

Implications of (growing) employment insecurity for social protection

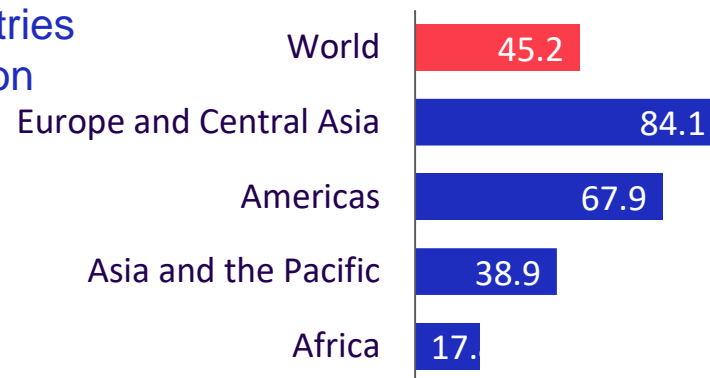
UNDESA Expert Group Meeting “Navigating an Insecure Future”
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The COVID-19 pandemic exposed serious gaps in social protection systems – and required urgent measures to close these gaps as a crisis response

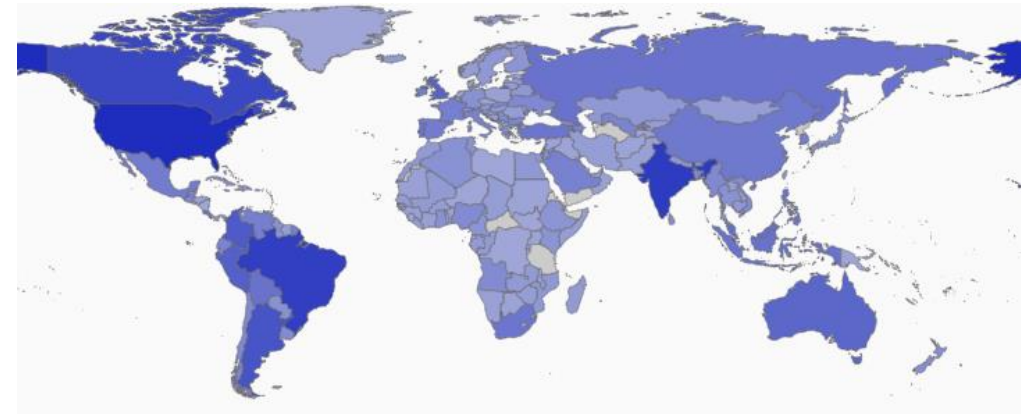
- ▶ Protecting people’s health, jobs and incomes
 - ▶ Health coverage and effective access to health services
 - ▶ Sickness benefits and paid sick leave
 - ▶ Employment retention measures and unemployment benefits
 - ▶ Social assistance and other cash transfers
- ▶ Social protection systems as key automatic stabilizers for the economy, contributing to higher resilience
- ▶ Major challenge for countries with weak social protection systems: only 45% of global population covered by at least partially, but 4 billion people excluded



Source: [ILO World Social Protection Report, 2017-19](#)



Policy responses through two channels:

- ① “Automatic” response through existing social protection systems – generally fast and effective, but some gaps remained
- ② Emergency policy responses to close coverage and adequacy gaps



Source: [ILO COVID-19 Social Protection Monitor \(13 October 2020\)](#)

► Social protection in the age of labour market transformation – what is at stake?

