



International
Labour
Organization



Inclusive Labour Markets

Comprehensive strategies for disadvantaged groups' enhanced access to employment

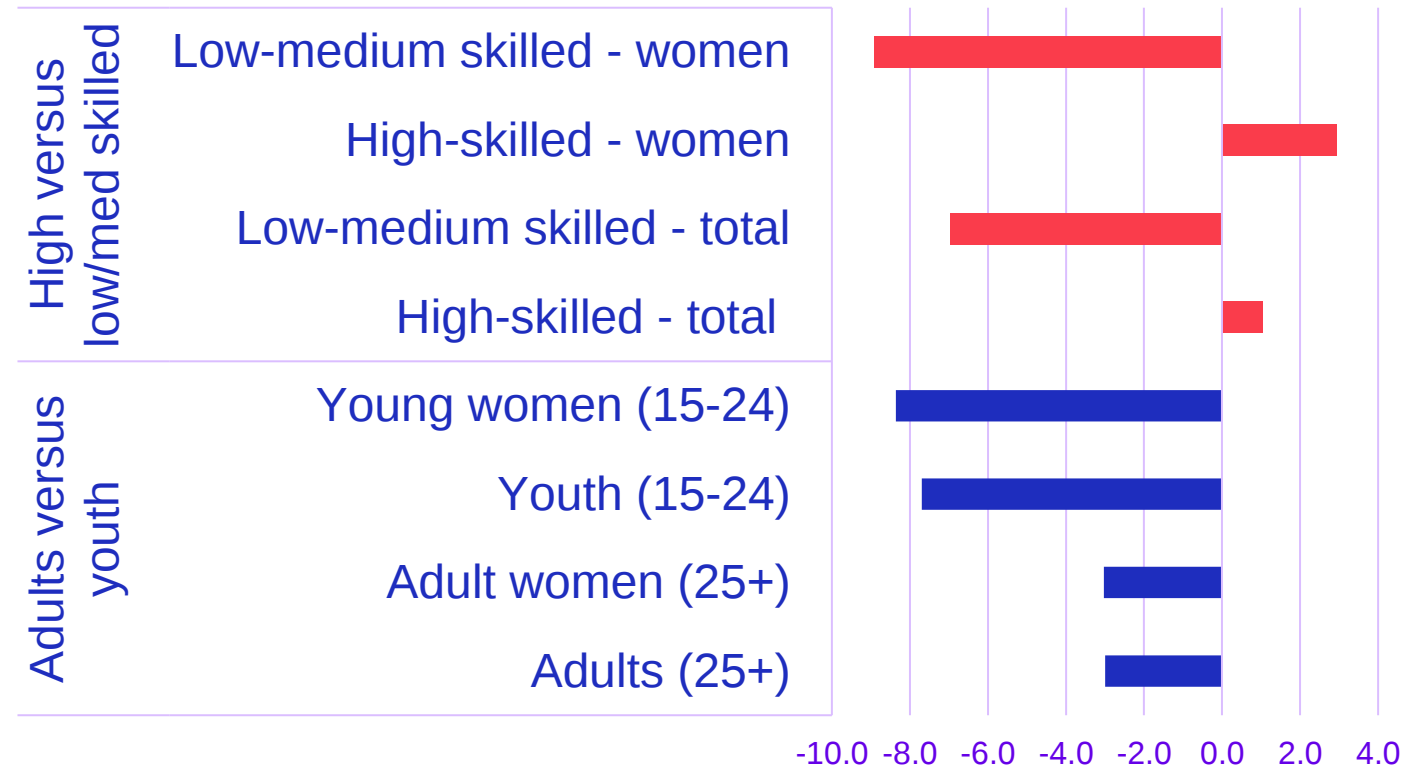
1st meeting of the G7 Employment Working Group
Tokyo, 8-9 February 2023



The case for more inclusive labour markets

- Significant disparities by age, gender, disability status and other dimensions on labour markets
- Higher proportion of disadvantaged groups in the informal economy.
- These groups face specific barriers from participating and accessing decent jobs
- During crises, these groups suffer more

