



भारत 2023 INDIA

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G20 Labour & Employment Ministers' Meeting

Outcome Document and Chair's Summary

Indore, India

21 July 2023



G20 Labour and Employment Ministers' Meeting
Indore, India
21 July 2023
Outcome Document and Chair's Summary

The Outcome Document comprises the entire text, which was unanimously agreed to by all G20 delegations, except for paragraph 15, which pertains to the Chair's Summary.

Introduction

1. We, the Ministers of Labour and Employment of the G20 member and invited countries, met in Indore on 21 July 2023, to discuss labour market challenges and developments, review the progress on our previous commitments, and adopt policy recommendations on labour employment and social protection to ensure an inclusive, sustainable and resilient future of work.
2. We recognise that the ongoing impact of the COVID-19 pandemic, rising cost-of-living, debt distress and geopolitical crises are weighing heavily on labour markets and disproportionately affected members of our societies including women, youth, persons with disabilities and older workers, among others. In addition, long-term structural challenges, such as climate change, demographic transition, and technological progress are increasingly impacting labour markets around the world. It remains our utmost priority to seize opportunities and mitigate adverse impacts that they have on the labour markets to achieve inclusive, sustainable, full and productive employment and decent work for all as well as to reduce inequalities.
3. Building on the work of the previous G20 presidencies and on relevant international frameworks, we remain committed to promoting decent work and social justice, in line with the fundamental principles and rights at work. Accordingly, we will take action, in consultation with social partners, to promote sustainable, quality, healthy, safe and gainful employment. We will ensure access to adequate, comprehensive and inclusive social protection systems, including floors for all. We will ensure effective protection of workers' rights including freedom of association and collective bargaining. We will implement labour market policies for inclusive employment and decent work. We will address the challenges of structural transitions by boosting sustainable economic and productivity growth, particularly through addressing skill gaps by better utilising our population's capabilities, taking measures for social protection and decent work for gig and platform workers; and ensuring appropriate sustainable financing of social protection.

Addressing Global Skills Gaps

4. We recognise that the accelerated pace of digitalization, globalisation, climate change and demographic shifts have aggravated global skills gaps, which could contribute to an increase in barriers to labour market inclusion and underutilisation of people's talents, holding back economic growth and productivity. As set out in G20 policy



priorities on strategies to address skill gaps globally, we commit to addressing these gaps through a range of actions and monitor our efforts to this end.

5. We believe that in order to increase labour participation and tackle skills gaps, it is crucial that labour markets are based on decent jobs, fair wages, adequate working conditions, safety and health and equality and non-discrimination at work. For this reason, job security and continuous improvement of working conditions are key drivers for addressing global skill gaps.
6. We are committed to effectively addressing global skill gaps for sustainable and inclusive economic development. We ask G20 leaders to prioritise working towards narrowing skill gaps to fully develop and apply people's capabilities to promote inclusive and sustainable economic growth.
7. To inform our policies to achieve this objective, we will work towards improving the availability, granularity, timeliness, and international comparability of data on demand and supply with respect to skills, occupations and qualifications. This could require making efforts to further strengthen our national statistical data in line with international standards on labour statistics, complementing it with additional data sources such as big data. We will work towards extending the coverage of the ILO and OECD Skills for Jobs Databases to G20 countries and beyond, as appropriate, and adopt G20 policy priorities on strategies to address skill gaps globally.
8. We commit to consider the development of an international reference classification of occupations by skill and qualification requirements to facilitate cross-country comparability and mutual recognition of skills and qualifications. To this effect, we ask the ILO and OECD to study the feasibility of establishing this international reference classification by the end of 2026 and submit a progress update annually.

Adequate social protection and decent working conditions for workers in the gig and platform economy

9. Based on recent studies, research and discussions under previous presidencies, it is concerning that most gig and platform workers do not enjoy adequate social and labour protection. Thus, improving their social protection coverage is an important element of our commitment to accelerate progress towards access to adequate social protection for all by 2030. This includes, in particular, effective access to healthcare services and income security that can respond to lifecycle changes.
10. We recognise our shared responsibility alongside platform providers and together with social partners and other relevant stakeholders for ensuring adequate social protection, and decent working conditions for gig and platform workers. To this end, we agree to a set of policy priorities to provide adequate social protection and ensure decent work for gig and platform workers as outlined in G20 Policy Priorities on Adequate and Sustainable Social Protection and Decent Work for Gig and Platform Workers.
11. To support national measures to strengthen the social protection of gig and platform



workers and their implementation, we call on the ILO, ISSA and OECD to establish a mechanism to facilitate the Employment Working Group in collecting and sharing information on relevant and up-to-date policy, good practices, and administrative approaches undertaken in G20 countries and beyond.

