

Moving beyond the COVID-19 crisis to a better labour market that works for all

1. We¹ met in Paris on 7 June 2022 under the leadership of Ms. Thérèse Coffey, Secretary of State for Work and Pensions of the United Kingdom, as Chair of the Employment and Labour Ministerial Meeting. The Vice-Chairs were Mr. Tony Burke, Minister for Employment and Workplace Relations of Australia; Mr. Pierre-Yves Dermagne, Minister of Economy and Employment of Belgium; Mr. José Luis Escrivá, Minister of Inclusion, Social Security and Migration of Spain; Ms. Signe Riisalo, Minister of Social Protection of Estonia; and Ms. Luisa María Alcalde Luján, Minister of Labour and Social Welfare of Mexico. The International Labour Organization (ILO) participated, as well as representatives from Business at the OECD (BIAC) and the Trade Union Advisory Committee (TUAC).
2. We meet under grave circumstances. Russia's continued and unprovoked war on Ukraine represents a clear violation of international law and a serious threat to the rules-based international order. We condemn Russia's aggression against Ukraine in the strongest possible terms. We stand in solidarity with the people and the democratically elected government of Ukraine. We also recall the decision of the OECD Council of 8 March 2022 to immediately suspend the participation of the Russian Federation and Belarus in OECD bodies.
3. Millions of people, mostly women and children so far, have already fled Ukraine and sought refuge in Europe and OECD countries. We are committed to provide them support, including effective reception conditions according to their needs, help to integrate quickly in the labour market and access to relevant services, such as accommodation, education, health care and social services. Regardless of their prospects of return, it is vital that refugees, who are able and willing to work, quickly find their way in the labour market so that their skills and talents are recognised and rewarded. To this end, we encourage them to access available services for skills assessment, and language and other training options.
4. Following the COVID-19 crisis, Russia's war of aggression against Ukraine risks becoming another shock to our economies. Higher costs of energy and commodities, which are exacerbating existing inflationary pressures, are already affecting workers' real income. The situation may deteriorate further if this shock slows economic growth and increases unemployment. We stand ready to implement the lessons on strengthening resilience that we discussed today to address the labour market and social impact of the war, including through measures to mitigate the impact of higher energy and commodity prices on vulnerable groups.
5. As we continue to emerge from the COVID-19 crisis, and in light of the challenges arising from Russia's war of aggression against Ukraine, we will focus on rebuilding an inclusive labour market in our countries that offers more sustainable, rewarding and good quality job opportunities to all. We welcome the priority placed on employment, labour and social inclusion in the Ministerial Council Meeting that will be held on 9-10 June 2022. Building on the OECD Jobs Strategy and in alignment with the United Nations' 2030 Agenda for Sustainable Development, we commit to taking all relevant measures under our responsibility to ensure that the recovery leads to a durable increase in better-quality, safe and productive jobs, promotes social and environmental sustainability and entrepreneurship, and strengthens our labour markets' resilience against future shocks.

Bringing all on board

6. We will continue to reach out to people who were hit particularly hard by the crisis and risk being left behind in the recovery. We will make the most of our recovery plans to achieve this objective through well-targeted measures that provide active help for people to find good quality jobs and safeguard incomes, as employment growth picks up and we progress through the recovery phase.
7. Young people have been particularly affected by massive disruption in their education, as well as in their labour market entry, progression and career development, social lives and well-being. We are committed to building a better future for all young people, in particular those not in employment, education or training (NEET) and those in precarious jobs. In cooperation with our fellow Ministers, we will promote a whole-of-government approach to improving: outreach and integration of employment, educational and social services; apprenticeships and work-based learning opportunities; hiring and other employment incentives; and income support for young people where appropriate. We welcome the updated OECD Youth Action Plan and the upcoming adoption by the Council of the OECD Recommendation on Creating Better Opportunities for Young People.
8. Gender gaps in employment, pay and career progression remain unacceptably high. In most of our countries, women experienced disproportionate economic hardship in terms of job losses and reduced hours of paid work during the pandemic. Women are also overrepresented in frontline jobs, fighting the pandemic, while facing a greater burden in unpaid work. We commit to speeding up tangible progress towards gender equality in the labour market by: tackling gender gaps in pay (including through greater pay transparency), hiring and career progression; reinforcing efforts to eliminate gender-based discrimination; strengthening women's collective voice; fostering a healthy work-life balance for all; and providing accessible and affordable care systems.

¹ Ministers and Representatives of all OECD Members and the European Union, together with our counterparts from Brazil, Croatia and Romania.

