Facts in Figures

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Global Labor Resilience Index 2022

The resilience of work amid COVID-19 is stagnant and stalling in the last five years, leaving too many countries vulnerable to shocks – these are the key findings of the 2022 edition of the Global Labour Resilience Index (GLRI) released by Whiteshield Partners, a leading international public policy and strategy advisory firm.

The GLRI assessed 145 countries in terms of their resiliency in labor markets and their policies and ability to deal with crises (e.g., COVID-19), technological disruptions, and transition to a green economy. A resilient labor market is defined as one that generates sustainable demand for a wide range of occupations and one that supplies quality work.

Top Labor Resilient Countries. Except for Singapore, nine of the top ten most labor market resilient economies are European countries attaining scores above 70/100 *(Table 1).* These countries were noted to have open trade economies and multiple trading partners with resilient labor markets that are characterized by robust educational systems, high quantity and quality jobs, inclusivity and equality, innovations, and macroeconomic stability.

Table 1
Global Labor Resilience Index 2022

Country	2017 Rank	2022		Trend in Rank 2017-2022
		Rank	Score (0-100)	
Denmark	4	1	79.0	3
Switzerland	1	2	78.7	-1
Germany	2	3	78.2	-1
Netherlands	3	4	78.1	-1
Singapore	5	5	76.7	0
Sweden	6	6	76.6	0
Austria	8	7	75.6	1
Luxembourg	12	8	75.2	3
Norway	10	9	75.1	1
Finland	7	10	74.8	-3

Source: Global Labor Resilience Index 2022 Note: Trend in Rank refers to increase/decrease in steps/rank as used in the Report.

ASEAN Performance. Out of 145 countries, the Philippines scored 56.9 and ranked 62nd, sliding one step lower in the last five years. As aforementioned, Singapore is the only non-European country in the top ten list, while Malaysia and Thailand scored above 60 and ranked 36th and 38th, respectively. Vietnam and Indonesia are slightly ahead of the Philippines at rank 52nd and 56th with scores of 59.0 and 58.2, respectively.

Finally, Cambodia, Myanmar and Lao PDR all scored below 50 and were ranked way below the list at 108th, 109th, and 114th, respectively *(Table 2).* All ASEAN Member States (AMS) registered stagnant and stalling labor market resilience in the last five years, except for Indonesia which recorded a 10-step leap from rank 66th in 2017 to 56th in 2022.

Table 2
ASEAN Global Resilience Index 2022

Country	2017 Rank	2022		Trend in Rank 2017-2022
		Rank	Score (0-100)	
Singapore	5	5	76.7	0
Malaysia	33	36	64.8	-3
Thailand	36	38	64.4	-2
Vietnam	56	52	59.0	4
Indonesia	66	56	58.2	10
Philippines	**61**	**62**	**56.9**	**-1**
Cambodia	108	108	46.3	0
Myanmar	112	109	46.1	3
Lao PDR	109	114	45.3	-5

Source: Global Labor Resilience Index 2022

Pillars of Resilience. The GLRI is measured based on two pillars of resilience: *Structural* and *Cyclical.* The *structural pillar* assesses intrinsic country vulnerabilities, or protective factors, which can interact with disruptions to further amplify or reduce their intensity. The *cyclical pillar*, on the other hand, focuses more on how the policies in place can alter the level of disruption experienced by a labor market.

In terms of scores, all AMS performed better in the structural pillar than in the cyclical pillar. Notably, Singapore recorded high and relatively balanced scores in the structural and the cyclical pillars at 78 and 76, respectively *(Table 3).*

In the structural pillar, the average score among the AMS is 67, equivalent to the scores of the Philippines obtained by Singapore (78), Thailand (76), Malaysia (72), and Indonesia (68). AMS with scores below the average are Cambodia (51), Lao PDR (57), and Myanmar (63).

