



**G20 CHAIR'S SUMMARY
LABOUR AND EMPLOYMENT MINISTERS' MEETING 2022**

We, the Ministers of Labour and Employment of the G20 members and invited countries, met in Bali on 13-14 September 2022, to discuss recent global labour market challenges and developments, review the progress of our previous commitments, and further our work including through elaborating recommendations and action plans in the context of the pandemic to 'recover together, recover stronger.'

Part I

1. We are meeting against the backdrop of a fragile and uncertain recovery of the global labour market situation, amid the ongoing COVID-19 crisis and rising geopolitical tensions. The compounded effects of the pandemic and conflicts have affected the world of work, causing job losses, the inability to attain decent work for employees, and disruptions on the labour market.
2. We express deep concerns regarding the increased and ongoing conflicts in many parts of the world. Many members express their condemnations to Russia with regard to the war in Ukraine, while others view that Employment WG is not the proper forum to address geopolitical issues. We call for peace, cessation of hostilities and an end to war. We also emphasize the importance of peace as a prerequisite to building a more resilient and inclusive labour markets in a new world of work.

Part II

There is agreement on the following points:

1. We remain committed to a human-centred inclusive, fair, sustainable approach that leads to greater social justice, decent work and social protection for all and that aims to empower people to take advantage of new opportunities, including responding to ongoing and future challenges.
2. The COVID-19 crisis has accelerated changes and created new challenges in the world of work and in our societies. We recognize that the COVID-19 pandemic has exacerbated pre-existing inequalities in many countries and continues to disproportionately affect women, youth, older workers, persons with disabilities and migrant workers. It remains our utmost priority to mitigate its adverse impact on the labour market and reduce inequalities. We will continue to work to overcome these obstacles by enabling inclusive, sustainable, full and productive employment, and decent work for all, leaving no one behind.
3. To recover together, recover stronger, we will continue to build on the work of previous G20 presidencies and relevant international frameworks taking into account the current global context. To achieve our objectives, both nationally and globally, we commit to continue our previous work in pursuit of an inclusive labour market particularly in the

efforts to integrate persons with disabilities; to promote a sustainable development of human capacity including community-based vocational training; to promote job creation through entrepreneurship and micro, small, and medium enterprises; and to strengthen labour protection in the changing world of work. We remain committed to social dialogue to fulfil these objectives.

Accelerating and Monitoring of G20 Principles for the Labour Market Integration of Persons with Disabilities

4. Persons with disabilities face significant barriers compounded by the COVID-19 crisis to accessing and remaining in the labour market, including access to basic services such as employment support, education and training. We are committed to promoting inclusive, fair, and sustainable employment for persons with disabilities in line with the 2030 Agenda for Sustainable Development and the Convention on the Rights of Persons with Disabilities (CRPD), especially Article 27 on Work and Employment (United Nations, 2006).
5. We recognize that the ongoing digital and green transitions present new employment opportunities and challenges for the integration of persons with disabilities. We commit to equipping persons with disabilities with the necessary skills to seize the opportunities brought about by these transitions and new forms of work. We promote the involvement of social partners and organizations of persons with disabilities in digital and green initiatives.
6. We reiterate our commitment made in Argentina in 2018 to the G20 Principles for the Labour Market Integration of Persons with Disabilities, and we commit to accelerating the implementation of these principles. We therefore adopt the “Action Plan on Accelerating and Monitoring of the G20 Principles for the Labour Market Integration of Persons with Disabilities”.

Community-based vocational training for inclusive and sustainable growth anchored in the revised G20 Skills Strategy

7. We recognise that the megatrends affecting the world of work, such as demographic changes, digitalisation, and the green transition transform the effective delivery of education and training. Accordingly, we will adapt our approach to skills development, including through the updated G20 Skills Strategy.
8. We acknowledge that skills strategies must strengthen lifelong learning and address the challenges related to the changing world of work. We are also aware that skilling, reskilling and upskilling are the preconditions for an inclusive labour market and people’s access to decent work opportunities. Effective and accessible training schemes, enabling people to upskill and reskill all along their working lives should be developed. In this context, we have agreed on an updated and extended G20 Skills Strategy to guide these initiatives. This basic approach could be usefully complemented and strengthened by the participatory bottom-up approach of Community-Based Vocational Training (CBVT)¹ which enables people to respond to their most pressing needs and the needs of their local labour market. Therefore, we endorse the “G20 Policy Recommendations for Sustainable

¹ Community-Based Vocational Training (CBVT) is an inclusive model that addresses human capacity building at the local level and can ensure productivity and value addition at the local level, and strengthens the local economy. It encourages the participation of the community and rebuilds trust in institutions given its close proximity to the population, promotes local development and the social and solidarity economy given its decentralised feature, encourages local entrepreneurship to boost the local economy, involves non-government actors through local social dialogue, and assures that no one is left behind in the effort to recover together stronger.

Growth and Productivity in Human Capacity Development through Strengthening Community-Based Vocational Training (CBVT)".

Job creation through entrepreneurship and Micro, Small and Medium Enterprises (MSMEs)

9. We acknowledge that enterprises are under increasing pressure to be more competitive, productive, and create high quality jobs. We recognize the essential roles that micro, small and medium enterprises (MSMEs), play in the economy of all countries and their potential for employment creation.
10. MSMEs can be agile and adaptive to change, however, they have weaker resilience when exposed to major economic shocks. Their productivity is often hampered by their limited access to various financing, technology, and production factors; their limited management capabilities; and business continuity skills. We also acknowledge the challenges in ensuring that all MSMEs in the informal economy are covered by social protection, support and benefit mechanisms.
11. Building on the G20 Entrepreneurship Action Plan (Beijing, 2016), we endorse the "Policy Recommendation on Promoting Entrepreneurship and Supporting MSMEs as a Job Creation Instrument", aiming to support MSME productivity and quality working conditions through a comprehensive approach that leverages the main productivity drivers. We remain committed to promote formalisation of enterprises and to protect jobs and workers' rights.

