

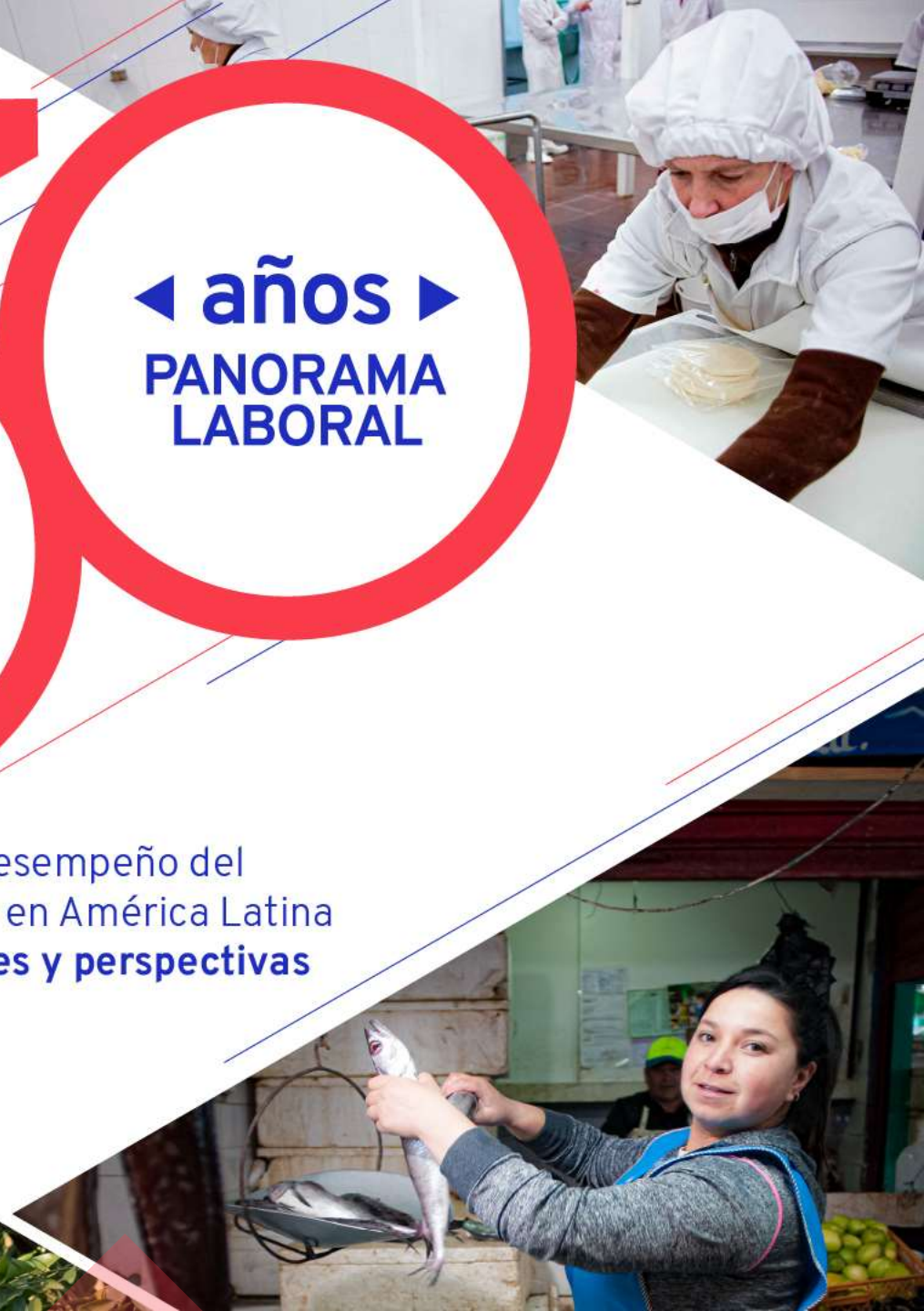


Organización
Internacional
del Trabajo

Simposio regional

◀ años ▶
PANORAMA
LABORAL

► Tres décadas de desempeño del
mundo del trabajo en América Latina
y el Caribe: **Avances y perspectivas**



Multiple transitions, once again

Will this time be different?

