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# Poverty alleviation through social and economic transformation

### First meeting of the BRICS Employment Working Group

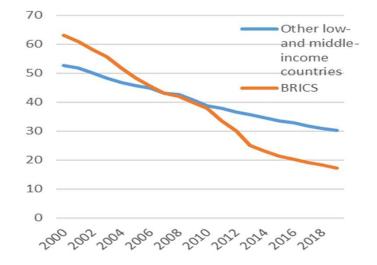
Claire Harasty, Special Adviser to the Deputy Director-General for Policy, ILO

Moscow, 25-26 March 2020

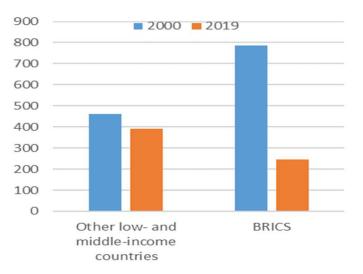


### **Poverty trends in the BRICS**

#### Working poverty rate (per cent)



#### Number of working poor (millions)



Note: Working poverty rate is the share of employed persons living in households with percapita consumption or income that is below the poverty line of USD3.20 PPP per day. *Source: ILOSTAT, ILO modelled estimates, November 2019.* 

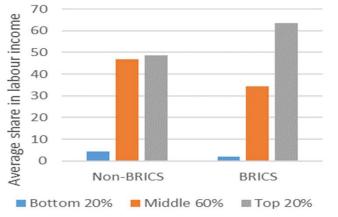
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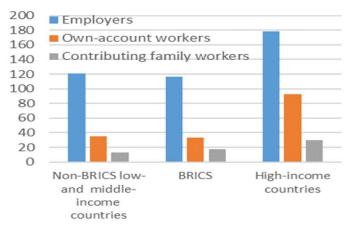


### Labour income trends in the BRICS





### b) Labour income share by employment status relative to employee status



Note: Panel b) shows the labour-related income of different categories of workers relative to employees (wage and salaried workers), in per cent. Employees=100. *Source: ILOSTAT, ILO modelled estimates, November 2019.* 

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## Social and economic transformation for poverty reduction: the growth-employment-poverty nexus

The role of economic transformation and productive employment to reduce poverty

What matters is the nature of growth and its impact on employment

Higher overall productivity growth is associated with faster poverty reduction

The quality of jobs matters: the persistence of informal employment has important implications for shaping how economic growth impacts employment and earnings.

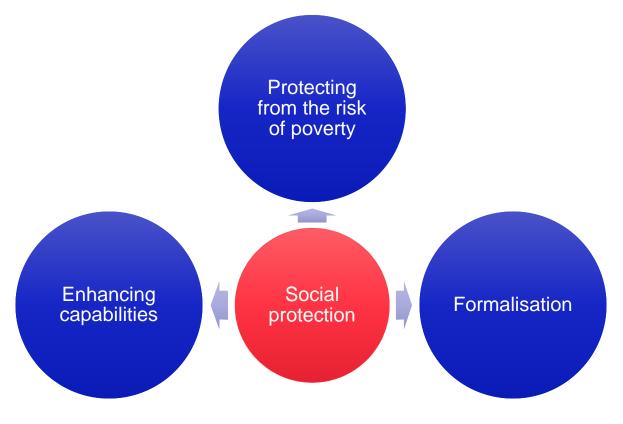


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## Social and economic transformation for poverty reduction: the importance of social protection systems







## Policies and measures for poverty reduction through social and economic transformation in BRICS countries

### Recent examples and good practices from the employment side

e.g. the promotion of green technologies in China and India

#### Recent examples and good practices from the social protection side

Strengthening tax-financed mechanisms to ensure a social protection floor for all e.g. Bolsa Familia in Brazil

Extending social protection coverage to uncovered groups of workers e.g. extension of unemployment and maternity benefits to domestic workers in South Africa







### Policies and measures for poverty reduction (Cont'd)

### Good examples of integrated policies/measures



e.g. India's Mahatma Gandhi National Rural Employment Guarantee Schemes

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