

Aide-Memoire: World Economic Forum OECD Release of Envisioning the Future of Education and Jobs: Trends, Data and Drawings report

To:	Hon Chris Hipkins, Minister of Education
From:	Tim Fowler, Chief Executive, Tertiary Education Commission
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Purpose

1. This paper provides you with information about the *Envisioning the Future of Education and Jobs: Trends, Data and Drawings* report, the *Towards a Reskilling Revolution: Industry-Led Action for the Future of Work* report and the *Trends Shaping Education 2019* report as released at the World Economic Forum (WEF). Copies of the reports are attached.
2. The Tertiary Education Commission advised you of the launch of the WEF *OECD Envisioning the Future of Education and Jobs: Trends, Data and Drawing* report (Ref: B-18-00965 and B-19-00028). At that time, we recommended you forward an invitation to the launch to the Prime Minister and the Minister of Finance. We understand that the former Prime Minister Helen Clark accepted an invitation to participate on a panel at the launch of the report.
3. These reports will inform the Careers System Strategy. The reports' findings may also be considered as part of the Review of Vocational Education.
4. The TEC recommends this paper is released with Budget sensitive information withheld.

The three trends identified in the report are globalisation, digitalisation and ageing

5. The top three mega-trends in education across the three reports are:
 - **Globalisation:** Within the next ten years, the majority of the world's population will consist of the middle class, a trend that is largely driven by China and India. This will not only increase pressure to provide better education for more people; it will also place higher expectations on education from more demanding customers. In OECD countries this is forecast to affect higher education systems initially, as they will have to work harder to attract the best students in a much more mobile and competitive market.
 - **Digitalisation:** In 2017, three out of four internet users aged 16-74 used the Internet daily or almost every day.

- **Ageing:** In the last 45 years, life expectancy at birth has risen across OECD countries from an average of 70 to 80 years and the share of people aged 65 or older is expected to grow significantly. Older workers will face increasing labour market insecurity and pressure will mount for access to high-quality re-skilling and up-skilling opportunities.

Key findings from Envisioning the Future of Education and Jobs: Trends, Data and Drawing report

6. The report suggests that globalisation affects teaching as classes become more diverse and accommodate students from different backgrounds. Social change is also creating a need to teach young people about the impact of their daily decisions and life styles, and how to adapt to an environmentally sensitive economy.
7. The report highlights how digitalisation, rapid technological change and the gig economy are creating different jobs and the need for different skills. Work is no longer tied to a steady job, and a familiarity with technology, mathematics and science is increasingly important.
8. The data and evidence drawn on in the report indicates that careers aspirations and projected labour market demand mismatch is set at a young age and heavily influenced by socio-economic background, gender and the role models seen by young people. Therefore we need to engage with children early on to help inspire their interests and career aspirations. The report also suggests that as people are likely to have longer working lives there is an increased need for continuous lifelong learning.

Towards a Reskilling Revolution: Industry-Led Action for the Future of Work and Trends Shaping Education 2019

9. Through the Preparing for the Future of Work project, the WEF provides a platform for collaboration on the future of work by major industries, the public sector, unions and educators. The output of the project's first phase of work was the *Towards a Reskilling Revolution: A Future of Jobs for All*, which highlighted a method to identify viable and desirable job transition pathways for disrupted workers, using data.
10. This second report, *Towards a Reskilling Revolution: Industry-Led Action for the Future of Work* (Appendix B), demonstrates the results of the second phase of work. It includes proposed actions for five industries — Aerospace; Aviation, Travel and Tourism; Consumer; Financial Services; and Oil and Gas — to support them in their transition to the future of work. It was produced in collaboration with Boston Consulting Group, and with the support of Burning Glass Technologies. It is designed to provide key strategies, innovative frameworks and data-driven tools that can support businesses, governments, educators and civil society in taking proactive and coordinated action to prepare for the future of work.
11. The report suggests that businesses across all industries should consider investment in—reskilling at-risk workers, upskilling their broader workforce and building structures for a learning organisation—to prepare for both the short-term and long-term future of work.
12. We engaged with Burning Glass Technologies to develop the discussion paper *Hidden Links: New Opportunities* to inform the Careers System Strategy and consideration of a skills cluster framework (Ref B-18-00611).

13. *The Trends Shaping Education 2019* report (Appendix C) examines major economic, political, social and technological trends affecting the future of education, from early childhood through to lifelong learning. The report aims to inform strategic thinking and stimulate reflection on the challenges facing education globally, at the societal level and for individuals.

What will we do with this information?

14. We currently have a budget bid in place to support the development and implementation of tools for schools, parents, learners, employers and employees as well as the unemployed.
15. We will work with the Treasury and Ministry of Business Innovation and Employment (MBIE) in the development of the Future of Work Tripartite Forum strategy to identify and build understanding of the key challenges and opportunities for New Zealand workers and businesses arising from technological change, globalisation and population ageing. It is intended that the strategic narrative will be agreed by the Forum partners and distributed in draft for consultation by July 2019.



Tim Fowler

Chief Executive,
Tertiary Education Commission

11 February 2019

Hon Chris Hipkins

Minister of Education

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Appendix A: Envisioning the Future of Education and Jobs: Trends, Data and Drawings

Appendix B: Towards a Reskilling Revolution 2019 report

Appendix C: Trends Shaping Education 2019 report