Adapting Labour Protections to Increase Resilience for All Workers

12. The changing world of work includes the rise of automation and digital technologies, as well as the platform-based economy, which could create more employment opportunities. If the main challenges of workers of the platform economy are not dealt with properly, it could lead to questions about the status of employment of workers, which could put workers in a more vulnerable position than those with standard forms of work with established labour protection. Where this is the case, it is imperative that platform workers are correctly classified and adequately protected to ensure decent work.
13. Furthermore, we acknowledge that climate crisis is having a growing impact on the workers, exposing them to greater health and safety risks at work, requiring tailored responses according to the climates of different countries. We also recognize that there are many Occupational Safety and Health (OSH) related challenges involved in transforming the economy through resource-saving, climate-neutral processes. We are determined to continue our efforts to provide a more inclusive and comprehensive OSH policy in accordance with the "G20 Approaches on Safety and Health at Work (Catania, 2021). We strongly welcome the inclusion of a safe and healthy working environment in the ILO's framework of fundamental principles and rights at work, and we commend the work of the G20 OSH Network to share experiences on effective approaches to improved workers protection.
14. Following the rapid transformation of the world of work due to economic, social, and environmental changes and the COVID-19 pandemic, we acknowledge the need to build on the Policy Options for Adapting Social Protection to Reflect the Changing Patterns of Work (Riyadh, 2020) as well as on G20 Policy Principles to ensure access to adequate social protection for all in a changing world of work (Catania, 2021) through a focus on adapting labour protection for all workers and ensuring its adequacy.

15. We support the strengthening of existing forms of labour protection while also exploring and implementing new forms of protection and improving their application through effective compliance strategies which are supported by evidence that demonstrates further action is necessary. Social dialogue, including freedom of association and the recognition of the right to collective bargaining, is key to maintaining or encouraging peaceful and constructive workplace relations, promoting social justice, inclusive economic growth, improved working conditions, and sustainable enterprises. It also increases resilience to future crises. Therefore, it is essential to involve social partners in closing labour protection gaps to ensure that we recover stronger together in an inclusive, sustainable, and resilient manner.
16. We will accelerate our efforts to foster and adapt labour protection to provide effective protection for all workers. We endorse the “G20 Policy Principles on Adapting Labour Protection for More Effective Protection and Increased Resilience for All Workers”.

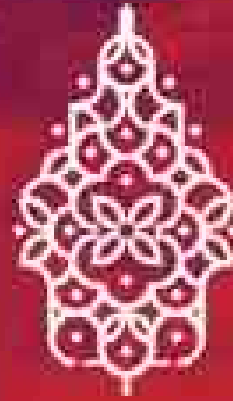
Way Forward

17. We thank the Entrepreneurship Research Centre on the G20 economies for its efforts to provide a Measurement Report on the Progress of the G20 Entrepreneurship Action Plan as the academic and information support for this year’s priority issue on entrepreneurship. We look forward to the G20 Entrepreneurship Roundtable in October 2022, which will play an important role to promote the implementation of this Ministerial Declaration as well as the development of entrepreneurship among members.
18. We remain committed to reaching the Brisbane target to reduce the gender gap in the labour market participation rate by 25% by 2025 and to reach the Antalya Youth Goal to reduce the share of young people who are most at risk of being permanently left behind in the labour market by 15% by 2025. In line with the Catania Labour Ministerial Declaration, we will reinforce our efforts to implement the G20 Roadmap towards and beyond the Brisbane Target, and also the G20 Youth Roadmap 2025, as we strive to improve the situation of women and youth in the labour market. We will continue to monitor progress towards these targets and the implementation of the roadmaps and call upon the ILO and the OECD to continue to report on our progress.
19. We will accelerate progress towards universal social protection for all by 2030. To that end, we welcome the UN Secretary-General initiative for a Global Accelerator on Jobs and Social Protection for a Just Transition, which aims to create 400 million decent jobs including in the green, digital, and care economies and to extend social protection coverage to the 4 billion people currently excluded. The initiative could make an important contribution to poverty reduction, decent work and achieving the SDGs.
20. We acknowledge that sustainable value chains are of paramount importance for achieving human rights, decent work for all and protecting the environment. We therefore stay committed and continue to work towards ensuring corporate due diligence including the elimination of child labour and forced labour along value chains.

Closing

21. The Ministers agreed on the following documents as attached:
 - i. Action Plan on Accelerating and Monitoring the G20 Principles for the Labour Market Integration of Persons with Disabilities;
 - ii. The G20 Policy Recommendations for Sustainable Growth and Productivity in Human Capacity Development through Strengthening Community-Based Vocational Training (CBVT);

- iii. Policy Recommendation on Promoting Entrepreneurship and Supporting MSMEs as a Job Creation Instrument;
 - iv. G20 Policy Principles on Adapting Labour Protection for More Effective Protection and Increased Resilience for All Workers; and
 - v. Update of the G20 Skills Strategy
22. We thank the ILO and the OECD for their valuable input to our work and take note of their reports. We also commend their work with UNESCO in the preparation of “the Updated G20 Skills Strategy.” We also value the input, experience, and expertise of the WBG, ADB, and IsDB we received during the Indonesian Presidency.
23. We appreciate the contributions to our work made by B20 and L20 and welcome the continued dialogue held with the engagement groups C20, W20, and Y20 and look forward to continuing this cooperation.
24. We will present the outcome documents to the 2022 G20 Leaders’ Summit for their consideration.
25. We thank the Indonesian Presidency for its dedication and leadership throughout 2022, and we look forward to the continuation of our effort towards improving employment in 2023 under the Presidency of the Republic of India and beyond.



