



# Newsletter 2002/2



*InFocus Programme on  
Socio-Economic Security*

*Seeking Distributive Justice – Basic Security for All*

## Women of Kerala Demand Security

In a remarkable demonstration of solidarity and determination in rural Kerala, 32,000 women turned up for a rally preceding a seminar organised by the Programme in collaboration with a Joint Committee of 8 Panchayats (village councils).

The seminar, on “Decentralisation and Socio-Economic Security”, explored the linkages between globalisation and social policy decentralisation, drawing out dangers and the conditions that have to be met in order to strengthen women’s security and welfare in local communities.

The first day turned into a wonderful rally, in which women from the villages and their Neighbourhood Groups streamed to the open air meeting place. All of them wore special saris, making it a wonderful, powerful spectacle. The Chief Minister of the State came to the opening ceremony, as did the Union Minister for Rural Development, the leader of the Opposition in Kerala, and a host of other dignitaries.



*Demonstrating solidarity*



At the inaugural plenary, the director of our Programme delivered the keynote address in which he highlighted the impact of globalisation on local development and on delivery of policies relating to social and economic security.

We believe there is a process of “decentration” globally – in which the framework for socio-economic security policy is being shaped increasingly at the international level while national governments are delegating responsibilities to the local level, leaving the national level with a diminishing role. In this context,

participatory community movements could play a crucial role in combating threats to freedom, equality and social development. *Voice representation security is the key.*

A report on the planned follow-up will be issued shortly. This seminar gave local and national researchers and activists an opportunity to interact with

women’s groups and others involved in the People’s Plan Campaign. A concluding highlight was a Pledge of Self Reliance made by the women’s groups. It was more than symbolic that to coincide with the meeting, a new soap produced from coconut oil was launched, made by the women’s groups. And good soap it is!

## Global Report Taking Shape

Work has continued on the Global Report on Economic Security, and in that regard a two-day workshop was convened in Geneva, in which distinguished economists from around the world par-

ticipated. Much of the discussion focused on the construction of the indexes of the seven forms of security. The Report should be finished before the end of the year.

### In this issue:

- **Moldovans Face Labour Market Insecurity ... 2**
- **Failing health care workers? ..... 3**
- **Old-age Pension Trends 1989-99 ..... 3**
- **Social protection in an Insecure Age ..... 3**

# Moldovans Face Labour Market Insecurity

With a population of 4.3 million, the Republic of Moldova is in an economic mess. The country needs an efficient manufacturing sector to absorb more people in productive employment. This requires huge changes in industrial enterprises, affecting employment practices, including recruitment, training, work organisation, pay reform, and much else.

The Programme, in collaboration with the national Department for Statistics and Sociology, has conducted an Enterprise Labour Flexibility Survey to collect information needed for the development of policies to improve productivity and working conditions. The survey covered a representative national sample of 300 manufacturing firms employing 76,176 workers, about 60% of manufacturing employment. The results were discussed at a national Conference, held in Chisinau, opened by Mr. Andrei Cucu, First Vice-Prime Minister of Moldova, and covered by the press, radio and TV.

Among the main findings, over 53% of firms reported they could produce the same level of output with fewer workers, even though they had cut employment

drastically in recent years. One way by which firms had responded to the economic slump is by placing workers on “administrative leave”, mostly unpaid. Managements were encouraged to do this by the wage tax. By doing so the average wage is lowered, allowing workers actually working to be paid higher wages while lowering the wage tax.

Workers remain on administrative leave rather than quit to become unemployed because they hope the leave is temporary and because they can retain access to some of the enterprise’s social benefits, such as healthcare and the firm’s social amenities. Unpaid and partially paid administrative leave has increased sharply since the mid-1990s. In 2001, there were 70,000 persons on administrative leave, 11% of all employed. Although classified as employed, most should be counted as unemployed or economically inactive.

