Social protection for migrant workers: introduction

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Key migration trends

- The number of international migrants in the world today is estimated at 258 million as of 2017.
- In 2013, 150 million of the 258 million migrants worldwide were migrant workers.
- Women represent 48.4% of all migrants worldwide (2017).
- Migrants, especially migrant women, have higher labour force participation rates than non-migrants.
• Northern America and Northern, Western and Southern Europe account for 48.5% of migrant workers.
• The Arab States have the highest proportion of migrant workers as a share of all workers, at 35.6%.
• Europe is the second largest region of birth of migrants (61 million), followed by Latin America and the Caribbean (38 million) and Africa (36 million). (UNDESA 2017)

36 million Africans living outside their home countries
Key migration trends

Unprecedented numbers of people have lost their lives while attempting to cross international borders in recent years. In **2015**, over 5,400 migrants perished or were missing worldwide.

But also higher levels of South-South migration.
Out of all migrants worldwide about one third migrates from the South to the North and another third from the South to the South.
Migration in Africa

Source: Hein de Haas, Migration, regional integration and economic development in Africa, 2017
Majority of migrants in Africa are from Africa (79%)

Africa is also host to migrant populations from Asia (5%), Europe (4%), North America (0.3%), Latin America and the Caribbean

Source: Prof. Caroline Wanjiku Kihato (PhD), Situational Analysis of African Migration, Addis Ababa, 24 October, 2017
Question 1

Which statement is incorrect?

1) Cape Verde, Guinea and Mali are among the top 5 sending countries of migrants as a proportion of their total population

2) Burkina Faso is among the top 10 sending and among the top ten receiving countries of migrants as a proportion of their population

3) Chad, Sudan and the Republic of Congo are among the sending countries of migrants as a proportion of their total population
## Migration in Africa

**Table 4.1** Top ten sending and receiving countries in Africa, per rate of migration (%), 2010

<table>
<thead>
<tr>
<th>Top 10 Sending Countries in Africa</th>
<th>Top 10 Receiving Countries in Africa (of African emigrants)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cape Verde (&gt;10%)</td>
<td>Côte d’Ivoire (9%)</td>
</tr>
<tr>
<td>Equatorial Guinea (&gt;10%)</td>
<td>South Africa (5%)</td>
</tr>
<tr>
<td>Sao Tomé &amp; Principe (&gt;10%)</td>
<td>Nigeria (&gt;2.5%)</td>
</tr>
<tr>
<td>Mali (&gt;10%)</td>
<td>Tanzania (&gt;2.5%)</td>
</tr>
<tr>
<td>Morocco (&gt;5%)</td>
<td>Sudan (&lt;2.5%)</td>
</tr>
<tr>
<td>Burkina Faso (&gt;5%)</td>
<td>Burkina Faso (&lt;2.5%)</td>
</tr>
<tr>
<td>Benin (&gt;5%)</td>
<td>Uganda (&lt;2.5%)</td>
</tr>
<tr>
<td>Tunisia (&gt;5%)</td>
<td>Ethiopia (&lt;2.5%)</td>
</tr>
<tr>
<td>Republic of Congo (&gt;5%)</td>
<td>Libya (&lt;2.5%)</td>
</tr>
<tr>
<td>Algeria (&gt;5%)</td>
<td>Chad (&lt;2.5%)</td>
</tr>
</tbody>
</table>

Source: Shimeles (2010) based on Migration matrix data.
Social protection and social security:

1. Social protection is a **broad concept** that comprises social security and social assistance.

2. Social protection **is limited to programmes for the poor**, while social security is for workers in the formal economy.

3. Social security **relies on contributions** (social insurance) while social protection is financed directly by the government.

4. Social security and social protection **are the same** and refer to both contributory and non contributory schemes.

5. None of the above

6. All of the above
ILO definition of social security/social protection concepts

• The adoption of public measures to ensure basic income security and medical care to all in need, inter alia, from:

  ➢ lack of work-related income (or insufficient income) caused by sickness, disability, maternity, employment injury, unemployment, old-age, or death of a family member
  ➢ lack of access or unaffordable access to health care
  ➢ insufficient family support, particularly for children and adults dependants
  ➢ general poverty and social exclusion*

• Social security schemes can be of a contributory (social insurance) or non-contributory nature (social assistance, cash transfers, etc.)

