

# Questionnaire

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## Introduction

At its 311th Session (June 2011), the Governing Body decided to complete the agenda of the 101st Session of the International Labour Conference (June 2012) with a standard-setting item entitled “Elaboration of an autonomous Recommendation on the social protection floor” (single discussion), and to adopt the programme of reduced intervals proposed.<sup>1</sup> The purpose of the following questionnaire is to ascertain the views of member States on the scope and content of the proposed Recommendation. In drafting the questionnaire, account was taken of the Conclusions concerning the recurrent discussion on social protection (social security) adopted by the 100th Session of the International Labour Conference,<sup>2</sup> in particular in relation to the objective and elements of a possible Recommendation.

In accordance with article 38 of the Standing Orders, governments are invited to give their views after consultation with the most representative organizations of employers and workers. Such consultations are obligatory in the case of Members that have ratified the Tripartite Consultation (International Labour Standards) Convention, 1976 (No. 144). Recipient ministries are invited to consult with other relevant authorities when formulating the replies to this questionnaire.

When preparing their replies, Members will wish to bear in mind that, in the light of the Conclusions concerning the recurrent discussion on social protection (social security) adopted by the 100th Session (2011) of the International Labour Conference arising from the general discussion held at that session of the Conference, standards-related activity in this area should be oriented towards the adoption of a Recommendation. Such a Recommendation could complement existing standards and provide guidance to member States in building their social protection floor within their comprehensive social security system tailored to national circumstances and levels of development.<sup>3</sup> The term “social protection floor” is used as a global concept which is implemented by each Member at the national level according to its circumstances and levels of development; where national contexts are referred to collectively, the term “social protection floors” may be used.

In order for the Office to take account of the replies to the questionnaire in preparing the report for the Conference discussion, replies must reach the Office no later than 1 November 2011. The questionnaire is also available on the ILO website at the following address: [www.ilo.org/](http://www.ilo.org/).

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<sup>1</sup> See document GB.311/6 (June 2011), para. 3 and annex.

<sup>2</sup> See Conclusions concerning the recurrent discussion on social protection (social security) and their appendix in the report of the Committee for the Recurrent Discussion on Social Protection, *Provisional Record* No. 24, 100th Session, International Labour Conference (June 2011).

<sup>3</sup> *ibid.*, paras 31 and 37.

## I. Preliminary questions

1. *Please indicate any legislation or practice, including case law, programmes and policies, of your country that has not already been provided to the Office in response to the questionnaire submitted under article 19 of the Constitution on social security instruments<sup>4</sup> (please send a copy or web link, if possible):*

*Comments:*

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## II. Preamble

2. *Should the Preamble of the Recommendation recall the Declaration of Philadelphia; the Universal Declaration of Human Rights 1948; the ILO Declaration on Social Justice for a Fair Globalization; and the continuing relevance of ILO social security Conventions and Recommendations, in particular, the Social Security (Minimum Standards) Convention, 1952 (No. 102), the Income Security Recommendation, 1944 (No. 67), and the Medical Care Recommendation, 1944 (No. 69)?*

☐ Yes ☐ No

*Comments:*

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3. *Should the Preamble recognize that social security is a social and economic necessity for development and progress, and is:*
- (a) *an important tool to reduce, alleviate and prevent poverty, social exclusion and social insecurity?*

☐ Yes ☐ No

*Comments:*

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<sup>4</sup> See *General Survey concerning social security instruments in light of the 2008 Declaration on Social Justice for a Fair Globalization*, Report III (Part IB), 100th Session, International Labour Conference (June 2011) (questions found in Appendix V).

- (b) *an investment in people that allows them to adjust to necessary structural changes in the economy and labour markets, and an effective automatic stabilizer in times of crisis and beyond?*

☐ Yes ☐ No

Comments:

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4. *Should other considerations be included in the Preamble?*

☐ Yes ☐ No

Comments:

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### III. Objective

5. *Should the Recommendation provide guidance to Members, with a view to realizing the human right to social security, on:*

- (a) *building a social protection floor within a wider social security system tailored to national circumstances and levels of development?*

☐ Yes ☐ No

Comments:

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- (b) *implementing their social protection floor within a social security extension strategy that progressively ensures higher levels of social security to as many people as possible, and is coherent with the Member's social, economic and employment policies?*

☐ Yes ☐ No

Comments:

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#### IV. National social protection floor

6. *Should the Recommendation provide that Members should establish and implement as rapidly as possible their social protection floor containing basic social security guarantees that ensure that over the life cycle all in need can afford and have access to essential health care and have income security at least at a nationally defined minimum level?*

☐ Yes ☐ No

*Comments:*

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7. *Should the Recommendation provide that each Member should provide at least the following basic social security guarantees:*

- (a) *all persons ordinarily resident in the country have the necessary financial protection to access a nationally defined set of essential health-care services, including maternal health care?*

☐ Yes ☐ No

*Comments:*

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- (b) *all children enjoy income security, at least at a nationally defined minimum level, through family/child benefits in cash or in kind aimed at facilitating access to nutrition, education and care?*

☐ Yes ☐ No

*Comments:*

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- (c) *all persons in active age groups ordinarily resident in the country who are unable to earn sufficient income enjoy minimum income security through social assistance, maternity benefits, disability benefits, other social transfers in cash or in kind, or public employment programmes?*

☐ Yes ☐ No

*Comments:*

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and

- (d) *all persons in old age ordinarily resident in the country enjoy income security, at least at a nationally defined minimum level, through benefits in cash or in kind?*

