JACOB WALLENBERG

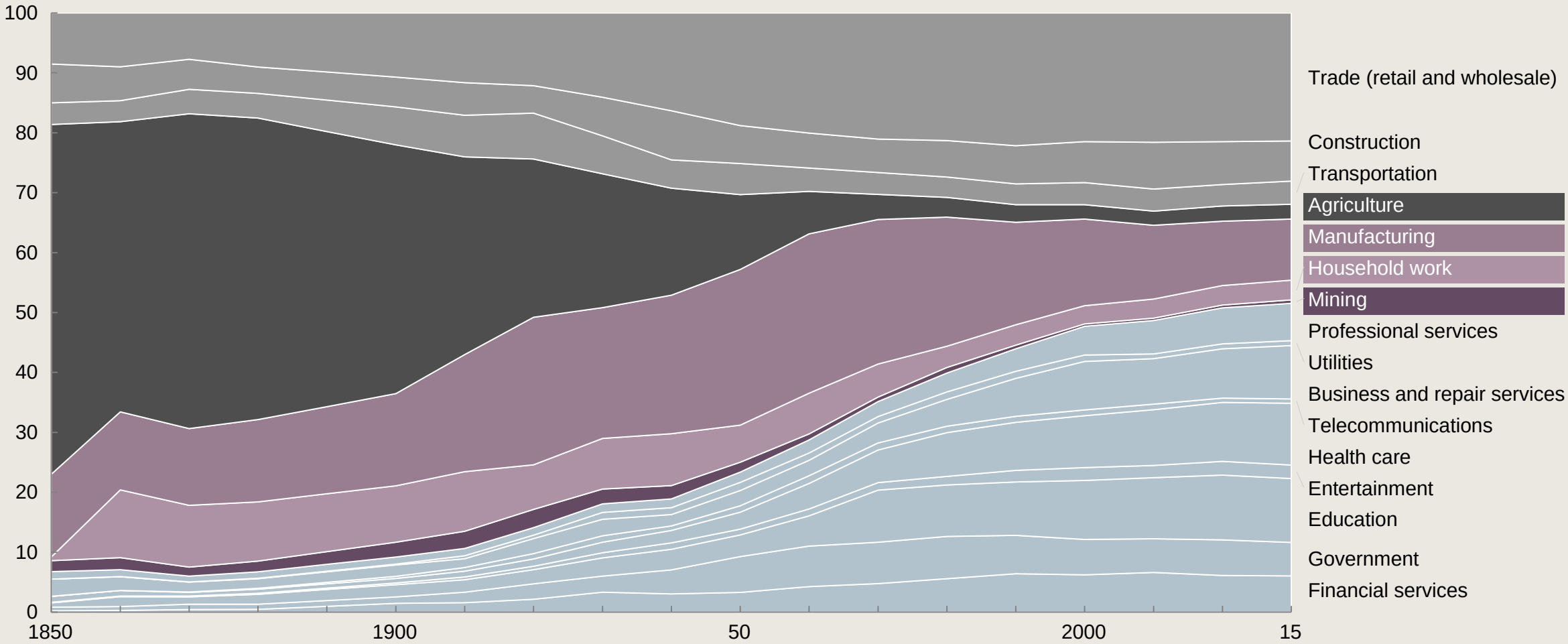
Work in The Future, October 4, 2018

The Jacob and Marcus Wallenberg Centre for Innovative and Sustainable Business Development

TECHNOLOGY CONSTANTLY IMPACTS BUSINESS AND EMPLOYMENT MIX

Large-scale sector employment declines have been countered by growth of other sectors that have absorbed workers

