

ECOSOC Integration Segment
Accelerated action and transformative pathways:
Realizing the decade of action and delivery for sustainable development

Shared Responsibility to Recover Better from COVID-19

**Session “Getting back on track
for achieving the Sustainable Development Goals”**

Monday, 6 July 2020 (15:20 - 16:40 Geneva time)

ILO DG’s statement (checked against transcript)

Thank you very much, Mr Vice President

Excellencies

Delegates

Last July the ILO presented to the HLPF its report on achieving SDG8. We recognized then that despite pockets of achievement, progress was uneven and slowing down in many parts of the world. We equally expressed concern that insufficient progress on SDG8 was undermining efforts to deliver on the rest of the 2030 Agenda, simply because inclusive growth, full employment and decent work are very closely interlinked with other goals such as poverty eradication, reducing inequalities, empowering women, and promoting quality education, health and wellbeing.

Today, Mr Vice President, the COVID-19 pandemic is deeply shaking our economies and societies. And obviously this makes the task of achieving SDG8 and the other SDGs still more challenging.

According to ILO estimates, the global decline in working hours as a result of the measures to stop the virus will reach 14 per cent for the second quarter of 2020, relative to the last quarter of 2019. That is equivalent to the *loss of 400 million full-time jobs worldwide*, and that is without precedent.

In all countries, moreover, there is evidence that women, youth, migrants and informal workers are among those suffering the most severe consequences, aggravating existing vulnerabilities and inequities and leaving many millions well behind.

Young people, for instance, are always hard hit by recessions, but this time it is even worse. The crisis is inflicting a triple shock on young people. Firstly, with disruption to education, training and work-based learning; secondly, through

increasing difficulties in entering the labour markets amid a collapse in job vacancies; and thirdly, through the losses of jobs and incomes among those who are in employment and a deteriorating quality of their jobs.

This means that many countries which were already unlikely to achieve SDG target 8.6.1 which was to significantly reduce the share of young people not in employment, education or training (NEET) by 2020, are going to be further step back. The pandemic threatens to significantly worsen this situation.

The overall deteriorating situation in low and middle-income countries is a particular concern because the space for effective policy responses in these countries is limited, and the combination of high rates of informality and the low rates of social protection point to very worrying outcomes. We cannot fully measure yet the impact on poverty and inequality, but the extent of deprivation is likely to be unparalleled.

So *how to get back on track?* Faced with the COVID-19 emergency, many countries have swiftly introduced a range of measures aimed at providing income relief to workers, households and enterprises. And these measures were especially large in the advanced economies and have proved essential for containing some of the economic fallout and retaining some of the conditions for fast recovery.

But more does need to be done.

The ILO would recommend *five elements* to support a sustainable way out of the crisis and to set the foundations of a new social contract.

Firstly, as countries are gradually exiting the lockdowns, **social protection measures** must remain in place and be extended to protect households' income and target the more vulnerable groups. Successful programmes that reach those in the informal economy need to be scaled up and used to sustain a transition out of informality.

Secondly, we must ensure the conditions for a job-rich recovery, by means of strategic investment in people's capabilities and in the economic sectors that are critical to the sustainable jobs of the future – health and care services, digital technologies, green infrastructure. Labour market policies can facilitate the transition to these new jobs. Small businesses will need direct support and access to credit. Comprehensive and integrated national policies for full employment will be necessary to chart the route forward.

Thirdly, it is absolutely crucial to **protect the most vulnerable and disadvantaged**. This is a challenge, particularly for informal workers and those in non-standard employment. Strengthening occupational safety and health, adapting work arrangements, preventing discrimination, stigma and exclusion, providing

access to health and paid leave and enforcement of international labour standards, all of these are indispensable.

Fourthly, social dialogue – bringing together governments with employers and workers – provides a tested tool to shape effective and balanced policy responses. It can significantly help frame sustainable recovery paths in the period ahead. One lesson from this health and human crisis is that countries with solid institutions, including for the world of work, are getting out of trouble better and faster.

Finally, Mr Vice President, we need more international cooperation on macroeconomic policies, on trade, on taxation, on research and development, and on health issues. Concrete measures are specially needed to assist middle and low-income countries who have limited fiscal space through multilateral concessional finance and through debt relief. Humanitarian assistance and international support, especially for social protection, will be critical to millions of people in poorer nations.

To conclude and summarize, we need to act fast on a strong human-centred policy response to COVID-19, focusing on the most vulnerable and drawing on a renewed spirit of global solidarity. Also, we need to shape policies to recover quickly, strongly and in a more equal, inclusive and sustainable manner than in the past.

In that regard, the commitment to far-reaching transformative changes embodied in the 2030 Agenda for Sustainable Development are more relevant than they have ever been.

Thank you.