

Realising Decent Work and Social Protection for All:  
How civil society organisations are creating change

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## About The Global Network

To achieve the objective of decent work for all, the Global Network works to empower women and men who are activists in NGOs, trade unions, associations of informal workers and grassroots movements to build capacity, exchange experiences and coordinate joint actions, at both regional and international level. The project is coordinated by SOLIDAR and the International Federation of Workers' Education Associations.

[www.theglobalnetwork.net](http://www.theglobalnetwork.net)

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## About SOLIDAR

SOLIDAR is a European network of 52 NGOs active in over 90 countries working to advance social justice in Europe and worldwide. SOLIDAR voices the concerns of its member organisations to the EU and international institutions across the policy sectors social affairs, international cooperation and lifelong learning.

[www.solidar.org](http://www.solidar.org)

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# Executive Summary

The global crises that have struck in recent years have left little doubt as to our vulnerability to changing circumstances.

The recent earthquake and subsequent tsunami in Japan have stretched the resources of one of the most developed nations in the world to near breaking point, leaving many thousands of people without homes and livelihoods.<sup>1</sup> Globalisation, changing markets and economic, environmental and financial shocks coalesce to not only push those who are poor and vulnerable further into extreme poverty, but to continually create new vulnerable groups who have been unable to adapt to or cope with changing circumstances. The International Labour Organisation (ILO) estimates that the global financial crisis alone could have pushed 200 million people into poverty<sup>2</sup> and is wiping out some of the progress made in achieving the Millennium Development Goals.

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Despite the widespread acceptance that countries that had effective and efficient social security systems in place before the crisis hit were much better equipped to cope with its fallout, only 20 per cent of the world’s population has adequate social protection coverage. Yet the effects of crises are only a symptom of a much broader and sustained lack of global equity.

Investment in a basic level of social protection for all is not just a basic human right and a social need, but an economic necessity. Social protection does more than provide a safety net for countries, communities, families and individuals, it is *part of a comprehensive approach to getting people out of*

*poverty, allowing them not only to benefit from growth, but also to productively take part in growth.*<sup>3</sup> Most importantly, it is affordable: with only 2 per cent of global GDP, all of the world’s poor could be provided with a basic level of social protection. This basic level of social protection would make the achievement of the Millennium Development Goals (MDGs) a tangible reality by enabling those living in poverty to access vital education and health services and the employment opportunities to create a sustainable future for themselves and their families.

With growing global inequality contributing to social unrest and an ever-widening gap between those who have and those who have not, we can no longer wait for the ‘next crisis’ to take action to ensure a basic level of social protection for all. There is a growing consensus from governments, civil society organisations (CSOs), labour movements and the people themselves, north and south, that a basic global standard of social protection for all will allow societies and individuals to prepare for future shocks, to achieve the MDGs to which the global community has committed itself, and to unlock the economic, social and productive potential of the many millions of people trapped in poverty.

● ● ● “Social protection does more than provide a safety net for countries, communities, families and individuals, it is part of a comprehensive approach to getting people out of poverty, allowing them not only to benefit from growth, but also to productively take part in growth.”

<sup>1</sup> UNEP estimate the financial cost of the earthquake in Japan to be in the region of US\$309 billion. [www.unep.org/tsunami/](http://www.unep.org/tsunami/)

<sup>2</sup> International Labour Organisation (2009) Unemployment, working poor and vulnerable employment to increase dramatically due to global economic crisis', International Labour Organisation: Geneva [www.ilo.org/global/About\\_the\\_ILO/Media\\_and\\_public\\_information/Press\\_releases/lang--en/WCMS\\_101462/index.htm](http://www.ilo.org/global/About_the_ILO/Media_and_public_information/Press_releases/lang--en/WCMS_101462/index.htm)

<sup>3</sup> European University Institute, European Report on Development 2010 'Social Protection for Inclusive Development – A New Perspective in EU Cooperation with Africa': Brussels.

Civil society and representative workers organisations have a vital role to play:

- supporting the move to adopt a realistic basic global level of social protection as set out in the ILO's Social Protection Floor Initiative;
- organising and giving voice to workers and other vulnerable groups in their call for equity and decent livelihoods; and
- in holding governments and the international community to account when they fail to implement the legislation, policies and funding to which they have committed.

The Global Network, coordinated by SOLIDAR and the International Federation of Workers' Education Associations, enables workers' movements and CSOs worldwide to demand their human, social and economic rights, including the right of everyone to a basic level of social protection, by:

- empowering them to develop a strong collective voice and to take action to create policy, legislative, social and practical change;
- providing evidence to support their demands; and
- creating links to wider social and labour movements to support their calls for equity and change.

Chapter 2 ('Regional Focus') of this report will highlight examples of how Global Network members are supporting workers' organisations, raising awareness of the basic right to social security and decent working conditions, advocating for legislative changes so that everybody can benefit from basic social protection and decent work, and monitoring the implementation of existing legislation to ensure that hard-won commitments to change move from paper to practice.

We will look at examples from the Global Network regions: The Global Network Africa<sup>4</sup> worked together with the South African Domestic Workers Union (SADSAWU) and Ghana Trades Union Congress (TUC) to conduct case studies on social protection for domestic workers to show the existing gaps between law and practice. The Global Network Asia<sup>5</sup> members Hong Kong Confederation of Trade Unions (HKCTU) and Labour Education Foundation (LEF) in Pakistan will show how they are working to empower migrant domestic workers and home-based women workers to get access to social protection schemes. The work of Global Network Latin America<sup>6</sup> and Foro Salud<sup>7</sup> in Peru will highlight the role of civil society organisations in monitoring the implementation of existing legislation and denouncing the cases of rights violation. And The Global Network Arab Countries<sup>8</sup> members Democracy and Workers Rights Center (DWRC) in Palestine will look at the role that organisations like them play

in supporting the people in the region in their continuing call for their rights, and to hold governments accountable to their commitments for decent work and social protection for all.

Despite the unrelenting push from workers and civil society and representative workers organisations, without a global political and financial commitment and an agreed and coherent framework, a basic level of social protection and decent work will remain achievable to some rather than all.

The time to act is now. The ILO Social Protection Floor Initiative provides a coherent and workable framework that will allow the development of nationally owned and relevant social protection plans. The international community must politically, legislatively and financially support the Floor. To work, such commitment must be matched by wider policy coherence for development. Of course, the goal to achieve social protection and decent work for all cannot and will not be brought about without the watchful eye and resonating collective voice of the workers and other vulnerable groups whose lives it sets out to change. The integral and ongoing role of civil society and representative workers organisations must be supported and facilitated by the international community and national governments, and such organisations must continue to engage as genuine partners in the development, implementation and monitoring of national social protection policies.

For a full list of recommendations to the international community, the EU and national governments in the South, see page 34.

- ● ● “The integral and ongoing role of civil society and workers' movements must be supported and facilitated by the international community and national governments, and such organisations must continue to engage as genuine partners in the development, implementation and monitoring of national social protection policies.”

<sup>4</sup> The Global Network Africa is coordinated by the Labour Research Service (LRS) based in Cape Town (South Africa).

<sup>5</sup> The Global Network Asia is coordinated by the Labour Education Research Network (LEARN) based in Quezon City (Philippines).

<sup>6</sup> The Global Network Latin America is coordinated by PLADES based in Lima (Peru).

<sup>7</sup> The Belgian SOLIDAR member FOS supports Foro Salud's campaign for a National Health System in Peru.

<sup>8</sup> The Global Network Arab Countries is coordinated by the Democracy and Workers Rights Center (DWRC) based in Ramallah.



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# Part 1

Global overview

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## Introduction

Even before the financial and economic crisis, the benefits of economic growth had not automatically ‘trickled down’ to reach everyone. At the beginning of the 21st century equitable income redistribution remained as elusive as ever as half of the world still lived below the poverty line of US\$2 a day and the richest 10 per cent of the world enjoyed 85 per cent of the wealth while the poorest 50 per cent barely enjoyed 1 per cent of the wealth.<sup>9</sup> Social and human development is therefore not an automatic outcome of economic growth and the market alone clearly cannot and does not ensure the redistribution of wealth.

The global economic crisis has brought the number of unemployed to 205 million, the number of workers in vulnerable employment to 1.53 billion and the number of working poor to 1.2 billion worldwide.<sup>10</sup>

Reduced and disappearing employment-related income has moved social protection up many national agendas as an alternative means to both protect household incomes and stabilise aggregate demand. However, in a number of developed countries, policy priorities are changing and governments are now looking to shrink budget deficits and cut public expenditure. In Europe, several countries have moved from fiscal stimulus to austerity plans and have reduced social spending and cut jobs. In Ireland, for example, the austerity budget sets out 15 per cent cuts to social welfare, the elimination of around 25,000 jobs in the public service, and reductions in child benefits, the minimum wage and pensions<sup>11</sup>.

These trends have brought many in donor countries to question why countries facing such cuts should continue funding international development initiatives and give support to the establishment of a basic social protection floor in developing countries. At the same time, the development debate itself has shifted from an optimistic global commitment to achieve the Millennium Development Goals (MDGs) and progressive socio-economic development for all by 2015 to a narrower focus on ‘affordability’ and ‘value for money’.

Within this context, **this Global Network<sup>12</sup> 2011 report stresses the need to reverse the development logic: from a ‘growth first approach’ to a ‘people first’ approach.** It looks at the broader development implications of social protection and why it not only offers the potential for poverty reduction, but for the genuine empowerment of people and nations to secure their

own sustainable futures. Building on the lessons learnt from the current economic crisis, it will highlight firstly, that investment in human capital through investment in social protection is supported by sound economic and development reasons.

Secondly, it highlights the need for a strong global alliance to support the UN Social Protection Floor Initiative and the role of civil society and representative workers organisations to build local, national, regional and global awareness and support for this initiative.

Finally, it highlights the crucial role played by civil society and representative workers organisations in four key areas:

- knowing rights: raising awareness among workers of their rights so that they can claim and exercise them;
- getting organised: bringing together unorganised and isolated workers (in cooperative and/or trade unions) and supporting them in gaining official recognition as interlocutors so that they can fully participate in pushing for the development and implementation of a basic level of social protection;
- advocating for and supporting legislative changes; and
- monitoring the implementation of national laws and international commitments (for example, ratified ILO Conventions) and holding governments to account when they fail to deliver on commitments.

This report is based on desk research, research inputs and case studies provided by the Global Network Partners and interviews with social protection activists in Africa, Asia, Latin America, the Middle East and the European Union.

Part 1 focuses on the efficacy, affordability and broader social development implications of social protection. Part 2 looks at the realities and challenges on the ground, and at how social protection debates are taking practical shape in Africa, Asia, Latin America and the Arab countries. Through snapshots of a number of diverse organisations, it also looks at the different ways in which civil society and representative workers organisations across the four regions set out to empower vulnerable groups to push for basic social protection measures.

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<sup>9</sup> ILO (2008) *Can Low Income Countries Afford Basic Social Security?* Social Security Policy Briefings Paper 3, ILO: Geneva

<sup>10</sup> ILO (2011) *Global Employment Trends 2011*. Figures on unemployment refer to 2010; figure on vulnerable workers and working poor (here we refer to workers living with their families below the US\$2 a day poverty line) refer to 2009.

<sup>11</sup> UN ECOSOC, Commission for Social Development, 49th session, 9-18 February 2011, *Emerging Issues: Social Protection*, Note by the secretariat.

<sup>12</sup> In its ten years of existence the Global Network has provided a space for labour movement organisations, trade unions, NGOs, research institutes to exchange on campaigning, advocating for and organising workers.

## Social Protection: A definition

Social protection is one of the pillars of the ILO Decent Work Agenda: together with access to freely chosen employment, rights at work and social dialogue, social protection is a key tool to achieve sustainable development.

In this report, we refer to Social Protection as a range of public actions carried out by the state or privately that address risk, vulnerability, discrimination and poverty. Social protection policies are not only about providing safety nets or short term solutions but are concrete social policy commitments to break the seemingly never-ending cycle of poverty (both the intergenerational transmission of poverty and lifelong poverty) and vulnerability, to empower those living in poverty to access their human rights and social justice.

According to the Institute for Development Studies (IDS), social protection programmes can play four roles. Each has a set of policy instruments associated with it and can play a different role in the current crisis:

- Protective (social assistance) that can provide immediate protection and relief from poverty and deprivation;
- Preventive (insurance mechanisms);
- Promotive (economic opportunities);
- Transformative (addressing social vulnerabilities) which transforms social relations to reduce exclusion.

