

**Statement by Mr Gatis Eglītis,
Minister for Welfare of the Republic of Latvia,
at the 110th Session of the International Labour Conference
(June 2022)**

President!

Excellencies!

Distinguished delegates!

It is a great honour to address the International Labour Conference.

The COVID pandemic had a significant impact on the labour market. Certain sectors and vulnerable groups faced enormous challenges. Major initiatives were launched to support those most affected by the pandemic and the restrictions that needed to be put in place to contain the situation.

We introduced different furlough schemes and wage subsidies as well as measures aimed at improving the epidemiological situation in workplaces.

We adjusted active labour market programmes and other support measures, also by expanding different online courses and ensuring access to the platforms of massive open online courses that continue to be popular.

The pandemic will probably have a long-term impact on work-life balance arrangements and how people structure their working lives, with remote work remaining widespread.

There has been a gradual labour market recovery from the COVID pandemic. Unemployment rates have reached pre-pandemic levels, and vacancy numbers surpass those before the pandemic.

However, the war in Ukraine has and will continue to impact both – the labour market and the social protection system. Latvia condemns Russia's war in Ukraine in the strongest possible way.

Latvia has welcomed people fleeing the war in Ukraine and launched comprehensive support programmes. We have lifted different restrictions on labour market participation for people from Ukraine, and the Public Employment Service provides active support.

Distinguished delegates!

Inclusive labour markets and effective social protection systems are a pre-condition for economic growth and economic potential. We need to look at the future of work through an inclusiveness lens.

Green and digital transformations have the potential to cause significant transitions in the labour market, alongside the demographic shifts that are already taking place. Therefore, active labour market programmes have been enhanced with skills promotion measures to respond to those developments.

It is essential to put skills policies at the forefront of efforts, taking a life course approach, as continuous learning and upgrading skills are prerequisites for successful labour market transitions.

At the same time, vulnerable groups and, in particular, people with disabilities need adequate support to promote both integration into the labour market and sustainable employment. Also, active ageing policies will have to play a more prominent role.

As a final point in this regard, I wish to note the issue of labour shortages and skills shortages. Where they occur, these shortages need to be tackled comprehensively, paying due attention to labour conditions.

When set at the right level, the minimum wage is one of the instruments to support the income of the low wage earners and incentivize work, productivity improvements and investments.

Social dialogue is vital for making more informed policy choices and taking the changing labour market landscape into account. Policies need a strong evidence basis, and big data can play a crucial role here.

Thank you!

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