15 November 2023

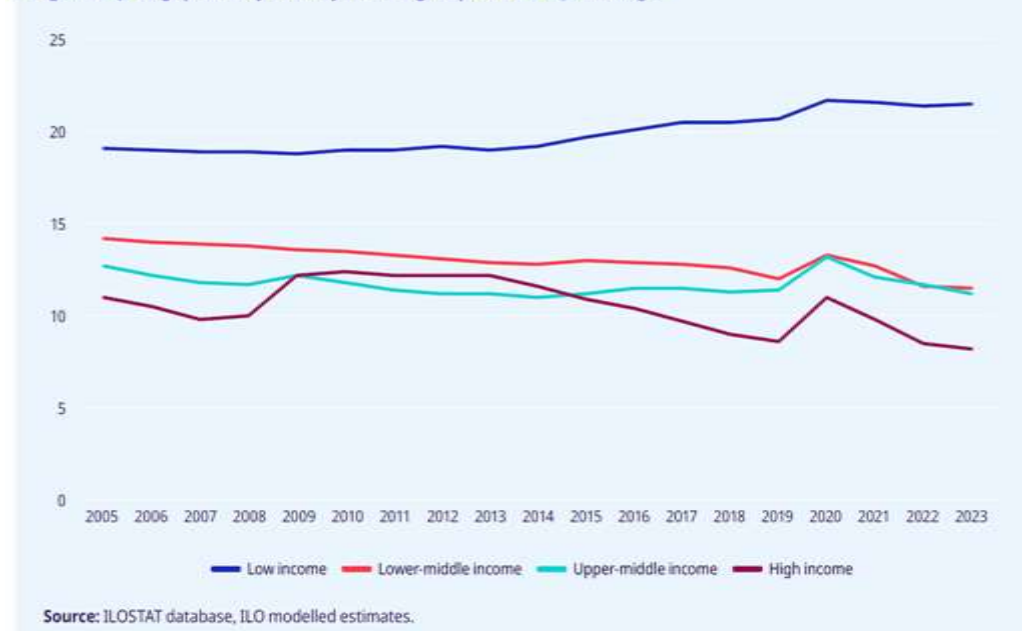
Santiago

Sangheon Lee, ILO

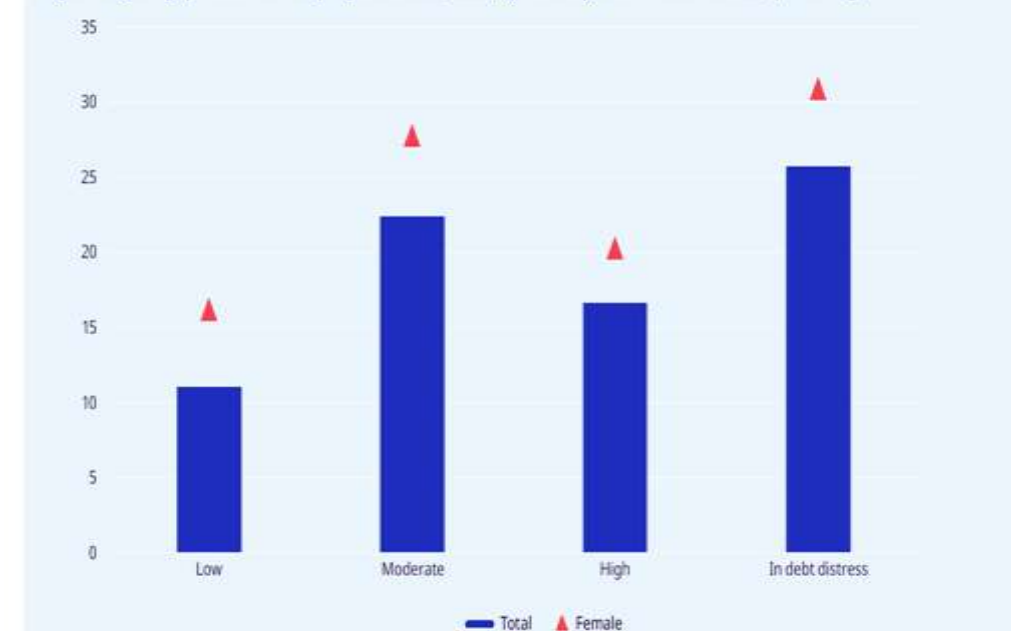
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► Uneven and slow recovery: Jobs gap

