

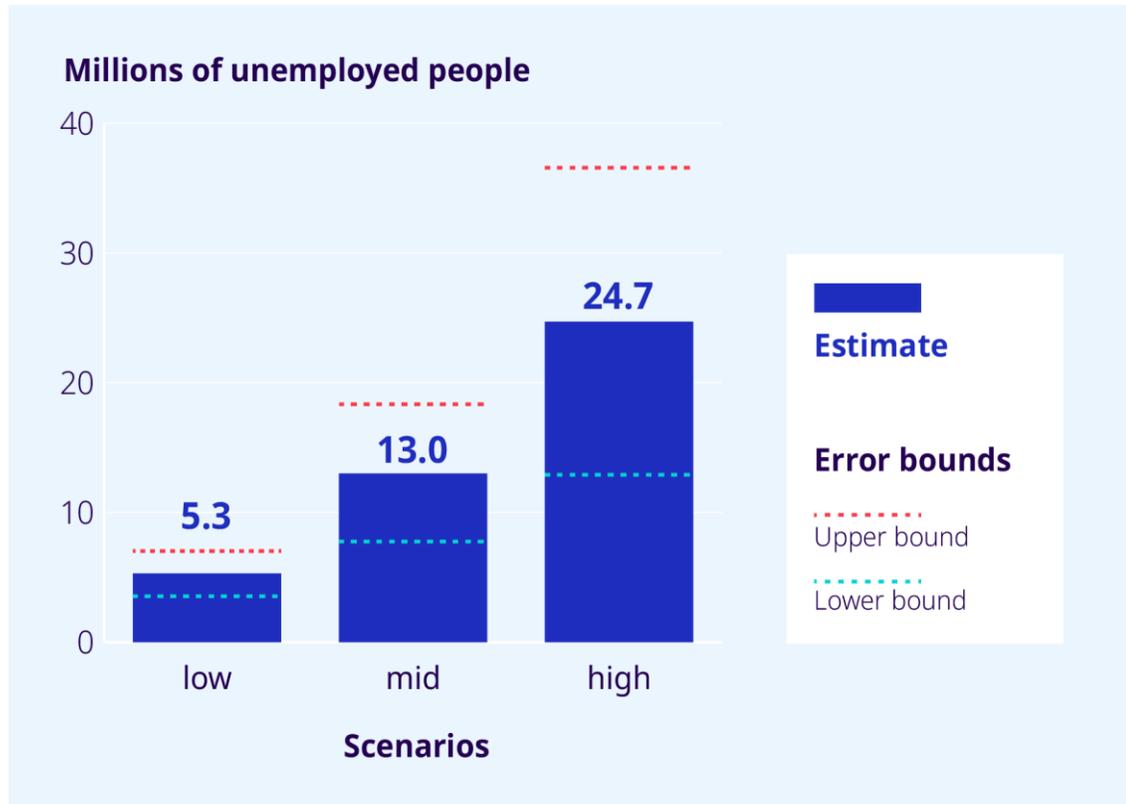
# ▶ IOE Web-Lab

## Covid-19 and the world of work

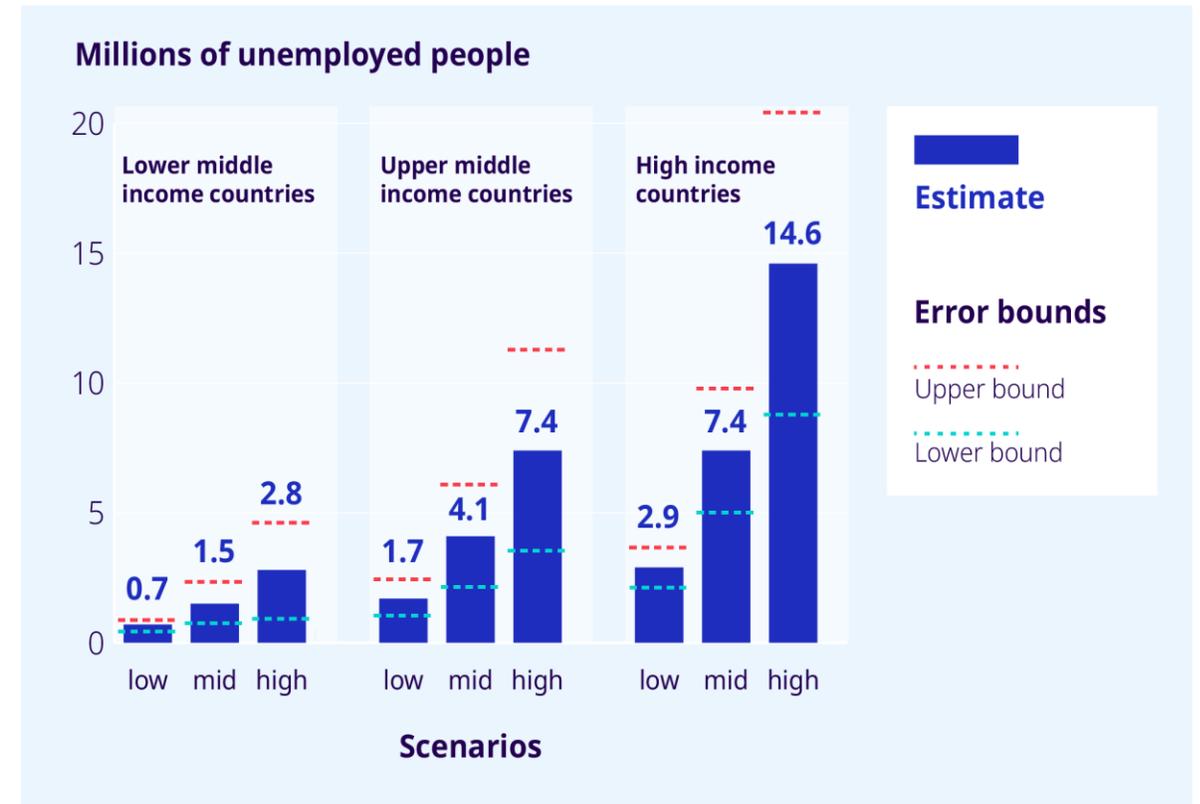
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## Possible scenarios: Unemployment

### Increase in unemployment, world



### Increase in unemployment by countries' income groups



## Possible scenarios: Labour income and poverty

Income group	Low	Mid	High
Labour income (US\$ billion)	-860	-1,720	-3,440
<b>Extreme and moderate working poverty (millions)</b>			
World	8.8	20.1	35.0
Low income	1.2	2.9	5.0
Lower-middle income	3.7	8.5	14.8
Upper-middle income	3.6	8.3	14.5

## ▶ Also consider

- ▶ **Underemployment** (time and income) is likely to increase considerably
- ▶ 22 million unemployed during the peak of the Global Financial Crisis (GFC, 2008)
- ▶ Increases in “**new**” forms of employment since GFC
- ▶ **Multilateralism** under strain and rise of nationalism

## Policy framework: Three key pillars

*Call for timely, large-scale, coordinated policies to protect employment, help business and support incomes*

### Protecting workers in the workplace

Strengthen OSH measures

Adapt work arrangements (e.g. teleworking)

Prevent discrimination and exclusion

Provide health access for all

Expand access to paid leave

### Stimulating the economy and labour demand

Active fiscal policy

Accommodative monetary policy

Lending and financial support to specific sectors, incl. the health sector

### Supporting employment and incomes

Extending social protection for all

Employment retention - short-time work, paid leave, and other subsidies

Financial/tax relief for MSMEs

## Some considerations

- ▶ Scale of intervention: Large vs piecemeal (e.g. some GFC measures)
- ▶ Focus on employment: To avoid the risk of “human capital” erosion and suppressing consumption/ investment
- ▶ Supply vs demand: Need for both actions – e.g., supporting business with employment support measures
- ▶ Short-term (e.g. immediate income/employment support) measures to be followed by mid-/ long-term measures(e.g., boosting investment)
- ▶ Constructive and persistent social dialogue