



Recovering towards a human-centred future of work in Asia and the Pacific

Countries were quick in the design of their COVID-19 stimulus and relief measures. But as the crisis lengthens, questions arise on the effectiveness of measures to reach the most vulnerable and also on the capacity of governments to sustain fiscal expansion. This note offers specific guidance for consideration as governments move away from their immediate support objectives to their mid- to long-term COVID-19 recovery phases.

The ILO Centenary Declaration provides a road map for COVID-19 recovery and a human-centred future of work.

Fortunately, there is no need to start from scratch when it comes to designing a framework for a post-COVID-19 future of work that addresses outstanding challenges and promotes a better-balanced, human-centred agenda. In June 2019, ILO Member States adopted the **ILO Centenary Declaration for the Future of Work** at the 108th International Labour Conference (ILO 2019). The Declaration was subsequently endorsed by the United Nations General Assembly, which called on United Nations bodies to consider integrating the Declaration's policy proposals into their work.¹

The Centenary Declaration was not designed with a health pandemic in mind. But it nonetheless offers the building blocks on which to orient a human-centred recovery that can leave economies, enterprises and workers on a stronger footing to face whatever the future of work may bring, including future crises, technological advancements, demographic shifts and environmental degradation. The Declaration urges governments, workers and employers to strive “to shape a fair, inclusive and secure future of work with full, productive and freely chosen employment and decent work for all” because, in so doing, countries can progress towards sustainable development.

The Declaration's human-centred approach focuses on three areas of action: (i) increasing investment in people's capabilities, (ii) increasing investment in the institutions of work and (iii) increasing investment in decent and sustainable work. Each element and its relevance to recovery from the current crisis are addressed to formulate a “better normal” and a human-centred agenda for the future of work.

* This document is an extraction of ILO, *Asia-Pacific Employment and Social Outlook: Navigating the crisis towards a human-centred future of work*, 2020 (chapter 6).

1 See “UN General Assembly Endorses ILO Centenary Declaration for the Future of Work”, Press release, 16 September 2019.

The first pillar, **increasing investment in people's capabilities**, puts forth four recommendations that move beyond the traditional human capital development paradigm to include a rights-based approach to development, such that individuals' opportunities to realize their full potential and improve well-being are broadened. These include effective lifelong learning, strengthening institutions and policies to support people through their future work transitions, implementing a transformative agenda for gender equality and strengthening social protection systems through basic universal protection coverage from womb to tomb.

The value propositions behind the components of this pillar are confirmed as elements for promoting a recovery from the current crisis that boosts future resilience. Elements include:

- ▶ **Invest in lifelong learning ecosystems.** COVID-19 joins the waves of disruption, including technological changes and climate change, sweeping through the world of work, which together add urgency to addressing issues of future skills needs and how to build skills systems that prepare workers to be agile and mobile in the face of shocks. The pandemic has elevated the importance of reskilling, especially for workers in impacted sectors like tourism and manufacturing who could be trained for future growth sectors. Yet, few countries are ready to support the training and retraining of workers on a large scale. What is more, the crisis has laid bare the persistent inequality in education and training systems throughout the region linked to the digital divide. To meet the skills challenges in particular, countries need new skills and lifelong learning ecosystems that form an integral part of their economic, fiscal, social and labour market policies and programmes. Training systems need to be flexible and in sync with the changing demands of industry, which necessitates their formulation in sustained dialogue with stakeholders from the world of work, notably employers and workers (and their representative organizations).
- ▶ **Supporting people through their future of work transitions.** As people undergo the many transitions of their working lives – from school to work to parenthood, changing jobs and then retiring – they can be assisted by various institutions that help them along the way. In the context of the COVID-19 crisis, young people face a challenging road ahead as they attempt their transition into the world of work. A comprehensive approach to supporting youth employment can involve a range of youth-targeted active labour market programmes, including support of young entrepreneurs, the implementation of which requires effective labour market institutions (further addressed under pillar 2).
- ▶ **Tackling gender equality once and for all.** COVID-19 has exacerbated the challenges that women habitually face. Gender pay gaps, unequal distribution of unpaid care work, discrimination in access to decent jobs, violence and harassment – none of these are new issues, but the disproportionate impacts on women in the current crisis raise the level of urgency to tackle the barriers that result in such unequal outcomes. Delivering on a transformative agenda for gender equality requires the implementation of a package of integrated, inclusive and transformative policies and measures, informed by the relevant international labour standards.
- ▶ **Protect the health and well-being (including financial resilience) of populations through social protection floors.** The COVID-19 crisis, like crises before it, underscores the value to countries of having well- designed, coordinated social protection systems to draw upon for rapid outreach to persons in times of hardship. The heightened demand for the services embedded in social protection systems during the COVID-19 crisis show that it is now time for countries to go beyond emergency or transitory measures. Comprehensive social protection systems, including floors, can serve as an integral component of the efforts to build back better, not only to tackle underlying issues of poverty and inequality but as an essential element to boost aggregate demand and support the economy to bounce back.

