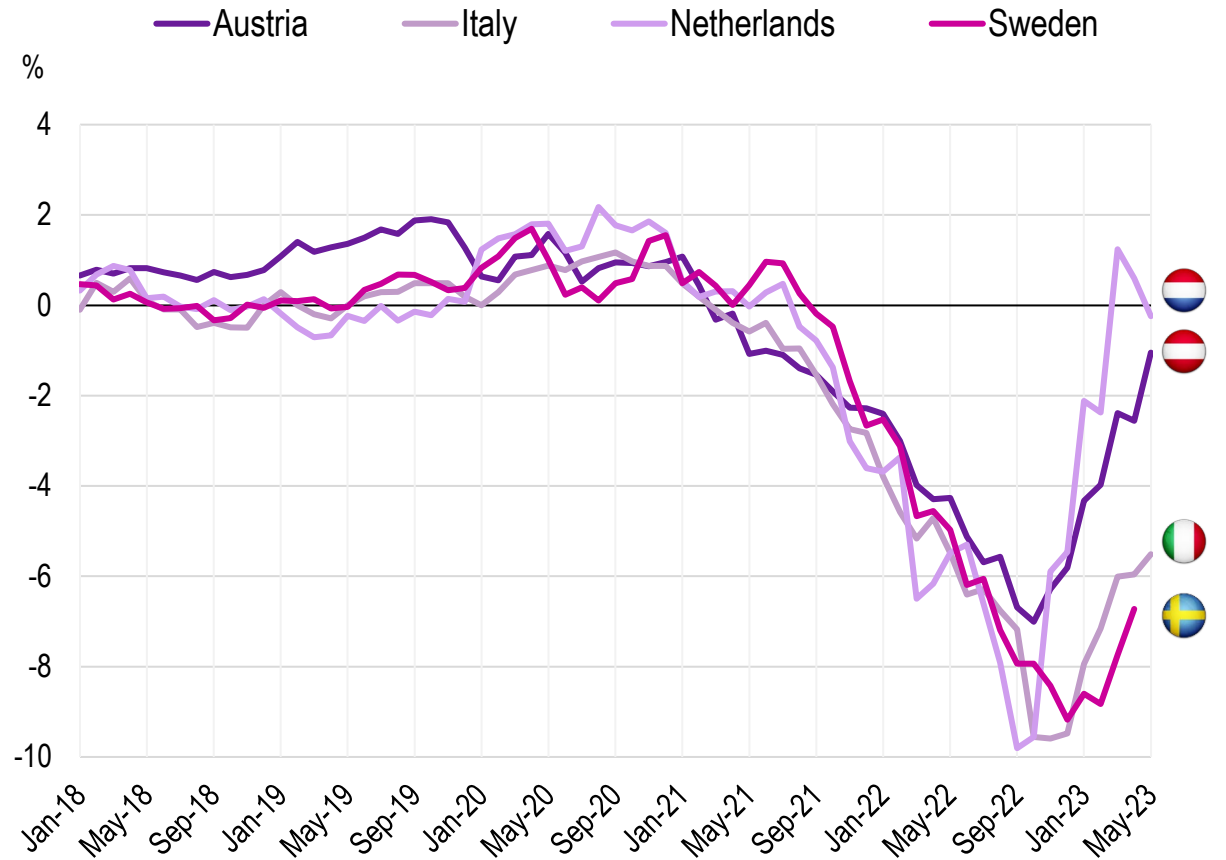
## Negotiated wages in real terms

YoY % change in negotiated wages (i.e. resulting from collective agreements)