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**Action Plan on Accelerating and Monitoring
the G20 Principles for the Labour Market
Integration of Persons with Disabilities**



Action Plan on Accelerating and Monitoring the G20 Principles for the Labour Market Integration of Persons with Disabilities

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Action Plan on Accelerating and Monitoring the G20 Principles for the Labour Market Integration of Persons with Disabilities

Persons with disabilities often face obstacles in accessing services in health, employment, education, and vocational training which put them at risk of being trapped in severe poverty and being excluded from socio-economic activities

The COVID-19 pandemic has deepened existing inequalities and increased the difficulties persons with disabilities are facing in finding new employment opportunities, and remaining in or returning to the labour market. Therefore, and bearing in mind the current economic situation, it is imperative that efforts to create and expand quality employment opportunities, including the plans to address the socio-economic impact of the pandemic, specifically focus on the needs of persons with disabilities, in particular youth and women with disabilities.

Persons with disabilities may have less access to social protection than persons without disabilities also because of a higher risk of working in low-paid, informal, and precarious jobs. They may also face difficulties in obtaining education and training without sufficient access to assistive devices. In addition, participation in online delivered education and training is particularly challenging due to often inaccessible platforms and materials.

The digital and green economies provide great opportunities for the employment of persons with disabilities if their access to the relevant skills and training is being ensured including access to assistive devices and if Government support to the initiatives in these areas promotes the inclusion of persons with disabilities. Therefore, the initiatives in these areas ensuring the access of persons with disabilities to skilling, upskilling, and reskilling opportunities must be supported.

Employment for persons with disabilities must be supported by the governments, non-governmental organisations, private sector, employers' organisations, and trade unions. Social dialogue and an innovative multi-stakeholder collaboration including organisations of persons with disabilities are keys to recover from the pandemic, face the current economic situation and increase inclusive work participation that would allow persons with disabilities access to the labour market.

A key to better policy for promoting labour market participation of persons with disabilities is the collection and analysis of disability disaggregated data. We see data collection on the labour market participation of persons with disabilities as an integral part of our action plan in pushing for progress towards the G20 Principles for the Labour Market Integration of Persons with Disabilities (Mendoza, 2018).

These principles focus on promoting employment in the public and private sectors according to national circumstances; ensuring the skills supplied match the needs of the labour market according to national circumstances; and developing inclusive legislation and social protection schemes. To push forward their implementation and monitor progress, we endorse an action plan to accelerate and monitor the G20 Principles for the Labour Market Integration of Persons with Disabilities . In this Action Plan, we consider to take the following steps in close cooperation with social partners to accelerate the implementation of the G20 Principles for the Labour Market Integration of Persons with Disabilities and to monitor progress, in line with national circumstances:



1. Accelerating the Participation of Persons with Disabilities in the labour market.

- Strengthen public employment services and other employment support measures to address the needs of persons with disabilities from an intersectional perspective, with special attention to youth and women with disabilities and those located in rural areas.
- Ensure the availability, and accessibility of high quality education and training programs for persons with disabilities to equip them with the skills they need to participate in an ever-changing labour market including for the digital and green economy.
- Encourage and support both the public and private sectors to recruit persons with disabilities by providing appropriate incentives, advice and technical assistance, including to guarantee equal treatment and tackle preconceptions, with a particular focus on small and medium enterprises.
- Promote entrepreneurship opportunities for persons with disabilities through accessible and inclusive training programs and business development services and incentives.
- Ensure the access of persons with disabilities to adequate and comprehensive social protection systems and public employment services that encourage and facilitate employment, allowing the compatibility between disability benefits and income from work and support 'return to work' programs for people who acquire a disability, including by engaging proactively in vocational rehabilitation.
- Promote effective anti-discrimination policies in the workplace, covering all stages of employment, including initial recruitment, career development opportunities, and employee retention.
- Encourage the public and private sectors to provide reasonable adjustments for persons with disabilities in the workplace in order to ensure that persons with disabilities have equal opportunities in employment.
- Develop, according to national circumstances, necessary legal and technical framework to support workers who have family members with disabilities to ensure a right balance between their care responsibilities and work and provide inclusive education and training opportunities for their family members to better equip them with skills.
- Incorporate specific employment support measures aimed at persons with disabilities in comprehensive care programs
- Ensure occupational safety and health policies are inclusive and tailored also on the needs of persons with disabilities.

2. Monitoring of G20 Principles for the Labour Market Integration of Persons with Disabilities

- Share voluntarily recent policy initiatives to implement the G20 Principles for the Labour Market Integration of Persons with Disabilities as part of the G20 annual Employment Plan Self-Reports.
- Subject to the availability of data, we agree on the following framework of indicators, covering the dimensions of employment, job quality, social protection, and skills, to measure progress with the implementation of the G20 Principles for the Labour Market Integration of Persons with Disabilities. We call on the ILO and OECD to report periodically on developments in the labour market situation of persons with disabilities based on these indicators, drawing on data provided voluntarily by G20 Members including by gender and taking into account national circumstances.

