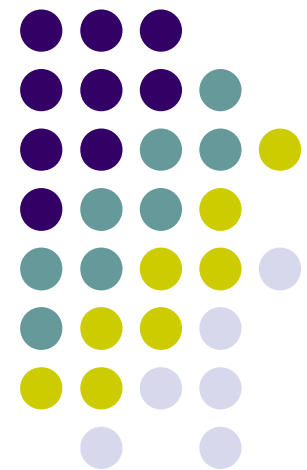


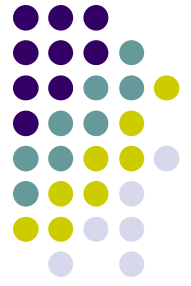
Social Security as a Social Floor: An Agenda for Asia Pacific

KP Kannan
Member
National Commission For Enterprises in the
Unorganised Sector

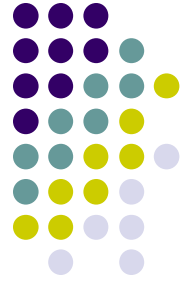
Asia-Pacific Regional High Level Meeting, ILO, New Delhi 19-20 May
2008



Social Security as a Social Floor

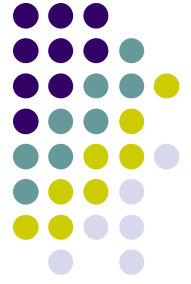


- A “floor” below which no citizen is allowed to fall. Nationally determined. But calls for a global or, to begin with, a regional consensus. As a measure to prevent a race to the bottom.
- Calls for expanding the concept and coverage of Social Security.



Expanding the concept

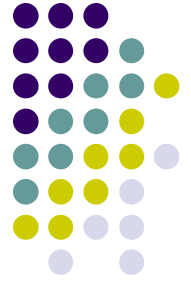
- SS to meet “deficiency” [food, shelter, education and health]
- SS to meet “adversity” i.e. contingencies and eventualities
- Both are critical in developing countries in their quest for long term development



Social Security as a Right

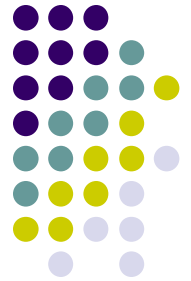
- The primary duty bearer to address ‘deficiency’ and ‘adversity’ is the State.
- Deficiency is capability deprivation.
- Capability deprivation is due to failure of entitlements.
- Entitlements are best created as a matter of right.

Right to Work and SS



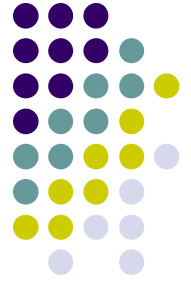
- Right to Work is often a means to ensure a minimum income to address deficiency.
- This is not adequate as the proportion of working poor is considerably larger than the unemployed in developing countries. Also in India and other parts of Asia Pacific.

Right to Work with Fair Wages



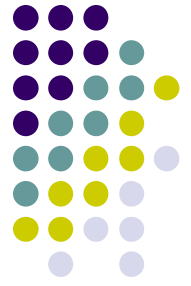
- Work without a floor wage leads to a situation of working poor. The problem in India is adequate income as a majority of workers do not get even a minimum wage.
- Need to enforce minimum wages.

Direct Provisioning



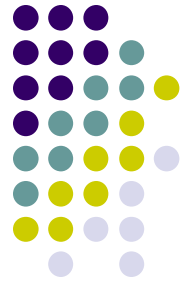
- Access to a minimum income through work alone will not address deficiency in full measure.
- Need for creating conditions for Access: to education, health, and housing.

SS for meeting adversity



- While SS is associated with this notion (including ILO Convention No.102), the biggest gap in SS in developing countries is in this front.
- The problem in India is mainly with regard to informal workers (those in the informal sector (86% of total workers) plus those in the formal sector (6%)).

Problems in extending coverage



- Predominance of informal sector.
- Inadequate earnings.
- Other deprivations such as illiteracy/low education, social exclusion and so on.
- All these call for a national approach in each country.
- The 'Right Perspective' provides a framework.



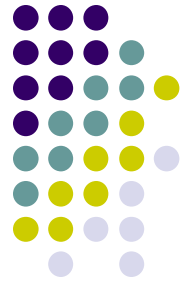
Indian Situation

- A number of measures exist to address deficiency. But only 'right' exists only in the case of work - NREG (limited by residence and quantity).

Other measures are:

- Sup Nutrition (ICDS): Preschool children; Mid Day Meals for School Children; PDS for BPL HHs.
- Primary/Sec Education: SSA

Indian Situation



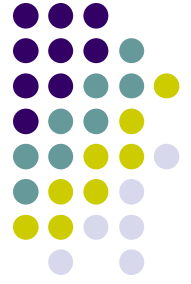
- Access to Health Care: National Rural Health Mission and Pub Health Institutions for free care of the poor.
- Housing: Public Scheme (IAY) for housing for the poor.
- THE PROBLEM IS ONE OF INADEQUATE COVERAGE

Indian Situation



- SS to meet contingencies remains as a big gap. Existing coverage of informal workers not more than 8 percent of the total.
- A Bill is now in the Parliament. The challenge is to ensure that the proposed measure gives a national minimum of SS, ensure coverage of all uncovered, commitment to a time frame and dedicated funding mechanism.

Summing up the Indian Challenge



- Ensure adequate coverage and effective implementation of national measures to address deficiency.
- Address the gap in Contingent SS by creating a legal right.
- Enforce a national minimum wage.
- Move from discretionary measures to a right-based approach.
- The creation of such a “social floor” will, to a large extent, address the persisting high levels of income poverty and other basic deprivations of around 40 percent of population.