As in other eastern European countries, a peculiar phenomenon is the high number of women on maternity leave, allowed by law for up to three years. This is really a way of dealing with labour surplus, and should be seen in the context of

an extremely low fertility rate. Expressed as an average share of employment, 6% of all women workers were supposedly on maternity leave. In the official statistics, they are classified as employed but most should be counted as unemployed or economically inactive. Firms that had cut employment had higher proportions of women on maternity leave than others.

Another way by which unemployment is disguised is short-time working. This too has increased since the mid-1990s, so that 21.5% of firms reported that workers were on short-time in October 2000. Actual working time averaged 32 hours per week for workers and 33.8 for employees, excluding those on short-time or administrative leave, implying another form of labour surplus, given that the standard working week averaged 39.5 for workers and 39.6 for employees. And 41% of firms reported that they had to reduce the work week to merely 10-20 hours.

Added to the labour market insecurity, income insecurity is rife. Workers were owed wage arrears in 79.9% of all the surveyed enterprises. This must be rectified.

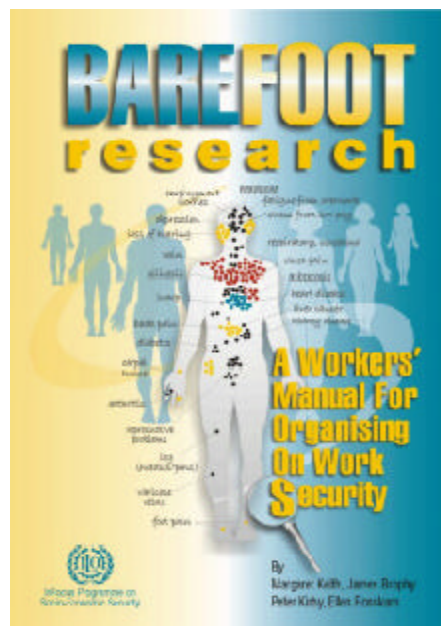
## BAREFOOT Research: A Worker’s Manual for Organising On Work Security

by Margaret Keith, James Brophy, Peter Kirby, Ellen Rosskam

The manual has been developed to help empower workers to increase their control over their own work situations, to protect their health and well being, and to improve their basic security. This is a practical guide, providing workers and employers with tools to identify work security problems, tackle problems from a worker-centred perspective, use barefoot research tools, use the results of Barefoot Research to improve work security, and organize for work security.

The manual is free for those involved in efforts to promote higher standards of working conditions and occupational health and safety. For those interested in obtaining copies, contact IFP/SES at [ses@ilo.org](mailto:ses@ilo.org). Since we would like to see local language versions, please contact us if you are interested in translating the manual for joint publication with IFP/SES.

An on-line version is available at:



<http://www.ilo.org/public/english/protection/ses/info/publ/barefoot.htm>

## Employment Security in Canada, Germany and UK

Trends in employment security have been much debated in recent years. The Programme has just completed a paper examining non-standard employment in Canada, Germany and the UK and the potential for extending employment security.

Through using behavioural, contractual and governance indicators for employment security, the assessment suggests that: (a) regulatory and policy patterns vary not only across these countries, but also within them (sub-national level); (b) extension of employment security to non-standard employment forms depend not only on national legislation, but also on employees’ expectations and on policymakers’ ability to enforce working-time and collective bargaining coverage of non-standard employees; and (c) there was a difference between the three countries in terms of how essential particular indicators were for ensuring that non-standard employees attain access to social benefits.

# Old-age Pension Trends 1989-99

A new Social Security database, containing statistics for 1989 and 1999, has been developed by the Programme. This covers 8 branches of social security providing nationwide and compulsory cash benefits and combines qualitative and quantitative information. Analysis is concentrating initially on trends in old-age pensions.

Among the most significant trends is the increase of employee and employer contributions of about 30% during the 1990s. The contribution period to be entitled to benefits also increased over that period.

