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Ensuring and Protecting Youth Rights through Social Protection Mechanism

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Decent Work for All

ASIAN DECENT WORK DECADE 2006-2015

Presentation Outline:



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- Facts and figures
- Current condition of employment and social protection
- Challenges and Opportunities
- Key Responses:
 - Social Protection Floor
 - Social Protection Assessment Based National Dialogue
 - “Single Window Service” approach for Social Protection
 - Fiscal space for the SPF
- Recommendation and the way forward





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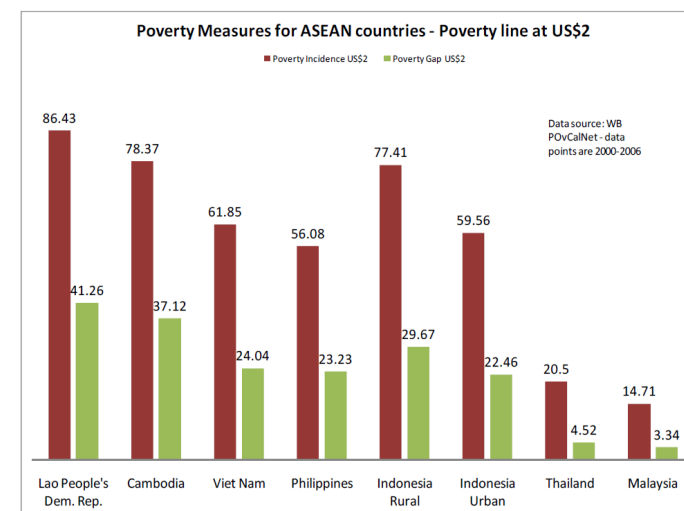
Facts and Figures

Annual population growth rates in ASEAN are between 0.8 -2.8%, **creating young population and high dependency rates;**

The **global youth unemployment rate, estimated at 12.6 % in 2013** and 73 million young people are estimated to be unemployed in 2013.

At the same time, **informal employment among young people remains pervasive and transitions to decent work are slow and difficult.** (ILO, 2013);

Developing regions face major challenges regarding the **quality of available work for young people.**



In developing economies where labour **market institutions and social protection, are weak**, large numbers of young people continue to face a future of **irregular employment and informality**.

In many South East Asian countries, including Indonesia, a **large share of part-time workers would to work full time** – Increase of Thai females to 13.9% and exceeding the rate of 13.6% for male youth.

Intra-country and intra-regional labour market imbalances lead to **labour mobility**, which is vital to eliminating these imbalances (EU-ASEAN 2006);





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Employment and Social Protection

Country	Labour Market Policies					Social Assist- ance	Social Insurance				Micro and Area- Based Schemes				Child Protec- tion
	Active			Passive											
	1	2	3	4	5		6	7	8	9	10	11	12	13	14
Cambodia			•		•								•	•	
Indonesia		•	•		•	•	•			•			•		
Lao PDR		•			•										
Malaysia		•	•		•	•	•			•			•		
Myanmar	•	•	•		•		•	•	•					•	
Philippines	•	•	•	•	•	•	•	•	•	•	•		•	•	
Thailand	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
Viet Nam		•	•		•	•	•	•		•			•		

Note: 1) labour exchanges; 2) training; 3) employment generation; 4) unemployment insurance; 5) labour standards; 6) old age, disability, death insurance; 7) sickness, maternity insurance; 8) medical care; 9) work injury; 10) micro insurance; 11) agriculture insurance; 12) disaster management; 13) social fund; 14) family allowances.

Sources: ADB (2005:2); Suharto (2005:14); input from Workshop's participants (WS 2006)



Key challenges



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- Unemployment and underemployment
- Informal economy
- Scattered programmes
- Lack of coordination
- Mistargeting
- Inadequate benefit
- Fiscal space

Social Protection Floor



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A mechanism to:

- Protect people from poverty through a **guarantee of income security**
- help people meet their **basic needs**
- & develop **individual capabilities**