*Based on international human rights instruments, ILO constitutive documents and ILO social security Conventions and Recommendations
People face contingencies during their life-cycle, which have financial consequences.

Social security is provided to members of a society against the economic and social distress caused by such contingencies.
Types of schemes/benefits

Social security/protection

Contributory

Compulsory
- Social insurance

Voluntary
- Provident funds
- Social insurance
- Some micro-insurance

Non-contributory

Targeted/means tested
- Targeted social assistance
- Conditional cash transfers
- Public Employment Programmes

Non-targeted
- Universal or categorical schemes
Why extend social protection to migrant workers?

Question 3: which statements are correct?

1. Social security is a human right including for migrant workers in Africa
2. Social protection floors are a social necessity including for migrant workers, they contribute to reducing poverty, inequalities and social exclusion
3. Social security/protection can financially support migrant workers when they face a situation of sickness, disability or maternity but it does not contribute to a country’s socio-economic development
Definitions of “migrant worker” in international law.

• According to ILO Migration for Employment Convention No 97, the term refers to:

“A person who migrates from one country to another with a view to being employed otherwise than on his own account and includes any person regularly admitted as a migrant for employment.”

• The UN Convention on the Protection of the Rights of all Migrant Workers and Members of their Families, refers to a person who:

“is to be engaged or has been engaged in a remunerated activity in a state of which he or she is not a national”
Social security is a human right

• It is legitimate: A Human Right Article 22 of the Universal Declaration of Human Rights states “Everyone, as a member of society, has the right to social security”

• Article 25 “(1) Everyone has the right to a standard of living adequate for the health and well-being of himself and of his family, including food, clothing, housing and medical care and necessary social services, and the right to security in the event of unemployment, sickness, disability, widowhood, old age or other lack of livelihood in circumstances beyond his control. (2) Motherhood and childhood are entitled to special care and assistance. All children, whether born in or out of wedlock, shall enjoy the same social protection.”

• Further echoed by the International Covenant on Economic, Social and Cultural Rights (1966,1976) and others.
Social security is a universal human right, but...

45% of the world population is covered by at least one social protection benefit (SDG indicator 1.3.1)

4 billion people (55%) are still unprotected

If we consider all areas of social protection from child benefits to old-age pensions

29% of the global population has access to comprehensive social protection

5.2 billion people (71%) are not, or only partially, protected

Source: ILO World Social Protection Report 2017-19, mainly based on Social Security Inquiry
Social security trends: Large coverage gaps

SDG indicator 1.3.1: Effective social protection coverage, population covered by at least one social protection benefit (%)

<table>
<thead>
<tr>
<th>Region</th>
<th>Coverage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>World</td>
<td>45.2</td>
</tr>
<tr>
<td>Europe and Central Asia</td>
<td>84.1</td>
</tr>
<tr>
<td>Americas</td>
<td>67.9</td>
</tr>
<tr>
<td>Asia and the Pacific</td>
<td>38.9</td>
</tr>
<tr>
<td>Africa</td>
<td>17.8</td>
</tr>
</tbody>
</table>

The SDGs call for universal social protection. More efforts are needed to extend coverage and ensure adequate benefits.

Level of investment in social protection

Question 4

What is the level of social protection public expenditures expressed in percentage of GDP, in Africa?

1. Between 4% and 20% of GDP
2. Between 2 % and 10% of GDP
3. Between 0 an 4% of GDP
4. Between 12% and 15% of GDP
Level of investment in social protection

Question 5

What is the level of social protection expenditures expressed in USD per person per month?

In Armenia, Malaysia, China, Namibia or Peru?

