

*The adoption of Automation technology in workplace has been harshly criticised by many sociologists. On the other hand, many advocates have supported the use of automation technology for business. Which view do you agree with?*

### **Essay Question:**

Read Text A carefully and write an argumentative essay of about 600-700 words in response to the following question.

Use the information from the text below as well as your knowledge to support your arguments. When using the information from text A, you are expected to acknowledge the source of it.

### **Text A**

#### **UK's poorest to fare worst in age of automation, think-tank warns**

The rise of the machine economy risks social disruption by widening the gap between rich and poor in Britain, as automation threatens jobs generating £290bn in wages. Jobs accounting for a third of annual pay in the UK risk being automated, according to the study by the IPPR (Institute for Public Policy Research) think-tank. Warning that low-paid roles are in the greatest danger, it urged ministers to head off the prospect of rising inequality by helping people retrain and share in the benefits from advances in technology.

The study for the IPPR's commission on economic justice, which features senior business and public figures including the archbishop of Canterbury, called on the government to take a greater role in managing the adoption of robotics, artificial intelligence and other methods of job automation in the workforce. Mathew Lawrence, a senior research fellow at the IPPR, said: "Managed badly, the benefits of automation could be narrowly concentrated, benefiting those who own capital and highly skilled workers. Inequality would spiral."

The IPPR estimates that 44% of jobs in the UK economy could feasibly be automated, equating to more than 13.7 million people who together earn about £290bn. Although it doesn't give a forecast for how long this would take, it cited US research which estimates the changes could occur over the next 10 or 20 years. From the collective pay pool worth £290bn, middle-income jobs such as call-centre workers, secretaries and factory workers are likely to be hollowed out. Low-skilled workers could also lose their jobs or face fewer hours from greater levels of automation. At the same time the highest earners and workers able to retrain will gain higher pay thanks to rising productivity – which means more output being generated per hour worked.

The research follows similar studies warning of the risks arising from the current rapid advances in technology, which have enabled machines to take on work that was once the preserve of humans. The Bank of England has said as many as 15m jobs in Britain are under threat. Measures called for in the IPPR report include a UK skills system to help retrain those affected by the introduction of machines into the workforce, as well as an ethics watchdog to oversee the use of automating technologies modelled on the Human Fertilisation and Embryology Authority, which regulates embryo research.

Ministers are also being urged to consider new models of company ownership in the face of increasing returns to asset owners, because rising automation could result in higher profits for those who own companies - at the expense of workers' salaries. Carys Roberts, a research fellow at the IPPR, said: "Some people will get a pay rise while others are trapped in low-pay, low-productivity sectors. To avoid inequality rising, the government should look at ways to spread capital ownership, and make sure everyone benefits from increased automation."

Proposals in the report to tackle the threat of greater inequality posed by automation include: Greater use of employee ownership trusts, forcing businesses above a certain size to share their profits with workers, the creation of a sovereign wealth fund for investing in company shares. "Government is working closely with industry to ensure the benefits of new technologies are felt across different sectors of the economy up and down the country, while creating new high-skill, well-paid jobs," the Department for Business, Energy and Industrial Strategy said. Labour seized on the report to attack the Conservatives' track record on handling the economy, saying the time was right for widespread adoption of democratic models of company ownership.

Warnings about technology replacing jobs are a common feature of industrial history, exemplified by the Luddites of the 19th century who smashed up machines used in textile manufacturing. Despite the ability of automation to lift people from menial work into higher-paid jobs, there are fears that advances appear to be resulting in faster, wider and deeper degrees of change than in the past.

Advances in technology could help to improve productivity – a measure of the economic output per hour worked – after years of sluggish growth in efficiency levels since the financial crisis, which has held back both GDP growth and also higher wages across Britain. An accelerated trajectory of automation could raise productivity growth by between 0.8% and 1.4% annually, according to the report, boosting GDP by 10% by 2030.

Without a return to the pre-crisis growth rate for efficiency gains, the country is on course for two decades of lost earnings growth, according to analysis from the

Institute for Fiscal Studies, which has said it expects average wages to stay below their 2008 levels, when adjusted for inflation, for years to come.

Although the rate of unemployment stands at its lowest level since the mid-1970s, earnings growth has been held back amid a proliferation of low-skilled and low-paid work created in recent years, while there has been a boom in the number of self-employed and those working in the gig economy. The report said increased automation of activities would help to lift productivity levels and therefore could be used to pay for higher wages, acting to offset some of the £290bn in wages lost to machines. However, if automation is managed poorly, it could lead to greater concentration of wealth for those at the top and a wider gap with the poorest in society.

Adapted from

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