A. Quarterly data



B. Monthly data

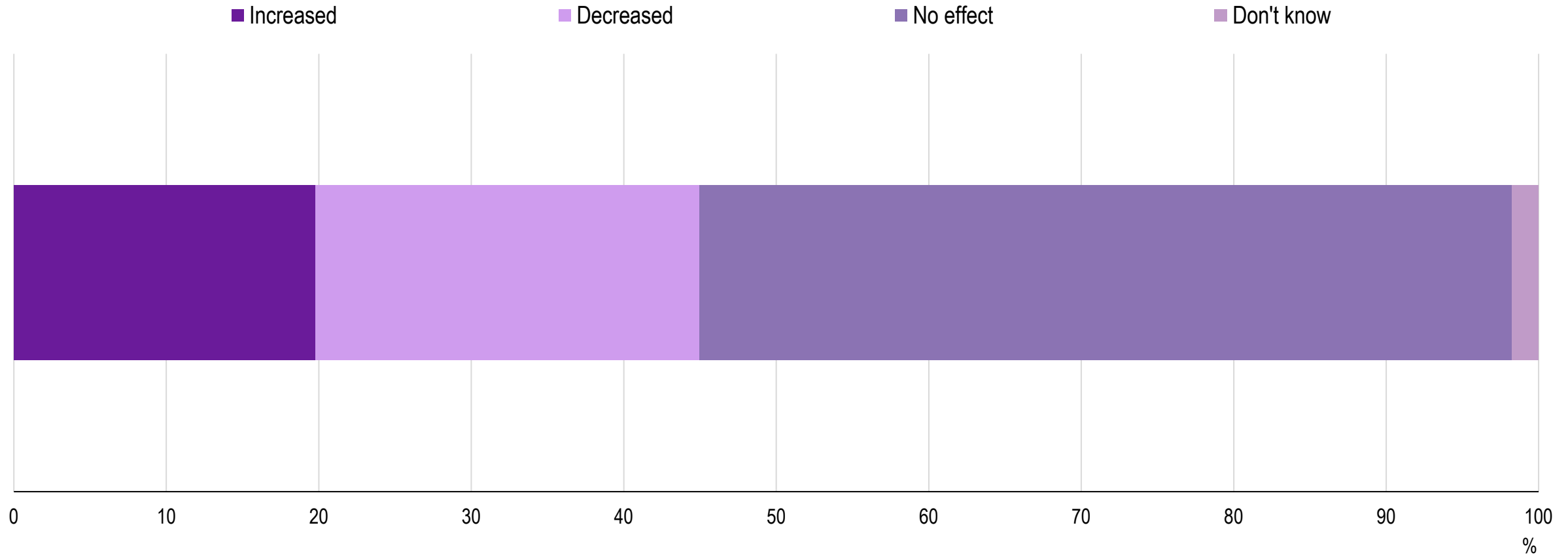


## II. The impact of AI on jobs and workers

# There is little evidence of significant employment effects of AI so far