Table 1. Framework for suggested indicators to measure progress with the implementation of the G20 Principles for the Labour Market Integration of Persons with Disabilities¹

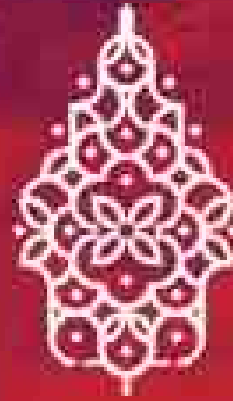
Domain and indicator	Definition
Employment (EM):	
EM1. Disability gap in employment rate	Difference in the employment rate between persons aged 15-64 without and with disabilities. The employment rate is defined as the percentage share of persons who are in employment.
EM2. Disability gap in unemployment rate	Difference in the unemployment rate between persons without and with disabilities
EM3. Disability gap in hiring rate	Difference in the hiring rate between persons aged without and with disabilities. The hiring rate is defined as the percentage share of all employed people with job tenure of less than one year.
Job quality (JQ):	
JQ1. Disability gap in earnings	Difference in mean (hourly or full-time equivalent) earnings between workers without and with disabilities as a percent of the value for workers without disabilities.
JQ2. Disability gap in low-pay	Difference in the percentage share in low-paid work between employees without and with disabilities. The share in low-paid work is defined as the share of employees earning less than 2/3 of median hourly earnings for all workers.
JQ3a. Disability gap in temporary work	Difference in the percentage share of employees without and with disabilities who are in temporary work. This indicator is more

¹ These are suggested indicators and each G20 member may adapt the indicators, including the use of alternative indicators, and their definition in accordance with their national data.

	suited to G20 economies with a small share of employees who are working informally but where fixed-term contractual work arrangements are prevalent.
JQ3b. Disability gap in informal work	Difference in the percentage share of employees without and with disabilities who are working informally. This indicator is more suited to G20 economies with a substantial share of workers who are working informally.
JQ4. Disability gap in managerial and leadership positions	Difference in the percentage share of workers in managerial and leadership positions (ISCO-08 group 1) between persons without and with disabilities.
Social protection and poverty (SP):	
SP1. Disability gap in receipt of social protection benefits broadly defined	Difference in the percentage share of non-employed persons aged 15-64 who receive an income replacement benefit (sickness/disability/work injury, unemployment, pension or social assistance) without and with disabilities.
SP2. Disability gap in receipt of social protection benefits narrowly defined	Share of non-employed persons with disabilities aged 15-64 who receive a health-related income replacement benefit (sickness, disability or work injury).
SP3. Disability gap in poverty rate	Difference in poverty rate between persons aged 15-64 without and with disabilities. The poverty rate is defined as the share of persons living in households with equalised income below 60% of the mean income of all households.
Skills (SK):	
SK1. Disability gap in low education	Difference in share with an educational attainment of ISCED-2 or lower between persons aged 25-64 without and with disabilities.
SK2. Disability gap in high education	Difference in share with an educational attainment of ISCED-5 or higher between persons aged 25-64 without and with disabilities.
SK3. Disability gap in youth not in employment, education or training (NEET) rate	Difference in NEET rate between persons aged 15-29 without and with disabilities. The NEET rate is defined as the share of persons aged 15-29 who are not in employment; education or training.

Notes:

- The monitoring of the implementation of persons with disabilities participation in the labour market will be conducted every 4 years by the ILO and the OECD based on countries' voluntarily presented data.
- The report would be presented to the G20 Employment Working Group.



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**The G20 Policy Recommendations for
Sustainable Growth and Productivity in
Human Capacity Development through
Strengthening Community-Based
Vocational Training (CBVT)**



**The G20 Policy
Recommendations for
Sustainable Growth and
Productivity in Human
Capacity Development
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2022

The G20 Policy Recommendations for Sustainable Growth and Productivity in Human Capacity Development through Strengthening Community-Based Vocational Training (CBVT)

G20 countries have implemented significant measures to reinforce the delivery of education and training opportunities for people of working age to minimise the negative impact COVID-19 has had on economic growth as well as to prepare them for the work of tomorrow. The pandemic also accelerated the widespread use of digital skills and new forms of work which could be seized as an opportunity in its aftermath.

We acknowledge the critical role of skills development in fostering a human-centred recovery that is inclusive, sustainable and resilient. In line with our previous commitments in Ankara 2015, Mendoza 2018 and Catania 2021, we reiterate our commitment to fostering lifelong learning¹. In addition, in light of the inequalities exacerbated by the pandemic, skills development urgently needs to become more accessible to traditionally under-served groups, such as persons with disabilities.

New approaches to skills development might strengthen and usefully complement our previous and current works², taking into account challenges such as demographic change, the digital transformation, and the green transition. This includes lifelong learning, which can be supported by a participatory approach of community-based training. Strengthening and transforming the trainings delivery is imperative since training is expected to improve the skills and productivity of the people of working age, to reduce job losses during a crisis, and to ensure individuals have the competencies to benefit from the new job opportunities arising in the labour market throughout the recovery and adopting re- and upskilling opportunities to changing needs is important.

Community-Based Vocational Training (CBVT) addresses human capacity building at the local level and opens up the opportunities for communities to organize, run and contribute to sustainable productivity improvements in local economies. CBVT is generally understood as decentralized training for work, focusing on community participation, self-advancement, and empowerment, on the inclusion of disadvantaged groups, and is particularly relevant in rural areas where there is little access to formal institutions. Beyond other policies on education and training that are being implemented by the G20 countries, and also dependent upon national circumstances, CBVT can serve as a training model to address human capacity building at the local level. It has key advantages that distinguish it from other training models. It emphasizes a bottom-up approach. CBVT encourages the participation of the community in several ways.

- First, CBVT ensures that the benefits are felt locally, and it encourages the creation of entrepreneurship and social solidarity enterprises, both of which directly strengthen the local economy.
- Second, CBVT provides for decentralized governance, giving local communities opportunity for choosing a training course to maximize local potential. In this context, CBVT can create training opportunities for sustainable jobs because of the bottom-up mechanism which informs the demand from the local industry to the training design.

