

# The Uneven Social Impact of Technological Change

**Jed Kolko, chief economist, Indeed**  
**California Future of Work Commission, October 10, 2019**

# Outline

- ▶ **Why distribution matters**
- ▶ **Where the impact might be**
- ▶ **Whose jobs are more at risk**
- ▶ **The bigger picture**

# Why distribution matters

- ▶ **We don't know how technology will change work ...**
- ▶ **... but we know the impact will be uneven**

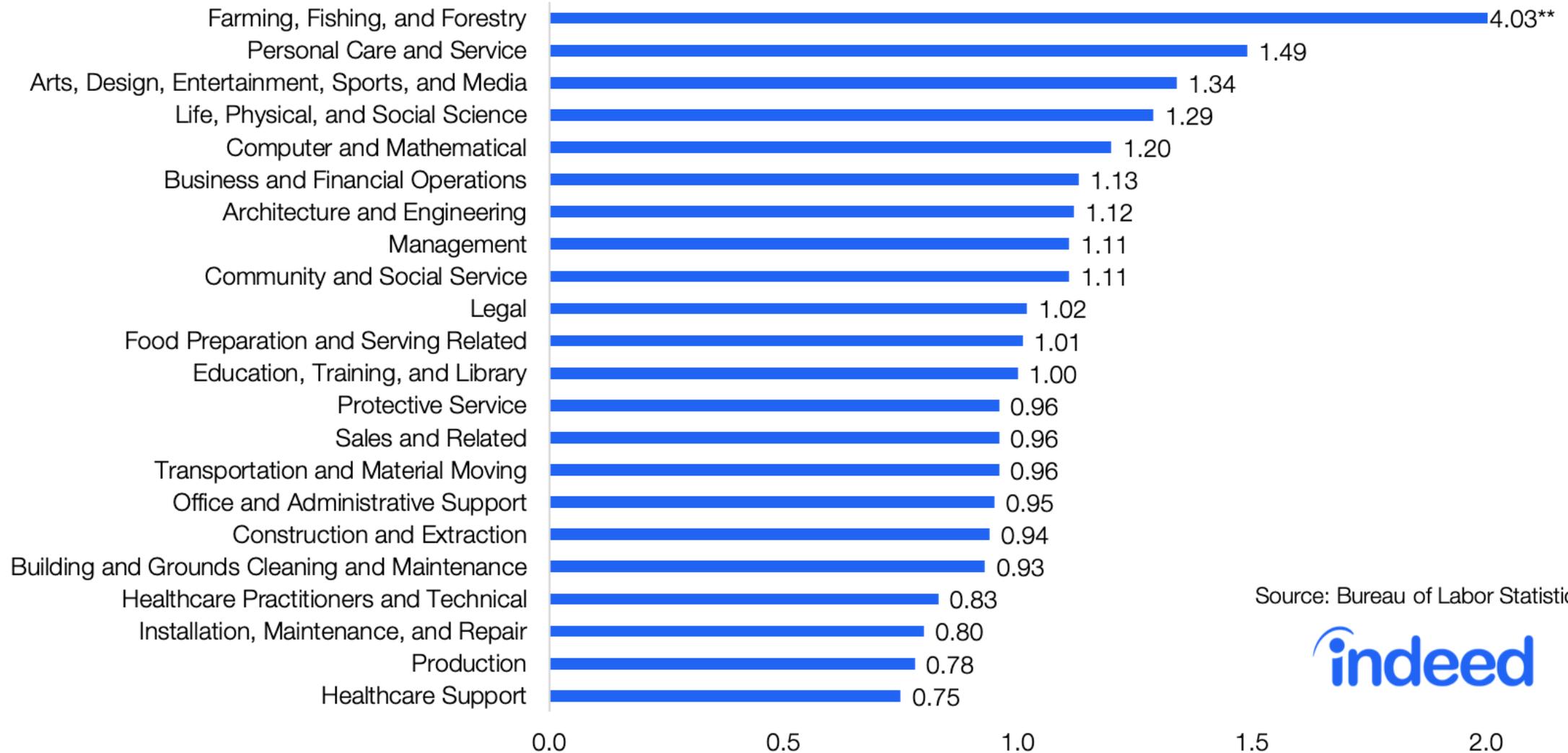
# “Routine” jobs

- ▶ ***Can be accomplished following explicit rules***
  - ▶ Indicator of automation potential
- ▶ **Routine job sectors**
  - ▶ Sales and office
  - ▶ Natural resource, construction, and maintenance
  - ▶ Production, transportation, and material-moving
- ▶ **Non-routine job sectors**
  - ▶ Management, business, science, arts
  - ▶ Service
  - ▶ (includes healthcare)

