

## « L'emploi et ses nouveaux défis »

Titres et abstracts des interventions de l'après-midi du 21.11.2019

De 14h à 15h30

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### Commission 1 : Vieillesse et emploi – Président : Alain Joustien (ULiège)

#### ***Augmenter la durée des carrières : la seule réponse possible au vieillissement ?***

Vincent Vandenberghe (UCLouvain)

D'ici à 2050, la proportion des plus de 60 ans devrait passer dans les pays développés de 20 à 33 % de la population. Reflet de l'allongement de l'espérance de vie, ces chiffres traduisent un extraordinaire progrès de civilisation. Mais ils pointent aussi de sérieux défis, dont celui du maintien d'une proportion suffisante d'actifs. Comme le travail rémunéré reste le principal facteur de production des richesses, l'impact du vieillissement sur le niveau de vie par habitant serait, en première approximation, proportionnel à la baisse de la part de population au travail. Les simulations indiquent une baisse, selon les pays européens, de 10 à 22 % entre 2005 et 2050. Il est heureusement possible de compenser l'effet négatif du vieillissement, notamment sur le volume global de travail presté. L'allongement de l'espérance de vie s'accompagne d'une augmentation de l'espérance de vie en bonne santé. On pourrait en déduire que la mesure par excellence pour augmenter la population au travail consiste à augmenter progressivement la durée des carrières par le haut. Pourtant, on aurait tort d'y voir le seul moyen de compenser les effets du vieillissement sur la proportion d'actifs.

#### ***Retirement and claiming: an increasing divide***

Anne-Lore Fraikin (ULiège)

The paper describes employment and retirement trends of employees aged 55 to 64 using a representative administrative panel dataset covering the years 2004 to 2010. It decomposes retirement and benefit claiming trends into four subcategories in order to analyze the possible dissociation of both phenomena. Our results show that numerous forms of early benefit claims in Belgium come along with continued benefit accrual – pointing at the importance of such a decomposition for labor market and fiscal analysis of delayed retirement. Though based on Belgian data, the analysis is highly relevant for other countries as situations of simultaneous work and benefits claim are becoming increasingly common.

#### ***Marché du travail et sécurité sociale : analyse SWOT***

Koen Vleminckx (SPF Sécurité sociale)

### Commission 2 : Robots/digitalisation et emploi – Président : Nicolas van Zeebroeck (ULB)

#### ***How the future of work may unfold: a corporate demand-side perspective***

Jacques Bughin (McKinsey Global Institute)

*“The revolution need not be automated” (Acemoglu and Restrepo, Project Syndicate, March 2019)* – In the current debate over the Future of Work, there is little discussion about how firms anticipate the evolution of their demand for labor and the related mix of skills as they adopt Artificial Intelligence (AI) tools. This article leverages a global survey of 3,000 firms in 10 countries to assess how firm labor demand evolves with AI diffusion. Three findings stand

out. First, while a portion of firms anticipates reducing employment as a result of adopting AI technologies, as many companies also anticipate higher labor demand as well as change in mix of employment. Second, the reallocation is one with talent shifting towards more analytic, creative, and interaction skills, and away from administrative and routine-based functions, in line with past trends of skill- and routine-biased technological change, and in line with models of task automation (Acemoglu and Restrepo, 2018). Third, corporate choices about labor demand growth and mix ultimately depend on how fast, and for what purpose, a corporation is absorbing AI technologies. The earlier the adoption, a fortiori to build new products and services and expand market share, the higher the propensity to increase labor demand. We conclude that innovative firms are the best ways to alleviate the fear of unemployment.

