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## **7. 1.6 Billion Risk Losing Jobs: ILO**

**Prelims Syllabus:** International Organisations - ILO

**Mains Syllabus:** GS-II Important International institutions, agencies and fora- their structure, mandate.

### **Why in News?**

- Recently, the International Labour Organization (ILO) has warned that nearly half of the entire global workforce is in immediate danger of having their livelihoods destroyed by the coronavirus pandemic.

### **Highlights:**

- The global workforce is 3.3 billion people, of which more than two billion people work in the informal economy.
- Due to Covid-19 lockdown, three-quarters of workers (some 1.6 billion people) engaged in the informal economy have suffered massive damage to their capacity to earn a living.
- Hard-hit Sectors: The worst-affected sectors would be accommodation and food services, manufacturing, wholesale and retail trade, and real estate and business activities.
- Further, without alternative income, these workers and their families would have no means to survive.

### **What is Informal Sector?**

- The informal sector, also known as the unorganised sector, is the part of any economy that is neither taxed nor monitored by any form of government.
- The informal sector provides critical economic opportunities for the poor.
- The informal sector is largely characterized by skills gained outside of a formal education, easy entry, a lack of stable employer-employee relationships, and a small scale of operations. Unlike the formal economy, the informal sector's components are not included in GDP computations.

### **Measures suggested by ILO:**

- The ILO calls for urgent, targeted and flexible measures to support workers and businesses those in the informal economy and others who are Vulnerable.
- Measures for economic reactivation should follow a job-rich approach, backed by stronger employment policies and institutions, better-resourced and comprehensive social protection systems.

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- International coordination on stimulus packages and debt relief measures will also be critical to making recovery effective and sustainable.
  - International labour standards, which already enjoy tripartite consensus, can provide a framework.

### **International Labour Organization (ILO):**

- Established in 1919 by the Treaty of Versailles as an affiliated agency of the League of Nations.
- League of Nations was disbanded in 1946 and powers and functions of ILO transferred to United Nations. Became the first affiliated specialized agency of the United Nations in 1946.
- It is the only tripartite U.N. agency. It brings together governments, employers and workers of 187 member States, to set labour standards, develop policies and devise programmes promoting decent work for all women and men
- **Headquarters:** Geneva, Switzerland
- Received the Nobel Peace Prize in 1969.

