



SAO PAULO SCHOOL  
OF ECONOMICS

*Center for Applied  
Microeconomic Studies*



Centers for Learning on Evaluation and Results

**BRAZIL & LUSOPHONE AFRICA**

# Diálogos Nacionais sobre o Futuro do Trabalho

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## Apresentação

1. O Futuro do Emprego: O Capítulo sobre Emprego do Painel Internacional para o Progresso Social
2. Algumas Considerações para o Caso Brasileiro

# THE FUTURE OF WORK - GOOD JOBS FOR ALL?

## The IPSP chapter on employment

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## Chapter 7

# THE FUTURE OF WORK - GOOD JOBS FOR ALL?

Our narrative, key points:

Our challenge: ensure labor market inclusion and job quality in time of uncertainty and flexibility

Major issue is to reconcile security and flexibility by designing suitable policies at different levels

# Globalization and technology

Technological innovation and globalization interact and influence employment around the globe at different stages of development

Technological progress is long-standing phenomenon, it affects structures of employment, job types, tasks performed

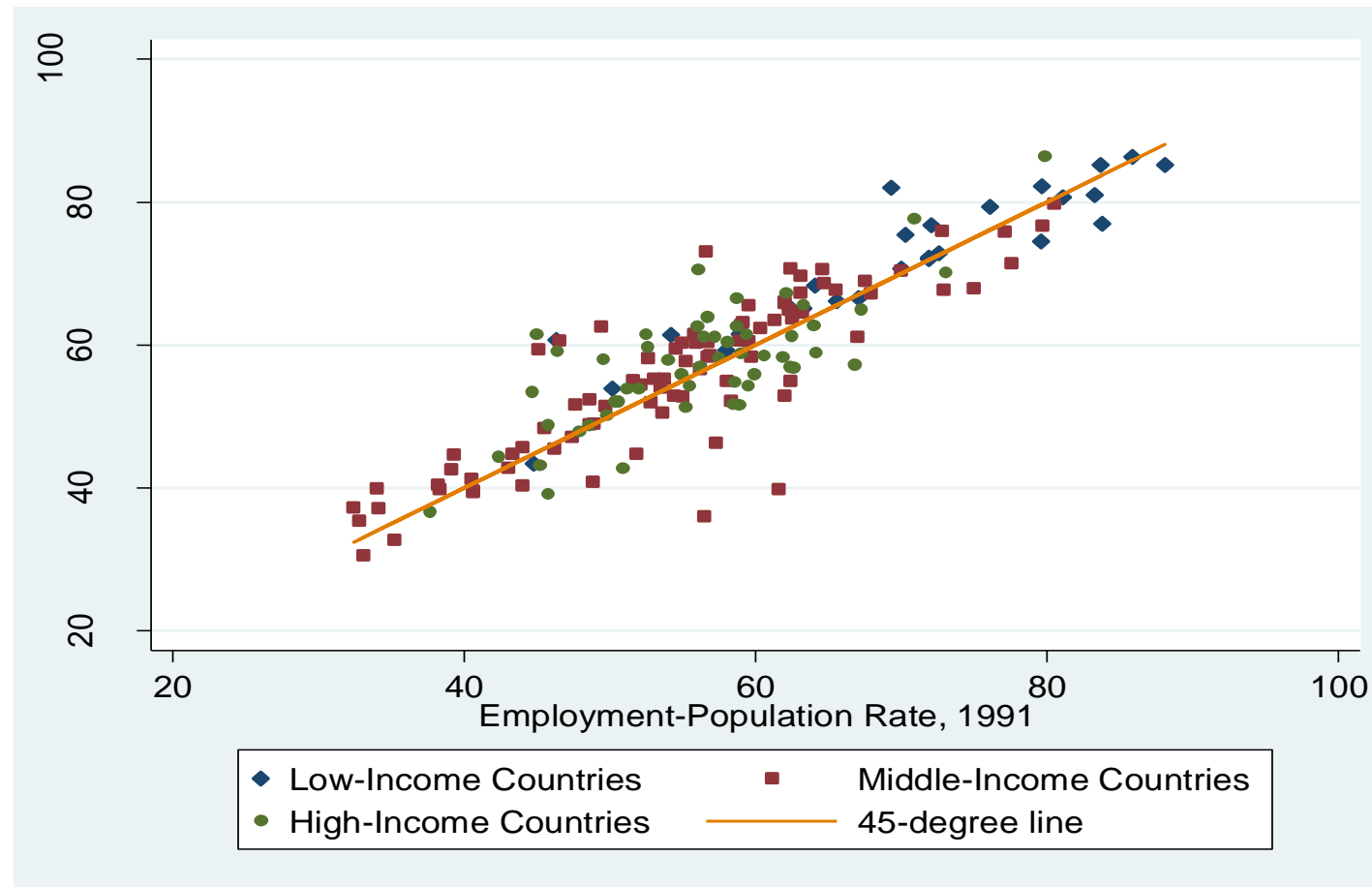
Constant change, but no „end of work“

Modern technologies need time to diffuse

Diverse developments regarding occupations and earning potentials, distributional issues raised by automation