According to the ILO, in order to realise their human right to social protection every human being should have access to a basic social protection floor ensuring:

- the availability, continuity, and geographical and financial access to **essential services** such as education, health, food security and nutrition, water and sanitation, and housing.
- a basic set of **essential social transfers**, in cash and in kind, to provide a minimum income and livelihood security for poor and vulnerable populations and to facilitate access to essential services - this would guarantee that:
  - all residents have access to a nationally defined set of essential health care services;
  - all children have income security, at least at the level of the nationally defined poverty line level, through transfers in cash or kind aimed at facilitating access to essential goods and services, such as nutrition, education and healthcare;
  - all those in active age groups who are unable to earn sufficient income on the labour markets (those who are unemployed, underemployed, living in poverty) should enjoy a minimum income security through social assistance transfers aimed at providing access to essential goods and services; and
  - all residents in old age and with disabilities have income security at least at the level of the nationally defined poverty line through pensions/transfers in kind that guarantee access to essential goods and services.

## The Social Protection Floor Initiative

The Universal Social Protection Floor Initiative (SPFI) is one of nine key United Nations joint initiatives to respond to the effects of the global economic crisis and 'is a basic set of rights and transfers that enables and empowers all members of a society to access a minimum of goods and services and that should be defended by any decent society at any time' (UN). Launched in 2009, the initiative is led by the International Labour Organisation (ILO) and the World Health Organization (WHO).

The Floor emphasises the need to implement comprehensive, coherent and coordinated national social protection and employment policies to guarantee services and social transfers across the life cycle, paying particular attention to vulnerable groups. Yet, it also acknowledges that every country has its own individual circumstances, needs and fiscal constraints.

- • • “The Social Protection Floor is a useful model through which countries can progress their social protection policies according to their own national context and resources.”

Dr Nhongo, Executive Director, African Platform for Social Protection

## Social Protection as a Basic Human Right

Social protection is a human right. Article 22 of the Universal Declaration of Human Rights states that 'Everyone, as a member of society, has the right to social security'. The reality tells us that, more than 60 years later, 80 per cent of the world's working age population (and their families) lacks access to comprehensive social protection systems as defined by ILO Convention n. 102<sup>13</sup> (see box below).

In other words, while a certain degree of protection exists almost everywhere it often covers only a small group of people often only those in formal employment or working in the public sector, or refers to just one element of basic social protection such as old age pensions:

- Nearly one-third of the world's population has no access to any health facilities or services.
- In Sub-Saharan Africa only 5 per cent of the working age population is covered by contributory old age pension schemes.<sup>14</sup>
- Coverage for work-related accidents and diseases is globally less than 40 per cent of the economically active. Moreover, this coverage generally does not concern workers in the informal economy even in sectors which are particularly dangerous such as construction, ship breaking or waste picking.

- ● ● "In Europe and OECD countries, 50 per cent of poverty has been shown to be reduced by social transfers."

### The ILO Social Security Convention No. 102

According to the Social Security (Minimum Standards) Convention, 1952 (No. 102) and recommendation N. 67, social security includes ten elements: medical care; cash sickness benefits; protection in disability; protection in old age; protection of survivors in case of death of the breadwinner; protection in maternity; protection in responsibility for the maintenance of children; protection in unemployment; protection in the case of employment injury; general protection against social exclusion and poverty through social assistance.

As of March 2011, 47 states had ratified the Convention. Of these, 21 are members of the European Union.<sup>15</sup>

In Organization for Economic Development (OECD) countries, economic development has gone hand in hand with investment in social protection. Over the last 60 years OECD countries have made significant investments in social protection measures of up to 30 per cent of GDP.<sup>16</sup> There is wide consensus that without social protection measures, levels of poverty and inequality in OECD countries would be similar to those in developing countries.<sup>17</sup> A 2002 OECD study found that 'within each country or regional grouping of countries, changes in the level of social spending are positively correlated with GDP per capita'.<sup>18</sup> In Europe and OECD countries, 50 per cent of poverty has been shown to be reduced by social transfers.

Why is it then that 80 per cent of the global population does not have access to basic social protection, when it is estimated that only 2 per cent of global gross domestic product (GDP) is needed to provide this basic level of social protection for all of those living in poverty across the world?<sup>19</sup>

## Why Invest in Social Protection?

### ► Social protection is an economic necessity

As we have noted, the social consequences of economic crises have been most severe in countries where social protection systems were weakest. A basic level of social protection enhances national crisis preparedness by ensuring individuals are better able to deal with shocks and governments can respond quickly by scaling up existing measures.<sup>20</sup>

The global economic crisis has highlighted that investment in social security systems is not just a social need, but an economic necessity. The International Labour Organization (ILO) found

<sup>13</sup> ILO (2010) *World Social Security Report 2010/2011: Providing Coverage in Times of Crisis and Beyond*, Table 2.1, ILO: Geneva

<sup>14</sup> The term contributory refers to the range of pension systems which are funded through work related contributions and for which benefits are dependent on a history of employment and/or contributions (as different from schemes funded from budgetary sources and tax income such as the universal basic pension schemes in countries such as Namibia and Nepal).

<sup>15</sup> Only six EU members state have not ratified the Convention: the three Baltic States (Estonia, Latvia and Lithuania), Hungary, Malta and Finland.

<sup>16</sup> DFID (2006) *Social Protection and Economic Growth in Poor Countries*, DFID: London

<sup>17</sup> Asia-Europe People's Forum: *Policy Dialogue on Social Protection* [www.aepf.info/news/articles/123-policy-dialogue-on-social-protection.html](http://www.aepf.info/news/articles/123-policy-dialogue-on-social-protection.html)

<sup>18</sup> OECD (2002) *Social Protection and Growth*, OECD *Economic Studies* No. 35, 2002/2

<sup>19</sup> UN News Center (2011), *UN pushes for social schemes to protect poor at mere fraction of national wealth*, [www.un.org/apps/news/story.asp?NewsID=37532&Cr=labour&Cr1](http://www.un.org/apps/news/story.asp?NewsID=37532&Cr=labour&Cr1)

<sup>20</sup> [www.ilo.org/public/english/support/lib/financialcrisis/socialsecurity/campaign.htm](http://www.ilo.org/public/english/support/lib/financialcrisis/socialsecurity/campaign.htm)

that the employment effect of automatic stabilisers (including social transfers) were as important as the stimulus packages in dealing with the effects of the crisis. Governments with social protection systems in place were better able to cope with the crisis as the impact on households was softened and the drop in aggregate demand alleviated.

● ● ● “Governments that already had social protection schemes in place were much better able to cope with the crisis.”

Michael Cichon, Director of ILO's Social Security Department

Learning from the economic crises of the last few decades, especially the Asian crisis of the 1990s, has also shown that ‘well-designed unemployment schemes and social assistance and public works programmes effectively prevent long-term unemployment and help shorten economic recessions.’<sup>21</sup>

Social protection is a push for economic growth: ... *People that are hungry, people that are unhealthy, kids that haven't been educated well and haven't been nourished well will never be able to be productive and will never be able to have productive jobs and well-paid jobs in the formal economy. Without a basic investment in their health, their nutrition, and their well-being we will never be able to unblock economic growth to the extent we could.*<sup>22</sup>

### ► The development arguments

Decent jobs and social protection are ‘two critical avenues towards achieving pro-poor growth and the Millennium Development Goals... Actions in these two areas are mutually reinforcing...: better and more productive jobs raise incomes, allow social spending... and help finance social protection. Social protection improves the productivity and employability of poor people and stabilizes their incomes and links short-term coping strategies with longer term growth enhancing and poverty reduction strategies’ (Development Assistance Committee Policy Statement, May 2009).

Without social protection, many people in the developing world are vulnerable to external shocks such as loss of employment or the death of the family breadwinner. For many, the financial

crisis is simply the latest in a line of devastating crises that ensures their continued entrapment in a vicious cycle of poverty and vulnerability.

In the area of health alone it is estimated that if no action is taken to close the gaps in social health protection the financial crisis will have deadly consequences:

- Due to reduced accessibility to health services it is expected that up to 400,000 women will die.<sup>23</sup>
- UNICEF estimates an increase in infant mortality of between 3 and 11 per cent.<sup>24</sup>

In most developing countries, many people do not have access to healthcare unless they can pay for it. These ‘out-of-pocket’ payments for healthcare exacerbate social exclusion and poverty. The World Health Organisation (WHO) has estimated that every year around 100 million people are pushed under the poverty line just because they have to pay for health services that they cannot afford. Social health insurance mechanisms reduce such reliance on ‘out-of-pocket’ payments.

Social protection supports the achievement of the Millennium Development Goals (MDGs) by improving access to education and health and ensuring that vulnerable groups such as people with disabilities, the elderly, children and women are provided with a minimum standard of living.

Specific examples of where social protection measures have had a positive impact include the following:

- The Oportunidades programme in Mexico – which gives conditional cash transfers based on school and health clinic attendance – has led to increased growth of one centimetre per child in children between the ages of one and three, and the number of work days lost due to illness has fallen by almost a fifth.<sup>25</sup> Since 1997, it has reached 25 million beneficiaries living in extreme poverty. It costs 0.4 per cent of GDP (US\$ 4.8 billion per year).<sup>26</sup>
- In Brazil, social (non-contributory) rural pensions of US\$ 290 per month to 17 million elderly poor are strongly associated with increased school enrolment, particularly of girls aged 12–14 years.<sup>27</sup>
- South Africa’s tax-financed State Old-Age Pension (SOAP) now reaches 1.9 million beneficiaries, about 85 per cent of the eligible population. The scheme reduces the poverty gap for pensioners by 94 per cent.<sup>28</sup>

<sup>21</sup> [www.ilo.org/public/english/support/lib/financialcrisis/socialsecurity/campaign.htm](http://www.ilo.org/public/english/support/lib/financialcrisis/socialsecurity/campaign.htm)

<sup>22</sup> [www.un.org/apps/news/story.asp?NewsID=37532&Cr=labour&Cr1](http://www.un.org/apps/news/story.asp?NewsID=37532&Cr=labour&Cr1)

<sup>23</sup> ILO (2010) *World Social Security Report 2010/2011: Providing Coverage in Times of Crisis and Beyond*, p. 105, ILO: Geneva

<sup>24</sup> *Ibid*

<sup>25</sup> DfID (2006) *Social Protection and Economic Growth in Poor Countries*, Social Protection Briefing Note Series Number 4, DfID: London

<sup>26</sup> Jacquier, C. (ILO) and Mertnes, P.J. (WHO), *The Social Protection Floor. International Experience in Implementation: From Policy to Practice*, August 2010, WHO: Geneva.

<sup>27</sup> De Carvalho Filho I. (2000) cited in Gorman, 2004, *Age and Security: how social pensions can deliver effective aid to poor older people and their families*, HelpAge International.

<sup>28</sup> ILO Facts on Social Security in Africa

In the last decade, there has been an increase in the number of large-scale cash transfer programmes in developing countries. Overall, these programmes make a significant contribution to addressing poverty and vulnerability among the poorest households in developing countries. One of the best known and successful is the Brazilian bolsa familia (family grant). The programme currently covers 12.4 million households and pays mothers around US\$ 12 per month per child as long as their children attend school and receive medical checkups. According to the Fundacao Getulio Vargas, about one-sixth of the poverty reduction experienced by Brazil (more than 8 per cent every year since 2003) can be attributed to this conditional cash transfer.<sup>29</sup>

► **Helping people living in poverty to cope with risk**

As has been noted above, people living in poverty need the means to cope with multiple shocks and a basic level of income allows families to plan for such shocks and to mitigate against their impact, for example, being able to keep children at school or maintain a basic level of nutrition so that breadwinners can work.

► **Contributing to building more effective states**

Poverty and inequality, when combined with major crises, can lead to social unrest and conflict. Social protection measures support the development of active citizenship. In freeing people from the desperate struggle to simply survive, social protection facilitates their engagement within their communities and the political processes of their nations.

► **Supporting equitable, pro-poor economic growth**

Lack of access to skills training and education combined with poor nutrition and its resulting health implications keeps many potentially productive people from participating effectively in the labour market. Survey data from South Africa, for example, show an increase of 4 per cent in labour force participation among households receiving social grants.<sup>30</sup>

In addition to supporting more people to actively engage in the economy, social protection measures can be a powerful tool to transform the lives of whole families and communities by allowing families to invest more in business activities. For example, 29 per cent of the money provided in a pilot cash transfer system in Zambia targeted at the poorest 10 per cent of the population is being spent on livestock and agricultural supplies.<sup>31</sup>

## Social Protection Myths

► **Social security is a luxury that only rich countries can afford**

If the political will exists, social pensions are affordable even in very poor countries: Lesotho, for example, with a Human Development Index of 149, has a social pension which costs around 1.4 per cent of GDP.