### ***Recent debates on the future of work***

Andrea Salvatori (OCDE)

This paper provides new information on three selected topics related to both the quality and quantity of jobs that have featured prominently in the debate on the future of work, but for which hard evidence has been limited – job stability, under-employment and changes in the share of well-paid jobs. First, it investigates whether jobs have truly become less stable and, if so, whether these changes are linked to an increase in the mobility of workers between jobs or between jobs and non-employment. Second, the paper examines whether there is a growing risk of under-employment (the extent to which people would like to work more hours than they currently do) rather than technologically driven unemployment. More specifically, it looks at how the risk of under-employment has evolved for different socio-demographic groups, as the growth of the service sector, low-skill occupations and atypical forms of employment have contributed to its overall increase in several countries. Finally, the paper investigates how the chances of getting a middle-paid job have changed for different groups. Again, a key issue here may be that, rather than being confronted by a jobless future, some groups in the labour market may be facing a future where it will be harder to find a well-paid job. A key finding of the analysis is that the labour market experiences of many young people and of those with less than tertiary education have worsened over the past decade. In fact, the young with less than tertiary education have been particularly affected by these changes, as the share experiencing under-employment, non-employment and low pay has increased. While these changes have affected different countries to varying degrees, only two countries (Germany and Poland) have not seen a worsening of any of these indicators for young people with less than tertiary education. The evidence suggests that these patterns are unlikely to be only a hangover of the recent global economic crisis. There is also a clear gender dimension. While the absolute risks of both under employment and non-employment remain higher for women, the risk of non employment for men has increased in most countries (particularly for those with less than tertiary education). Men with less than tertiary education have also experienced proportionally large increases in the risk of under-employment. But women remain more likely to be in low-paid jobs and less likely to be in high-paid ones, despite an improvement in the probability of being in middle-paid jobs.

### ***Labour market polarisation and the role of local job multipliers***

Marieke Vandeweyer (KU Leuven & OCDE)

Labour markets in developed countries have been polarising in recent decades. The share of both high-paid and low-paid jobs has been on the rise, at the expense of jobs in the middle of the wage distribution. These middle-paid jobs generally make use of tasks that are highly routine in nature, meaning that they can relatively easily be codified and executed by technology. The demand for high-skilled workers has increased, as high-skill jobs are complementary to technology and often involve creative and socially oriented tasks that cannot be performed by machines. At the lower end of the wage distribution, many jobs are

very non-routine in nature, often because of the social aspects involved in many of these jobs. One of the reasons for the significant growth of low-paid employment is the existence of a local job multiplier. The creation of high-skill jobs leads to increased demand for low-skilled workers in the same region, as high-skilled workers outsource domestic tasks, such as childcare and cleaning, and consume leisure services. For European regions, it is estimated that one additional high-tech job is associated with up to five new low-skill jobs. This multiplier is found to be larger in regions with higher immigration, an abundance of less-skilled workers, and lower gross output per capita. Recent estimates suggest that a significant share of jobs is a risk of automation, but also that humans will maintain a competitive advantage in certain tasks. Nonetheless, continuing automation implies that many people will see their jobs change, and that they will need to have the right skills to adapt to these changes.

**Commission 3 : Migrations et emploi – Présidente : Mélanie Volral (UMONS)**

***Europe's ever expanding mobility patterns – posting, third-country nationals and the single European labour market***

Dries Lens (Universiteit Antwerpen)

The single European labour market has been assessed by literature as disappointing, due to the fact that labour mobility levels are still quite modest. In this article, we use Belgian data on posting to argue that the single European labour market is far less disappointing if all actually occurring labour mobility streams are taken into account. The single European labour market has come to consist of various streams of mobility, out of which long-term mobility is just one modest stream. Long-term mobility based on the free movement of workers is increasingly complemented and even surpassed by highly circular and more temporary mobility streams of posted workers based on the free movement of services. Another rapidly growing mobility stream consists of third-country nationals (TCNs) who are mobile within Europe as posted workers. Based on case-law of the European Court of Justice, TCNs with a valid work and residence permit in one member state, can be posted freely across the EU. Such mobility streams render the European labour market more promising, yet at the same time more challenging. More promising, as EU labour mobility is adapting to the preferences of workers and businesses. More challenging in view of fears that posted workers are undercutting wages and labour standards. That there are serious issues of monitoring and enforcement is clear.

