



International
Labour
Organization



► Building sustainable enterprises and enhancing productivity

1st meeting of the BRICS Employment Working Group

Johannesburg, 21-24 February, 2023



7 out of 10 workers are employed in small economic units in the BRICS



* BRICS: No data available for the Russian Federation.

Source: ILO calculations (2019) based on national household survey micro datasets from 129 countries, ilo.org representing 86 per cent of global employment.

Low productivity and decent work deficits are more pronounced in small enterprises.

External reasons:

- Difficulties accessing finance, credit and markets
- Complexity of navigating regulatory frameworks

Internal reasons:

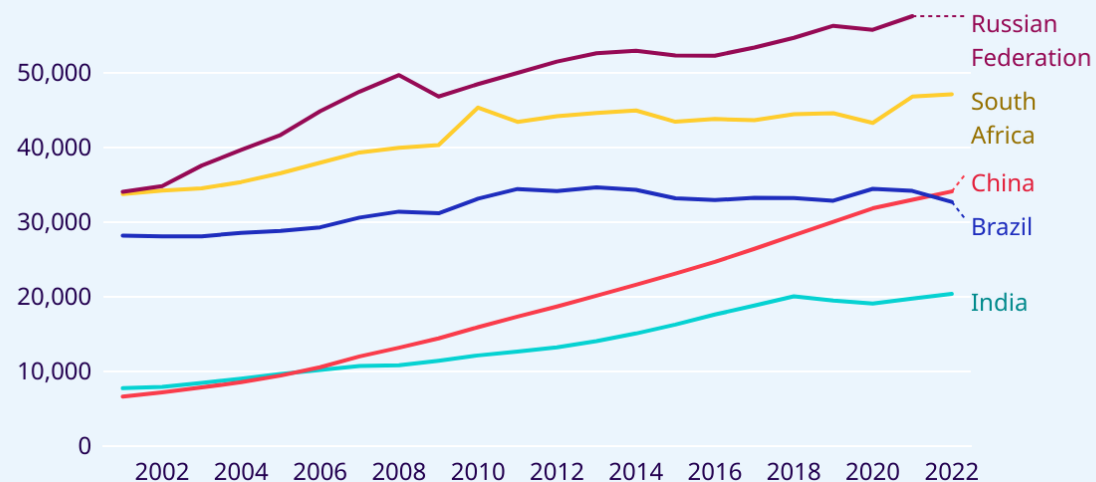
- Below-average management capacity
- Limited access to resources, skills and markets
- Lower economies of scale

In Addition:

Weak social dialogue and collective bargaining functions can impede job quality gains