Following on from two costing studies carried out in Africa and Asia over 12 countries, the ILO argues that a basic social protection package for all is affordable if it is implemented through the joint efforts of low-income countries reallocating existing and raising new resources, and on the international donor community refocusing grants, strengthening the administrative and delivery capacity of national social protection institutions and providing technical and other support.<sup>32</sup> It goes on to argue that with forward-looking national protection strategies, even if a complete basic package cannot be implemented at once, a sequential approach can be used.<sup>33</sup>

According to the study, in 2010, the cost of:

- basic universal old age and disability pensions was between 0.6 and 1.5 per cent of yearly GDP;
- basic child benefits was below 3.6 per cent of GDP;
- essential healthcare was estimated at between 1.5. and 5.5 of GDP (low income countries rarely spend more than 3 per cent of GDP);
- social assistance/employment schemes is between 0.7 and 0.8 per cent; and
- a basic social security package would have an annual cost of between 3.7 to 10.6 per cent of GDP.

At a regional level the thorny issue of affordability has also begun to be addressed with the African Union stating in the Livingstone Call that ‘a sustainable basic package of social transfers is affordable within current resources of governments and international development partners.’

<sup>29</sup> Reid, M. (2010) ‘Special Report on Latin America’, *The Economist*, 9 September 2010

<sup>30</sup> Ibid

<sup>31</sup> Ibid

<sup>32</sup> ILO (2008) *Can Low Income Countries Afford Basic Social Security?* Social Security Policy Briefings Paper 3, ILO: Geneva

<sup>33</sup> Ibid

## ► Trade-off between social expenditure and economic efficiency

In OECD countries, economic development has gone hand in hand with investment in social protection. Over the last 60 years OECD countries have made significant investments in social protection measures of up to 30 per cent of GDP.<sup>34</sup>

There is wide consensus that without social protection measures, levels of poverty and inequality in OECD countries would be similar to those in developing countries.<sup>35</sup>

A 2002 OECD study found that ‘within each country or regional grouping of countries, changes in the level of social spending are positively correlated with GDP per capita’.<sup>36</sup>

In the European Union (plus Iceland, Norway and Switzerland), expenditure on total social protection expenditure is on average over 25 per cent of GDP (ILO 2010), and it is generally recognised that – with few exceptions – high levels of social protection expenditure correspond with low levels of poverty. Hence, ensuring social security coverage to the world’s poor is a question of political will in setting the right priorities, rather than a lack of means.

Finally, investing in people is an investment in the economic performance of a country: people that are unhealthy, uneducated and who cannot work, cannot unlock their productive potential.

- ● ● “Investing in people is an investment in the economic performance of a country: people that are unhealthy, uneducated and who cannot work, cannot unlock their productive potential.”

## A Growing Global Commitment

The crisis has produced a growing consensus in the international community on the role of social protection in preparing societies for future crisis and in achieving the MDGs, and hence on the need to invest in social protection systems in developing countries. According to the Development Assistance Committee ‘social protection directly reduces poverty and helps make growth more pro poor’.<sup>37</sup>

Since the UN Chief Executives’ Board adopted the Social Protection Floor Initiative (SPFI) in April 2009, there has been a growing international consensus on the importance of the Floor:

- The Global Jobs Pact (June 2009) requested countries to develop a basic social protection floor for all;
- the UN’s Economic and Social Committee in its Resolution ‘Promoting social integration’ (July 2010) urged governments to develop systems of social protection and to broaden the coverage of such systems;
- the UN MDG Summit (September 2010) outcome document supported the social protection floor and its implementation at country level.

The crucial role played by social protection in development has also been recognised by the African Union in its *Social Policy Framework for Africa (2008)* and the *Khartoum Declaration on Social Policy Action towards Social Inclusion (2010)*.

At the same time, civil society and representative workers organisations in the north and south are making their voices heard by pushing for the most vulnerable workers (those in the informal economy, migrants, women workers in isolated and vulnerable jobs such as domestic or home-based work) to have their right to a basic social security floor recognised. Their efforts to organise workers, to raise awareness on the basic right to social security and decent working conditions, to advocate for legislative changes so that everybody in a society can benefit from basic social protection and decent work, and their work to monitor the correct implementation of existing legislation are at the centre of the remainder of this report.

<sup>34</sup> DFID (2006) *Social Protection and Economic Growth in Poor Countries*, DfID: London

<sup>35</sup> Asia–Europe People’s Forum: *Policy Dialogue on Social Protection* [www.aepf.info/news/articles/123-policy-dialogue-on-social-protection.html](http://www.aepf.info/news/articles/123-policy-dialogue-on-social-protection.html)

<sup>36</sup> OECD (2002) ‘Social Protection and Growth’, *OECD Economic Studies No. 35, 2002/2*

<sup>37</sup> OECD (2009), ‘Promoting Pro-Poor Growth’, p. 11, OECD:Paris



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# Part 2

Regional focus

# Africa<sup>38</sup>



Until the recent financial crisis, much of Africa was experiencing positive growth rates. Yet, this continental growth rate hid continuing income inequality and increasing rates of informal employment: informal employment accounts for 70 per cent of non-agricultural employment in sub-Saharan Africa<sup>39</sup> and employees in formal employment constitute only 13.8 per cent of the total working-age population.<sup>40</sup> In addition to high rates of vulnerable informal employment, the region also has the largest number of working poor in the world.<sup>41</sup> In the context of the current global financial crisis, in sub-Saharan Africa the overall vulnerable employment rate is likely to have risen to four in five of those employed.<sup>42</sup> Such growing vulnerability is compounded by disparities in gender, the social impact of the HIV/AIDS pandemic and the weakness in health and wider social protection systems in many countries.

## Decent Work context in Africa

Speaking at the ILO annual conference in 2007, African Union (AU) Chairperson and President of Ghana H.E. Mr John Kufuor stated that the Decent Work Agenda could play a pivotal role in assuring human dignity and an African Renaissance.<sup>43</sup>

This followed on from a series of initiatives to situate decent work at the heart of sustainable development policy in Africa which began with the landmark African Union Extraordinary Summit on Employment and Poverty Alleviation in Africa (Ouagadougou, 2004). At the summit AU members agreed

- ● ● “In the context of the current global financial crisis, in sub-Saharan Africa the overall vulnerable employment rate is likely to have risen to four in five of those employed.”

an 11-point action plan to place employment at the centre of development strategies. In 2006, a joint ILO/AU Commission taskforce was set up to provide strategic thinking, analysis and proposals to stimulate employment creation in Africa, based on commitments made at Ouagadougou.

While concern was expressed at the 39th Conference of African Ministers of Finance, Planning and Economic Development (2006) that implementation had not been comprehensive and employment had not been adequately embedded in national development strategies, the Ministers acknowledged the human, fiscal and institutional capacity constraints facing countries and made a number of proposals to further refine and accelerate implementation strategies at all levels.

### ► Challenges to ‘Decent Work for All’ in Africa

Despite this collective will to make the Decent Work Agenda a unifying cornerstone of sustainable development within Africa

<sup>38</sup> Global Network partners who contributed to this chapter include Central Organisation of Trade Unions (COTU), Kenya; Ghana Trades Union Congress (TUC); Labour Research Service (LRS), South Africa; Labour Education and Research Institute of Zimbabwe (LEDRIZ).

<sup>39</sup> OECD (2009), ‘Promoting Pro-Poor Growth’, p. 11, OECD: Paris

<sup>40</sup> ILO (2010) World Social Security Report 2010/2011: Providing Coverage in Times of Crisis and Beyond, Table 2.1, ILO: Geneva

<sup>41</sup> ILO (2007) The Decent Work Agenda in Africa 2007–2015, ILO: Geneva

<sup>42</sup> ILO (2011) Global Employment Trends, ILO: Geneva

<sup>43</sup> [www.ilo.org/global/about-the-ilo/press-and-media-centre/press-releases/WCMS\\_082780/lang--en/index.htm](http://www.ilo.org/global/about-the-ilo/press-and-media-centre/press-releases/WCMS_082780/lang--en/index.htm)

in recent years, the region continues to face a number of substantial challenges:

- Limited labour market information makes analysing social and economic progress and developing and implementing effective labour policies difficult.
- Demographic pressures such as high fertility and increasing rural to urban migration have fuelled high rates of labour force growth.<sup>44</sup>
- The continuing growth in informal employment means that an increasing number of people are working in vulnerable and unsafe sectors, outside of many legal and social protection measures.
- Labour standards and fundamental trade union rights are guaranteed in many African countries' constitutions. However, social dialogue is often limited or non-existent and the demands of workers and their representatives are frequently ignored or rejected by employers or the authorities throughout the region. Furthermore, even where a collective bargaining agreement has been concluded, it is often not honoured.<sup>45</sup>

A key recommendation of the 39th Conference of African Ministers was to integrate the goal of decent work in the design, implementation and monitoring of poverty reduction and development strategies.

## The future of social protection in Africa

### ► 'Without social protection, neither work nor lives can be decent'<sup>46</sup>

Existing social protection schemes in Africa reflect the legacies of colonialism, with many having the characteristics of industrial economies where the majority of people have regular jobs and continuous incomes. Schemes are largely based on the social insurance model and are limited to the provision of protection against the loss or reduction of income resulting from retirement, disability and death, with coverage generally restricted to workers in the formal economy and only partial initiatives existing to extend coverage to informal economy workers and migrant workers in need of social protection. Therefore, many social protection measures in the region ignore the realities of a largely rural population working in the informal economy.

## Key Facts on decent work and social protection in Africa

- Four-fifths of those employed in the region in 2007 were classed as 'working poor'.<sup>47</sup>
- In sub-Saharan Africa it is estimated that only between 5-10 per cent of the working population has some social security coverage and African countries currently spend an average of 4.3 per cent of GDP on social security (compared to 25 per cent in Europe).<sup>48</sup>
- **Pensions:** Less than one-third of the population of working age are legally covered by old-age contributory pension schemes.<sup>49</sup>
- **Health:** Unexpected health costs remain one of the biggest areas of vulnerability for people in Africa. For example, in Germany where 'the average GDP is US\$32,860 per capita and almost 100 per cent of people have social health protection, 10 per cent of all medical expenses nationwide are borne by households. In the Democratic Republic of the Congo, by contrast, where GDP per capita is only US\$120 and where social health protection is very scant, about 70 per cent of the money spent on medical care is paid directly by households.'<sup>50</sup>
- **Unemployment Insurance:** Only a few per cent of people, mainly in formal employment, are effectively covered by any form of unemployment insurance.<sup>51</sup>

- ● ● "... many social protection measures in the region ignore the realities of a largely rural population working in the informal economy."

<sup>44</sup> ILO (2007) The Decent Work Agenda in Africa 2007–2015, ILO: Geneva

<sup>45</sup> ITUC (2010) Annual Survey of Violations of Trade Unions Rights, ITUC

<sup>46</sup> ILO (2007) The Decent Work Agenda in Africa 2007–2015, ILO: Geneva

<sup>47</sup> ILO (2009) Global Employment Trends report (GET).

<sup>48</sup> ILO (2007) The Decent Work Agenda in Africa 2007–2015, ILO: Geneva

<sup>49</sup> ISSA (2008) Social Policy Highlight 07: Dynamic Social Security for Africa: Extending Social Protection for Development

<sup>50</sup> World Health Organisation, [www.who.int/healthsystems/berlin/en/](http://www.who.int/healthsystems/berlin/en/)

<sup>51</sup> ILO (2010) World Social Security Report 2010/2011: Providing Coverage in Times of Crisis and Beyond, Table 2.1, ILO: Geneva

In many ways Africa is leading the way in terms of national and regional government taking responsibility for coordinating the region's response to the call for coherent, universal social protection policies. *'Nearly every country in Africa is now discussing social protection in some form'* explains Dr Nhongo, Executive Director of the African Platform for Social Protection. The most significant milestone in this journey was the Livingstone Call for Action (2006), a statement released jointly by the Government of Zambia and the African Union on the need for basic social protection for Africa. Importantly, the Call noted among other points that social protection is both a rights and an empowerment agenda and that considerable evidence exists that social transfers have played a key role in reducing poverty and promoting growth.<sup>52</sup>

In addition to being a truly regional initiative, the call was groundbreaking in that it not only highlighted the equity, human rights and socio-economic benefits of social protection policies, but, as mentioned earlier, it also addressed the issue of affordability by saying that: 'a sustainable basic package of social transfers is affordable within current resources of governments and international development partners.'<sup>53</sup>

Another important feature in the Livingstone Call was the involvement of civil society organisations (CSOs) and other non-governmental organisations (NGOs) in facilitating regional engagement in the lead up to the Livingstone Call and Livingstone II,<sup>54</sup> which led to the development of a chapter on social protection within the African Union's Social Policy Framework, as well as the integration of social protection issues more broadly within the Framework.