## AI impact on overall employment in company

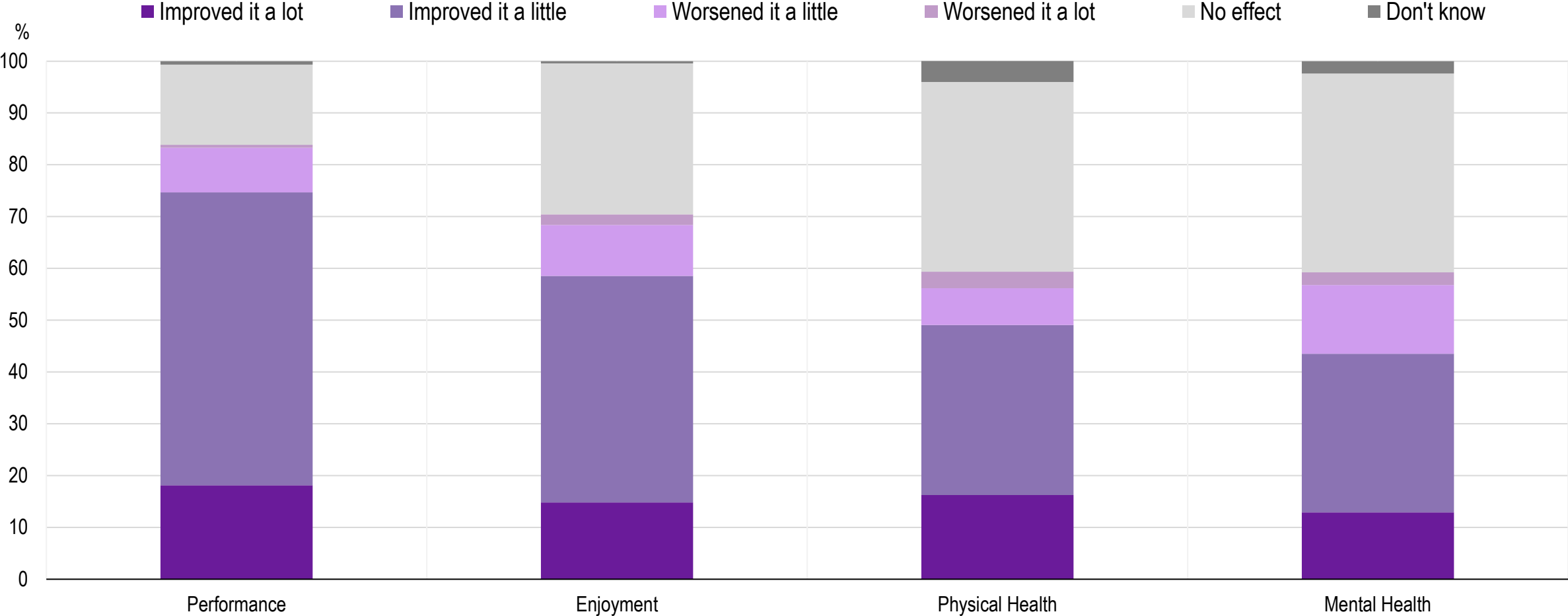
% of employers in manufacturing and finance sectors who say that employment has increased/decreased/stayed the same



