Social protection floor and return to employment

Valerie Schmitt & Celine Felix And other specialists!!! DWT meeting 7 December 2010

Structure

- 1st point: What is the Social protection floor concept & approach?
- 2nd point: Linking SPF with employment

1st point: What is the Social protection floor concept & approach?

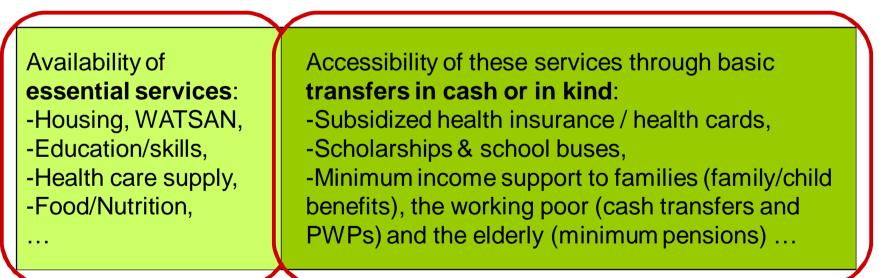
- The social protection floor is a set of basic social rights, services and facilities that each member of society should enjoy
- It is not a safety net
- It is included in the social security staircase and is the 1st step towards the development of a comprehensive system of social protection
- It is a precondition to inclusion in labor market and can support ALMPs
- It is recognized as a powerful approach to address low social protection coverage in Asia
- Many countries in Asia have developed elements of the SPF

- The social protection floor initiative
 - One of the nine UN initiatives to confront the crisis
 - Many actors involved (UN agencies, ministries, civil society ...)
 - Advisory group (Visit Mrs Bachelet, Flagship report, Case studies)
 - Technical Coalition (interagency meeting on the SPF → roadmap of activities)
 - Teams at country level



- Conclusions of the 8th ASEM meeting, 4 & 5 Oct. 2010
 - Heads of States and of Governments of 46 Asian and European countries noted with interest the concept of SPF
 - Leaders called for further sharing of experiences and for technical assistance in implementing social welfare policies

- A set of basic social rights, services and facilities that each member of society should enjoy
- A SPF should consist of:



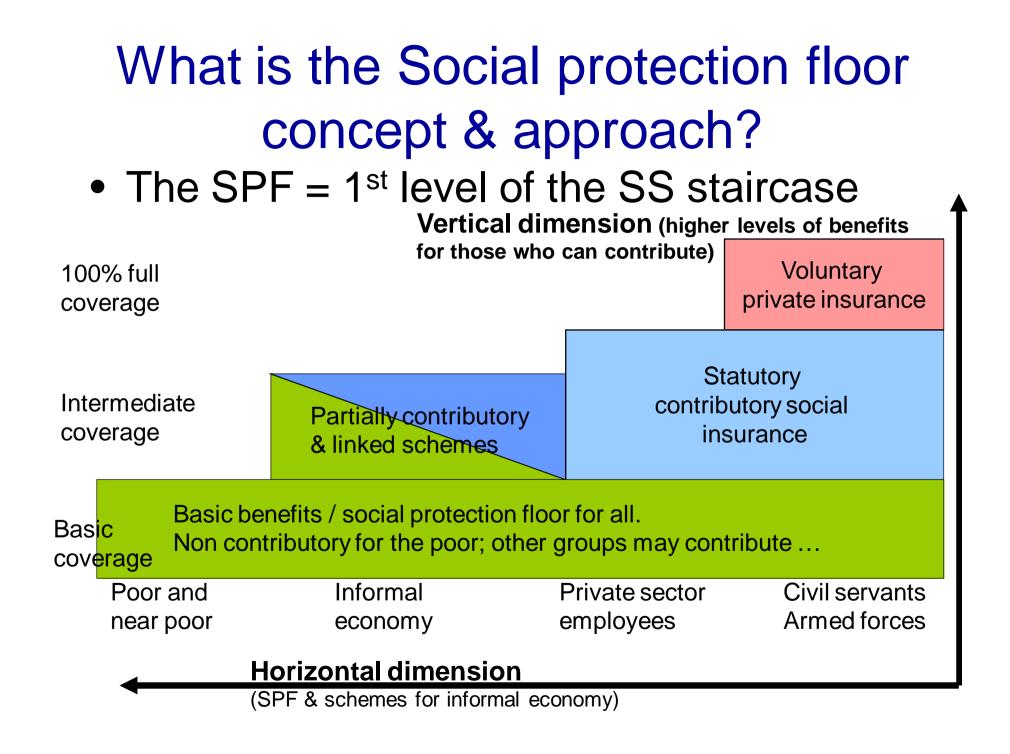
• Notion of **availability** and **accessibility** – both work hand in hand, are articulated

