



▶ 17th Asia-Pacific Regional Meeting

6–9 December 2022 | Singapore

Thematic Plenary Session 1 | Information Note

Integrated policy agenda for a human-centred recovery that is inclusive, sustainable and resilient

Key points

- ▶ The economies and labour markets of Asia-Pacific and the Arab States have been hard hit by the COVID-19 pandemic. Due to massive contractions in demand, as well as supply disruptions, the regions suffered severe employment and working-hour losses, with an ensuing rise in unemployment and an increase in the number of women and men leaving the labour force.
- ▶ With decreases in labour income, working poverty consequently increased in 2020, reversing progress made in the past few decades. The adverse trend has stark implications for achieving the 2030 Sustainable Development Goals.
- ▶ The recovery remains uneven and tenuous. Progress has been unequal between and within countries, leaving already disadvantaged and hard-hit groups further behind, and is moreover complicated by a volatile global macroeconomic landscape and emerging crises.
- ▶ The Global Call to Action for a Human-Centred Recovery from the COVID-19 Crisis that is Inclusive, Sustainable and Resilient provides a robust framework for recovery while rebuilding the economy in ways that address systemic and structural inequalities.



Change in unemployment

(2021 relative to 2019)

9.5 million
in Asia-Pacific

1 million
in Arab States



Working-hour losses

(2021 relative to Q4-2019)

3.6%
in Asia-Pacific

5.4%
in Arab States



Rise in working poor

(2020 relative to 2019)

2.1 million
in Asia-Pacific

640 thousand
in Arab States

► Background

1. Economic impact of COVID pandemic

The economies of the Asia-Pacific and Arab States regions have been hard hit by the COVID-19 pandemic. Due to containment measures to safeguard public health, the regions experienced economic contraction in 2020 of 1.3 per cent and 6.5 per cent, respectively. While GDP growth rebounded in 2021, the economies of both regions remain well below their pre-crisis growth trajectories.

2. Severe labour market disruptions

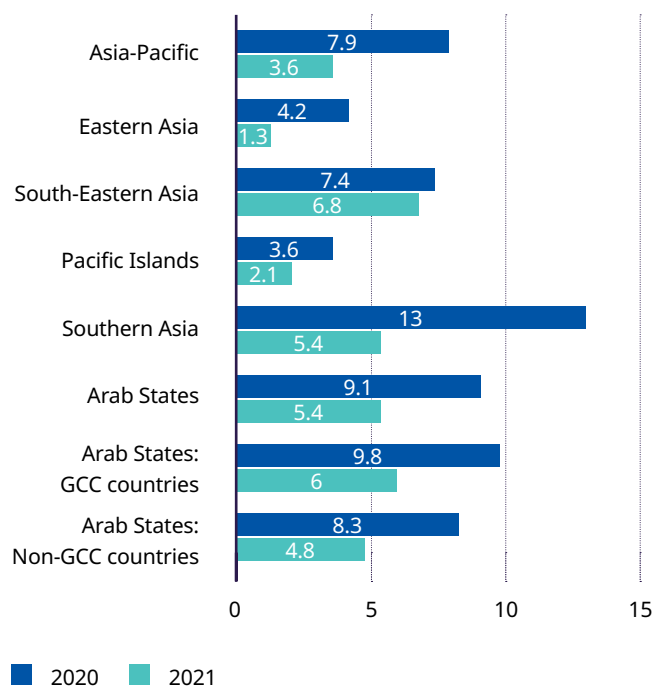
Likewise, the labour market impacts of the COVID-19 crisis have been severe. Owing to massive contractions in domestic and global demand, as well as supply disruptions, employment in Asia and the Pacific declined by 58 million between 2019 and 2020, with a consequent rise in unemployment and an even greater increase in the number of women and men leaving the labour force altogether. Notably, women suffered higher employment losses during the peak of the crisis than men.

Despite some recovery in 2021, employment remained 23 million below the pre-crisis level in 2019. Moreover, the number of working hours in Asia and the Pacific declined in 2020 by an estimated 7.9 per cent and by 3.6 per cent in 2021, compared to the situation at the end of 2019 (see figure 1). By comparison, in the Arab States, estimated employment contraction totalled around 340,000 jobs between 2019 and 2020, and working-hour losses were 9.1 per cent in 2020 and 5.4 per cent in 2021.

3. Progress in poverty reduction under strain

The decrease in working hours and associated labour-income losses weighed down household consumption and aggravated poverty. Working poverty consequently increased in 2020 after having trended downwards for decades. The number of working women and men living in extreme poverty expanded by 2.1 million in Asia-Pacific and by 640,000 in the Arab States. This adverse trend has stark implications for achieving the Sustainable Development Goals of the 2030 Agenda.

► Figure 1. Working-hour losses relative to fourth quarter of 2019 (%)



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

4. Disproportionate impacts on the most vulnerable

The labour market consequences of the crisis have varied significantly throughout the region, particularly with respect to specific sectors such as tourism, micro and small enterprises, and vulnerable groups – including women, youth, persons with disabilities, ethnic minorities, and informal workers. For example, earnings of informal workers in the region declined on average by an estimated 22 per cent in the first quarter of the pandemic. Women were disproportionately impacted with increased unpaid care duties, pushing many out of the labour force to care for families and to support home schooling.