9. We are also determined to ensure that the labour market recovery benefits all without any discrimination. In particular, we recognise the continued challenges faced by historically disadvantaged groups in our countries, including ethnic minorities; indigenous communities; migrants, refugees, and other displaced persons; lesbian, gay, bisexual, transgender, and intersex (LGBTI) people; older persons; and persons with disabilities.²

10. We will work with our social partners to make workplaces more inclusive, barrier-free and age-friendly. Giving people greater employment choices at all ages, investing in life-long learning and promoting good practice in managing age diversity in the workplace will improve well-being, company performance and the adequacy and sustainability of our pension systems.

11. We will address gaps in our social protection systems. The COVID-19 crisis has highlighted in particular the weakness of social protection coverage for workers in non-standard forms of employment and for the self-employed in some countries, and the need to ensure adequate social protection for all. We will work towards a more comprehensive coverage, as necessary, for workers in all forms of employment, as well as towards preventing the abusive use of some types of work arrangements to escape social security obligations, taking a gender-sensitive approach.

Promoting sustainability and resilience

12. Together with our fellow Ministers, we are committed to promote the creation of good quality jobs, with a specific focus on socially and environmentally sustainable activities and in sectors such as health, care and education. Improving pay and working conditions for workers in these sectors, often women, will make their careers more attractive and fulfilling for all. We will also seek to improve job quality in non-standard forms of employment, reduce employment discontinuity and income uncertainty, including through better regulatory protections, such as ensuring the correct classification of their employment status and supporting efforts for greater collective representation, as well as through greater access to training. We will also step up efforts to promote responsible business conduct in domestic and global supply chains also drawing from the OECD Guidelines for Multinational Enterprises.

13. Action is necessary to accelerate a just transition towards a low-carbon economy, enhance resilience to climate change and ensure energy security. We will work together with our fellow Ministers and the social partners to help firms and workers take advantage of opportunities in expanding green-economy sectors and for existing jobs in the transition to the green economy.

14. To help people transition to new jobs, we will strengthen the adaptability, accessibility and responsiveness of employment services, activation measures for jobseekers and support measures for companies. This will include greater and responsible use of digital tools for processing claims, registering vacancies, profiling, job matching and identifying training needs, as well as through more systematic evaluation of what works and what does not.

15. Transitioning to new jobs will also require a substantial investment in reskilling and upskilling. We are committed to promoting greater and more equal and effective access to training opportunities, while ensuring that training costs and the benefits of productivity gains are equitably shared among individuals, employers and governments. We will scale up lifelong training and career advice for all, in particular those with low skills, taking account of individual and local needs, including the skills needed for the green and digital transition. We will leverage new technologies to develop gender responsive and evidence-based policies to remove employment barriers, and reduce skill and labour bottlenecks.

Paving the way to the new workplace

16. In the face of the global trends driving changes in the world of work, some of which have been accelerated by the COVID-19 pandemic, we will continue to help individuals and organisations harness the benefits of these changes. At the same time, we stress the importance of people being protected from hazards in the workplace. We are committed to enhancing productivity and inclusion by accompanying the responsible, inclusive and broad-based adoption of human-centred and accessible digital technologies and ethical artificial intelligence (AI) at the workplace through the co-operation of the government, the social partners, and civil society. We believe that employee oriented, flexible working practices (including teleworking) can deliver benefits to both businesses and workers. But we need to ensure that labour rights and standards, including those to protect health and safety at work, are preserved and delivered, and that risks for job quality, workers' work-life balance and well-being are well-managed.

17. We will promote cooperative labour relations and aim to work closely with the social partners to identify the key opportunities and challenges of the new workplace and develop joint responses. We agree on the importance of fostering a continued and inclusive social dialogue, according to national practice, covering new forms of business and workers in non-standard forms of employment, including platform work. This should seek to: promote correct classification of employment status, labour rights, job quality and access to training; identify the most suitable policy packages; and encourage all stakeholders to contribute, to the extent possible, to their implementation.

² Hungary, Poland and Republic of Türkiye do not subscribe to the description of disadvantaged groups in Paragraph 9 and interpret the disadvantaged groups in line with their own national context.

Annex A. Orientations for Future Work

A.1. We³ invite the OECD Employment, Labour and Social Affairs Committee (ELSAC), in collaboration with other relevant OECD Committees, to continue its work in the following areas, subject to sufficient resources being available:

