



World Employment and Social Outlook: Trends 2024

For Prelims: [International Labour Organisation's \(ILO\), Unemployment, Labor Market, G20 countries, Informal Work.](#)

For Mains: World Employment and Social Outlook: Trends 2024.

[Source: TH](#)

Why in News?

Recently, the [International Labour Organisation's \(ILO\)](#) has released the **World Employment and Social Outlook: Trends 2024** report, which highlighted that Global **Unemployment** rate is set to increase in 2024 and growing inequalities and stagnant productivity are causes for concern.

What are the Key Highlights of the Report?

- **Resilience Amid Deteriorating Economic Conditions:**
 - Despite deteriorating economic conditions, global labor markets have shown surprising resilience, with **improvements in both the unemployment rate and the jobs gap rate** (the number of persons without employment who are interested in finding a job).
- **Global Unemployment Trends:**
 - The global unemployment rate stood at 5.1% in 2023, a modest improvement from 2022.
 - However, the **report projects a worsening Labor Market outlook**, with an additional two million workers expected to be looking for jobs in 2024, raising the global unemployment rate to 5.2%.
- **Uneven Recovery:**
 - The recovery from the pandemic is uneven, **with new vulnerabilities and multiple crises** eroding prospects for greater social justice.
 - Differences **persist between higher and lower income countries**, both in terms of unemployment rates and jobs gap rates.
 - While the jobs gap rate in 2023 was 8.2% in high-income countries, it stood at 20.5% in the low-income group.
 - Similarly, while the 2023 unemployment rate persisted at 4.5% in high-income countries, it was 5.7% in low-income countries.
- **Income Inequality Widening:**
 - Income inequality has widened, and **Disposable Incomes have declined in the majority of G20 countries.**
 - **Disposable income** is net income. It's the **amount left over after taxes.**
 - The erosion of **real disposable income is seen as a negative factor** for aggregate demand and a more sustained economic recovery.
- **Working Poverty Persists:**
 - Despite quickly declining after 2020, the number of workers living in extreme poverty (earning less than **USD 2.15 per person per day in purchasing power parity terms**) grew by about 1 million in 2023.

- The number of workers living in moderate poverty (earning less than USD3.65 per day per person in PPP terms) increased by 8.4 million in 2023.
- Working poverty is **likely to persist as a challenge**.
- **Informal Work Rates Remain High:**
 - Rates of **Informal Work** are expected to remain static, accounting for around 58% of the global workforce in 2024.
- **Labor Market Imbalances:**
 - The return to pre-pandemic labor market participation rates has varied between different groups.
 - Women's participation has **bounced back quickly**, but a gender gap still persists, especially in emerging and developing nations.
 - Youth unemployment rates and the **NEET (Not in Employment, Education, or Training)** category remain high, posing challenges for long-term employment prospects.
- **Productivity Growth Slowed:**
 - After a brief post-pandemic boost, labor productivity has returned to the low **levels seen in the previous decade**.
 - Productivity growth has continued to slow despite technological advances and increased investment, with **barriers including skills shortages and the dominance of large digital monopolies**.
- **Outlook Uncertain and Structural Concerns:**
 - The imbalances observed **are not simply part of pandemic recovery** but may be structural. Workforce challenges pose a **threat to both individual livelihoods and businesses**.
 - Falling living standards, weak productivity, persistent inflation, and greater inequality **undermine efforts to achieve Social Justice** and sustainable recovery. The report emphasizes the need to address these challenges effectively and quickly.
- **Positive Real Wages:**
 - Real wages in **India and Turkey** are "positive" compared to other **G20 countries**, but the **available data refer to 2022 relative to 2021**. This implies that, despite global challenges, **wage increases in India have managed to outpace inflation**, contributing to an improvement in real wages.
 - The other G20 countries saw real wages fall; the declines were **particularly pronounced in Brazil (6.9%)**, Italy (5%) and Indonesia (3.5%).

What is the International Labour Organisation?

- **About:**
 - It was created in 1919, as part of the Treaty of Versailles that ended World War I, to reflect the belief that universal and lasting peace can be accomplished only if it is based on social justice.
 - It became a specialized agency of the **United Nations in 1946**.
 - It is a tripartite organization, the only one of its kind bringing together representatives of governments, employers and workers in its executive bodies.
- **Members:**
 - India is a founding member of the ILO with a total 187 member States.
 - In 2020 **India assumed the Chairmanship** of the Governing Body of ILO.
- **Headquarter:**
 - Geneva in Switzerland.
- **Awards:**
 - In 1969, ILO received the **Nobel Peace Prize** for improving fraternity and peace among nations, pursuing decent work and justice for workers, and providing technical assistance to other developing nations.

Q. International Labour Organization's Conventions 138 and 182 are related to (2018)

- (a) Child Labour
- (b) Adaptation of agricultural practices to global climate change
- (c) Regulation of food prices and food security
- (d) Gender parity at the workplace

Ans: (a)

PDF Reference URL: <https://www.drishtias.com/printpdf/world-employment-and-social-outlook-trends-2024>