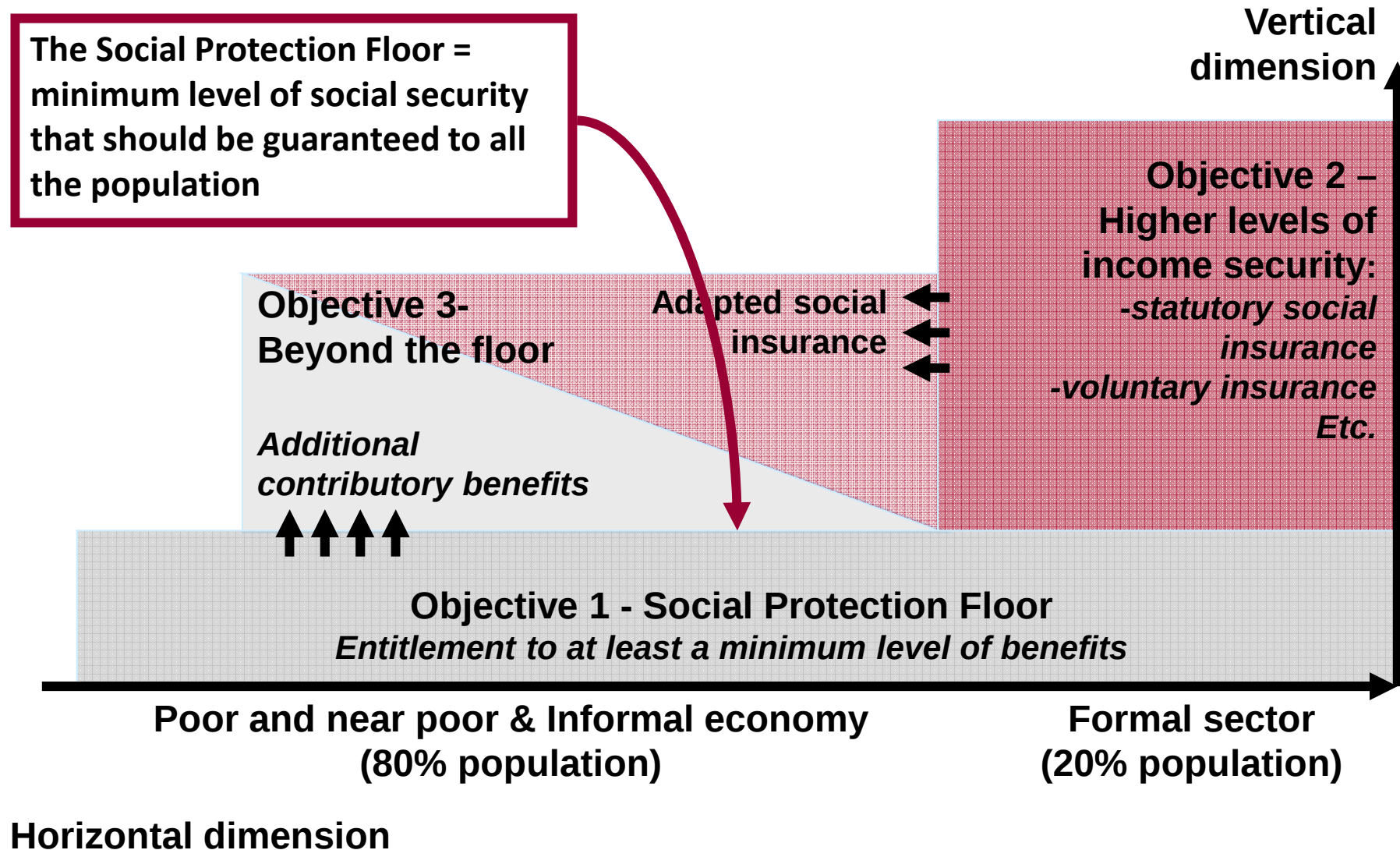
A mechanism providing **protection against** the financial consequences of risks (9 contingencies)





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The SPF is the first step towards higher levels of social protection





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The SPF contributes to Labour Market participation (for working age)

Income security (transfers)
→ clothes, transportation → Easier to find jobs

Access to health,
education, nutrition → More employable
and productive

Public works programs →
creation of roads, irrigation → Agriculture productivity
Access to markets

Reduced fear → Entrepreneurship



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Linking SP with Employment will ensure graduation

WORKERS IN THE INFORMAL ECONOMY, THE WORKING POOR:

- Progressive inclusion in the labor market
- Higher social protection

Employment Services



Basic social protection

Increase employability: human capital
(health, education) + work experience &
training

