Synthesis of Key Messages on Full Employment and Decent Work for All to support preparation for the Second World Summit for Social Development

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I. Introduction

Thirty years ago, the Copenhagen Declaration and Programme of Action of the World Summit for Social Development marked a paradigm shift in the international development agenda. At the Summit, Governments made a series of ambitious commitments aimed at putting people at the centre of development efforts. Chief among them were the three interlinked core pillars of poverty eradication, full and productive employment and decent work for all, and social integration. The Copenhagen Declaration embraced a broad and integrated vision of social development aimed at social justice, solidarity, harmony and equality within and among countries. Achieving its vision, now enshrined in the 2030 Agenda, requires actively reducing inequality, advancing social justice, strengthening solidarity, and upholding human rights and fundamental freedoms.² The United Nations Inter-Agency Task Force supporting preparations for the Second World Summit for Social Development has prepared three non-papers synthesizing key messages on the three pillars of social development and aligned with the "fields of action" identified in the co-facilitators' Food for Thought paper.3To ensure full coverage of issues and areas presented by the Food for Thought paper, a fourth related nonpaper, prepared by the summit secretariat, provides an overview of the mandates contained in the main outcome documents from selected United Nations summits and conferences, with respect to follow-up implementation, monitoring and review. These non-papers are meant to serve as a resource for Member States in their preparations for the Summit.

The Second World Summit for Social Development is an opportunity to take stock of the progress made since the 1995 Copenhagen Summit, address the structural impediments to social development, reaffirm the centrality of human and labour rights to social development, and advance the SDGs, while at the same time, taking account of the trends that will heavily affect social development in the years to come.

It is also an opportunity to promote employment, and decent work and labour inclusion as central components of crisis response, recovery, and peacebuilding and to integrate decent work principles across the humanitarian-development- peace nexus.

¹ Copenhagen Declaration, para. 29.

² Copenhagen Declaration, para. 5.

³ Consulting entities/offices at time of preparation: ECA, ECE, ECLAC, ESCAP, ESCWA, DESA, DGC, DCO, FAO, ILO, IMF, IOM, ITU, OHCHR, UN Women, UNDP, UNEP, UNESCO, UNFPA, UN Habitat, UNICEF, UNIDO, UNRISD, WBG, WHO, UN Youth Office, Office of the USG for Policy.

II. Progress and gaps: a snapshot⁴

Since the 1995 Copenhagen Summit progress has been made in advancing employment and decent work around the world, but gaps persist. In 2024, an estimated two billion people – 57.8% of the world's employed population - made their living in the informal economy, where workers often earn lower wages, lack social protection, and face greater exposure to occupational safety and health risks, including those related to climate change. The share of informal employment is much higher in low-income countries at 88.3% with regional disparities being stark. Informal employment accounts for over 85% of total employment in sub-Saharan Africa and 74% in South Asia, compared to below 25% in Europe and Central Asia. Rural populations are twice as likely to be in informal employment than those in urban areas. 244 million workers live in extreme poverty.

In 2023, women's global labour force participation at 48.7% remained significantly lower than the rate of 73% for men. The gap has fallen by only three percentage points since 1995. Data also point to pervasive labour market segregation, with deficits in women's access to decent work across multiple dimensions.

Forced labour remains a critical global issue. In 2022, an estimated 27.6 million people were trapped in forced labour. This includes 17.3 million individuals exploited in the private sector, 6.3 million victims of forced commercial sexual exploitation, and 3.9 million subjected to state imposed forced labour.

Child labour also remains a significant global challenge. An estimated 152 million children are currently at work, a clear violation of their rights. Among these, 72 million children are at grave risk as they are engaged in hazardous enterprises that endanger their health and well-being. Furthermore, over 75,000 children in situations of armed conflict serve as soldiers or in other exploitative roles.

Youth unemployment continues to be a major challenge. Currently, 20.4% of youth aged 15-24 years are classified as NEET (not in education, employment or training). Two-thirds of the 259 million NEET youth worldwide are young women. Despite efforts by governments and various stakeholders to support youth, NEET levels have remained between 20% to 23% for the past 10 years. Among employed young people, three quarters are engaged in informal work, and around 14% earn below US \$3.10 per day. There are also significant regional differences. Youth unemployment exceeds 25% in North Africa and the Arab States, while women's labour force participation remains substantially lower than men's across most developing regions – denoting the need for tailored regional strategies to address these imbalances.