The political will to provide basic social protection clearly exists in Africa as was reaffirmed by the adoption of the Khartoum Declaration on Social Policy Action towards Social Inclusion in November 2010, yet substantial challenges remain to its implementation, with the interconnected challenges of vulnerability, inequality and widespread poverty compounded by a lack of data hindering the development of effective social protection policies for all.

Moreover, high and growing levels of informal employment in Africa exacerbate the impact of ineffective or nonexistent social protection policies on the continent, exemplified in the example of domestic workers.

## A voice for change: African Platform for Social Protection

In September 2008 a group of national and regional organisations from across the African continent came together to form the African Platform for Social Protection as a response to the growing demand for more active engagement of African civil society in the shaping of social protection policies, programmes and practices in the region.

'The Platform has created one voice on social protection from CSOs in Africa' explains Dr Nhongo, Executive Director of the African Platform for Social Protection. 'If social protection platforms are to take root, they will have to be driven by CSOs working with governments at country level. That is how we will make an impact.'

In order to initiate such harmonious working between CSOs and government at the national level, the Platform organised meetings of CSOs in 2008 in all five African Union regions to discuss the integration of regional social protection planning with national plans. Building on this platform of cooperation, the Platform is now focusing much of its energy on amplifying the voice of CSOs across Africa in pushing for the implementation of the Social Policy Framework of the African Union within the broader context provided by the UN Social Protection Floor Initiative:

'Our role is to bring together as many CSOs as possible from across Africa to harmonise social protection policies across the region and ensure that policies that have been agreed are implemented.'

For Dr Nhongo, international donors have an important role to play in acknowledging and respecting the leadership role taken by Africa to establish effective social protection systems.

<sup>52</sup> African Union and Government of Zambia (2006) The Livingstone Call for Action: A transformative Agenda for the 21st Century: Examining the Case for Basic Social Protection in Africa

<sup>53</sup> Ibid

<sup>54</sup> Most notably the international NGO HelpAge International, working in collaboration with the African Union, played a vital role in the lead up to Livingstone I and II.

## Social protection deficits for domestic workers in Africa

Within the informal economy that dominates employment in most countries in sub-Saharan Africa domestic workers are particularly invisible and vulnerable. Working mainly in private homes, many domestic workers experience lower wages, excessive working hours, risk of violence, a lack of adequate health insurance and pensions and a lack of enforced legal employment protection. Despite being among the most vulnerable workers in many countries domestic workers have, until recently, been omitted from international labour standards. The ILO is seeking to correct this omission with its Convention for Domestic Workers discussed in June 2011.

In order to identify gaps in social protection for domestic workers, the impact of advocacy and campaigns around domestic work and to map out strategies for strengthening future advocacy and planning, the Global Network carried out a comparative study on social protection for domestic workers in four countries including Ghana and South Africa.

- ● ● “In order to identify gaps in social protection for domestic workers, (...) the Global Network carried out a comparative study on social protection for domestic workers in four countries including Ghana, and South Africa.”

### ► Social protection and domestic workers in Ghana: the Law and the reality

Domestic workers in Ghana like most informal economy workers are largely excluded from social security coverage. Most domestic workers involved in the study did not know they had rights to social security benefits and those who requested them were turned down. They did not know they could report their employers' violations and hence had accepted their situations. Many employers who took part in the study were ignorant of their obligation to pay social security contributions on behalf of domestic workers. Most participants could not agree that domestic workers should be entitled to maternity leave. A participant bemoaned that: *“How can I continue to pay someone unavailable to discharge the duties she was employed to do. And by the way, am I expected to give her back her job after the maternity? Would she come and live in my home with the baby or would she also employ someone to look after her child? It is simply not practicable.”*

## Country focus: Ghana

- Ghana has a population of 24.3 million and ranks 130 on the Human Development Index.<sup>55</sup>
- About 28.5 per cent of Ghanaians live below the poverty line, while 18 per cent live in extreme poverty.
- About 85.7 per cent of poor people live in rural areas.
- The official figures state that only 0.2 per cent of workers are engaged in domestic work. This tendency to underestimation relates to perceptions of domestic work. 20.4 per cent of workers are classed as ‘contributing family workers’ who do not earn any wages. Many of these family workers are likely to be engaged in domestic work.
- Although the Labour Act (2003) requires employers to provide social security including pensions, maternity leave, sickness and severance pay to employees, compliance is low.

While some moves have been made to address the social protection needs of informal workers, such as domestic workers, most are still excluded:

- In 2008 a new Pensions Act was passed to improve pension benefits and extend coverage to the informal economy. The three-tier scheme open to all workers including those in the informal economy came into operation in January 2010. This consists of a provident fund and personal schemes that accept varying contributions from members on a daily, weekly, monthly or seasonal basis.
- The National Health Insurance Scheme (NHIS) was established in 2004 with premium payment exemptions for those who are poor. However, none of the domestic workers interviewed as part of the study had registered for the scheme as the upfront payments for medical care, even reduced, are unaffordable to them.

- ● ● “Many employers who took part in the study were ignorant of their obligation to pay social security contributions on behalf of domestic workers. Most participants could not agree that domestic workers should be entitled to maternity leave.”

<sup>55</sup> GESS Global Extension of Social Security, [www.socialsecurityextension.org/gimi/gess/ShowCountryProfile.do?cid=309&aid=2](http://www.socialsecurityextension.org/gimi/gess/ShowCountryProfile.do?cid=309&aid=2)

## Justina's story

Justina Donnawun is a 31-year old divorcee with a 9-year-old child. She secured employment as a domestic cook through the Public Recruitment Centre of the Department for Labour. Her employer offered accommodation, three meals a day and a salary of GH150 (70 Euros) per month. Although her employer said she would pay her social security contribution on her behalf, Justine explained that she has lost her ID card and the employer never followed up.

'The family travelled a lot, but whenever they were around I could be awake by 5am and retire to bed as late as 1am. On my days off, I was not allowed to go out from 6am to 6pm. I was not allowed to sleep out even though it is my day off.'

In addition to long and irregular hours, Justine lived in poorly ventilated and mosquito infected accommodation. Although hired as a cook, Justine found herself compelled to do all of the household chores as well as running errands for the family. After six months, a dog belonging to the house went missing. Her employer valued the dog at GH500 and refused to pay Justine her wages that month. After the intervention of the Public Recruitment Centre the employer complied but then fired her.

Since then Justine has had three domestic jobs but each has lasted only two weeks.

'My last job was in the house of an old man. He screams and shouts unnecessarily. He prevented me from practicing Christianity because he is a Muslim. He didn't want me to speak to some neighbours and sometimes he gets aggressive, threatening to slap me.'

Justine is now looking for a new job 'I can't afford to be unemployed' she explains. 'The economic situation in Accra is not easy. Besides, I have a responsibility to remit [money] to my parents back home in addition to taking care of my child.'

According to the Global Network Africa study, there are three areas of urgent concern for domestic workers in Ghana:

**The invisibility of domestic work:** Working on their own in private homes, many domestic workers are effectively hidden away from wider social and legal protection. It is crucial that the general public, policy makers, politicians and domestic workers themselves are made aware of the rights of domestic workers to employment regulation and social protection programmes.

**The gap between law and practice:** Sections 33 and 34 of Ghana's Labour Law, Act 651(2003) provides for 40 working hours per week. Any extra hours worked must be paid for as overtime and every worker should have a 30-minute break. However, Section 44 of the Act exempts domestic workers in private homes from the provisions in Sections 33 and 34. The law also provides for daily rest of not less than 12 hours and a rest period of 48 consecutive hours in every 7 days. However, domestic workers interviewed as part of the study stated that although they are entitled to one day-off per week in principle, most of the employers fail to grant this.

**The organisation of domestic workers:** Domestic workers have little knowledge of their rights and rely on the goodwill of employers. Although most respondents have suffered and continue to suffer unfair labour practices including violence, none had reported such abuses because they did not know where to get help from.

As the Industrial and Commercial Workers Union (ICU) reported to Global Network Africa, empowering domestic workers is made more difficult by an interpretation of the Labour Act that 'two or more people in the same undertaking can form or join a trade union' (Labour Act, Section 80). The Labour Department had argued that domestic workers belong to individual employers and thus are 'not in the same undertaking'.

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### SADSAWU: Successfully organising a scattered and hidden workforce

Affordable healthcare, decent housing, a living wage, adequate retirement policies and the right to work-based injury compensation must surely be among the basic aspirations of workers the world over. Yet, for many domestic workers in South Africa such basic rights remain just that: an aspiration. The triple barrier of the invisibility of domestic work, the gap between law and practice and the lack of organisation of domestic workers has ensured that the employment of domestic workers in South Africa remains characterised by poor working conditions, low wages, long hours and a heavy workload.

The very nature of their work within private homes ensures the ongoing isolation and silence of such workers: “We believe most workers would like to join the unions but they do not know about us because they are isolated. They stay at the backyard of employers’ homes” explains Myrtle Witbooi of the South African Domestic Services and Allied Workers Union (SADSAWU).

Set up in 2000, SADSAWU aims to tackle the very isolation of domestic workers by empowering them to step out from the backyards of their employers’ homes and to find and effectively use their collective voice and bargaining power to fight for their rights and input into the drafting of future labour legislation:

● ● ● “Only domestic workers know their needs and therefore should be involved in any talks about social benefits programmes and social laws.”<sup>56</sup>

Myrtle Witbooi, SADSAWU Secretary General.

At the end of December 2009, the Labour Force Survey estimated that there were 898,000 domestic workers in South Africa, constituting 7 per cent of the total workforce.<sup>57</sup> Yet, despite the huge numbers of domestic workers and the post-Apartheid era change to legislative provisions covering all workers, shifting the power in favour of such workers faces substantial challenges. As with Ghana discussed earlier and many other countries, such provisions often fail to reach those who fall outside of formal workplaces or organised sectors. Even when measures are put in place to cover all workers, such as the Unemployment Insurance Fund (UIF), only a minority are registered due to restrictions on registration and a lack of compliance by employers: the requirement that a contributor to UIF has to work a minimum of 24 hours per month for the same employer excludes many domestic workers, while a recent survey of 200 employers showed that just over 41% had registered their domestic employee with UIF.

Setting out to not only educate and inform domestic workers but to train them ‘to become the leaders of tomorrow’<sup>58</sup>, SADSAWU has actively led a number of campaigns to input into legislative measures affecting domestic workers and to ‘organise the unorganised’. Since June 2001 SADSAWU has made submissions to the Department of Labour on minimum wages for domestic workers. The results of this concerted effort to increase the minimum wage has seen an increase between

2002 and 2010 from R800 (83 Euros) to R1,442.86 (150 Euros) in urban areas and from R650 (66 Euros) to R1,197.78 (120 Euros) in rural areas. While such success is tempered by the low starting base of wages for domestic workers, it illustrates the ability of a strengthened collective voice for domestic workers to create real and impactful change.

### ► The expanding impact of organised South African domestic workers

Creating such change at the national level has gained SADSAWU growing international recognition and the loudening collective voice of domestic workers in South Africa is now not only changing their own lives but, since 2007, the lives of domestic workers across the world through SADSAWU’s chairing of the International Domestic Workers’ Network (IDWN). As part of the IDWN, SADSAWU is taking an active role in pushing for the adoption and implementation of an ILO Convention for Domestic Workers.

For SADSAWU, while an ILO Convention on Domestic Workers will not automatically change conditions on the ground, it will set an important benchmark from where the real work of ensuring implementation will begin, and it will provide a platform from which the newly strengthened voice of domestic workers can call for effective social protection policies for domestic workers throughout the world.

### ► Conclusion

A renewed political will has emerged in Africa to answer the peoples’ call for adequate social protection coverage for all. However, as this section has shown, the political will has so far failed to impact significantly on the realities of life for the majority of those on the continent, in particular, the vast majority who work in the informal economy. Domestic workers, already marginalised by their position in the informal economy, the invisibility of their employment and a lack of recognition and enforcement of their rights are further marginalised by a lack of collective organisation. As the example of SADSAWU in South Africa shows, empowering the growing voice of vulnerable groups can have an impact not only at an individual, local and national level, but also at a regional and international level.