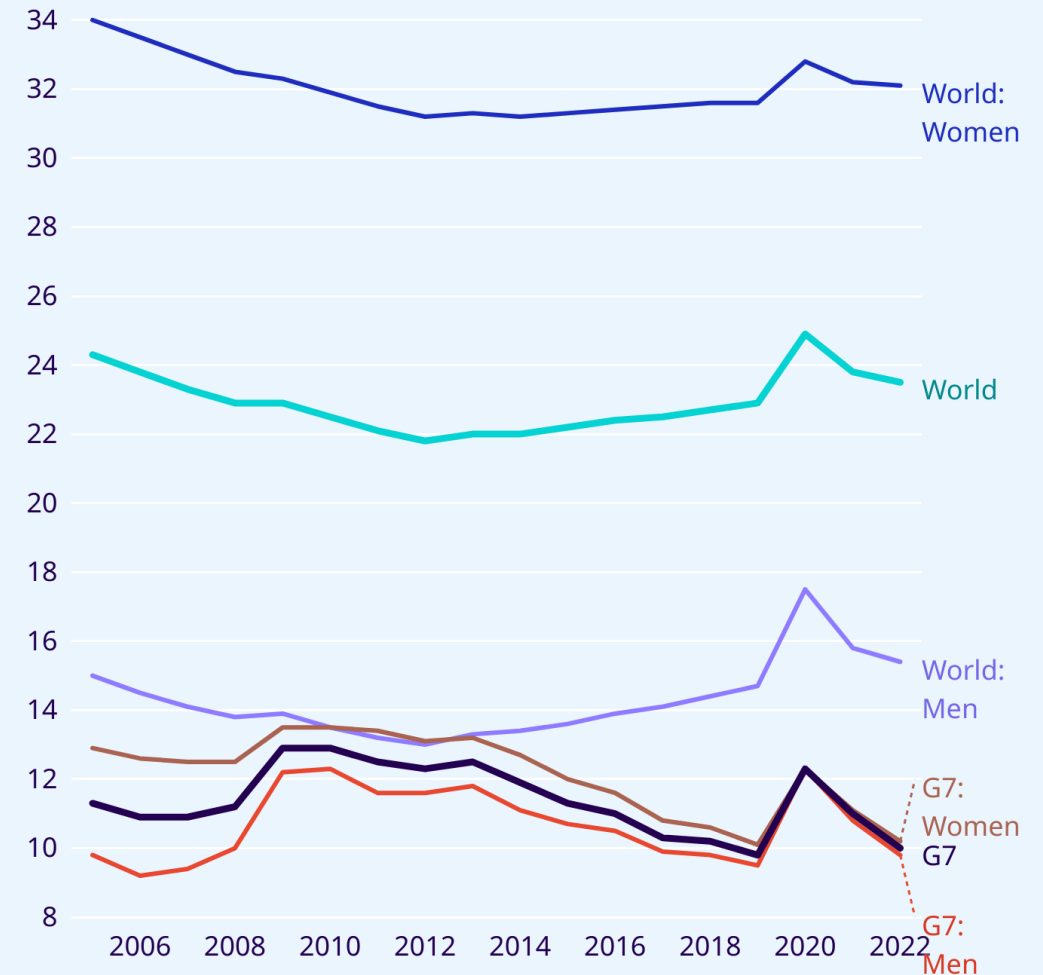
Impact of COVID-19 crisis in G7 countries employment growth rate in 2020 (%)



Youth labour market challenges

- Young people were especially hard hit by the crisis
- Recovery more advanced in G7 countries, but still not back to pre-Covid19 levels
- The multiple crises are exacerbating the uncertainties facing young people under-taking the transition from school to work