- Skills assessment & training ...
- Access to PWPs ; Job placement
- Business Development Services

Access to Sustainable employment
(Micro-Enterprise or Formal jobs)

Higher levels of income

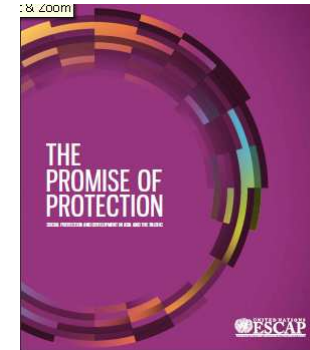
Higher Levels of Protection

- Access to health, education, food security
- Income security

Endorsement of the SPF in Asia

May'11

UNESCAP 67th session in May 2011, resolution on “Strengthening social protection systems in Asia and the Pacific”



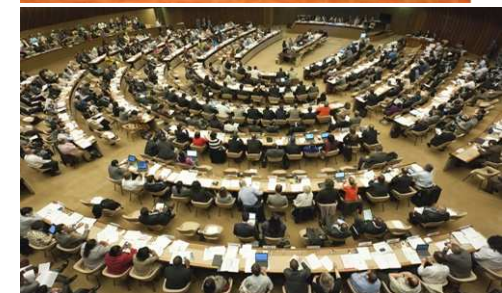
Sept'11

6th ASEAN GO-NGO Forum for social welfare and development --> Recommendation to prepare a joint declaration to promote at ASEAN level the social protection floor and enhance collaboration between member states



Dec'11

APRM in Kyoto



Jun'12

SPF Recommendation (No 202)
Adopted by ILO's 185 member states at the 101th ILC of 2012





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Role for the international community

- **Join forces** to support establishment of SPF in countries (ex: SPF working groups);
- The SPF not only contributes to the achievements of the **MDG** but can be part of the future commitments of the international community;
- **ILC 2012- New recommendation**; also SPF achievements should be included when reporting under other UN treaties;
- **Cooperation-** South-South, etc.
- **Knowledge sharing**, monitoring and evaluation of policies

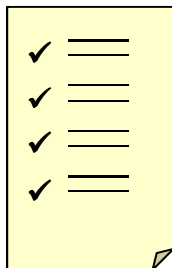




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There is no “one size fits all” solution in implementing SPF

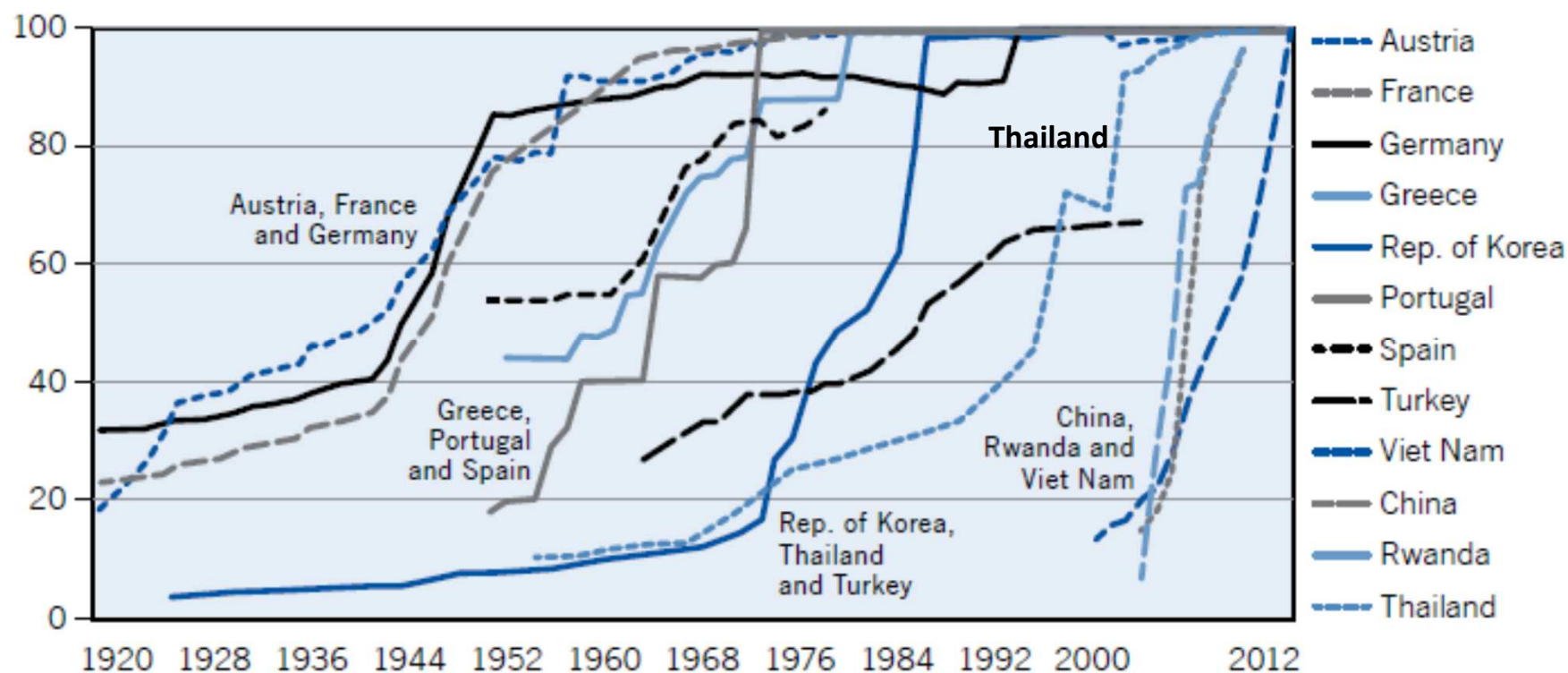
- The SPF design and implementation should be country-led and responsive to national needs, priorities and resources
- However a list of principles to ensure full potential of SPF interventions