Winners and losers – different trends in inequality between and within countries

## Employment-Population Rates in 2014 and 1991



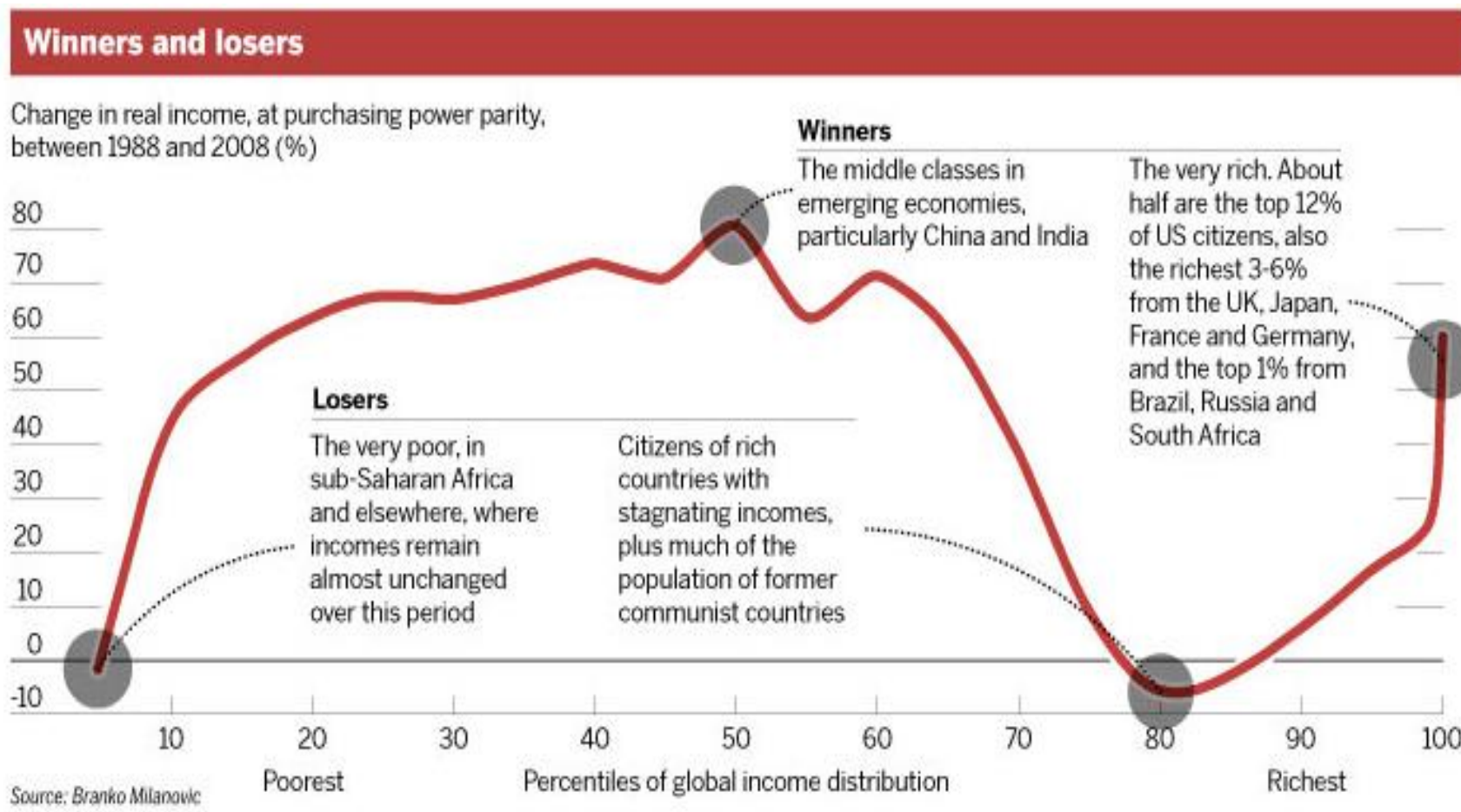
**Table 1:**  
**Estimated Decadal Changes in Employment Shares of Major Occupation Groups, 1998-2014**

Notes: these are estimated changes in percentage points over a decade from an unbalanced panel for 1998-2014 in which the weights designed to add to total employment in the world and correct for the probability of data on the occupational structure of employment being observed.

	ISCO Major Groups	All Countries	Low-Income Countries	Middle-Income Countries	High-Income Countries
1	Managers	0.3	-1.9	0.1	0.5
2	Professionals	2.6	-0.1	3.2	2.1
3	Technicians and Associate Professionals	1.2	5.3	-2.0	2.1
4	Clerical Support Workers	-1.3	-8.7	0.5	-1.8
5	Services and Sales Workers	1.9	6.7	4.1	1.3
6	Skilled Agricultural, Forestry and Fishery Workers	-0.6	-0.6	-1.7	-0.2
7	Craft and Related Trades Workers	-3.3	-5.5	-3.7	-3.2
8	Plant and Machine Operators and Assemblers	-0.8	-2.1	0.0	-1.0
9	Elementary Occupations	0.1	7.0	-0.4	0.2



Figure 2: Winners and Losers Globally, 1988-2008 (Milanovic, 2016)



# Globalization and technology

There is a role for well-designed public policies to adjust to changes and ensure a fair distribution of gains and risks

What can be done:

- Recognition that new technology and globalization have losers and winners – but protectionism, slowing down change is not a good option
- Better enable people to adapt to change, not just compensate the losers – role for social investment and redistribution
- Globalization and regulatory issues / minimum standards

# Types of employment

Diverse types of employment, forming concentric circles on the labor market – in an age of flexibility

Standard employment relationship (full-time, open-ended) as a benchmark

Non-standard forms of work (fixed-term contracts, agency work, self-employment, part-time work, crowd working/“gig economy“)

