

Labor market and employees' rights protection in 21st century

Justas Mundeikis

Vilniaus University

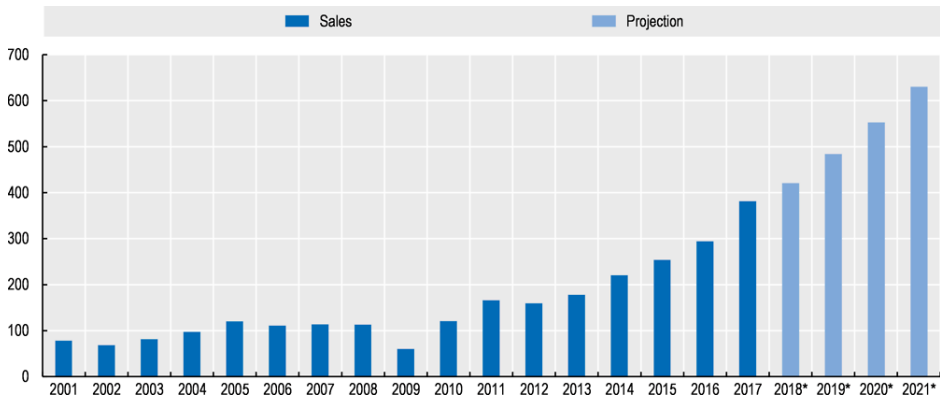
2019-05-09

Industrial revolution x 3000

- Compared with the Industrial Revolution, we estimate that this change is happening ten times faster and at 300 times the scale, or roughly 3,000 times the impact. [McKinsey.com, 2015](#)
- It took radio 38 years to attract 50 million listeners. But Facebook attracted 6 million users in its first year and that number multiplied 100 times over the next five years. [McKinsey.com, 2015](#)
- In 2009, two years after the iPhone's launch, developers had created around 150,000 applications. By 2014, that number had hit 1.2 million, and users had downloaded more than 75 billion total apps, more than ten for every person on the planet. [McKinsey.com, 2015](#)
- In **2017**, consumers downloaded **178.1** billion mobile apps to their connected devices. In 2022, this figure is projected to grow to 258.2 billion app downloads. [statista.com](#)

Industrial robotization will increase

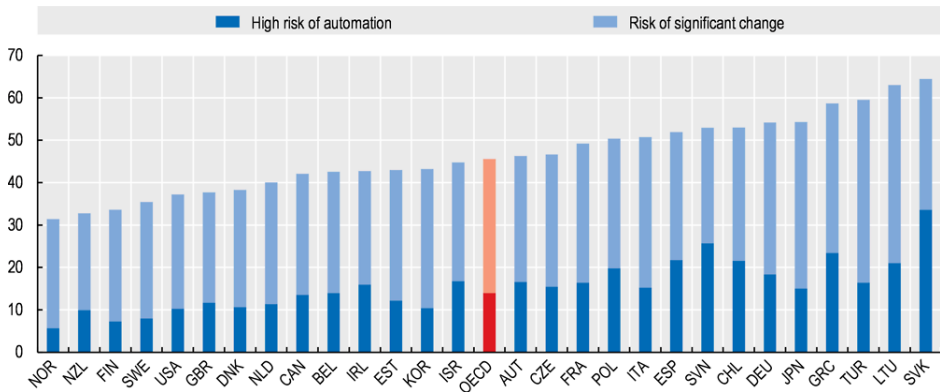
Figure 1: Estimated worldwide annual supply of industrial robots, thousands of units



(a) StatLink <http://dx.doi.org/10.1787/888933965970>, OECD

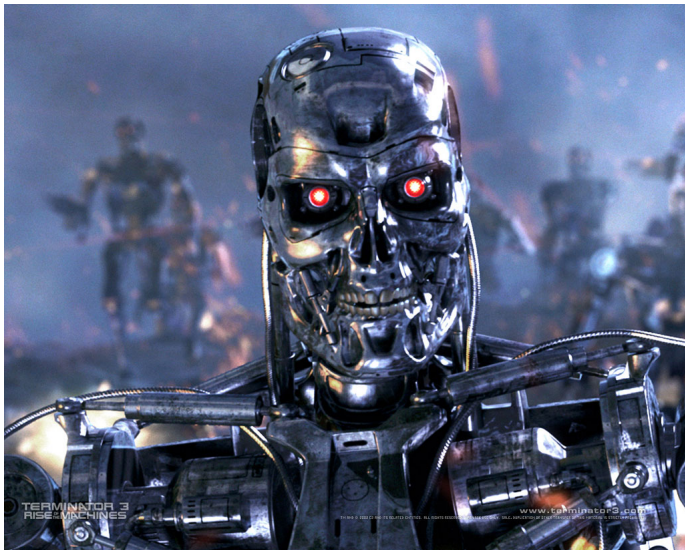
Robotization might have enormous impact in Lithuania