Sustainable Financing of Adequate Social Protection for all

12. Social protection is an important element of national strategies to promote human development and strong, sustainable, balanced and inclusive growth. We recognise that ensuring sustainable financing of social protection systems while closing coverage and adequacy gaps is a key challenge for all G20 countries, particularly during the post-pandemic period. We acknowledge that the resources needed for achieving universal social protection vary across G20 countries and may require innovative financing models and mechanisms.
13. We acknowledge that there is no one-size-fits-all approach for extending fiscal space for social protection and that effective social dialogue is needed to articulate optimal national solutions for sustainable and equitable financing. We note the breadth of approaches to financing social protection adopted by G20 and other countries and encourage the adoption of effective, equitable and innovative solutions in extending coverage using a mix of social contributions and taxes and other alternative financing strategies. Guided by the provisions of the Social Security (Minimum Standards) Convention, 1952 (No 102), the ILO Social Protection Floors Recommendation, 2012 (No. 202) and ILO Transition from the Informal to the Formal Economy Recommendation, 2015 (No. 204), many G20 countries have extended social protection coverage to uncovered or inadequately covered groups such as domestic, rural, gig and platform workers and workers in the informal economy through contributory policies, budgetary resources or a mix of both. The extension of contributory coverage is an enabler to increase contributory revenues. Simplifying administrative procedures, strengthening contribution collection, and preventing fraud are also effective strategies by the G20 member countries to extend the fiscal space through contributory revenues and/or additional general-revenue funding.
14. Better coordination of social protection benefits, active labour market policies, flexible work arrangements that respect employees' work-life balance, affordable and quality childcare and long-term care services, and better safety and health at work have improved employment participation in our countries, especially for women, youth, older workers, persons with disabilities and other under-represented groups, and have contributed to the transition to formal employment while respecting workers' fundamental rights. Building on these efforts, we are committed to exploring various policy options listed in G20 Policy Options for Sustainable Financing of Social Protection, to finance social protection in our countries, which is based on principles of universality, non-discrimination, gender equality, adequacy, sustainability, solidarity, inclusivity and international cooperation.



Geopolitical Issue

15. The war in Ukraine has further adversely impacted the global economy. There was a discussion on the issue. We reiterated our national positions as expressed in other fora, including the UN Security Council and the UN General Assembly, which, in Resolution No. ES-11/1 dated 2 March 2022, as adopted by majority vote (141 votes for, 5 against, 35 abstentions, 12 absent) deplores in the strongest terms the aggression by the Russian Federation against Ukraine and demands its complete and unconditional withdrawal from the territory of Ukraine. Most members strongly condemned the war in Ukraine and stressed it is causing immense human suffering and exacerbating existing fragilities in the global economy – constraining growth, increasing inflation, disrupting supply chains, heightening energy and food insecurity, and elevating financial stability risks. There were other views and different assessments of the situation and sanctions. Recognizing that the G20 is not the forum to resolve security issues, we acknowledge that security issues can have significant consequences for the global economy.^{1,2,3}
16. It is essential to uphold international law and the multilateral system that safeguards peace and stability. This includes defending all the Purposes and Principles enshrined in the Charter of the United Nations and adhering to international humanitarian law, including the protection of civilians and infrastructure in armed conflicts. The use or threat of use of nuclear weapons is inadmissible. The peaceful resolution of conflicts, efforts to address crises, as well as diplomacy and dialogue, are vital. Today's era must not be of war.