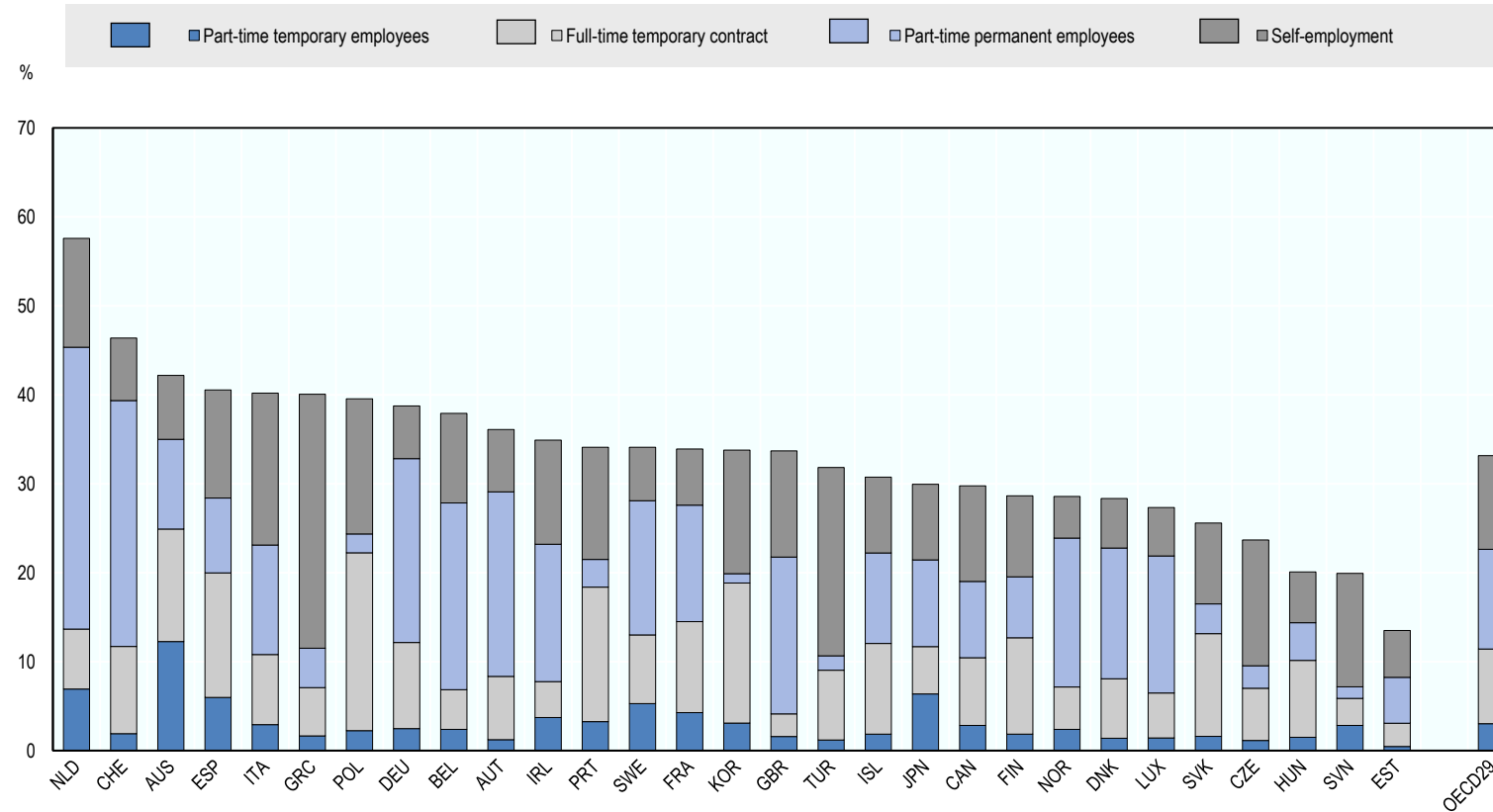
... as well as informal employment, child labor, forced labor

Major differences across countries and world regions, also in terms of directions of development

Explanatory factors: technology, global competition, institutional framework, company practices ...



## Shares of Non-Standard Employment by type (% of total employment), 2013



Source: *OECD (2015)*: Figure 4.1, page 140

„Internal“ flexibility with respect to the organization of work (time, place etc.) as opposed to „external“ flexibility (type of contract)

Dynamism in terms of an increasing variety of working time arrangements at different levels of development and regulation

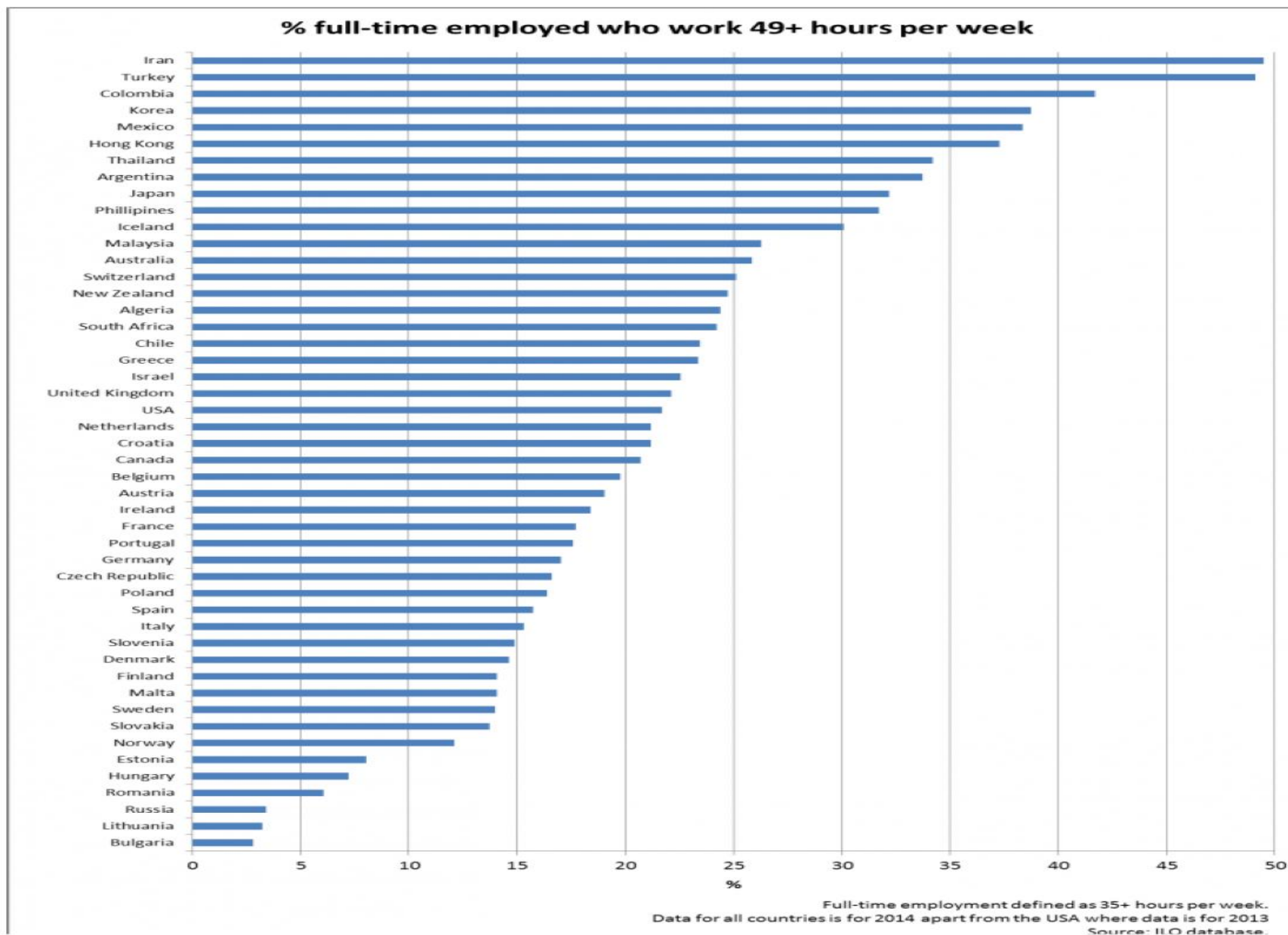
Tension between flexibility in favor of firms and/or workers

