

# Employment injury insurance

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# Structure of the presentation

1. Context
2. What can we do?

# 1. Context

## 1.1 Universal social protection for all

- Less emphasis on social insurance schemes
- Very limited formal-sector workers / wage earners in low developed countries, say even less than 10% of labour force (South Asia, Africa)
- Limited contingencies / financing compared with pensions / health care (contribution rate of the order of 1-2% of wages)
- Sequence of historical development of social protection / security starting with employment injury insurance
- No social insurance exists in many countries
- Ad-hoc political 'charity' prevails.

# 1. Context

## 1.1 Universal social protection for all (continued.)

- No proper linkage / harmonization with OSH preventions in many countries
  - No proper financing mechanism in place for rewarding preventions / punishing no efforts in preventions (e.g. merit contribution rate)
  - Ad-hoc retrospective 'charity' scheme for accidents in Bangladesh
  - No proper culture for social solidarity in many countries
- => Important to develop EII in many developed countries as the first step of building social security and to have better governance in design and financing EII, part of which includes long-term benefits <sup>4</sup>

## 2. What can we do?

### 2.1 Improvements in the current design and financial arrangements

- Better inspection and OSH and rewarding enterprises who do a lot for prevention and thus lower accident rate

### 2.2 Introducing EII in low developed countries

- Proper design, realistic financing arrangements and laws and regulation
- Support in building institutions and capacities to run EII scheme