Turning challenges into opportunities for sustaining jobs and skills during the COVID-19 pandemic

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Joint event: COVIDIMPACT – ACT ON SKILLS
10 December 2020
Impact of COVID-19 on labour markets
COVID-19 new lockdown-like conditions...

Share of workers living in countries with required closures for all but essential workplaces covering either the entire economy or targeted areas, by country income group, 1 January–26 August 2020 (percentage)

Job losses
Global: 345 million full-time jobs

Africa
3rd quarter 2020: 11.5%

Americas
3rd quarter 2020: 19.8%

Arab States
3rd quarter 2020: 12.4%

Asia and the Pacific
3rd quarter 2020: 10.7%

Europe and Central Asia
3rd quarter 2020: 11.6%

Note: Within each country income group, the share of workers living in countries with required closures for all but essential workplaces includes workers both in countries that enforce such measures for the entire economy and in countries that enforce them only in the most infected areas (i.e. measure types 5 and 4 in figure 1).

Greater increase in inactivity than in unemployment...

Share of increases in unemployment and inactivity in the aggregate decline in employment between Q2/2019 and Q2/2020 (percentage)

<table>
<thead>
<tr>
<th>Country</th>
<th>Unemployment</th>
<th>Inactivity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cyprus</td>
<td>22.0</td>
<td>78.0</td>
</tr>
<tr>
<td>Israel</td>
<td>6.0</td>
<td>95.1</td>
</tr>
<tr>
<td>Japan</td>
<td>36.0</td>
<td>64.0</td>
</tr>
<tr>
<td>France</td>
<td>-74.8</td>
<td>174.8</td>
</tr>
<tr>
<td>Switzerland</td>
<td></td>
<td>87.0</td>
</tr>
<tr>
<td>Korea, Republic of</td>
<td></td>
<td>92.2</td>
</tr>
<tr>
<td>Thailand</td>
<td></td>
<td>89.1</td>
</tr>
<tr>
<td>Portugal</td>
<td>-25.1</td>
<td>125.1</td>
</tr>
<tr>
<td>Australia</td>
<td>26.9</td>
<td>73.1</td>
</tr>
<tr>
<td>Viet Nam</td>
<td></td>
<td>92.7</td>
</tr>
<tr>
<td>Spain</td>
<td></td>
<td>92.2</td>
</tr>
<tr>
<td>Moldova, Republic of</td>
<td></td>
<td>107.7</td>
</tr>
<tr>
<td>United States</td>
<td>72.7</td>
<td>27.3</td>
</tr>
<tr>
<td>Brazil</td>
<td></td>
<td>100.7</td>
</tr>
<tr>
<td>Canada</td>
<td>52.1</td>
<td>47.9</td>
</tr>
<tr>
<td>Mexico</td>
<td></td>
<td>97.8</td>
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<tr>
<td>Chile</td>
<td>18.8</td>
<td>81.2</td>
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<tr>
<td>Ecuador</td>
<td>16.5</td>
<td>83.5</td>
</tr>
<tr>
<td>Costa Rica</td>
<td>28.2</td>
<td>71.8</td>
</tr>
<tr>
<td>Colombia</td>
<td>31.5</td>
<td>68.5</td>
</tr>
<tr>
<td>Peru*</td>
<td></td>
<td>104.9</td>
</tr>
</tbody>
</table>

Greatest impact on some groups of the population

1.25 billion workers in at-risk jobs*

Most of these workers are self-employed and in low-income jobs

- Young people (15-24)
- Migrants
- Women, older workers
- People with disabilities
- Workers in new forms of employment


Responses by public employment services
What has changed?
COVID-19: Labour market policy toolbox

Containment and stabilization

Immediate relief

- Cushioning income loss
  - Unemployment insurance
  - Cash payments
  - Universal basic income

- Measures of labour market attachment
  - Online-based & limited on-site support: counselling and advice, labour market information
  - Online skills training, distance learning
  - Workers/enterprise reconversion

Facilitation and preservation of jobs

- Prevention of lay-offs
  - Short-time work / furloughs / work-sharing
  - Temporary (agency) work
  - Wage subsidies

- Recruitment and placement services in essential/active sectors and industries
  - Online-based job-matching
  - Enhanced recruitment
  - Seasonal work programmes, including overseas territories

Re-activation

- Lockdowns relaxation
- Recovery...

- Employment creation
  - Public employment programmes
  - Temporary work
  - Wage and hiring subsidies

- Incentives to create own employment
  - Self-employment
  - Entrepreneurship

- Workforce reallocation
  - Geographical mobility
  - Workforce reallocation
  - Skilling, upskilling, re-skilling

- Job-searching and matching
  - Online-based & on-site delivery: job-matching, career counselling, job counselling, labour market information, case management

Source: ILO Brief, COVID-19: Public employment services and labour market policy responses
What has changed?

➢ **Ultimate priority** is the virus containment and mitigation

➢ **Service continuity** requires from PES creative and expeditious actions in the context of the pandemic

➢ **Wider scope** and need to scale up capacity to cope with soaring demand, still limited use of massive public employment programmes

➢ **Delivery methods** with a more intensive use of technology-based delivery channels, face-to-face maintained to ensure inclusiveness

➢ **Fiscal gaps** risk of budget cuts to ALMPs as a result of fiscal consolidation
In responding to the impact of COVID-19 on labour markets, there is the need to address...

a double challenge...

Avert a massive surge in employment and inactivity

Technology is also transforming the world of work
The global economy needs...

- Promoting labour market attachment
- Providing employability-oriented support
- Investments in a human-centred recovery through sustaining skills and jobs
How countries are turning challenges into opportunity?

Sustaining jobs and skills
Some countries have reinforced support for target groups in need of improving and/or acquiring digital skills to keep themselves afloat in the job market.
Improving access to new and emerging jobs

Virtual MEGA internship and placement to bring together tech companies and young jobseekers

India

FICCI Centre of Excellence for Career Counselling

Online training and job fairs online

Uruguay

Source: https://ph.careerdp.com/?q=hospital-cook
Smart training and Education systems

Online access to skills training and learning resources for developing and maintaining the ability of individuals to learn and adapt, skills that can make a big difference to successful reintegration in the labour market.

South Korea
More on distance and digital learning

Online survey for TVET providers, policy-makers and social partners on addressing the COVID-19 pandemic (ilo.org)

- Shift to distance 76% fully or partially remote
- Wide use of tele-conferencing and online tools – Google classroom in Nigeria

Global survey on the impact of COVID-19 on staff development and training including apprenticeships and internships/ traineeships
More on adoption of technology by PES visit:

Infographic: ILO maps out how Public Employment Services are using technology to improve service delivery

- Results reflect that all 75 surveyed PES provide services online such as client’s registration to search and apply for jobs,
- with nearly one third of these now also offering AI-driven solutions
OIT publicaciones

> ILO Policy brief. COVID-19: Public employment services and labour market policy responses

> Labour market policies and employment services are critical ingredients of the COVID-19 policy responses

> ILO Monitor: COVID-19 and the world of work

> COVID-19 and the world of work

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