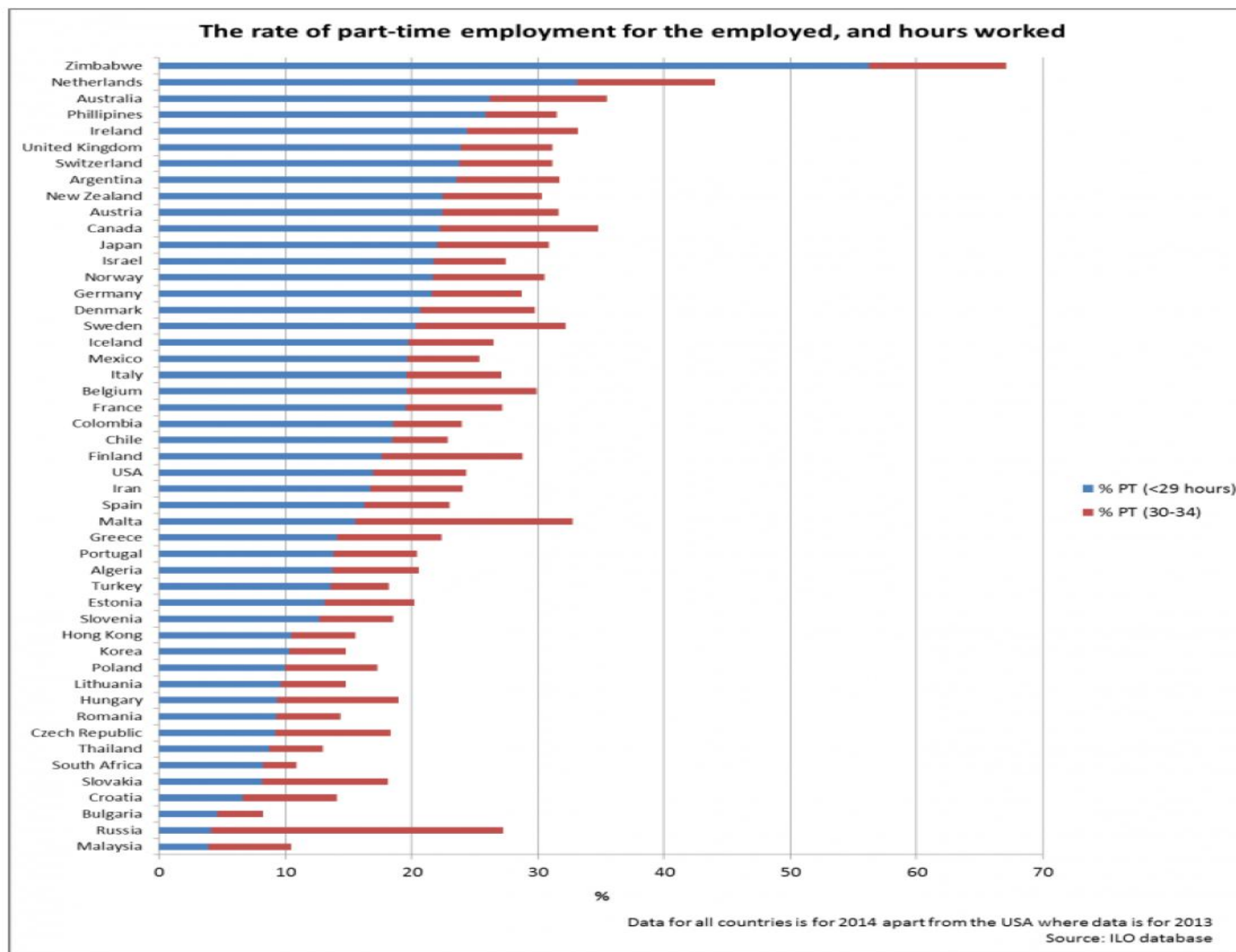
Full-time and part-time work, atypical schedules > work-life balance, health implications

Negotiated flexibility at different levels – but strong divergence in bargaining power and work arrangements across groups of workers

Role of company and public policies to promote reconciliation

Mobile work and work from home using modern technology







Continuing the model of concentric circles on the labor market

Different categories at the boundary of the employment system

1. Underemployed
2. Unemployed, long-term unemployed
3. Discouraged workers
4. Inactive / out of the labor force

Categories and boundaries defined through institutional rules, e.g. status of being unemployed refers to unemployment benefits and jobsearch requirements

Measuring unemployment through the unemployment rate is not an appropriate instrument in many cases and only gives a partial picture of lack of employment

# Collective bargaining

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Collective bargaining as a mechanism of worker protection, distribution of income and conflict settlement in democratic societies