TABLE 3
ASEAN STRUCTURAL & CYCLICAL RESILIENCE 2022

Indicators	Structural		Cyclical	
	Score (0-100)	Global Rank	Score (0-100)	Global Rank
Cambodia	51	121	44	103
Indonesia	68	43	53	68
Lao PDR	57	92	39	112
Malaysia	72	34	61	34
Myanmar	63	65	38	120
Philippines	**67**	**45**	**52**	**75**
Singapore	78	9	76	6
Thailand	76	17	59	45
Vietnam	67	44	55	58
AVERAGE	**67**	-	**53**	-

Source: Global Labor Resilience Index 2022

The average AMS score in the cyclical pillar is 53. Scoring above average are Singapore (76), Malaysia (61), Thailand (59), and Vietnam (55). Indonesia is well within the average score while the rest, including the Philippines, obtained below average scores between 38 and 52.

High resilience potential occurs when a country ranks higher in the structural pillar than in the cyclical pillar. Such is the case of most AMS, including the Philippines. Malaysia has equal ranks in both pillars. Singapore's rank in the structural pillar is slightly lower than its cyclical pillar but the same may not disrupt its potential for labor resilience given its standing in the global ranks. Cambodia, on the other hand, has to work more on improving its ranking in the structural pillar to be able to improve its potential for labor resilience.

PHILIPPINE PERFORMANCE. The Philippines' labor market has high resilience potential given its better ranking in the structural pillar (45th) than in the cyclical pillar (75*th*). Tables 4 and 5 show the country's scores and rankings in specific labor market resilience indicators.

The Philippines has a good demographic profile with a score of 84 and a rank of 50th. The demographic sub-pillar captures the impact of population age structures as it assesses the availability of adequate labor supply. The country also has high scores in capabilities (75) and economic development and macroeconomic stability (74), indicating resilience in adapting new technologies and harnessing opportunities caused by technological disruptions. In the last five years, the country's ranking in economic development and macroeconomic stability has improved by 14 steps (from 67th to 53rd). In terms of trade vulnerability, the country obtained a score of 54 and a rank of 61st – falling by 12 steps from 49th in 2017. This sub-pillar measures the level of concentration and diversity of exports which define the number of products for which the country has comparative advantage. Inequality or the disparities of personal income likewise remain a challenge with a score of 54 and a rank of 96th – sliding by 14 steps from its 82nd rank in 2017. Highly unequal labor markets tend to have higher shares of precarious, low-paid, low-skilled jobs that are susceptible to technological obsolescence and other external shocks.

TABLE 4
PHILIPPINE STRUCTURAL RESILIENCE 2022

Indicators	2017 Rank	2022		Trend in Rank 2017-2022
		Rank	Score (0-100)	
Structural Pillar	**43**	**45**	**67**	**-2**
Demographics	47	50	84	-3
Country Capabilities	34	33	75	1
Economic Development and Macroeconomic Stability	67	53	74	14
Trade Vulnerability	49	61	54	-12
Inequality	82	96	54	-14

Source: Global Labor Resilience Index 2022

In the cyclical pillar, the country scored relatively low in all sub-pillars except for institutional capability (61) – a cross-cutting driver of resilience that measures governance and social capital, among others. While the Philippines' score is high in country capabilities under the structural pillar (75), its absorptive and adaptive capabilities under the cyclical pillar are low (53 and 47, respectively). This indicates the need to assess existing policies to strengthen the country's ability to absorb labor market disruptions and to adjust to the consequences of such disruption which is essential for recovery.

The transformative sub-pillar measures the country's innovation level and expenditures on research and development and the government's investment in technology. In the last five years, the country's performance in this sub-pillar has slid by 13 steps from 50th to 63rd in global rank.

TABLE 5
PHILIPPINE CYCLICAL RESILIENCE 2022

Indicators	2017 Rank	2022		Trend in Rank 2017-2022
		Rank	Score (0-100)	
Cyclical Pillar	**69**	**75**	**54**	**6**
Absorptive Capability	82	90	53	-8
Adaptive Capability	71	70	47	1
Transformative Capability	50	63	46	-13
Institutional Capability-Cross Cutting Driver	47	56	61	-9

Source: Global Labor Resilience Index 2022