

## Written evidence from UBI Labour North East [PCW0034]

### 1. What are the main challenges that DWP faces as a result of the “Fourth Industrial Revolution”?

Changes in employment – types of work available

Possible high unemployment

Expansion of the gig economy and precarious jobs with no holiday, ill health pay, or employment protection

Incomeless gaps in career when training for changing roles as technology advances

Women are likely to be disproportionately more affected than men in the growing digital technology area where their numbers are already lower than men

Evidence suggest increasing wealth inequality as income earned by asset ownership rather than labour

### 2 What do we know about the possible likely impact on the labour market?

*For example:*

#### 1. Are some sectors or types of jobs more likely to be affected than others?

Initially low income/wage (cleaning/factory/packing/warehouse picking) jobs will be automated.

As Intelligence Artificial (AI) and Automated Decision Systems (ADS) develop the need for many tasks performed by accountants, lawyers, doctors, personnel managers etc. will be reduced. As AI grows all white collar/professional tasks will be at risk.

#### 2. Are some groups of people more likely to be affected than others?

In computer programming, systems designing, communications and digital entertainment sectors IT jobs are likely to increase, women are currently underrepresented in this area.

In the caring, hospitality and leisure professions jobs are likely to increase (surgeons and doctors will be more likely to lose their jobs than nurses), women are the majority here but the jobs are less well paid and more precarious.

### 3 What new types of jobs and opportunities could become available?

There is likely to be an increase in jobs in the leisure, caring, entertainment, IT, and digital technology skills areas. Some of these jobs are likely to be ZHC, short-term contract or pseudo self-employed, which are at danger to future shocks in the labour market (like Covid-19) so there will need to be better regulation on workers' rights to protect these workers?

There will be a need for more education as new roles are created, education may be virtual but nevertheless requires an increase in teaching skills.

### 4 Is it likely that there will be a reduction in the number of jobs available?

Probably but difficult to predict, main change will be the types of jobs available.

Before the last huge advances high unemployment was predicted (farming, mining, robots making cars) but before Covid-19 we had very high employment figures. Though some of the employment may have been more precarious, e.g. growing gig economy, so called self-employment, and ZHC.

3. Is there a need to consider new, long-term approaches to addressing change in the labour market: *for example, introducing a Universal Basic Income (UBI)*?

1. Is UBI an appropriate short-term response to shocks in the labour market?

By definition UBI is not a short term solution but it will ameliorate the effects of unemployment temporary or permanent. It will also cover incomeless periods when retraining.

Lastly, it will ameliorate some of the effects of rising inequality.

2. What can the Government learn from the international evidence on UBI?

The benefits of UBI to individual recipients, mental health through less stress, physical health better diet etc.

Some small increases in employment and self-employment.

More financial security and steady income enabled better future planning, budgeting and paying off debts leading to improved purchasing decisions.

Recipients' relationships with governing bodies and employers improving.

Children improving learning at school, as they suffered from less stress from the family circumstances and were generally more healthy

How UBI needs to inter-react or not with existing social benefits schemes.

How to better design and manage pilots.

There are likely to be additional benefits when UBI is permanent which cannot be tested in pilots (e.g. collaborating and sharing resources for local community projects). There are even more positive externalities (community support groups and businesses being set up) when UBI given to everyone in a community instead of selection groups or individuals, as seen in the Indian trials.

4. Are DWP Work Coaches well equipped to advise people who are looking for work on new and emerging sectors and jobs?

1. How could DWP improve the training and advice it offers to jobseekers?

5. What support, advice and training should DWP offer to people who are looking to progress in work, or take up more hours?

DWP needs to keep ahead of changes and work with employers, industry experts and educational institutions to ensure the above is available widely.

It should consider financially supporting those undergoing appropriate training.

6. What is DWP's role in ensuring that young people have the skills they need to get into and progress in work?

To work with schools, employers, colleges and universities, to consult, advise and monitor. Identify current skill gaps and long term trends and plan to meet these requirements.

7. How could DWP work more closely with employers to ensure that claimants have the skills they need to find work in the future labour market?

Promote and work with Trade Unions on this subject.

8. As the workplace changes, will it be necessary to change the legal definition of employment to ensure that people continue to have the appropriate legal status and protections? Might any other legal changes be needed?

The increasing size of the gig economy, self-employment, and international employment or employment like contracts (ZhC) will need much new and changed laws and regulations.

DWP should support and work with Unions, employers and other Govt depts to protect workers rights and take a lead on the subject.

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