Technology and Labour Market: Preparing Pakistan for the Future

The rapid technological developments coupled with globalisation are bringing fundamental changes to work across the world. Every day new technologies are replacing already existing ones. Old processes are being replaced by new ones. Knowledge intensive new technologies and more automated processes are forcing developing countries to upgrade and enhance the skill level of their workforce.

Global agenda of 2030 places significant focus on creating decent productive jobs in developing countries. Technological change, via innovation, not only creates demand for new skills but can create new sectors. Adapting to technological changes in the labour market is at the centre of the future of labour markets. Modernisation of production processes significantly depends on how well labour markets of developing countries are prepared to align with modern technology. Production of jobs which are decent and productive to a large extent involves interaction with modern production processes.

There is a general agreement that labour market in Pakistan has remained limited to production process aligned to elementary skills. These skills have weak interaction with modern technology which is already affecting the labour market. The country continues to suffer low productivity labour force and stagnant labour market. No changes in occupational structures can be observed over the past four decades. To break the low productivity cycle, Pakistan needs to ensure interaction of its labour force with technological changes.

It is in this context, the panel will focus on technological change, in particular digitalisation and the possible re-organisation of production processes in Pakistan. In this regard, it will assess technological readiness and labour market efficiency. It will also look into ways technological changes and existing structure of Pakistan labour market interact with employment, wages, and participation. Finally, the panel will identify the key barriers in this regard and propose the way forward to align labour market of Pakistan with modern technology. The process also entails identification of the key areas for improvement and the primary stakeholders in this regard. Overall, the panel maintains that upgrading the labour market of Pakistan to modern technological changes is the founding pillar for meeting the global agenda of 2030 and that it has major productivity, employment, economic growth and development dividend.

Panel Organisers

Dr Sajid Amin, Research Fellow, Sustainable Development Policy Institute, Islamabad, Pakistan
Email: sajidamin@sdpi.org

Ms Fareeha Armughan, Resident Consultant, Sustainable Development Policy Institute, Islamabad, Pakistan
Email: fareehaarmughan@sdpi.org

Ms Rabia Razaarque, Senior Programme Officer, ILO Country Office Islamabad, Pakistan
Email: razzaque@ilo.org