Legal retirement age (which differs from actual retirement age) has risen, albeit slowly. Women's retirement age remains lower than men's. But a trend

towards equalization of retirement ages is confirmed, so that the average age increased by one year for women and half a year for men during the decade.

The number of countries providing a defined-benefit scheme, in which the pension is determined in relation to previous earnings, has fallen. Defined-contribution schemes are replacing them, notably through reforms implementing privately-managed insurance plans, as in Latin America and Eastern Europe.

Old-age expenditure varies sharply between countries. Development level and demographic trends have a strong influence on the design of national old-age programs, but political choices are also important. Privatisation is still spreading.

## Capital Grants vs. Income Security?

The Programme participated in a technical workshop, convened in the University of Wisconsin, in which a group of economists and other social scientists discussed the relative advantages of a direct one-off grant provided to young people and a basic income provided as a regular payment to provide continuous income security. A number of governments have been drawn to experiment with the idea of a coming-of-age grant, as proposed in several recent books and professional articles.

A review of the advantages and disadvantages will be issued shortly by the Programme.

## Azerbaijan

### Enterprises Struggle

The lot of Azeri workers is similar to the plight of workers in other transition economies of Eastern Europe: desperate. This emerged from the findings of the Enterprise Labour Flexibility and Security (ELFS) Survey, discussed in a conference held in early April in Baku. The results revealed endemic problems of wage arrears, disguised unemployment, and declining wages and benefits, which have undermined the security and welfare of the majority of the population.

The conference was attended by the Deputy Minister for Labour, the Chairman of the State Statistical Committee, high-ranking civil servants and ILO constituents. A commitment was made to conduct similar exercises to monitor economic security in Azeri enterprises.

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## Failing health care workers?

The last newsletter reported results of our work examining healthcare workers' insecurity in the face of crumbling public health systems in much of Central and Eastern Europe. Follow-up work has begun.

We are working closely with Public Services International (the trade union body representing health workers) to disseminate the findings, which were presented at PSI's European Regional Execu-

tive meeting, opening channels for further advocacy work. Seminars are foreseen in several countries, involving key stakeholder groups. Raising awareness of the injustices imposed on CEE health workers is key.

Following an international health conference, findings have been reported in a Reuters news article, an ILO press release, the ILO's World of Work magazine, the World Health Organisation Bulletin, and the PSI magazine.

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## Social Protection in an Insecure World

The UNDP convened an international conference in Santiago, Chile, at which the Programme's Director gave the keynote speech entitled "Globalisation: The Eight Crises of Social Protection". He focused on the governance crisis and the social equity crisis, arguing that a new universalism

was essential, based on the values of work rather than just labour.

The conference brought together experts from across the world, and had excellent assessments of the social protection challenges in many countries, including China, many parts of Africa and Latin America.

### Moving on: Laszlo Zsoldos

We all miss you already...  
We all wish you well.

## The Ghana PSS

We are launching a People's Security Survey in Ghana in July 2002. This is being conducted in collaboration with the Centre for Social Policy Studies, University of Ghana and will cover 3000 households from urban and rural areas of south Ghana. Since Ghana has been selected as one of the countries under the ILO's Decent Work Pilot Programme, the PSS will also contribute towards the development of an integrated ILO programme in Ghana.

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## Ukraine: ULFS-9 and UPSS-2 launched

In April 2002, the State Statistics Committee of Ukraine went to the field to collect data from 1,890 industrial enterprises, as the ninth round of the national Ukrainian Enterprise Labour Flexibility Survey (ULFS-9) was successfully launched.

In May 2002, the second round of the

Ukrainian People's Security Survey (UPSS-2) was also launched, covering a nationally representative sample of 10,000 people. The data from UPSS-2 will be available by the end of July 2002.

The results of the above two surveys will be discussed at the tripartite conference to be held in Ukraine in October 2002.