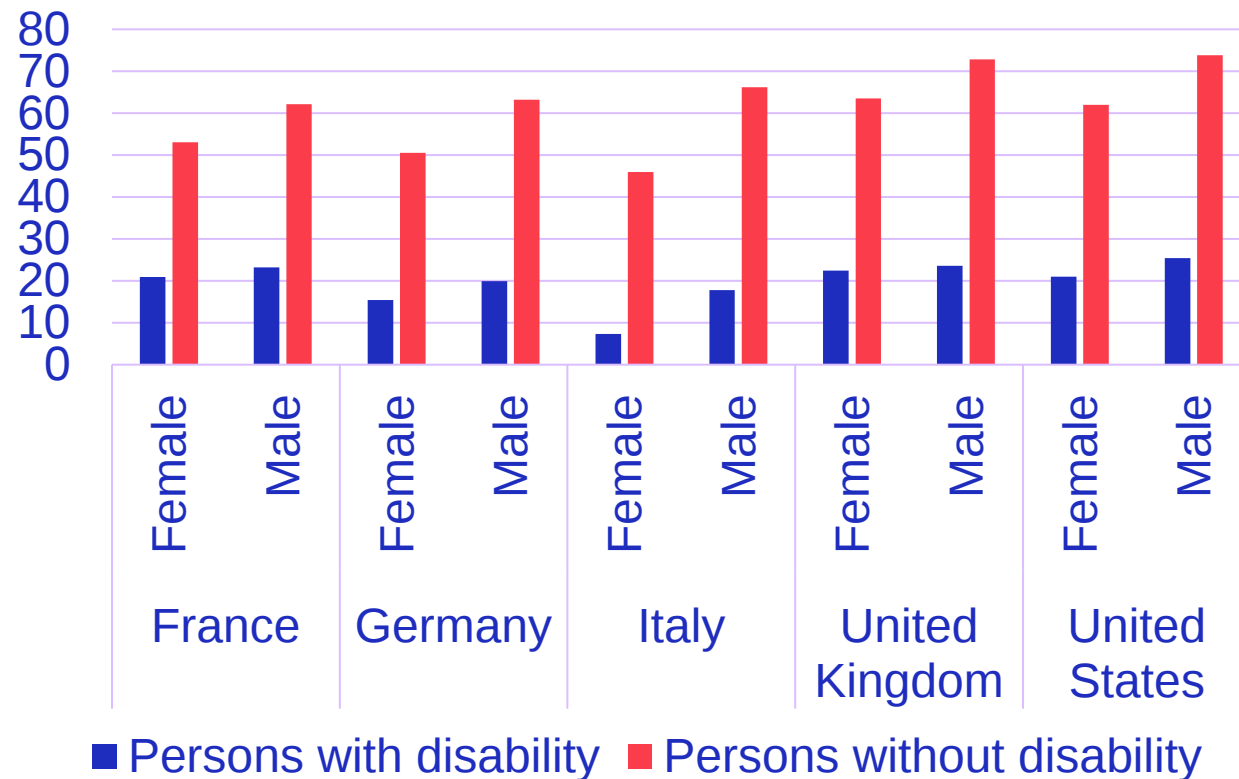
Youth (15-24) NEET rates by sex: World and G7