☐ Yes ☐ No

*Comments:*

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8. *Should the Recommendation provide that:*

- (a) *basic social security guarantees should be legally recognized as a right that is enforceable through simple and rapid complaint and appeal procedures defined by national laws or regulations ?*

☐ Yes ☐ No

*Comments:*

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(b) *legal and institutional frameworks should set out benefits as well as qualifying conditions that are reasonable, proportionate, transparent and non-discriminatory?*

☐ Yes ☐ No

*Comments:*

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9. *Should the Recommendation provide that the basic social security guarantees should be nationally defined with due consideration to the following aspects:*

(a) *Minimum levels of income security should correspond at least to the monetary value of a nationally defined basket of essential goods and services that is needed to live in health and decency?*

☐ Yes ☐ No

*Comments:*

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(b) *Minimum levels of income security may correspond to agreed poverty lines, defined income thresholds for social assistance benefits, or other income levels defined in national law and practice?*

☐ Yes ☐ No

*Comments:*

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(c) *Financial protection for essential health-care goods and services should be sufficient to ensure access whenever required, without increasing the poverty risks and vulnerability of those in need of health care?*

☐ Yes ☐ No

*Comments:*

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(d) *The levels of basic social security guarantees should be regularly reviewed through a transparent procedure prescribed by law?*

☐ Yes ☐ No

*Comments:*

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*and*

(e) *The establishment and review of the levels of these guarantees should include an effective social dialogue involving representative employers' and workers' organizations, as well as beneficiaries and relevant public authorities?*

☐ Yes ☐ No

*Comments:*

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10. *Should the Recommendation provide that the social protection floor should:*

(a) *facilitate effective access to essential goods and services as defined at national level?*

☐ Yes ☐ No

*Comments:*

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(b) *promote productive economic activity and formal employment?*

☐ Yes ☐ No

*Comments:*

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*and*

- (c) *be implemented in close coordination with other policies enhancing skills and employability, reducing informality and precariousness of employment, creating decent jobs, and promoting entrepreneurship and sustainable enterprises?*

☐ Yes ☐ No

*Comments:*

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11. *Should the Recommendation provide that Members may use different means and approaches to implement the basic social security guarantees of their social protection floor, including universal benefit schemes, social insurance, public employment programmes and employment support schemes as well as social assistance schemes that provide benefits to people with low income, or appropriate combinations of such measures?*

☐ Yes ☐ No

*Comments:*

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12. *Should the Recommendation provide that, to be effective, the implementation of the national social protection floor requires an appropriate mix of preventive and promotional measures, benefits and social services?*

☐ Yes ☐ No

*Comments:*

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13. *Should the Recommendation provide that:*

- (a) *Members may choose different options to mobilize the necessary resources to ensure financial and fiscal sustainability of their social protection floor, taking into account the contributory capacities of different population groups?*

☐ Yes ☐ No

*Comments:*

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*and, more specifically, that:*

- (b) *These options may include better enforcement of tax and contribution obligations, reprioritizing expenditure, and broadening the revenue base?*

☐ Yes ☐ No

*Comments:*

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14. *Should the Recommendation provide that the national social protection floor should, in principle, be financed by domestic resources, while noting that some low-income countries may need to have recourse to transitional international financial support?*

☐ Yes ☐ No

*Comments:*

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## V. National social security extension strategy

15. *Should the Recommendation provide that Members should design, through an effective social dialogue process, a long-term social security extension strategy that identifies gaps in protection and seeks to close them by building a comprehensive social security system?*

☐ Yes ☐ No

*Comments:*

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16. *Should the Recommendation provide that a Member's social security extension strategy should:*

(a) *prioritize the implementation of a social protection floor?*

☐ Yes ☐ No

*Comments:*

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*and*

(b) *simultaneously seek to provide progressively higher levels of income security and access to health care to as many people as possible and as soon as possible?*

☐ Yes ☐ No

*Comments:*

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17. *Should the Recommendation provide that Members whose economic and fiscal capacities are insufficient to implement the entire range of guarantees of the social protection floor should stipulate in their social security extension strategy approximately when and in what sequence the entire set of guarantees could be introduced, and how the domestic resources to cover projected expenditure could be mobilized?*

☐ Yes ☐ No

*Comments:*

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18. *Should the Recommendation provide that Members should consider establishing mechanisms, based on effective social dialogue, to further extend social security coverage and build a comprehensive social security system, in line with national social needs and economic and fiscal capacities, on the basis of the Social Security (Minimum Standards) Convention, 1952 (No. 102) and other ILO Conventions and Recommendations?*

☐ Yes ☐ No

*Comments:*

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19. *Should the Recommendation encourage Members to take measures, as early as possible in national social and economic development processes, to ensure the ratification and the effective implementation of the Social Security (Minimum Standards) Convention, 1952 (No. 102) as well as other ILO instruments considered relevant to the national context?*

☐ Yes ☐ No

*Comments:*

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20. *Should the Recommendation contain an annex listing all ILO instruments of possible relevance to national social security extension strategies, and should the Recommendation provide that this list could later be updated by the Governing Body of the International Labour Office?*

☐ Yes ☐ No

*Comments:*

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21. *Should the Recommendation provide that the national social security extension strategy, including a social protection floor, should be part of and conducive to the implementation of the Member's social and economic development plans?*

☐ Yes ☐ No

*Comments:*

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22. *Should the Recommendation provide that the gradual formalization and development of the economy should be conducive to strengthening people's income security and their access to health care?*