# AI can have a positive effect on job quality

## The impact of AI on performance and working conditions

% of workers who work with AI





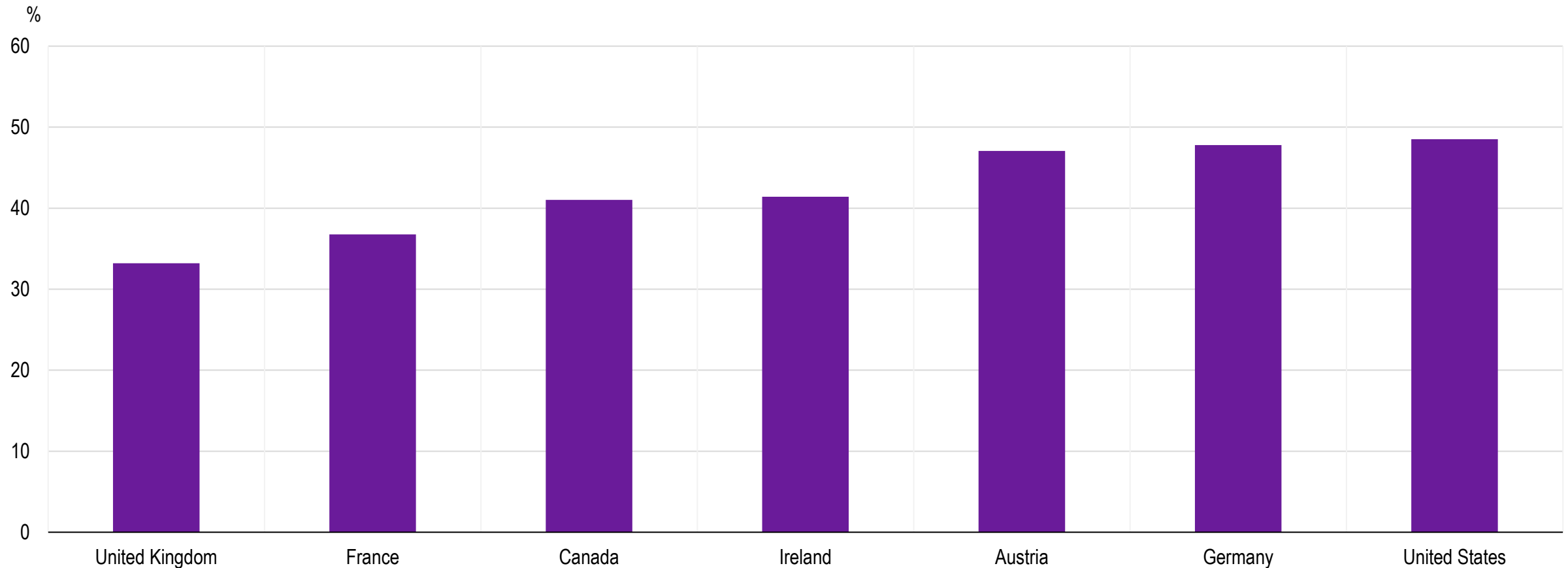




# Investing in skills will be important

## Share of employers saying lack of skills is a barrier to adopting AI

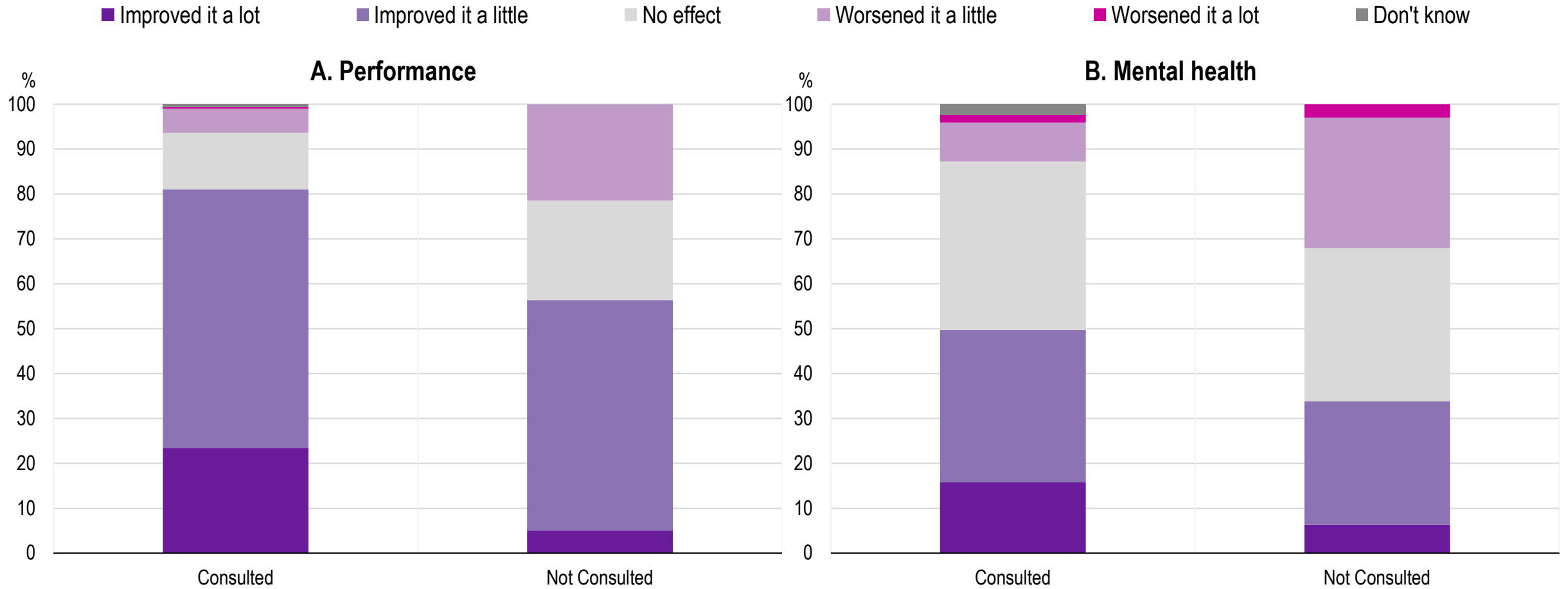
% of employers



# Social dialogue can lead to better outcomes

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

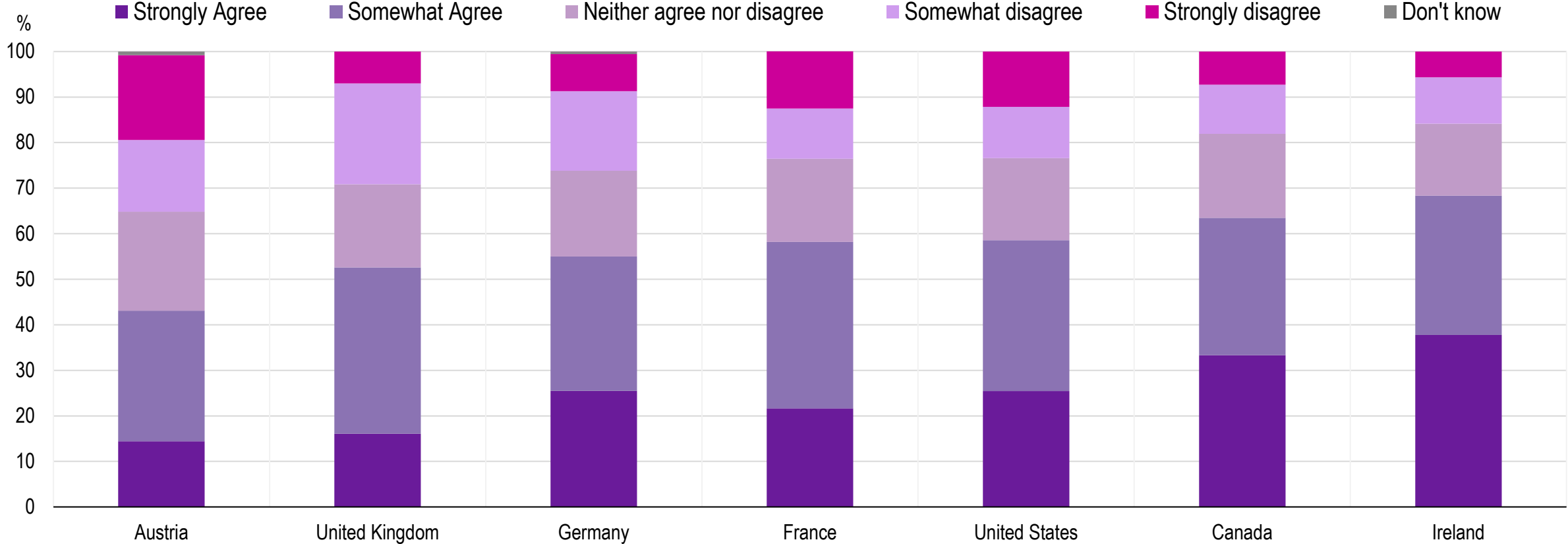
% of workers who work with AI



# Appropriate safeguards need to be put in place to protect workers rights and opportunities

## Share of AI users who say they worry about their privacy

% of workers who work with AI



# Action is already being taken – but more will be needed

- 2019 OECD AI Principles
- AI does not operate in a regulatory vacuum – but likely need to adapt policies
  - Data protection, anti-discrimination, workplace health and safety
- Need for accessible and understandable information and clearly defined responsibilities
  - E.g. EU AI Act, Blueprint for an AI Bill of Rights in the United States
- Calls and initiatives to act on generative AI: Need for international cooperation