Likewise, barriers persist for persons with disabilities in the labour market, especially women and youth with disabilities, who face multiple and overlapping forms of inequality and discrimination. Globally, only 27% of persons with disabilities are employed.

Workers worldwide suffer from financial insecurity: almost 60% of the world population is very worried about losing their job or about not finding a new job.⁵ Minimum wages have risen in many countries, but inflation has undercut these improvements. In addition, 266 million wage earners earn less than the minimum. Income security remains a problem with only 52.4% of

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⁴ Data used in this Synthesis draw from ILO sources unless otherwise specified.

⁵ See World Social Report 2025 (forthcoming).

the world's population effectively covered by at least one social protection cash benefit. Although this is up from 42.8% in 2015, today almost half of the world's population remains uncovered.

Importantly, technological innovations (digitalisation, A.I. etc.) are profoundly changing business models, redirecting supply chains, and recasting the nature of work, creating both new opportunities and risks for workers. Instruments on digital technologies have emerged such as UNESCO's Recommendation on the Ethics of AI, endorsed by 194 countries.

Likewise, environmental policies create opportunities for job creation in the green or blue economies, including in sustainable agriculture, but also pose new challenges to livelihoods, employment and decent work. In particular, the climate vulnerabilities of rural populations are insufficiently addressed in most national climate policies⁶.

III. Catalysing Change - Key action areas

• Promoting a whole-of-government and multistakeholder approach

The total number of jobs created in an economy, depends on the complex chain of productive interlinkages connecting different sectors. Leveraging these interlinkages requires a whole-of-government or intersectoral approach, grounded in an enabling fiscal environment, policy coherence and effective institutional capacities at all levels. Rising levels of debt and limited fiscal space constrain governments' investment in employment policies and social protection. Reforms of international development financing systems, as well as enhanced mobilisation of domestic and international resources are critical to overcome these challenges.

Supply chains can best fulfil their potential to drive development and prosperity, when there is coherence at the nexus of trade, investment, skills and decent work policies. Gender-responsive pro-employment macroeconomic policies also increase the potential of both social and economic returns. Economic diversification and a targeted sectoral approach can be highly effective in boosting decent job creation and reducing informal employment. Heightened coherence between employment policy and engagement with micro, small and medium enterprises – a major job provider worldwide - can help ensure productivity gains are translated into more and better jobs.

Initiatives such as the Global Accelerator on Jobs and Social Protection for Just Transitions provide a model for multi-stakeholder engagement designed to create a virtuous circle of mutually reinforcing economic and social returns.

Fostering full and productive employment, including through industrialization

The global employment situation calls for investing in sectors that maximize employment creation. According to UNIDO, every job in industry creates, on average, 2.2 jobs in other sectors, through linkages with manufacturing-related services and processing of agricultural products. Productivity in the industrial sector is also higher than in other sectors due to factors like the ability to leverage technology, economies of scale, and efficient production processes. On average, the industrial sector also facilitates a higher rate of formal employment in the economy and better paid jobs, provided they have a comparative advantage in these areas.

 6 FAO. 2024. The unjust climate – Measuring the impacts of climate change on rural poor, women and youth. Rome. $\underline{\text{https://doi.org/10.4060/cc9680en}}$ Likewise, agricultural policies to support productivity increase in a traditionally labour-intensive sector are more impactful when industrial policies are in place to channel productive resources to sectors with high productivity and strong linkages and/or multiplier effects in terms of employment creation.

• Creating just, inclusive and equitable transitions for all

- ➤ Promoting access to connectivity and energy for all countries and people to leverage the opportunities for social development offered by digital technologies: The impact of digital transformations on the world of work is still to be fully understood. ITU estimates that 2.6 billion people (32% of the world's population) remain offline in 2024, leaving them excluded from the opportunities and benefits offered by connectivity and digital technologies. Building on the Global Digital Compact, there is an opportunity to pool together the expertise of relevant stakeholders, to advance knowledge on the impact of robotics and AI on labour markets, including the differentiated impact on women and men.
- Taking action to address climate change and environmental degradation, intended as transition to a low-carbon, resource-efficient and sustainable economy to catalyse sustainable and resilient social development: Economic prosperity and employment depend in fundamental ways on a stable climate and healthy ecosystems. Recognising that rural communities, women and marginalised populations are particularly exposed to climate change, there is an urgent need to accelerate just transitions towards a low-carbon and resource efficient economy, by leveraging policy tools such as social protection, job creation and up/reskilling programmes and by engaging with affected populations. The role of development banks in aligning their climate finance projects with people-centred development initiatives is crucial and should be supported.
- Addressing shifting demographics, multiple planetary crises and the risk of future pandemics, taking into account the global and gender dynamics of care and support, the potential of the care economy, and the prevailing decent work deficits in this sector, including for migrant carers: The increased global need for care and support offers opportunities to create decent jobs for both men and women, advance labour inclusion and improve working conditions in a sector in which women are overrepresented. According to ILO and UN Women research, investment in the care economy has the potential to create 300 million jobs worldwide. At the same time, it is essential to recognize and value the contributions of older persons to the economy and labour market, including through policies that support active ageing and intergenerational solidarity.

