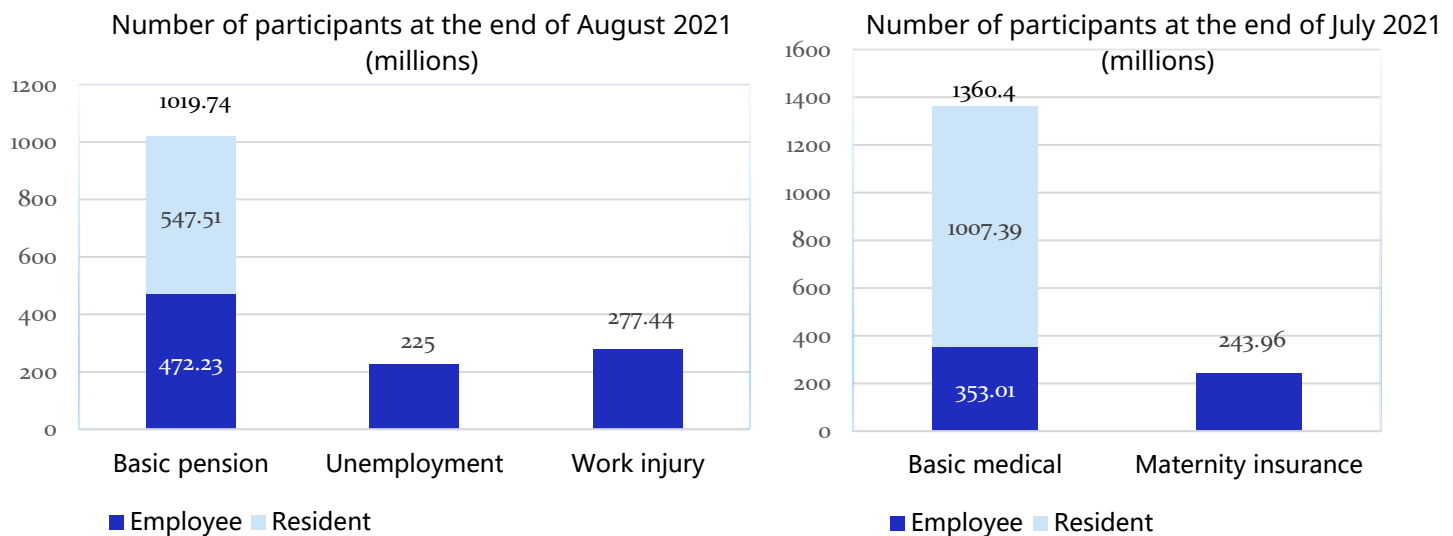


Social Security Policy Monitor China

July – October 2021, Issue 8

China Social Security Barometer



Latest data available from [MOHRSS](#) and [NHSA](#)

Policy – China

Public opinions solicited for the draft Medical Security Law

From June to July 2021, the National Healthcare Security Administration (NHSA) solicited public opinions to the "[Medical Security Law \(Draft for Comment\)](#)." The draft law encourages the individual industrial and commercial households without employee, part-time employees and other flexible workers to participate in the basic medical insurance for employees. It aims to establish multi-tier medical insurance, including establishing and developing long-term care insurance that would cover all groups and provide appropriate level of protection.

"Regulation on Social Insurance Administration and Services" listed in the State Council's legislative work plan 2021

In June 2021, the State Council issued its [Legislative Work Plan 2021](#), in which the "Social Assistance Law (Draft)" (drafted by the Ministry of Civil Affairs and the Ministry of Finance) was included in 18 bills to be submitted to the Standing Committee of the National People's Congress for deliberation. The "Regulation on Social Insurance Administration and Services" (to be drafted by MOHRSS and NHSA) and the "Regulation on Data Security Administration" (to be drafted by the Cyberspace Administration) are included in 28 administrative regulations to be formulated or amended.

Protection of flexible workers stepped up

In July 2021, a number of policies concerning the protection of labour rights and interests of workers in new forms of employment have been introduced:

- MOHRSS and other seven departments issued the "Guiding opinions on safeguarding the labour and social security rights and interests of workers in new forms of employment".