<sup>56</sup> Personal communication, March 2011

<sup>57</sup> Statistics South Africa (2010) Quarterly Labour Force Survey Q4 2009

<sup>58</sup> ITUC, Spotlight interview with Esther Stevens (SADSAWU – South Africa) [www.ituc-csi.org/spotlight-interview-with-esther.html](http://www.ituc-csi.org/spotlight-interview-with-esther.html)



Asia has seen some of the most rapid economic growth in the world in recent years. Yet, serious food and fuel crises and two financial crises in the space of a decade have left no doubt that increased growth does not guarantee increased stability and economic security for the region or for the disadvantaged and vulnerable groups who live within it. While growth rates in many Asian countries have revived, the benefits of growth have not been evenly distributed, and widespread poverty, social exclusion and vulnerability continue.

Despite crisis after crisis, many governments and donors in Asia continue to look at economic growth and quantitative job creation as the answer to Asia's poverty and development questions.

Such one-dimensional narrowing of the development debate to one of number of jobs created raises real questions about both the quality of the jobs created and how the needs of vulnerable groups such as older people, people with disabilities and

## Key Facts on decent work and social protection in Asia

- By 2015, Asia will be home to 60 per cent of the world's total workforce.<sup>60</sup>
- In 2005, 84 per cent of workers in South Asia, 58 per cent in South-East Asia and the Pacific and 47 per cent in East Asia did not earn enough to lift themselves and their families above the US\$2 a day poverty line.<sup>61</sup>
- The percentage of those working in the informal economy ranges between 40–80 per cent.<sup>62</sup>
- Social protection coverage in Asia ranges from between 7–46 per cent of the target population.<sup>63</sup>
- **Pensions:** The percentage of the labour force covered by pension schemes in Asia is much lower than the OECD average of 83.3 per cent. Coverage in India is 9.1 per cent, 6.4 per cent in Pakistan and estimated at 20.5 per cent for China.<sup>64</sup>
- **Health:** Current levels of out-of-pocket health spending in Asia region are much higher than in other parts of the world – 60 per cent in South-East Asia. In 2005, an estimated 80 million people in the region faced catastrophic health expenses, and 50 million people were impoverished because of out-of-pocket payments associated with poor health status and using health services.<sup>65</sup>
- **Unemployment Insurance:** The ILO estimates that less than 20 per cent of those unemployed in Asia actually receive unemployment benefits.<sup>66</sup>

<sup>59</sup> Global Network partners who contributed to this chapter include Institute for Labour Studies, Bangladesh; Women Movement Organisation and Community Legal Education Centre, Cambodia; Hong Kong Confederation of TUs; Self Employed Women's Association, India; Labour Education Foundation, Pakistan; Labour Education and Research Network, Philippine.

<sup>60</sup> The unemployment of young people presents a particular challenge in Asia: In 2005, Asia had 48 per cent of the world's unemployed young people. In Asia a young person's risk of being unemployed is three times higher than that of an adult. ITUC (2010) *Annual Survey of Violations of Trade Union Rights, ITUC*.

<sup>61</sup> ILO (2006b) *Realising Decent Work in Asia: Fourteenth Asian Regional Meeting*, ILO

<sup>62</sup> ISSA Social Policy Highlight 07: *Dynamic Social Security for Asia and the Pacific: The Integral Role of Social Security*

<sup>63</sup> Based on the Asian Development Bank Index for evaluating social protection frameworks. See Social protection in Asia Policy and Network Building Programme (2010) *Social Protection in Asia: Research Findings and Policy Lessons*

<sup>64</sup> OECD (2009) *Pensions at a Glance: Special Edition Asia/Pacific*, OECD: Paris

<sup>65</sup> WHO (2009) *Health Financing Strategy for the Asia Pacific Region (2010-2015)*, WHO: Geneva

<sup>66</sup> ILO (2010) *World Social Security Report 2010/2011: Providing Coverage in Times of Crisis and Beyond*, Figure 5.6, ILO: Geneva

migrants, will be addressed. The ILO's Decent Work Agenda seeks to respond to global and regional imperatives for job creation by refocusing the debate on the concept of 'decent' work for all.

Social protection, in addressing the very dynamics of poverty in its empowerment of vulnerable groups, is an essential element of delivering Decent Work for All in a region facing such huge and diverse challenges.

- ● ● "The ILO's Decent Work Agenda seeks to respond to global and regional imperatives for job creation by refocusing the debate on the concept of 'decent' work for all."

## Decent work and social protection in Asia

The understanding and evaluation of social protection in Asia is heavily influenced by an index developed by the Asian Development Bank. The index has four main components: the number of beneficiaries of the social protection programmes, the number of beneficiaries who are poor, the expenditure on social protection, and the fraction of the expenditure that goes to those who are poor.

This focus on poverty reduction is a common thread in social protection definitions and programmes throughout Asia. Social protection in India and Cambodia consists of a collection of social protection policies that seek to address a broad spectrum of vulnerabilities, risks and deprivations. In Pakistan and the Philippines, poverty reduction plays a key role in defining government understanding of social protection. In Pakistan, social protection policies look to address the capacity of the poor to manage risk and vulnerability.

<sup>67</sup> ISSA (2009) *Dynamic Social Security for Asia and the Pacific: The Integral Role of Social Security*

<sup>68</sup> World Bank, *World Development Indicators 2009*, World Bank: Washington

<sup>69</sup> UNDP (2010) *Human Development Report 2010, The Real Wealth of Nations: Pathways to Human Development*, UNDP: New York

<sup>70</sup> ILO (2006c) 2005–2006 *Labour Force Survey Pakistan*, ILO: Geneva

## ► Challenges to extending social protection coverage

While some countries in Asia such as Sri Lanka and India have made efforts to extend social protection coverage beyond the formal sector, a burgeoning workforce, an ageing population, high post-crises unemployment rates and increased inter-regional migration, in addition to the fiscal and operational challenges of extending basic social protection coverage to 4.1 billion people create huge and ongoing challenges for the region. For instance, in China, the number of people over 60 is expected to increase from about 166 million in 2008 to 342 million by 2030, while in India, the number of people over 60 is expected to have passed 180 million by 2030.<sup>67</sup>

Despite the obvious challenges, political commitment to providing a basic level of social protection for all continues to grow. On 22 February 2011, the Ministers in charge of Social Services from South Asia declared their commitment to promote and expand the scope of social protection policies in the region.

## Organising the Unorganised: Empowering Home-based Women Workers in Pakistan

Within the large informal economy in Pakistan there are 8 million home-based women workers unrecognised as workers by law and without any social protection coverage or access to the labour courts in case of industrial dispute. With no legal standing it is difficult for such workers to organise and speak with one voice and to demand their rights. This difficulty in

## Country Focus: Pakistan

- Pakistan has an estimated population of 170 million people<sup>68</sup> and ranks 125 on the Human Development Index.<sup>69</sup>
- 73 per cent of those employed in Pakistan work in the informal economy.<sup>70</sup>
- As of 2008, 17.2 per cent of the total population lives below the poverty line, which is the lowest figure in the history of Pakistan.
- A social protection policy has been put in place as an integral element of the Development Policy Framework, with the core aims being to:
  - extend the coverage of cash transfers;
  - create a public works programme based on low-wage employment;
  - programmes to tackle child labour; and
  - scaling up of school feeding and social care services.

creating a strong collective voice is further compounded by the recent introduction of the 18th amendment which does not allow for national level unions or federations and does not provide for any institution at federal level to register unions.

A lack of legal standing also reinforces the vulnerability of home-based women workers who often work excessive hours for very little pay, with often serious implications for their health. In addition to health implications from the work itself, many home-based women workers do not have the time to pay attention to and deal with other health issues. Shawl workers, for example, often suffer from serious back and shoulder complaints. With few if any government health facilities and unaffordable private clinics, many workers have no choice but to continue working despite their ill-health or injuries.

● ● ● “When I started organising [women workers in the informal economy]... what struck me was the primacy of work in their lives. Work is their main priority. The women often say: ‘as long as we work, we live’. However, I quickly learned that work alone is not enough... In fact, to help women to reach their goals of full employment and self reliance, social security is a must. Full employment includes work and income security, food security and social security. Thus, social security is part of women’s struggle against poverty...”

Ela Bhatt, Founder of Self Employed Women Association (SEWA)<sup>71</sup>

## Razia's story

Razia, a home-based piece-rate worker from the outskirts of Lahore, works between 12–16 hours a day to earn PKR2000–2500 (16-20 Euros) per month with help from family members. Razia also looks after her family and carries out the household chores.

In addition to requiring excessive working hours for so little pay, Razia’s work has also had ongoing implications for her health and well-being. Making detailed decorated items for use in religious functions and wedding ceremonies, her work has led to backache, headaches and weakened eye sight, and she has suffered numerous burns from working with hot wax.

Hired by an agent or middleman, Razia has often been cheated out of payment for her work under the pretext of quality issues and all requests for improved wages have been met with threats of losing the work altogether. Working within her own home, Razia was unaware that home-based workers had any recourse to either legal protection or social protection measures. “How can home-based workers ask and get the benefits of social protection,” she asked, “when they are not considered workers in the labour market and are further marginalised as women?”

Razia’s story highlights the double invisibility of home-based women workers: their work within an unrecognised and largely unregulated informal economy, and their status as women in a country yet to fully address the marginalisation of women despite the equal status of women citizens being enshrined in Article 25 of the Constitution.

In 2005, the non-governmental organisation Labour Education Foundation (LEF) set about empowering home-based women workers to come together and find a collective voice and bargaining power through the establishment of a national platform to call for their rights. LEF overcame the obstacle of isolation by helping to form cooperatives that gave home-based women workers the opportunity to meet and discuss their issues with other home-based workers. These cooperatives now have over 4000 members and played a major role in establishing the Home Based Women Workers Federation (HBWWF). Together with HBWWF, LEF engages in active lobbying to raise the issues

<sup>71</sup> Quoted in ‘Social protection and Decent Work: New Prospects for International Labour Standards’, *Comparative Labour Law & Policy Journal*, Vol. 27, N. 2

of home-based women workers with regional and national government and to place it on the agenda of mainstream trade union movements. Successes have included pushing for the formation of a working committee headed by the Minister of Women's Development to draft a bill on the rights and social protection of home-based women workers. The first HBWW Convention was convened on 11 April 2011 in Karachi to demand the government to: adopt a National Policy on HBWW; ratify the ILO Convention 177; recognise HBWW as workers and ensure their protection under the labour laws as well as their access to social security.

The incremental impact of such coordinating work can clearly be seen in the case of the home-based glass bangle workers below. Although the status of the industry was officially confirmed more than a decade ago, the recognition of worker status had failed to follow, leading to a situation of continued powerlessness and exploitation for these workers.

● ● ● “These cooperatives now have over 4000 members and played a major role in establishing the Home Based Women Workers Federation (HBWWF).”

### ► Home-based women workers leading the way

#### The case of glass bangle workers

Over 1 million workers are directly or indirectly involved in the hazardous bangle manufacturing industry in Pakistan. With training and awareness raising help from LEF, home-based women bangle workers began to come together to discuss their labour issues in 2006 and decided to form an independent organisation to push for their rights.

In 2009, LEF supported research and awareness raising involving over 500 home-based women bangle workers in Hyderabad. Without official recognition of their worker status, the home-based women bangle workers did not have any coverage under social service or pension schemes. The only way to push for and protect the rights of home-based bangle workers was therefore to form a registered representative union. Registration of the union not only means recognition

on paper but grants the validity to proactively and legitimately engage in change-making negotiation with government. In effect, registration has given legitimacy to the collective voice and bargaining power of home-based women workers.

Supported with technical help from LEF and the National Trade Union Federation (NTUF), a membership drive was initiated and soon 700 home-based women workers had become members allowing for the registration of the first home-based workers union in November 2009. Membership now stands at 2100 with 12 strong local units of the union.

Where local units exist, there has been a notable change in the behavior of the male contractors and middlemen. This cooperative is becoming the nucleus of organisation and support for home-based women workers across the city, and works with union representatives to address problems including disputes with contractors and domestic issues.

In addition to its outstanding success, the most striking feature of this initiative is that the success of the Home-Based Bangle Workers Union has inspired male bangle workers to approach the union leadership to seek help in organising themselves. In empowering home-based women workers to find a collective voice and platform for action, the initiative has addressed their double vulnerability as informal home-based workers and as women. Having received technical help from NTUF in their own registration process, the Home-Based Bangle Workers Union is now helping NTUF to form a union in the formal sector of the bangle industry.

● ● ● “Registration of the union not only means recognition on paper but grants the validity to proactively and legitimately engage in change-making negotiation with government. In effect, registration has given legitimacy to the collective voice and bargaining power of home-based women workers.”

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## The transformative power of solidarity between workers: migrant domestic workers in Hong Kong

In an invisible world, migrant domestic workers are among the most invisible.