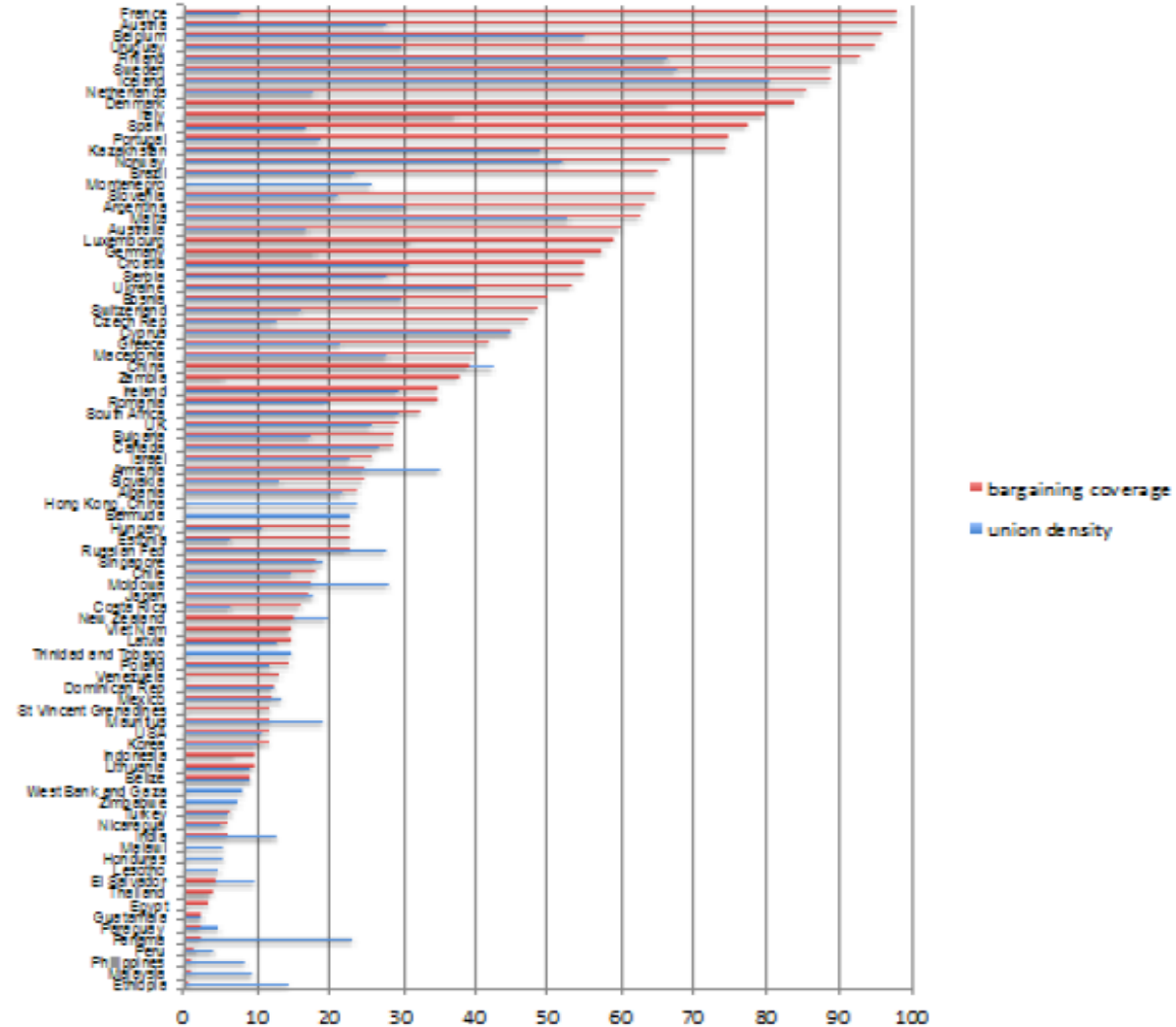
Particular role and advantages of multi-employer bargaining

Huge variation in bargaining coverage, union density and centralization/coordination around the globe

Pressure in terms of declining bargaining coverage, worker organization, decentralization

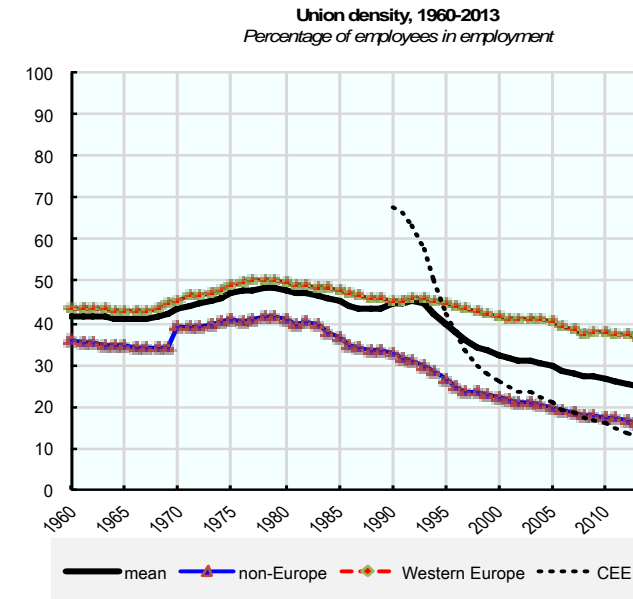
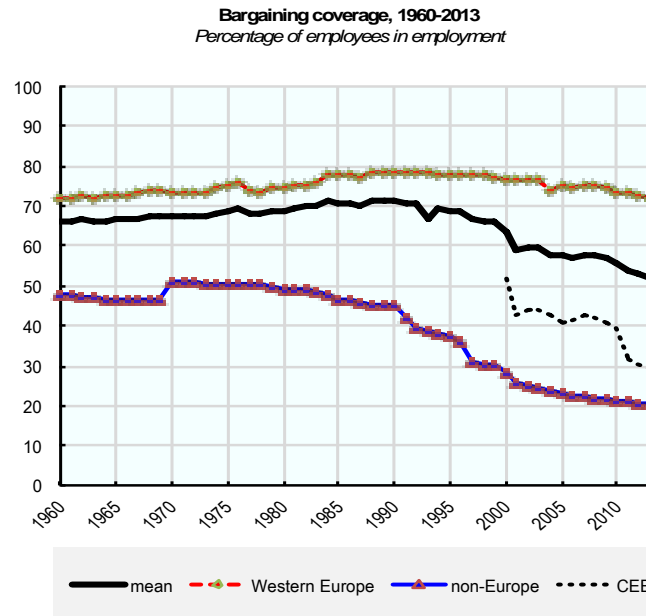
Crucial role of employer organization and extension of agreements

## Bargaining coverage and union density rates across 85 countries, 2013



# Collective bargaining coverage

Time trends in bargaining coverage and union density rates, 1960-2013, by country groups





