

▶ 17th Asia-Pacific Regional Meeting

6–9 December 2022 | Singapore

Thematic Plenary Session 3 | Information Note

Strong foundations for social and employment protection and resilience

Key points

- ▶ The COVID-19 pandemic, coupled with rising costs of living, environmental crises and structural transformations linked to technological change are widening existing inequalities among workers, enterprises and sectors, within and across countries, and exacerbating pre-existing vulnerabilities.
- ▶ Some population groups, such as migrants, young people, women, refugees, and workers in the informal economy are particularly affected.
- ▶ Countries across the regions introduced a series of national policy responses to bolster their economies, support the viability of enterprises while retaining workers and protecting individuals and families through the crisis and recovery periods.
- ▶ The scope and impact of such measures were not homogeneous across all regions, reflecting existing weaknesses of labour market and social protection institutions. Such structural challenges hampered the delivery and effectiveness of policy responses while magnifying existing gaps.
- ▶ The crisis has increased awareness of the importance of social protection systems and enterprise support, the necessity of extending labour protections, including sound and resilient OSH systems, to all categories of workers and economic units, and the centrality of building strong labour market institutions.



Population not covered by any social protection benefit

(2020)

56%

in Asia-Pacific

60%

in Arab States



Countries in which tripartite dialogue was part of COVID-19 response

59%

in Asia-Pacific

33%

in Arab States



Deaths attributable to occupational risks

(per 100,000 population aged 15+, 2016)

45

in Asia-Pacific

34

global (2020)

► Background

1. Socio-economic impact of COVID pandemic

Poverty in general, but also working poverty, increased for the first time in 2020 after trending downwards for decades. Informal workers especially experienced increased levels of poverty and vulnerability. In addition to 2.9 million annual deaths from occupational accidents and diseases, there were an estimated 60,000 work-related COVID-19 deaths in 2020. Moreover, the crisis-specific challenges faced by women threaten to overturn years of progress towards improved labour market outcomes for women and reduced gender gaps.

2. The policy response had a magnitude never observed before

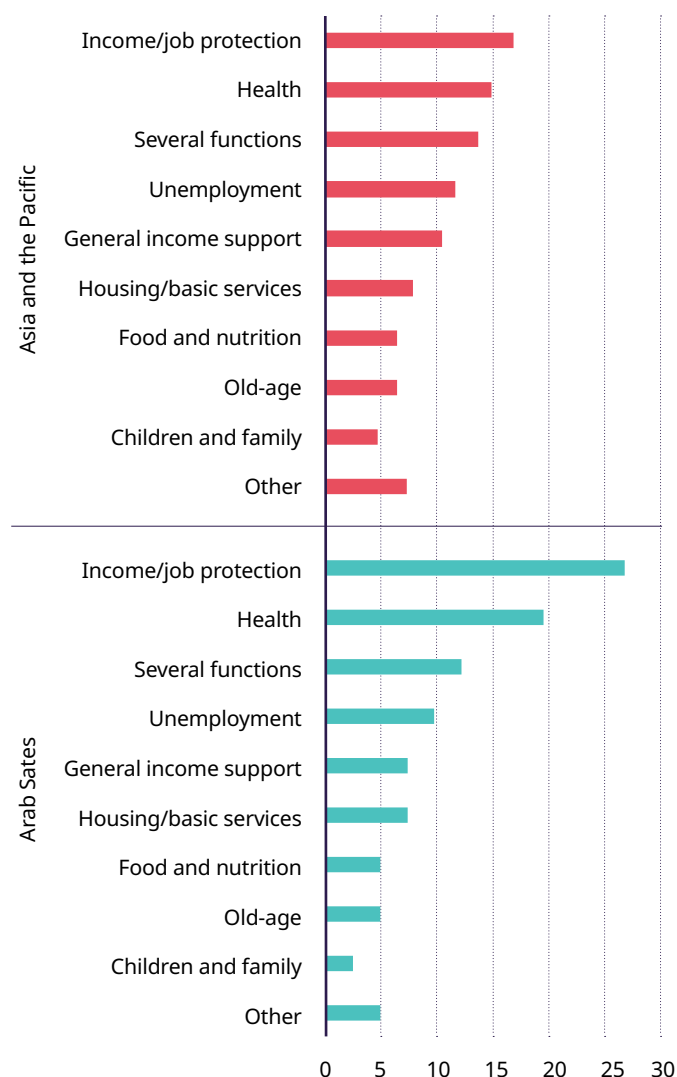
In many countries, national responses to COVID-19 were aimed at sustaining household consumption, especially for the most vulnerable families, preventing unemployment and ensuring business continuity as well as boosting domestic demand and economic activity. Social protection has played a vital role during the pandemic and temporary wage subsidy schemes have become a prominent instrument to preserve income and jobs. Many of these measures were the outcome of dynamic national social dialogue processes.