☐ Yes ☐ No

*Comments:*

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23. *Should the Recommendation provide that the national social security extension strategy should address the needs of specific groups in urban and rural areas, in particular indigenous people, minorities, migrant workers, persons with disabilities and chronic illness, persons living with or affected by HIV, and orphans and vulnerable children?*

☐ Yes ☐ No

*Comments:*

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24. *Should the Recommendation provide that the social security extension strategy should set out how the Member plans to improve existing social security coverage within a specific time frame?*

☐ Yes ☐ No

*Comments:*

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25. *Should the Recommendation provide that the social security extension strategy should specify targets with regard to the progressive achievement of full population coverage, the range and levels of benefits, as well as the financial means to cover the related expenditure?*

☐ Yes ☐ No

*Comments:*

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26. *Should the Recommendation provide that the social security extension strategy should seek, as appropriate, to build on existing institutional capacities and social security schemes such as social insurance or social assistance schemes?*

☐ Yes ☐ No

*Comments:*

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27. *Should the Recommendation encourage Members to close coverage gaps of persons with contributory capacity through contributory schemes where appropriate?*

☐ Yes ☐ No

*Comments:*

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28. *Should the Recommendation provide that the design of the national social security extension strategy, its time frame and periodicity of updates, should be subject to effective social dialogue?*

☐ Yes ☐ No

*Comments:*

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## VI. Guiding principles for the extension of social security

29. *Should the Recommendation provide, in line with the Conclusions included in the Resolution concerning the recurrent discussion on social protection (social security) adopted at the 100th Session (June 2011) of the International Labour Conference, that the extension of social security, including the implementation of the social protection floor at the national level, should be guided by the following principles:*

- (a) universal coverage;*
- (b) progressive realization;*
- (c) coherence with macroeconomic, employment and other social policies;*
- (d) general responsibility of the State;*
- (e) diversity of means and approaches, including of financing mechanisms and delivery systems;*
- (f) adequacy of benefits and fair balance of the interests of those who finance social security schemes and those who benefit from them;*
- (g) non-discrimination;*
- (h) gender responsiveness and gender equality;*
- (i) entitlement to benefits defined by law;*
- (j) financial, fiscal and economic sustainability;*
- (k) good governance, including sound financial management and administration;*
- (l) involvement of employers' and workers' organizations through effective social dialogue mechanisms regarding design, governance and supervision;*

☐ Yes ☐ No

*Comments:*

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## VII. Monitoring of progress

30. *Should the Recommendation provide that Members monitor, through appropriate mechanisms, the extension of social security, including the implementation of their social protection floor and progress towards achieving universal coverage as well as higher levels of protection?*

☐ Yes ☐ No

*Comments:*

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31. *Should the Recommendation provide that appropriate monitoring mechanisms should include:*

(a) *regular collection, compilation and publication of social security statistics based on administrative records and household surveys?*

☐ Yes ☐ No

*Comments:*

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(b) *any other mechanism? If so, please specify:*

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32. *Should the Recommendation provide that social security statistics should include for each category of benefit the number of protected persons and beneficiaries, and the amount of benefits, as well as levels and patterns of expenditure and financing?*

☐ Yes ☐ No

*Comments:*

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33. *Should the Recommendation provide that, in designing or revising the concepts, definitions and methodology used in the production of social security statistics, Members should take into consideration relevant guidance of the International Labour Organization, including the International Conference of Labour Statisticians and, as appropriate, of other international organizations?*

☐ Yes ☐ No

*Comments:*

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34. *Should the Recommendation provide that Members should contribute to an exchange of information, experiences and expertise on social security policies and practices among themselves and with the International Labour Office?*

☐ Yes ☐ No

*Comments:*

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## VIII. Other issues

35. *Should the Recommendation include other elements not mentioned in this questionnaire?*

☐ Yes ☐ No

*Comments:*

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## Appendix I

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### **Resolution concerning the recurrent discussion on social protection (social security)**<sup>1</sup>

The General Conference of the International Labour Organization, meeting in Geneva at its 100th Session, 2011,

Having undertaken, in accordance with the ILO Declaration on Social Justice for a Fair Globalization, a recurrent discussion on the basis of Report VI, *Social security for social justice and a fair globalization*,

1. Adopts the following conclusions,
2. Invites the Governing Body of the International Labour Office as a follow-up to the recurrent discussion on social protection (social security) and in line with the following conclusions which recognize the need for a Recommendation, to place a standard-setting item entitled “Elaboration of an autonomous Recommendation on the social protection floor” on the agenda of the 101st Session of the International Labour Conference, 2012, for a single discussion with a view to the adoption of a Recommendation, and
3. Invites the Governing Body of the International Labour Office to give due consideration to the following conclusions in planning future action on social protection (social security) and requests the Director-General to take them into account when preparing and implementing the programme and budget for future biennia and when allocating such other resources as may be available during the 2012–13 biennium.

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<sup>1</sup> From ILC, 100th Session (2011), *Provisional Record* No. 24. p. 6.