• The SPF is not a safety net



• The SPF is not a safety net

Criteria	Safety Nets	Social Protection Floor
Overall Objective	Poverty reduction	Giving effect to the Human Right to Social Security
Type of interventions	Targeted set of non- contributory transfers, depending on government priorities	Universal entitlement to protection through a defined basic package for all in need
Benefit levels	Minimum	National poverty lines
Role	SNs as transitory response measures/ short term (crisis, reforms)	Rights-based, systemic "insurance" against poverty for all residents



- Many countries in Asia have developed elements of the SPF :
 - nation wide non-contributory or highly subsidized social protection programs
 - national strategies to accelerate the implementation and scaling up of diverse and scattered basic social protection programs

India: RSBY, NREGA

Cambodia: CARD's SP strategy for the poor and the vulnerable with clear reference to the SPF ... including HEFs, CBHIs, Food distribution, Cash transfers, PWPs...

Indonesia: Implementation of SS Law startingwith health: Jamkesmas

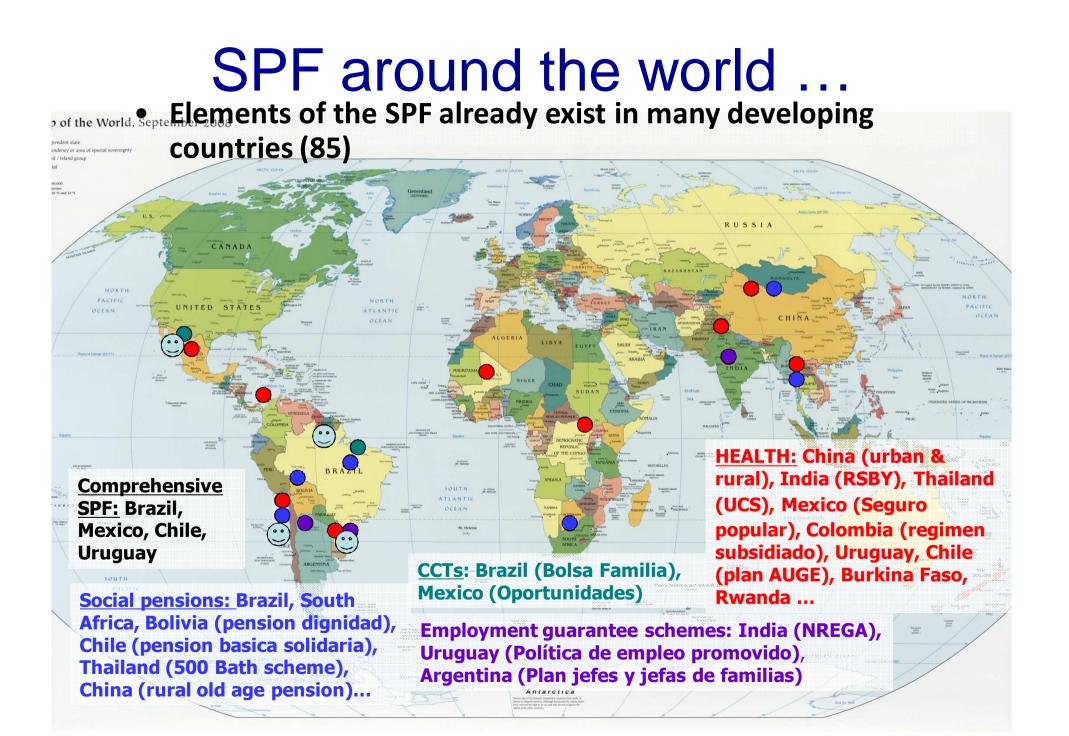


China: minimum living standard guarantee program; new rural corporative medical care (NRCMC); health insurance for urban uninsured residents (HIUR); rural old-age pension

Lao: extension of SHP for all

Thailand: UC scheme, minimum pension scheme (500 THB)

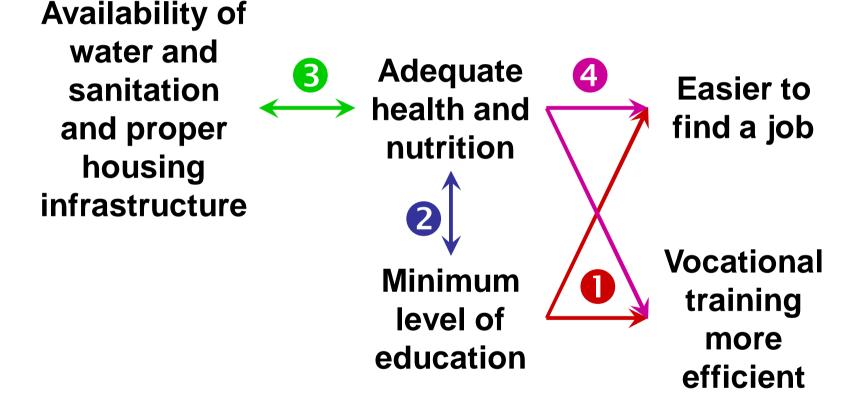
Vietnam: 10 years
 Social protection
 strategy



2nd point: Linking SPF with employment

- Access to a SPF, a precondition for employment
- The SPF removes the barriers of access to employment & training
- The SPF, a tool for activating labour market policies
- Rationale: towards a virtuous cycle & country examples
- How to make linkages between SPF & Employment operational?