Way Forward

17. We endorse the work done by the Employment Working Group and unanimously adopt the following Outcome Documents:
- G20 Policy Priorities on Strategies to Address Skill Gaps Globally
 - G20 Policy Priorities on Adequate and Sustainable Social Protection and Decent Work for Gig and Platform Workers
 - G20 Policy Options for Sustainable Financing of Social Protection
- The Outcome Documents adopted today shall be submitted for consideration by the Leaders to be annexed to the G20 Summit Declaration to be held in New Delhi on 9-10 September 2023.
18. We remain fully committed to the Brisbane Goal to reduce the gender gap in labour force participation by 25% by 2025 and enhance the participation of women in labour markets at all levels. We are also committed to achieving 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. Therefore, we underline the importance of skills development through, among others, the implementation of the updated G20

¹ Russia recognises the status of a document as a chair's summary only due to the inclusion of paragraph 15 and agrees with the rest of the text. It has expressed its distinct view on the situation in Ukraine, geopolitical tensions and sanctions during the meeting.

² China stated that the G20 LEMM is not the right forum to discuss geopolitical issue.

³ South Africa's position is premised on the fact that Sherpas have not concluded discussions on paragraph 15.



Skills Strategy 2022. We will step up our efforts to implement the G20 Roadmap towards and beyond the Brisbane Target and the G20 Youth Roadmap 2025, (Riyadh, 2020), as we strive to improve the labour market outcomes for women and youth. We acknowledge the reports of ILO and OECD on progress made on Brisbane and Antalya Goals.

19. We reaffirm the commitments and goals agreed under the previous presidencies, including the implementation of the Action Plan on Accelerating and Monitoring the G20 Principles for the Labour Market Integration of Persons with Disabilities (Bali 2022). We are committed to monitoring the progress towards achieving these goals and call upon the ILO and the OECD to continue to report on our progress in this regard.
20. We will continue to accelerate progress towards universal access to comprehensive and sustainable social protection in line with the 2030 Agenda for Sustainable Development and Sustainable Development Goal 01 (No Poverty) to end poverty in all its forms everywhere. In this regard, we welcome the Doha Programme of Action for the Least Developed Countries (LDCs) for the Decade 2022-2031, and we support the progress on the implementation of the UN Global Accelerator on Jobs and Social Protection for Just Transitions, starting in the identified pathfinder countries.
21. Acknowledging the outstanding importance of sustainable value chains for achieving human rights, decent work for all and protecting the environment, we will increase our efforts, including through technical cooperation, to advance corporate due diligence, including with respect to the elimination of child labour and forced labour along global value chains. To this end, we stand ready to engage constructively in discussions at the UN and the ILO to improve existing legal and policy approaches in line with fundamental principles and rights at work.
22. We recognise the work of the G20 OSH network and are determined to continue our efforts to provide more inclusive and comprehensive OSH policies and programmes in accordance with the “G20 Approaches on Safety and Health at Work (Catania, 2021) and the “Statement by the G20 OSH Network on promoting OSH as a fundamental principle and right at work (Bali, 2022).
23. We thank the Entrepreneurship Research Centre on G20 economies for its substantive work and support of implementation of the G20 Entrepreneurship Action Plan (Beijing, 2016). We look forward to the annual G20 Entrepreneurship Roundtable.
24. We recognise the work of the G20 Behavioural Insights Network and its ongoing efforts to leverage behavioural insights across key policy areas such as inclusion of diversity, including of women and youth, in employment to inform our broader efforts.
25. We thank the ILO, ISSA and OECD for their valuable inputs to our work and take note of the reports (Annexure), and the World Bank for their valuable inputs and expertise we received during Indian Presidency in 2023.



26. We stress the crucial role of social partners in our policies and the importance of their participation in the G20 process. We reiterate the importance of contributions from B20 and L20, in the context of the G20 and commit to foster a fruitful dialogue with them. We equally commit to continue our dialogue with the other engagement groups, namely C20, W20 and Y20. We note the important contribution of social partners and other engagement groups including those recognised internationally, to our work.
27. We value the contributions to our work made by L20 and B20 and reaffirm our continued commitment to promote social dialogue among governments, employers' organizations and trade unions in our countries and internationally to develop a shared agenda for economic recovery that benefits all and delivers decent work, prosperity and improved wellbeing for all our citizens.
28. We thank the Indian Presidency for its leadership throughout 2023 and we look forward to the continuation of our efforts to promote decent work and advance social justice in the ever-evolving world of work in 2024 under the Presidency of Brazil.