¹ G20 Skills Strategy (Ankara, 2015); Policy principles for promoting labour formalization and decent work in the Future of Work and in the platform economy (Mendoza, 2018); G20 Roadmap Towards and Beyond the Brisbane Target: more, better and equally paid jobs for women (Catania, 2021).

² G20 Priorities on the Future of Work (Bad Neuenahr, 2017); Policy Principles for Promoting Labour formalization and decent work in the Future of Work and in the Platform Economy (Mendoza, 2018); Youth Roadmap 2025 (Riyadh, 2020); Update of the G20 Skills Strategy (Bali, 2022)



- Third, CBVT provides avenues for social mobility and for especially disadvantaged and rural communities to build professional identities.
- Fourth, the opportunities for civic participation in CBVT increases and promotes trust in institutions and communities, which is particularly valuable after a crisis.
- Fifth, individuals who live near CBVT providers can access the training in their neighbourhood.
- Sixth, CBVT helps ensure that no one left behind in the age of disruption and that communities can recover together to recover stronger.

Most G20 countries have implemented some form of CBVT model. While there is no one-size-fits-all model, we will strive to improve access to quality training at the local level. Therefore, we emphasize the local community-based aspect in delivering human capacity development to reduce skills gaps and provide more quality employment opportunities for all. This includes digital skills, where gaps among vulnerable and disadvantaged groups have become increasingly visible during the COVID-19 pandemic, and skills for green transition. Reflecting the previous policy priority (Melbourne, 2014)³, national economic growth does not necessarily translate into employment opportunities across regions. The contribution of skills development on the sub-national level may enhance employability and increase the overall growth of region. A local strategy can also encourage enhanced training system flexibility and governance to accommodate the needs of employers, individuals, and the local labour market (Beijing, 2016).

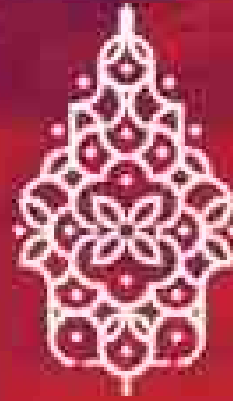
We acknowledge the importance of conducive environment to improve the quality of skills development in addition to the effort for providing labour market access, improving employability, and promoting decent work. Where appropriate, we will work with employers' organizations, trade unions and civil society to strengthen local social dialogue with the view to provide additional support for better access to skills development for targeted group.

In this context, we will make effort to prioritize the following recommendation to strengthen CBVT in line with national circumstances:

1. Work with partners to support communities to develop training opportunities tailored to the needs of vulnerable and disadvantaged groups, including low-skilled workers, people at risk of losing their job and workers at the end of their career, particularly in disadvantaged territories, including rural areas.
2. Promote the development of training curricula and methods that support lifelong learning which is affordable and sustainable and facilitates access to quality employment particularly for vulnerable and disadvantaged groups enabling them to make a viable living.

³ Annex B – Policy Priorities for Creating Better Jobs (Melbourne, 2014)

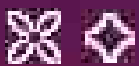
3. Take any feasible or appropriate measures for communities in response to megatrends and global issues affecting the world of work, to ensure communities have access to reskilling and upskilling programs to equip them for a changing world of work.
4. Adapt training delivery methods to accommodate inclusive training modalities for vulnerable and disadvantaged groups.
5. Promote flexible training frameworks that can address future challenges.
6. Support multi-actor partnerships and community collaboration to improve training quality, the recognition of skills and qualifications acquired through training, financial sustainability and capacity of CBVT providers.
7. Build on and strengthen partnership, participation, and multi-level social dialogue to effectively address community concerns and facilitate local economic empowerment.
8. Enhance local communities' capabilities to lead their CBVT initiatives and to create networks to respond to local needs and economic potential, and integrating socio-cultural and environmental concerns, where possible.
9. Improve integrated labour market information systems that link skills systems and governance to local demand to fill the gap between supply and demand of labour market across different levels of governance.
10. Facilitate collaboration and partnerships between communities for increased productivity and links to national markets and beyond.



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**Policy Recommendation on Promoting
Entrepreneurship and Support MSMEs as
Job Creation Instruments**



Policy Recommendation on Promoting Entrepreneurship and Support MSMEs as Job Creation Instruments

2022



Policy Recommendation on Promoting Entrepreneurship and Support MSMEs as Job Creation Instruments

High unemployment and the changing labour conditions due to the COVID-19 crisis made employment creation a major focus for a number of G20 member countries. G20 countries are starting to build a more inclusive and greener economy fit for the future, where everyone can fulfil their potential and gain the skills, training, and experience they need to access high-quality, secure, and sustainable jobs. However, some continue to struggle with limited fiscal capacity to encourage employment creation and absorb the unemployed and new participants into the labour market. In this respect, Entrepreneurship is an important source of job creation. In all countries, most enterprises are micro, small and medium-sized enterprises (MSMEs), and they play an important role in the economy. Over two-thirds of global employment is found in self-employment, and micro and small firms, where productivity gaps with larger enterprises are the widest and decent work deficits the most pronounced. In addition, eight out of ten economic units are informal; thus, jobs in these enterprises are generally informal and often have limited opportunities for decent work.