Access to a SPF, a precondition for employment



FULFILLING BASIC NEEDS ...

Oll as incentive to send girls to the schools in remoterunal Einforce ment and growts (such as fertilizers subsidies.) Removing School fees school feedings) Better education creater more opportunitie for employment ... including entepreneurship Free immunization for children - Providing Free school belongs, winter dothes for poorfam Free . Vocational Training Incoppité de prendre en charge les mesures d'accompagnement adéquat > school enrolment inneases Construction de puis cimentés (accès eau) => liberer les filles à aller à l'écrée Ecole obligatoire (gretuite) pour les filles Programme vadre laitiée (famille - pots reminants Vaccination <u>Case tent petits</u> (Subjection) it = deput activités éco et sou ACR pur les femmes of missi = a cais au welt = deput activités éco et sou Format Refersionnelle, kit ocolaire transferts formation pour enfants orphelins Hivet les for intertes source enfonts 0.5 ans et à la population de manicie globale Appui des GPF en matériel aquille Infrastructures de la constant of the tent Infrastructures de base (é coles, dispensaire, et poste, santé) Appui à l'organisate de la participate communantaire

The SPF removes the barriers of access to employment & training



Jakarta, Slum life

Multiple barriers :

Live in remote areas without public transportation No access to child care and schools

Chronically ill with no access to appropriate health care

Un decent living conditions

No access to information

Capacity to work, actively seek jobs or undertake vocational training is limited

The social protection floor helps to remove the barriers:

- -Minimum income to face expenses related to job seeking
- -Family benefits to cover child care expenses
- -Access to basic health care
- -Decent living conditions (housing, food) ...