The second pillar recommends **increasing investments in the institutions of work**, with a view to fortifying and revitalizing them as core components of the brighter future of work. More specifically, it points towards the need to respect the fundamental rights at work and to ensure an adequate minimum wage, statutory or negotiated, a maximum limit on working time and protection of safety and health at work. Responding quickly and effectively to labour market needs during times of crisis depends to a large extent on the existing labour market institutions and drawing on existing employment policies and social protection systems that can be expanded and scaled up. Here also the Centenary Declaration covers what will be critical elements to guide a way out from the current crisis and how strengthening the institutions of work can foster positive change in the following areas:

▶ **Strengthening wage policies and other labour market policies.** Minimum wage institutions have taken on increased relevance during the crisis and its aftermath as protection for the most vulnerable, as has increasing the reward of critical or essential workers. Wage policies also go beyond minimum wages, with outcomes hinging in part on the effectiveness of collective bargaining and national institutions for freedom of association. The labour income shares that were falling in the region before the crisis was a sign of insufficient growth in wage employment and also the insufficient quality of paid jobs. Weak labour relations in many countries have contributed to declining labour income shares. Governments that are serious about reversing such trends and promoting a wider distribution of the benefits of growth in recovery will do well to strengthen support of their collective bargaining system.

Public employment services are central to the execution of active labour market policies to support jobseekers, workers and employers during the crisis period (ILO 2020a). But such services are typically underfunded in developing economies, hampering their effectiveness to cope with the scale of services needed in these extraordinary times. As instruments of critical importance, governments are called upon to significantly increase their investment in public employment services, including in the development of digital services, so that they are not left struggling to meet demand in times of economic difficulties.

▶ **Accelerating occupational safety and health as a fundamental labour right.** Perhaps one of the least surprising priority areas of action coming out of the COVID-19 pandemic has been the implementation of proactive occupational safety and health (OSH) preventive measures. As a next step, upgraded OSH measures and renewed commitment for protecting workers from future pandemic and emerging OSH hazards and risks are required. A global survey of employer and business membership organizations revealed that six out of ten of them consider developing capacities on safety and health as a top priority (ILO and IOE 2020).

▶ **Regulating telework.** With the COVID-19 pandemic lockdowns, working from home – telework – has received much attention and speculation as to what degree it will constitute an element of the “better normal”. Whether a person teleworks occasionally or does so on a permanent basis can have important implications for their working conditions. Ensuring daily and weekly working hour limits as well as developing, implementing and monitoring working time arrangements, in line with medical and OSH advice, and with clear assignments of responsibilities on costs can help institutions and organizations begin to adapt to the current world of work.

▶ **Safeguarding labour rights, including for migrant workers.** During this crisis, some national debates emerged around the adaptability of legislative provisions in support of enterprises’ facilitation of business continuity. Some governments and social partners agreed on temporary measures to relax legislated obligations in ways that enabled businesses to implement flexible work arrangements (ILO 2020b). Temporary measures allowing for variations on the terms and conditions of employment and collective agreements have been introduced on such matters as work from

home, use of paid sick leave during COVID-19 treatment and quarantine periods and more. In the post-COVID-19 era, some countries may be impelled to undergo legislative reviews on areas of labour laws and regulations to (re)balance between the need for promoting employment creation and safeguarding workers' rights in an era of technological and health-driven disruption. The danger here is when labour law reforms are pushed through without adequate consultation with social partners and when areas of labour protection are misguidedly weakened in the name of expected boosts to competitiveness.

