

Labour Trends in the 21st Century

Predictions and Statistics

Introduction

Industry Canada

Intuit 2020 Report

Statistics Canada

Montreal Economic Institute

International Confederation of Private Employment Agencies (CIETT)

Forbes List – Worlds Billionaires List

Introduction

Following documents provides comment on and evidence of the growing Global Trend in a Labour Market towards labour engaged on a contract basis, in preference to a full-time employment. Statistics Canada's numbers support the observation that the number of self-employed people increases every year.

The engagement of labour under contract is very much supportive of a healthy knowledge based economy through its support of the market's allocation of scarce resources. As we progress into the 21st century we can expect to see more organizations participate in the transition to contract labour engagement model.

The documents provided in this section include:

- **Industry Canada** gives us information on 20 years period – from 1976 to 1997, showing the growth in self-employment, outpacing paid employment.
- **Intuit 2020 Report** with Predictions on the changing Labour Market. Report predicts that the number of contingent workers will exceed 40% of the workforce in the U.S. by 2020.
- **Statistics Canada** provides us with historical summary of the Self-employment in Canada, which demonstrates the amount of self-employed individuals steadily increases every year. We can see an interesting tendency of the self-employment rise, while full-time employment has declined.
- **Montreal Economic Institute**, economic note "The advantages of a Flexible Labour Market" aims to illustrate general notion regarding flexibility of the labour market by delving more specifically into the role of the staffing services industry.
- **International Confederation of Private Employment Agencies (CIETT)** gives more specific statistics on individuals employed through staffing agencies.

The last tab provides a partial list of the top 200 Billionaires. Significantly 20% of these gained their wealth through Information Technology.

Trends in Self-employment over the Last Two Decades

Over the last 20 years, self-employment has been increasing in importance in terms of job creation and prevalence relative to paid-employment. Below we present highlights of the trends in self-employment over the last two decades. Note that the self-employment definition in this summary includes incorporated self-employed, unincorporated self-employed, and unpaid family help.

- In 1997, 16.2% of the labour force was self-employed compared to 11.5% in 1976.
- From 1976 to 1997, total employment increased by 4.2 million jobs, 1.3 million of which were in self-employment. This represents 30.8% of the new jobs created over this time period.
- For the period 1976 to 1997, the growth of self-employment outpaced paid employment evaluated in terms of:
 1. full-period growth – self-employment doubled, increasing from 1.2 to 2.5 million, whereas paid-employment rose by only 1/3, from 8.6 to 11.5 million,
 2. the year-to-year rate growth rate – self-employment grew by an average of 3.5% compared to 1.4% for paid-employment, and
 3. the proportion of the total labour force – self-employment increased from 11.5% to 16.2%, an increase of 40.9%, whereas paid-employment decreased from 81.4% to 74.6%, a drop of 8%.

Intuit 2020 Report

Twenty Trends That Will Shape the Next Decade.

October 2010

“Work shifts from Full-time to Free Agent Employment. Traditional Employment will no longer be norm, replaced by contingent workers such as freelances and part-time workers. The long-term trend of hiring contingent workers will continue to accelerate with more than 80 percent of large corporations planning to substantially increase their use of a flexible workforce.”

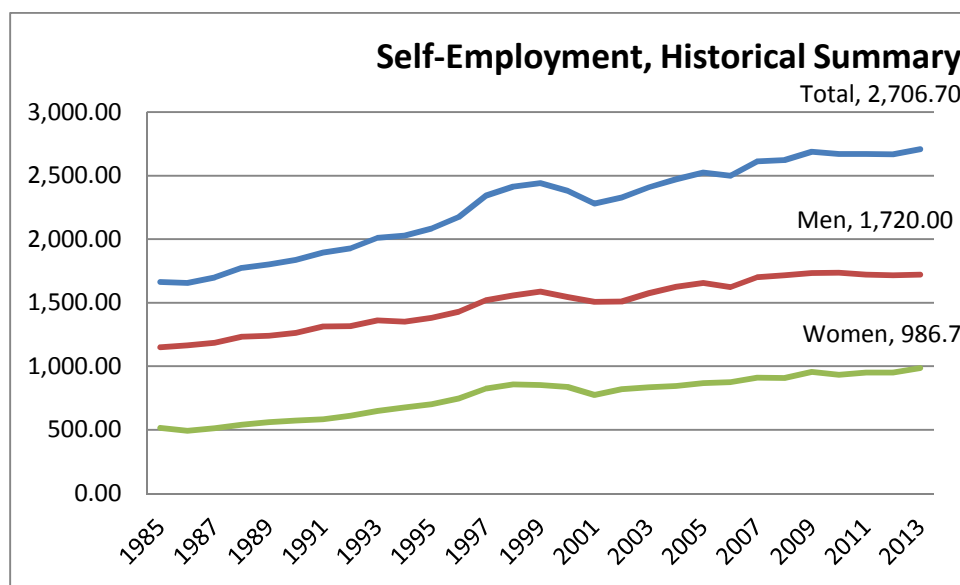
“Today, roughly 25-30 percent of the U.S. workforce is contingent, and more than 80 percent of large corporations plan substantially increase their use of a flexible workforce in coming years.”