In Hong Kong, there are around 300,000 domestic workers (9 per cent of the population), the majority of whom are from Indonesia, the Philippines, Thailand and Nepal. In principle, migrant workers are protected by the same labour laws as all workers in Hong Kong, but, in reality, immigration laws hinder them from having full coverage. For example, migrant workers can have difficulty changing employers as the immigration law only gives them two weeks to stay in the country before they must find alternative employment. This leads to workers staying in abusive positions for fear of being sent home. In addition to problems created by restrictive immigration laws, migrants face issues in accessing information and support because of language barriers and a lack of the alternative skills training that would allow them to seek employment in other areas.

- ● ● “Migrant workers can have difficulty changing employers as the immigration law only gives them two weeks to stay in the country before they must find alternative employment.”

The Hong Kong Confederation of Trade Unions (HKCTU) has been working with domestic workers for two decades and has focused on the importance of solidarity between workers as a lever to ensure decent work for all: ‘We have to do away with the “migrant workers” tag’, explains Elizabeth Tang, Chief Executive of the HKCTU. ‘Domestic workers are already so fragmented that we need to be able to stand up as one, migrant and non-migrant, and demand our rights.’ With the onset of the financial crisis conflict between national and non-national workers has become a problem in many countries, both developed and developing. In a culturally and ethnically diverse region that has been severely affected by the global financial crisis, HKCTU has managed to use the basic principle of workers solidarity – all workers working together for their rights and for decent work – to shift the power struggle from one between national and non-national worker, to one between worker and the barriers that stand in the way of accessing decent work for all. This use of worker solidarity is

a concept that could be put to good use in countries through Europe and the developing world whose labour battles have often been reduced in times of economic austerity to a battle between ‘them’ taking our jobs and ‘us’.

- ● ● (...) “HKCTU has managed to use the basic principle of workers solidarity – all workers working together for their rights and for decent work – to shift the power struggle from one between national and non-national worker, to one between worker and the barriers that stand in the way of accessing decent work for all.”

Building practical foundations on the concept of worker solidarity, in November 2010 HKCTU supported the creation of the Federation of Asian Domestic Workers’ Union (FADWU). FADWU has brought together domestic workers from Hong Kong, Nepal, Philippines, Indonesia and Thailand.

After only a few months the creation of the federation has had a transformative effect not just in terms of the stronger bargaining voice of workers, but in the changes apparent throughout the HKCTU. The concept of solidarity for all workers has snowballed and local committees now actively want to include representatives from the new unions at meetings and are even providing translation services at meetings.

For HKCTU, the process of migrant workers integrating into local communities and their local trade union movements is as important as seeking changes in labour laws. On International Women’s Day the workers came together to demonstrate on an issue facing all low-income women workers: the very serious retirement problem of a lack of a pension scheme. This is only one example of how the HKCTU is facilitating growing solidarity between workers by prioritising issues shared by migrant and local workers.

HKCTU is taking the concept of solidarity one step further by creating linkages with labour movements in migrants’ home countries, as labour violations and problems begin for many workers before they have even left their home countries. Since the advent of the financial crisis and the ensuing increased pressure on more women to work, there has been an increase in the abuse of domestic workers by recruitment agencies in home countries, including substantial fee increases.

- ● ● “On International Women's Day the workers came together to demonstrate on an issue facing all low-income women workers: the very serious retirement problem of a lack of a pension scheme. This is only one example of how the HKCTU is facilitating growing solidarity between workers by prioritising issues shared by migrant and local workers.”

A third strand of HKCTU's approach is to work more closely with civil society and representative workers organisations. High inflation and rising unemployment have led many low-income workers to point the finger of blame at migrant workers and so there is a need to work with the civil society and representative workers organisations who are in daily contact with many vulnerable groups and communities to spread the message of solidarity and shared problems between all low-income workers, migrant and non-migrant.

HKCTU's work to engender worker solidarity at the national and regional levels has now reached international levels as the HKCTU works to educate domestic workers, local and migrant, on the importance of the draft ILO Convention on Domestic Workers. As many cannot see the Convention's relevance to them, HKCTU has begun to train campaigners from each union of the federation to carry out education work within the union on its relevance and importance in addressing the issues such as retirement benefits facing all domestic workers, local and migrant within Hong Kong, Asia and the wider world.

### ► Conclusion

While the achievement of a basic level of social protection for all in Asia faces many challenges, the examples from Pakistan, Hong Kong and Bangladesh above show that civil society and representative workers organisations have a huge role to play in empowering vulnerable groups to find and use their collective voice in calling for such protection. Using their in-depth knowledge and understanding of the vulnerable groups with whom they work, and a detailed understanding of the national and regional issues facing such vulnerable groups, civil society and representative workers organisations can empower these groups to find their own solutions and collective strength to call for positive change for all.

# Arab Countries



Spanning the Middle East and North Africa, the 22 countries in the Arab region comprise countries that range from the very high-income countries of the Gulf, to middle-income countries such as Jordan and Oman, to very low-income countries such as Mauritania and Sudan. In addition to its huge diversity, the region was still dealing with the effects of the financial crisis when it was rocked by the current civil and social unrest.

For many commentators, the self-mass mobilisation of the people in the region has created a unique opportunity to address inequalities in the region and to push for the right to decent work and social protection for all.

## Decent work and social protection in the Arab Countries

The achievement of Decent Work for All faces a number of important challenges including limited social dialogue, restrictions on the right to organise, freedom of association and collective bargaining, and extending social protection and labour governance to vulnerable groups such as women and migrant workers.

Social protection measures that specifically address the vulnerabilities of these groups are vital to ensuring the achievement of decent work for all in the region.

Compared to other developing regions, the population coverage for social protection is the highest in the Arab region. However, while steps have been made towards improved social protection measures in the region, it remains sporadic, largely confined to the formal sector and lacking in strong implementation and enforcement.

- ● ● “Compared to other developing regions, the population coverage for social protection is the highest in the Arab region. However, while steps have been made towards improved social protection measures in the region, it remains sporadic, largely confined to the formal sector and lacking in strong implementation and enforcement.”

## Key facts on decent work and social protection in Arab Countries

- While the available evidence is limited, recent estimates suggest that about 20 per cent of the Arab population live in poverty based on the international US\$2 per day.<sup>72</sup>
- Few countries reach social insurance coverage rates of more than 10 per cent women.<sup>73</sup>
- **Pensions:** The World Bank estimates that social security pension schemes only cover 34 per cent of the region’s workers, with huge disparities across the region.
- **Health:** There is huge disparity within the region with the oil-rich gulf states having free health services, while the Ministry of Planning and International Cooperation of Yemen estimates that health delivery system coverage ranges from 85 per cent in urban areas to only 25 per cent in rural areas.<sup>74</sup>
- **Unemployment Insurance:** is severely lacking as it is a relatively recent development in the region.

<sup>72</sup> ILO (2009b) *Building Adequate Social Protection Systems and Protecting People in the Arab Region*, ILO: Geneva

<sup>73</sup> Ibid

<sup>74</sup> [www.mpic-yemen.org/dsp/development\\_challenges.htm](http://www.mpic-yemen.org/dsp/development_challenges.htm)

## ► Challenges to extending social protection coverage in the Arab region

The diverse group of countries in the Arab region each has their own particular national context and challenges, with high-income Gulf States and countries such as Yemen, which ranks as one of the 20 least developed countries (LDCs) in the world.

In addition, there is huge inequality within different sectors of the population, with women, migrants and young people in a particularly vulnerable situation. The ILO has identified three areas of social protection requiring particular focus in the region: pensions, unemployment protection and maternity.<sup>75</sup>

### Palestine: guaranteeing the right to organise

Palestine is shaped by a number of unique and interconnected factors that affect the ability of Palestinians to access decent work and social protection.

#### ► Restriction on movement

Living conditions in Palestine and the ability of Palestinians to access decent work and adequate social protection are profoundly affected by the ongoing and increasing restrictions on their movement and day-to-day activities.

In recent years, Israel has increasingly clamped down on the ability of Palestinians to travel to Israel for work. This has included a decrease in the number of working permits granted and the construction of huge physical barricades including a

10 metre high 'separation' wall despite the International Court of Justice declaring it illegal. This has led to many thousands of Palestinians losing their primary source of income and many thousands more being forced to illegally cross into Israel for work each day, resulting in such workers becoming increasingly vulnerable, at risk of exploitation and without any recourse to hold their employers to account in Israeli courts.<sup>83</sup> Many Palestinians are now forced to work in the Israeli settlements in often less than desirable working conditions characterised by high vulnerability and risk.<sup>84</sup> In addition, many farmers have been cut off from their lands, losing their only source of income.

#### ► The marginalisation of women

Another issue hampering the attainment of decent work and social protection is a failure to translate women's rights into practice. Despite women having been granted clear rights under law, such as the right to maternity leave, the labour law does not forbid women from being dismissed by their employer in their eighth or ninth month of pregnancy and some organisations refuse to hire women on the basis that they cannot afford to pay them maternity leave. This failure to put formal labour rights for women into practice has serious implications such as their low labour market participation rate of just over 14 per cent.

#### ► Social protection provision context

The establishment of a social protection provision under the Palestinian National Authority (PNA) took place at a time when its policies were very much led by priorities of facilitating investment and free trade set by the World Bank, International Monetary Fund and the European Union. This external setting of priorities and ongoing reliance on external funding has hampered the PNA's capacity to shift direction towards a more redistributive form of governance. However, the PNA has expressed its commitment to enhancing social protection and the Palestinian Reform and Development Plan (2008–2010) emphasised the importance of ensuring that the poorest and most vulnerable receive a basic level of assistance.

## Focus on Palestine

- Palestine has a population of just over 4 million<sup>76</sup> and ranks 110 on the Human Development Index.<sup>77</sup>
- In 2006, deep income poverty affected 55.6 per cent of all households.<sup>78</sup>
- The labour participation rates of women in the West Bank and Gaza Strip (WBGs) is strikingly low, standing at 14.4 per cent compared to an also relatively low 67.6 per cent for men.<sup>79</sup>
- At least 60 per cent of wage employees in the private sector did not have any health insurance in 2004.<sup>80</sup>
- By 2006, it was estimated that a third of the Palestinian labour force had no hope of finding employment in the near future to secure a minimum level of income.<sup>81</sup>
- 84 per cent of employed women and 62 per cent of employed men are not affiliated with a labour union.<sup>82</sup>

<sup>75</sup> ILO (2008) *Unprotected Employment in the West Bank and Gaza Strip: A Gender Equality and Workers' Rights Perspective*, ILO: Beirut.

<sup>76</sup> World Bank (2011) *World Development Indicators*, World Bank: Washington

<sup>77</sup> UNDP

<sup>78</sup> Deep consumption poverty is defined as the inability to meet basic human needs (food, shelter, and clothing). The individual monthly deep poverty line was estimated at about US\$64 (US\$2.10 per day). ILO (2008) *Unprotected Employment in the West Bank and Gaza Strip: A Gender Equality and Workers' Rights Perspective*, ILO: Beirut

<sup>79</sup> Ibid

<sup>80</sup> Ibid

<sup>81</sup> Ibid

<sup>82</sup> Ibid

<sup>83</sup> ILO (2008) *Unprotected Employment in the West Bank and Gaza Strip: A Gender Equality and Workers' Rights Perspective*, ILO: Beirut

<sup>84</sup> Ibid

Working in partnership with the European Union, the PNA recently launched the Palestinian National Programme for Social Protection Cash Transfer (PNPSPCT) which targets families living in extreme poverty with quarterly cash allowances. The programme will reach over 56,000 Palestinian households.

A key factor compounding the barriers above and the ability of people in the Arab countries to call for their right to decent work and adequate social protection is the restrictions on true freedom of association and the right to organise. Civil society and representative workers organisations are playing a vital role in pushing for such rights and the implementation of decent work and adequate social protection in Palestine.

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### **CSOs role in achieving decent work and universal social protection in Palestine**

Hasan Barghouthi, Director of the Democracy and Workers Rights Center (DWRC) in Palestine identifies one of the main challenges of achieving decent work and universal social protection as 'the new employment trend which deprives workers of their rights, as well as the rise in anti-union companies which make it difficult to talk to workers and organise them. Achieving progress on guaranteeing freedom of association and the right to organise [is crucial] so that workers can elect their representatives and bargain for their rights. Barghouthi believes that the Arab world is at a crucial turning point in which the people themselves have mobilised to join civil society and representative workers organisations in calling for democratisation and social changes. These organisations have a crucial role to play in supporting the people:

'If the pressure is not maintained, governments can easily back down, leave promises unfulfilled and yield to the pressure of the business community and those who support neo-liberal economic approaches.'

Holding the government accountable to implement existing social protection programmes and labour laws is therefore a crucial point of mobilisation for many Palestinian civil society and representative workers organisations.

