

HLPF 2021 - Input of the International Labour Organization

for the theme

“Sustainable and resilient recovery from the COVID-19 pandemic that promotes the economic, social and environmental dimensions of sustainable development: building an inclusive and effective path for the achievement of the 2030 Agenda in the context of the decade of action and delivery for sustainable development”

In response to the letter of the ECOSOC President, dated 18 November 2020, this document summarizes the deliberations and policy recommendations of the ILO on the theme of the 2021 High-level Political Forum for Sustainable Development. More detailed data, analysis and policy recommendations are contained in the annexed documents, namely the ILO COVID Monitors, [second edition](#) and [seventh edition](#). The policy recommendations are based on and make reference to the [ILO Centenary Declaration on the Future of Work](#) (also endorsed by the UN General Assembly in its resolution [A/73/L.117](#)). Further valuable policy recommendations and experiences with regard to COVID-19 response are contained in the deliberations of the tripartite [ILO Global Summit on COVID-19 and the World of Work – Building a better future of work](#) (1 – 9 July 2020).

(a) Impacts of the COVID-19 pandemic on the implementation of the SDGs under review in the 2021 HLPF from the vantage point of your intergovernmental body, bearing in mind the interlinkages with other SDGs;

The COVID-19 pandemic had a major impact on the world of work and SDGs under review. New annual estimates confirm that labour markets around the world were disrupted in 2020 on a historically unprecedented scale. In 2020, 8.8 per cent of global working hours were lost relative to the fourth quarter of 2019, equivalent to 255 million full-time jobs. Working-hour losses were particularly high in Latin America and the Caribbean, Southern Europe and Southern Asia. Working-hour losses in 2020 were approximately four times greater than during the global financial crisis in 2009.

The COVID pandemic has underlined the relevance of the 2030 Agenda and the SDGs, in particular SDG 8 for sustainable development and just and peaceful societies. However, even before the COVID crisis, the world was falling behind on the achievement of the SDGs, including on SDG 8. The pandemic, while reconfirming the validity of the SDGs has moved the goalposts even further and made the path to achievement of the SDGs steeper.

However, the COVID crisis is a dynamic situation and hence the structure and nature of its impact across the globe vary in its different phases and relative to the socio-economic development situation of a given country.

(b) Actions, policy guidance, progress, challenges and areas requiring urgent attention in relation to the SDGs and to the theme within the area under the purview of your intergovernmental body;

The ILO promotes a four-pronged approach, based on International Labour Standards, for a sustained and resilient recovery from COVID-19 and the achievement of SDG 8 and related Goals. The four policy pillars are:

Pillar 1: Stimulating the economy and employment. The COVID-19 crisis impacts on both the demand and the supply sides of the labour market, and it has major implications for the goal of ensuring full

employment and decent work. In particular, the crisis is pushing many families into poverty and increasing existing inequalities. Response measure should therefore encompass an active fiscal policy; an accommodative monetary policy; and lending and financial support to specific sectors, including the health sector.

Pillar 2: Supporting enterprises, jobs and incomes. This is important as measures to contain the spread of the virus have disrupted production flows caused demand for non-essential goods and services to plummet, and forced enterprises around the world to suspend or scale down operations. This requires: providing various types of relief, including financial and tax relief, for enterprises; implementation of employment retention measures; and extension of social protection for everyone.

Pillar 3: Protecting workers in the workplace, to respond to the fact that while many people have lost their jobs and income, many others continue to work and thus to ensure that that work can be performed safely is a shared priority. Actions under this pillar include: strengthening occupational safety and health measures; adapting work arrangements (e.g. teleworking); prevention of discrimination and exclusion; and expanding access to paid leave.

Pillar 4: Relying on social dialogue for solutions. The lessons from previous global crises have shown that governments alone cannot address the challenges stemming from strong shocks. This pillar rests on: strengthening the capacity and resilience of employers' and workers' organizations; strengthening the capacity of governments; and strengthening social dialogue, collective bargaining and labour relations institutions and processes.

The four pillars are interconnected and mutually supportive. International labour standards provide the foundation and the compass for a sustainable and equitable recovery¹.

Such an integrated approach was also recognized as indispensable by the ILO Governing Body at its 340th and 341st sessions (November 2020 and March 2021). A policy response towards building forward better from the COVID crisis should in addition also ensure a gender-inclusive recovery and an emphasis on promoting transitions to formality.

(c) An assessment of the situation regarding the principle of “ensuring that no one is left behind” at the global, regional and national levels against of background of the COVID-19 pandemic in achieving the 2030 Agenda and the SDGs, within the respective area addressed by your intergovernmental bodies;

The COVID-19 pandemic has had a profound impact on humanity, underlining the interdependence of all members of society and the indivisibility of human security. In addition to the tragic loss of life, the pandemic has devastated the world of work, including increased unemployment and inactivity, particularly for young people and for women; huge losses in labour income, and an increase in informality and precarity; and enterprise closures and bankruptcies, particularly in the hardest-hit sectors.

Since 2000, the share of the world's workers living below the poverty line has decreased significantly. The decline in the share of global working poor from 26.2 per cent in 2000 to 6.6 per cent in 2019 represents encouraging progress towards SDG Goal 1 to end poverty in all its forms everywhere. However, the informal economy, where the vast majority of the working poor are employed, has been

¹ [ILO Why International Labour Standards matter in a public health crisis \(March 2020\)](#)

severely impacted by lockdown measures during the COVID-19 pandemic. The related income losses threaten to roll back global progress in reducing working poverty.