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| <ul style="list-style-type: none">► Shifting economic risks to workers, erosion of workers' rights► De-responsibilisation of (some) enterprises► Unfair competition► Fragmentation► Disempowerment► Fractured social contract | <ul style="list-style-type: none">► Fair risk-sharing and protection of workers' rights► Continued relevance of employment relationship► Fair competitive environment► Integrated solutions► Representation and social dialogue► Reinvigorated social contract |
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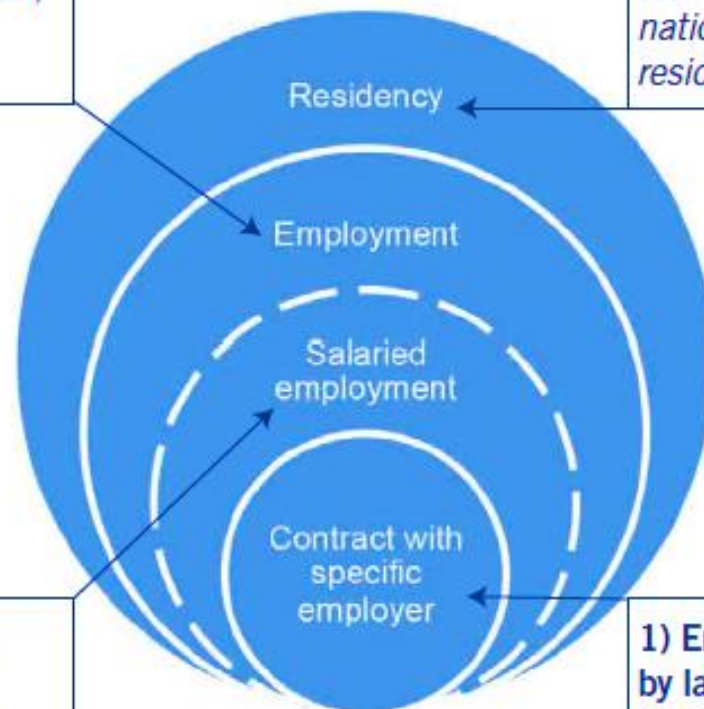
Decoupling social protection from employment? Disentangling the debate

3) Social insurance (if adapted), other forms of insurance or tax-financed programmes

Examples: health insurance, pensions, maternity protection, in-work benefits for low income earners.

(4) Tax-financed schemes (means-tested or not)

Examples: social assistance, social pensions, child/family benefits, disability benefits, national health service or residency-based health insurance.



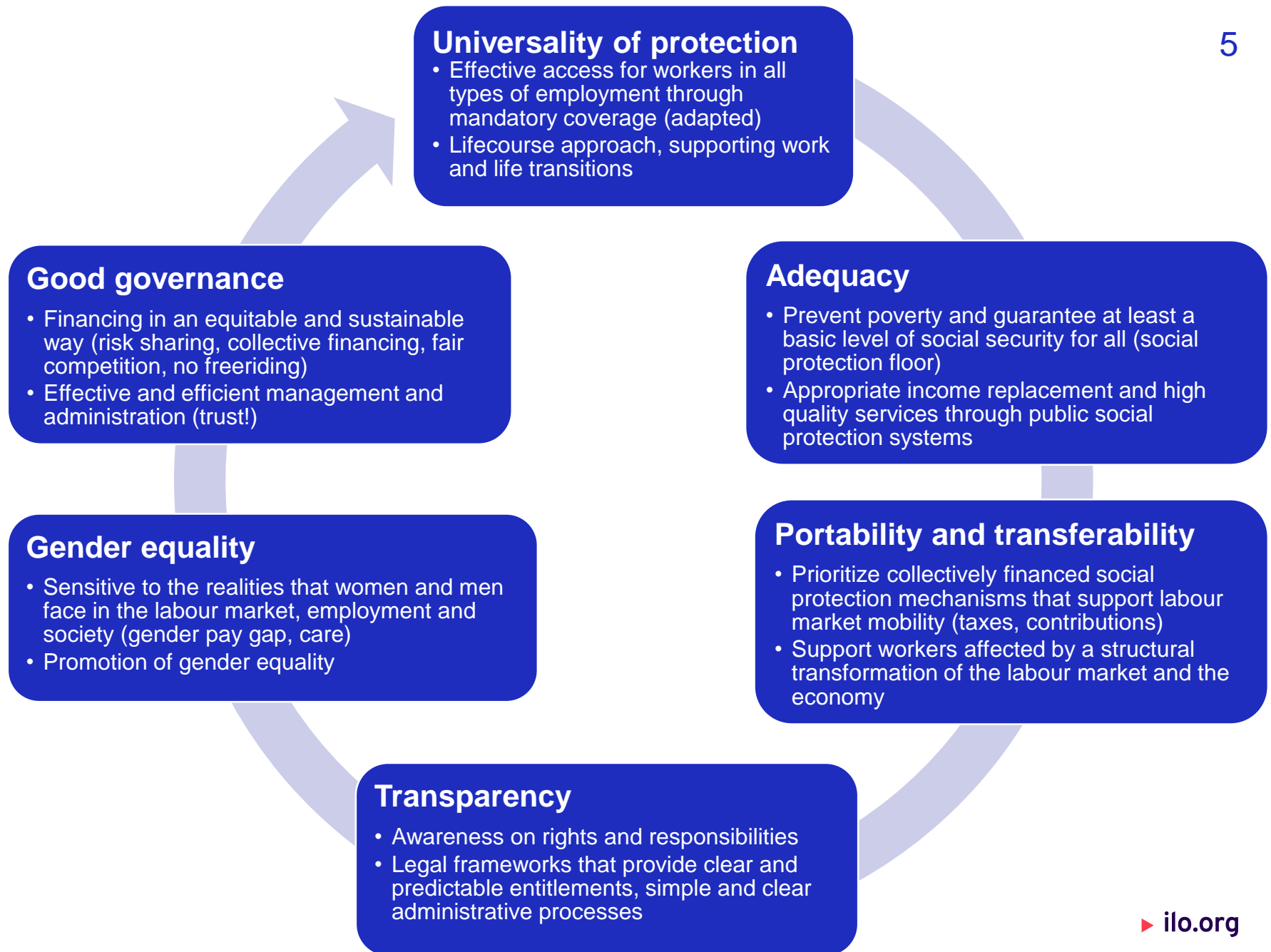
(2) Mostly social insurance (thresholds may apply)

