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EU invests €2.8 billion in robotics to create new jobs

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A €2.8 billion (US$3.8 billion) joint investment in robotics research and innovation by the robotics industry and the European Commission is intended to create over 240,000 new jobs in Europe—but it remains unclear how many old jobs will be replaced or destroyed by the program, some of those involved said.

The Commission and 180 companies and research organisations launched the initiative, called SPARC, on Tuesday. It is an effort to strengthen Europe's position in the global robotics market, which theCommission expects to be worth about €60 billion a year by 2020.

SPARC will develop the application of robotics in agriculture, health, transport, civil security, manufacturing and household use, and aims to increase Europe's share of the global robotics market to 42 percent, a boost of €4 billion per year, the Commission said. The industry, gathered in the umbrella organization euRobotics, will invest €2.1 billion and the European Commission will invest €700 million in the project.

While creating almost a quarter of a million new jobs for Europeans sounds like a good thing, there may be little or no net gain in employment, as the number of old jobs lost or replaced by robots seemed to be of minor interest of the Commission and euRobotics. The additional revenue targeted would—if spent entirely on pay, with no allowance for payroll taxes, cost of materials, investment or other overheads—result in jobs with average salaries below the minimum wage in France, for example.

People are worried about the effect the increasing use of robots could have on their jobs. A survey conducted by the Commission in 2012 into public attitudes towards robots, for instance, showed that 70 percent of respondents agree that "robots could steal people's jobs." Respondents in southern Europe were most worried that a robot could steal their job, the study showed. Only 39 percent of respondents agreed with the statement that "widespread use of robots can boost job opportunities in the EU."

With 25 million people out of work, "we need a stronger evidence base" to clear up mistrust and uncertainty around robots, Neelie Kroes, vice president of the European Commission responsible for the Digital Agenda told attendees at the Automatica robotics conference in Munich on Tuesday.

"Let's understand the concerns, and address them," she said, adding that awareness of the benefits should be raised as not to make European's lives and economic growth "a lot harder."

Another problem is a shortage of people with enough IT skills to fill the newly created jobs in robotics, Kroes said, adding that Europe could soon face a shortage of nearly one million skilled workers.

According to euRobotics, by 2020 there could be 75,000 new qualified jobs at European manufacturers of industrial and service robots as well as 30,000 additional new hightech jobs in robotics and 140,000 new jobs in European service industries using a broad variety of service robots.

A more widespread use of robotics may at the same time lead to labor displacement and an extensive shift in patterns of employment, according to a study by euRobotics. Dangerous, mundane and undesirable jobs for example might be replaced by robots, it added.

But euRobotics has no figures on how many jobs could be lost due to the increase in use of robotics, said Uwe Haass , secretary general at euRobotics, who added that it is difficult to say how many jobs will disappear.

“It is a really mixed bag,” he said. Robots and humans will be working together in new jobs that couldn’t be done by humans alone, but robots won’t necessarily replace human labor all the time, he added.

However, people who for example harvest cucumbers could lose their job to a machine, said Haass. What the newly cucumber harvester displaced by a robot should do is something for society and politics to resolve, he said.

“This has happened for the last 500 years. Replacement of jobs is a situation that is not new, it has happened during industrialization,” he said. “We all need to prepare our children. Our kids have to learn more and we should invest in education because that makes everybody more flexible.”