The "Opinions" require all localities to relax the household registration (Hukou) restrictions for flexible workers to participate in basic pension and basic medical insurance in the place of employment. Organize those not enrolled in the employee schemes to participate in the basic pension and medical insurance for urban and rural residents, to ensure all eligible persons are insured.

The "Opinions" strengthen occupational injury protection, focusing on platform companies in the ride-hailing, food delivery, instant delivery, and intra-city freight transportation sectors. Platform companies should participate in the pilots of occupational injury protection for platform workers. The model will adopt an approach that led by government and carried out by social forces. Platform companies are encouraged to purchase commercial insurances (personal accidents and employer liability) to improve the level of protection for platform workers.

On August 18, at a regular policy briefing, You Jun, the Vice Minister of MOHRSS, introduced that the occupational injury protection for platform workers will adhere to the social insurance principles. This means that it will be a government-led protection system and will be established and implemented under the broad framework of the work injury insurance system. At the same time, the system model, policies, and methods will be innovated to adapt to the platforms. The new system will adopt a pilot-first model.

On September 10, MOHRSS, together with the Ministry of Transport, the State Administration for Market Regulation (SAMR), and the All-China Federation of Trade Unions (ACFTU) held a meeting with 10 leading platform enterprises (Meituan, Didi, etc.) to provide administrative guidance for implementing the "Opinions" and urge them to set an example in protecting workers' rights.

- Seven departments including the State Post Bureau and MOHRSS jointly issued the "Opinions on protecting the rights and interests of the couriers".

The "Opinions" improved the work injury insurance participation policy adapted to the characteristics of the express delivery industry. The "Opinions" encourage express delivery companies to directly employ workers; provide methods for calculating work injury insurance contribution; and promote companies to purchase personal accident insurance for couriers.

- ACFTU issued "Opinions on effectively protecting labour and social security rights and interests of workers in new forms of employment".

It urges the establishment of trade unions for platform enterprises and enrolment of workers, promotes online enrolment, and innovates service content and service models. It will support the government and relevant departments to accelerate the improvement of the working hour system and promote the pilot work of occupational injury protection. It will promote the judicial institutions to issue relevant judicial interpretations and guiding cases.

- SAMR and other six departments jointly issued the "Guiding opinions on implementing the responsibilities of online catering platforms and effectively protecting the rights and interests of food delivery workers".

The "Opinions" put forward 10 opinions regarding income, occupational safety, food safety, social security, and organization construction of food delivery workers. In terms of social security, online

catering platforms and their third-party collaborators are required to participate in social insurance for workers with labour relations. Other food delivery workers are encouraged to participate in social insurance. Platform companies are encouraged to participate in the pilot occupational injury insurance for flexible workers. It is encouraged to explore diversified commercial insurance schemes responding to the needs of platform employment and improve the level of protection.

The 14th Five-Year Plan for Human Resources and Social Security released

On June 29, 2021, MOHRSS released its "14th Five-Year Plan". Key priorities for social security include:

- Relax the Hukou restrictions for flexible workers to participate in social insurance in the place of employment and encourage their participation in the basic pension insurance for enterprise employees.
- Establish and implement a national pooling for the basic pension insurance for enterprise employees. Gradually raise the statutory retirement age and increase the minimum payment period for receiving basic pensions. Develop a multi-tier and multi-pillar pension insurance system, expand the coverage of annuities, and promote the development of personal pensions. Explore the establishment of a multi-level work injury insurance system and promote the occupational injury protection for flexibly employed platform workers.
- Promote the coordinated adjustment of the level of social insurance benefits linked to economic and social development. Implement the normal adjustment mechanism of basic pension benefits for urban and rural residents, and gradually increase the level of benefits.
- Adhere to actuarial balance, improve the fund forecasting and early warning system, and continue to expand the entrusted investment scale of the basic pension insurance fund.
- Build a national social security service centre and build a nationally integrated social insurance administration and service system. Accelerate the digital transformation of social insurance administration.

Urban and rural Dibao unified

On June 11, 2021, the Ministry of Civil Affairs (MCA) issued the "Measures for the Verification and Confirmation of Minimum Livelihood Guarantee". The "Measures" expanded the scope of Minimum Livelihood Guarantee Programme (Dibao), clarifying that seriously ill or severely disabled persons in marginal families can individually apply for Dibao. "Marginal families" generally refer to families that are not eligible for Dibao, whose per capita income is less than 1.5 times the local Dibao standard. At the same time, the "Measures" no longer distinguish Dibao between urban and rural areas.