5. Uneven and tenuous recovery

Despite fiscal policies to counter income losses and support enterprise sustainability during the crisis, the effectiveness of such measures was in many cases hampered by fiscal constraints, gaps in vaccine access and distribution and a lack of policy and institutional infrastructure, especially in low and middle-income economies in the region (see figure 2). As a result, there has been a two-track jobs recovery, with faster rebound in advanced economies.

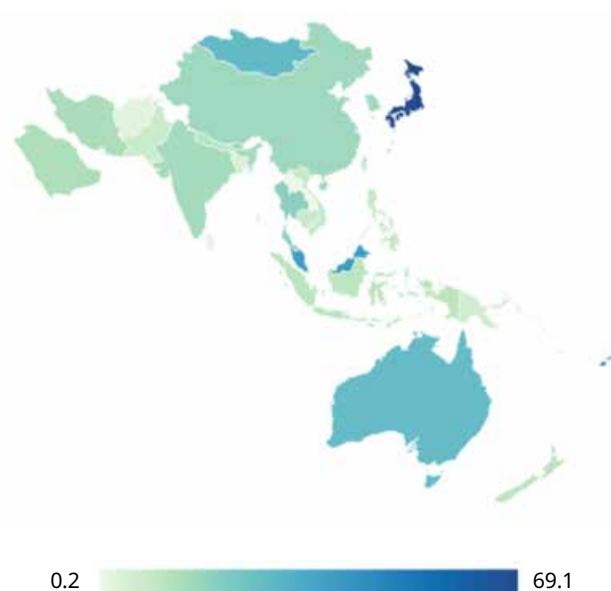
Progress has also been uneven within countries, leaving already disadvantaged and hard-hit groups further behind and exacerbating structural inequalities. Moreover, the recovery is complicated by a challenging global macroeconomic context surrounding supply chain disruptions, broad-based inflationary pressures, and capital flight risks in the face of continuing and emerging crises.

6. Policy framework for a human-centred recovery

At the International Labour Conference in June 2021, the ILO's 187 Member States adopted the Global Call to Action for a Human-centred Recovery from the COVID-19 Crisis that is Inclusive, Sustainable and Resilient, underscoring the need for a robust recovery underpinned by accelerated implementation of the ILO Centenary Declaration for the Future of Work. This requires tackling the immediate crisis while rebuilding the economy in ways that address systemic and structural inequalities and other long-term social and economic challenges that preceded

the pandemic – such as demographic transitions, technological transformations, pervasive informality and climate change. Critical to this end is regional cooperation and multilateral action especially in support of developing economies to ensure a resilient recovery across the entire region and progress towards the 2030 Agenda, including through implementation of the UN Secretary-General's Global Accelerator on Jobs and Social Protection for a Just Transition.

► **Figure 2. Total COVID-19 fiscal policy response package (% of GDP)**



Source: ILO, *Renewed social justice for a human-centred recovery*, op. cit.

► Session objectives

The session will set the scene for the 17th Asia-Pacific Regional Meeting by discussing the broad economic and labour market context of the Asia and the Pacific and Arab States regions. It will reflect on the necessary economic and employment policies, both at the national and regional levels, needed to promote a human-centred recovery and foster inclusive economic growth and development that can help address longstanding structural inequalities and ensure progress towards the 2030 Agenda.

Specifically, the session will cover some of the following topics:

- Integrated policy agenda – including fiscal, monetary, investment, industrial, trade and employment policies – that can drive a human-centred recovery and address structural inequalities and root causes of decent work deficits;
- The role of fiscal policies to not only protect incomes and employment during the crisis, but also create decent jobs to accelerate the recovery;

- ▶ Potential of deeper investment in gender-transformative and inclusive digital infrastructure to bridge development gaps and create more productive jobs;
- ▶ Transformative economic and employment policies to address systemic barriers and promote gender equality and inclusion in the labour market;
- ▶ Multilateral action and regional cooperation to address fiscal sustainability challenges and the two-track recovery;
- ▶ Comprehensive financial architecture, including through multilateral cooperation, to implement the Global Accelerator on Jobs and Social Protection for a Just Transition of the UN Secretary-General;
- ▶ Multilateral financing mechanisms to ensure progress towards the 2030 Agenda and enhancing engagement of ILO tripartite constituents with the UN Country Teams; and
- ▶ Strengthening the role of social dialogue in the design of inclusive economic and employment policies for a human-centred recovery at the national and regional levels.

▶ Possible points for discussion

1. What lessons has the COVID-19 pandemic taught about how governments, workers' and employers' organizations in countries across the regions can collaborate to create decent and more sustainable jobs in emerging sectors, including in the care, green and digital economies?
2. What needs to be done to sustain and enhance intra-regional and multilateral cooperation around shared objectives for a human-centred recovery and towards achievement of the 2030 Sustainable Development Goals?
3. What fiscal, trade and investment policies can be used to enhance a job-rich and human-centred recovery from the COVID-19 pandemic in low- and middle-income countries?
4. How can governments take advantage of the post-pandemic recovery to ensure that international labour standards, tripartite cooperation and upscaling of best practices are integral to recovery and building back better?
5. How can the ILO strengthen and harness the United Nations reform to ensure that decent work (and the integrated policy agenda for human-centred recovery) is at the core of country-level policies and programmes?
6. How can social dialogue be used effectively to strengthen policy coherence for a human-centred recovery?
7. Why do pervasive inequalities and gender imbalances persist in the labour market and what are good examples and approaches to address these challenges?