Annexure

List of reports prepared by International Organisations:

1. ILO and OECD: Global skills gap measurement and monitoring: Towards a collaborative framework.
2. ILO: Skills harmonization and partnerships.
3. ILO, ISSA and OECD: Providing adequate and sustainable social protection for workers in the gig and platform economy.
4. ILO, ISSA and OECD: Sustainable financing of social protection.
5. ILO and OECD: Youth at Work in the G20: Progress and policy action towards the Antalya Goal in 2022.
6. ILO and OECD: Women at Work in G20 countries: Progress and policy action in 2022.





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G20 Labour & Employment Ministers' Meeting

G20 Policy Priorities on Strategies to Address Skill Gaps Globally

Indore, India
21 July 2023



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G20 Policy Priorities on Strategies to Address Skill Gaps Globally

1. We acknowledge that accurate and comparable labour market information on demand and supply of skills and occupations using indicators and internationally referenced skills and qualifications frameworks among G20 countries could be effective for enhancing our efforts including through exchange of best practices and peer learning, to address skills gaps. The availability of such reliable information on existing and anticipated skill gaps and mismatches could aid us in the effective formulation of our respective skilling and life-long learning strategies to address these deficits. These measures hold potential to boost the global economy for inclusive and sustainable social development.
2. We also need (1) to be aware of the skill needs from a short, mid and a long-term perspective and (2) to provide support such as training leave and access to public employment services including career guidance. In doing so, we emphasize the importance of collaborating with social partners and all other relevant stakeholders.
3. We are committed to measure and monitor skills and job mismatches in a harmonised manner to enhance the comparability and mutual recognition of skill and qualification requirements in line with national priorities and circumstances. In particular, we will work to:

(I) Improve data collection and assessment of skill gaps in G20 countries

- (a) Make further efforts to close the data gaps for the set of indicators proposed in Table A below, while improving the availability, regularity, granularity (collection of disaggregated data), timeliness and quality of data collection and analysis at a national level, as well as sharing data with the ILO and OECD for comparability and dissemination.
- (b) Consult with our respective national statistical services, other concerned Ministries, social partners as appropriate, and national and international institutions, in order to collaborate with ILO and OECD, to promote the development and implementation of modules on skill mismatches for incorporation, according to national circumstances and regulations, into household, labour market or other surveys. These modules, designed, adapted and implemented in consideration of standardised definitions and guidelines developed by ILO, OECD, and other relevant institutions, in consultation with national statistical services of the countries, may be suitably adapted to national circumstances. This would serve to periodically collect and analyse internationally comparable data on the demand and supply of skills, including for constructing those indicators in Table B.



- (c) Ensure adequate national capacity, in collaboration with relevant stakeholders, for the assessment, identification and anticipation of occupational and skill needs, mismatches, and shortages, including through the usage of big data and leveraging advances in AI.
- (d) Share good policies and practices in promoting skill development by TVET and other relevant institutions, re-skilling and up-skilling policies, which are investments in human capital, and the development, utilisation, and portability of skills in a changing world of work, especially for people in vulnerable situations, including inter alia those amongst lower-skilled youth, older workers, women returning to or entering the workforce in particular after extended absence for caring responsibilities, and persons with disabilities.
- (e) Make efforts to extend the coverage and usage of the Skills for Jobs Database, developed by the OECD with the ILO, to G20 countries, as appropriate, as a key tool to assess skills gaps and mismatches.
- (f) In collaboration with the ILO and OECD, map national skill gaps in G20 countries, and continue the assessment of our progress in implementing the updated G20 Skill Strategy 2022 to address these gaps.
- (g) Develop responsive adult learning systems to tackle and prevent skill gaps in line with the G20 Skills Strategy 2022 and the ILO strategy on Skills and Lifelong Learning for 2022-30.

(II) Work towards developing an international reference classification of occupations by skill and qualification requirements

- (a) Work with ILO and OECD to consider the development of an international reference classification of occupations by skill and qualification requirements that could be mapped with our respective national skills classification systems or adapt to our own requirements to enhance the transparency, quality, comparability and recognition of skills and qualifications among G20 countries.
- (b) We call upon the ILO and OECD to consider the feasibility of developing the international reference classification to assess its technical, operational, and economic viability by 2026, and share the progress annually. The feasibility study would also include a pilot in identified key sectors among G20 countries.