1. Between 75 et 100 USD a month per person
2. Between 25 et 35 USD a month per person
3. Between 15 et 15 USD a month per person
The Investment Case: Results/Developmental Impacts

- **Strong Human Development Impacts**
  - Reduces poverty and inequality
  - Reduces hunger and malnutrition
  - In children it has demonstrated results on better education and health outcomes
  - Increases productivity of workers
- **It contributes to growth:**
  - Inequality is economically inefficient /dysfunctional
  - Raising incomes increases domestic consumption and demand
  - And enhances human capital and productive employment
- **It builds political stability**
  - Poverty and gross inequities can generate social tensions and violent conflict
  - Social benefits ensure the political/electoral support of citizens

It’s a social and economic necessity and contributes to sustainable development- SDGs
Social protection reduces poverty

Relative poverty before and after taxes and transfers

<table>
<thead>
<tr>
<th>Country</th>
<th>Before taxes and transfers</th>
<th>After taxes and transfers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Czech Republic</td>
<td>27.5</td>
<td>5.8</td>
</tr>
<tr>
<td>Denmark</td>
<td>24.4</td>
<td>6.0</td>
</tr>
<tr>
<td>Iceland</td>
<td>30.6</td>
<td>6.4</td>
</tr>
<tr>
<td>Luxembourg</td>
<td>32.2</td>
<td>7.2</td>
</tr>
<tr>
<td>Finland</td>
<td>32.2</td>
<td>7.3</td>
</tr>
<tr>
<td>Netherlands</td>
<td>25.1</td>
<td>7.5</td>
</tr>
<tr>
<td>Norway</td>
<td>25.7</td>
<td>7.5</td>
</tr>
<tr>
<td>Slovakia</td>
<td>28.4</td>
<td>7.8</td>
</tr>
<tr>
<td>France</td>
<td>34.7</td>
<td>7.9</td>
</tr>
<tr>
<td>Austria</td>
<td>29.9</td>
<td>8.1</td>
</tr>
<tr>
<td>Germany</td>
<td>32.3</td>
<td>8.8</td>
</tr>
<tr>
<td>Ireland</td>
<td>44.0</td>
<td>9.0</td>
</tr>
<tr>
<td>Sweden</td>
<td>27.8</td>
<td>9.1</td>
</tr>
<tr>
<td>Slovenia</td>
<td>28.3</td>
<td>9.2</td>
</tr>
<tr>
<td>Switzerland</td>
<td>14.4</td>
<td>9.5</td>
</tr>
<tr>
<td>Belgium</td>
<td>32.3</td>
<td>9.7</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>31.9</td>
<td>10.0</td>
</tr>
<tr>
<td>New Zealand</td>
<td>24.9</td>
<td>10.3</td>
</tr>
<tr>
<td>Poland</td>
<td>17.9</td>
<td>11.0</td>
</tr>
<tr>
<td>Portugal</td>
<td>29.7</td>
<td>11.4</td>
</tr>
<tr>
<td>Estonia</td>
<td>32.3</td>
<td>11.7</td>
</tr>
<tr>
<td>Canada</td>
<td>28.0</td>
<td>11.9</td>
</tr>
<tr>
<td>Italy</td>
<td>31.9</td>
<td>13.0</td>
</tr>
<tr>
<td>Greece</td>
<td>32.2</td>
<td>14.3</td>
</tr>
<tr>
<td>Australia</td>
<td>27.3</td>
<td>14.4</td>
</tr>
<tr>
<td>Korea, Rep. of</td>
<td>27.3</td>
<td>15.2</td>
</tr>
<tr>
<td>Spain</td>
<td>35.0</td>
<td>15.4</td>
</tr>
<tr>
<td>Japan</td>
<td>32.0</td>
<td>16.0</td>
</tr>
<tr>
<td>United States</td>
<td>28.4</td>
<td>17.4</td>
</tr>
<tr>
<td>Chile</td>
<td>20.4</td>
<td>18.0</td>
</tr>
<tr>
<td>Israel</td>
<td>28.0</td>
<td>20.9</td>
</tr>
</tbody>
</table>
It is Affordable: Fiscal Space Exists Even in the Poorest Countries

- There is national capacity to fund socio-economic development and transfers in virtually all countries.