Examples: health insurance, maternity protection insurance, employment injury insurance, old age, disability and survivor pensions, unemployment insurance

1) Employer liability mandated by labour or social security legislation or voluntary employer engagement

Examples: employer liability for paid maternity, sick leave and workers' compensation, severance pay, employer-provided health or pension insurance

How can social protection systems extend and adapt? Key principles



Decoupling social protection from employment? Disentangling the debate

How do different types of social protection mechanisms comply with regard to key principles?



Link to employment	Examples	Coverage/access	Adequacy	Portability	Transparency/predictability	Risk-sharing	Gender equality	Potential
Employment contract with specific employer	Employer liability for paid maternity leave or employment injury; severance pay, employer-provided health insurance	-	+	---	-	--	--	Only supplementary
Employment in specific sector/occupation	Occupational pensions; some micro-insurance schemes	+	?	-	?	+	-	Only supplementary
Employment/savings capacity	Individual accounts; personal savings accounts	-	?	+	---	---	-	Only supplementary
Salaried employment	Social insurance limited to employees	+	++	++	+	+	+	Adapt: more inclusive ↓
Employment	Social insurance including self-employed	++	++	+++	+	+	++	★
None (tax financing)	Universal benefit schemes: social pensions, universal child benefits; national health service, UBI	+++	?	+++	+++	+	++	★
	Means-tested schemes for the poor: social assistance, "safety net programmes"	+	-	+	-	+	+	↑ Adapt: more universal



Behrendt, C., Q. A. Nguyen, and U. Rani. 2019. 'Social Protection Systems and the Future of Work: Ensuring Social Security for Digital Platform Workers'. *International Social Security Review* 72 (3): 17–41.

