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### **Commission for Social Development**

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Follow-up to the World Summit for Social Development and the twenty-fourth special session of the General Assembly: Priority Theme: Creating full and productive employment and decent work for all as a way of overcoming inequalities to accelerate the recovery from the COVID-19 pandemic and the full implementation of the 2030 Agenda for Sustainable Development

Statement submitted by Global Vision India Foundation, a non-governmental organization in consultative status with the Economic and Social Council\*

The Secretary-General has received the following statement, which is being circulated in accordance with paragraphs 36 and 37 of Economic and Social Council resolution 1996/31.

<sup>\*</sup> The present statement is issued without formal editing.





#### Statement

# Creating full and productive employment and decent work for all, particularly marginalised & vulnerable groups

#### Effect of lockdown on market

The lockdown during 2020 had a very disastrous effect, closing markets and shops, leading to food security crisis. COVID's impact was not equal in all the regions, but the weaker and vulnerable section of people suffered most, in terms of health, and economically. I hope, the session of the UN's Commission for Social Development, to be held in February 2023, will focus on "decent work for all as a way of overcoming inequalities and accelerating the recovery from the COVID-19 pandemic".

#### Conditions of migrant workers

In India the conditions of migrant workers were very pitiable. News of migrant workers walking hundreds of kilometres to return to their homes increased the pressure on the state to recognise the rights of migrant workers. However, in April 2021, familiar visuals of migrant workers crowding Anand Vihar station, New Delhi and train stations in Mumbai re-emerged.

To understand the drivers of migration and workers' experiences of social policy responses after the 2020 lockdown. As per the survey conducted by NGOs, said that they migrated to cities due to the lack of well-paying opportunities locally. All workers interviewed post-lockdown said they would eventually return to cities once restrictions were eased. The Centre for Monitoring Indian Economy (CMIE) explains that the increase in agricultural jobs in 2021 was not due to an intentional urban to rural migration, but the result of migrant workers leaving cities due to the fear of new lockdowns.

#### Post-lockdown policymaking

Post-lockdown policymaking has especially been focused on improving access to the Mahatma Gandhi National Rural Employment Guarantee Act (NREGA) and introducing new rural employment schemes, particularly for migrant workers, such as Garib Kalyan Rozgar Yojana. However, the high numbers of enrolment in these programmes did not translate into jobs for many workers.

#### Informal and precarious work

While informal and precarious work can take different forms, it almost always involves a lack of social protection such as sick pay or pensions, highly limited employment rights and a lack of trade union representation. Informal and precarious workers have poor access to training and retraining, and a lack of income security that can often lead to extreme poverty. In recent years there has been a rise in precarious work in formal employment in both developed and developing countries, as employers and states have created more flexible labour regimes. It is estimated that around two billion people worldwide, three in five workers, are part of the informal workforce.

Street vendors working in crowded public spaces faced a very high risk of contagion, as did waste pickers who handled material that may be contaminated. In the gig economy, drivers typically did not have the option to cancel trips if passengers were not wearing masks. Those precarious workers who did not continue working at higher risk to their health during the pandemic, were more likely than those formal

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employment to suffer a collapse in income. For some workers, the greater vulnerability was in part caused by their work in high-contact, urban services work most affected by containment measures. Evidence for the world's workforce shows that it has systematically been the poorest and lowest earning workers who were most likely to lose employment and income.

#### Mitigating the effects of the COVID lockdowns

The adverse shock of unemployment is long lasting and this 'COVID-19 cohort' of vulnerable groups of workers face a high risk of being severely penalised (or 'scarred') in their future earnings and work opportunities. This means that making labour markets more inclusive is a critical issue. Policy interventions ought to focus on protecting those in the many different kinds of informal and precarious work, while also enabling supported transitions to formal employment, and should strive for rights of workers, particularly minimum wage, sick leave, pension, unemployment benefits

#### Stimulating the economy and employment

COVID-19 affects both the demand and the supply sides of the labour market and has huge implications for full employment and decent work, pushing many families into poverty, and increasing existing inequalities. The COVID-19 crisis impacts on both the demand and the supply sides of the labour market, and it has major implications for the goal of ensuring full employment and decent work. In particular, the crisis is pushing many families into poverty and increasing existing inequalities.

#### Tackling the economic, employment and social consequences of this crisis

- Immediate stimulus packages are needed to strengthen the health sector while mitigating the impact on economies and labour markets through the provision of financial relief for enterprises (particularly micro- and small enterprises) and of income support for workers. The measures taken should include the provision of support for workers and enterprises in all the sectors affected so as to prevent further contractions in consumption and investment.
- Once the spread of the virus has been contained and normal activity slowly resumes, a demand-led employment strategy for a medium- to longer-term recovery of jobs and incomes will be required. This strategy should include promoting employment creation in strategic sectors; restoring a conducive business environment and reinvigorating productivity growth; diversifying the economy and encouraging structural transformation; and making best use of technological advances. The rate at which restrictions may be eased without endangering public health, along with the very real possibility of restrictions being reintroduced if the infection rate starts increasing again, is likely to lead to cautiousness in spending on the part of consumers and to low investment by firms.
- While households and the private sector are likely to continue to be cautious, governments can play a decisive role by boosting demand in the construction sector through infrastructure-based stimulus packages, as has been done after other crises in the past. From a recovery perspective, the construction sector has a number of key advantages: it is relatively labour-intensive; its activities can be targeted at geographical areas with particular economic problems; and, in most countries, this sector has a large share of local inputs. It is also able to absorb workers from other sectors relatively easily.

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All the countries are not equally prepared to meet the above-mentioned challenges. Suffering the impacts of lockdowns and lower global demand, developing economies are seeing their already limited fiscal space shrink further because of falling fiscal revenues and rising capital outflows. This results in higher borrowing costs and currency devaluations, undermining debt sustainability. Global support for national stimulus packages is necessary to save lives in these countries, bolster their economies and labour demand, safeguard enterprises, jobs and incomes, and protect workers in the workplace.

#### Fiscal and monetary policies must support employment and social protection

The timely and coordinated implementation of fiscal and monetary policies can save lives, prevent people from losing jobs and incomes and companies from suffering bankruptcy, and facilitate a sustainable recovery. Investing in public employment programmes can be an effective part of the crisis response in developing countries, especially if such programmes are adapted to mitigate the health risks associated with COVID-19 and deployed only when the public health situation allows. In the absence of a strong social protection system, these interventions can provide work and income for large numbers of unemployed and informal workers affected by the crisis, enabling them to remain economically active. Moreover, public employment programmes can address various multi-sectoral needs, such as care work, environmental restoration and community infrastructure.

The ongoing first wave of stimulus packages is not enough. Countries will need macroeconomic policies geared towards a medium-term recovery. Direct government intervention will be necessary after the most acute health emergency and containment phases are over. The effect of the crisis on commodity prices, capital flows and trade and supply chains will make it harder for many countries to recover better. Therefore, UN should frame policies for international financial support and coordinated fiscal and monetary policies. It will be essential to drive a global recovery that benefits the weakest as well as the strongest economies. Social expenditure has a larger positive multiplier effect on the economy than other measures and can help to promote social and political stability.

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