

## 23 Job Loss statistics and facts every employee needs to know

Author: Munodiwa Zvemhara . September 2020

Today, automation, artificial intelligence, and a worldwide digital communications network serve as an empowering platform for unprecedented innovation. This unprecedented new age of progress also heralds a period of great challenges and uncertainty, especially when it comes to employment and [\*job loss stress\*](#).

- **More than 25% of jobs are experiencing high levels of disruption due to automation** - This figure amounted to 36 million jobs in 2016, with more than 70% at high risk of being replaced by automation. The same research on *job loss to automation* found that 36% of American workers face medium-level exposure to these disruptive technologies by 2030, while 39% – or 57 million jobs – will face low-level exposure.
- **37% of workers are worried about losing their jobs directly because of automation** - Statistics on automation show an increasingly worried workforce as the number of people worried about *job loss* due to technological advancements increased by 3% compared to 2014. Innovations in AI and robotics suggest that it is not only the uneducated who are at risk of being displaced. Every job is at risk. However, the same research found that 73% of workers believed that technology could never replace the human mind.
- **The number of operational industrial robot jobs increases by 14% annually** - One of the most visible ways that results in *job loss to automation* is the ever-increasing reliance on robots for industrial work. In 2016, the number of industrial robots was 1.83 million. Experts expect that figure to grow to 3.05 million in 2020. The statistics indicate that new innovations are speeding up this trend, and that we are very likely going to see an even more drastic yearly increase in the robot workforce.
- **Almost 70% of workers believe that automation will offer them an opportunity to qualify for more highly skilled work** - A survey by the International Federation of Robotics found that even as the number of jobs eliminated by automation rises, people remain optimistic about potential benefits. Of 7,000 surveyed workers, almost 70% expressed hope about higher-skilled employment.
- **57% of employers say that the main goal of automation is the augmentation of worker performance and productivity** - While there is a prevalent belief and more than a little evidence that business owners are shifting toward automated technologies and innovations just to replace expensive human workers, the truth may be quite different. In fact, analyses of automation and job loss show that most employers wish new technologies to support their workers in completing business processes, with only 11% looking to automate their operations to a great extent. The research found that 15% of employers invest in automation in order to reduce risks and avoid mistakes.
- **More than 70% of people would be willing to augment their bodies and brains in order to improve their employment prospects** - The impact of automation on employment will not only mean *job losses* to a robotic threat, but will also bring us face-to-face with a completely different

issue: Our jobs will increasingly depend on our willingness to augment our bodies and brains to stay competitive.

- **Transportation, storage, and manufacturing industries face the highest risk of automation** - Research on job loss due to automation from 2017 suggests that automation will happen in three overlapping waves that will have different levels of impact on different industries. That is why some branches of the economy, like financial services, will face a bigger threat from the algorithm wave, for instance, as advanced algorithms are bound to outperform humans on pure data analysis.
- **Artificial intelligence alone is expected to have a \$15.7 trillion economic impact by 2030** - Research shows that AI will have a big impact on the GDP of countries like China and the United States. China's GDP is expected to grow by an astonishing 26% due to AI, while North America faces a potential 14% boost. Almost half of these economic gains will come from product enhancements, experts say. It is projected that AI taking jobs away from humans will drive product variety, with increased attractiveness, personalization and affordability.
- **The automation potential for jobs that require less than a bachelor's degree is 55%** - Over the next decade, in-house manual production and office administration jobs will continue to face the most risk due to outsourcing or automation. Positions that don't require a bachelor's degree are almost at double the risk of occupations that do. Only 24% of those jobs are likely to be automated, while occupational groups like food preparation and serving could face disruption of up to 80%. Automation job loss statistics show these jobs in stark contrast to jobs that require higher levels of education such as engineering and financial operations. Only about 14% of those jobs are projected to disappear in the short term.
- **By the early 2020s, the share of jobs at potential high risk of automation will be around 3%** - Data and statistics on job loss to automation show that the early 2020s will not carry with them a high increase in job automation. This trend will skyrocket, however, toward the second part of the decade. Researchers say the risk will rise to 20% by 2030. Researchers say there will be a second rise to 30% by 2035, and that the automation risk will begin to plateau after that.
- **By 2022, the total task hours completed by humans will drop by 13%** - Job loss to automation statistics suggest that 71% of total task-hours are currently completed by humans, compared to 29% that are done by machines. The study predicts that if current trends continue, in just four years the average will shift to 58% completed by humans and 42% by machines. Advanced algorithms will see an especially significant increase in specific tasks like information and data processing, while also taking over a percentage of tasks that are still overwhelmingly human, like decision making, communicating, and coordinating.
- **Almost 24% of jobs that are held by men are at high risk of automation, compared to 17% held by women** - When it comes to the percentage of jobs at risk of automation, men face tougher odds. That's because they are overrepresented in some of the most high-risk occupations. For example, men represent 70% of production jobs and more than 80% of transport workers. In areas like construction and installation these numbers go well above 90%, indicating that in the long term men will be facing at least a slightly bigger issue with automation. Women are guarded by the fact that they represent 70% of the labor force in relatively safe occupations like education and health care, which are among the low-risk jobs in the coming decades.
- **The youngest workers are at the highest risk of being displaced due to automation** - Job loss

due to automation statistics from the last year indicate that the workers aged 16 to 24 are at a 49% average automation exposure, putting them ahead of their older counterparts. Workers aged 25-54 have a 40% task automation potential, which is about the same percentage that workers age 55-64 face. What's making the youngest workers so disproportionately affected is that they are overrepresented in highly repetitive jobs like food service and preparation. To put it in perspective: People aged 16 to 24 are 9% of the overall workforce in America, but they represent 29% of all workers in the food preparation and service industry.