► **Framing solutions through social dialogue.** Several countries in the region – those with dialogue structures or initiatives in place – have successfully used social dialogue processes to address not only labour policy issues but also to shape the responses to the crisis (ILO 2020c; ILO, OECD and Global Deal 2020). Tripartite- or bipartite-negotiated strategies for coping with workers' salaries have been useful at the sector level, including in the heavily impacted garment sectors of Bangladesh, Myanmar and Sri Lanka (ILO 2020d). Consensus-based policies are needed not only for economic recovery but also for labour market governance based on international labour standards to counteract conflicts that can affect productivity and become hurdles in the recovery process. To make progress in this direction, many countries in the region will benefit from strengthening their bipartite workplace consultations and cooperation mechanisms and collective bargaining for seeking and implementing together solutions to the specific challenges facing workers and enterprises.

The third and final pillar aligns with the 2030 Agenda for Sustainable Development, with the recommendation to **increase investment in decent and sustainable work**. Such investments, including in the rural economy as well as in the construction of physical and digital infrastructures, are viewed as key to advancing developmental goals while also creating a large number of jobs and new opportunities for individuals as well as micro, small and medium-sized enterprises. The pillar also includes the aim to further promote the transition from the informal to the formal economy and to define policies and measures that respond to challenges and opportunities in the world of work relating to the digital transformation of work, including platform work. Linked to this pillar are:

► **Rethinking models of growth.** Trade tensions, policy uncertainty, efficiency factors and natural disasters were already pushing certain enterprises towards consolidating their supply chains and moving closer to consumers or nearer to where product design and technologies are developed. With COVID-19 amplifying the vulnerabilities associated with international trade, some countries are encouraging policy discussions on alternative options for growth models that would lessen dependence on trade.

The strategic responses towards reorienting growth will differ based on the national pre-COVID-19 circumstances; some countries – for instance, those in South-East Asia – might consider adopting policies that deepen trade ties subregionally and reorienting production to the domestic market. The Regional Comprehensive Economic Partnership between the ten ASEAN Member States and Australia, China, Japan, New Zealand and Republic of Korea, signed on 15 November 2020 to go into effect in two years, is expected to result in the largest free-trading bloc in the world. Employment in the larger economies of the bloc could see positive growth as a result.

Developing and emerging economies that were less export-oriented to start with and more import-dependent will have less wherewithal to articulate a post-COVID-19 reorientation of the economy towards greater self-reliance and localization. Some major South Asian economies and the low-income economies in the broader region fall within this group. The domestic crises of such countries are arguably the most severe and also potentially the most difficult to bounce back from. For these countries, switching production to increase the domestic content of growth, diversifying output and reducing external risks can best be seen as longer-term goals. These would require deep structural

and sectoral changes and shifts in the composition of trade itself and will be not be feasible in the short run. Nonetheless, policy focus and investments are required now to support the long-term changes.

- ▶ **Accelerating the transition from the informal to the formal economy.** The magnified vulnerabilities of workers in the informal sector have drawn escalated attention to the need for formalization. Some countries in the region were quick to adapt existing social assistance programmes to informal workers and firms (ILO 2020e). Maintaining the support for informal workers and enterprises in the longer term is now an issue of heightened importance, with the aim to recover as inclusive economies and resilient societies. Now is the time to look at formalization, not as a law and order issue or as an opportunity to earn government revenues but as investment towards development.
- ▶ **Strengthening the focus on green jobs and sustainability.** Environmental impacts moderated during the COVID-19 pandemic. Keeping the momentum towards improved environmental outcomes will depend on the choices to be made following the crisis. With economic growth models in question, there is great uncertainty over how industry sectors will restructure and secure decent work for the many millions of workers and suppliers whose livelihoods rely on economic growth. In the Asia–Pacific region, there is a need for economies involved in production activities to analyse the risks and opportunities that new production and consumption patterns could represent. The newly formed Climate Action for Jobs Initiative aims to keep environmental sustainability among the primary objectives of inclusive economic pathways of the future.