Share of total employment by sector in the United States, 1850–2015



ACCORDING TO A MCKINSEY STUDY: LESS THAN 10% OF JOBS CAN BE FULLY AUTOMATED, BUT NEARLY ALL JOBS WILL BE IMPACTED

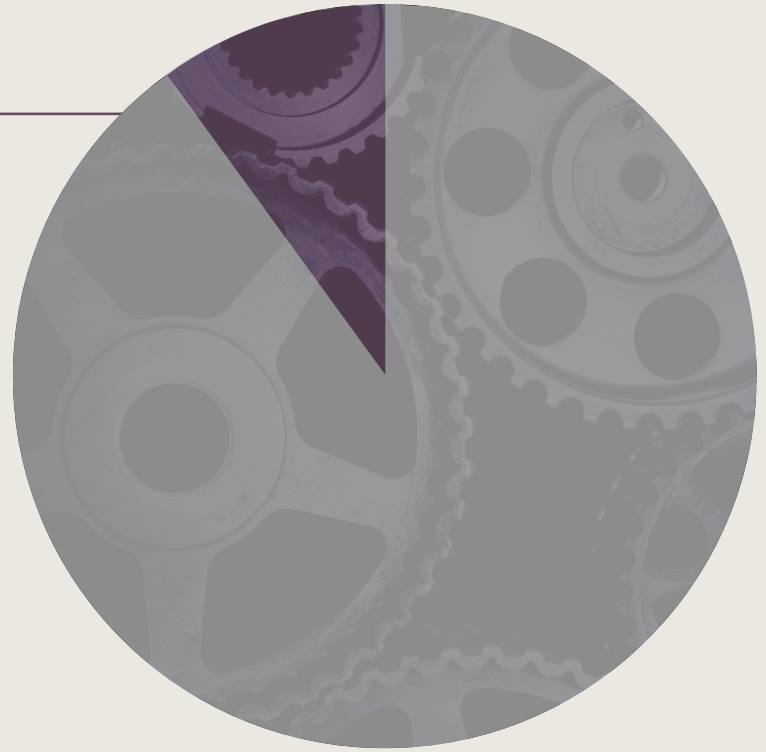
~50%

of current work activities could be automated

But less than

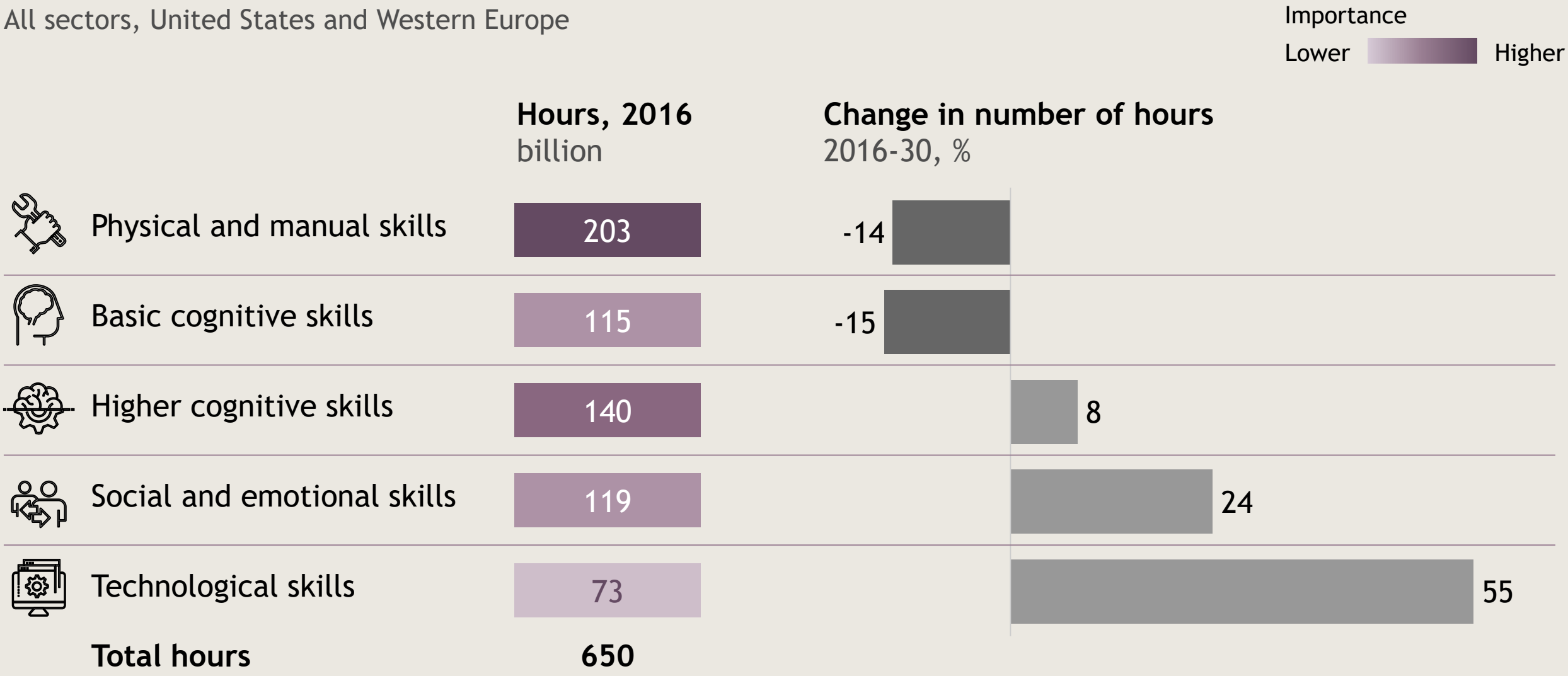
10%

of jobs involve tasks that are >90% automatable



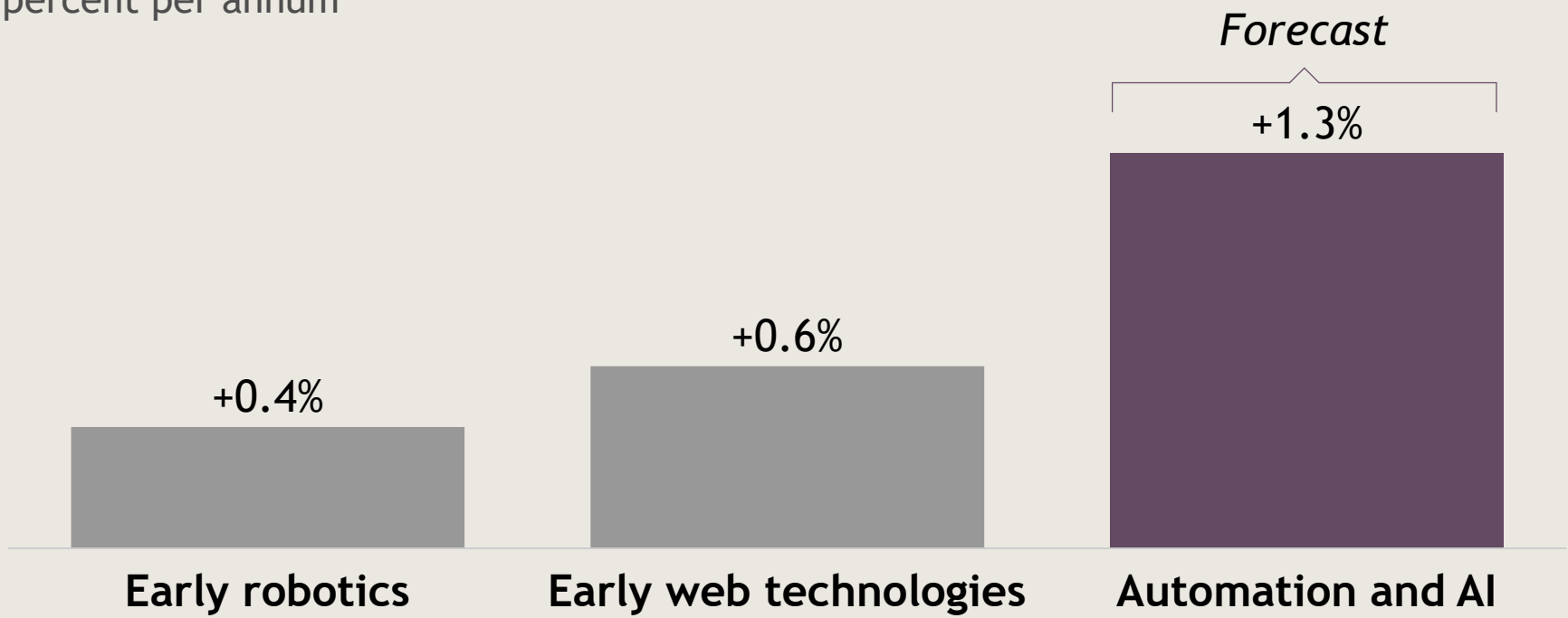
THE SKILLS NEEDED WILL SHIFT, TOWARDS MORE TECHNOLOGICAL AND SOCIOEMOTIONAL SKILLS

All sectors, United States and Western Europe



AUTOMATION TECHNOLOGIES HAVE THE POTENTIAL TO POSITIVELY AFFECT PRODUCTIVITY

GDP growth impact, percent per annum



Scope	Worldwide	27 EU countries	Sweden
Period	1993-2007	2004-2008	2016-2030
Contribution to GDP growth	~16%	~40%	~60-70%

A SIGNIFICANT RESKILLING EFFORT WILL BE REQUIRED - APPROXIMATELY 475,000 INDIVIDUALS PER YEAR

Estimated required reskilling and upskilling per year, % of entire labour force per year

~7% new skills required as a result of the automation and AI transformation

~4% new digital foundation skills to meet growing demand for digital skills

~2% overlap as digital skills training will also help improve non-digital skills

~9% of the Swedish labor force need to be reskilled each year (475,000 FTE's)

The new human capital cycle will be 10 years (vs 25 years today)

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