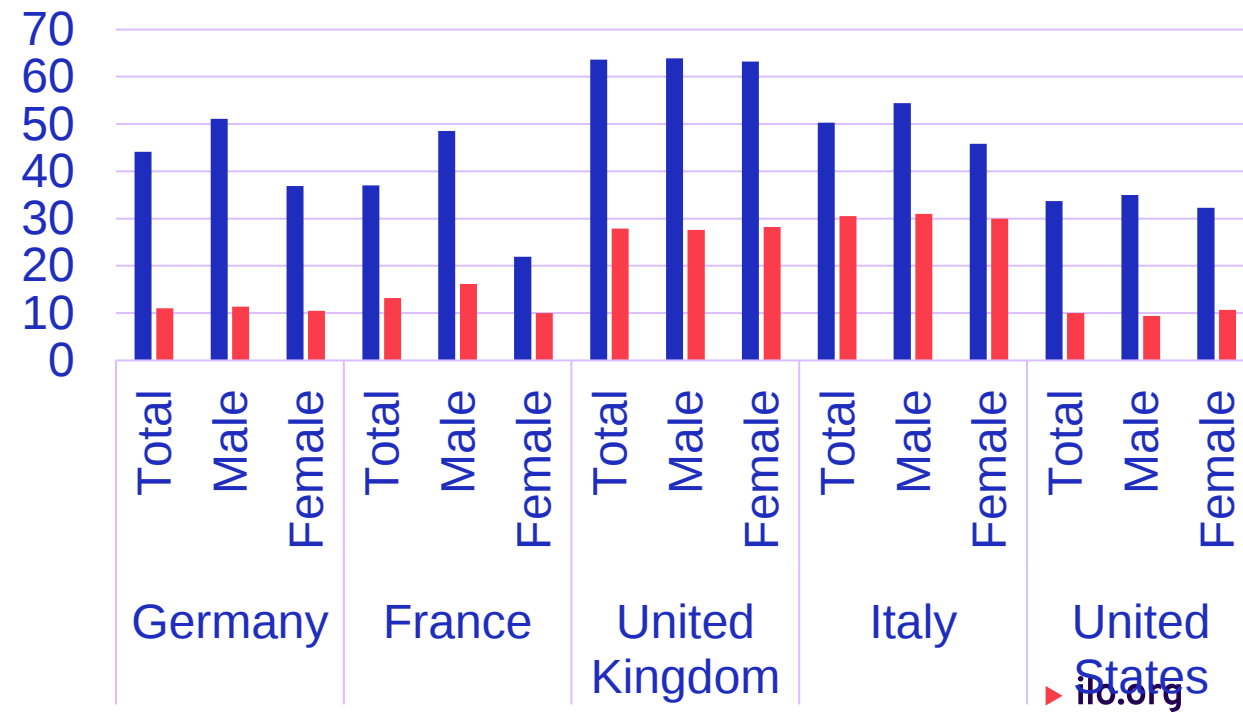
Source: ILO Modelled Estimates (Nov 2022)

People with disabilities: reminder of their disadvantage

Labour Force Participation Rate by sex, and disability status, 2021

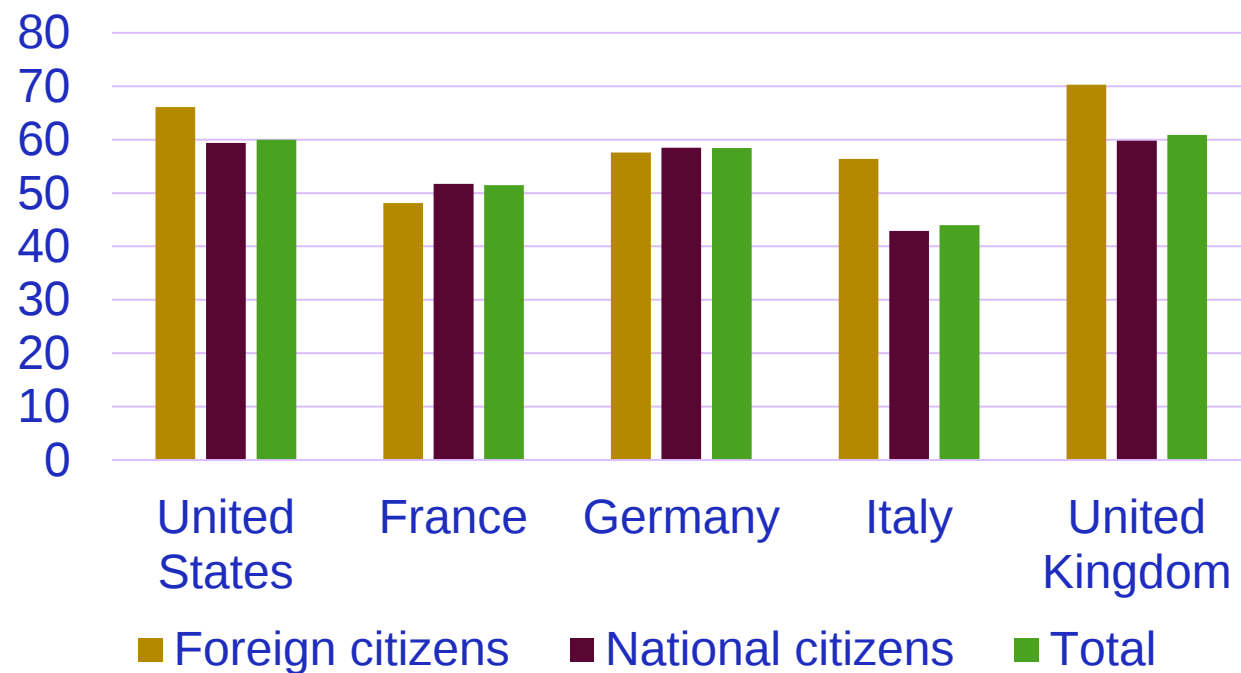


Share of youth not in employment, education or training (NEET) by sex and disability status (%), 2021

