

South Asia Labour Conference

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**Technical Session One:
Understanding the Situation in South Asia
- Social Protection -**

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Structure of the presentation:

1. Definition of Social Protection/Social Security
2. The South Asian context
3. The concept of social protection floors and ILO Recommendation No. 202
4. Social protection in the sub-region
5. Conclusion





- Definition of Social Protection:
 - interchangeable with “social security”
 - “protection” provided by social security in case of social risks and needs.
- Definition of Social Security:

All measures providing benefits, whether in cash or in kind, to secure protection, inter alia, from

 - Lack of work-related income (or insufficient income) caused by sickness, disability, maternity, employment injury, unemployment, old age, or death of a family member;
 - Lack of access or unaffordable access to health care;
 - Insufficient family support, particularly for children and adult dependents;
 - General poverty and social exclusion.





- The South Asian context

- Little evidence that the effects of high economic growth are trickling down to the lowest economic strata
- Continued predominance of the informal segment of the economy
- Formal social security systems of the type common in more industrialised countries are largely inapplicable in South Asia due to:
 - Credit and insurance markets are underdeveloped, restricting the scope for private insurance.
 - The scope for social insurance is limited because the labour market is characterized by high proportions of self-employment and unstable and irregular wage employment.
 - Rural populations are spatially scattered, occupationally diffuse and difficult to reach administratively.
 - High occupational diversity and employment instability characterize the urban informal sector.
 - The problem of poverty is not open unemployment, which has been the focus of formal security systems, but irregular and informal employment in diverse activities with low returns.





- UNESCAP Resolution 67/8 “Strengthening social protection systems in Asia and the Pacific” (Bangkok, 25 May 2011)
- Conclusions of the ILO’s 15th Asia and Pacific Regional Meeting (Kyoto, 4-7 December 2011)
- Colombo Declaration (Colombo, 22 February 2011)
- ASEAN Declaration on Strengthening Social Protection (Bandar Seri Begawan, 9-10 October 2013)





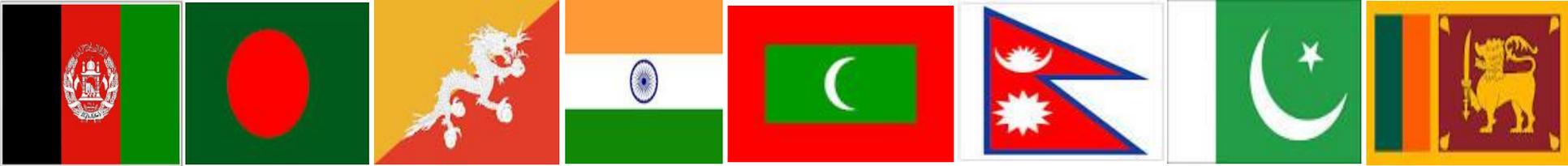
- The concept of national floors of social protection and ILO Recommendation No. 202
 - United Nations System Chief Executives Board for Coordination launched the Social Protection Floor Initiative in April 2009
 - In June 2012, a new international labour standard, the Social Protection Floors Recommendation, 2012 (No. 202), was adopted at the International Labour Conference
 - Social protection floors are nationally defined sets of basic social security guarantees which secure protection aimed at preventing or alleviating poverty, vulnerability and social exclusion.





- The social protection floors should comprise at least the following basic social security guarantees:
 - access to a nationally defined set of goods and services, constituting essential health care, including – and that is important for us here - in the case of maternity;
 - basic income security for children, at least at a nationally defined minimum level, providing access to nutrition, education, care and any other necessary goods and services;
 - basic income security, at least at a nationally defined minimum level, for persons in active age who are unable to earn sufficient income, including in case of sickness, unemployment, maternity and disability; and
 - basic income security, at least at a nationally defined minimum level, for persons in old age.





- The argument for the universality of social protection does not imply homogeneity of mechanisms.
- Flexibility at the national level based on needs and capacities is needed.
- Governments need to design their floors according to national economic constraints, political dynamics and social aspirations.
- Rather than being based on a specified list of benefits, the SPF concept is focused on outcomes in terms of internationally recognized standards.