## Appendix II

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### **Conclusions concerning the recurrent discussion on social protection (social security) <sup>1</sup>**

#### Policy and institutional context

1. The new consensus on social security reached at the International Labour Conference, at its 89th Session in 2001, gave the highest priority to policies and initiatives that can bring social security to those who are not covered by existing schemes. Consequently, the International Labour Office launched in 2003 the Global Campaign on Social Security and Coverage for All. The ILO Declaration on Social Justice for a Fair Globalization, adopted by the International Labour Conference at its 97th Session in 2008, again reaffirmed the tripartite commitment to extend social security to all in need of such protection in the framework of the Decent Work Agenda.
2. The International Labour Conference at its 98th Session in 2009 recognized the crucial role of social protection policies in crisis response, and the Global Jobs Pact called for countries to “give consideration, as appropriate, to building adequate social protection for all, drawing on a basic social protection floor”. The High-level Plenary Meeting of the UN General Assembly on the Millennium Development Goals (MDG Summit) in September 2010 recognized that “promoting universal access to social services and providing social protection floors can make an important contribution to consolidating and achieving further development gains” and hence endorsed the social protection floor initiative which the UN Chief Executives Board had launched in 2009.
3. Regional tripartite ILO meetings in Latin America, Arab States and Asia and the Pacific during 2007 and 2008 discussed social security extension strategies. A generic two-dimensional extension strategy, combining the extension of coverage to all through nationally defined social protection floors and the progressive implementation of higher levels of social security through comprehensive systems, emerged. This strategy was endorsed by the Yaoundé Tripartite Declaration on the implementation of the social protection floor adopted at the 2nd African Decent Work Symposium in Yaoundé in 2010, and the Chair’s Summary of the Tripartite Meeting of Experts on Strategies for the Extension of Social Security Coverage in 2009.
4. This consensus concerning social security is underpinned by the Decent Work Agenda, including its four pillars: employment, social dialogue, social protection and standards and fundamental principles and rights. These four pillars are inseparable, interrelated and mutually supportive. These conclusions on social security sit within this context. Sustainable social security systems are a key element in promoting productive economic growth with equity. They are closely linked to all of the elements of the Decent Work Agenda and should be based on entitlements within a legal framework. Tripartism and

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<sup>1</sup> From ILC, 100th Session (2011), *Provisional Record* No. 24, pp. 66–78.

social dialogue based on freedom of association and the effective recognition of the right to collective bargaining are key elements to ensure adequate wages for workers thereby assisting them to increase their contributory capacity. They also contribute to the sustainability of broader social security systems in which non-contributory and contributory schemes complement each other.

## The role of and need for social security

### 5. The Conference recognizes and reiterates that:

#### (a) Social security is a human right.

Everyone as a member of society has a right to social security as stated in the Universal Declaration of Human Rights, Article 22. Globally the large majority of women, men and children do not have access to adequate or any social security. By recognizing in the Declaration of Philadelphia the solemn obligation of the International Labour Organization “to further among the nations of the world programmes which will achieve ... the extension of social security measures to provide a basic income to all in need of such protection and comprehensive medical care”, its member States confirmed the ILO’s commitment to achieving adequate social security for all.

#### (b) Social security is a social necessity.

Effective national social security systems are powerful tools to provide income security, to prevent and reduce poverty and inequality, and promote social inclusion and dignity. They are an important investment in the well-being of workers and the population at large, notably by enhancing access to health care, and providing income security thereby facilitating access to education and reducing child labour and in particular eliminating its worst forms. Social security strengthens social cohesion and thus contributes to building social peace, inclusive societies and a fair globalization with decent standards of living for all.

#### (c) Social security is an economic necessity.

Full, productive and decent employment is the most important source of income security. Social protection is key to ensure a just share of the fruits of progress for all. Sustainable growth requires good health, nutrition and education, which can foster transitions from low productivity and subsistence level activities to highly productive decent jobs and from the informal to the formal economy. Social security, well designed and linked to other policies, enhances productivity, employability and supports economic development. Adequate social security encourages human capital investment for both employers and workers, enables workers to adapt to change and facilitates equitable and inclusive structural change associated with globalization. As an effective automatic stabilizer in times of crisis, social security contributes to mitigating the economic and social impact of economic downturns, to enhancing resilience, and achieving faster recovery towards inclusive growth.

## Social security extension strategies

6. Many developing countries have made significant progress in extending social security coverage during the last decade. They offer the best evidence that the extension of social security is possible. Despite these advances, broad social security coverage gaps remain in many countries of the world. In some regions, the vast majority of the population is excluded from social security.
7. The risk of being excluded from coverage is particularly high among certain groups, including workers in the informal economy and atypical forms of employment, vulnerable

workers in rural and urban areas, domestic workers, migrant workers, unskilled workers, and people with disabilities and chronic illnesses, including those affected by HIV and AIDS. Women tend to face higher exclusion than men, due to discrimination throughout the life cycle and the burden they usually shoulder in family and care responsibilities. Children of excluded populations are more likely to grow up in impaired states of health and nutrition that undermine their future and that of their societies.