The COVID-19 crisis has had a disproportionately negative impact on MSMEs than large enterprises. Women or youth-led MSMEs have suffered often from the COVID-19 crisis, partly due to the sectors in which they mostly operate or lack of experience and resources. In addition, micro-and informal enterprises often need further support schemes from the government. MSMEs can be agile and adapt rapidly to change but tend to have weaker resilience than larger enterprises when exposed to deep economic shocks. This can be because of their more limited access to production factors due to financial constraints, poorer management skills, and lower economies of scale. Furthermore, they tend to be more vulnerable to unstable market conditions and uncertain business environments.

The constraints to sustainable growth and quality employment creation that entrepreneurs and MSMEs have faced during and in the aftermath of the COVID-19 crisis are substantive and inter-connected.

To promote entrepreneurship and MSMEs as job creation instruments, we agree to the following policy recommendations in coordination with other ministries and social partners, which can be adapted to our national circumstances with a focus on vulnerable groups and using a gender-responsive approach:

Support a conducive business environment and enterprise formalisation

1. Promote and support equitable, high quality, affordable and inclusive digital infrastructure to support MSMEs to help their business grow.
2. Simplify the business environment through integrated government business registration, permits and licensing services. Consider appropriate channels and messaging on these procedures to ensure that MSMEs from different sectors, locations, sizes, and ownership are aware of and can access required procedures and services.



3. Facilitate and encourage the formalization and growth of MSMEs by reviewing regulations and support programs, notably through simplified registration and legal statutes, incentives, awareness-raising, and direct support such as financial and technical support.

Promote entrepreneurship and entrepreneurial training

4. Develop a network of incubators, including community-based organisations and business development service providers, to support enterprise creation and strengthen existing MSMEs' entrepreneurial, management, networking, marketing capabilities, and innovation capacities.
5. Encourage greening efforts by entrepreneurs and MSMEs to adopt more environmentally sustainable production processes and create green jobs through information campaigns, training, and dedicated financing tools, including presenting a business case to small and micro enterprises.
6. Promote vocational training options that provide tools for quality entrepreneurship management, and technical assistance for the development, consolidation or formalisation of productive entrepreneurship.
7. Facilitate digital and other relevant skills development services for entrepreneurs and MSMEs and the overall digital transition through the deployment of lifelong learning programs.

Help entrepreneurs and MSMEs address challenges and sustain their development.

8. Engage government and closely involve the private sector and social partners to determine and address the root causes of low productivity and decent work deficits including a comprehensive ecosystem approach by coordinating interventions at the national, sectoral, and enterprise level.
9. Promote financial inclusion through a regulatory framework that allows fintech institutions to develop while ensuring financial consumer protection, speeding up business recovery, and alleviating liquidity problems of entrepreneurs and MSMEs.
10. Support financial technologies in simplifying MSMEs' business and managerial processes.
11. Promote the development of new and innovative approaches to support green entrepreneurship and MSMEs' green transitions.

Protect the rights and interests of entrepreneurs, MSMEs, and their employees



12. Promote and support gender-responsive and gender-transformative policies and programs to eliminate gender-based barriers limiting women's full participation in entrepreneurship.
13. Develop and strengthen initiatives to enable and encourage persons with disabilities and other vulnerable groups to be part of entrepreneurship promotion and MSMEs' development agendas.
14. Ensure the inclusion of MSMEs and entrepreneurs in social security programs.
15. Encourage job creation and inclusion in the labour market through incentive programs for MSMEs that promotes the hiring of young people, women, and persons with disabilities.
16. Protect the labour rights and working conditions of the employees of entrepreneurs and MSMEs in line with the ILO's framework of fundamental principles and rights at work.



G20
INDONESIA
2022

LABOUR AND
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MINISTERS'
MEETING

13 - 14 SEPTEMBER
2022



**G20 Policy Principles on Adapting Labour
Protection for More Effective Protection
and Increased Resilience for All Workers**



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G20 Policy Principles on Adapting Labour Protection for More Effective Protection and Increased Resilience for All Workers

The world of work faces a fundamental challenge: ensuring sustainable labour protection for all workers, especially during economic downturns. Labour protection, based on international labour standards and national laws, is the outcome of the interplay of policy measures on wages, working arrangements, including hours of work, ability to freely exercise the rights to freedom of association and collective bargaining, protection against discrimination in employment, occupational safety and health (OSH), parental rights at work, and employment protection. Adapting labour protection policies is important to protect workers from economic shocks, inadequate working conditions and to secure their rights at workplace, particularly in situations where workers have few outside options and little bargaining power. Adapting labour protection policies is important for reaffirming the ILO fundamental principles and rights at work, including freedom of association and the effective recognition of the right to collective bargaining.

There are three key determinants of labour protection: the coverage of labour protection measures, the level of protection, and the degree of compliance. “Coverage” refers to the extent to which national regulatory frameworks cover all targeted workers. The “level of protection” refers to how the law or other regulatory measures grant labour protection. “Compliance” refers to whether the laws, regulation, and guidelines are observed in practice. Compliance and enforcement strategies should be seen as an integral part of labour protection policies.

The COVID-19 crisis has accentuated the importance of having inclusive labour protection measures in place. Even before the pandemic, some workers in some regions already had inadequate labour protection to protect themselves from economic shocks. During the pandemic, despite the policies that were adopted to protect the business activities and protect wages and employment, many companies needed to cut their production volume or even shut down operations. As a result, many workers faced income and job losses, especially those in informal employment.

The digital economy changes the landscape of the labour market including through the rise of digital labour platforms and new work arrangements associated with it. In theory, platform workers have the freedom to choose the kind and the execution time of the work they want to do and when, although in practice the algorithm often leaves them with little autonomy, discretion and choice. The platform economy can also offer a smoother transition to workers if they were laid off from their previous job. However, platform workers may find themselves more vulnerable to precarious and lower paid work than dependent workers, because of lower and less fair access to decent working conditions and labour protection including social dialogue.

