
Coronavirus cost global economy 400 MILLION full-time jobs – UN labor agency

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Global working hours are expected to have plummeted by 14 percent in the second quarter of 2020 as a result of the Covid-19 pandemic, according to the International Labour Organization (ILO).

The fall is the equivalent to 400 million full-time job losses globally in the second quarter, based on a standard 48-hour working week. The ILO previously projected a 10.7 percent fall in working hours, or 305 million job losses, for the period.

According to the report, the Americas were the most affected region, with an estimated 18.3 percent drop in working hours, or 70 million full-time jobs.

The report said there were multiple factors causing this global decline such as, shorter working hours, temporary leave — or furlough — as well as unemployment and *“inactivity.”*

The United Nations’ labor agency, the ILO, has outlined three different scenarios for a labor market recovery in the second half of 2020.

In its baseline model the ILO projected a 4.9 percent decline in working hours, or 140 million job losses, compared to the fourth quarter of 2019. The scenario assumed a rebound in economic activity according to existing forecasts, the lifting of workplace lockdown restrictions, in addition to a recovery in consumption and investment.

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A pessimistic scenario would see an estimated 11.9 percent fall in working hours, or 340 million job losses. That is based on an assumed second wave of coronavirus cases, prompting the return of lockdown restrictions, therefore meaning a *“significantly slow recovery.”*

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The optimistic model would work out at an estimated 1.2 percent decrease in working hours, or 34 million job cuts. Such a best-case scenario would be the result of workers' activities resuming quickly, *"significantly boosting aggregate demand and job creation."*

The director-general of the ILO Guy Ryder said *"The decisions we adopt now will echo in the years to come and beyond 2030,"* adding that *"we need to redouble our efforts if we want to come out of this crisis in a better shape than when it started."*
