



## 1.6 Billion Risk Losing Jobs: ILO

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### Why in News

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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**.

### Key Points

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- **Informal workers at risk:** 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.
  - Further, without alternative income, these workers and their families would have no means to survive.
  - The global workforce is 3.3 billion people, of which more than two billion people work in the informal economy.
- **Hard-hit Sectors:** The worst-affected sectors would be **accommodation and food services, manufacturing, wholesale and retail trade, and real estate and business activities.**
- **Suggestions**
  - 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.
  - 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.

## Informal Sector

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- 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.
- The government of India has launched **Pradhan Mantri Shram Yogi Maandhan Yojana** as a social security for the unorganised workers.  
It is a voluntary and contributory pension scheme.

## 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.**
- **Headquarters:** Geneva, Switzerland
- Received the **Nobel Peace Prize** in 1969.
  - For improving peace among classes.
  - Pursuing decent work and justice for workers.
  - Providing technical assistance to other developing nations.
- The organization has **played a key role** in
  - Ensuring labour rights during the Great Depression of 1929.
  - Decolonization process.
  - The creation of Solidarność (trade union) in Poland.
  - The victory over apartheid in South Africa.
- 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.

**Source: TH**