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The SPF, a tool for activating labour market policies

- One step further, by linking the provision of some elements of the social protection floor such as
 - a minimum income support
 - or priority access to basic social services (such as child care)
- with the fulfilment of certain conditions
 - (e.g., being registered in an employment service centre, seeking and accepting jobs, undertaking vocational training, undertaking work beneficial for the community such as work fare) ...
- The social protection floor becomes a tool for activating labour market policies ...
- And in addition contributes to increase the chances of finding a new job

The SPF, a tool for activating labour market policies

LINKAGES between elements of the SPF and a behaviour (actively seeking for jobs & being more employable)

IF: Conditions

-being registered in an employment service centre,
-seeking and accepting jobs,
-undertaking vocational training,
-undertaking work beneficial for the community such as work fare

THEN: Provision of

minimum income (ex: RSA), family benefits, priority access to basic crèches/child care

Rationale: towards a virtuous cycle



Rationale: country examples

- Revenu de Solidarite Active (RSA)
 - Finding a new job entails costs (transportation, child care, clothes, etc.)



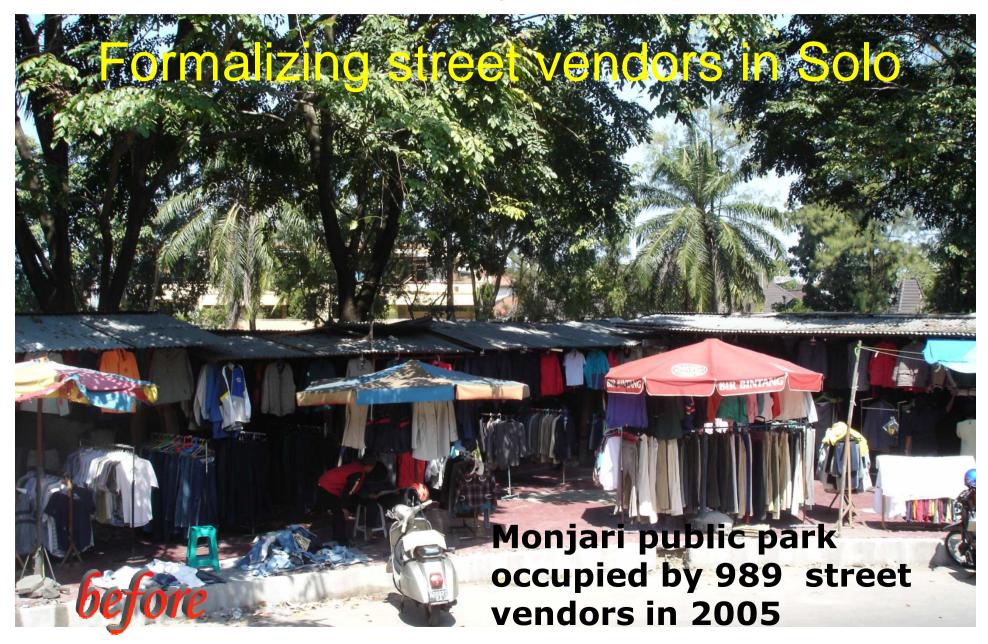
Martin Hirsh RSA's father

- Before the RSA: the Minimum income was stopped as soon as the unemployed founded a new job → disincentive to active seek and accept jobs
- With the RSA:
 - the minimum income continues (although reduced);
 - the basic salary of the working poor is supplemented so that they have an incentive to work (as compared to those who benefit from basic social transfers without working).