Policies to provide greater labour protection for platform workers should consider their situation: (i) some are misclassified as self-employed, or are falsely self-employed; (ii) some are correctly classified as self-employed or their status is difficult to determine, but in both cases, they may share some of the same characteristics and vulnerabilities as employees. Classification of employment status needs to be clear in a way to ensure that the rights of people working through digital platform are respected.

As G20 countries move to a green economy, we will need to understand the impact of a green transition on the labour protection of workers. The move to a green economy will present new occupational safety and health challenges with the impacts of climate change and the emergence of new industries such as the use of low-carbon hydrogen fuel.



Beyond the COVID-19 crisis, and particularly due to digital and green transitions, workers could face more frequent moves between jobs because they work in industries impacted by the three key drivers of structural change-digitalisation, decarbonisation, and demographic change. The rise of new forms of work has opened more opportunities but also raised concerns about an increase in precarious employment. In this context, in addition to social protection, labour protection measures also may need to adapt in a human-centred way to a changing world of work. Better access may also be needed for all workers to training, job placements and other measures to facilitate job mobility.

Therefore, based on our previous commitments we will, subject to national circumstances and in cooperation with social partners, consider the following policy principles for further action to ensure appropriate labour protections are adopted in response to ongoing changes in the world of work:

1. Support policies on labour protection and human-centred working arrangements through:

- Ensuring decent working conditions including but not limited to decent working time standards, rest periods, parental leave including shared parental leave, annual leave entitlements, anti-discrimination policies, employment protection and adequate social protection thereby contributing to the physical and mental health of workers.
- Ensuring gender equality and the absence of discrimination for any reason and the protection of the most vulnerable groups at work.
- Promoting fair payment, including for platform workers, to ensure decent level of social welfare and wellbeing.
- Responding promptly to economic downturns with a focus on minimising job and wage losses including through support mechanisms such as job retention schemes.
- Adjusting minimum wages, where applicable, on a regular basis, taking into account social and economic criteria, and in consultation with employers' and workers' organizations to protect workers from the risk of low-paid work.
- Enhancing the ability of the public and private employment services to promote better opportunities for training and job search and assistance to help unemployed people and those facing job loss to find good quality jobs and facilitate labour mobility.
- Promoting effective labour inspection systems to ensure compliance with the law, including through the use of digital technology.
- Promoting social dialogue mechanisms and access to fair and transparent dispute resolution mechanisms, especially for workers working in a non-standard form of work with limited access to these mechanisms.

- Protecting workers' rights to freedom of association and collective bargaining to improve conditions of work and increase workers resilience.

2. Strengthen the implementation of OSH rules and regulations

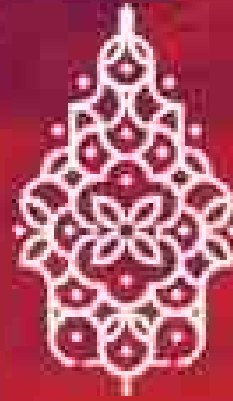
- Adapting OSH instruments as necessary to support addressing the challenges in the changing world of work.
- Ensuring the understanding of OSH laws and regulations and how they apply to the platform economy and their workers.
- Enhancing social dialogue and cooperation at the national, sectoral and enterprise levels for better tailored solutions to OSH challenges.
- Increasing collaboration between public health institutions and OSH authorities.
- Supporting OSH committee representatives with their duty to assess the changes that might affect the occupational safety and health within their work places, conduct regular preventive inspections and investigations into workplace accidents, injuries and illnesses, and participate in the development, implementation and monitoring of OSH programs, including for employees working in non-standard forms of work.

Further, we commit to strengthening of labour protection for platform workers based on the G20 Policy Options to enhance regulatory frameworks for remote working arrangements and work through digital platforms, which were adopted under the Italian G20 Presidency in 2021¹. Where appropriate, we will monitor regularly the impact of our measures to improve the quality of platform work.

Moreover, in order to better protect workers against the risks posed by the climate crisis, we commit to:

- Promoting inclusive and comprehensive OSH laws and regulations to support the transition to the green economy and ensure safe and healthy work in view of the consequences of the climate crisis.
- Promoting OSH solutions related to innovative new materials in green industries including hazardous substances.
- Promoting the need for workers to acquire new skills and understand OSH requirements for adapting to the climate crisis and shifting to the green economy.
- Adjusting social protection as necessary to better protect the workers affected by the transition to the green economy.
- Involving workers, businesses, and their respective organisations in planning and implementing the shift to the green economy.

¹ "G20 Policy Options to Enhance Regulatory Frameworks for Remote Working Arrangements and Work through Digital Platforms (Catania, 2021).



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Update of the G20 Skills Strategy



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Update of the G20 Skills Strategy

Skills are crucial for inclusive and sustainable development in the face of evolving challenges

1. Investing in skills is a key element of the G20 commitment to a human-centred recovery and sustainable development. The future growth, prosperity and resilience of G20 countries should be inclusive and sustainable. This will depend on populations that are equipped with relevant skills and attitudes for the future of work, including technical, cognitive, socio-emotional, green and citizenship skills, as well as enhanced agency and positive dispositions towards learning. Developing adequate skills and updating them over the life course benefits individuals, enterprises, economies and societies, particularly as they navigate the digital transformation and a just transition to an environmentally sustainable and inclusive economy and society.
2. Improvements in the relevance and quality of skills have supported economic prosperity and social cohesion across G20 countries in recent decades, and will underpin the recovery from the pandemic crisis, the digital and green transitions and sustainable development. Further improvements in skills, learners' agency, attitudes and participation could provide an additional boost to long-run growth in all G20 countries, resulting in substantial cumulative increases in living standards, and personal, social and environmental well-being. Skills are also crucial for promoting equal opportunities and gender equality, and for realising the benefits of population growth in some G20 countries, while mitigating the economic effects of population ageing or decline in others. Getting skills right is imperative to meet evolving skills needs and ensure well-being as climate crisis, digitalisation and globalisation re-shape societies, economies and labour markets.