- There are many options, supported by UN policy statements:
  - Re-allocating public expenditures
  - Increasing tax revenues
  - Increasing social security contributions
  - Fighting illicit financial flows
  - Lobbying for increased aid and transfers
  - Tapping into fiscal and foreign exchange reserves
  - Restructuring debt
  - Adopting a more accommodative macroeconomic framework (e.g. tolerance to some inflation, fiscal deficit)

Ortiz and Cummins. 2012. A Recovery for All. UNICEF
## Cost and social impact

<table>
<thead>
<tr>
<th>Programme</th>
<th>Cost in % of GDP around 2010</th>
<th>Effects on poverty and inequality</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Old age</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>South-Africa: Old-age grant</td>
<td>1.4</td>
<td>Poverty gap of the elderly would be 2/3 larger without pension</td>
</tr>
<tr>
<td>Namibia: Non-contributory pensions</td>
<td>0.9</td>
<td>One or two elderly in a household can provide a safety net for the entire household</td>
</tr>
<tr>
<td>Brazil: Rural Pensions</td>
<td>1.5</td>
<td>Reduced poverty incidence among members of households with a pensioner by about 21%</td>
</tr>
<tr>
<td><strong>Child benefits</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Brazil: Bolsa Familia</td>
<td>0.3</td>
<td>Accounts for 20 to 25% of reduction in inequality</td>
</tr>
<tr>
<td>Mexico: Opportunidades</td>
<td>0.3</td>
<td>Has been responsible for 21% reduction of inequality (as well as increased consumption and school enrollment and attendance)</td>
</tr>
<tr>
<td>South Africa: Child Support grant</td>
<td>0.7</td>
<td>Reduced child poverty rate from 42.7% to 34.3%</td>
</tr>
<tr>
<td><strong>Employment guarantee</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>India: NREGA</td>
<td>1.5</td>
<td>Has helped to reduce the intensity of poverty</td>
</tr>
</tbody>
</table>
Why extend social security to migrant workers?

- MW play an important role in filling labour shortages
- MW may help improve the demographic situation of a country.
- MW are often net (financial) contributors to the social security system over their lifetime
- Lack of access to health care has serious consequences on life/health of mw
- MW at risk of exploitation in recruitment process, risk of forced labour, many in unskilled precarious employment – multiple discriminations especially women.
- It can facilitate the formalization of the labour market.
- It creates a level playing field (reduces unfair competition – between non-migrant and migrant workers)
- It facilitates their mobility and attracts highly skilled mw.
Question 6

• Who should be covered by social protection?
  1. Migrant workers working in the formal economy who contribute to social insurance
  2. All migrant workers (formal and informal economy) who can afford to contribute to social insurance or microinsurance/mutual insurance
  3. All residents and all children including migrants and refugees
National social protection floors

- All residents should enjoy at least a minimum level of social protection.
- Member States should progressively extend social protection to all (SPFs Recommendation, 2012 No. 202)

<table>
<thead>
<tr>
<th>Population</th>
<th>Level of protection</th>
</tr>
</thead>
<tbody>
<tr>
<td>Poor</td>
<td></td>
</tr>
<tr>
<td>Rest of informal economy</td>
<td></td>
</tr>
<tr>
<td>Formal economy</td>
<td></td>
</tr>
</tbody>
</table>

Nationally defined SPF
Access to health care including maternity care, for migrant workers and their families including those left behind,

Economic security and access to nutrition, education and care for migrant children

E.g. maternity, disability, etc. Linkages with employment and labour market policies

Social (non-contributory) pensions eg for retuning migrants

NATIONAL SOCIAL PROTECTION FLOOR: nationally defined basic social security guarantees

access to goods and services for essential health care including maternity care

basic income security for children (access to nutrition, education, care and any other necessary goods and services)

basic income security for persons in active age unable to earn sufficient income

basic income security for persons in old age
Conclusion – key messages

• Largest share of labour migration is intra-regional.
• Migrant workers are important contributors to origin and host countries’ economies and societies.
• Social security is a human right for all members of society
• Social security contributes to sustainable development (SDGs)
• Providing migrant workers with social protection is essential for facilitating labour mobility, balancing unfair competition between nationals and migrants and it increases social cohesion.