Slowing growth of labour productivity in the BRICS

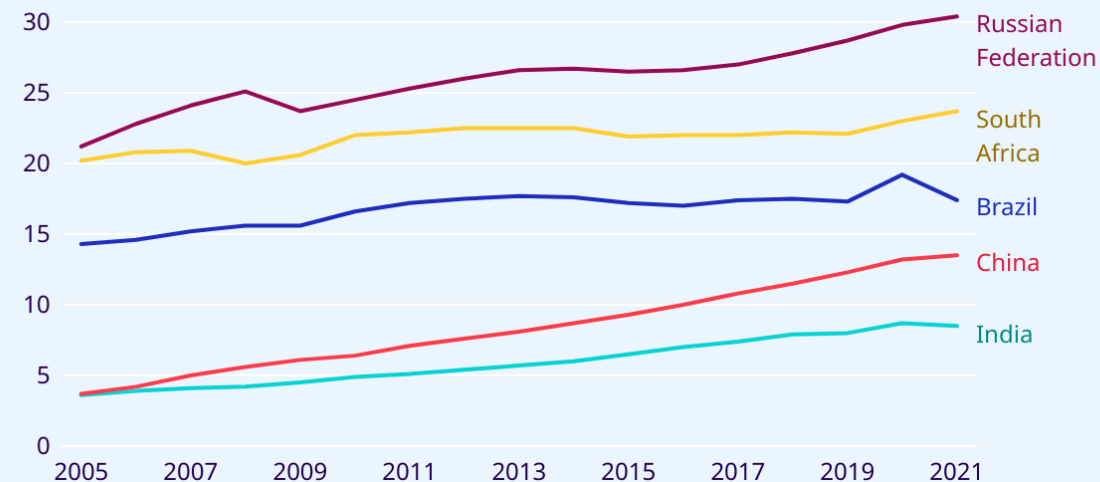
► Labour productivity levels



GDP constant 2017 international \$ at PPP

Source: ILOSTAT

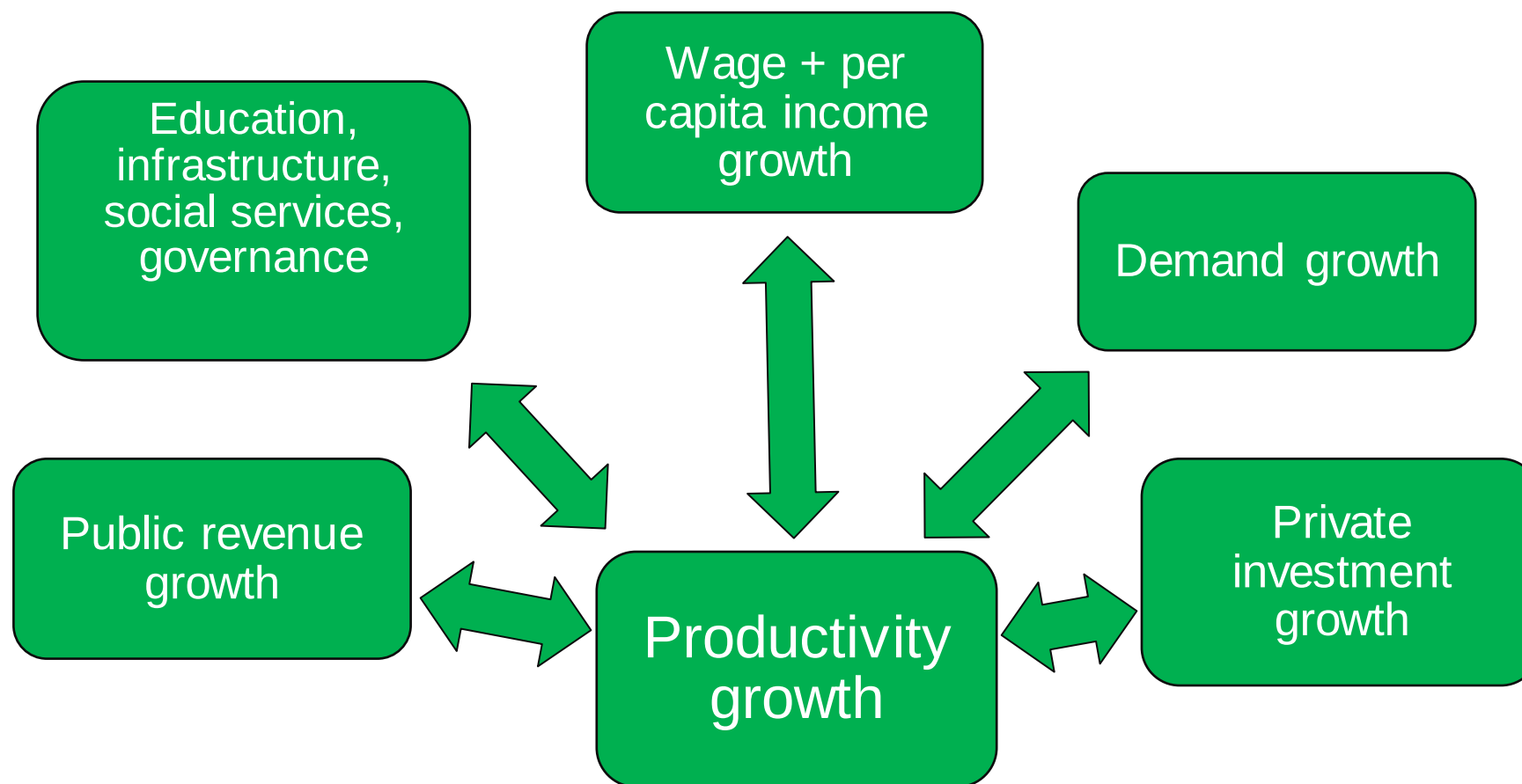
► Output per hour worked



