



World Employment and Social Outlook: Trends 2025

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

For Mains: World Employment and Social Outlook: Trends 2025.

[Source: TH](#)

Why in News?

The [International Labour Organisation's \(ILO\)](#) has released its "World Employment and Social Outlook (WESO): Trends 2025" report, highlighting that the global unemployment rate remained at a historic low of 5% in 2024.

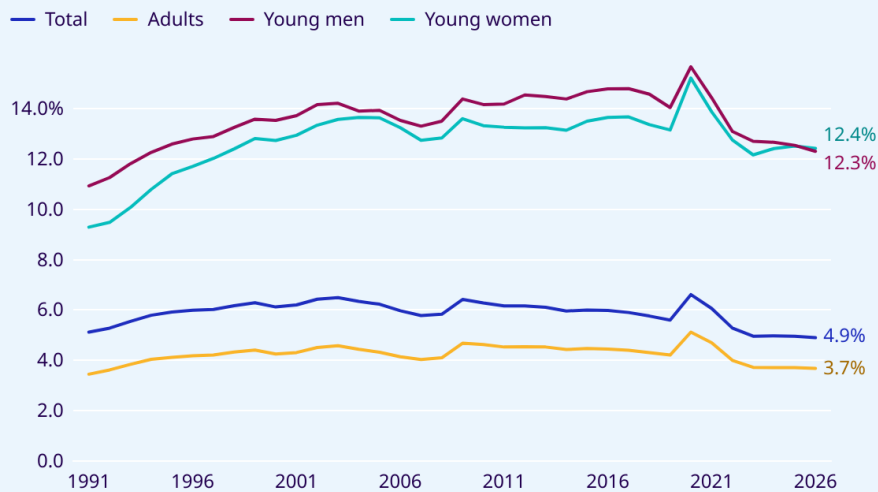
- The report points to ongoing challenges such as **slow economic recovery**, **geopolitical tensions**, [climate change](#), and **social uncertainties** affecting the labor market.

What are the Key Highlights of the WESO Trends 2025 Report?

- **Steady Global Unemployment:** The global unemployment rate held steady at 5% in 2024, with youth unemployment notably high at 12.6%.

► Global unemployment rates (%)

The global unemployment rate is the percentage of the labour force who is out of a job and actively seeking one

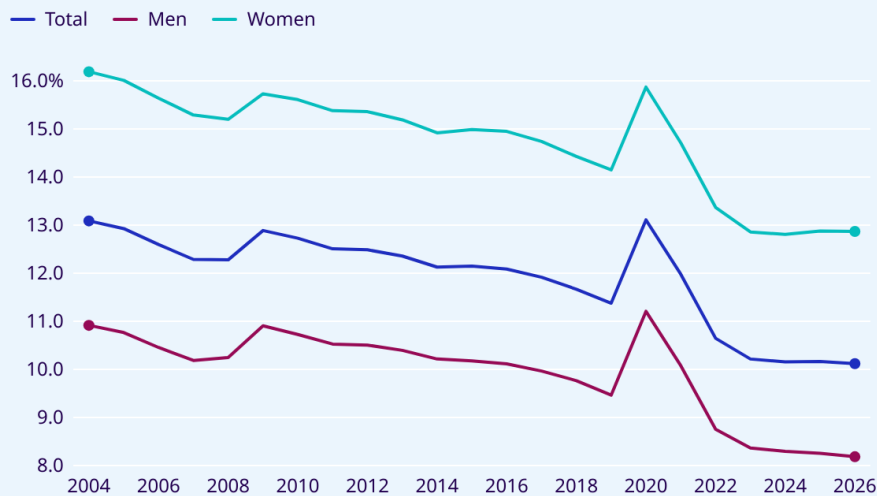


Source: ILOSTAT, ILO modelled estimates, November 2024.

- **Youth unemployment is highest in upper-middle-income countries at 16%, and lower in low-income countries at 8%**, often due to **underemployment** and informal work.
- This group faces significantly higher unemployment compared to adults.
- **Low-income countries (LIC)** face challenges in generating decent jobs, and informal employment has returned to pre-pandemic levels.
- **Regional Disparities in Employment:** In **Sub-Saharan Africa**, **employment growth** is largely in the **informal sector**, where workers lack stability and social protection, where around **62.6% of households live on less than USD 3.65 per day**.
 - Similarly, in other **developing countries**, while **employment is growing**, many **workers remain in vulnerable**, low-paying, and informal jobs.
- **Economic Growth Trends:** **Economic growth** for **2024** was recorded at **3.2%**, slightly down from **3.3% in 2023** and **3.6% in 2022**.
 - The report forecasts a **similar economic expansion in 2025**, followed by a gradual deceleration in the medium term.
- **Global Jobs Gap:** The **global jobs gap** (i.e. number of people who desire work but are unable to find it) stood at **402 million in 2024**.
 - This includes 186 million unemployed individuals, 137 million discouraged workers, and 79 million who are unable to seek employment due to caregiving responsibilities.
 - While the gap has narrowed since the **Covid-19 pandemic**, it is expected to stabilize in the coming years.