Due to pressure from the private sector the PNA added an additional clause to Pension Law No 5 which gave employers the choice of whether to implement the law or not. Throughout 2010, the Federation of Independent Unions coordinated a mass-mobilisation, coordinated campaign involving sit-in, rallies and direct lobbying which set out to not only repeal the optional clause, but to ensure the implementation of the pension law. The sit-ins and rallies were a means to open social dialogue with the PNA's Council of Ministers and to make it clear that unions and the people are unwilling to compromise on the implementation of the pension law.

### **► Conclusion**

There have been significant advances in the provision of social protection measures across the Arab countries. However, coverage remains sporadic and a number of vulnerable groups, in particular, women, migrant workers, informal workers and young people continue to be exposed to unacceptable levels of risk and vulnerability.

Civil society and representative workers organisations have a major role to play both in supporting the people in the region in their continuing call for their rights, and to hold governments accountable for their commitments to decent work and social protection for all. The lack of official enforcement and implementation means that important, hard-won measures do not produce the benefits they are designed to.

Civil society and representative workers organisations must not only work within their national context but have a responsibility to come together and coordinate efforts for change at the regional level. In light of the current civil and social unrest in the region, the time is right for renewed coordination to push for the development and implementation of regional social protection mechanisms and programmes, and for civil society and representative workers organisations to actively push for their involvement in future social protection reforms in the region.

# Latin America<sup>85</sup>



Several Latin American countries such as Chile and Brazil were among the first countries in the world to introduce formal social security measures in the early 20th century. However, the 1980s crisis, the structural adjustment which followed, and the upward trend in urban informality *seriously challenges the expectations regarding the gradual extension of social protection*.<sup>86</sup>

## Key facts on decent work and social protection in Latin America

- Four in ten Latin Americans live in poverty and one in six live in extreme poverty.<sup>87</sup>
- In 2005, 64.1 per cent of non-agricultural employment in Latin America was in the informal economy.<sup>88</sup>
- Estimates showed that in 2005, 37.7 per cent of wage workers in Latin America were employed without a contract.<sup>89</sup>
- Since the onset of the global economic crisis, the numbers of working poor have increased, with nearly one in ten workers now living in extreme poverty.<sup>90</sup>
- While social protection coverage is higher in Latin America than in some other regions, coverage varies greatly between countries (between 30–60 per cent).
- **Pensions:** In Latin America coverage in the majority of cases reflects the proportion of those working in the formal economy (30–60 per cent).<sup>91</sup>
- **Unemployment Insurance:** Less than 20 per cent of people in the region are legally covered by any form of unemployment benefits. In reality just under 10 per cent of those who are unemployed receive benefits from contributory schemes.<sup>92</sup>

## Decent Work context in Latin America

The macro-economic policies of the 1990s had significant impacts on the decent work agenda in the region, including increasing the number of temporary workers, reducing trade union coverage, increasing underemployment and creating high rates of inflation which reduced the real value of the minimum wage.<sup>93</sup>

The vulnerability of this large proportion of the workforce is compounded by a real lack of implementation of key labour rights and standards. While 69 per cent of countries in the region have ratified all eight fundamental ILO conventions, the violation of labour rights and standards is common<sup>94</sup>. The region accounted for<sup>95</sup>:

- 29 per cent of all global dismissals violating freedom of association;
- 10 per cent of the world's forced labourers; and
- nearly 6 million child labourers.

Decent work for all remains yet more elusive thanks to a decrease in trade union coverage. On average, coverage decreased from 21 per cent in the first half of the 1990s to 19 per cent in the second half, with significant decreases in a number of countries.<sup>96</sup>

<sup>85</sup> Global Network partners who contributed to this chapter include Foro Ciudadano de Participación por la Justicia y los Derechos Humanos (FOCO), Argentina; Centro de Acción al Cambio (CENAC), Bolivia; Servicio Paz y Justicia Social (SERPAJ), Ecuador; Programa Laboral de Desarrollo (PLADES), Peru.

<sup>86</sup> Barrientos, A. and Hinojosa-Valencia, L. Centre for Social Protection (2009) *A Review of Social Protection in Latin America*, Centre for Social Protection.

<sup>87</sup> Ibid

<sup>88</sup> ILO (2010) *World Social Security Report 2010/2011: Providing Coverage in Times of Crisis and Beyond*, Figure 5.6, ILO: Geneva

<sup>89</sup> Ibid

<sup>90</sup> ILO (2010b) *Global Employment Trends*, ILO: Geneva

<sup>91</sup> ILO (2010) *World Social Security Report 2010/2011: Providing Coverage in Times of Crisis and Beyond*, Figure 5.6, ILO: Geneva

<sup>92</sup> ILO (2010) *World Social Security Report 2010/2011: Providing Coverage in Times of Crisis and Beyond*, ILO: Geneva

<sup>93</sup> Thomas, J. (2002) *Decent Work in the Informal Sector*, ILO: Geneva

<sup>94</sup> ILO (2006) *Decent Work in the Americas: An Agenda for the Hemisphere 2006–2015: Report of the Director General*, ILO: Geneva

<sup>95</sup> Ibid

<sup>96</sup> Ibid

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## Social protection in Latin America

At present the structural economic and socio-labour outlook in most of the countries of the Americas is characterised by very high rates of labour informality, both among dependent workers and among self-employed workers, in conjunction with extensive processes of unemployment, underemployment, outsourcing and poverty. Vulnerability is particularly high among women, youth, migrants and rural workers.

Access to protection usually depends on a formally recognised employment relationship, typically through a written labour contract.

Despite issues around implementation and the difficulty of extending social protection coverage, there have been ongoing improvements in both coverage and political commitment in the region. Social protection and social security have been important agenda items for regional integration agreements such as those between the Andean Community (CAN) and MERCOSUR countries since the late 1990s.

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## Regional commitments

Many of the countries in the region have ratified the ILO's Convention 102 on 'Minimum standards of social security'<sup>97</sup>. In addition:

- The Andean Community (CAN) has developed a specific instrument, the Andean Social Security Instrument or Decision No. 583 (May 2005), which notes the necessity of guaranteeing adequate protection for migrant workers and their dependents. At the same time, the Andean Charter Article 51 states that due attention be paid to the prevention and elimination of discrimination against Andean migrants and their families in accessing public services such as education, health, housing and accommodation, social security and employment resources such as the creation of information centres and assistance for migrants.
- In the MERCOSUR framework there are a number of integration tools on social security and there are a number of other bilateral and multilateral agreements in the region, including the Multilateral Agreement on Social Security ratified by Brazil, Argentina and Uruguay which refers to old age and health benefits when workers move temporarily from one country to another.

### ► Regional trends

In addition to the above regional agreements, there have been two significant trends in social protection in Latin America in recent years: the reform of social insurance, especially pensions and health insurance, and the development of large-scale social assistance programmes.<sup>98</sup> While there is a huge diversity of

## Living without protection

Primitiva Flores is self-employed. She works as a food vendor in the Sopocachi market in La Paz (Bolivia).

What are the consequences of not having social security and protection for you and your family?

"We have been working in this market for a long time and before we never felt the need to have social security, but the economy was different then. What one sold was enough to rotate one's capital and live in dignity. The cost of living was much lower, which is not the case nowadays, and prices had not yet risen. Currently what we sell is not enough to survive, and whenever we have some medical emergency or any other emergencies we often have to borrow to cover the costs."

What has to change in terms of social protection in this sector from the Government's side?

"I think the Government should set out a minimum proposal that benefits the sector in certain points, such as, the issue of free health insurance. This would be very good as working in the kitchen can be dangerous and people have had accidents while at work here and they have had to cover their own medical costs. Selling food is not a very profitable business."

How would your life, that of your family and the sector, change, if provided with social protection?

"Receiving free health insurance would help us a lot, as it would be a benefit for those that work here every day and for our children, as they are exposed to the dangers as well, and for our partners, as often couples work together here. Apart from health cover, other measures of social protection would be helpful, such as a solidarity fund that would cover up to 50% of costs in situations such as death."

What do you think of the new Law on Pensions?

"I think it is good, at least for those of us who are self-employed we can have a monthly income for our old-age. But in the sector people are not very interested in it as you have to contribute individually and here it is not easy to put aside money like that. People believe that the money they contribute would be lost money and this comes from the lack of trust that has been created by the same authorities over years."

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<sup>97</sup> Brazil, Costa Rica, Mexico, Peru, Venezuela and Uruguay have ratified. The Trade Union Confederation of Americas (TUCA) has launched a Regional Campaign promoting Convention 102.

<sup>98</sup> Barrientos, A. and Hinojosa-Valencia, L. (2009) *A Review of Social Protection in Latin America*. Centre for Social Protection, IDS: Sussex

social protection programmes in the region, non-contributory pension schemes and income-transfer programmes are the most prevalent.

The effects of the economic crisis have also led to conditional cash transfers programs being introduced or reinforced in many countries in the region. Such programs have had some positive results due to their focus on improving the educational achievement, nutrition and access to healthcare of the most vulnerable families. Examples include:

- The Bolsa Familia launched in 2003 and considered the largest conditional cash transfer in the world was extended.
- The Oportunidades program in Mexico is conditional to parents ensuring that children maintain a certain level of school attendance, get vaccinations, and make clinic visits.
- In Peru, the *Juntos* or 'together' programme was established in 2005 to provide cash and food transfers to households with children who were living in poverty in nine of the country's most deprived regions. The transfers are dependent on school attendance and accessing health services.<sup>99</sup>
- The human development bonus in Ecuador has reduced child labour by 17 per cent.

### Peru: The goal of universal access to efficient health services

Cash transfers focus on the demand side assuming that services are accessible.

A major feature of the Peruvian health system is its fragmentation: the integral health insurance ('seguro integral de salud', known as SIS), run by the Health Ministry, concerns people in poverty and extreme poverty. It reaches around 12 million people. The contributory health insurance funded through workers contributions to 'EsSalud' covers around 20 per cent of the population; another 5 per cent of the population is covered by private health insurances.

In total around 60 per cent of Peruvians have access to healthcare. For the remaining 40 per cent of the population,

the option is to go to the health market and to buy there the services they would need.

Since 1992 the Peruvian Government's approach to healthcare access has been: targeted to the poorest and most vulnerable rather than universal; based on a vision of health as a commodity (people with economic capacity buy it when they need) rather than a right; citizens are considered consumers and finally, access to health is limited to what the market offers which is never integral but based on a limited basket.

#### ► Foro Salud – creating ripples of change

One civil society organisation committed to overcoming such problems of exclusion through universal health care for all in Peru is the Civil Society Forum on Health, Foro Salud, whose primary goal is 'the right to health for all'.<sup>103</sup>

In collaboration with the Medical College of Peru, trade unions and grassroots social organisations, Foro Salud formed an alliance to call for universal health insurance. The alliance was instrumental in calling for a Universal Health Insurance Bill which was intended to regulate health insurance and guarantee universal access to efficient health services. The 'Universal Law of Social Security and Universal Health Insurance Bill' proposal suggested to regulate health insurance for the entire population residing in the national territory, guaranteeing universal access to efficient health services, in conditions of quality and dignity. Nevertheless the law only very partially retained the universal approach suggested by Foro Salud which sees health as a human right.

Monitoring the implementation of a law is as important as producing legislative change. For that reason Foro Salud organises health services monitoring actions through groups of patients who collect cases of negligence. Also thanks to its action, the law on Institutional responsibility in cases of negligence was approved in 2009 which means that patients can now ask for a fair compensation from the medical institution.

Today, Foro Salud is leading the campaign for the reform of the Peruvian health system and the creation of a national health system to overcome the current fragmentation. The four Peruvian Trade Union Confederations are also actively involved in this process.

## Country Focus: Peru

- Peru has a population of 29.5 million and ranks 63 on the Human Development Index.<sup>100</sup>
- Around 500,000 of the 2.2 million Peruvians (roughly 23 per cent) over 65 receive an old-age, disability or survivor's pension.<sup>101</sup>
- Despite recent improvements almost 95 per cent of Peruvian workers are without job risk insurance.<sup>102</sup>

<sup>99</sup> Barrientos, A. and Hinojosa-Valencia, L. (2009) *A Review of Social Protection in Latin America*. Centre for Social Protection, IDS: Sussex

<sup>100</sup> GESS Global Extension of Social Security, [www.socialsecurityextension.org/gimi/gess/ShowCountryProfile.do?cid=309&aid=2](http://www.socialsecurityextension.org/gimi/gess/ShowCountryProfile.do?cid=309&aid=2)

<sup>101</sup> Ibid

<sup>102</sup> Ibid

<sup>103</sup> Created in 2002 and supported by SOLIDAR member FOS, Foro Salud aims at bringing together the CSOs working on health issues and at encouraging the active participation of citizens in national healthcare solutions.