GDP constant 2017 international \$ at PPP

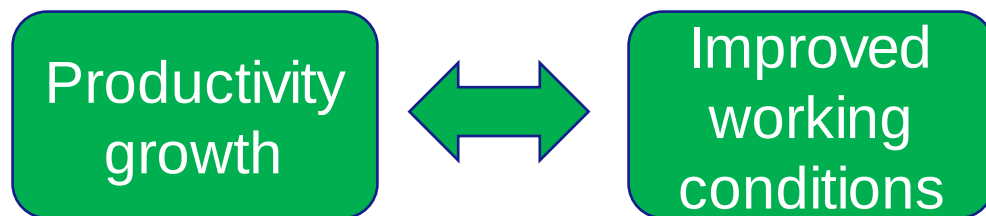
Source: ILOSTAT

Macroeconomic drivers of productivity growth

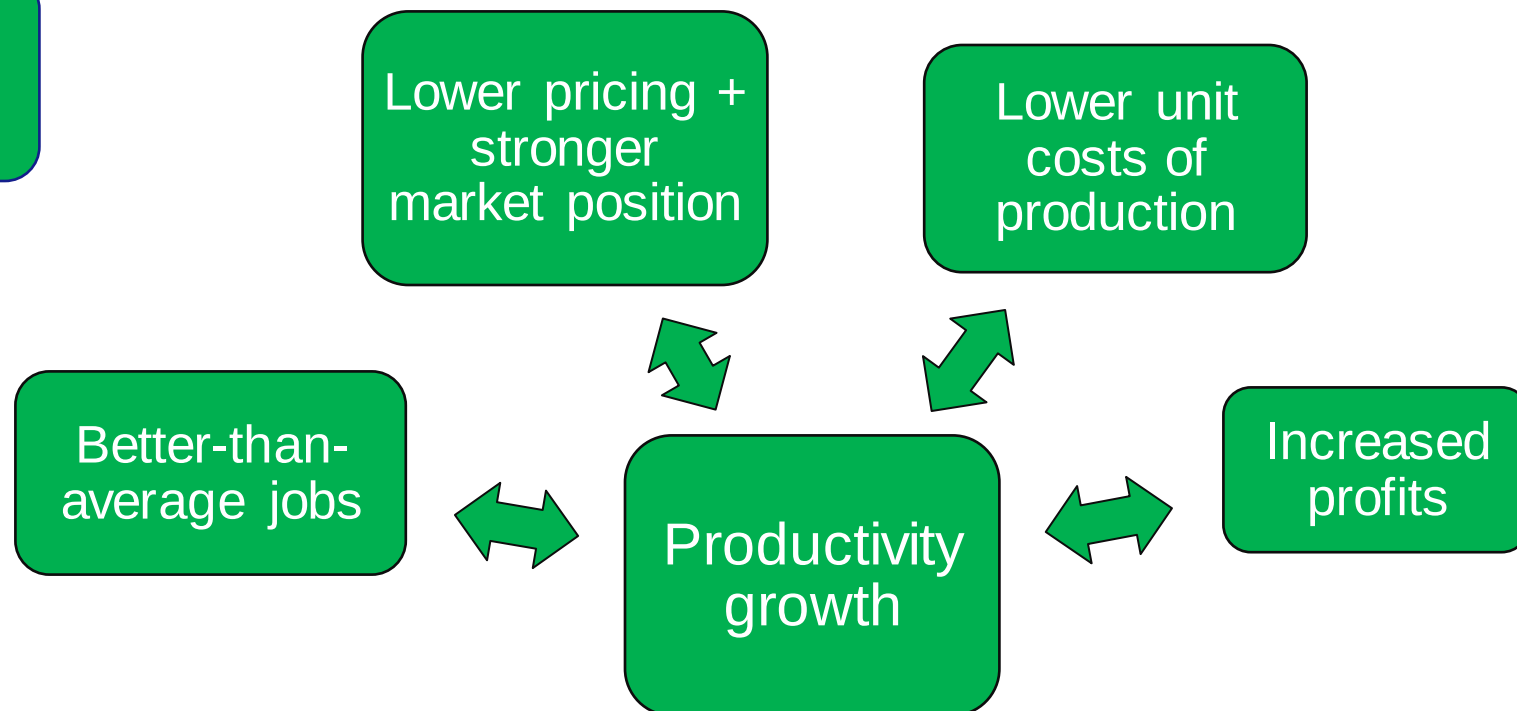


Productivity growth can benefit both workers and enterprises.

