



IGF

INTERGOVERNMENTAL FORUM
on Mining, Minerals, Metals and
Sustainable Development

COVID-19
RESPONSE
SERIES

THE IMPACT OF COVID-19 ON EMPLOYMENT IN MINING: Key points for policy-makers

COVID-19 is unleashing unprecedented health and economic shocks around the world. It is exposing weak points in the global labour market, with up to [305 million full-time workers](#) in all economic sectors at risk of losing their jobs in the second quarter of 2020.

Global mine sites are temporarily closing to protect workers' health and safety. Employees are being laid off. Supply chains are slowing or halting production entirely. The impact of this pandemic on employment in mining cannot be understated, and governments must act now to foster a resilient job market and protect their communities' livelihoods.

Remote areas are more dependent on large-scale mining. Large-scale mining has a more significant impact in remote regions, where other major economic sectors are often scarce or underdeveloped. Mining, therefore, plays a critical role for host communities, as the main—if not the sole—job creator and provider of vital social services.

Large-scale mining brings income and economic opportunities to host countries. Mining activities create indirect and induced employment along with business opportunities for local and national economies that can contribute up to 15% of a country's national income.

WHAT SHOULD GOVERNMENTS AND MINING COMPANIES DO?

RELIEF: SHIFTING FROM BLANKET MEASURES TO TARGETED SUPPORT

Effective long-term relief packages must be tailored to respond to the realities of the labour situation in mining.

- Any COVID-19-related short-term government support provided to mining companies, contractors, or suppliers must be conditional on keeping jobs and salaries throughout the pandemic.
- Non-permanent staff, such as temporary, contractual, and migrant workers, must be included in wage and social protection schemes, as well as having more security for unforeseen crises built into their contracts.
- Health and safety standards must be applied consistently to protect all workers, in all mining companies, in any jurisdiction.
- Social dialogue, including with labour unions, should be formalized to ensure oversight on working conditions in the future.



RECOVERY: RESUMING USUAL BUSINESS, BUT NOT BUSINESS AS USUAL

As global economic recovery begins, the mining sector will be far from business as usual. New and permanent health and safety protocols must be established.

- Redesign workplaces, whether offices or the mine face, to be more spacious and flexible to limit the risk of disease spread, alongside increased investments in protective equipment and technologies.
- Strengthen regulatory frameworks and ensure consistency in mine safety regulations with more rigorous on-the-ground applications and inspections.
- Ensure measures extend to local communities to prevent future contamination from outside sources.

RESILIENCE: AVOIDING THE INEVITABLE REPEAT OF FUTURE BLACK SWAN EVENTS

Policy responses must provide strong mechanisms to build a **resilient workforce** for potential similar future events, ensuring lower-income and vulnerable workers currently covered by crisis stimulus packages are not left just as vulnerable, jobless, or poor when short-term measures are removed.

- Retrain and upskill workers forced out of the mining labour market due to COVID-19 to ease their transition to other sectors.
- Use corporate solidarity funds post-crisis to provide training in communities.
- Conduct risk analysis of the mining job market per occupation to forecast employment relief support.
- Rethink corporate social responsibility policies toward impact investment instruments.

- Increase R&D investments to equip local businesses with digital solutions.

Governments and mining companies must also collaborate to **strengthen supply chains**. Disrupted global supply chains will resume at different scales and times, forcing the mining sector to explore how to secure access to critical supplies for seamless production.

- Governments should provide support measures to strengthen the industrial base and allow local businesses to capture larger parts of mining procurement markets.
- Sustainable financial instruments should be designed to favour local businesses and support the growth of local enterprises.
- Rethink and coordinate local content strategies across sectors.
- Develop strategic regional value chains to reduce risks and dependency of few emerging markets.

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