- Essential health care for all
 - Universal health coverage is an important component to foster inclusive and socially sustainable development, and typically embodies three objectives, namely
 - Equity: health services cannot be restricted to those who can afford them;
 - Quality: services are capable of improving the health of those seeking the services
 - Affordability: the cost of acquiring these services does not entail placing oneself into financial hardship.
 - In South Asian countries only 8% of the population is covered by health-care programmes.
 - India: *Rashtriya Swasthya Bima Yojana (RSBY)*





- Social Protection for Children and Families
 - Children and families with children face higher poverty risks than other groups of the population.
 - Poverty is particularly harmful to the lives of children, as it affects not only their current well-being, but can potentially have detrimental and lasting effects on their future lives.
 - Benefits in the form of cash benefits, near-cash benefits (e.g. food transfers), and quality social services (e.g. care, education, health care).
 - Nepal: Child Grant





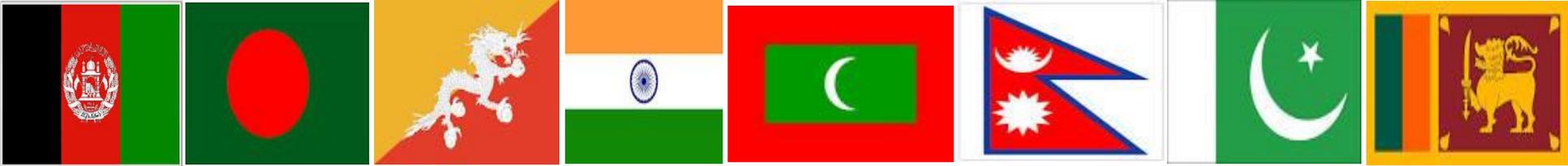
- **Basic income security for the active age population**
 - The social security needs of persons in active age generally fall into three broad categories:
 - 1) the need for the replacement of income lost temporarily or permanently as a result of unemployment, employment injury, disability, sickness or maternity;
 - 2) the need for income support or other social protection measures in case of insufficient income aiming at preventing or reducing poverty and enabling social inclusion; and
 - 3) the need for support to restore earning capacity and to facilitate participation in employment.
 - Social protection policies need to be coordinated with well-designed policies to address those challenges in the fields of employment, labour market and wage policies, with a view to alleviate undue burdens on national social security systems and to allow them to work more efficiently and more effectively
 - India: Gandhi National Rural Employment Guarantee Act, 2005
 - Bangladesh: Employment Generation for the Hard-Core Poor





- Income security for the elderly
 - Given the context of much greater longevity, Governments will need to ensure that their social protection schemes deliver both for current and future generations
 - Rapid rates of urbanization and other social changes are contributing to a breakdown of informal generational contracts
 - The lack of formal pension systems that cover large proportions of older persons in most countries implies that many, especially those who are single, widowed or childless (particularly women), face a high risk of destitution in old age.
 - The vulnerability of older persons, especially in the informal sector, calls for the introduction of a mechanism that provides some form of income-security for these persons.
 - Nepal: the universal non-contributory pension scheme





- **Concluding remarks**

Social protection is a necessary conditions for sustainable development:
First it is an undisputable **human right**.

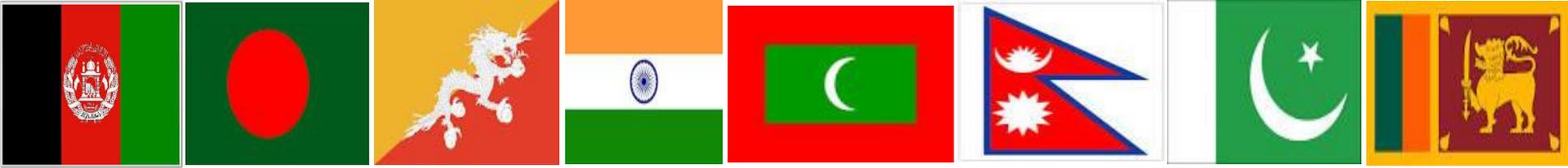
It is also a **social and political necessity** as states need a capacity to intervene where markets have failed; effective national social protection systems are powerful tools to provide income security, to prevent and reduce poverty and inequality, build inclusive society and thus strengthens social cohesion and contribute to building social peace.

Social protection is also an **economic necessity** in the globalized world where the sharing of profits from production made by workers presents a real challenge. Sustainable growth requires good health, nutrition and education, which can foster transitions from low productivity and subsistence level activities to highly productive decent jobs and from the informal to the formal economy.

Social protection, well designed and linked to other policies, enhances productivity, employability and supports economic development.

Investing in social protection is investing in a healthy, productive and equitable society.





*Thank
You*