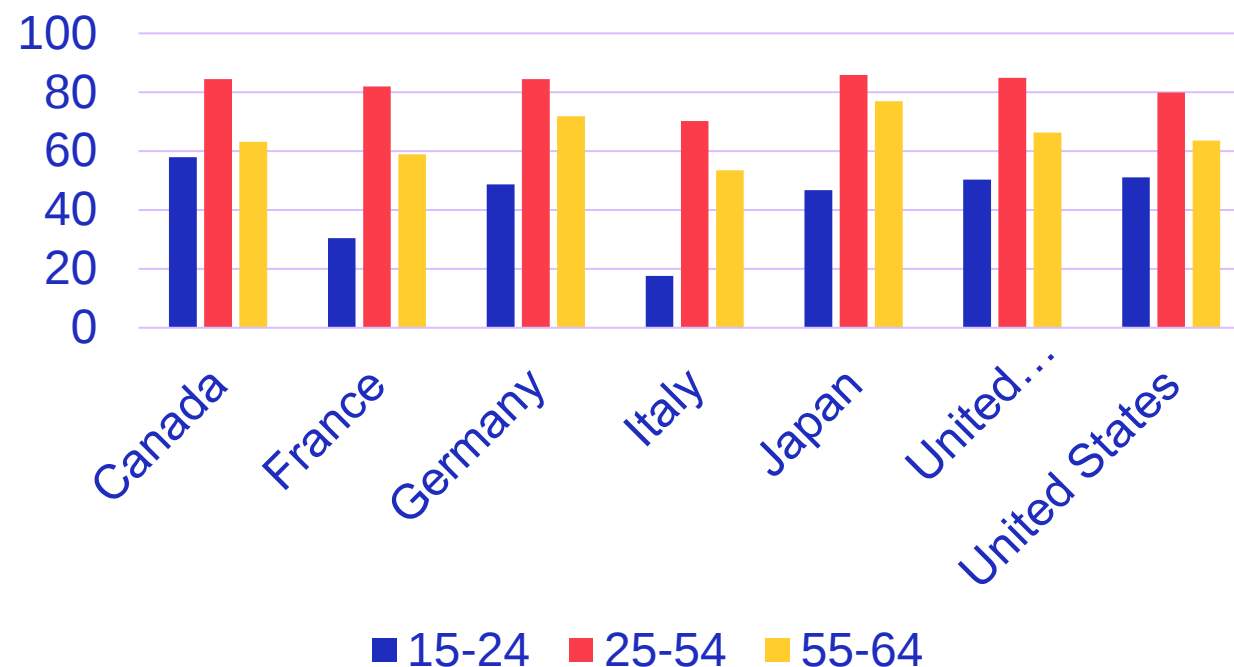


Migrants and older workers in the G7 countries

EPR by citizenship in selected G7
latest estimate (% , total)



ERP by age group in selected G7 latest
estimate (% , total)



► Comprehensive strategies with targeted interventions help

Need to create more job opportunities for the disadvantaged groups

Requires a comprehensive framework for formal job creation for young people and other target groups supported by active interventions in the labour market and skills development such as provided by the European Youth Guarantee

Invest in sectors that can create quality jobs (digital, green, care economies). Care is needed to ensure that these opportunities reduce rather than exacerbate inequalities within the target group labour markets.