Figure 3: Share of jobs which are at a high risk of automation or a risk of significant change (%)



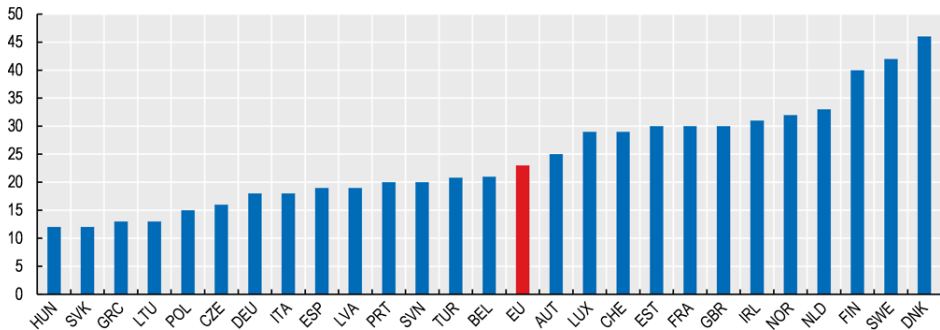
(a) StatLink <http://dx.doi.org/10.1787/888933966046>, OECD

What if artificial intelligence becomes self conscious?



But not yet...

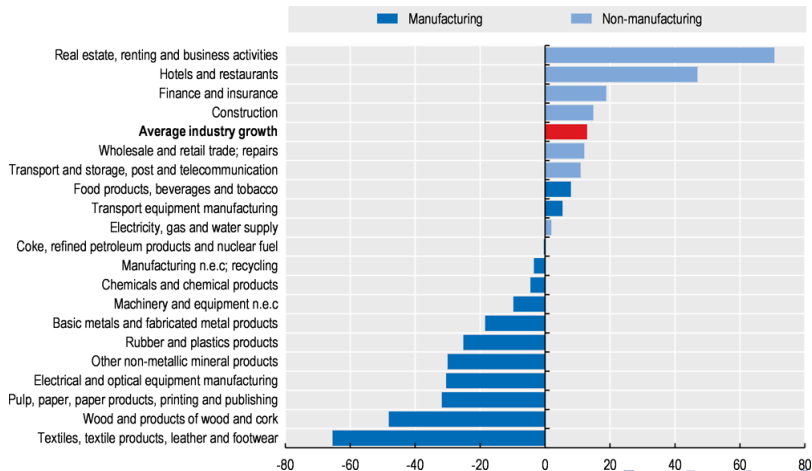
Figure 5: Percentage of workers in workplaces that have introduced new technologies and/or undergone significant restructuring in the way jobs and tasks are carried out, EU countries



(a) StatLink <http://dx.doi.org/10.1787/888933966901>, OECD

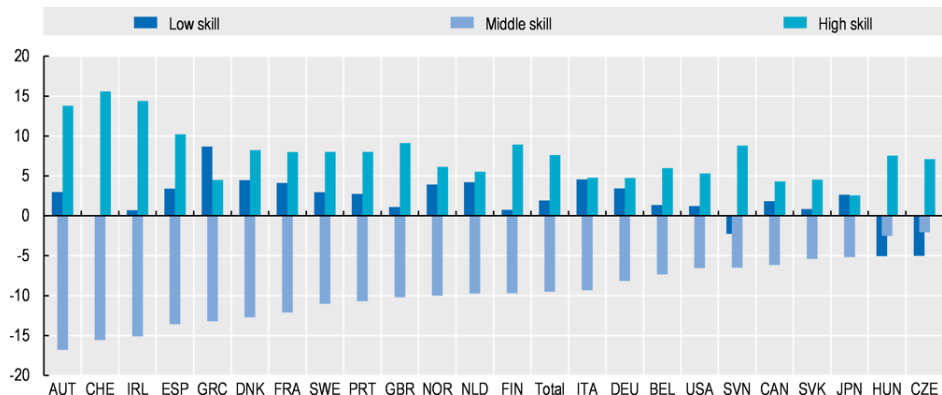
Divergence in employment trends within industry

Figure 7: Percentage change in total employment within industry for selected OECD countries, 1995 to 2015



