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SERIES:

SOCIAL SECURITY EXTENSION
INITIATIVES IN ASIA

ENSURING THE RIGHT TO SOCIAL
SECURITY FOR ASEAN MIGRANT
WORKERS THROUGH SOCIAL
SECURITY AGREEMENTS

ILO Subregional Office for South East Asia



Decent Work for All

Asian Decent Work Decade

Ensuring the right to Social Security for ASEAN Migrant Workers through Social Security Agreements

Migrant workers make vital contributions to the societies and economies of all the ASEAN countries. For some ASEAN countries, in particular those that are the most economically advanced, migrant workers are essential for the operation of the economy. For other ASEAN countries, especially those that are the least economically developed, migration is critical for offering workers opportunities that are not available at home. The remittances those workers send back to their countries of origin provide both the means of subsistence for a number of households and also a significant part of the capital required for national development. For yet other ASEAN countries, including those with the largest populations in the region, both phenomena are at play as they receive migrant workers from some countries and send migrant workers to others.

At the January 2007 summit of the Association of Southeast Asian Nations (ASEAN), held in Cebu, Philippines, the heads of state and government of the ten ASEAN member countries adopted a *Declaration on the Protection and Promotion of the Rights of Migrant Workers*. The Cebu declaration affirms the important contribution migrant workers make to the society and economy of both the host (receiving) and the sending states in ASEAN. It acknowledges the difficulties migrant workers and their families often encounter in exercising their rights. Most importantly, the Cebu declaration committed all the ASEAN countries to strengthen the protection afforded to migrant workers, both to the migrants they receive and those they send.

Migrant workers often experience a wide range of disadvantages in the countries in which they are employed. Among these is lack of access to the social security coverage.

In the majority of the world's countries, including many ASEAN members, the legislative barriers limiting migrant workers' access to social security benefits are compounded by the fact that social security systems cover only part of the labour force. Moreover, in some countries, migrant workers are often employed in sectors of the labour market that either are not covered by social security or in which compliance with social security laws is poorly enforced. Even when migrant workers are employed in covered sectors and social security laws are enforced, irregular migrant workers are usually disqualified from social security benefits due to the fact that they are undocumented.

In those instances in which a migrant worker is engaged in employment that is covered by the social security programs of the host country, migrant workers will be no better off if a country only enforces compliance with its social security laws without taking steps to ensure that migrant workers and their families will have access to benefits when they need them.

Legislation may add restrictions to the right to some benefits, in particular old-age pensions, because the migrant workers or their family members are not in a position to fulfill qualifying conditions requiring a minimum number of years of contribution.

For this reason, countries wishing to provide greater social security protection for migrant workers have generally opted for a reciprocal approach, through the conclusion of social security agreements. Such agreements seek to reduce, and whenever possible eliminate, the barriers that often disqualify migrant workers from social security benefits. To date, no social security agreements have been concluded between any of the ASEAN member countries. Only one ASEAN state, the Philippines, has actively pursued agreements with countries outside ASEAN. As regional integration deepens, social security agreements will become even more important to ensure equal treatment of all ASEAN workers.

Social security agreements could make a tangible contribution towards realizing the commitment in the Cebu declaration to protect and promote the rights of ASEAN migrant workers. As the experience of many countries has shown, agreements can be a powerful tool to strengthen the social security protection of migrant workers.

There are specific actions that ASEAN countries can take to strengthen the social security protection of migrant workers. The vehicle for those actions consists of agreements between countries to coordinate their social security system in order to ensure that migrant workers, and their families, will have access to the programs of the countries in which they have worked. This report seeks to demonstrate the importance of such agreements and proposes specific measures that can be taken to begin the process of concluding agreements.

The development of a comprehensive network of ASEAN social security agreements – ideally in the form of a multilateral agreement – may take time. For most ASEAN countries, even the conclusion of the first social security agreement may take time. However, unless the process is begun, it will never be completed, and most ASEAN migrant workers will remain without social security protection. Without social security agreements, the greater integration of the ASEAN region, which offers so much hope for a better economic future for all the member countries, will be severely impeded.

Social security agreements can provide another of the building blocks for a more integrated, more cohesive and more prosperous ASEAN region. They ought to be made part of the fundamental blueprint for ASEAN's future.

Extension of social security coverage is one of the high priorities of the ILO's Decent Work agenda. The ILO stands ready to provide further technical assistance. In particular, it would be prepared, subject to financial resources being available, to assist social security institutions in ASEAN countries in the areas of (i) training on social security agreements for senior officials of ASEAN social security institutions and ministries, (ii) technical discussions on coordination of a provident fund and a social insurance scheme, and (iii) development of ASEAN 'model provisions' for social security agreements.

Reference

ILO, *Strengthening Social Protection for ASEAN Migrant Workers through Social Security Agreements* (2008 forthcoming)