8. Closing coverage gaps is of highest priority for equitable economic growth, social cohesion and Decent Work for all women and men. Effective national strategies to extend social security in line with national priorities, administrative feasibility and affordability contribute to achieving these objectives. These national strategies should aim at achieving universal coverage of the population with at least minimum levels of protection (horizontal dimension) and progressively ensuring higher levels of protection guided by up-to-date ILO social security standards (vertical dimension). The two dimensions of the extension of coverage are consistent with moving towards compliance with the requirements of the Social Security (Minimum Standards) Convention, 1952 (No. 102) and are of equal importance and should be pursued simultaneously where possible.
9. The horizontal dimension should aim at the rapid implementation of national social protection floors, containing basic social security guarantees that ensure that over the life cycle all in need can afford and have access to essential health care and have income security at least at a nationally defined minimum level. social protection floor policies should aim at facilitating effective access to essential goods and services, promote productive economic activity and be implemented in close coordination with other policies enhancing employability, reducing informality and precariousness, creating decent jobs and promoting entrepreneurship.
10. As a one-size-fits-all approach is not appropriate, every member State should design and implement its social protection floor guarantees according to national circumstances and priorities defined with the participation of social partners. While expected outcomes of these guarantees are of a universal nature, member States find different ways of implementing social protection floor policies, which may include universal benefit schemes, social insurance, public employment programmes and employment support schemes, and social assistance schemes that provide benefits only to people with low income, or appropriate combinations of such measures. To be effective, these policies require an appropriate mix of preventive measures, benefits and social services.
11. The process of building comprehensive social security systems cannot stop at the ground floor of protection. Hence, the vertical dimension of the social security coverage extension strategy in each member State should seek to provide higher levels of income security and access to health care – taking into account and progressing towards in the first instance the coverage and benefit provisions of Convention No. 102 – to as many people as possible and as soon as possible; based, as a prerequisite, on policies aiming at encouraging participation of those in the informal economy and its gradual formalization. As economies develop and become more resilient, people's income security and their access to health care should be strengthened.
12. National strategies to extend social security should progress based on the resources of the nation and a set of essential principles, i.e. universal coverage, progressive realization while providing immediate protection against discrimination, promoting gender equality, social and economic adequacy, rights-based benefits, financial and fiscal sustainability, good governance with the overall general responsibility of the State and the ongoing participation of social partners, and finally institutional and organizational questions should not prevent adequate protective outcomes. These principles should guide national policy and strategic decisions.
13. Strategies to extend social security are closely associated with employment policies. Member States should therefore pay particular attention to building an economic and social framework that is conducive to sustainable enterprise creation and growth of decent and

productive employment. A large informal economy constitutes a particular challenge for the extension of social security coverage. Social insurance remains the central pillar of social security systems in most member States, yet it tends to focus on formal employees. However, a growing number of developing countries have gradually extended the scope of social insurance coverage to other categories of workers such as own-account workers, domestic workers or workers in rural areas and workers in small and micro-enterprises by adapting the scope of benefits, contributions and administrative procedures. The inclusion of these groups in social insurance is a key component of the formalization of employment and can also reduce the cost of tax-financed benefit systems for poor workers in the informal economy.

14. Member States should be encouraged to continuously employ efforts aimed at the transition from informal to formal economies. While social security policies have a strong role to play in attaining this objective, they have to be complemented by fiscal and employment policies, and by developing administrative procedures aimed to create adequate incentives to join the formal economy and reduce the costs of formalization. Member States should be encouraged to strengthen compliance assistance, the promotion and the enforcement of legal frameworks including by adequate labour, tax and social security inspections aiming at reducing fraud, and informality including disguised employment, undeclared business and undeclared work. The formalization of the economy is one of the crucial prerequisites for long-term growth and will increase the public revenue base necessary to finance higher levels of social security for contributors and taxpayers and non-contributory benefits to cover those without capacity to contribute.

## Ensuring the affordability and the financing of social security

15. The expenditure required to finance social security systems is a long-term investment in people. Societies that do not invest in social security face important costs such as those associated with the lack of a healthy and productive workforce, economic insecurity and social exclusion. On the other hand, investing in people through social security systems requires resources that have to be provided by enterprises, workers, households and others as contributors and taxpayers. It is thus essential that a rational balance is found between short- and long-term costs and benefits of social security systems for society and different groups of financers and beneficiaries.
16. Social security interventions need to achieve their objectives in terms of both social and economic adequacy in an effective and cost-efficient way. Permanent monitoring and evaluation by the social partners of the short- and long-term effectiveness and efficiency of individual programmes and social security systems, including actuarial studies, are important mechanisms and may lead to reform and adjustments whenever necessary. In the case of State operated schemes transparency, consultation and social dialogue are appropriate. In the case of schemes that involve workers and employers organizations social dialogue and agreements are usually appropriate.
17. Many member States at all levels of development have already implemented elements of a national social protection floor as part of their efforts in building comprehensive social security systems. Member States have chosen different options to ensure the necessary fiscal space, including reprioritizing expenditure, and broadening the revenue base. Sustainable growth, the progressive formalization of the economy and high levels of productive employment are essential in ensuring the financial resources necessary to extend social security to all.
18. While national social protection floors should be financed from domestic sources of revenue to ensure their long-term sustainability, there may be cases where these resources are insufficient to extend the social protection floor to all in a short time frame. International cooperation can play an important role in helping member States to initiate

the process and build the national resource base with a view to ensuring sustainable financing mechanisms.