► Global jobs gap (%)

The global jobs gap is the percentage of total population who want to work but do not have a job



Source: ILOSTAT, ILO modelled estimates, November 2024.

- **Labour Force Participation:** Labour force participation has **increased in advanced economies**, particularly among **older workers and women** and it has **declined in low-income nations**, contributing to slower employment growth globally.
- **NEET Statistics:** In 2024, the global **NEET (Not in Education, Employment, or Training)** population reached **259.1 million**, with 85.8 million **young men (13.1%)** and 173.3 million **young women (28.2%)**.
 - **LICs saw a sharp rise**, with youth unemployment worsening. NEET rates among young men increased by 4% points above pre-pandemic levels.
- **Debt Distress:** **High interest rates and economic challenges** have resulted in **unsustainable public debt**, particularly in **developing countries**.
 - Around **70 nations are at risk of debt distress**, with many **spending more on servicing debt** than on essential services like health and education.
 - Example: **In Africa**, the **median public debt** stands at about **65% of Gross Domestic Product (GDP)**.
- **Stagnant Wages Amid Shifting Labor Dynamics:** Real wage growth remains **weak post-pandemic** due to **low employment growth** and a **shift in labor market power toward employers**.
- **Green Transition:** The **renewable energy sector** saw **global employment rise** from **13.7 million in 2022** to **16.2 million in 2023**, driven by **investments in solar and hydrogen energy**, but **benefits are unevenly distributed**, with **46% in China**.
 - The **digital sector offers job potential**, though many countries lack the necessary **infrastructure and skilled workforce** to capitalize on it.

What are the ILO Recommendations for Achieving Social Justice and SDGs by 2030?

- **Leverage Remittances:** ILO recommends that **LICs**, especially in Sub-Saharan Africa, should **channel remittances into productive investments** rather than consumption.
 - Governments can create mechanisms to **consolidate remittances into investment funds, boosting private sector growth** and **long-term development**.
- **Structural Transformation:** Countries should **address structural bottlenecks** by focusing on **modern services and manufacturing** to create quality jobs, **reducing regional disparities** through investments in **infrastructure, education, and skills training**.

- **Youth skill development:** Provide **quality education and training to youth**, ensuring that they are equipped with the skills necessary for participation in **modern labor markets** and to take advantage of emerging industries like **green energy** and **technology**.
- **International Collaboration:** Promote **global cooperation**, sustainable growth, and inclusive fiscal and monetary policies that benefit all workers.

UN SPECIALISED AGENCIES

Part III
 ILO, WHO
 and ITU

UNSA are 15 autonomous international organizations working with the UN

ILO

The only tripartite (govt., trade unions, employers) and the 1st affiliated UNSA

- Estd. - 1919 (Treaty of Versailles)
- Headquarters - Geneva, Switzerland
- Functions -
 - » Set labour standards
 - » Develop policies & programmes for promoting decent work for all
- Member States - 187 (India a founding member + permanent member of ILO Governing Body)

- International Labour Conference -
 - » Meets annually in Geneva
 - » aka International Parliament of Labour
- ILO Declaration on Fundamental Principles and Rights at Work 1998 (Principles) -
 - » Freedom of Association and The Right to collective bargaining
 - » Elimination of forced or compulsory labour
 - » Abolition of child labour
 - » Elimination of discrimination in respect of employment and occupation

WHO

WHO became functional on April 7, 1948 (now celebrated as World Health Day)

- Estd. - 1948
- Headquarters - Geneva, Switzerland
- Functions -
 - » Provides leadership on global health matters
 - » Shaping health research agenda
 - » Monitoring, assessing health trends
- Member States - 194 (incl. India)

WHO's regional office for SE Asia is located in New Delhi

- World Health Assembly - WHO's decision-making body, held yearly at Geneva
- Major Initiatives -
 - » UN Decade of Healthy Ageing (2021–2030)
 - » UN Decade of Action on Nutrition (2016-2025)
 - » GLASS Initiative (AMR)
 - » WHO 1+1 Initiative (2019) (TB)

ITU

- Estd. - 1865
- Headquarters - Geneva, Switzerland
- Functions -
 - » Facilitate intl. connectivity in communication networks
 - » Allocate global radio spectrum and satellite orbits

- Member States - 193 (India a regular member since 1952)
- Important Publication -
 - » Global Cybersecurity Index (GCI)

Drishti Mains Question:

How does the growth of informal employment impact stability and social security? Can the promotion of formalization and AI reskilling contribute to sustainable employment?

UPSC Civil Services Examination Previous Year Question (PYQ)

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 Refernece URL: <https://www.drishtias.com/printpdf/world-employment-and-social-outlook-trends-2025>