Social insurance assistance for disadvantaged groups

On August 20, 2021, MOHRSS, MCA and other departments issued a Notice, requesting to reduce the burden of insurance payment for the needy groups. For those groups (Dibao recipients, the poor, the severely disabled etc.) that have difficulty paying contributions of pension insurance for urban and rural residents, the local government pays part or all the contributions at the lowest payment level. It also encourages social economic organizations, charitable organizations, and individuals to provide financial support. For migrant workers in flexible employment, guide them to participate in the basic pension insurance for enterprise employees, and provide social insurance subsidies for those who have difficulties in employment.

China to establish multi-tiered medical insurance system

On September 23, 2021, the State Council issued "14th Five-Year Plan" for universal medical security. During the 14th FYP, it aims to further develop a multi-level medical insurance system, and optimize medical insurance assistance policies; implement the universal insurance plan, promote the participation of employees and urban

and rural residents in the place of their permanent residence and employment; relax the Hukou restrictions for flexible workers; support the development of commercial health insurance and enrich insurance products for the elderly; establish a long-term care insurance system; improve maternity insurance policies; promote cross-provincial administration of basic medical insurance registration and transfer; and realize online settlement of hospitalization and outpatient expenses in different places across the country.

[New development plans for women and children \(2021-2030\) unveiled](#)

On September 27, 2021, State Council unveiled the outlines of development plans for women and children over the next decade. In the chapter “Women and social security”, it sets main targets and strategic measures to realize women’s equal rights to social security and continuously improved coverage and level of protection. In the national social insurance registration information database, gender-disaggregated statistics, and dynamic monitoring and management of information will be strengthened.

[China to encourage development of pensions, insurance for delivery sector](#)

China’s top banking and insurance regulator said it would encourage insurers to accelerate the development of commercial pension products and accident insurance for gig-economy workers such as couriers and takeout deliverymen.

Social Security Administration – China

[Maternity insurance to cover cost of third-child birth](#)

In July 2021, NHSA issued a Notice supporting the three-child policy by extending maternity insurance to cover the costs of giving birth to the third child. The Notice requires all localities to ensure that the costs of insured women employees for having the third child is included in the payment scope of maternity insurance benefits, and that maternity medical expenses and maternity allowances shall be paid in full and on time. Medical benefits related to the maternal care for having the third child under the medical insurance for urban and rural residents and enrolment of new-borns shall be adapted accordingly as well.

[Assessment standards for long-term care disability grade released](#)

On July 16, 2021, NHSA and MCA issued a document, setting standards to determine disability grades for those who will receive long-term care services. The document establishes the assessment indicator system and implementation requirements and adopts the combined method to determine the assessment results. A total of 134 million Chinese people have long-term care insurance, according to official data.

Local policies

[Beijing gives more days of maternity leave](#)

Beijing has begun offering incentives to encourage young couples to have more children after changes to family planning policies in June allowed all couples to have a third child. In addition to the extra 30 days of maternity leave that mothers in the city with a third child were awarded from the end of May, the Beijing Municipal Health Commission said on August 5 that they can also enjoy a further one to three months of additional leave if their employers agree. Their spouses will be eligible for 15 days of paternity leave.

[Hangzhou expands the scope of work-related injury insurance](#)

On September 2, 2021, the Hangzhou Municipal Human Resources and Social Security Bureau issued a set of trial measures, allowing certain workers who have not established labour relations to participate in work-related injury insurance. Employers may participate and pay contributions on a voluntary basis. The beneficiaries include platform workers (food delivery, online car-hailing, and express delivery).

European Policy

[Council adopts European Child Guarantee](#)

The EU council has adopted the Commission's proposal on establishing a European Child Guarantee. The objective of the European Child Guarantee is to prevent and combat social exclusion by guaranteeing the access of children in need – persons under the age of 18 years who are at risk of poverty or social exclusion – to a set of key services: early childhood education and care, education, healthcare, nutrition, housing.

[European alliance calls on EU governments to implement convention on domestic workers](#)

In Europe, about 9.5 million people work as domestic workers, including millions of home care workers. The European Commission and an alliance of employers, trade unions, civil society organisations as well as international institutions called on EU governments to better protect them by ratifying and implementing the ILO Domestic Workers Convention, 2011 (No.189).