• Investing in decent work

➤ People's participation and social dialogue: Enhancing inclusiveness, accountability and people's active, free and meaningful participation, helps to build trust in institutions. Civil society, employers' and workers' organisations, and human rights defenders play a critical role in social development. Social dialogue and collective bargaining between

⁷ UN Women and ILO (2021)." A guide to public investments in the care economy: Policy support tool for estimating care deficits, investment costs, and economic returns". Applied Policy Tool, New York-Geneva.

workers' and employers' organisations are an essential labour market governance mechanism.

- > Strengthening labour protection: Labour protection provides for human dignity at work, improves productivity and guarantees that workers have a safe and healthy work environment and a fair share of the wealth they help to generate. International labour standards are the foundation of contemporary labour protection systems. All workers should enjoy adequate protection, taking into account: (i) respect for their fundamental rights; (ii) an adequate minimum wage, statutory or negotiated; and (iii) maximum limits on working time. Realising the fundamental principles and rights at work is a commitment made by the international community in 1998, as a follow-up to the Copenhagen Summit and enshrined in SDG8. The five categories of the fundamental principles and rights at work are: (i) freedom of association and the effective recognition of the right to collective bargaining; (ii) the effective abolition of child labour; (iii) the elimination of all forms of forced or compulsory labour; (iv) the elimination of discrimination in respect of employment and occupation; and (v) the right to a safe and healthy working environment.
- > Strengthening the institutions of work: Effective and fair labour regulations and investment in robust, efficient and accountable labour market institutions, including wage-setting mechanisms, are vital to functioning labour markets. The employment relationship remains a critical means of providing certainty and legal protection to workers. There is a need to ensure that other forms of work arrangements, production and business models leverage opportunities for decent work and for social and economic progress.
- ➤ Addressing the root causes of informality and accelerating the transition from the informal to the formal economy: Successful policy drivers to formality include the creation of a supportive regulatory environment for the formalisation and growth of micro and small sized enterprises, the facilitation of access to credit, skills development including for women-owned businesses, targeted investments in rural infrastructure, and the extension of labour and social protection to unprotected workers, including rural workers. ILO Recommendation 204 (2015) provides useful guidance.
- ➤ Addressing gender gaps in employment: Closing gender gaps in labour force participation and wages is a commitment of the Copenhagen Summit which can be realised through the adoption of time-bound action plans aimed to improve women's employment situation and redress the multiple discriminations and structural barriers they face, including violence and harassment at the workplace, unequal unpaid care and support work, occupational segregation, and unequal access to resources and training opportunities. The provision of maternity protection, affordable care and support services, paid parental leave and flexible working arrangements have proven to be efficient tools to reduce gender gaps in employment. Successful policies and practices to narrow the gender pay gap often rely on equal pay for work of equal value and on pay transparency.
- ➤ **Reducing youth unemployment:** SDG targets 8.6 and 8.b offer a basis on which to build a verifiable global commitment toward young people, including those with disabilities. Targeted, holistic, integrated and gender responsive policies are needed to support the creation of decent job opportunities for youth and improve their employability, with a

particular focus on the school-to-work transition. Reducing the NEET rate to 10% and below, within a realistic context specific timeframe, would help limit the waste of human talent that youth unemployment represents.