An general shift to more polarization

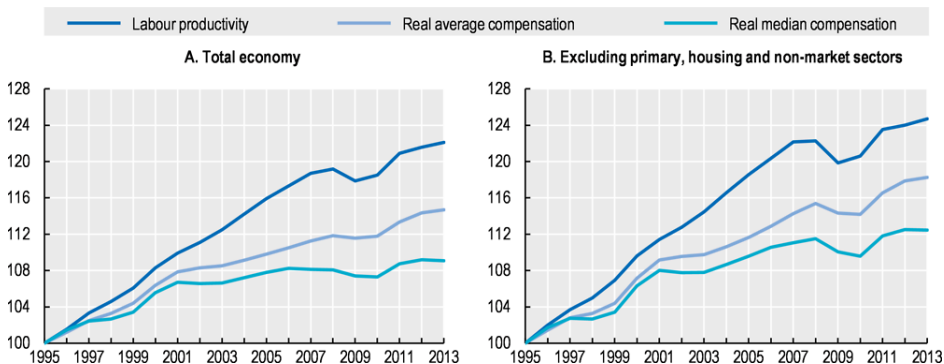
Figure 9: Percentage point change in share of total employment, 1995 to 2015



(a) StatLink <http://dx.doi.org/10.1787/888933966198>, OECD

Effects of liberalization policies of the '80-'90ies, OECD countries

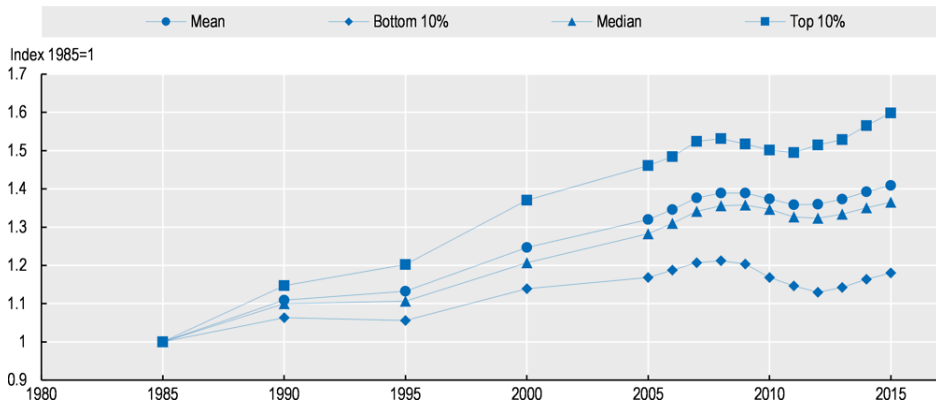
Figure 11: Real median wages have decoupled from labor productivity, Indices, 1995 = 100



(a) StatLink <http://dx.doi.org/10.1787/888933966217>, OECD

Liberalization effects on income inequality

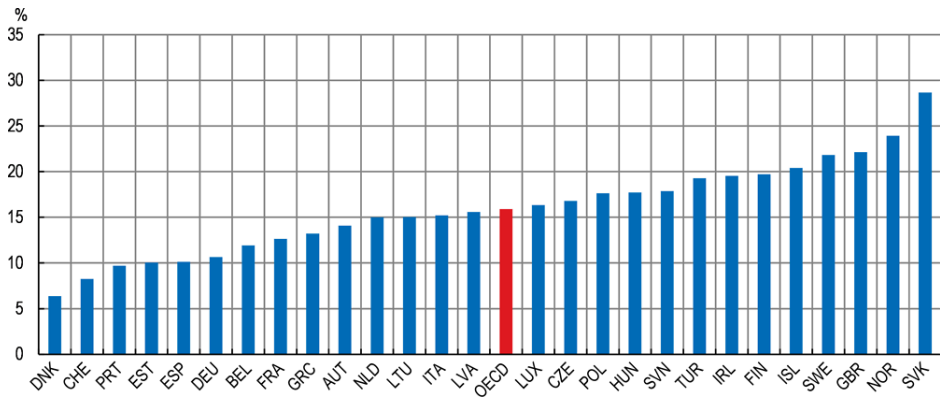
Figure 13: Real income trends at the bottom, middle and top of the income distribution since the 1980s, OECD-17



(a) StatLink <http://dx.doi.org/10.1787/888933966236>, OECD

Liberalization and fictitious self-employment

Figure 15: The incidence of own-account workers who generally have one dominant client As a percentage of the self-employed, 2017