Table A: Basic indicators for monitoring and measuring global skills gaps

Indicator	Definition/Formula	Implications on skills gaps
Employment-to-population ratio	Defined as the proportion of the working-age population (aged 15-64) employed.	Provides an indication of the proportion of the potential workforce using their skills at work.



Indicator	Definition/Formula	Implications on skills gaps
Employment (% change YoY)	Annual percentage change in total employment.	Positive (negative) growth signals increasing (decreasing) labour demand, which could give rise to skills shortages (surpluses).
Median hourly wage (% change YoY)	Annual percentage change in median hourly earnings. $\frac{\text{Median hourly wage}_{\text{Year } X} - \text{Median hourly wage}_{\text{Year } (X-1)}}{\text{Median hourly wage}_{\text{Year } (X-1)}} \times 100\%$	A positive (negative) change in median hourly earnings possibly reflects the relative difficulty (ease) of employers finding individuals with the right skills.
Average weekly hours worked (% change YoY)	Annual percentage change in average actual or usual weekly hours of work.	A positive (negative) change in average weekly hours worked rate possibly indicates that there exist skill shortages (surpluses).
Share of over/under-qualified among persons in employment	Employed persons who are overqualified (underqualified) are those whose qualification exceeds (is lower than) the qualification required for their occupation.	A higher (lower) share of individuals who are over/under-qualified reflects higher (lower) qualifications mismatch.
Unemployment rate for those previously employed	Unemployed persons who were previously employed (i.e., excluding first-time jobseekers) as a share of the total labour force.	High (low) unemployment rates signal skill surpluses (shortages).
Long-term unemployment rate and incidence	Persons unemployed for one year or longer, measured as a share of i) the total labour force and ii) total unemployment.	A large proportion of long-term unemployed in the labour force is likely to reflect structural skills mismatches.
Inactivity rate	Inactivity rate is the proportion of the working-age population that is not in the labour force.	Indicates the share of people who are outside of the labour market and not using their skills at work, which may partly reflect a mismatch of their skills with those required by employers.
Time-related	All persons in employment who, during a short	Provides an important



Indicator	Definition/Formula	Implications on skills gaps
underemployment rate among persons in employment	reference period, (a) wanted to work additional hours, (b) had worked less than a specified hours threshold (working time in all jobs), and (c) were available to work additional hours given an opportunity for more work. $\frac{\text{Number of persons in time-related underemployment}}{\text{Number of persons in employment}} \times 100\%$	aspect of labour and skills underutilization.
Share of youth not in employment, education or training (NEET)	The percentage of young people (aged 15-29) who are not employed and not involved in education or training.	A high (low) NEET rate among youth could indicate a surplus (shortage) of their skills relative to skill demands.
Composite rate of labour underutilization (LU4) and new composite rate of skills underutilization (SU)	LU4 is measured as the total number of people who are time-related underemployed, unemployed or in the potential labour force (not working but either seeking or available for work) relative to the total labour force plus the potential labour force. SU is the same as LU4 but includes in the numerator all persons who are overqualified. $LU4 = \frac{\text{Number in time-related underemployment} + \text{Number in unemployment} + \text{Number in potential labour force}}{\text{Number in labour force} + \text{Number in potential labour force}} \times 100\%$ $SU = \frac{\text{Number in time-related underemployment and overqualified} + \text{Number not in time-related underemployment and overqualified} + \text{Number in unemployment} + \text{Number in potential labour force}}{\text{Number in labour force} + \text{Number in potential labour force}} \times 100\%$	High composite rates of labour and skills underutilization signal labour surpluses.
Participation rate in adult education and training	Share of all adults (aged 25-64) who participated in education or training in the past 12 months, disaggregated by gender, education level (ISCED 0-2, 3-4, 5+) and age group (25-54, 55-64). $\frac{\text{Number of adults aged 25 - 64 that participated in education and training}}{\text{Total number of adults aged 25 - 64}} \times 100\%$	Higher participation in education and training should increase the share of adults with labour-market-relevant skills, which should, ceteris paribus, decrease skills mismatches.