Ensure availability of adequate fiscal space to finance comprehensive pro-employment and labour market policies

Support and strengthen labour market institutions, such as public employment services, working in partnership with other public and private providers

Skills development for a more inclusive labour market

Skilling: Equal access to initial skills training

Address financial and non-financial barriers to increase opportunities for disadvantaged people

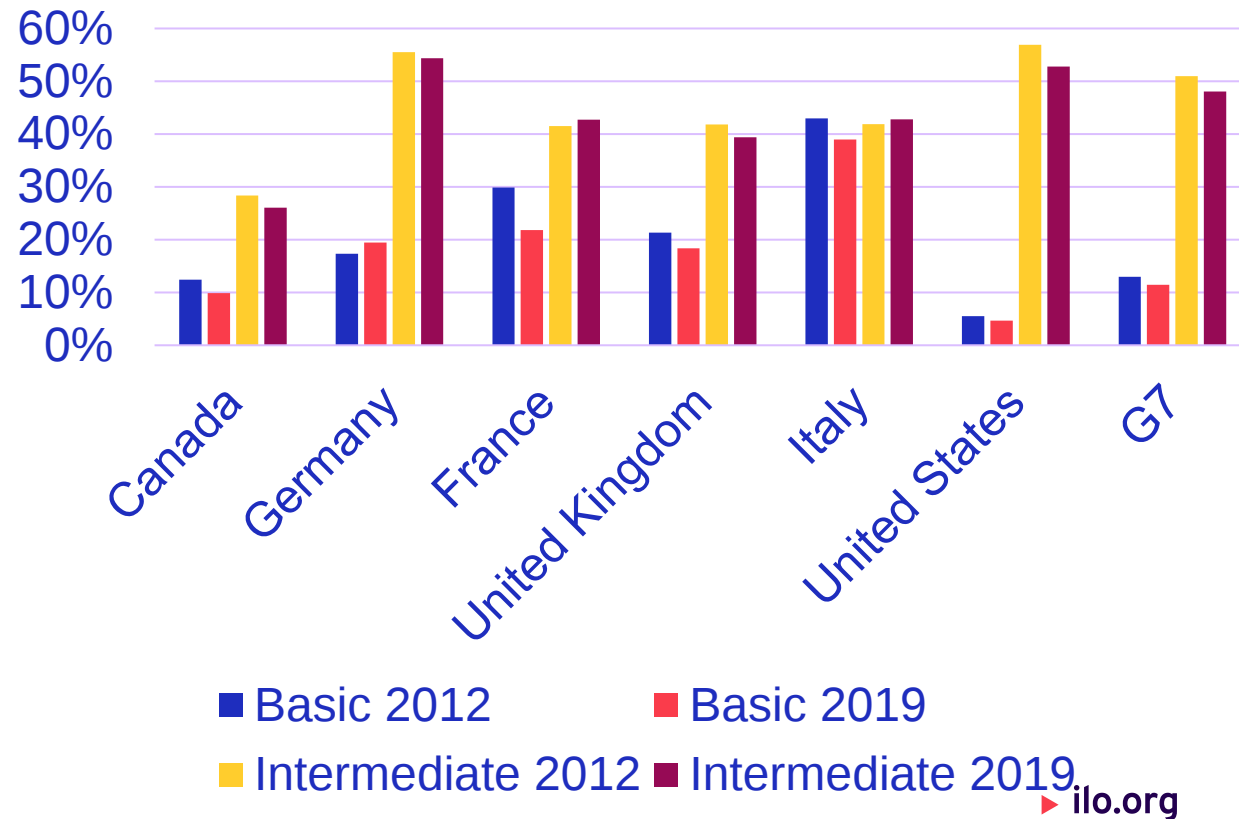
Strengthen labour market information and partnerships between enterprises and educational institutions

Upskilling: Advancing careers and improving productivity

Promote skills recognition, on-the job training and skill development opportunities for vulnerable groups

Strengthen career development services and create apprenticeship and mentorship programs that connect experienced workers with individuals from underrepresented groups

Basic and intermediate skills levels, G7



What does the evidence say about what works?

- Get design, implementation, administrative conditions and country context right.
- Key factors for success: type of programme, level of income, duration of programme, position on the business cycle, type of target group
- Integrated policy design and implementation crucial to address all barriers to employment
- Collaboration and partnerships in implementation are important.
- Public Employment Services play a central implementation coordination role

Share of PES that target services