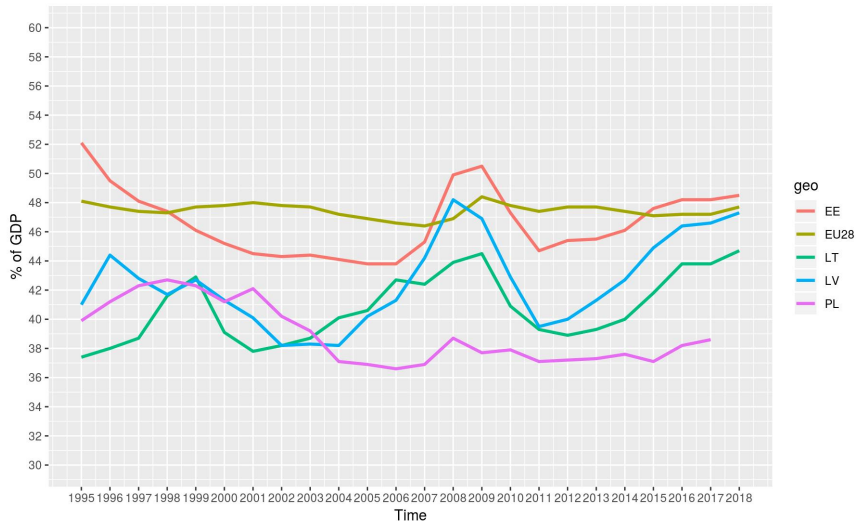


(a) StatLink <http://dx.doi.org/10.1787/888933966673>, OECD

Labor share

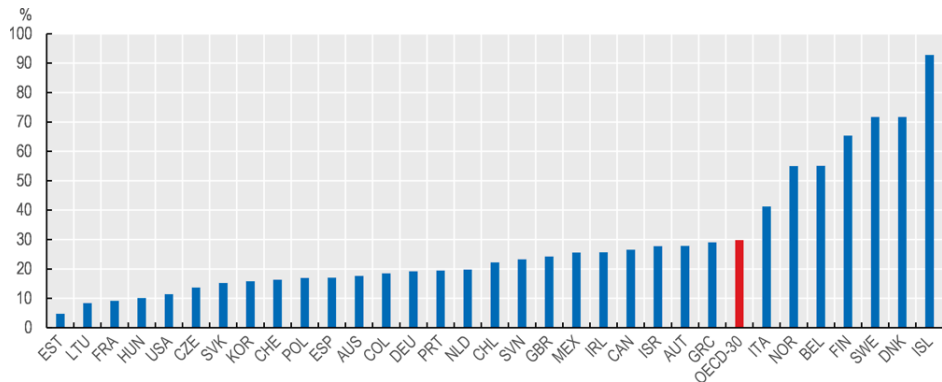
Compensation of employees (including employers' social contributions) as % of GDP

Source: Eurostat (nama_10_gdp), Calculation: Lithuanian-Economy.net



Trade union density

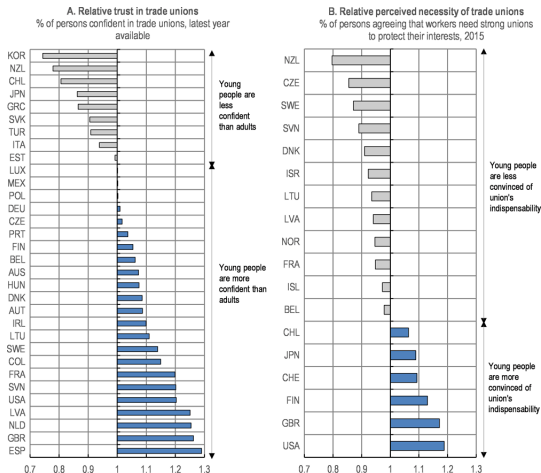
Figure 17: Estimated trade union density for standard workers



(a) StatLink <http://dx.doi.org/10.1787/888933966768>, OECD

Youth view

Figure 19: Trust and perceived necessity of trade unions among young people aged 20-34, Young-to-adults ratios



Summary

- risk of losing permanent work
- therefore more and less quality work
- but society evolves "liberal mind" opposing "socialism"
- self-employment, gig-economy reduces the "base"

Summary

- as challenges become global, trade unions have to become global
- union fragmentation (in Lithuania) is a burden that has to be overcome
- trade unions have to think as companies and acquire members and then invest in them, broaden the covered fields from employees to self-employed
- higher degree of democracy is needed, as representation is unclear
- trade unions are aging as well, so current leaders have to invest in preparation of new generation of leaders
- trade unions have to increase collaboration with higher education institutions
- more and qualitative representation, as especially youth has no sentiments and relation to trade unions

SLIDES:

Lithuanian-Economy.net