3. The scope and impact of the policy response was uneven

The level of employment, wage and social protection measures put forth during the crisis were unequal within and across countries, leaving already disadvantaged and hard-hit groups further behind and exacerbating structural inequalities. Moreover, informal workers, including the self-employed, domestic workers, platform economy workers, migrant workers and other workers with already limited labour protection, tended to fall through the cracks of crisis policy response measures. The same happened with informal enterprises,

particularly micro and small enterprises, which faced difficulties to access the various support measures available.

► **Figure 1. Distribution of social protection responses to COVID-19 by type of measure (%)**



Source: ILO, *Renewed social justice for a human-centred recovery*, 17th Asia-Pacific Regional Meeting, Report of the Director-General, 2022.

4. The compounded effect of multiple crises risks exacerbating pre-existing weaknesses of labour market institutions and broadening gaps across countries

The scope and depth of the response across countries depended crucially on the solidity of social protection and labour market policies and institutions prior to the pandemic. Among key deficits are the scope of the occupational safety and health (OSH) and social protection systems to assist workers in the informal economy, weaknesses in wage-setting and respective payment mechanisms and low levels of public investments in care policies and services to support workers and employers with family responsibilities.

Recovery from the COVID-19 crisis is hampered by new economic, social and environmental challenges. Rapidly increasing energy and food prices are exposing vulnerable families to stark reductions in living standards while also threatening the economic viability of enterprises. Similarly, downward pressure on wages, especially for those at the lower end of the wage scale and the most vulnerable workers, threatens to further deepen inequalities in the two regions, especially as the fiscal space to continue support measures closes with the new macroeconomic pressures.

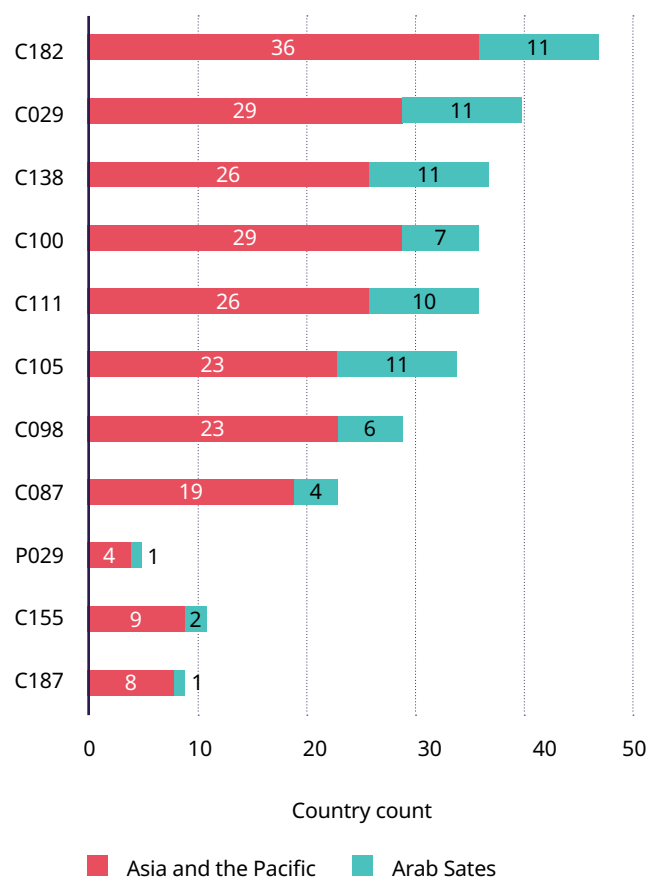
5. Regions dominated by informal employment

Despite progress in recent years and the increased attention devoted to social protection, the stark reality is that 56 per cent of the population in Asia and the Pacific and 60 per cent in the Arab States still do not have access to any form of social protection, reflecting low levels of public expenditure (7.5 per cent and 4.6 per cent of GDP, respectively) and predominant informality. The two regions are home to 1.4 billion informal workers.

6. Gender inequalities

The COVID-19 crisis brought out starkly the fact that gender inequality remains a central characteristic of labour markets in both regions. Women's social and economic gains are being eroded, while persistent inequality in the division of unpaid care work curtails their prospects of obtaining and/or maintaining decent employment. At the same time, work in the care sector, a sector where women are disproportionately represented, continues to be undervalued and under-protected despite its vital contributions to economies and societies.

► **Figure 2. Total number of ratifications of ILO fundamental Conventions in the Asia-Pacific and the Arab States regions**



Note: The total count of countries is 36 in the Asia and the Pacific region and 11 in the Arab States region.

