# **DSI Summer Workshops Series**

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This jupyter notebook is available at: <a href="http://130.211.184.150/hub/login">http://130.211.184.150/hub/login</a>) (http://130.211.184.150/hub/login)

## **How Much Money Should Machines Earn?\***

- A journey into computerization (jobs that will be taken over by machines)

Let's learn some R by creating an interactive visualization of some open data because you will train many important skills of a data scientist:

- · loading,
- · transforming and
- · combinig data,
- cleaning and
- performing a suitable visualization.

#### **Datasets used**

- 1. The probability of computerisation of 702 detailed occupations, obtained by Carl Benedikt Frey and Michael A. Osborne from the University of Oxford, using a Gaussian process classifier and published in <a href="mailto:this:paper">this:paper</a> (<a href="https://www.oxfordmartin.ox.ac.uk/downloads/academic/The Future of Employment.pdf">this:paper</a> (<a href="https://www.oxfordmartin.ox.ac.uk/downloads/academic/The Future of Employment.pdf">this:paper</a> (<a href="https://www.oxfordmartin.ox.ac.uk/downloads/academic/The Future of Employment.pdf">this:paper</a> (<a href="https://www.oxfordmartin.ox.ac.uk/downloads/academic/The Future of Employment.pdf</a>) in 2013.
- Statistics of jobs from (employments, median annual wages and typical education needed for entry) from the US Bureau of Labor as "Occupational projections", available <a href="https://www.bls.gov/emp/ind-occ-matrix/occupation.xlsx">here (https://www.bls.gov/emp/ind-occ-matrix/occupation.xlsx)</a>.

```
In [ ]: R needs some additional packages to do the work ...
In [ ]: # Load libraries
    library(dplyr)
    library(tabulizer)
    library(rlist)
    library(readxl)
```

#### Data (Down)Loading

#### Extracting data from a pdf file

using Tabula (https://tabula.technology/) from within R

#### **Data Transformation**

```
In [ ]: # We are not interested in first two tables - so let's remove them
list.remove(out, c(1:2)) -> tables
# now let's look what we got
tables
```

Parse table into something that can be used in the next step

```
In [ ]: # First we create a placefolder
        prob comput df=data.frame()
        # Now we go over each of the tables
        for (i in 1:length(tables))
          # We keep just SOC Code, rank and probability of computerisation
          # We also remove first to lines of each element of table since they are non
         interesting
          tables[[i]][-c(1,2),c(1,2,4)] %>%
            as.data.frame(stringsAsFactors = FALSE) %>%
            rbind(prob comput df) -> prob comput df
        }
In [ ]: # Let's check what we got
        prob_comput_df
In [ ]: # Let's give this thing some proper column names
        colnames(prob_comput_df) = c("rank", "probability", "soc")
        prob comput df
In [ ]: | #### Data Cleaning
In [ ]: # what does R think it is looking at?
        str(prob comput df)
In [ ]: prob comput df %>%
          # convert things that look like numbers into numbers
          mutate(rank=gsub("\\.","", rank) %>% as.numeric()) %>%
          #let's get rid of missing data
          na.omit() -> prob_comput_df
In [ ]: | str(prob_comput_df)
In [ ]: # finally let's delete the file that we just downloaded
        file.remove(file)
```

#### Data (Down)Loading

```
job stats df <- read excel(file,
                                    sheet="Table 1.7",
                                    skip=3,
                                    col_names = c("job_title",
                                                   "soc",
                                                   "occupation_type",
                                                   "employment_2016",
                                                   "employment_2026",
                                                   "employment_change_2016_26_nu",
                                                   "employment_change_2016_26_pe",
                                                   "self employed 2016 pe",
                                                   "occupational openings 2016 26 av",
                                                   "median annual wage 2017",
                                                   "typical education entry",
                                                   "work_experience_related_occ",
                                                   "typical training needed"))
In [ ]: # now we can remove the downloaded file
        file.remove(file)
In [ ]: # let's look what we got here
        job stats df
```