- **About 33% of new jobs created in the United States are for occupations that did not exist or barely existed 25 years ago** - Historical data on jobs replaced by automation has shown that innovation doesn't necessarily impact productivity and jobs negatively. In fact, most years since 1929 have seen gains in productivity and employment. What troubles economists is the fact that modern automation can prove to be substantially different from historical technological disruptions, so different that 48% believe that new technologies will displace more jobs than they create by 2025.
- **By the year 2022, more than 54% of workers will require significant re-skilling or upskilling** - Technological disruptions will not be limited to automation replacing jobs that are currently performed by humans. Most of the remaining workers will need significant training to stay productive and employable in the new world. Of 54% of workers that will need their skills upgraded or relearned, some 35% are expected to require 6 months of training. Nine percent of workers will require training that lasts 6 to 12 months, and 10% will require more than a year of training.
- **Robots could displace 20 million manufacturing jobs by 2030** - Job loss due to automation statistics from 2019 demonstrate that each industrial robot is on average replacing 1.6 human workers, meaning that the number of displaced workers could reach tens of millions in the coming decade. Data also suggests that low-income regions of the world are going to feel the impact of automation in manufacturing much more than average and high-income areas.
- **In 2018, sales of medical robots increased by 48% compared to the year before** - Population data indicates that we are living in a civilization that's increasingly growing older. In fact, it is estimated that by the year 2050, the percentage of 60-year olds will go from 12% to 22%. Robots taking over jobs in the medical field will alleviate some of the issues that plague an aging population. Robots are expected to take over some of the tasks in hospitals, clinics, and assisted living homes, and sales are already increasing year over year. By the end of 2018, the total sales of medical robots amounted to \$1.9 billion.
- **It is estimated that automation can accelerate the productivity of the global economy by 1.4% of global GDP annually** - Jobs lost to automation statistics from three years ago show that automation is a powerful tool that countries can use to increase their overall productivity, but only if the displaced human workers re-enter the workforce. It is believed that automation alone will not be enough to sustain long-term economic growth.
- **Job Loss due to COVID 19** - As governments around the world seek to save lives by slowing down the spread of the coronavirus, they are having to take dramatic measures, with big implications for economic activity. According to (National Statistics; 2020) in the weeks from April 6 to 19, 2020, 23 percent of businesses had temporarily closed or paused trading, with around 60 percent of businesses that continued to trade reporting a fall in revenues. Such a rapid

fall in output has significant implications for *job loss stress*. During the lockdown, around 7.6 million jobs are at risk. This encompasses permanent layoffs, temporary furloughs, and reductions in hours and pay. The risks are highly skewed: people and places with the lowest incomes are the most vulnerable to *job loss*. In the weeks from April 6 to 19, 2020, around 22 percent of the United Kingdom's working-age population, or nine million people, had been furloughed. At that time less than 1 percent of businesses reported ceasing to trade permanently or having laid off people. However, the knock-on consequences of the lockdown are anticipated to result in significant *job losses* down the road.

- **Job Loss Has Been Staggering** - As of the July 2, 2020 release of the monthly Employment Situation for June, the unemployment rate in the United States reached 11.1%, down from the peak unemployment rate of 14.7% in April. Due to data collection issues in prior months, June's actual unemployment rate may be around 12%.<sup>25</sup> (U.S Bureau of Labor Statistics; 2020). When the Labor Department expanded measures of unemployment to include people who stopped looking for work during the pandemic or whose hours were cut to part-time, the rate reached 18% in June. As of the July 9, 2020 weekly report on unemployment claims, over 48 million people have filed for unemployment for the first time since mid-March.
- **Up to 59 Million Jobs Are at Risk in the EU** - A quarter of jobs (26% of the total employment) across Europe are at risk for permanent layoffs, furloughs, or reductions in hours or pay. 74% of jobs in the Accommodation and Food sector and 50% of jobs in the Arts and Entertainment sector are at risk. In May 2020—the most recent data available—total unemployment for the 27 member countries was at 6.7%. For women in these countries, it was 7.2%. The next update is scheduled for late July 2020
- **3.1 Million Canadian Workers Are Impacted by Covid-19 Shutdowns, a Decrease from April** - As of the July 10, 2020 release of Canada's monthly Labour Force Survey for June, the unemployment rate was 12.3%, a reduction from 13.7% in May. Men's Work Rebounded Faster Than Women's. Men recovered 92.3% of the jobs lost since February, compared to 89.2% for women. Total employment increased slightly faster among women (6.1% compared to 5.5% for men). Mothers with children under 6 saw an employment increase of 5.2%, compared to 6.4% for fathers.
- **Low-income workers bore the brunt of the work disruptions** - As of April 2020, over half (52%) of low-income adults reported that they or someone in their household have lost a job or experienced a reduction in pay during the pandemic. These workers were in a financially precarious situation even before the pandemic. Only 23% of low-income adults have rainy day funds set aside to assist in expenses for three months in case of an emergency.

Among low-income workers, women were more likely than men to lose their income in the first month of the pandemic.

*Munodiwa Zvemhara is a consultant at Industrial Psychology Consultants (Pvt) Ltd a management and human resources consulting firm.*

*Phone +263 4 481946-48/481950/2900276/2900966*

*Cell number +263 783168453*

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*Email: [munodiwa@ipiconsultants.com](mailto:munodiwa@ipiconsultants.com) or visit our website at [www.ipiconsultants.com](http://www.ipiconsultants.com)*

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