Where the impact might be

# What Californians do

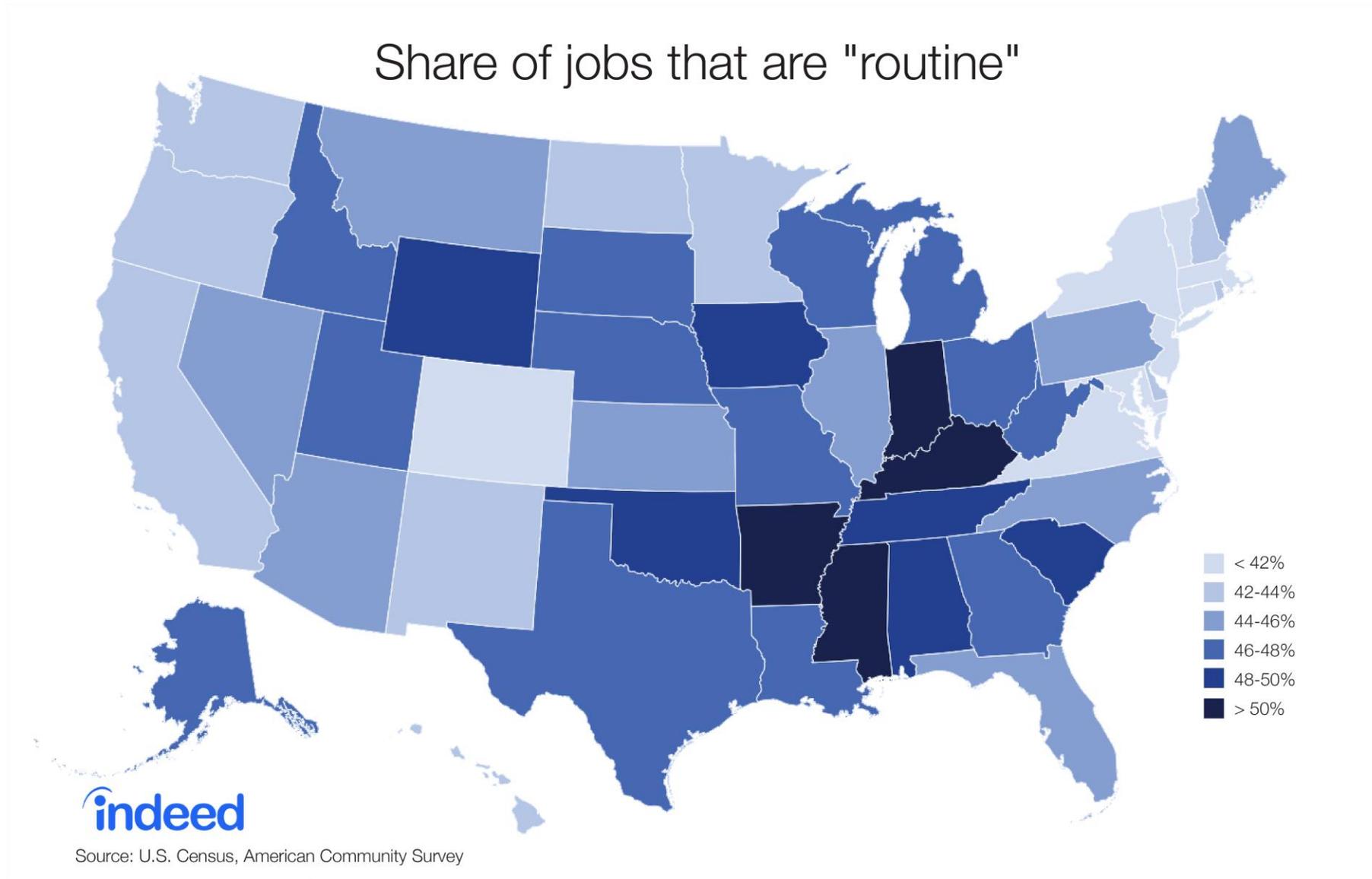
## Job share in California vs. US overall (location quotient)