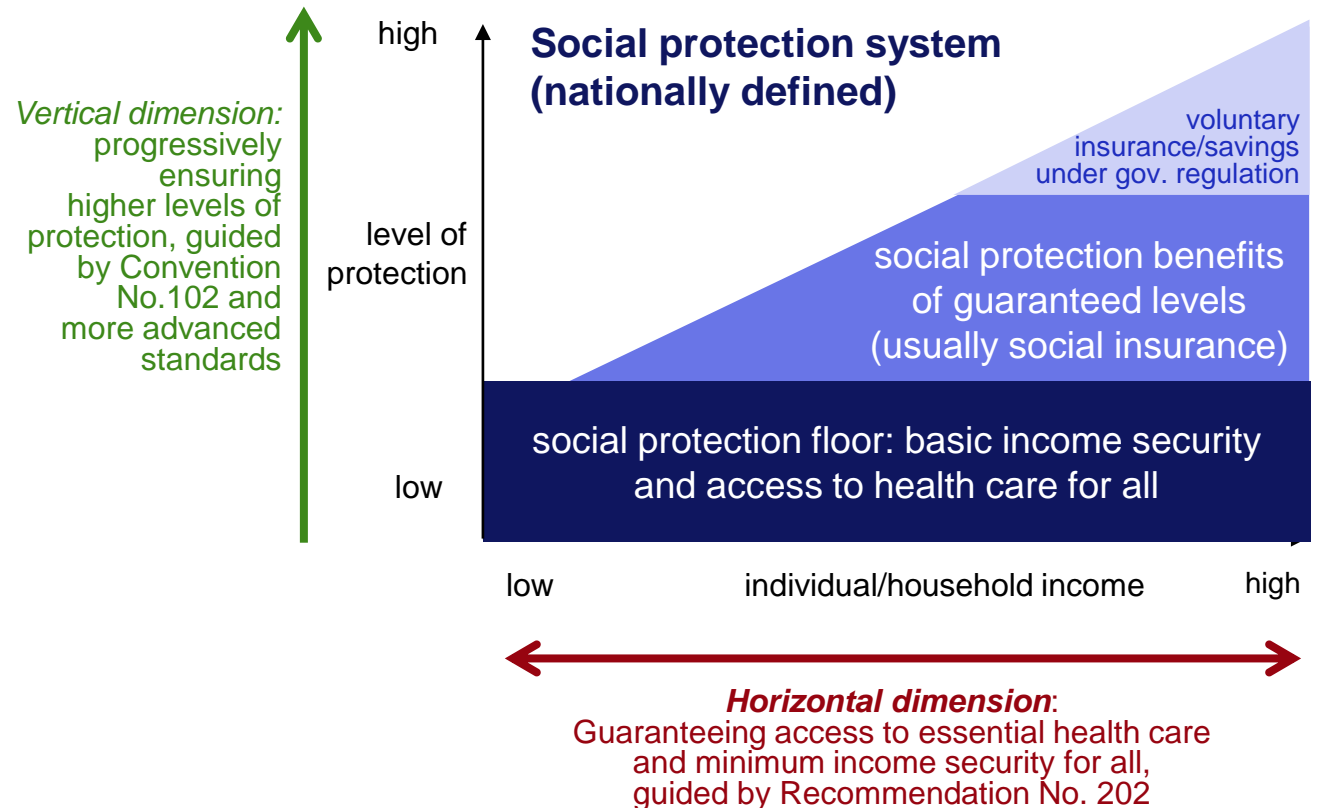
Priority actions towards guaranteeing a social protection floor as part of national social protection systems

Internationally agreed framework provided by ILO Recommendation, 2012 (No. 202)

Social protection floor guarantees

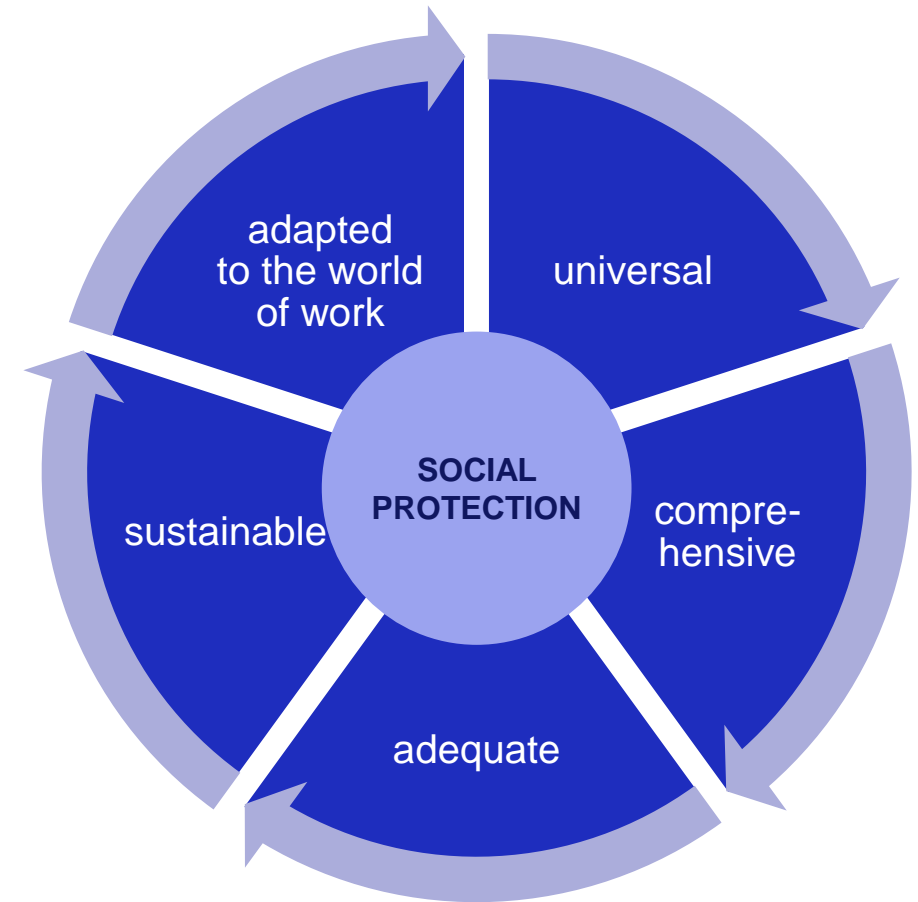
- ▶ Everyone has **access to essential health care**, including maternity care
- ▶ All **children** enjoy **basic income security**, providing access to nutrition, education, care, and any other necessary goods and services
- ▶ All **persons in active age** who cannot earn sufficient income, enjoy **basic income security**, particularly in cases of sickness, unemployment, maternity, disability
- ▶ All **older persons** enjoy **basic income security**

