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*Building the future of work together*

## **The key policy priorities we need to pave the road to a sustainable recovery**

by Bettina Schaller

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**The impact of the Covid-19 pandemic presents the opportunity to reshape work, employability and labour market structures and create a better normal.** Many governments were quick to adopt measures to mitigate the immediate negative impacts of Covid-19 and to then work on other mechanisms to enable economic recovery. But governments can't do it alone.

**The involvement of the private sector is essential to deliver a swift recovery in both growth and employment. Businesses and governments each have strengths that should be leveraged in synergy.** At the World Employment Confederation, we are working closely with the International Organisation of Employers (IOE), which represents businesses and employers at global level. At this crucial time for labour markets, our two organisations have come together to outline recommendations for policymakers and social partners in driving a job rich, productive, sustainable and quality road to recovery post pandemic.

**By acknowledging key labour market drivers we can then take concrete and actionable policy options at all levels of labour market governance.** Some drivers - including the vulnerability of workers and employers in the informal economy and the polarisation of opportunity based on skills, gender, age etc - were already present before Covid hit. The pandemic has triggered a quantum leap in digital transformation and how work is organised – illustrated by the growth in remote work and online collaboration, new e-commerce trends and the automation of global supply chains. We must now leverage these opportunities to deliver jobs and drive business.

**Policy requirements for the new normal fall into three key categories: Firstly, working in the new normal.** Policymakers need to recognise the strong link between productive employment and decent work. Businesses need an enabling environment in order to grow - including public-private partnerships that allow governments and business to leverage their respective strengths. Governments must also focus on *promoting diverse forms of work* to enable labour market participation, inclusion and formalisation. New technologies allow people to work in different ways and we must ensure that

they can access decent, formal work with appropriate social and labour protections through the creation of regulatory frameworks that deliver quality, open-ended contracts, part-time and fixed-term work, agency work and self-employment.

**The rise of remote work that we experienced during the Covid-19 pandemic will not go away and we need this change to be reflected in a way that ensures decent and quality work.** *Designing/redesigning policies for remote working* must include: the continuation of physical workplaces; rebalancing working time frameworks, worker responsibility, employer supervision and output-based remuneration; opportunities for quality vocational training and lifelong learning; and involvement of social partners.


**Platform work, like any new way of arranging work, has great potential for formal, decent work.** We must be certain that it contributes to a quality labour market recovery by classifying worker status and services within national frameworks and redesigning national labour market institutions to include safety nets that accommodate a dynamic, digital economy.

**The second policy requirement relates to employability in the new normal and acknowledges that education is key for labour participation.** The education curricula must be aligned with the needs of the private sector to enable sustainable employability and bridge the skills gap. *Reskilling, upskilling and lifelong learning* are a joint investment and we must guard against people being marginalised by technological progress by creating agile training systems that respond to the changing needs of the world of work. *Portability is key* here and we need individual training accounts that make skills portable across jobs and sectors.

**Finally, we must consider the structure of the new normal. First and foremost, we need social innovation to make social protection systems more robust and promote formalisation.** To ensure that our safety nets are future proof they need to support a more diverse and agile workforce. *Effective activation and transition support* is also essential to help workers and business in dealing with the economic fallout of the pandemic, fight long-term unemployment and support disadvantaged groups. *Involvement of social partners* has proven successful for both the design and delivery of labour market policies.

**For the global economy to recover, business needs policies that are conducive to labour migration based on labour market needs: an efficient, up-to-date regulatory framework for cross-border skills mobility; clear and transparent migration procedures that integrate technology; and systematic dialogue between government and the private sector to ensure that policymakers understand and respond to changing business realities and needs.** *Digital infrastructure is fundamental to promoting new ways of working and entrepreneurship.* Governments need to work with business to create stable, reliable high-capacity internet connections everywhere – and ensure that digital skills are accessible for workers and business. And finally, businesses need governments to uphold the rule of law and proportional enforcement in order to ensure *a level playing field.*

**Together with the IOE, we hope that these recommendations will provide guidance to governments and social partners across the world to truly ‘build back better’ and ensure the ground level transformation of labour markets.** The private sector certainly stands ready to deliver on its potential to drive the recovery forward.

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