Source: Bureau of Labor Statistics

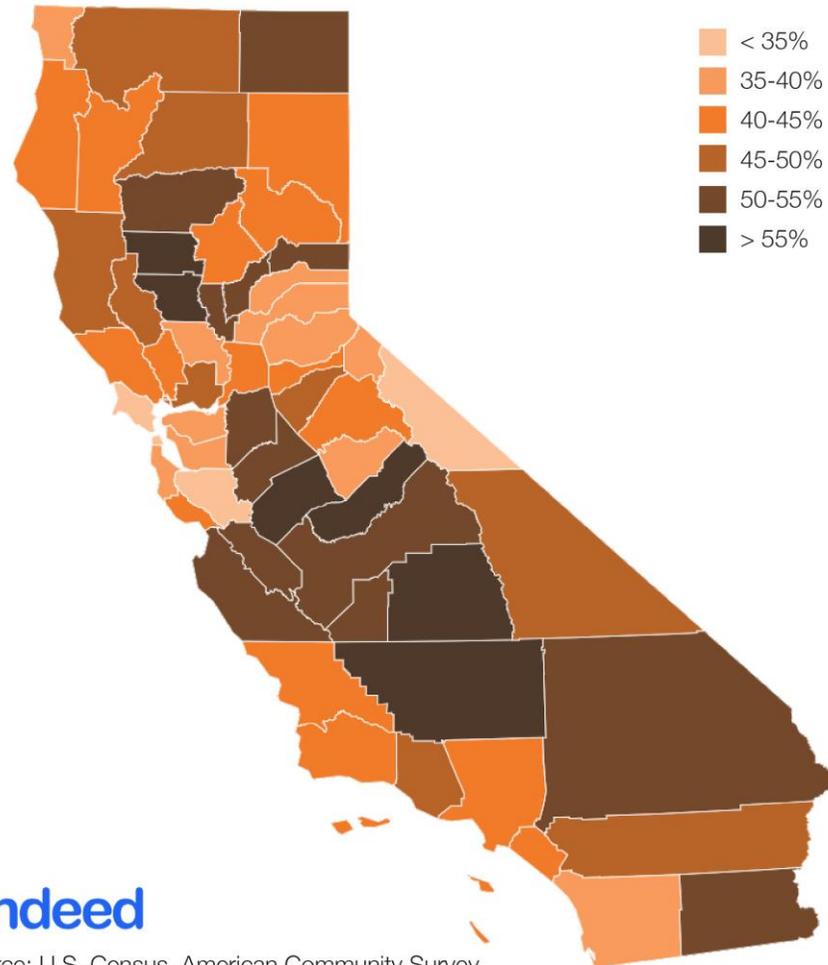


# California is at somewhat lower risk



# Bay Area and Central Valley are worlds apart

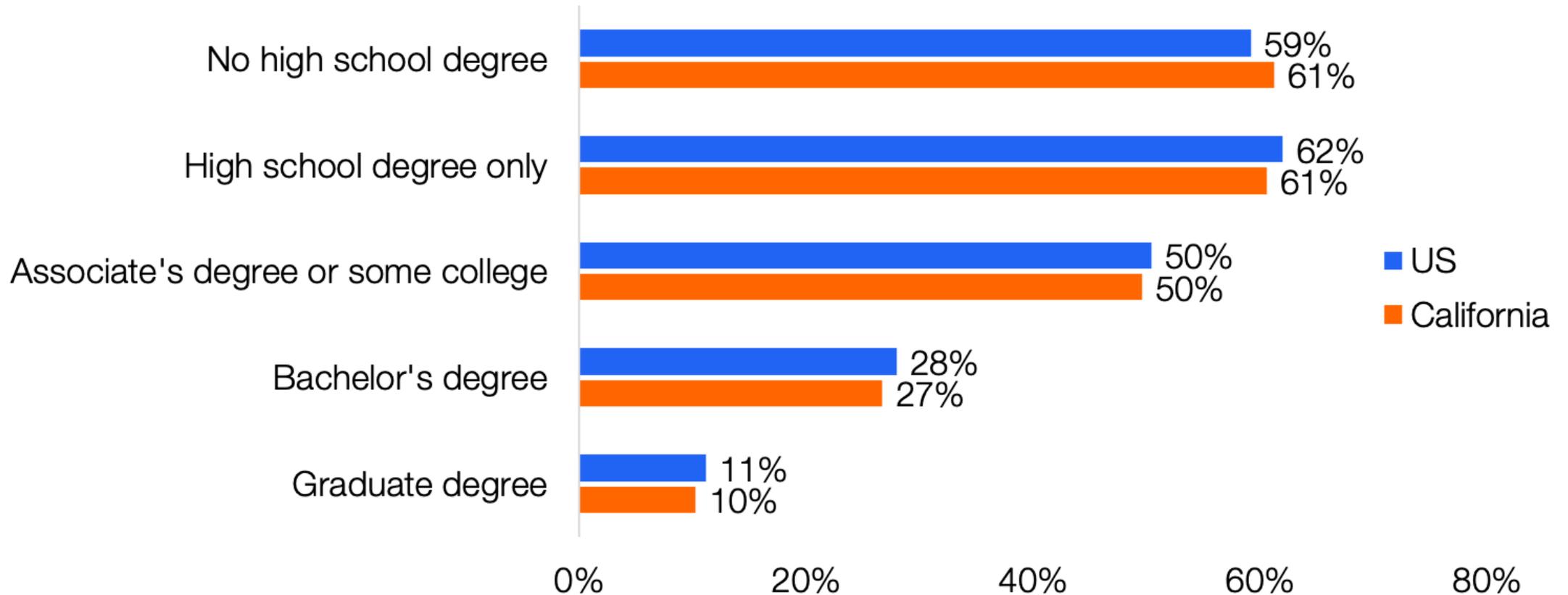
Share of jobs that are "routine"