Anchored in human rights framework and reflected in SDGs 1.3 and 3.8



Priority actions towards strengthening social protection systems for the future

- ▶ Ensure adequate social protection all, including workers in all types of employment, including temporary and part-time employment and self-employment.
- ▶ Adapt social protection mechanisms to facilitate access, support labour market mobility (portability), and risk sharing and solidarity in financing.
- ▶ Facilitate transitions from the informal to the formal economy
- ▶ Stronger attention to short-term benefits to facilitate life and work transitions, in particular health protection, unemployment protection, sickness benefits, maternity & paternity protection; linkages with child and long-term care, life-long learning etc.
- ▶ Enhance national social protection policies and strategies through inclusive social dialogue with social partners and other key stakeholders
- ▶ Strengthen coordination between social protection and employment policies, and with macro-economic, employment and tax policies for decent work and social justice.



Tripartite agreed framework reflected in international social security standards and the ILO Centenary Declaration for the Future of Work (2019)

How to strengthen social protection systems and extending coverage? Lessons learnt from international experience

Key principles:

- ▶ Universality of protection, including for workers in all types of employment
- ▶ Adequacy
- ▶ Portability and transferability
- ▶ Transparency
- ▶ Gender equality
- ▶ Good governance and trust

Encouraged

Mandatory coverage

Large risk pool

High-quality benefits and services, easy access

Simplified administrative procedures, harnessing digital technology

High transparency and accountability, high trust

Unified/coordinated system

Integrated policy framework

Sufficient fiscal space using a good mix of contribution and tax financing

Broad and well-informed social dialogue

Voluntary coverage

Small risk pools

Low quality and poor access to benefits and services

Complex and cumbersome administrative procedures

Low transparency and accountability, low trust

Fragmented schemes

Isolated/disconnected policies

Inadequate financing framework

No social dialogue

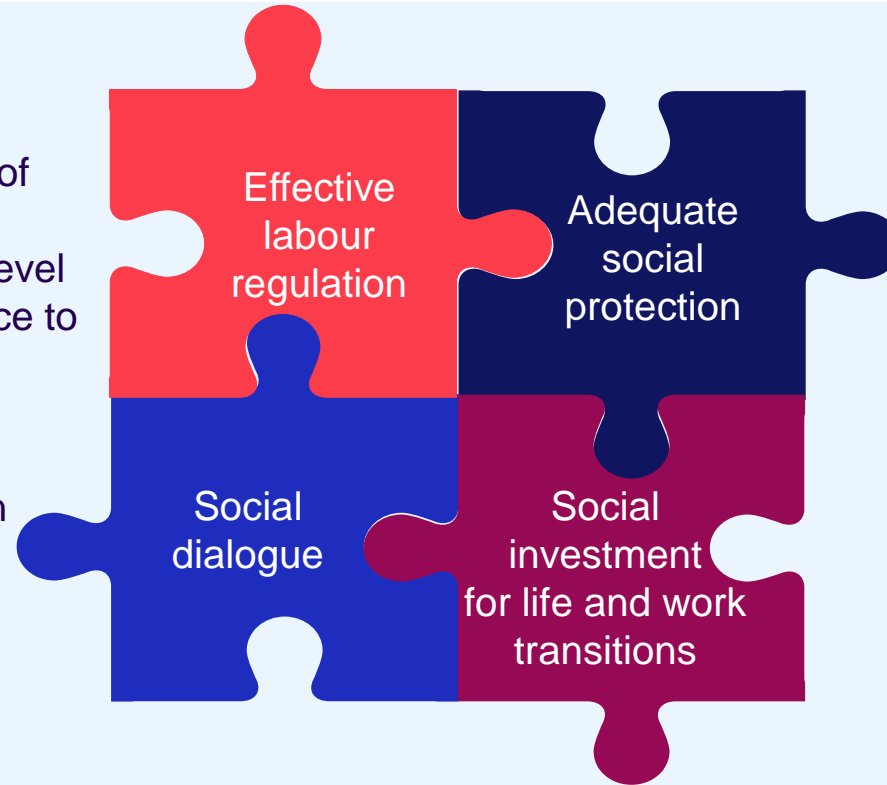
Discouraged

More information: ILO policy resource package on extending social security to the informal economy (informaleconomy.social-protection.org)

Building universal social protection systems for the future of work: key takeaways

Regulation of wages, working conditions; correct classification of employment relationships
-> indispensable for ensuring a level playing field and preventing a race to the bottom

Reinvigorated social dialogue based on effective representation and including collective bargaining



Strengthened social protection systems, with strong tax-financed mechanisms and social insurance, to ensure universal access to adequate and sustainable social protection for all, including workers in all types of employment