***Regard des Belges sur l'immigration : le verre à moitié plein***

Abdeslam Marfouk (ULiège)

Au cours des dernières années, l'immigration s'est imposé comme un sujet central du débat politique en Belgique avec une intensification des voix anti-immigration dont le discours et la rhétorique reposent sur de fausses représentations de l'immigration et un certain nombre de contre-vérités. La stigmatisation des immigrés est le "cœur de métier" des partis racistes et xénophobes, en l'occurrence la Nouvelle Alliance flamande (N-VA), le premier parti au niveau national et le Vlaams Belang, le grand vainqueur des récentes élections en Belgique, et d'autres politiciens populistes. Ces forces anti-immigration veulent faire croire à l'opinion publique que la majorité des Belges est hostile à l'immigration. Mais qu'en est-il vraiment? Par ailleurs, il est bien établi que les représentations au sujet de l'immigration jouent un rôle déterminant au niveau des attitudes individuelles à l'égard de l'immigration. Dès lors, deux autres questions complémentaires se posent: Les Belges sont-ils bien informés sur l'immigration? Une meilleure information sur les différents aspects de l'immigration réduirait-elle le sentiment anti-immigration? L'objectif de cette contribution est de répondre à ces questions.

### ***Immigration, pouvoir d'achat et inégalités : enseignements des modèles macroéconomiques***

Frédéric Docquier (UCLouvain)

Macroeconomic models are increasingly used to quantify the welfare and inequality effects of immigration in the OECD countries. Existing studies differ in the way they formalize the labor market responses for immigrants and natives, which in turn govern the strength of the other transmission channels (e.g. public finances, price index, or total factor productivity). In this paper, we build and parameterize a general equilibrium model that allows to compare seven labor market specifications. These variants combine different assumptions concerning labor supply decisions, unemployment rates and wage levels, as well as different calibration strategies. Quantitatively, we find that the labor market specification matters. Modelling unemployment is instrumental to assessing the average welfare effects from immigration, while modelling labor force participation is instrumental to assessing its inequality effects. The specification choice is usually more important than the calibration of labor market elasticities, except for the choice of the elasticity of substitution between immigrants and natives.

### **Commission 4 : (Dé)mondialisation des chaînes de valeur – Président : Emmanuel Dhyne (BNB/NBB-UMONS)**

#### ***Globalization and the urban-rural divide in France***

Gonzague Vannoorenberghé (UCLouvain)

This paper tests whether economic ties between French urban and rural territories have decreased over the last decades, and whether globalization has played a role in this evolution. A common criticism to globalization suggests that it benefits mostly cities, while cutting the links between those cities and their rural hinterland, which miss most of the benefits. Using data on the universe of French establishments in the last 25 years, we compute the correlation of employment growth between urban and rural regions in France and its evolution over the last 25 years. We also compute different measures of exposure to globalization of local territories, such as their integration in global multinational networks or their exposure to trade, as well as measures of economic links between French territories. We investigate whether those regions that have been more exposed to globalization are less correlated with other French regions and have progressively become more disconnected from the rest of the territory.

#### ***Trade protection along supply chains***

Paola Conconi (ULB)

In a world with cross-border supply chains, trade policy has effects not only on the protected sectors, but also on the industries they are linked to. In this paper, we combine detailed data on US temporary trade barriers (TTBs) over the 1988-2011 period and disaggregated input-output tables to examine the effects of protectionist measures along supply chains. We instrument protectionist measures with i) the importance of industries in swing states during an election term and ii) the experience acquired by industries in petitioning for TTBs. We find that trade protection has a large negative effect on employment and production in downstream industries. Our baseline estimates indicate that a one standard deviation increase in input protection reduces the annual growth rate of employment and production in downstream manufacturing industries by 1.2 and 1.6 percentage points, respectively. The results are stronger when protection applies to key inputs.

#### ***Global value chains, trade shocks and jobs: an application to Brexit***

Hylke Vandenbussche (KU Leuven)

We develop a network trade model with country-sector level input-output linkages with the objective of evaluating trade shocks. This framework includes (1) domestic and global value

chain linkages between all country-sectors, (2) trade flows via domestic and foreign sectors to a final destination, (3) value added rather than gross trade flows. The model is applied to the sectoral World Input Output Database (WIOD) to predict the impact of Brexit for every individual EU country by aggregating up the country-sector effects. In contrast to other studies, we find EU-27 job losses to be substantially higher than hitherto believed as a result of the closely integrated EU network structure. Upstream country-sectors stand to lose more from Brexit due to their network centrality.