



Global economy

World jobs boom halted by Ukraine war and recession risk, says ILO

UN body says economic and political crises threaten rise in jobs and hours worked after Covid pandemic

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The economic impact of the **Ukraine** war and growing risk of a global recession have sent the post-pandemic worldwide jobs boom into reverse, according to recent research.

The International Labour Organization, which is affiliated to the United Nations, said the decline in the demand for workers over the past three months came after a rise in **jobs and hours worked in the developed and developing** world in the wake of the Covid-19 pandemic.

The Geneva-based organisation said its **quarterly Monitor on the World of Work** found that “multiple and overlapping economic and political crises are threatening labour market recovery worldwide”.

It said that much of the increase in hours and jobs in the developing world over the past year was in the self-employed sector and the recent decline would leave many countries with a higher proportion of insecure jobs than before the pandemic.

The ILO director-general, Gilbert Houngbo, said a deteriorating economic situation was being compounded by the Ukraine war and deeply affecting the world of work.

He said the effects were being felt through food and energy inflation, declining real wages and growing inequality. He added that developing world countries had fewer policy levers to improve the situation, especially when so many were burdened with debts.

He said a slowdown in economic growth and business activity will also reduce the demand for workers “as uncertainty and worsening expectations affect hiring”.

He said: “We need the implementation of a broad set of policy tools, including interventions in the prices of public goods; the rechanneling of windfall profits; strengthening income security through social protection; increasing income support; and targeted measures to assist the most vulnerable people and enterprises.”

At the beginning of 2022 the number of global hours worked was recovering strongly, the ILO said, notably in higher-skilled occupations and among women.

However, this was driven by an increase in informal jobs, jeopardising a 15-year trend towards workers securing more formal contracts for their labour.

In the third quarter of 2022 ILO estimates show the level of hours worked was

1.5% below pre-pandemic levels, amounting to a deficit of 40m full-time jobs.

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Houngbo said Ukraine's previously strong record of employment had been badly damaged by the war after the loss of 2.4m jobs.

While loss of jobs was not as severe as the 4.8m it predicted when Russia first launched its illegal invasion, "this partial labour market recovery is modest and highly fragile", the ILO said.

The report estimates that 10.4% of the country's total prewar workforce have become refugees in other countries. This group of 1.6 million people are overwhelmingly women, with many having worked previously in the education, health and social care sectors.

"The effects of the conflict are being felt in neighbouring countries' labour markets, which could lead to political and labour market destabilisation in these countries," the ILO said.

"In central Asia and globally, they are being reflected in higher and more volatile prices and increased food insecurity and poverty."

I've spent much of this year covering Europe's biggest war since 1945. It has been the most intense time of my 30-year career. I've reported on mass graves and the aftermath of deadly bombings. I've spoken to Ukrainians tortured by Russian forces, and relatives of those murdered. The work is all-consuming.

For Ukrainians, this war is an existential struggle against a new but familiar Russian imperialism. Our team of reporters and editors intend to cover this war for as long as it lasts, however expensive that may prove to be. We are committed to telling the human stories of those caught up in war, as well as the international dimension. But we can't do this without funding from Guardian readers. It is your passion, engagement and financial support which underpins

our independent journalism and makes it possible for us to report from places like Ukraine.

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Thank you.

Luke Harding

Foreign correspondent



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