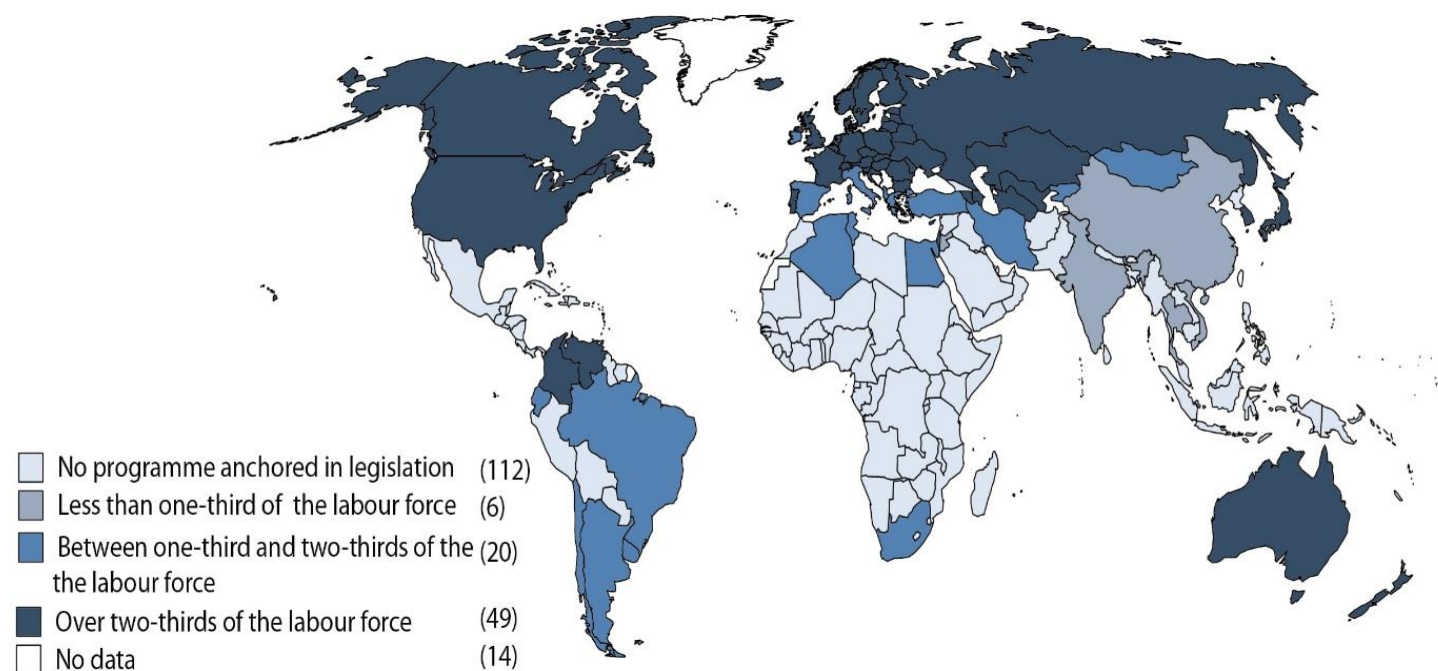
# Regulation and social protection

Relation between different types of protection

1. **Employment protection (EPL)** – stabilizing existing employment, but also leading to dualized labor markets with limited mobility between the segments (see also section above on employment types) – de/regulation of EPL as an issue, with all its political implications
2. **Social protection (unemployment benefits and minimum income schemes) and active labor market policies** – developments in terms of spending, program generosity and coverage, going beyond industrialized countries – how to ensure appropriate support and combine income replacement with work incentives/re-entry to the labor market, based on evaluation studies

# Unemployment protection

Unemployment protection schemes worldwide by extent of legal coverage of the labour force, latest available year



Note: Figures in brackets refer to the number of countries in each group. Data from 2009-13; for most countries, 2012/13.

Source: ILO World Social Protection Report 2014/15.

# Regulation and social protection

The political economy of „flexicurity“ models – how to achieve an institutional environment reconciling flexibility and security, in particular ‚good transitions‘ in a dynamic labor market environment

Potentially different pathways depending on level of development and institutional legacies



# Conclusions

Consistent with those of the inequalities chapter discussed in previous session

**Dynamism** of the world of work, driven by technology, globalization and demography (including migration flows)

**Heterogeneity** of job types and job quality by region, sector, occupation ... contributing to within-country inequalities

Institutions, i.e. political decisions can influence further developments (**policies matter**)

Policy conclusions at a **global scale** are feasible, but they are necessarily quite abstract

Need to **adapt to local context/development** and find ways to design and deliver reforms and policies that work, via legislation, collective bargaining, firm-level practices (and other mechanisms to drive changes – “soft law” accountability, social movements and norms/values – cooperative vs individualistic, fairness?)

# Conclusions

Good jobs ...

are **free of major characteristics of precariousness**, such as a lack of stability and a high risk of job loss, a lack of safety measures and an absence of minimal standards of employment protection

enable working persons to exert **some control** on matters such as the place and the timing of work and the tasks to be accomplished, and these jobs place appropriately high demands on the working person, without overtaxing their resources and capabilities and without harming their health

provide **fair employment** in terms of earnings and of employers' commitment towards guaranteeing job security

offer opportunities **for skill training, learning and promotion** prospects within a life course perspective, thereby sustaining work ability and stimulating individual development

prevent social isolation and any form of **discrimination** and violence

aim at **reconciling work and extra-work demands** (family, voluntary community work, leisure etc.) by implementing appropriate rules in day-to-day practices

Core policy issues:

1. rules regarding **employment protection**, allowing for flexibility while avoiding a deeper segmentation of the labour market
2. **unemployment protection** through social insurance and basic income support with appropriate **active labour market policies** to both replace income losses in phases of unemployment and accelerate reintegration into employment
3. **skill formation** at different stages of the life course, with ensuring the acquisition of skills that can be used in the labour market to access better jobs as well as access to **education** also for vulnerable groups
4. effective policies to make the most out of **diversity** and ensure **non-discrimination**
5. legislative and collectively agreed standards regarding **working conditions** such as remuneration, working time and health-related aspects of work, **ensuring a fair distribution of economic gains** as well as working conditions that are compatible with health and extra-work demands

# Algumas Considerações para o Caso Brasileiro

1. A produtividade do posto de trabalho
2. A produtividade do trabalhador
3. A produtividade do casamento do posto de trabalho com o trabalhador
4. O que fazer?