Source: ILO, *Renewed social justice for a human-centred recovery*, 17th Asia-Pacific Regional Meeting, Report of the Director-General, 2022.

7. Social dialogue can and must play a stronger role

In recent years, several countries in the two regions have undertaken labour law reforms and revised related legislations, with a view to promote growth and address business concerns while also ensuring worker protections. A clear picture has not yet emerged on the impact of these reforms. Social dialogue is needed to ensure reforms meet the needs of constituents and also comply with fundamental principles and rights at work, including OSH. Workplaces with higher engagement through dialogue have been found to have fewer safety incidents and fewer hospitalizations. A shared understanding among constituents of the challenges facing the economy, businesses and workers will help constituents to strike a supportive balance between the objectives of labour protection and business agility and resilience while leaving no one behind.

8. Building strong foundations for social and employment protection and resilience

The experience of the COVID-19 crisis has undeniably shifted specific world-of-work issues towards the top of

ensuing lists for an accelerated recovery that is inclusive, sustainable and resilient. The crisis has increased awareness on the importance of social protection systems and enterprise support, the necessity of extending labour protections to all categories of workers and economic units, the centrality of building strong labour market institutions, the critical needs of ensuring workers' safety in business continuity, and the power of multilateral and local solidarity in provisioning essential services and prevention measures, including vaccines.

These priorities are closely associated with the 2021 International Labour Conference Global Call to Action to for a Human-centred Recovery from the COVID-19 crisis that is Inclusive, Sustainable and Resilient, which underscores the need for a robust recovery underpinned by accelerated implementation of the ILO Centenary Declaration for the Future of Work.

Aligned with the Call to Action, in September 2021, the United Nations Secretary General launched the Global Accelerator on Jobs and Social Protection for a Just Transition, which aims to increase the level and coordination of the multilateral system's efforts to help countries create 400 million decent jobs, including in the green, digital and care economies, and to extend social protection coverage to the 4 billion people currently excluded.

► Session objectives

The participants are invited to reflect on how the existing pre-pandemic weaknesses of labour market institutions and policies have impacted national capacities to respond to the multi-faceted crises. The session will focus on the main lessons learned and the necessary actions needed to invoke structural changes that facilitate a human-centred recovery sustained by well-functioning labour market institutions, including labour laws and labour policies that can be enforced and implemented by adequately funded public service providers, both at the national and regional levels.

Specifically, the session will cover the following topics:

- Importance of addressing the significant gaps in social protection coverage, comprehensiveness, adequacy and sustainability, which are exacerbating the adverse human impacts of the current crisis, including a discussion on options to expand fiscal space;
- The role of wage policies, including wage-setting mechanisms that protect and enhance workers' income, ensure pay equity, prevent working poverty and reduce excessive inequalities;
- The regional challenges in the application of fundamental standards, in particular on freedom of association, including in the context of labour migration and forced labour;
- Strengthening national occupational safety and health (OSH) systems through cooperation between public institutions and private institutions, employers', and workers' organizations;
- The centrality of social dialogue and collective bargaining in addressing labour policy and labour relations issues, including inequalities and developing the required changes to build solid foundations for social and employment protection and resilient enterprises.

► Possible points for discussion

1. Despite some progress, most people in the two regions still lack access to labour and social protection. What needs to be done differently, including at the multilateral level, to expand labour and social protection coverage to all workers, as proposed by the UN Secretary-General under the Global Accelerator on Jobs and Social Protection? What are the main options that should be explored to expand fiscal space?
2. When it comes to labour protection, a significant share of workers in the region is not adequately covered by the existing institutional set up and respective legal frameworks. How can labour protection mechanisms be strengthened to be increasingly gender-responsive, inclusive and better adapted to the characteristics of changing labour markets, including in response to new and evolving forms of work?
3. During the crisis, social protection was equally important to workers' protection and to business continuity. The Global Accelerator has a strong emphasis on a just transition. What role can social protection play in assisting enterprises to make a smoother transition?
4. Social dialogue was essential in designing effective policy responses to the crisis. However, this was not the case in all countries and, workers and employers felt that in some cases important decisions were taken without their involvement. How can social dialogue be strengthened to facilitate consensus-based policy making and delivery of the outcomes set out in the Global Call to Action, particularly in setting wages that enable decent living standards and enterprise sustainability and safeguarding the principle of leaving no one behind.
5. What is the potential of technology to assist governments in overcoming some of the challenges related to the development and implementation of labour market and social protection institutions and policies?
6. Recalling that the 2016 Bali Declaration laid down 13 policy priorities crucial for the realization of decent work, and affirmed the importance of taking into account the principles laid down in international labour standards in the priorities' implementation, how do we best harness and make use of the principles laid down in the labour standards most relevant to ensuring a human-centred approach to the recovery?