Whose jobs are more at risk

# The less-educated are most at risk

## Workers in routine occupations, by education

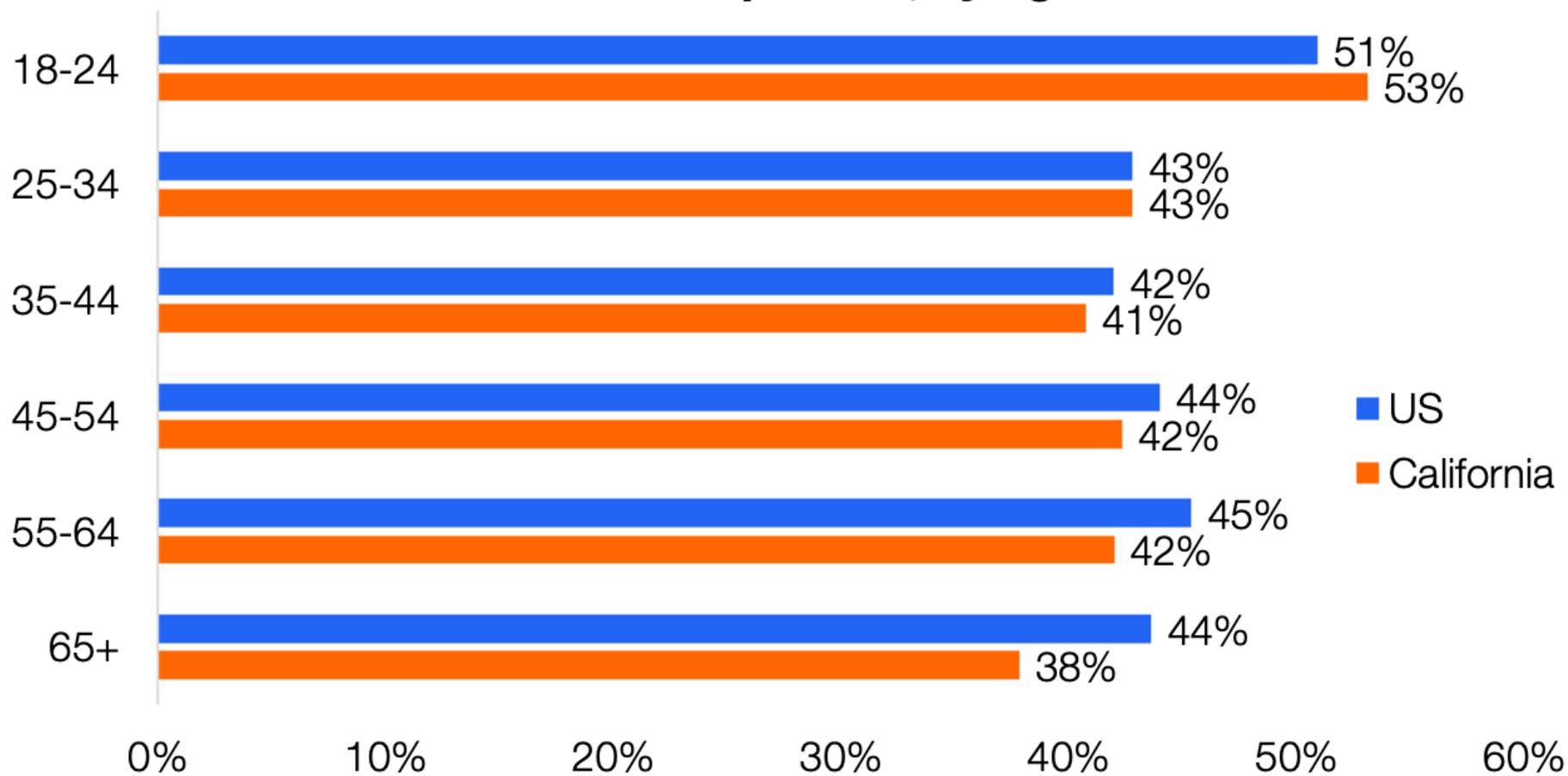


Source: U.S. Census, American Community Survey



# Automation risk bit lower for older Californians

## Workers in routine occupations, by age

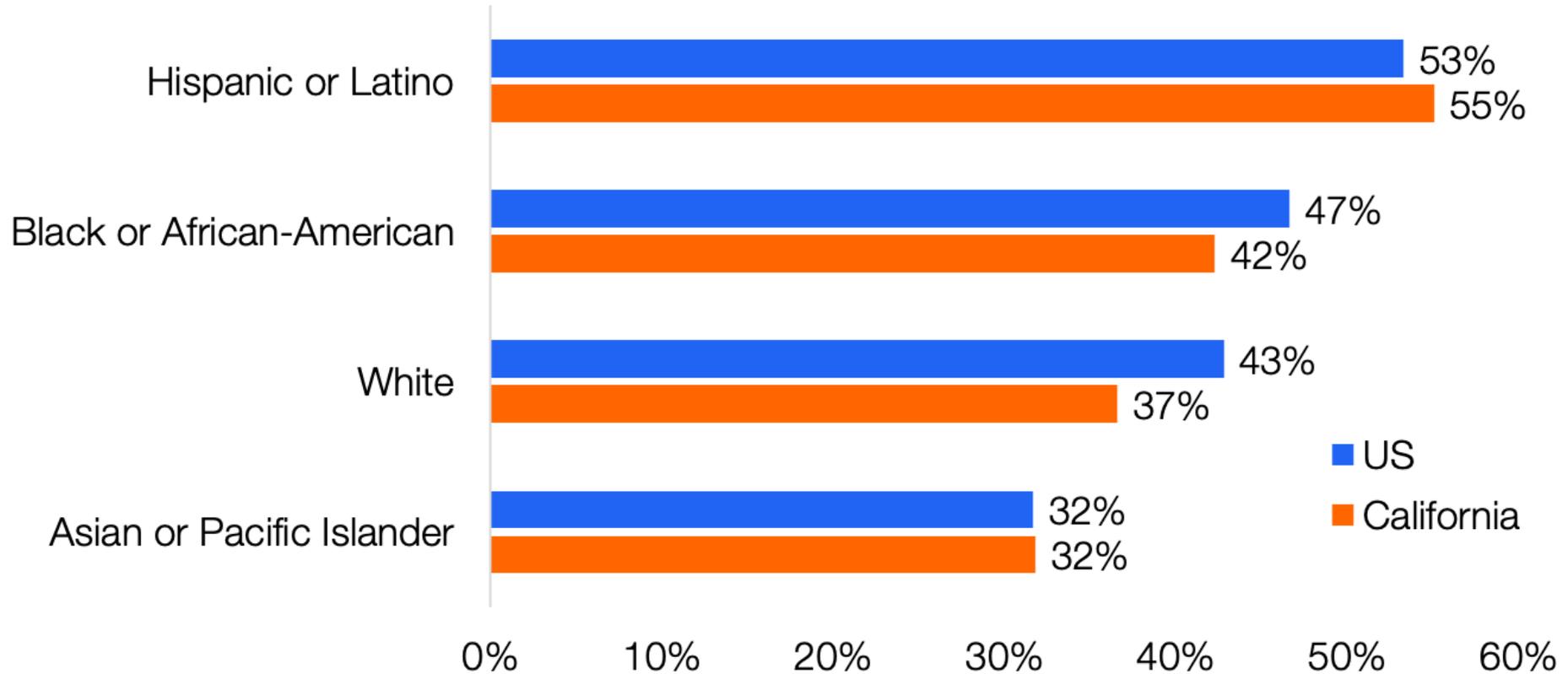


Source: U.S. Census, American Community Survey



# Racial gaps wider in California

## Workers in routine occupations, by race/ethnicity (mutually exclusive)



Source: U.S. Census, American Community Survey



Not just whose jobs are at risk, but also:

▶ **Transitions harder for:**

- ▶ Older adults
- ▶ Lower-income and less mobile households

▶ **Labor supply effects, especially for:**

- ▶ Women
- ▶ Older adults

# Conclusions

- ▶ **California somewhat less at risk – except Central Valley**
- ▶ **Less-educated and Hispanics are most at risk**
- ▶ **Transition barriers and supply effects are uneven, too**

Thank you. For more:

- ▶ [www.hiringlab.org](http://www.hiringlab.org)
- ▶ @jedkolko
- ▶ [www.jedkolko.com](http://www.jedkolko.com)