## Papel da tecnologia

## Papel das instituições

- Tributação
- Regulação
- O 'Simples'

# A produtividade do Posto de Trabalho

Firmas e Postos de Trabalho - Brasil 2003		
	Fonte	Dados
<b>Proporção:</b>		
Trabalhadores informais (sem carteira)	PNAD	35%
Empresas informais	ECINF & RAIS	69%
<b>Distribuição de tamanho: setor informal</b>		
Até 1 empregado	ECINF	85%
Até 2 empregados	ECINF	96%
Até 4 empregados	ECINF	99%
<b>Distribuição de tamanho: setor formal</b>		
Até 1 empregado	RAIS	30%
Até 3 empregados	RAIS	56%
Até 7 empregados	RAIS	77%
Até 31 empregados	RAIS	95%

Fonte: Ulyssea et al. (2016)

# Produtividade do Trabalhador

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## Capital humano geral

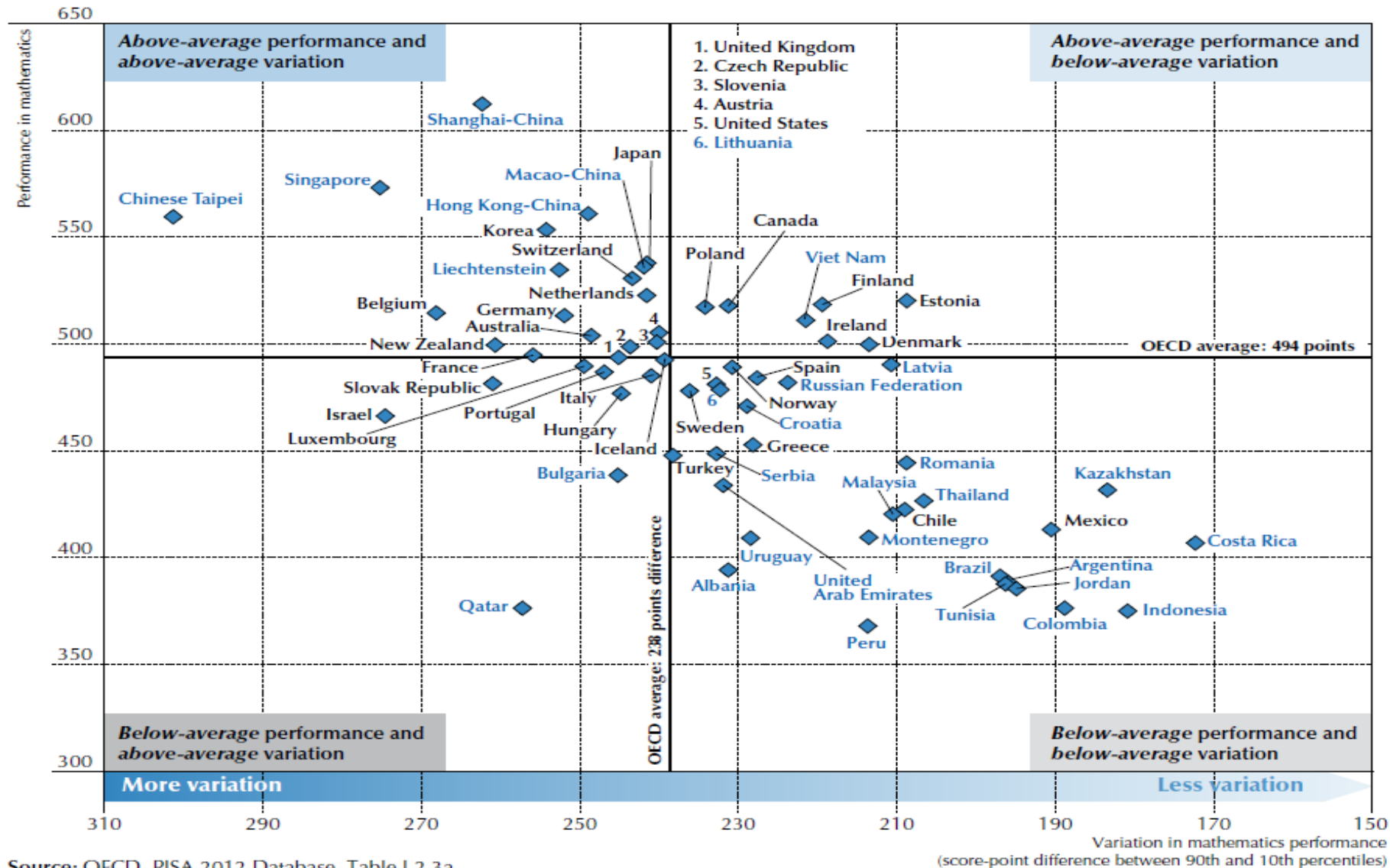
- Educação

## Capital humano específico

- Treinamento
- Especialização



# Relationship between performance in mathematics and variation in performance

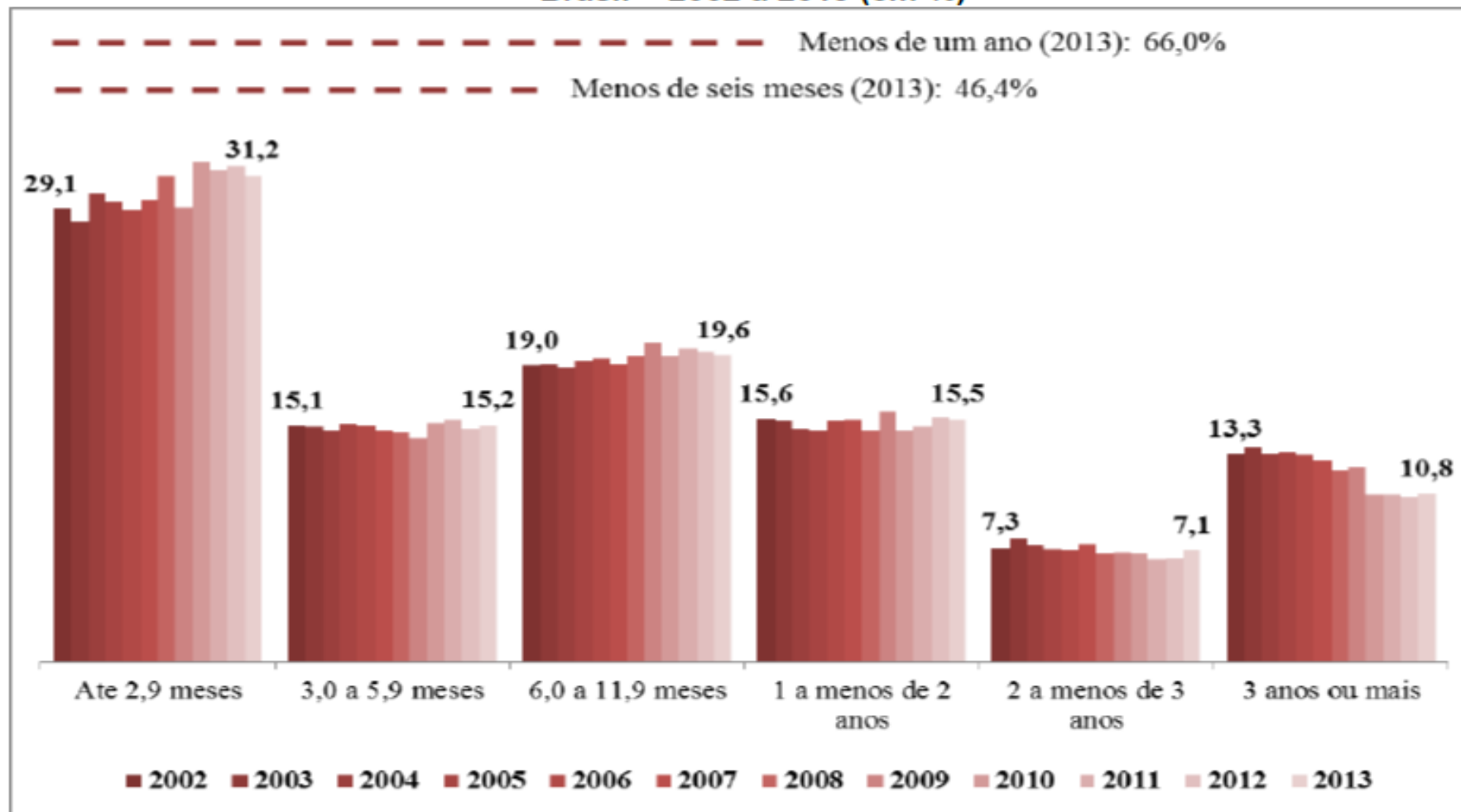


Source: OECD, PISA 2012 Database, Table I.2.3a.

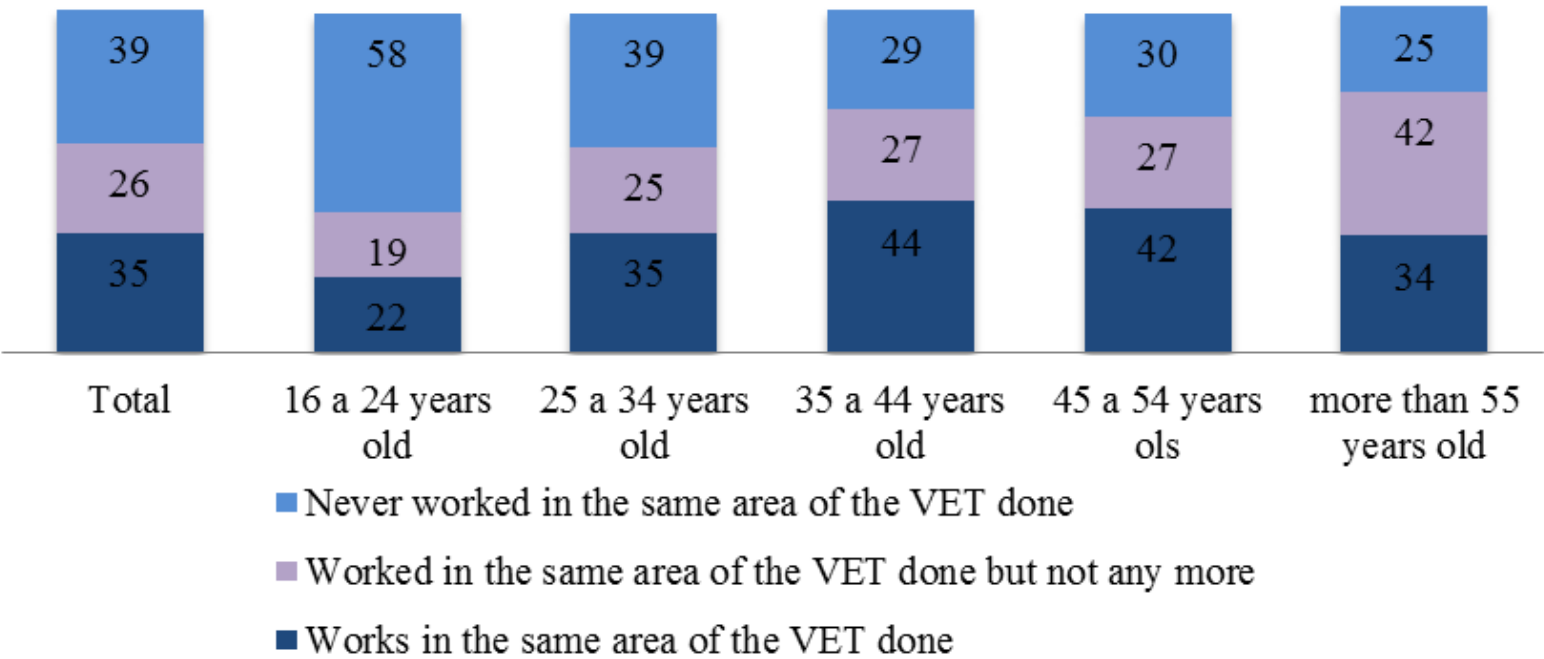
# A produtividade do casamento do posto de trabalho com o trabalhador

1. Adequação da oferta e demanda de qualificação
2. Mobilidade do capital e do trabalho