19. The affordability of social security systems is widely discussed in the context of demographic change. The expected increase in economic dependency ratios over the next decades raises concerns about the sustainability of social security systems. The ageing of the population will increase expenditure on pensions, health and long-term care in the decades to come. However, evidence suggests that this challenge is manageable within properly organized systems. Necessary reform processes can be successfully managed fairly balancing social needs and financial and fiscal requirements, if embedded in a well informed social dialogue process.
20. It is indispensable to create positive synergies for sustainable growth and higher levels of decent employment between social protection, financial and economic policies. Integrated national policies promoting productive employment are necessary to ensure sustainable financing, addressing possible skills shortages, promoting productivity, taking advantage of a wider diversity of the workforce in terms of sex, age, nationality and ethnic origin and facilitating a better balance between work and family responsibilities for women and men. Some of the policy options lie within the realm of social security policies proper, while others reside in other policy spheres. Such options may include:
  - (a) integrating macroeconomic, employment and social policies that give priority to Decent Work;
  - (b) investing social security reserves prudently;
  - (c) building quality public services that enhance effective social security systems;
  - (d) promoting social dialogue, the effective recognition of the right to collective bargaining and freedom of association;
  - (e) promoting and strengthening the enabling environment for sustainable enterprises reflecting employment growth and Decent Work;
  - (f) investing in education, vocational skills and lifelong learning;
  - (g) promoting the good governance of labour migration;
  - (h) facilitating reconciliation of work and family responsibilities for women and men, and ensuring effective access to comprehensive social services to address care needs including for children, people in old age, people living with HIV and AIDS and with disabilities. This includes, maternity protection such as adequate pre and post natal care and income guarantees and other supports for women during the last weeks of pregnancy and the first weeks after delivery;
  - (i) policies to enable all workers including those in atypical employment to take advantage of social security;
  - (j) promoting labour force participation of women by more equitable treatment creating better employment opportunities, reducing the segmentation of the labour market between men and women, eliminating gender gaps in wages and providing equal professional development opportunities;
  - (k) facilitating effective school-to-work transitions;
  - (l) improving the rehabilitation of workers with reduced working capacity including personal support and training where appropriate with a view to fostering their participation in the labour market;
  - (m) combining the income replacement function of social security with active labour market policies as well as assistance and incentives that promote real participation in the formal labour market.

21. Ensuring adequate labour force participation of older women and men is often essential for the adaptation of social security systems to demographic change. In addition to policies to promote full employment, measures to promote the employment of older workers may include:
  - (a) investing in technologies and occupational safety and health measures that permit the productive employment of older workers and workers with health impairments and disabilities;
  - (b) raising the labour force participation rates of older workers by eliminating age discrimination and providing incentives for workers and employers to address enterprise restructuring through innovative work arrangements;
  - (c) introducing socially acceptable rules through a transparent process, including social dialogue and tripartism, as to the age at which people withdraw from the labour market, which should reflect a sustainable relationship between the duration and demands of working life and retirement taking into account issues such as conditions of work, years of service and the recognition that retirement is a legitimate part of the life cycle.

## Social security governance

22. Social security systems need to be well managed and administered to ensure effectiveness in reaching agreed objectives, efficiency in using resources, and transparency to gain confidence of those who finance them and benefit from these systems. Active involvement of all stakeholders, and in particular workers and employers through effective social dialogue mechanisms and tripartite supervision, is one of the important means to secure good governance of social security systems.
23. The general responsibility for an effective and efficient social security system lies with the State, particularly with creating political commitment and with respect to setting appropriate policy, legal and regulatory frameworks and the supervision that guarantee adequate benefit levels, good governance and management and protecting acquired rights of beneficiaries and other participants.
24. Collective bargaining and freedom of association play an important role in helping employers and workers negotiate on social security provisions, including for occupational and other supplementary schemes. Agreements should be in the context of a state regulatory framework.
25. Social dialogue is essential in identifying and defining priority policy objectives; the design of the corresponding benefits, entitlements and delivery methods; the allocation of the financial burden between generations and between contributors and tax payers; and the need to find a fair balance between social expectations and financial constraints.
26. Social dialogue is an important means for contributing to the permanent monitoring of financial sustainability and the social adequacy, effectiveness and efficiency of management and administration of the scheme. It is also important in enforcing the existing social security legislation so that the contributions due are paid by all those obliged to pay and benefits delivered to all those eligible. This requires well-resourced and well-trained public inspection services to promote and ensure the law enforcement and the prevention of contribution evasion, fraud and corruption. However this also requires active monitoring by employers, workers and other stakeholders.
27. To play the expected active role in securing good social security governance, all workers and employers need to be aware of, and understand, existing social security provisions and emerging challenges. Member States should consider including basic knowledge about social security in the education and training curricula at different levels of the national education systems. Employers' and workers' organizations have to build significant capacity to be able to share the social security knowledge with their members as well as to

actively participate in social dialogue on social security policies and in monitoring and supervision of social security schemes.

## The role of ILO standards

28. The up-to-date<sup>2</sup> ILO social security standards, and in particular Convention No. 102, provide a unique set of minimum standards for national social security systems that are internationally accepted. They set out principles that guide the design, financing, governance and monitoring of national social security systems. Convention No. 102 continues to serve as a benchmark and reference in the gradual development of comprehensive social security coverage at the national level. Several member States currently implementing successful and innovative social security extension policies have recently ratified Convention No. 102 and others have indicated their intention to do so.
29. Increasing ratification and effective implementation of Convention No. 102 and other social security Conventions remain a key priority for member States. It is therefore essential to raise awareness and understanding of ILO social security standards, to identify gaps in coverage that still may prevent further ratifications, and to design policies that may close these gaps. In particular, this should also include the dissemination of information on the requirements concerning implementation of these instruments and devote special efforts to capacity building and the training of the social partners, and thus to strengthening the role of social dialogue in the implementation of standards.
30. As also noted in the outcome of the discussion on the General Survey of 2011 on social security by the Committee on the Application of Standards, the language of certain provisions of Convention No. 102 is often interpreted as gender-biased. There is a need for a pragmatic solution that would enable its interpretation in a gender-responsive way without revising the instrument itself or weakening the prescribed levels of protection and population coverage. This may facilitate further ratifications by a number of member States.
31. In view of the renewed support for the provision of at least a basic level of social security through establishing social protection floors, there is a need for a Recommendation complementing the existing standards that would provide flexible but meaningful guidance to member States in building social protection floors within comprehensive social security systems tailored to national circumstances and levels of development. Such a Recommendation should be promotional, gender-responsive and allow for flexible implementation to be applied by all member States using different methods and according to their own needs, resources and their time frame for progressive implementation. Elements of a possible Recommendation on social protection floors are outlined in the appendix to these conclusions.