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# Part 3

Conclusions and  
recommendations

# Conclusions

Social protection is a universal right. It is affordable. It works and accelerates progress toward the MDGs. It unlocks the productive capacity of women and men making them able not only to benefit from growth but to contribute to it.

The recent financial and economic crisis has brought social protection from the outskirts to the heart of poverty reduction and broader development debates. Once seen as little more than a social safety net within the more sustainable development discourse, social protection has now been recognised to hold national and regional solutions for the “three-headed monster” of poverty, vulnerability and inequality. **The crisis has shown quite simply that social protection works.**

It dissipates the effect of crises by enhancing national crisis preparedness and responsiveness, and ensures that individuals are better able to deal with shocks. In addition, it can act as a social and economic stabiliser that will prevent people from falling into poverty.

In alleviating poverty and providing the economic security necessary for people to adapt to changing economic, environmental, political and social circumstances, **social protection also provides a real possibility of achieving many of the Millennium Development Goals:** ‘well-designed and cost-effective Social Protection is crucial for the achievement of all MDGs – or phrased differently, that without appropriate social protection mechanisms the MDG targets for 2015 will not be achieved.’<sup>104</sup>

For example, MDG1, Eradicate Extreme Poverty: pensions reduce poverty among the elderly and those with disabilities, unemployment benefits reduce transient poverty among the unemployed, fee waivers for health and education allow families to access services without impoverishing themselves and transfers targeted at children and young people can help reduce current as well as intergenerational transmission of poverty. Targeted social protection policies also have the potential to address gender and other social imbalances that continue to undermine the social and economic progress in most countries. Social Protection empowers people to not only deal with their present circumstances, but to plan sustainably for the future, thus enabling independence.

The UN Social Protection Floor is a tangible starting point from which countries can begin to develop social protection poli-

cies that are grounded in their national realities and meet the needs of their population. The Social Protection Floor is envisaged as a first necessary step to address the multifaceted nature of poverty. The expectation is that more comprehensive social security must be introduced as greater capacity to do so is achieved.

The strength of the Social Protection Floor is that it provides the circumstances in which those who are poor and vulnerable can exit chronic and extreme poverty on a permanent basis, by working their way out of poverty and finding decent jobs.

● ● ● “Social protection is a key instrument to unlock the productive capacity of women and men. The purpose of social protection is not to create dependency, but to help people to overcome barriers to participation in economic, political and social life, as workers, employers, consumers and citizens.”

Michelle Bachelet, Chairperson of the Social Protection Floor Advisory Group and Executive Director of UN Women<sup>105</sup>

How many more social, economic and environmental crises will it take before the world accepts that change is needed? How many more people will have to continue to walk the thin line between survival and abject poverty on a daily basis? A basic level of social protection such as that provided by the Social Protection Floor is the most pressing demand from both organisations and peoples, north and south.

As this report has shown, formal commitment at international, regional and national level to make a basic level of social protection a reality has to be matched by a sound political will to raise the necessary technical and financial resources to make the floor a reality for all. At the same time, it requires strong and organised civil society and representative workers organisations to raise awareness among workers about their right to social security so they can claim them, and monitor the correct implementation of existing laws.

<sup>104</sup> World Bank (2003) The Contribution of Social Protection to the Millennium Development Goals, World Bank: Washington

<sup>105</sup> Michelle Bachelet read this statement at a consultative workshop on the Social Protection Floor (SPF) organised at the International Labour Office, March 2011.

# Recommendations

SOLIDAR and the Global Network in Africa, Asia, Latin America and the Arab Countries call on

## ► The International community

- To support the UN's Social Protection Floor Initiative and incorporate the initiative into development strategies to guide policy advice and technical assistance to developing countries.
- To provide technical and financial support to the development and implementation of nationally-driven, universal, social protection systems.
- To support the initiative for a Financial transaction tax in forthcoming G20 meetings as an innovative way to raise financial resources to support the set up of a basic social security floor in developing countries.
- To acknowledge the crucial role that civil society and representative workers organisations play in ensuring vulnerable groups such as informal workers have access to a basic level of social protection and in holding governments to account where they fail to implement their commitments on social protection. Civil society and representative workers organisations should be engaged as genuine partners in the development, implementation and monitoring of national social protection policies.
- International donors must support the capacity building of national and local civil society and representative workers organisations to ensure their role in advocating for and actively supporting the development and implementation of social protection policies.

## ► The EU

- To achieve its goals with regard to poverty eradication and the MDGs, the EU should make social protection a central component of its development policy and adopt a comprehensive framework with a clear strategy for implementation. More specifically, the European Commission should produce a Communication on social protection in development cooperation tied to a concrete, time-bound action plan with dedicated resources.<sup>106</sup>
- To ensure that non-development policies (e.g. trade policy) do not jeopardise the capacity of developing countries to set up basic social protection floors. With this aim an impact assessment study should be conducted.
- To support civil society and representative workers organisations in the South.

## ► The National Governments in the South

- To involve representative civil society organisations in national consultations when designing social protection schemes.
- To mobilise internal resources through increasing the tax base and/or budget reallocations and to ensure multinational enterprises pay fair taxes in the countries where they operate.
- To address tax evasion in social security and to include self-employed and non-salaried workers in social security systems as they make up the majority of workers in some regions.

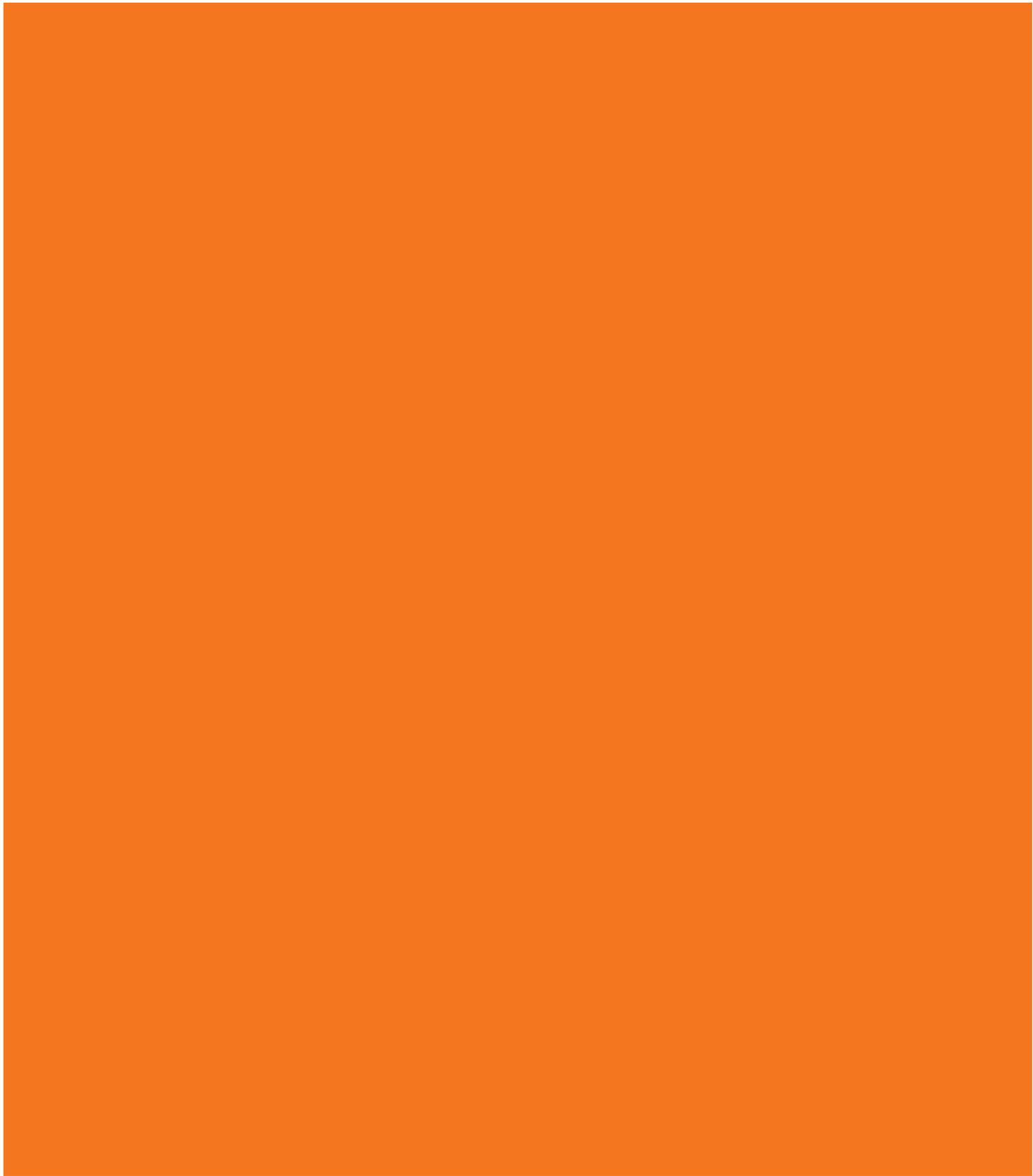
● ● ● “The world does not lack the resources to abolish poverty, it only lacks the right priorities”.

Juan Somavia, Director, ILO

<sup>106</sup> European Working Group on Social Protection and Decent Work and the Grow Up Free from Poverty Coalition (2010) *Protecting People, Transforming Lives: Why Social Protection Should Be an Essential Part of the EU's Development Cooperation Strategy*.

## ► Members of the Global Network

	Country	Organisation
Global Network ASIA	Bangladesh	► Bangladesh Institute for Labour Studies
	Cambodia	► Cambodian Women Movement Organisation ► Community Legal Education Centre (CLEC)
	Hong Kong	► Hong Kong Confederation of Trade Unions (HKCTU) ► Asia Monitor Resource Centre (AMRC)
	India	► Self Employed Women's Association (SEWA)
	Indonesia	► FSPMI – Indonesia Metal Federation
	Korea	► Korea Labour and Society Institute (KLSI)
	Pakistan	► Labour Education Foundation (LEF)
	Philippines	► Labour Education and Research Network (LEARN)
	Sri Lanka	► Institute of Social Development
	Thailand	► Thai Labour Campaign (TLC)
Global Network AFRICA	Burkina Faso	► Association pour la participation volontaire au développement (APVD)
	Ghana	► Ghana Trades Union Congress (GTUC)
	Kenya	► Central Organisation of Trade Unions (COTU)
	Mozambique	► Sintrat (Trade Union Transport)
	Namibia	► Labour Resource and Research Institute (LARRI)
	Nigeria	► Nigerian Labour Congress (NLC)
	South Africa	► Labour Research Service (LRS)
	Swaziland	► International Research Academy for Labour and Education (IRALE)
	Zambia	► Workers' Education Association of Zambia (WEAZ)
	Zimbabwe	► Labour Education and Research Institute of Zimbabwe (LEDRIZ)
Global Network LATIN AMERICA	Argentina	► Foro Ciudadano de Participación por la Justicia y los Derechos Humanos (FOCO)
	Bolivia	► Centro de Acción al Cambio (CENAC)
	Brasil	► Instituto Observatorio Social (IOS)
	Chile	► Centro de Estudios Nacionales de Desarrollo Alternativo (CENDA) ► Centro de Estudios Mujer y Trabajo
	Colombia	► Escuela Nacional Sindical (ENS)
	Ecuador	► Servicio Paz y Justicia Social (SERPAJ)
	El Salvador	► Grupo de Monitoreo Independiente de El Salvador (GMIES)
	Mexico	► Centro de Investigación Laboral y Asesoría Sindical (CILAS)
	Peru	► Programa Laboral de Desarrollo (PLADES) ► Instituto de Estudios Sindicales (IESI)
	Uruguay	► Instituto Cuesta Duarte
Global Network ARAB COUNTRIES	Egypt	► Land Center for Human Rights
	Iraq	► Al-Monqth Organisation for Human Rights
	Jordan	► Change Academy for Democratic Studies and Development
	Lebanon	► Lebanese trade union center for training
	Mauritania	► Association Mauritanienne de Développement et des Droits Humains
	Morocco	► Centre des Droits des Gens ► Association Oulfa pour Développement et Solidarité Féminine ► Centre de Documentation et des Etudes Syndicales et Ouvrières
	Palestine	► Democracy and Workers Rights Centre (DWRC) ► Palestinian Working Woman Society for Development (PWWSD) ► Federation of Unions of Palestinian Universities Professors and Employees
	Tunisia	► Réseau Arabe D'éducation Civic Section ► Social Development and Empowerment Center
	Yemen	► Tamkeen Development Foundation



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