

ILO/ACFTU International Seminar on Social Security Promotion

1. Background

Social protection consists of a broad range of instruments, such as social security, occupational safety and health, HIV prevention and other related social policies.

As far as social security is concerned, it is the protection that a society provides to individuals and households to ensure access to health care and to guarantee income security, particularly in the events of old age, invalidity, death, sickness, maternity, unemployment and child raising, through the provisions of social transfer, including both social insurance benefits financed by workers and employers' contributions, tax-financed benefits, like universal pension, universal health care and means-tested social assistance (safety net) and other non-statutory mechanisms, such as occupational schemes, private insurance, community-based programs.

Social security has two central objectives: (a), alleviation of poverty; (b), granting to all people of the opportunity to live their lives in the absence of debilitating material insecurity.

The unfolding global crisis has dramatic social, health and education effects, especially on the poor and marginalised sections of society unless decisive action is taken. In times of crisis, social security is much more needed as it is an effective response to crisis related social, income and health risks and act as economic stabilizer, curtailing the potential social and economic depth of the recession, avoiding poverty, ensuring continuity in services and stabilizing aggregate demand.

However, the actual personal coverage of social security is significantly low: only 20% of the world's population has adequate social security coverage, while more than half lacks any kind of social protection at all. This situation is mirrored in Asia: social security coverage ranges from less than 10% to almost 100% of the population and the deficit concentrates in the developing world.

To address this problem, the ILO launched a Global Campaign to extend social security to all in 2003. ILO advice, based on the principal of progressive universalism, promotes simultaneously the vertical and horizontal extensions and seeks to ensure a minimum set of social security benefits for all called *the social protection floor*. Based on such a floor, higher levels of social security should then be achieved when the economies develop and the fiscal space for re-distributive policies widens. Actually, many countries in Asia have already taken active and innovative measures to extend the coverage.

2. Social security in China

By the end of 2005, 175 million urban residents in China were covered by the old age insurance programme. Of them, 131 million were workers and 43.67 million retirees. The number of rural residents who participated in the old age insurance programme reached 54.42 million and 3.02 million farmers got their pensions.

138 million people were covered under the basic medical insurance scheme of whom more than 100 million were workers and 37.61 million were retirees.

The number of people who insured the unemployment insurance scheme reached 106 million (Around 3.62 million people drew from the scheme at the end of 2005).

The people who benefited from the industrial accident insurance scheme was 84.78 million (Around 650,000 drew from the scheme in 2005).

The number of people who were covered by the maternity insurance scheme was 54.08 million (Around 620,000 people drew from the scheme in 2005).

There were 22.33 million urban residents covered by the minimum living standard. Meanwhile, the number of retirees reached 50.88 million.

The expansion of social security is for securing the livelihood of the unemployed as well as reducing the income gap between poor and rich. First, from 1998 to 2005, 28.6 million workers were laid off from the state-owned enterprises and millions of workers are reported to have laid off at the private sector. In addition, the global financial crisis started at the end of 2008 has increased the number of the unemployed and the Government along with social partners makes hard efforts to find a solution for increasing unemployment. Second, China has enjoyed a high economic growth for last decades and its growth widens the income gap between the poor and the rich. Reducing the income disparity is one of many challenges for ensuring the sustainable economic development.

The social security system has been greatly promoted in China and will be further extended to the rural areas including the rural migrant workers. The Government has formed a drafting group which is to develop a new law on social insurance. ACFTU is part of the drafting group. In this social security development process in China, ACFTU has an interest in learning the social security floor of the ILO as well as international experiences on how to better represent the interest of workers in the law making and how to ensure the unions to play a core role in the management of the social insurance scheme.

3. Objectives

The workshop mainly aims to share the international experience of trade unions' role in developing and managing the social security system and help ACFTU better engage in the Chinese Government's initiative of drafting a new law on social insurance.

In addition, the workshop will contribute to the following objectives:

First, to raise awareness for the ACFTU and its affiliates on the issues of existing social security, including the drafting of a national social insurance law and get inputs from trade unions.

Second, to introduce the report and conclusions of the ILO tripartite meeting on Social security (the social security floor) and promote the ratification of ILO convention No. 102 (on social security),

Third, to fulfil DWCP outcome CHN802 on strengthened institutional capacity of workers' organizations, related to the social security system

Fourth, to practically implement a MOU on a joint work programme, which was signed by ILO/ACTRAV and ACFTU in April 2009

4. Participants

Participants, consisting of around 35, will be leaders and office bearers of ACFTU HQs and its provincial offices and industrial federations.

5. The dates of the event

The workshop will be held on 21 and 22 October 2009 in Beijing

6. The budget break

Attached as a separate sheet

7. Draft programme

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Oct. 20, Registration

21 October

09:00-09:45 Opening
09:45 ILO Policy and Standards on Social Security (C.102)
10:15 Tea-break
10:30 Social Security System in China
- ACFTU
11:00 Q and A
12:00 Lunch

14:00 Social Security Systems in European countries
15:15 Tea Break
15:30 Pilot experiences in China
16:30 Q and A
17:00 End of day one

Oct. 22

09:00 Unions' role in social security
Pong-Sul Ahn, Sr. Specialist on Workers' Activities, ILO SRO, Bangkok
09:45 ACFTU's participation in Chinese Social Security System
10:30 Tea-break
10:45 The Way forward: the role and policy of ACFTU in the social security law
development
- Moderator: ACFTU
11:30 Q and A
12:00 Lunch

***** Afterwards, ACFTU is planning to continue a seminar on domestic workers with the same participants *****

ILO/ACFTU International Seminar on Decent Work for Domestic Workers
22 – 23 October 2009

14:00 ILO Project on Domestic Workers
- Beijing Office

14:45 Introduction on a Survey on domestic workers
- a domestic expert
15:15 Tea Break
15:30 Q and A
17:00 End of Day 2

Oct. 23

09:00 ACFTU's role in promoting decent work for domestic workers
- ACFTU
09:45 Q and A
10:00 International Trade Unions' promoting decent work for domestic workers
- ITUC
10:45 Tea-break
11:00 Q and A
12:00 Closing of the Seminar

14:00 Field Visit (to be confirmed)