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Álvarez-Pallete: “Reskilling and technology are part of the solution to the problem of inequality”

- Telefónica CEO José María Álvarez-Pallete defends in Davos the need to “manage the transition to the new digital world in a socially responsible way” to take advantage of the potential that technology offers.

Davos, January 23, 2023. Telefónica CEO, José María Álvarez-Pallete, stressed during his speech at the Davos Economic Forum, where he participated today in a panel entitled 'The Future of Jobs', that “inequality is the biggest challenge” society is facing in the changing era brought about by digital transformation. He also stressed that “re-skilling and technology are part of the solution” to tackle this problem.

Álvarez-Pallete emphasised that “public funding is necessary to correct inequality, but above all we need skills”. To this end, he called for the need to apply technology to promote massive retraining to fill the jobs that remain vacant while, at the same time, society continues to register millions of unemployed. “This situation is due to the fact that people do not have the skills that are in demand,” he warned.

Reskilling will help to overcome the impact that technology and automation are having on the labour market, while capturing the new job opportunities that the digital and ecological transition is generating. Having digital skills and abilities to meet the new profiles demanded in the technological revolution, on the one hand, and fighting against the obsolescence of employee skills, on the other, will be crucial to fight inequality and advocate for inclusion. In order to promote lifelong learning and reskilling to take advantage of the potential offered by the technological revolution, the CEO of Telefónica called for a “good management of the digital transition”.

Leading by example

Álvarez-Pallete highlighted the fact that Telefónica has been committed to education and employability for years through various initiatives. He pointed out that the company has in Spain the largest internal retraining programme in Europe, as reflected in the fact that more than 16,000 employees received training last year to update their skills.

He also referred to the contribution of Fundación Telefónica, which promotes social projects to foster employability. This is the case of 42 Campus, a free programming academy based on an innovative methodology where students learn from each other and prepare for the new digital demands of the labour market.

Another way forward is to integrate forces through public-private collaboration to achieve greater impact and offer more opportunities for lifelong learning. He mentioned

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the case of 'Reskilling For Employment', one of the flagship projects of the European Round Table (ERT), an organisation that brings together the main European companies and in which Álvarez-Pallete chairs the Employability, Skills and Impact Committee.

Among the measures that can enable society to prepare itself to take advantage of the impact of technology, Álvarez-Pallete recommended applying technology to education and training, adapting education to the demands of the digital society and promoting a culture of lifelong learning.

"It is necessary to offer our employees training programmes adapted to the skills they need to succeed in the digital economy, generate talent and increase the competitiveness of our companies," he said.