#### **Data Transformation & Cleaning**

In [ ]: # read excel file into R

We are going to merge (join) the 2 data sets and keep only the columns that we need.

```
#################
      # Join data frames
      #################
      results = prob_comput_df %>%
       inner_join(job_stats_df, by = "soc") %>%
       select(job title,
            probability,
             employment 2016,
            median_annual_wage_2017,
             typical_education_entry) %>%
       mutate(probability=as.numeric(probability),
             median_annual_wage_2017=as.numeric(median_annual_wage_2017),
             typical_education_entry=iconv(typical_education_entry, "latin1", "AS
      CII")) %>%
       # get rid of missing data
       na.omit()
```

```
In [ ]: #second, we select only columns that we want
        second step <- first step %>%
          select(job title,
                 probability,
                 employment_2016,
                 median annual wage 2017,
                 typical education entry)
        second_step
In [ ]: #third, we create 2 new columns using the existing columns
        third step <- second step %>%
          mutate(probability=as.numeric(probability),
                 median annual wage 2017=as.numeric(median annual wage 2017),
                 typical_education_entry=iconv(typical_education_entry, "latin1", "AS
        CII"))
        third_step
        #that looks the same to me, but internally we change some data types
        str(second step)
        str(third_step)
In [ ]: #do we have some missing data points?
        is.na(third_step)
In [ ]: #show me the rows with missing data
        third step[!complete.cases(third step),]
In [ ]: # and last but not least we remove the rows with missing data
        results <- third_step %>%
            na.omit()
In [ ]: #what did we get?
        results
```

#### Finally, let's create a visualization

We are ging to use <u>Highcharter (http://jkunst.com/highcharter/index.html)</u> which is just one of many ways to create interactive visualizations in R.

```
In [ ]: #we need some more packages
library(highcharter)
library(htmlwidgets)
library(IRdisplay)
```

```
In [ ]: #let's create an object that is actually a visual
        x=hchart(results,
               "scatter",
               hcaes(x = probability*100,
                     y = median annual wage 2017,
                     group=typical education entry,
                     size=employment 2016)) %>%
          hc title(text = "How Much Money Should Machines Earn?") %>%
          hc_subtitle(text = "Probability of Computerisation and Wages by Job") %>%
          hc credits(enabled = TRUE, text = "Source: Oxford Martin School and US Depa
        rtment of Labor") %>%
          hc xAxis(title = list(text = "Probability of Computerisation"), labels = li
        st(format = "{value}%")) %>%
          hc_yAxis(title = list(text = "Median Annual Wage 2017"), labels = list(form
        at = "{value}$")) %>%
          hc_plotOptions(bubble = list(minSize = 3, maxSize = 35)) %>%
          hc_tooltip(formatter = JS("function(){
                                    return ('<b>'+ this.point.job title + '</b><br>'+
                                     'Probability of computerisation: '+ Highcharts.nu
        mberFormat(this.x, 0)+'%' +
                                    '<br>Median annual wage 2017 ($): '+ Highcharts.n
        umberFormat(this.y, 0) +
                                     '<br>Employment 2016 (000s): '+ Highcharts.number
        Format(this.point.size, 0) )}")) %>%
          hc chart(zoomType = "xy") %>%
          hc_exporting(enabled = TRUE)
        # it's an object!
        str(x)
In [ ]: # and now let's get this object showing up in our jupyter notebook
        saveWidget(x, 'demox.html', selfcontained = FALSE)
        display html('<iframe src="demox.html", width = 900, height = 500 ></iframe>'
        )
```

A full size version of the visualization can be found <a href="https://fronkonstin.com/wp-content/uploads/2018/06/machines\_wage.html">https://fronkonstin.com/wp-content/uploads/2018/06/machines\_wage.html</a>)

And thanks again to the person who wrote the <u>original post (https://fronkonstin.com/2018/06/17/how-much-money-should-machines-earn/)!</u>

These are some insights:

- There is a moderate negative correlation between wages and probability of computerisation.
- Around 45% of US employments are threatened by machines (have a computerisation probability higher than 80%): half of them do not require formal education to entry.
- In fact, 78% of jobs which do not require formal education to entry are threatened by machines: 0% which require a master's degree are.
- Teachers are absolutely irreplaceable (0% are threatened by machines) but they earn a 2.2% less then the average wage (unfortunately, I'm afraid this phenomenon occurs in many other countries as well).
- Don't study for librarian or archivist: it seems a bad way to invest your time
- Mathematicians will survive to machines

What do you see there?