Their predictions:

- The number of contingent employees will increase worldwide. In the U.S. alone, contingent workers will exceed 40 percent of the workforce by 2020.
- Traditional full-time, full-benefit jobs will be harder to find.
- Small businesses will develop their own collaborative networks of contingent workers, minimizing fixed labor costs and expanding the available talent pool.
- Self-employment, personal and micro business numbers will increase.
- Government will misclassify workers, creating a major issue for companies of all sizes, especially in the first half of the decade. Work classification and work style will emerge as a target of intense political debate.

Statistics Canada

“Self-employment tends to increase during recessions (Picot and Heisz 2000). The recent downturn has been no exception. Between October 2008 and October 2009, self-employment rose by 3.9% in Canada in seasonally adjusted figures, while paid employment fell by 1.6% in the public sector and by 4.1% in the private sector (LaRoche-Côté and Gilmore 2009). This represents an increase of more than 100,000 self-employed individuals over the period, while the number of paid workers decreased by almost half a million.”



Montreal Economic Institute

“The advantages of a Flexible Labour Market”

“A changing labour market.

The labour market has undergone profound changes in recent decades. What we still call non-standard employment has grown substantially compared to “traditional” employment, i.e., permanent, full-time work. Indeed, since the start of the 2000s, there have been slightly fewer fulltime employees throughout the year than non-standard employees in Canada (Source: Statistics Canada)”

“Generally speaking, non-standard employment can be a step in the process of labour market integration. At the start of the 21st century, for example, 60% of unemployed people who had found a job in the two years that followed had first been hired for non-standard work.”

“The need for flexibility expressed by employers and by growing number of workers has favored the development of the staffing services industry...][...These agencies represent a sizable sector in Canada...][...In 2011, 4,000 employment and staffing agencies in Canada paid out \$6,6 billion in salaries and benefits. Customers from the private sector make up the majority of the industry’s sales figure, while government and public organizations account for just 12,1%”

“The presence of the staffing services industry allows business to better manage their labour need based on a variety of circumstances”

International Confederation of Private Employment Agencies (CIETT)







Economic Report 2014








“USA market grows in 2013








The US Staffing Employment Index was set at 100 in 2006. The agency work sector reached 102 in November of 2013, which is its highest position in six years. Exactly 12 months before that, the index stood at 95. **Staffing had grown 6.9% y-o-y in November 2013.** The index has not yet reached the same level as before the 2008 crisis though.








Employing on average **over 2.9 million agency workers each business day in 2012**, the USA remains the single biggest market for agency work around the world.”








The following **8** pages give a sample of the first 200 people from The World's Billionaires List (Forbes).
Significantly 20% of these gained their wealth through Information Technology.








	Rank	Name	Net Worth	Change	Age	Source
	#2	Bill Gates	\$80.8 B	\$197.8 M - 0.2%	58	Microsoft
	#5	Larry Ellison	\$48.8 B	\$16.4 M	70	Oracle
	#14	Mark Zuckerberg	\$34 B	\$140.7 M - 0.4%	30	Facebook
	#17	Larry Page	\$31.2 B	\$352 M - 1.1%	41	Google
	#19	Sergey Brin	\$30.7 B	\$344.7 M - 1.1%	41	Google
	#21	Jeff Bezos	\$29.7 B	\$208.2 M - 0.7%	50	Amazon.com








