

UPSC 2021 Preparation

World Employment & Social Outlook - Trends 2020

The International Labour Organization (ILO) published its flagship report titled, 'World Employment and Social Outlook (WESO) – Trends 2020'. It is an annual report that summarizes the labour market performance around the world. It is useful for the [IAS Exam](#) aspirants to know about the key findings of this report as it will help them complement their UPSC Mains general studies preparation.

Focus of World Employment and Social Outlook Report

The report by the ILO focuses on the following:

1. To bring out a clear picture of global employment and social trends.
2. To measure the underperformance of the labour market using the unemployment rate.
3. To assess the full potential of the working-age population
4. To evaluate the participation of the labour market in the economic growth of the countries

What is the International Labour Organization?

It is a United Nations' agency that focuses upon setting labour standards, developing policies and devising programmes to promote decent work among genders.

It was established in 1919 and has 187 member states.

To read in detail about the [International Labour Organization for UPSC](#), candidates can check the linked article.

The four key messages that the report highlighted:

1. On the account of lower economic growth and lack of inclusive growth, lower-income countries face challenges to reduce poverty and working conditions.
2. Major gaps in access to work are highlighted with the rate of total labour underutilization.
3. Inadequacies in work quality especially in the informal sector.
4. Substantial inequalities prevail in access to work and work quality among workers based on their geographical locations, sex and age.

Also read | [Income Inequality in India](#)

World Employment and Social Outlook Trend 2020 – Facts

The WESO report mentions its findings in multiple aspects, a few of the important ones mentioned below:

1. **Rise in discontent with social, political, and economic situations** – 7 out of 11 subregions of the world saw an increase in the incidents of protests in 2019.
2. **Challenges to low-income countries;**
 - Gap between lower-income and middle-income countries has widened with a supporting fact that in 2018, the average [GDP](#) per capita across lower-income countries was 1700 US dollars.

- Also, the report mentioned that for the past 18 years, only 1.8 percent growth in average per capita has been witnessed in low income countries
3. **Way forward for low-income countries to boost their economic growth**
 - Structural transformation
 - Technological upgrade
 - Technological diversification
 4. **470 million people worldwide affected due to total labour underutilization:**
 - 188 million people were reported to be unemployed in 2019.
 - 165 million people who are employed stated a wish to work for more paid hours.
 - 120 million people were not classified as unemployed but are marginally attached to the labour market. (Such people are those who are not looking for a job while being available for work; or searching for a job but not getting one.)
 5. **Way forward to come out of labour underutilization:**
 - Comprehensive policies regarding labour reforms
 - Labour underutilization to be measured comprehensively along with the unemployment rate.
 6. **Shortage of jobs in the near future**
 - The global unemployment rate was reported to be 5.4 percent in 2019.
 - The report stated that the global unemployment rate will be near 5.4 percent only in 2020 and 2021 with no significant improvement.
 - Decline of the unemployment rate has come to a halt due to economic slowdown (especially in the manufacturing sector); technological changes (which lead to mass job losses).
 - High-income countries fare better than middle-income countries w.r.t unemployment
 7. **Paid job does not guarantee decent working conditions**
 - People who are employed in the informal sector are paid little with no access to social protection and rights at work
 - 2 billion people are informally employed and make 61 percent of the global workforce
 8. **Workers living under the poverty**
 - Over 630 million workers across the globe (19 percent of employed workers) are living in extreme or moderate poverty.
 - The target goal of [sustainable development goals \(SDGs\)](#) to eradicate poverty by 2030 is difficult to attain given workers' poor conditions.
 9. **Inequalities in the labour market**
 - Highest employment-population ratio is found in low-income countries.
 - Africa has the highest unemployment rate (12%)
 - The employment rate (59%) is higher in rural areas than in urban areas (56%); however, rural areas witness more time-related underemployment.
 - On the account of technological innovations, there seems to be the increase in rural-urban disparities.
 - Migration leads to disparities as the migrants don't seem to access similar rights as the original inhabitants of the area where they migrate to. Geographical disparities in labour markets lead to more migration and subsequent inequality rise.
 10. **Women and youth participation in the labour market**

- In 2019, women labour force participation remained 27 percentage points below the male participation rate. Women participation in the labour force stood at 47 percent in comparison to 74 percent participation rate of male participation.
- Gender stereotyping remains a prevalent issue for lesser female participation in the labour market.
- 22 percent of the people in the age brackets of 15-24 are not in employment worldwide.

India' Employment Status

As per the annual report 2019-20 of Ministry of Labour and Employment, a few important facts about the employment status of India are given below:

1. There are 149.9 million women workers in India (Rural Areas – 121.9 million; Urban Areas – 28 million.)
2. As per the survey report 2017-18 of [NSSO](#), overall Worker population Ratio for women in the age group 15 & above was 22% and it was 23.7% in rural areas as compared to 18.2% in urban areas based on usual status (Principal status+subsidiary status) basis.

According to the annual employment and unemployment survey report 2013-14:

1. The labour force participation rate in India stands at 52.5 percent.
2. The unemployment rate stands at 4.9 percent at All India Level. 49.5 percent of people are reported to be self-employed and 30.9 percent as casual labour.

Aspirants can read more about [unemployment in India](#) in the linked article.

‘World Employment and Social Outlook’ is one of the important [international organizations’ reports](#). Aspirants can use the findings of the report to support their answers in UPSC GS papers.

Related Links:

Living Planet Report	World Economic Outlook
Global Environment Outlook	Global Financial Stability Report
Global Wage Report	World Development Report
World Investment Report	Global Competitiveness Report
World Happiness Report	UPSC Calendar 2021