

White-collar workers to become 'new poor' as computers take over

Employees such as legal clerks and local government administrators will see their wages collapse as new technology makes their skills less valuable, just like manual workers have, Alan Milburn says.

White-collar workers will become the new poor as their jobs are replaced by computers, the Government's advisor on social mobility has warned.

Employees such as legal clerks and local government administrators see their wages collapse as new technology makes their skills less valuable, just like manual workers have, Alan Milburn said.

Across the United States and Europe, jobs working life has polarized into "lovely jobs" and "lousy jobs", with the wages at the bottom end of the jobs market falling behind growth in the rest of the economy thanks to advances in technology, Mr Milburn said.

That fate will soon be shared by office workers as their jobs are outsourced to emerging economies and replaced by computers, he warns, "hollowing out the middle of the labour market".

"It is likely that as the cost of computing power continues to fall, technology will replace many more middle-class jobs that rely on repetitive and routine tasks. In other words, the earnings squeeze already felt by people at the bottom could increasingly spread to those in the middle". [...]

The assumption that a rising economy will "lift all boats" and result in better wages is no longer true, he said.

As a result, the children of middle class families risk being locked out of medicine, law and journalism by a "social elite" who attended private schools under a regime that "has all the hallmarks of engineering". (233 words without the title and subtitle)

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