## The role of governments and social partners

32. Governments have the primary responsibility for ensuring effective access to social security to all. Effective social dialogue processes play a key role in contributing to the formulation, implementation and monitoring of social security policies and ensuring good governance of national social security systems.

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<sup>2</sup> The ILO social security standards considered up-to-date by the ILO Governing Body are: the Social Security (Minimum Standards) Convention, 1952 (No. 102); the Equality of Treatment (Social Security) Convention, 1962 (No. 118); the Employment Injury Benefits Convention, 1964 [Schedule I amended in 1980] (No. 121); the Invalidity, Old-Age and Survivors' Benefits Convention, 1967 (No. 128); the Medical Care and Sickness Benefits Convention, 1969 (No. 130); the Maintenance of Social Security Rights Convention, 1982 (No. 157); the Employment Promotion and Protection against Unemployment Convention, 1988 (No. 168); and the Maternity Protection Convention, 2000 (No. 183).



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33. Governments of member States should consider and/or undertake the following:
- (a) fully assuming their responsibility for social security by providing an appropriate policy, legal and institutional framework, effective governance and management mechanisms, including a legal framework to secure and protect the private individual information contained in their social security data systems;
  - (b) fostering coherence of social security policies with employment, macroeconomic, and other social policies within a decent work framework, particularly with respect to promoting the progressive formalization of employment and providing support for productive employment;
  - (c) the development of a national two-dimensional social security extension strategy, through a social dialogue-based consultation process, that identifies gaps in the desired levels of social security and seeks to close those gaps in a coordinated and planned manner over a period of time with a view to developing national social protection floors and building comprehensive social security systems;
  - (d) ensuring that social security policies take account of changing roles of women and men with respect to employment and care responsibilities, promote gender equality, provide maternity protection and support the empowerment of women through measures to ensure equitable outcomes for women;
  - (e) ensuring that social security policies address the needs of women, men and children during all stages of the life cycle and in both urban and rural areas, and the specific needs of vulnerable groups, including indigenous people, minorities, migrant workers, people with disabilities, people living with HIV and AIDS, orphans and vulnerable children;
  - (f) strengthening labour and social security inspection systems to improve compliance with social security and occupational safety and health legislation and strengthen the preventive potential of the latter through the promotion of a health and safety culture;
  - (g) concluding bilateral, regional or multilateral agreements to provide equality of treatment in respect of social security, as well as access to and preservation and/or portability of social security entitlements, to migrant workers to be covered by such agreements;
  - (h) ensuring the financial, fiscal and economic sustainability of social security systems through appropriate policies and different financing mechanisms, developed in consultation with or by social partners as appropriate;
  - (i) balancing, with the participation of social partners, the economic and social adequacy in public and private social security schemes in the longer term;
  - (j) engaging with social partners and promoting effective social dialogue to define the most appropriate national social security policies and time frames for their progressive implementation;
  - (k) giving full effect to the provisions of Convention No. 102 and other up-to-date ILO social security Conventions, and undertaking measures to ratify these Conventions;
  - (l) contributing to exchange of information, experiences and expertise on social security policies and practices among member States and with the ILO.
34. Employers' and workers' organizations should consider and/or undertake the following:
- (a) raising awareness and building public support for social security among their members and the wider public, including on ILO social security standards;
  - (b) actively participating in social dialogue processes aiming at the design, implementation and monitoring of national social security strategies and policies, with a view to responding to the evolving needs and capacities of workers and enterprises;

- (c) contributing to the development of innovative solutions including those which might address economic shocks, structural changes and sustainability including through collective bargaining;
- (d) participating in policy dialogue aimed at the establishment of national social protection floors;
- (e) jointly developing initiatives to support the transition to formal employment and formal enterprises;
- (f) supporting the development of standards of good performance and accountability for effective and efficient and sustainable operation of the overall national social security systems;
- (g) actively participating in the governance of social security institutions in order to ensure the effective representation of protected persons and tax payers and contributors;
- (h) assisting workers and employers in their interactions with social security institutions, ensuring due contribution collection and provision of benefits;
- (i) collaborating with the Government and the ILO in promoting the ratification and effective implementation of Convention No. 102.

## The role of the ILO and follow-up

35. The Conference calls upon the International Labour Office in the context of the Global Campaign on Social Security and Coverage for All to:
- (a) assist member States, including through Decent Work Country Programmes and appropriate technical advisory services, to support the design and implementation of national two-dimensional strategies to extend social security coverage, including national social protection floors, in the wider context of comprehensive national social and economic policy frameworks;
  - (b) assist member States in designing and improving the governance, management and effective delivery systems of social security schemes, and to evaluate regularly the impact, viability and sustainability of social security policies;
  - (c) further strengthen member States' capacities to design, implement and monitor social security systems that are responsive to challenges including changing demographic trends and migration and assuring their proper functioning;
  - (d) support the establishment of bilateral and multilateral agreements to provide social security to migrant workers and their families;
  - (e) strengthen the ILO's leading role in the promotion of the social protection floor at both the international and national level with the participation of constituents and in partnership with other international organizations;
  - (f) support the development of macroeconomic frameworks and policies, including activation measures, which are conducive to the creation of quality employment and sustainable and effective social security systems;
  - (g) support member States in formulating and implementing, in consultation with employers' and workers' organizations, national policies aimed at facilitating progressive transition from the informal to the formal economy;
  - (h) promote, at the national and international level, social dialogue and the role of social partners in the design, governance and implementation of comprehensive and sustainable social security for all;