3. Estrutura de incentivos para relações estáveis e duradouras

**GRÁFICO 3**  
**Distribuição dos desligamentos de vínculos celetistas segundo**  
**faixas de tempo de emprego**  
**Brasil - 2002 a 2013 (em %)**



Fonte: MTE. Rais  
Elaboração: DIEESE



Fonte: SENAI (2011)

# O que fazer?

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## 1. Negociado sobre legislado

- Ganhos mútuos entre as partes e redução de ineficiência
- Redução de incerteza jurídica

## 2. Terceirização

- Ganhos de eficiência por ampliar ganhos de escalas horizontais

## 3. Novas modalidades de contratos

- Ganhos de eficiência por ampliar novas formas de organização do trabalho

## 4. Agenda 'doing business'

- Deixar ocupações 'velhas' morrerem e facilitar o nascimento e expansão de 'novas' ocupações
- Abertura e fechamento de empresas formais
- Abertura e fechamento de postos de trabalho formais
- Regras horizontais

## 5. Redesenho do sistema social de proteção ao trabalhador

- Alinhar proteção ao trabalhador a incentivos ao trabalho, à formalização e a ganhos de produtividade
- Unificação e consistência entre abono salarial, salário família, seguro desemprego e FGTS
- Criação de fundo de poupança compulsória do trabalhador