[A new study highlights challenges and working conditions of seasonal workers in the EU](#)

Up to 850,000 EU citizens carry out seasonal work in another EU country. They face key challenges as access to social protection and adequate working conditions.

Policies around the world

[Singapore- Ministry of Manpower sets up advisory committee to protect gig economy workers](#)

Singapore's Ministry of Manpower announced the formation of the Advisory Committee on Platform Workers. The Committee aims to strengthen protections for self-employed persons who work for online platforms, specifically delivery persons, private-hire car drivers, and taxi drivers. The committee decided on three priority areas: improving retirement and housing adequacy, ensuring adequate financial protection in case of work injury, and closing the gap in bargaining power.

[Sweden begins paying pension supplement](#)

Effective September 1, Sweden's pension agency began paying a monthly pension supplement of up to 600 kronor (US\$69.54) to individuals aged 65 or older who receive an earnings-related old-age pension and meet certain income and coverage requirements. The supplement is intended to improve the economic security of old-age pensioners who had long careers in low-paying jobs. The government estimates that around 55 percent of Swedes older than 65 will benefit from the supplement, with 62 percent of these beneficiaries being women.

[Polish government announces new universal child benefits for families to "create the future of our nation"](#)

On August 17, the Polish government has unveiled plans for a new child benefit scheme. It hopes that the policy will provide an "incentive to have more children". Under the "Family Welfare Capital" scheme approved by the cabinet, the state will from the start of next year pay families 12,000 zloty (€2,630) for each child after their firstborn between the age of 12 and 36 months. The benefit will be available to all families, regardless of income.

[Argentina introduces pension credits for mothers](#)

On August 2, Argentina introduced pension credits for mothers who have reached the normal retirement age of 60, but do not meet the minimum contribution requirement (30 years) for a contributory social insurance old-age pension. Under the new measure, qualifying mothers can apply to receive 1 year of credited contributions per child; 2 years per adopted child or a child with disabilities; and 3 years per child if the mother previously received a universal child allowance (AUH).

[Germany launches basic pension](#)

Germany's basic pension scheme kicked off in July. It ensures a basic standard of living for all retirees who have contributed to the social security system. Under the new system, anyone who has contributed towards a German pension for at least 33 years will qualify for a basic pension. This includes not just time spent working, but also time taken out to raise a family or care for a relative. The idea is to give an income supplement to those who have contributed towards a pension for a long period of time but – due to having a lower salary or fewer working hours – have not built up a sufficient pension entitlement to ensure a basic subsistence level.

[Norway plans to expand mandatory occupational pension coverage](#)

On June 18, Norway's government proposed legislation to expand mandatory occupational pension coverage to more private-sector workers by reducing or eliminating certain earnings, age, and work thresholds. The legislation is expected to receive parliamentary approval later this year and become effective on January 1, 2023. The proposed changes are intended to boost retirement savings, particularly among younger persons, part-time employees, and low-wage workers.

[France - representation of self-employed workers using platforms](#)

France's [Ordinance No. 2021-484 of 21 April 2021](#) sets the terms and conditions for the representation of self-employed workers using platforms for their activity and the conditions for exercising this representation. The ordinance creates the Employment Platforms Social Relations Authority (ARPE). This ordinance aims to develop collective bargaining and establish the representativeness for platform workers in France. The representation will be initially established at the sector level (firstly private cars with drivers and delivery) and eventually at the platform level.

[UK and Canada public pension funds adopt zero emissions policies](#)

The UK issued statutory requirements for pension schemes to address decisions of the international Taskforce on Climate-related Financial Disclosures (TCFD) on decarbonation as required in the 2021 Pension Schemes Act. The country was the first G-7 country to commit to mandatory climate disclosures under the TCFD in 2020, and pension funds will have to disclose how climate change impacts their investment portfolios as part of that commitment. The UK's Work and Pensions Committee had recommended the government should consult on the idea of aligning all default funds with the UK's climate goals.