Rationale: country examples (to be further documented)

- India- NREGA & LabourNet Joint Initiative <u>www.labournet.in</u>
- South Africa One Stop Shops
- Argentina
- Mexico, Chile
- Namibia Basic Income Grant? <u>http://www.sistemasmart.com.br/bien201</u> <u>0/arquivos/24_6_2010_11_59_0.pdf</u>
- Solo (formalizing street vendors)

Rationale: country examples



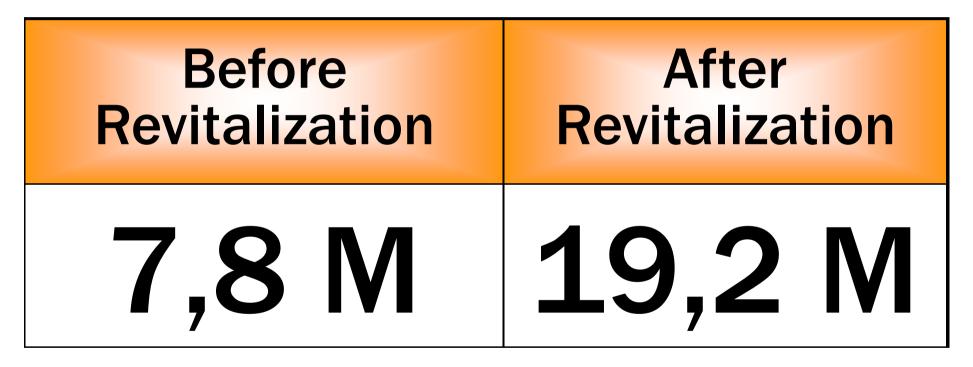
Rationale: country examples

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For automotive section, sales have increased up to 400% from sales in Monjar

Rationale: country example

A win-win scenario? "City-Income" in Solo



How to make linkages between SPF & Employment operational? ...

- "One stop shop" approach:
 - Develop one stop shops where IE
 / vulnerable groups would have
 access to social services (health, child care, scholarships...)

"One stop shops"

Social protection floor (services and transfers) Employment services (training, job placement, creation of micro-enterprise)

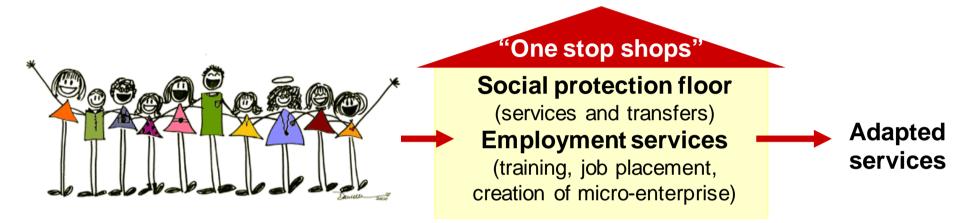
- In addition to social services they would receive a minimum income under certain conditions:
 - Undertaking training & actively seeking jobs
 - Work beneficial for the community ...
- They would progressively move towards sustainable employment (decent jobs) with also higher capacity to pay taxes and social contributions

... One stop shop approach!!

Functions:	1. Enrolment	2. Job placement	3. Support creation of productive & decent employment
Adminis- trative procedures	Registration Identification of social needs & Vulnerability assessment	Skills assessment Are requirements (seeking jobs, training) met?	Skills assessment Automatic registration in adapted SS schemes
Social protection services	Social protection services and transfers:	Minimum income guaranteed through • employment guaranteed schemes • public procurement	Minimum income continued although progressively reduced
	 child care, booth cords 		Partially subsidized social
	 health cards, 		security schemes
	 scholarships … 		OSH
Employ- ment services		 Channeling job opportunities: PWPs, self-employment Channeling business opportunities & access to markets 	• Support to enterprise creation e.g. through micro-credit and specialized training
		 Training services 	

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Who are the beneficiaries of the floor & the one stop shop?



For families \rightarrow access to childcare facilities, etc.

For population in working age \rightarrow Improved access to adapted job opportunities (through ALMPs)

For the elderly + \rightarrow Access to basic income