Developing, using and governing skills effectively is critical

3. Realising the potential benefits of skills to support the ongoing recovery, digital and green transitions and sustainable development requires concerted efforts based on social dialogue to ensure that people of all ages and social groups can develop and upgrade their skills, and that all adults can utilise their skills effectively in the labour market and workplaces. Despite major progress in the past decades in improving access to, and the quality of lifelong learning, further efforts are required in all G20 economies to equip populations with a broad range of skills, from early childhood into adulthood, that are recognised and valued in the labour market and contribute to a just, fair and sustainable society. Central to these efforts will be seizing opportunities afforded by new technologies to personalise and adapt quality learning, career guidance and accreditation, and to give people greater ownership over what, how, where and when they learn over the course of their lives. In order to attain the full benefits offered by these new technologies, it is also essential to address the existing digital divide between and within countries. Moreover, it is also essential to ensure that skills are used effectively in labour markets and workplaces. This can be done by improving the link between skills supply and demand, supporting transitions from school to work, promoting participation in training and re-training of vulnerable and under-represented groups, improving the recognition, rewards and matching of skills, and encouraging adults and employers to invest in the acquisition of new skills. Achieving these goals requires effective and co-ordinated skills governance and financing arrangements that involve social partners and civil society, in particular youth representatives.



A set of actionable principles to develop, update, use and govern skills

4. Therefore, in light of evolving challenges and the imperative to strengthen our systems of lifelong learning and skills use, we have renewed and revised the G20 Skills Strategy, adopted in 2015 under the G20 Presidency of Türkiye, as set out below. Drawing on the background paper “Update of the G20 Skills Strategy” prepared by OECD, ILO and UNESCO, the purpose of the updated Strategy is to:

- Reaffirm the importance of a well-functioning and well-resourced system for developing, updating and using skills that is equitable and gender-responsive across the life course, as G20 Members harness the potential of the digital economy for all and transition towards a low-carbon future;
- Underscore the importance of policy coherence through a whole-of-government and whole-of-society approach; and
- Provide a basis for peer learning, partnerships and solidarity between G20 Members, as well as with other countries, with the support of multilateral organisations and fora.

The G20 Skills Strategy: Policy Principles

Reiterating and building on the principles in the 2015 G20 Skills Strategy, the updated G20 Skills Strategy proposes the following principles for countries which they would draw on as relevant to their national circumstances:

- A. Developing and renewing skills for inclusive and resilient labour markets, economies and societies
1. Remove barriers to accessing early childhood education and care, while strengthening its quality and enhancing its coverage.
 2. Provide targeted, gender-responsive support to low-performing students, students from disadvantaged backgrounds and students with special education needs and those at risk of falling behind.
 3. Equip young people with high levels of cognitive, socio-emotional and technical skills, for their full social inclusion and to meet the needs of the labour market.
 4. Develop young people’s digital skills and environmental literacy, to prepare them for a technology-based future and a just transition to an environmentally sustainable economy and society.
 5. Expand access to high-quality technical and vocational education and training (TVET) opportunities, including community-based TVET and apprenticeships, which respond effectively to the needs of the labour market and society, with the involvement of private sector especially MSMEs and social partners.

6. Provide all young adults, including those from vocational pathways, access to high-quality post-secondary (non-tertiary and tertiary) education and training.
7. Promote participation in adult education and training through appropriately funded and more flexible learning opportunities, including through public funding entitlements for learning such as individual learning accounts, where appropriate.
8. Provide high quality, lifelong, and timely career, learning information and guidance, enriched by the engagement of social partners, to youth and adults to support informed field of study and training choices across the life course.
9. Harness new technologies to personalise, adapt and recognise high-quality learning for all individuals across the life course, while supporting those lacking digital skills.

B. Using skills effectively to make the most of skills investments

10. Develop reliable skills assessment and anticipation systems with relevant stakeholders, which leverage technology and data analytics to generate evidence that feeds into skills policies.
11. Provide effective active labour market policies that address the needs of youth, jobseekers, workers and employers, including policies aiming at gender equality and disability inclusion.
12. Improve access to the recognition of prior learning as well as alternative credentials (including micro-credentials) to facilitate flexible and diverse learning pathways.
13. Support employers, especially MSMEs, to assess, recognise, develop and make better use of their employees' skills (including through high performance workplace practices).

C. Strengthening governance for future-ready skills systems

14. Enhance and promote a strategic, co-ordinated, multi-level and cross-sectoral approach to develop and use skills within and across countries, including through co-ordinating bodies at all appropriate levels (local, sub-national, national, regional and international).
15. Involve private sector employers, workers organisations and civil society representatives (including youth associations) in the governance of skills systems, for example to contribute to curricula, pedagogy, quality assurance and labour market information.
16. Agree through social dialogue on how to share the costs of developing the skills of adults among government, enterprises and individuals, with greater support given to low-skilled and/or low-income groups and MSMEs.
17. Monitor and evaluate funding levels, outcomes and impacts at all stages of learning, and for different groups, where feasible.



18. Develop country-level baseline gender-disaggregated data, where available, and report on progress related to key elements of countries' skills systems and SDG4 related skills targets, including skills development, skills use and skills governance, in order to generate lessons learnt that can inform the efforts of G20 member states.