► Figure 4. Jobs gap rate, by country income group, 2005–23 (percentage)



► Figure 5. Jobs gap rate in developing countries, 2023, by country risk of debt distress (percentage)



■ Jobs gap: *Beyond unemployment*

Jobs gaps are stagnating in developing countries, and tend to increase in low-income countries

■ Double penalties: *Recovery vs fiscal space*

Jobs gaps are even larger in countries in debt distress

► Multiple transitions and “conditional” opportunities

Investment, skills, and income support (social protection)

Green

- Improving energy efficiency in buildings and appliances, decarbonizing electrical power generation through a shift to renewable energy, and expanding electric vehicles usage and associated infrastructure
→ **additional net 8.4 million jobs**

Digital

- Reaching universal (90 per cent) internet broadband coverage (SDG 9c)
→ **additional net 6.4 million jobs**

Care

- Investments in health and social care provision and in education coverage with a view to meeting the relevant targets of SDG 3 (on health) and SDG 4 (on education)
→ **additional net 17.9 million jobs**

► Whole-of-government approach?

Political economy, financing, and coordination

- Need for **coherence and consistency between macroeconomic, industrial and labour market policies**
 - *Mainstreaming* decent job creation in economic policies and investment decisions
 - e.g., Large infrastructure investment for multiple transitions has often been made without proper investment in labour market policies (e.g., skills, social protection), which often led to skill shortages and insufficient job creations in both quantity and quality.
- Need for shifts in **macroeconomic policies**, especially monetary policies
 - Often, dual goal of price stability and full employment is a “lip service”
 - In developing countries, aggregate employment is not sensitive to business cycle due to massive presence of informal employment. Need to focus on quality jobs (e.g. formal employment)
- **Industrial policies** are a key to full employment in developing countries
 - But, as of now, mainly driven by advanced countries such as US

► Tools and mechanisms: Illustrative examples (I)

Financing pro-employment policies: *Pro-employment public expenditure review*



► Improving the impact of public policies and budgets on employment outcomes

Guide for the review of employment-related public expenditures and application to six pilot countries

David Robinson and Desirée O'Ashor

Advancing social justice, promoting decent work

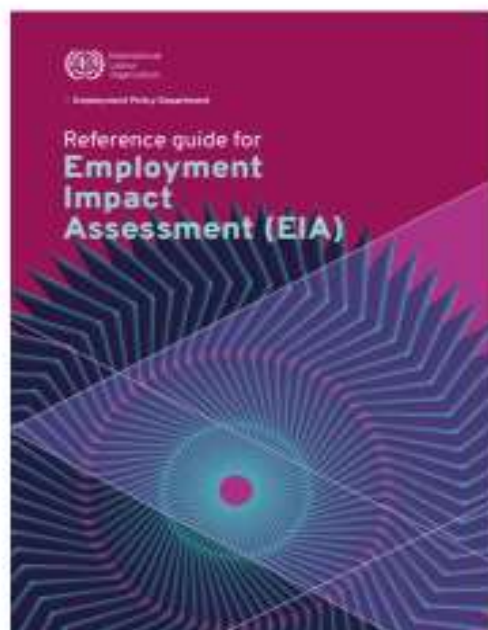
Some examples from Latin America

► Table 9. Employment-related public expenditures by category (% of total expenditures and % of GDP)

