Trends and Impact of AI in the Labour Markets and Skills Needs Inter-Agency Working Group (IAG) Workshop 13-14 March 2025 Turin

THE IMPACT OF AI ON SKILL DEMAND – DO

WE HAVE THE TRAINING THAT IS NEEDED?

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Share of employment in occupations at the highest risk of automation but the highest risk is not so high and employment is at a record high

Share of employment in occupations at the highest risk of automation



Employment to population ratio, ages 15 to 64



2012 ▲ 2021



Share of employment with skills for developing AI, 2011 & 2019



Source: Green, A. and L. Lamby (2023), "The supply, demand and characteristics of the AI workforce across OECD countries" © OECD

Al also creates jobs indirectly: Al exposure is associated with higher employment growth



Rising inequalities: low-skilled jobs involve more skills that can be automated

Shares of bottleneck and highly automatable skills and abilities, by occupation



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Share of workers in companies that use AI, by age, gender and education



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What do we know about the demand for specific skills?

Skill and abilities with automatablity index [0-5] < 2

Demand for skills in occupations highly exposed to Al

Skills of managers as a result of algorithmic management

60

40

80





Decrease Increase



Percentage of employers that address changes in skill needs by retraining or upskilling workers and other strategies



© OECD Source: OECD employer survey on the impact of AI on the workplace (2022)



Distribution of reported impact of AI, by training participation





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







Share of Al-related formal and non-formal training programmes

© OECD Source: "Training provision for the green transition and adoption of AI" Training supply is not yet well-equipped to deliver AI skill needs

Most countries place a bigger focus on developing Al professionals than expanding general Al literacy

Al training – policy initiatives

- 15 out of 21 responding countries have a national AI strategy
- > 14 countries have publicly-funded programmes in place
 - 7 programmes for general AI literacy
 - 9 programmes for advanced AI skills
- Financial incentives for training most common but lack direct focus on Al
- Non-financial incentives are less common

Quantitative evidence

- Novel OECD analysis finds that only a small percentage of training courses currently deliver Al content
 - Current training supply is not sufficient to meet demand
 - Need for scaling up supply of AI-related training courses, especially on general AI literacy





Top 20 (low-skilled) occupations where training in AI is most needed



■ Occupation exposure to Al ■ Share low skilled



THANK YOU

Learn more here: <u>OECD Future of Work</u> <u>OECD Adult Skills and Work</u>