- > Skills development and lifelong learning: Structural changes in the world of work call for a paradigm shift in the approach to skills development and for the creation of skills development systems that are dynamic, inclusive, and future-ready within a lifelong learning framework. Enhancing foundational and transversal skills, entrepreneurship skills, promoting digital and green skills and anticipating the skills that will be required in the future are all important priorities. Leveraging connectivity and digital technologies, and tools like Recognition of Prior Learning and further developing microcredentialing schemes could also represent viable opportunities to strengthen a lifelonglearning perspective. Collaboration is necessary between government and social partners, development partners, private actors, civil society, research institutions and education and training providers, to design and implement integrated national skills development strategies in line with SDG 4 that equip people of all ages with the skills and competences that individuals, evolving labour markets and societies demand. Skills development for women, young people, persons with disabilities and those from disadvantaged backgrounds, while at the same time responding to the ageing of the workforce are particularly important. Improving women and girls' access to science, technology, engineering and maths, as well as to vocational education and training, reduces gender gaps and helps increase female labour participation.
- ➤ Economic and financial security: In too many countries, minimum wage systems remain inadequate, placing great economic stress on low-income households. In 2024, under the auspices of the ILO, a global tripartite agreement between governments, workers' and employers' organisations was reached on living wage and on the principles for estimating and achieving it. Greater alignment among the different living wage initiatives taking place at the enterprise level would be desirable.
- ➤ Safe, regular and orderly migration: With 167.7 million migrants (61.3% male and 38.7% female) in the labour force in their destination countries in 2022, labour migration has a significant impact on the global economy, playing an essential role in both countries of destination and origin. Yet migrant workers earn nearly 13% less than local workers on average in high-income countries and the wage gap can be as high as 42% in some countries. Fair labour migration agendas rely on labour market dynamics and provide rights and protection, including access to health care and justice for migrant workers. Bilateral or multi-countries agreements on the portability of social protection benefits can be particularly relevant in regions with high labour mobility.

• Achieving universal social protection, including social protection floors⁸

Ensuring social protection to all people throughout the life cycle, is a right anchored in international human rights and in international labour standards, and a commitment of the 1995 Copenhagen Summit. As women have lower effective social protection coverage than men, gender-responsive approaches to extending coverage, adequacy and comprehensiveness of social protection systems are particularly useful. The momentum towards the goal of universal

⁸ In line with R202 - Social Protection Floors Recommendation, 2012 (No. 202), "social protection floors are nationally defined sets of basic social security guarantees which secure protection aimed at preventing or alleviating poverty, vulnerability and social exclusion."

social protection set out in SDG target 1.3 can be renewed by adopting a realistic target to extend social protection coverage by at least two percentage points per year. Aligning with this target in low- and middle-income countries would require an investment of US\$17.4 billion or 0.04% of their GDP per year. Between 2015 and 2023, 42 countries and territories, representing 51% of the global population, achieved an average growth rate in aggregate social protection coverage at or above 2 percentage points per year. With a combination of progressive taxation and social security contributions as well as supportive formalization and employment strategies, countries can progressively expand their fiscal space and ensure universal social protection coverage.⁹

• Tackling inequalities across all dimensions

Multidimensional inequalities have a negative impact on social and economic development, social stability and social peace. Distribution levers - such as employment creation, adequate wage policies and skills development - and redistribution levers, including social protection can be used to tackle income inequality in the world of work. The ILO's comprehensive and integrated strategy to prevent and reduce inequalities in the world of work provides useful guidance. Building on SDG 10, there would be scope for a global initiative aimed at reducing inequalities both between and among countries, with the participation of relevant institutions including UN organisations and international financial institutions.

• Engaging the private sector

By creating jobs, fostering innovation, and paying taxes and social contributions, the private sector's contribution to social development is vital. By upholding its responsibilities under the UN Guiding Principles on Business and Human Rights, the private sector further enhances its contribution. As main providers of jobs, micro, small and medium-sized enterprises (MSMEs) play a particularly important role in societies. But the majority of them operate in the informal economy. Creating a conducive business environment to support MSME productivity and enhance their capacity to create decent and productive work is critical to the advancement of social development objectives.

Ensuring a multistakeholder approach to follow-up

While governments hold the primary responsibility for the follow up to the Summit, collaborative muti-stakeholders initiatives such as the Global Coalition for Social Justice can make important contributions toward the realisation of the Summit's outcome.

Leveraging good practices and supporting capacity-development.

Documenting and scaling up good practices, along with strengthening institutional capacities, are essential for shaping effective strategies towards full and productive employment and decent work. National and international institutions can leverage UN system-supported learning and capacity-building hubs and institution-building initiatives to support capacity-development.

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⁹ See Synthesis Briefs on Poverty Eradication and Social Inclusion for additional and more detailed actionoriented recommendations.