Table B. Extended list of indicators for monitoring and measuring global skills gaps

A. Skills Gaps Surveys to be directly asked to individuals (Supply side)
1. Self-reported list of core skills ¹ lacking to perform at current job, or the job one aspires by status of



employment, sex, age, sector (ISIC Rev. 4 2-digit), occupation (ISCO-08 4 digit)
2. Self-reported list of technical skills lacking to perform at current job, or the job one aspires, by status of employment, sex, age, sector (ISIC Rev. 4 2-digit), occupation (ISCO-08 4 digit)
3. Degree ² of match between the level of qualifications held and the level required for the job by sex, age, sector (ISIC Rev. 4 2-digit), occupation (ISCO-08 4 digit)
4. Degree of match between the level of skills held and the level and frequency of the skill required for the job by sex, age, sector (ISIC Rev. 4 2-digit), occupation (ISCO-08 4 digit)
5. Degree of match between the field of study held and that required for the job by sex, age, sector (ISIC Rev. 4 2-digit), occupation (ISCO-08 4 digit)
6. Engagement in skills development (field and type of training/education), by sex, age, sector (ISIC Rev. 4 2-digit), occupation (ISCO-08 4 digit), level of education (ISCED 2011)
7. Types of skills not in use due to new technologies, work processes or products by sex, age, sector (ISIC Rev. 4 2-digit), occupation (ISCO-08 4 digit)
<u>B. Skills Gaps Surveys to be directly asked to establishments (Demand side)</u>
1. List of hard-to-fill occupations (ISCO-08 4-digit) due to lack of applicants with relevant skills and/or education and the number of vacancies available
2. List of hard-to-find core skills, by fresh graduate new entrants and overall workforce
3. List of hard-to-find technical skills, by fresh graduate new entrants and overall workforce
4. List of occupations recruited (ISCO-08 4-digit) and number recruited, within the reference period
5. List of occupations laid off (ISCO-08 4-digit) and number laid off, within the reference period
6. List of skill gaps (core and technical) among current employees
7. Plan to implement new technologies, processes, products or services, and their relevant hiring/firing plans within one year (Qualitative response)





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G20 Labour & Employment Ministers' Meeting

G20 Policy Priorities on Adequate and Sustainable Social Protection and Decent Work for Gig and Platform Workers

Indore, India

21 July 2023



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G20 Policy Priorities on Adequate and Sustainable Social Protection and Decent Work for Gig and Platform Workers

1. Platform and gig workers often face significant social protection gaps and inadequate access to labour rights in many countries, which were aggravated by the COVID-19 pandemic. We recognise that providing adequate and sustainable social protection for all, including platform and gig workers, is important to promote decent working conditions, eradicate poverty, reduce inequalities, ensure income security and access to health care services, as well as for efficiently functioning labour markets, fair competition, and provision of services of high quality. Social protection is one of the critical pillars of decent work in increasingly flexible labour markets.
2. We recognize that fostering adequate sustainable social protection and decent work for platform and gig workers is closely linked to broader issues related to the regulation of these forms of work. These include the appropriate classification of employment status, relevant employment protection, provisions that provide support to participate in labour market and adequate earnings. They may also pertain to occupational safety and health, ensuring the transparency, accountability, and fairness of algorithmic decisions, protection of workers' data and rights, respecting healthy work-life balance, hours of work, and access for social partners to gig and platform workers. In addition to these, they may also include the right to freedom of association and collective bargaining and social dialogue.
3. We renew our commitment to promote adequate and sustainable social protection for all workers in the gig and platform economy with inclusive and sustainable national social protection systems in consultation with social partners and other stakeholders. In doing so, we will continue to be responsive to the special needs of low wage earners and those in vulnerable situations and build effective institutional capacities that promote age and gender responsive and disability inclusive social protection systems.
4. Building on previous LEM declarations¹ as well as on relevant international labour standards, such as the ILO Social Protection Floors Recommendation No. 202 (2012), we agree on the following set of policy priorities, in order to provide effective access to adequate and sustainable social protection for platform and gig workers in all types of employment:
 - a) Increase efforts to secure the necessary legal certainty for workers and employers, ensuring the correct classification of employment status, and adequate social protection and decent work for workers in all types of employment including gig and platform workers.

