NEW ECONOMIC AND LABOUR MARKET TRENDS AND THEIR IMPLICATIONS FOR EMPLOYMENT AND SKILLS DEVELOPMENT

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NEW ECONOMIC AND LABOUR MARKET TRENDS IN THE ETF PARTNER COUNTRIES - CONTEXT

- The EU Neighborhood countries are very diverse, each with different dynamics: Western Balkans and Turkey, Eastern Partnership, Southern and Eastern Mediterranean, and Central Asia. However, despite a huge potential most countries suffer from low productivity and inefficient use of resources, especially human resources.

- The impact of technological change on human capital development is very intense and has been substantially accelerated by the COVID-19 pandemic. The ICT sector added value have expanded over years, particularly between 2020 and 2021.

- Industrial relations are deeply changing, with strong sectoral shift towards services and new policy directions towards greening of the economies.

- Economic and labour market volatility and growing risks of social exclusion bring new challenges to employment policies (particularly for youth and women) and education and training systems.
NEW FORMS OF WORK IN THE ETF PARTNER COUNTRIES
- FINDINGS

- Increasing self-employment, freelancing, remote work and platform work – outsourcing, emergence of national start-ups, technological parks and growing number of workers on international platforms – Serbia, Ukraine, North Macedonia, Armenia, Montenegro, Bosnia-Herzegovina, Albania, Egypt, Russia

- Platform work: Eastern Partnership countries - prevalent in Ukraine, followed by Belarus. Increasing popularity in Azerbaijan, Georgia and Moldova. Strongly increasing prevalence in Armenia and Azerbaijan

- Mostly young people involved, majority educated males (strong gender segmentation) from capital and other larger cities

- Remote work: ICT, multimedia arts and design, writing and translation

- On-location: ride hailing, delivery services
NEW FORMS OF WORK IN THE ETF PARTNER COUNTRIES
- FINDINGS

- Fostered labour market flexibilization and segmentation: high-skill and low-skill / gender

- Limited acknowledgement of the new phenomena in recent policies and in most cases, regulations are not well adapted to new forms of work

- Social partners are almost not present – social dialogue, policy making?

- Wide-spread informality, limited coverage by employment policies, services or social benefits

- Limited career development, algorithmic management

- However, new forms of work are not linked with precarity, but rather additional and higher income than in other sectors and could become an alternative to migration
NEW FORM OF WORK GROWING IN THE ETF PARTNER COUNTRIES - IMPLICATIONS

- Connectivity: infrastructure and digital services
- Working conditions - labour market regulations, including employment status and taxation
- Skills strategies to address skills demand (including implications for education and training systems)
- Limited career development, but skills development opportunities – on-the-job learning
- Role of ALMPs and PES in supporting the transition into employment and job-to-job in the platform economy

  Access to information: freelancing, platform work may become a pathway to work for the unemployed or underemployed

  Access to services: counselling, career guidance and other support services

- Need to extend knowledge and understanding, not captured by traditional statistics - (un)observability of platform work or freelance transactions
NEW FORM OF WORK GROWING IN THE ETF PARTNER COUNTRIES
- IMPLICATIONS FOR SKILLS

- Digital skills
- STEM and ICT, multimedia arts and design, literacy – writing and translation
- Language skills, English and Russian in particular
- Entrepreneurship, customer orientation and self-organisation skills
- Analytical and problem-solving skills
- Self-presentation, organisation and communication
- Career management and learning to learn

- Implications for the education and training: adult skills development, skills recognition, validation, certification
ETF recent publications (2021)

The future of work – New forms of employment in the Eastern Partnership countries: Platform work

Changing skills for a changing world: Understanding skills demand in EU neighbouring countries