

All-Party Parliamentary Group on Artificial Intelligence

Evidence Meeting 2 - SKILLS

Monday, 26 February 2018 | 5:30-7:00 PM - Committee Room 2 (CR2), House of Lords

Summary of evidence

Kevin Green

Chief Executive at REC



Kevin Green has been the Chief Executive of the Recruitment & Employment Confederation (REC) since 2008; the professional body for the UK's £35.1 billion recruitment industry. Before starting at the REC, Kevin was HR Director for Royal Mail Letters; where he was responsible for all people-related issues for the business with 165,000 employees.

Background and Data

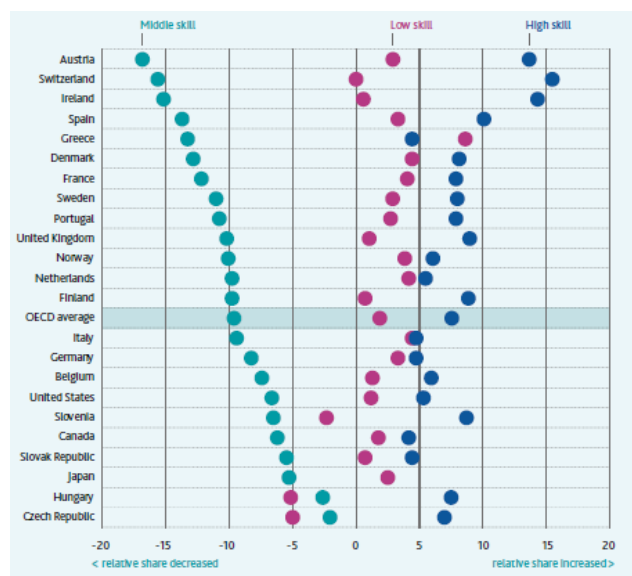
- Currently a record **32 million people** in work (over 3 million more than in 2010), the employment rate is at a record high of 75 per cent, and unemployment is at the lowest since 1975.
- But, up to 30% of UK jobs could potentially be at **high risk of automation** by the early 2030s, lower than the US (38%) or Germany (35%), but higher than Japan (21%). Risks appear highest in sectors such as transportation and storage (56%), manufacturing (46%) and wholesale and retail (44%), but lower in sectors like health and social work (17%). For individual workers, the key differentiating factor is education. For those with just GCSE-level education or lower, the estimated potential risk of automation is as high as 46% in the UK, but this falls to only around 12% for those with undergraduate degrees or higher.¹
- Carl Frey, co-director of the Oxford Martin programme on technology and employment at Oxford University, estimates that as many as 35 per cent of jobs in the UK are at risk of loss.

Job polarisation in OECD countries² (1995-2015) – *I will provide handouts*

- Growth in high pay and low pay jobs
- Longevity – '100 year life': 50-60 years of working life
- More fragmentation
- Progression more difficult
- Many get trapped in low-skilled, low-paid jobs

Skills (recommendations)

- ✓ **Education** – We must move away from knowledge-based exam factories towards a more balanced approach based on creativity, team work, collaboration, and self-driven learning.
- ✓ **Careers guidance** – To facilitate transitions and progression, the government needs to develop an all-age work advice service. This should harness the contribution of employers and recruitment experts, but requires significant investment.
- ✓ **Tax** – The Apprenticeship Levy should be broadened into a training levy that can meet the training needs of workers in non-permanent role.



¹ PwC: [UK Economic Outlook](#) (March 2017)

² OECD. (June 2017) Jobs gap closes but recovery remains uneven. Available at: www.oecd.org/employment/jobs-gap-closes-but-recovery-remains-uneven.htm