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- (i) devote special efforts to capacity building and the training of the social partners on ILO social security standards, thus strengthening the role of social dialogue in ways the standards are implemented;
  - (j) strengthen the capacities of social partners to engage in policy dialogue, and social security governance at the national level through the further development of appropriate training programmes, technical assistance and other means;
  - (k) expand the assistance to constituents in enhancing awareness and understanding of ILO social security standards and their implementation, designing policies to overcome obstacles to ratification and undertaking innovative initiatives for promoting up-to-date ILO Conventions on social security, notably Convention No. 102;
  - (l) develop in cooperation with ILO constituents a social security good practices guide that provides member States with practical guidance and benchmarks to evaluate and enhance their national social protection provisions, including general and financial social security management, benefit design and good governance;
  - (m) strengthen the International Labour Office's research capacities, particularly with regard to analysing national social security policies and practices, developing tools for the assessment of performance, and producing reliable statistics, and ensuring its high quality and visibility with the view to helping governments and social partners make informed decisions;
  - (n) facilitate the exchange of experiences and good practices, the transfer of knowledge and by mutual agreement, the transfer of technologies among member States including the promotion of South–South and triangular exchange of experiences and expertise;
  - (o) facilitate the implementation of the ILO's mandate on social protection by improving international policy coherence, effectiveness and efficiency including by coordinating its programmes and activities and deepening the collaboration with the UN system, the IMF, the World Bank, regional development banks, the OECD, the European Commission and other regional organizations, the ISSA and civil society organizations. This collaboration is crucial at national level through country-led initiatives;
  - (p) strengthen cooperation with ISSA and other national and international social security associations, and their member organizations, with regard to sharing information and mobilizing expertise to support the ILO's technical operations;
  - (q) proactively and consistently mainstream gender in all the above activities in order to promote gender equality.
36. The Conference requests the Director-General to take into account these conclusions in preparing future programme and budget proposals and facilitating extra-budgetary sources, including Regular Budget Supplementary Accounts.
  37. The Conference invites the Governing Body to place the discussion on the possible Recommendation mentioned in paragraph 31 on the agenda of the 101st Session of the International Labour Conference in 2012.
  38. The Conference invites the Governing Body to consider, in light of the resolution concerning gender equality and the use of language in legal texts of the ILO, the question of gender-sensitive language in ILO social security standards and report to the Conference at a later session.
  39. The Conference requests the Director-General to prepare a plan of action for the implementation of the other recommendations of these conclusions and of the outcome of the discussions of the Committee of the Applications of Standards, and requests the Governing Body to consider that plan in its 312th Session in November 2011.

## Appendix III

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### Elements of a possible Recommendation on social protection floors <sup>1</sup>

#### 1. General context

A1. Everyone as a member of society has the right to social security as stated in the Universal Declaration of Human Rights, Article 22. Social security is a social and economic necessity, a prerequisite of social and economic development, and an element of Decent Work for all women and men. It can make a major contribution to the achievement of the Millennium Development Goals and targets.

#### 2. Objective

A2. The Recommendation would focus on the extension of coverage to wider groups of the population (horizontal extension of coverage), and thereby supporting the implementation of national social protection floors. With respect to progressively ensuring higher levels of protection (vertical extension of coverage), the Recommendation would encourage member States to ratify and those that have ratified to ensure the effective implementation of the Social Security (Minimum Standards) Convention, 1952 (No. 102), and other up-to-date ILO social security Conventions.

A3. The objective of the Recommendation would be to provide guidance to member States to develop a social security extension strategy compatible with, and supportive of, wider national social, economic and employment policy strategies and seek in particular to contribute to poverty reduction and the formalization of informal employment.

#### 3. Principles for the implementation

A4. The extension of social security should be country-led and responsive to national needs, priorities and resources. In order to support member States in this task, the Recommendation would specify a number of principles for the design and implementation of national social security extension strategies in line with the conclusions of this Committee.

#### 4. Scope of the instrument

A5. The Recommendation should encourage member States to design, through an effective national social dialogue process, a social security strategy that identifies gaps in the achievement of nationally pursued levels of protection and seeks to close those gaps and build a

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<sup>1</sup> ILO: International Labour Conference, *Provisional Record* No. 24, p. 78.

comprehensive social security system in a coordinated and planned manner over a period of time giving due regard to the workers in the informal economy.

A6. The horizontal dimension of the social security extension strategy should prioritize the implementation of a national social protection floor, consisting of four basic social security guarantees, i.e. nationally-defined minimum levels of income security during childhood, working age and old age, as well as affordable access to essential health care. These guarantees set the minimum levels of protection that all members of a society should be entitled to in case of need. Focusing on outcomes achieved, these guarantees do not prescribe specific forms of benefits, financing mechanisms or the organization of benefit delivery.

A7. The Recommendation could encourage member States to close coverage gaps of populations with contributory capacity through contributory schemes. It would encourage member States to ratify up-to-date ILO social security Conventions as early as possible in national social and economic development processes, and to ensure their effective implementation.

A8. The Recommendation should encourage member States to establish appropriate mechanisms to monitor the extension of social security and the implementation of their national basic social security guarantees. It could also invite member States to establish mechanisms, based on effective national social dialogue, to further extend social security coverage on the basis of Convention No. 102 and other up-to-date Conventions and build comprehensive social security systems in line with national social needs, and economic and fiscal capacities.