Will COVID-19 and its policy response increase progress towards the human-centred future of work?

At this stage, it is too early to tell which policy approaches will promote a faster economic and labour market recovery. But there is something to be said for governments that are focusing on how to replace their crisis support measures with broader policy reforms that address the long-term stagnant growth trajectories that the Asian–Pacific economies faced before the pandemic. By putting the spotlight on a country's long-term socio-economic weaknesses and adding urgency to coming up with durable solutions that will promote a human-centred future of work, the COVID-19 crisis has the potential to raise the value of social dialogue and to trigger shifts in fiscal expenditure towards the investment areas most needed to bring the human-centred agenda for the future of work into play. Countries have the potential to think big in efforts to revitalize their sustainable growth objectives built on the foundations of the Decent Work Agenda.

History will tell if the opportunities were grasped and countries in the region were able to emerge from the COVID-19 crisis towards a better normal.

Additional ILO references on COVID-19 policy responses

The ILO has published numerous knowledge products and policy tools specific to addressing and mitigating the impacts that COVID-19 have brought to the world of work. The following short list with links makes for easy reference:

General

- ▶ [A Quick Reference Guide to Common COVID-19 Policy Responses](#)
- ▶ [A Policy Framework for Tackling the Economic and Social Impact of the COVID-19 Crisis](#)
- ▶ [ILO Monitor: COVID-19 and the world of work, Seventh edition](#)
- ▶ [COVID-19, labour market slack and what it means for recovery](#)

Social protection

- ▶ [Extending Social Protection to Informal Workers in the COVID-19 Crisis: Country Responses and Policy Considerations](#)
- ▶ [COVID-19 and the World of Work: Social Protection Responses in Asia-Pacific](#)
- ▶ [The Role of Social Dialogue in Formulating Social Protection Responses to the COVID-19 Crisis](#)
- ▶ [Financing Gaps in Social Protection: Global Estimates and Strategies for Developing Countries in Light of the COVID-19 Crisis and Beyond](#)

Supporting enterprises and jobs

- ▶ [Enabling Environment for Sustainable Enterprises and the Post-COVID-19 Rapid Response](#)
- ▶ [National Employment Policies for an Inclusive, Job-Rich Recovery From the COVID-19 Crisis](#)
- ▶ [COVID-19: Public Employment Services and Labour Market Policy Responses](#)

Vulnerable groups and sectors

- ▶ [Impact of Lockdown Measures on the Informal Economy](#)
- ▶ [The COVID-19 Response: Getting Gender Equality Right for a Better Future for Women at Work](#)
- ▶ [COVID-19 and Employment in the Tourism Sector: Impact and Response in Asia and the Pacific](#)
- ▶ [Protecting Migrant Workers During the COVID-19 Pandemic](#)
- ▶ [Protecting the Rights at Work of Refugees and Other Forcibly Displaced Persons During the COVID-19 Pandemic](#)
- ▶ [Tackling the COVID-19 Youth Employment Crisis in Asia and the Pacific \(ILO and ADB\)](#)
- ▶ [COVID-19 and Child Labour: A Time of Crisis, a Time to Act \(ILO and UNICEF\)](#)

Country impact assessments

- ▶ [China](#) ▪ [India](#) ▪ [Myanmar](#) ▪ [Philippines](#) ▪ [Republic of Korea](#) ▪ [Thailand](#) ▪ [Viet Nam](#)

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- . 2020b. *A Quick Reference Guide to Common COVID-19 Policy Responses*.
- . 2020c. *Social Dialogue on Occupational Safety and Health in the COVID-19 Context: Ensuring a Safe Return to Work – Practical Examples*, August.
- . 2020d. *The Supply Chain Ripple Effect: How COVID-19 is Affecting Garment Workers and Factories in Asia and the Pacific*, October.
- . 2020e. *Extending Social Protection to Informal Workers in the COVID-19 Crisis: Country Responses and Policy Considerations*, September.
- and IOE (International Organization of Employers). 2020. *A Global Survey of Employer and Business Membership Organizations: Inside Impacts and Responses to COVID-19*.
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