

## How Millions of Employees May Adapt to the AV Revolution

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Along with the numerous benefits that the autonomous vehicle revolution promises come real concerns over the potential impact on jobs. That is why the Economics and Statistics Administration of the U.S. Department of Commerce released a report titled <u>The Employment Impact of Autonomous Vehicles</u>, in which it hoped to identify the occupations most likely to be directly affected by the widespread business adoption of autonomous vehicles on public roads.

As many critics fear, some jobs may be lost as a result of AV adoption. However, it is important to recognize that driving-related occupations can involve activities other than driving. If no other work was performed in such occupations, then autonomous vehicles would be more likely to displace those workers as pure substitutes. In fact, the report signals there may be hope that AVs will bring more opportunities than they will take away. While focusing on existing jobs rather than the emergence of new jobs, the report identifies which employees are likely to adapt and which are likely to lose their jobs, with the first being a substantially larger group.

Even though autonomous vehicles have the potential to eliminate jobs resulting in labor-savings for businesses, they also have the potential to increase demand for certain current tasks and lead to demand for entirely new tasks for workers. As you may expect, the impact on labor will depend on the characteristics of the services provided by the workers. In 2015, 15.5 million U.S. workers were employed in occupations that could be affected as the impact of AVs will likely extend beyond the narrow group of workers whose occupation title includes "drivers." The report specifically identifies the two categories of workers who may be predominantly affected: (1) motor vehicle operators and (2) other on-the-job drivers.

Motor vehicle operators include occupations in which the primary activity is driving vehicles to transport persons and goods (i.e. driver salespersons and drivers of automobiles, trucks, buses, trains, ambulances). Totaling 3.8 million in 2015, these workers are generally concentrated in the transportation and warehousing sector. As these workers may have less transferable skills and as operating vehicles is their most important work output activity, motor vehicle operators are the most likely to lose their jobs as a result of the adoption of autonomous vehicles. However, these workers engage in other activities that are important to the performance of their occupation and may be able to work in conjunction with autonomous vehicles.

In contrast, other on-the-job drivers are those who use roadway motor vehicles to deliver services or to travel to work sites (e.g. first responders, real estate agents, equipment installers/repairers, home health care aides, and construction trades). These workers are spread throughout numerous industries and total 11.7 million. That's practically triple the number of motor vehicle operators. As on-the-job drivers have more diversified skills and as their other job activities are as relatively important as operating vehicles, these workers are much more likely to adapt to the widespread adoption of autonomous vehicles. They may even benefit from greater productivity and better working conditions offered by autonomous vehicles.

Whether you employ motor vehicle operators or on-the-job drivers, there is an opportunity to prevent job loss for both. Providing training and opportunities to develop new skills (in a non-discriminatory manner) can allow humans to work in conjunction with autonomous vehicles. With autonomous vehicle accidents, as demonstrated by several recent high-profile incidents, human involvement may always be a necessity. One day soon, "drivers" may even remotely run an entire fleet of autonomous vehicles. Therefore, employers should begin planning now to transition to this new technology. Issues like job retraining and skills learning will help ensure a smooth transition and allow employers (and their workforce) to maximize the benefits of this technological shift in how transportation work is performed.

If you have questions or concerns regarding how the adoption of autonomous vehicles may impact your workforce, contact Samantha Saltzman or any member of our <u>Autonomous Vehicles Practice Group</u>.