1. **Building back better:** Monitor and analyse labour market developments, trends and policy responses in the recovery phase. Provide guidance on the phasing out or transformation of the emergency measures implemented during the crisis with the view to stimulate job creation in sustainable and growing sectors, while continuing to support those most in need and hardest hit by the pandemic. Provide guidance on how existing labour market institutions, employment services and social protection systems must adapt to provide adequate and quality support for workers in non-standard forms of employment. Analyse characteristics, job quality and working conditions of 'essential workers' and identify policy approaches to make their careers more inclusive, attractive and valued by society. Pay particular attention to service sector jobs that rely on interpersonal contact and were hit hardest by the pandemic.
2. **A more diverse workplace:** Drawing on individual-level data, deepen the analysis of barriers to gender equality in the workplace, at home (including unpaid and underpaid domestic labour and care) and in the education and training system. Identify the levers to influence firms' practices and further reduce employment and wage gaps by gender in the workplace. Exploit new data sources such as big data and company-level data to monitor labour market discrimination in all its forms. Identify in close cooperation with the social partners effective strategies that promote a more diverse workforce, and notably support the integration of older workers, including through diversity management in workplaces.
3. **Proactive skills policies:** Update and expand methodologies to assess how skill demands are changing, also drawing from close to real time, granular data. Identify practices that facilitate worker mobility between firms and locations, including by: using proactive, rather than re-active, reskilling and upskilling policies; increasing digital and green skills; strengthening adult career guidance and the recognition of existing skills, including by considering the migrant perspective; and reducing barriers to training facing those most at risk of skill obsolescence and displacement.
4. **Investing in youth:** Implement the updated OECD Youth Action Plan to support countries with evidence-based advice on effective and inclusive policies, and guide countries in the implementation of the forthcoming Recommendation of the Council on Creating Better Opportunities for Young People.

A.2. We also invite the OECD Employment, Labour and Social Affairs Committee to consider developing new strands of work in the following areas, in collaboration with other relevant OECD Committees and subject to sufficient resources being available:

5. Strengthening productivity and improving living standards

- a. **Boosting productivity:** Identify key avenues for employment policy to strengthen productivity growth, including through reducing labour and skill mismatches; training policies; improving working conditions; improving workplace diversity, inclusion and accessibility; adoption of new technologies; regulatory reform; strengthening social dialogue and improving management practices.
- b. **Tackling labour market inequalities:** Analyse geo-spatial (including regional), sectoral and firm-level disparities to develop better policies and tackle systemic root causes of persistent disparities in labour market opportunities and outcomes, including identifying inequalities that trace to any form of systematic discrimination. Based on data availability, consider assessing ethno-racial disparities and discrimination.
- c. **Labour market concentration:** Investigate shifts in the market power of firms vs. workers in the changing world of work, assess their impact on investment, productivity, job quality, wage growth and in-work poverty. Analyse policy responses such as anti-trust legislation, access to and recognition of the right to collective bargaining and worker representation (e.g. for workers in non-standard jobs), wage floors or minimum income schemes, and evaluating the need for occupational licensing.

³ Ministers of all OECD Member countries and Representatives of the European Union.

6. Preparing for the future

- a. **Sustainability:** Assess the impact of the transition to a low-carbon and sustainable economy on the structure of labour markets (including changing sectoral and skill demands) and develop guidance on the related necessary adaptations; identify good practices in facilitating this transition and in particular in supporting workers' reallocation from resource intensive sectors towards more sustainable ones, including through adequately designed lifelong learning policies and income support for displaced workers. Analyse the role of the social partners and the function of collective bargaining in facilitating the transition to a low-carbon and sustainable economy.
- b. **Working better with new technologies:** Monitor and analyse emerging labour market issues driven by Artificial Intelligence, digitalisation, other technological changes and interconnected global value chains, including issues of the impact on job quality, fairness and inclusion, potential bias, accessibility and working conditions. Provide guidance on how to adapt occupational health and safety standards as technology evolves.
- c. **The new workplace:** Examine change in work organisation, in particular the relationship between decentralised work practices, working time flexibility (including teleworking) and productivity, job quality, occupational health and safety, workers' work-life balance and well-being, including their mental and physical health. Investigate the influence of the increased use of flexible working practices in the context of the COVID-19 pandemic on inequalities. Provide guidance on how policy can help making the increasing use of flexible and teleworking arrangements a win-win scenario for an increasing number of workers and sectors, building on international good practice.

A.3. In all of the areas referred to in this future work programme, we call upon the OECD Secretariat to provide detailed data and analysis to support countries in facilitating access and inclusion of all disadvantaged and vulnerable groups in our labour markets, while also recognising and addressing the unique barriers faced by persons with disabilities in entering and maintaining access to the labour market. We also continue to call upon the OECD Secretariat to support our implementation of evidence-based employment policies, including through guidance, technical support and evaluation.

A.4. Some of this work, including on tackling gender inequalities, would benefit from close collaboration and complementarities between the OECD and the ILO. We also ask relevant OECD bodies to collaborate closely. This should include ELSAC, the Economics Department, the Directorate for Education and Skills, the Directorate for Science, Technology and Innovation, the Centre for Entrepreneurship, SMEs, Regions and Cities, the Environment Directorate, the Centre for Skills and the Centre for Well-being, Inclusion, Sustainability and Equal Opportunity.

A.5. We look forward to reviewing progress on this work.