Prior to the onset of the pandemic, informal employment represented 60.2 per cent of global employment. In other words, 2 billion people worldwide worked in the informal economy in jobs that are characterized by a lack of basic protection, including social protection coverage. More than three-quarters of them, or 1.6 billion informal economy workers, were significantly impacted by the pandemic-related lockdown measures and/or working in the hardest-hit sectors. They face a high risk of falling into poverty and will experience greater challenges in regaining their livelihoods during the recovery period.

Global unemployment increased by 33 million in 2020, with the unemployment rate increasing by 1.1 percentage points to 6.5 per cent. However, unemployment numbers reflect only a small proportion of the jobs lost in the COVID-19 crisis. A further 81 million people became inactive as they could not see any opportunity to search for a job successfully, owing to the COVID-19 restrictions. Youth and women were particularly hard hit by the crisis, with employment losses in 2020 of 8.7 per cent and 5.0 per cent respectively, as opposed to 3.7 per cent for adults and 3.9 per cent for men.

Since the crisis has had a disproportionate impact on the livelihoods of youth and women, it is also likely to exacerbate longstanding disparities across age groups and between women and men. This is particularly troublesome for employed youth, who are already twice as likely to be working poor as adults.

The pandemic has struck the most disadvantaged and vulnerable in the world of work disproportionately, exposing and exacerbating pre-existing decent work deficits, increasing poverty and posing serious additional challenges to the achievement of social justice and increased the groups at risk of being left behind.

Moreover, the impact on the world of work, including the acceleration in remote work, will endure well beyond the pandemic itself and risks generating still greater inequalities, social injustices, and insecurities, and has profound implications for the achievement of the 2030 Agenda for Sustainable Development.

(d) Cooperation, measures and commitments at all levels in promoting sustainable and resilient recovery from the COVID-19 pandemic;

The impact of the COVID-19 pandemic on the world of work differs in structure and scope between regions and countries. For example, ILO analysis of working hour losses in [the ILO COVID Monitor, 7th edition](#) indicates that developing countries, which suffered sharp contractions in working hours, have tended to experience strong rebounds. At the same time, in countries going through a “second wave” of restrictions – mainly high-income countries – working-hour losses are estimated to be considerably smaller than during the “first wave”.

During 2020, lower-middle-income countries experienced the greatest losses in working hours which stood at 11.3 per cent, well above the global average of 8.8 per cent. This was overwhelmingly driven by the stronger impact of the crisis on this country group during the second quarter (working-hour losses of 29.0 per cent, compared with a global average of 18.2 per cent). Upper-middle-income and high-income countries present similar working-hour losses (7.3 and 8.3 per cent, respectively) during

2020, albeit with considerable differences in quarterly trends. Finally, low-income countries experienced the lowest working-hour losses in 2020 of all income groups, at 6.7 per cent.

Against this background [action, cooperation and commitments at the regional and country level](#) naturally vary. Successful approaches in all regions have underlined the need to focus on social protection measures, including in the informal sector; enterprise support, in particular for MSMEs; and the design of response measures and policies based on tripartite social dialogue.

(e) Various measures and policy recommendations on building an inclusive and effective path for the achievement of the 2030 Agenda in the context of the decade of action and delivery for sustainable development;

Based on the analysis set out in the [ILO COVID Monitors](#) and supported by the deliberations of the ILO Governing Body, policymakers should strive to support a recovery that is robust and broad-based, focusing on employment, income, workers' rights and social dialogue: a human-centred recovery.

To that end, policymakers need to consider: (a) maintaining an accommodative macroeconomic policy for income support and investment; (b) assisting low- and middle-income countries with vaccination and policy measures; (c) ensuring that hard-hit groups (notably young people, women, the low-paid and low-skilled workers) are supported in finding decent work opportunities and that they do not suffer any long-term "scarring effects"; (d) balancing the needs of the diverging sectors, with effective policy measures to support workers' labour market transitions as well as enterprises (particularly smaller firms); and (e) implementing recovery strategies, based on social dialogue, that promote a transition to a more inclusive, resilient and sustainable world of work.

(f) Key messages for inclusion into the Ministerial Declaration of the 2021 HLPF.

The ILO Centenary Declaration, endorsed by the UN General Assembly, calls for strengthening the capacities of all women and men to benefit from the opportunities of a changing world of work; strengthening the institutions of work to ensure adequate protection of all workers; and promoting resilient, inclusive and sustainable economic growth, full and productive employment and decent work for all. The COVID-19 pandemic has highlighted the urgency of putting these aspirations into practice.

A human-centred recovery should be based on equity, shared prosperity and environmentally friendly growth and development, with a view to building forward better. Strong social protection floors and an enabling environment for sustainable enterprises are necessary for a human-centred recovery and should complement the urgent health measures required to protect all people from the COVID-19 virus.

It is imperative that an inclusive and green socio-economic recovery is underpinned by the necessary fiscal and financial space as being promoted in the Financing for Development initiative.

These and other actions would positively contribute to a renewed social contract between governments and their people, and between states. A collective response of the ILO to the COVID crisis on the basis of the Centenary Declaration for the Future of Work will be deliberated by the International Labour Conference at its 109th session (3 – 19 June 2021) under an agenda item related to the global response for a human-centred recovery. The HLPF may wish to take this ILC outcome into account in its ministerial declaration.