Workers



Enterprises



Informal work is pervasive in some BRICS countries, and productivity gains are linked to transitions to formality and better working conditions

Employment in the informal economy

Brazil	47.8%
Russia	21%
India	88.6%
China	54.5%
South Africa	45%

Source: ILO 2021, Informality and the potential for South-South Cooperation between BRICS

Gender dynamics and environmental sustainability are important concerns for inclusive productivity growth

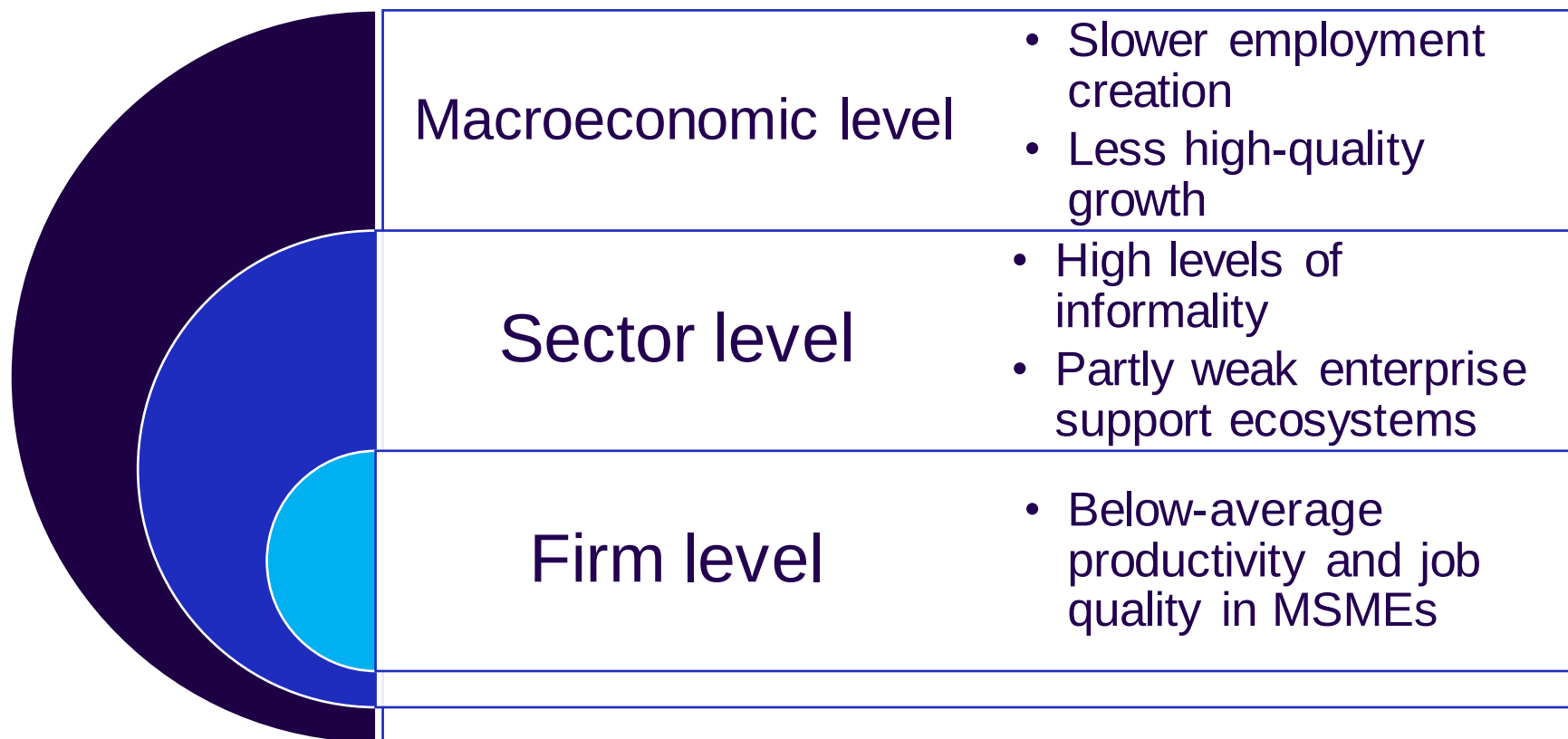


Advancing social justice, promoting decent work



Some common features among BRICS countries

- Shift of labour and resources from agriculture to manufacturing and services
- With slowing growth in BRICS and globally, the relationship between productivity and decent work becomes more strained.



Boosting the decent work potential of SMEs through a productivity ecosystem approach