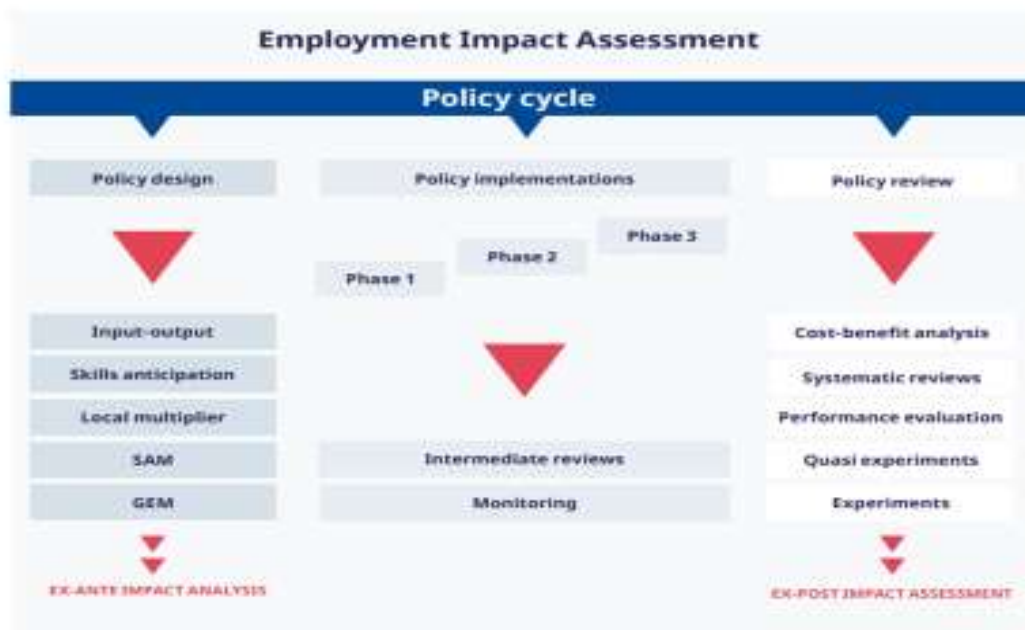
		2017	2018	2019	2020	2021
Costa Rica	Active	0.23	0.23	0.23	2.67	0.31
	Labour institutions and social protection	0.09	0.10	0.10	0.10	0.09
	Sectoral	6.26	4.81	6.60	4.19	4.82
	Total	6.58	5.14	6.93	6.96	5.21
	% gdp	1.22	1.02	1.47	1.52	1.09
Guatemala	Active	0.05	0.03	0.02	2.61	0.00
	Labour institutions and social protection	0.05	0.05	0.05	0.04	0.02
	Sectoral	4.22	6.41	7.03	6.09	2.34
	Total	4.32	6.49	7.10	8.74	2.36
	% gdp	0.55	0.86	0.96	1.36	0.33

► Tools and mechanisms: Illustrative examples (II)

Evidence-based pro-employment policies and investment: *Employment impact assessments*



Advancing social justice, promoting decent work

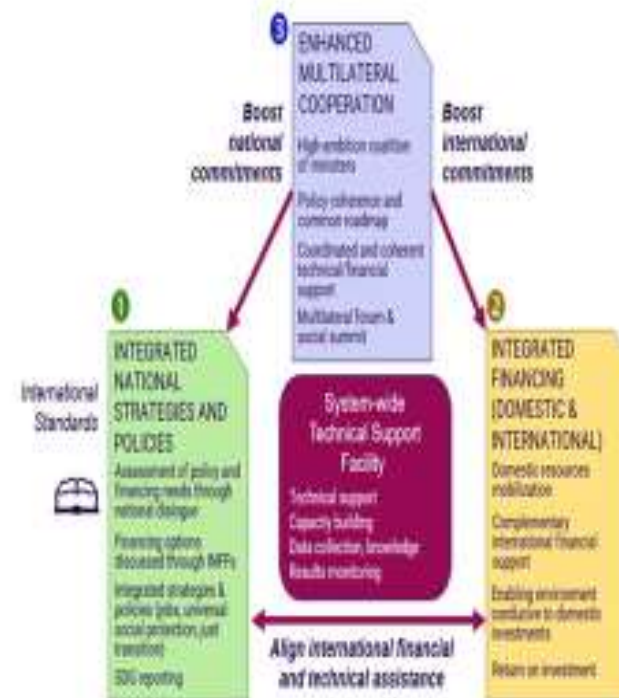


► ILO policy framework

Coherent, comprehensive and integrated employment policy (ILO 2022)



Example: *Global Accelerator on Jobs and Social Protection for Just Transitions*



► Will this time be different?

In a sense, this is an absurd question, as it is matter of our choice!

“In fact, a thousand years of history and contemporary evidence make one thing abundantly clear: there is nothing automatic about new technologies bringing widespread prosperity. Whether they do or not is an economic, social, and political choice.”

Acemoğlu and Johnson 2023, Power and Progress: Our Thousand-Year Struggle Over Technology and Prosperity