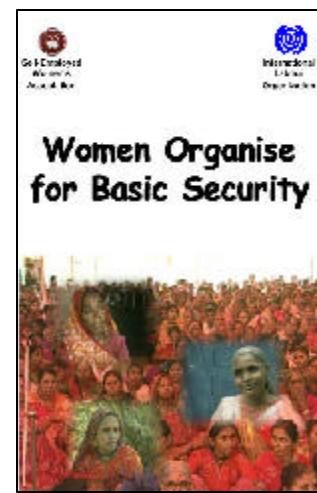
# Video on informal economy and social protection

*Women Organise for Basic Security* is a video about the lives of low-income women workers who work long hours under difficult conditions, with nothing to fall back on during times of crisis, which come all too often. Their very existence is threatened by chronic insecurity. Yet some have found help and hope in the Self Employed Women's Association (SEWA).

By organising women in the informal economy, SEWA has given a voice to the voiceless, pooled resources, campaigned

to improve working conditions, provided them with credit and medical insurance, and has been a source of strength.

As ILO Director General Juan Somavia says in the film, "Socio economic security is at the heart of decent work. We need to find ways of protecting the poorest workers - and SEWA is solving the problem in a creative way. We in the ILO want to highlight the problems, and the lessons learnt from it". Copies of the video are available on request.



## Publications

### SES Papers

- ◆ "Employment Security in Europe and Canada: A Review of Recent Legislation in Three Countries", by Walter Onubogu.
- ◆ "Innovations in Monitoring Work Security: A Case Study of Southeast Asian Refugees in Lowell, Massachusetts", by Lenore Azaroff and Chuck Levenstein.
- ◆ "Socio-Economic Status of Health Care Workers in the Russian Federation", by Nathalia Stepantchikova, Liana Lakunina and Tatyana Tchetchernina.
- ◆ "Exclusion, précarité, insécurité socio-économique en France" and "La Prise en compte de l'insécurité socio-économique dans les grandes enquêtes statistiques en France", by Helena Hirata and Edmond Préteceille.
- ◆ "Changing Employment Patterns and the Informalization of Jobs: General Trends and Gender Dimensions", by Lourdes Beneria.

### Other Publications

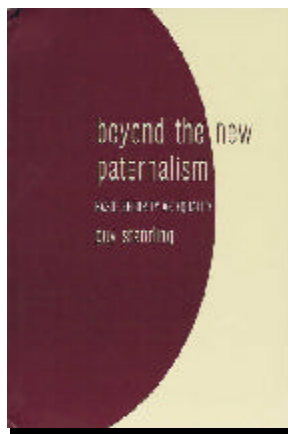
- ◆ "Tarımsal calisma yasaminin iyilestirilmesi icin egitim ihtiyaci", The Turkish Journal of Occupational Health and Safety, 2001.
- ◆ "The babble of euphemisms: Re-embedding social protection in 'transformed' labour markets", by Guy Standing, in A.Rainnie, A.Smith and

A.Swain (eds.), Work, Employment and Transition (London and New York, Routledge, 2002)

- ◆ "Participatory/problem-based methods and techniques for training in health and safety", by Ellen Rosskam, in *New Solutions journal*, vol. 11, no. 3-2001, pp. 215-227
- ◆ "Check out the check-in: Airport work hazards", by Ellen Rosskam, published in *Labour Education* No. 126 1/2002 (also at [www.ilo.org/public/english/dialogue/actrav/new/april28/index.htm](http://www.ilo.org/public/english/dialogue/actrav/new/april28/index.htm))

### Books

- ◆ Guy Standing, Beyond the new paternalism: Basic Security as Equality (London and New York, Verso, 2002).



## Workshop

**December 12-13:** "Solidarity Grants, Vouchers and Citizenship Credit Cards"

### IFP/SES Web site and Newsletter

The IFP/SES Web site (<http://www.ilo.org/ses>) is available in English, French and Spanish.

Our Newsletter is produced in French and Spanish too (downloadable from the Web site).



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