¹ In particular the Policy Recommendations for Promoting More Equitable and Sustainable Social Protection Systems (China, 2016), G20 Priorities on the Future of Work (Germany, 2017), the Guidelines and Principles for developing comprehensive social protection strategies (Argentina, 2018), and the Policy Options for Adapting Social Protection to Reflect the Changing Patterns of Work (Kingdom of Saudi Arabia, 2020), the G20 Policy Principles to ensure access to adequate social protection for all in a changing world of work (Italy, 2021), the G20 Policy Options to enhance regulatory frameworks for remote working arrangements and work through digital platforms (Italy, 2021), and the G20 Policy Principles on Adapting Labour Protection for More Effective Protection and Increased Resilience for All Workers (Indonesia, 2021).



- b) Work towards providing effective access to social protection systems for gig and platform workers, particularly health care services and income security schemes, including in case of unemployment, maternity, employment injury, sickness, occupational diseases, old age, disability, loss of the income provider and for the maintenance and care of other persons, including children, particularly during global crises/crisis situations.
- c) Cover platform and gig workers with social protection frameworks to effectively protect their rights, considering the specificities of work undertaken through digital platforms, and the national contexts, and promoting inclusive solutions that avoid fragmentation of the social protection system.
- d) Promote developing and guaranteeing access to adequate levels of social protection to all including platform and gig workers through national social protection systems, including floors and work towards ensuring sustainable financing of such systems.
- e) Adopt, adapt and strengthen measures to bring all platform and gig workers under the umbrella of social protection systems as necessary. These could include facilitated registration and contribution payment mechanisms with adequate online tools for easy access; flexible contribution collection for workers working with or for multiple platforms; mechanisms for data sharing and enhanced dialogue between digital platforms and public authorities; public awareness campaigns; considering national and international portability mechanisms, and encouraging investment in the digital and technological capacities of implementing agencies of the respective countries.
- f) Promote, as appropriate, sharing of responsibilities of all parties involved including government, platforms and workers to ensure the equitable and sustainable financing of adequate social protection of gig and platform workers.
- g) Strengthen compliance by platforms with respect to their social protection obligations including their contributory obligations as per our respective legal frameworks, promote systematic interconnections between platforms' systems, registration and contribution collection mechanisms where relevant, and leveraging the digital nature of the platforms.
- h) Work towards promoting social protection across borders for online platform workers, including through bilateral or multilateral agreements, where appropriate. This may include determining and effectively enforcing applicable labour and social protection frameworks and developing new ones, especially with respect to financing responsibilities and arrangements, and considering the portability of social protection rights and benefits.
- i) Work towards fairness, transparency and oversight of algorithmic decision-making processes and adequate protection of workers' personal data and the right to privacy, as well as involving workers' representatives when appropriate.





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G20 Policy Options for Sustainable Financing of Social Protection

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G20 Policy Options for Sustainable Financing of Social Protection

1. Financing strategies, models, schemes, and policies for social protection differ significantly across G20 countries. International labour standards provide a rights-based framework for the design, implementation, and financing of social protection systems. The key principles of the ILO Social Security (Minimum Standards) Convention, 1952 (No. 102) and the ILO Social Protection Floors Recommendation, 2012 (No. 202) provide an effective basis for defining financing approaches and mechanisms. Timely, reliable and scalable access to social protection measures will improve people's capacity to deal with idiosyncratic and covariate shocks such as inability to afford essential medical care, pay for basic necessities when unemployed, and seek better employment opportunities.
2. We endorse a menu of policy options to enable our countries to explore and adopt various measures to develop sustainable financing of social protection as provided below, according to our national contexts, in our efforts towards progressive development of adequate and sustainable universal social protection. These options may be pursued in cooperation and coordination with other Ministries, where necessary. These options include:
 - a) Advocate for adequate levels of social spending during budget preparation in coordination with Ministries of Economy, Finance and Taxation and other concerned Ministries, institutions, and in consultation with social partners, by taking a holistic approach.
 - b) Rely on an adequate mix of contributory and non-contributory social protection measures for those who have limited contributory capacity, especially for traditionally under-represented groups and persons in vulnerable situations, while promoting inclusion in the labour market through providing opportunities for re-skilling and up-skilling. Such approaches should be complemented by social and labour market policies that increase employment opportunities in formal enterprises and promote formalisation of the economy. The ILO Transition from the Informal to the Formal Economy Recommendation, 2015 (No. 204) provides crucial guidance in this area.
 - c) Extend legal and effective coverage of social insurance schemes to uncovered workers and ensure effective collection of social insurance contributions. Make efforts to promote formalisation and to extend social insurance to workers by analysing their specific needs.
 - d) Promote the sustainability of contribution-based social protection systems including through additional general-revenue funding because (i) rights to contributory benefits may be accumulated even when not paying into the system, e.g. pension rights acquired during periods of unemployment or parental leave,