Links: [U.K. pensions will be greener and DC plans more consolidated, minister says](#); [Ros Altmann: Could pensions be used to boost more sustainable investing?](#)

Canada's No. 2 pension fund, Caisse de depot et placement du Quebec, said it will shed all its oil production assets by the end of 2022 and reduce carbon intensity by 60% by 2030. Ontario Teachers' Pension Plan Board (OTPP), Canada's third-largest pension fund, announced a new interim target to cut the carbon emissions intensity of its portfolio as part of a plan to reach net-zero emissions by 2050. Canada Pension Plan Investment Board (CPPIB) was among the first signatories to the Principles for Responsible Investment, a United Nations-supported network of investors agreeing to use ESG criteria in investment decisions.

Links: [Canada's second-largest pension fund says first to exit oil assets](#); [Canada. Why more retirees are looking to green their retirement portfolios](#)

[Chilean President presents reform proposal that taxes profits to finance better pensions for the poor](#)

Chile's government plans to remove a series of tax exemptions, including one on securities trading, to help finance an increase in pensions for the poor.

[Uber to begin rolling out pensions to 70,000 UK drivers](#)

Uber's UK drivers will be automatically enrolled in a pension plan managed by a human resources (HR) provider and temporary staffing firm. Uber will contribute 3% of a driver's earnings into a pension plan, while drivers can choose to contribute a minimum of 5% of qualifying earnings. Eligible drivers will be able to opt-out.

[India's pension system needs impetus to ensure adequate retirement income: study](#)

India needs to undertake strategic reforms to revamp the pension system to ensure adequate retirement income, revealed the 2021 Mercer CFA Global Pension Index survey (MCGPI). The Indian pension system ranked 40th on the overall index ranking out of 43 systems and had the lowest rank in the adequacy sub-index.

[Australia - Most vulnerable excluded from Disability Support Pension](#)

The number of people locked out of disability support and forced on to inadequate JobSeeker Payments has more than tripled since 2007 as a direct result of ever-tightening eligibility rules.

Statistics

[16.5% of S. Korea's population aged 65 and older in 2021](#)

The ageing of South Korea will accelerate, with the number of elderly people rising to 12.98 million in 2030 and 17.22 million in 2040. By 2050, the number of elderly people could account for 43.9 percent of the country's population, according to the report.

[Japan's older population hits record high](#)

The estimated number of people aged 65 or older in Japan stood at a record high of 36.4 million, an increase of 220,000 from a year before. The share of those aged adults in the nation's total population rose to a record 29.1%, the highest among 201 countries and regions across the world.

[Greece to take lead as fastest ageing country in EU](#)

Report by Eurostat, the EU statistics agency, about the declining population in the European Union said Greece will have the oldest people in the EU by 2030. Greece will take the aging lead over Italy in the EU. With half of Greeks already over 50 years old, EU Commission estimates that the country's population will decrease by almost a million in 2050 and by 2 million in 2070. [Greece on its Way to Becoming Fastest Aging Country in the EU](#)

Publications

EU 2021 European Centre of Expertise (ECE) in the field of labour law, employment and labour market policies [Thematic Review 2021 on Platform Work Synthesis report](#)

GIZ 2021 [Data protection for social protection](#)

ILO 2021 [Social Protection Spotlight: Reaching universal social protection: a review of national strategies and policies](#)

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ILO 2021 [Governance of social protection systems: a learning journey Module #1: Coordination](#)

ILO 2021 [Governance of social protection systems: a learning journey Module #2: Information and Communication Technologies & Data](#)

ILO Working Paper 27 [Platform work and employment relationships](#) (in [Chinese](#))

ILO and others [Social protection measures for persons with disabilities and their families in response to the covid-19 crisis an updated overview of trends – June 2021](#)

ISSA 2021 [Special Issue: Social protection for digital platform workers in Europe](#), International Social Security Review Volume 74, Issue 3-4. Experiences of Belgium, Denmark, France, Germany, Italy, Spain, Romania and Switzerland

Schoukens Paul and Bruynseraede Charlotte 2020 [Access to social protection for self-employed and non-standard workers: An analysis based upon the EU Recommendation on access to social protection](#)

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Karl Kristian Lars 2021 [Digitization or equality: When government automation covers some, but not all citizens](#) Government Information Quarterly

Main Sources

[Pension Policy International](#)

[EU Employment and Social Affairs](#)

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[US Social Security Administration International monitor](#)

[ILO Social Protection](#)

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