Gender-responsive policies to support life and work transitions: lifelong learning, active labour market policies, employment services, health care, child and long-term care services,

Conducive policy environment: macro-economic policies, trade and competition policies, tax policies, etc.

Future of work and social protection:

- ▶ [Global Commission for the Future of Work \(2019\) Work for a brighter future.](#)
- ▶ [Ensuring better social protection for self-employed workers \(ILO & OECD, 2020\)](#)
- ▶ [Innovative approaches for ensuring universal social protection for the future of work \(ILO, 2018\).](#)
- ▶ [Non-standard forms of employment: understanding challenges, shaping prospects \(ILO, 2016\).](#)
- ▶ [Extending social security to workers in the informal economy, policy resource package \(ILO, 2019\)](#)
- ▶ [Social Contract and the Future of Work: Inequality, Income Security, Labour Relations and Social Dialogue \(ILO, 2016\).](#)
- ▶ Behrendt C and Nguyen QA [Innovative approaches for ensuring universal social protection for the future of work \(2018\).](#)
- ▶ Behrendt C and Nguyen QA [Ensuring universal social protection for the future of work. Transfer 25\(2\): 205–219 \(2019\).](#)
- ▶ Behrendt C, Nguyen QA and Rani U. [Social protection systems and the future of work: Ensuring social security for digital platform workers. International Social Security Review 72\(3\): 17-41 \(2019\).](#)
- ▶ Ortiz I, Behrendt C, Acuña Ulate A, Nguyen QA [Universal basic income proposals in light of ILO standards: Key issues and global costing. Extension of Social Security \(ESS\) Paper Series 62. \(ILO, 2018\).](#)

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COVID-19 crisis response:

- ▶ [ILO portal on social protection response to COVID-19, including](#)
 - ▶ [Spotlight briefs: Extending social protection to informal workers in the COVID-19 crisis; Social protection responses to the COVID-19 pandemic in developing countries; Unemployment protection in the COVID-19 crisis; Sickness benefits during sick leave and quarantine; Financing gaps in social protection; COVID-19 and the health sector](#)
 - ▶ [Data dashboard: World Social Protection Database Dashboards; Social Protection COVID-19 Monitor](#)
 - ▶ [Costing tool: Rapid Social Protection Calculator for COVID-19](#)
- ▶ [ILO portal on COVID-19 and the world of work](#)

Other key resources:

- ▶ [World Social Protection Report 2017-19 \(ILO, 2017\)](#)
- ▶ [Tackling Vulnerability in the Informal Economy \(OECD and ILO, 2019\)](#)
- ▶ [Toolkit on extending social security to workers in the informal economy](#)
- ▶ [Building social protection systems: International standards and human rights instruments \(ILO, 2017\).](#)
- ▶ [ILO Social Protection Platform](#)
- ▶ [Joint UN Social Protection and Human Rights web platform](#)
- ▶ [Global Partnership for Universal Social Protection \(USP2030\)](#)

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