- (ii) claims may exceed contributions during extraordinary times (e.g. unemployment schemes in times of economic crises), and (iii), contribution bases of occupational schemes may shrink because of occupational shifts.
- e) Assess and strengthen the design of schemes, contributory capacities, collection systems, and enforcement mechanisms, while ensuring an appropriate distribution of responsibilities between governments, employers and workers as a key for enhancing sustainable financing of social protection. Simplify contribution assessment and payment processes. Adopt and strengthen measures to prevent and detect fraud and promote social protection awareness.
- f) Reinforce the links between social protection systems and other policies that support workers to enter in, remain in, progress at, or return to work by investing in such policies. These policies could include those related to active labour market participation, decent working conditions, occupational health and safety, long-term care, childcare and early years support, care services, and skills development.
- g) Support, where applicable, longer working lives based on workers' choice. Encourage older workers to continue working by providing easily accessible opportunities for lifelong learning, re-skilling and up-skilling. Incentivise and encourage employers to hire and retain older workers and improve health and skills of workers at all ages while ensuring decent working conditions for all workers.
- h) Accelerate progress in closing the gender gaps in the world of work by addressing underlying discriminatory social and gender norms and structural systemic barriers. Reducing gender inequalities, both in terms of the level of contributions and the entitlement to benefits by adopting gender-responsive budgeting and financing mechanisms. In this direction, promote measures, where applicable, that recognize unpaid care and domestic work, which is predominantly undertaken by women and girls, as contributory periods for counting towards social protection entitlements.
- i) Make efforts to promote social security, including parental leave, providing support for childcare and other fields of the care economy, including by facilitating access to related infrastructure and improving the working conditions in the care economy.
- j) Ensure good financial governance of social protection and its sustainability, through following measures:
- Promoting forecasting on social protection financing and optimizing the investment of social security funds where they exist.
 - Improving the efficiency and transparency of social protection financing across all levels of government by carrying out gender responsive, disability inclusive, and social inclusion public expenditure reviews, to assess the effectiveness of



resource allocation for social protection.

- iii. Avoiding fragmentation of social protection schemes by reducing administrative complexity and duplication of schemes. Simplifying access to helpdesks for increasing awareness about benefits and take-up of rights.
 - iv. Using digitalization to improve financial sustainability through enhanced administrative efficiency, while respecting principles of inclusion, privacy and accessibility, in particular, for women, youth, older workers, migrant workers, persons with disabilities, informal economy workers, and those working in new forms of work.
- k) In coordination with other concerned Ministries and institutions, improve the resilience of financing of social protection to shocks through appropriate shock response plans and risk financing instruments.
 - l) Foster an inclusive social dialogue among government, employers' and workers' organizations, and engagement with civil society; and relevant international organizations to consider policies and build systems for extending coverage and closing financing gaps.
 - m) Complement social protection floors by ensuring higher levels of contributory social security based on solidarity in financing and a fair division of contributions between employers and workers, and allowing for the existence of additional complementary pillars, including voluntary contributory schemes, in line with international labour standards.
 - n) Promote data collection on social protection to increase the amount of information available on social protection expenditures, including the level of data disaggregation required, for example, by function, gender and respective sources of revenues of contributory and non-contributory schemes.
 - o) Enhance International co-operation in coordination with other relevant ministries and institutions to:
 - i. Strengthen the coordination of international policy advice on social protection financing and portability of social security benefits through bilateral and multi-lateral agreements.
 - ii. Strengthen social protection in developing countries and least developed countries including by promoting implementation of the UN Global Accelerator on Jobs and Social Protection for Just Transitions.