	Rank	Name	Net Worth	Change	Age	Source
	#31	Steve Ballmer	\$22.4 B	\$103.3 M -0.5%	58	Microsoft
	#34	Michael Dell	\$21.4 B	\$0	49	Dell
	#38	Jack Ma	\$20 B	\$147.9 M 0.7%	50	e-commerce
	#43	Paul Allen	\$17 B	\$22 M -0.1%	61	Microsoft, investments
	#46	Azim Premji	\$16.6 B	\$109.5 M -0.7%	69	software
	#47	Charles Ergen	\$16.5 B	\$79 M -0.5%	61	Dish Network
	#50	Laurene Powell Jobs & family	\$16.2 B	\$129.5 M -0.8%	50	Apple, Disney



	Rank	Name	Net Worth	Change	Age	Source
	#54	Robin Li	\$15.8 B	\$41.2 M 0.3%	45	internet search
	#65	Ma Huateng	\$14.6 B	\$73.4 M -0.5%	43	internet media
	#85	Shiv Nadar	\$12.9 B	\$142.4 M 1.1%	69	information technology
	#132	Eric Schmidt	\$9.3 B	\$73.4 M -0.8%	59	Google
	#148	Pierre Omidyar	\$8.4 B	\$62.6 M -0.7%	47	Ebay
	#156	Dustin Moskovitz	\$8.1 B	\$31.5 M -0.4%	30	Facebook
	#161	Hasso Plattner	\$7.9 B	\$124.2 M 1.6%	70	software

	Rank	Name	Net Worth	Change	Age	Source
	#171	James Goodnight	\$7.6 B	\$0	71	software
	#175	Liu Qiangdong	\$7.4 B	\$50.1 M -0.7%	40	e-commerce
	#177	Jan Koum	\$7.3 B	\$25.2 M -0.3%	38	WhatsApp
	#189	Gordon Moore	\$6.9 B	\$27.1 M -0.4%	85	Intel
	#191	Terry Gou	\$6.9 B	\$57.4 M 0.8%	63	electronics
	#192	Xavier Niel	\$6.8 B	\$27.9 M 0.4%	47	internet, telecom
	#196	Klaus Tschira	\$6.8 B	\$72.6 M 1.1%	73	software

	Rank	Name	Net Worth	Change	Age	Source
	#197	David Duffield	\$6.7 B	\$41.4 M -0.6%	74	business software
	#209	Hiroshi Mikitani	\$6.6 B	\$84.1 M -1.3%	49	online retailing
	#218	Dietmar Hopp	\$6.3 B	\$85.7 M 1.4%	74	software
	#270	Zhang Zhidong	\$5.3 B	\$25.1 M -0.5%	42	internet media
	#288	William Ding	\$5 B	\$57.9 M 1.2%	43	online games
	#296	Nicholas Woodman	\$4.9 B	\$5 M 0.1%	39	video cameras
	#311	Eduardo Saverin	\$4.8 B	\$17.5 M -0.4%	32	Facebook

	Rank	Name	Net Worth	Change	Age	Source
	#321	Lei Jun	\$4.7 B	\$2.3 M	44	smartphones
	#324	David Sun	\$4.7 B	\$0	62	computer hardw
	#324	John Tu	\$4.7 B	\$0	73	computer hardw
	#345	Andreas von Bechtolsheim	\$4.4 B	\$43.6 M -1%	59	Google
	#389	Barry Lam	\$3.9 B	\$101.1 M -2.6%	65	computers
	#393	Jeffrey Skoll	\$3.9 B	\$28 M -0.7%	49	Ebay
	#404	H. Ross Perot Sr	\$3.8 B	\$0	84	computer service real estate

	Rank	Name	Net Worth	Change	Age	Source
	#412	Reid Hoffman	\$3.8 B	\$56.5 M -1.5%	47	LinkedIn
	#419	John Sall	\$3.8 B	\$0	66	software
	#448	Ralph Dommermuth	\$3.6 B	\$63.6 M 1.8%	50	internet service provider
	#464	Brian Acton	\$3.5 B	\$12.1 M -0.3%	42	WhatsApp
	#482	Evan Williams	\$3.4 B	\$2.8 M 0.1%	42	Twitter
	#490	Jiang Bin	\$3.4 B	\$46.2 M 1.4%	48	electronics
	#496	Dagmar Dolby & family	\$3.3 B	\$0	73	Dolby Laboratories

	Rank	Name	Net Worth	Change	Age	Source
	#506	John Doerr	\$3.3 B	\$24.6 M -0.7%	63	venture capital
	#509	David Cheriton	\$3.3 B	\$31.4 M -1%	63	Google