Affordability and long term sustainability
Progressive implementation
Coordination between programs and institutions
Legal frame-work to ensure rights and obligations...
Pilot testing of the mechanisms to reach efficiency
Linkages with macroeconomic, fiscal, employment policies
Adequate institutions with trained staff, sufficient budgets...

The SPF contributes to expanding coverage rapidly

- China, Rwanda, Thailand or Viet Nam have achieved large scale and near universal basic coverage in a very short period





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Many elements of the SPF are already here in Asia

India: **RSBY**, **NREGA**

Cambodia: CARD's
NSPS with clear
reference to the
SPF ... including
HEFs, **CBHIs**, Food
distribution,
PWPs,...

Thailand: **UC scheme**,
**minimum pension
scheme (500 THB)**

Indonesia:
Jamkesmas,
Jampersal, **PKH**, Rice
for the poor, **PNPM**



China: **minimum living
standard guarantee
program**; **new rural
corporate medical
care (NRCMC)**; health
insurance for urban
uninsured residents
(HIUR); **rural old-age
pension**

Lao: **extension of SHP
for all**

Philippines: **4Ps**

Vietnam: **10 years
Social security
strategy**



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The potential of the SPF = to request coordination

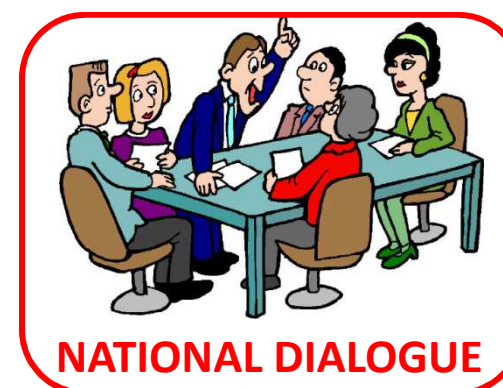
- The SPF tries to address several dimensions of poverty and calls for a **combination of interventions**
 - income security + vocational training
 - health + education + nutrition
- **Need for coordination** between line ministries, central/sub-national level, UN agencies (SPF Teams & Working groups)
- The **ABND** – first coordination exercise

Assessment methodology

- 1 ASSESSMENT MATRIX (INVENTORY OF SCHEMES, GAPS AND IMPLEMENTATION ISSUES, RECOMMENDATIONS)**

→ NATIONAL DIALOGUE # 1
- 2 RAP PROTOCOL: DATA COLLECTION FOR THE COSTING, TRANSLATION OF THE RECOMMENDATIONS INTO SCENARIOS, COSTING SOME OF THE RECOMMENDATIONS**

→ NATIONAL DIALOGUE # 2
- 3 FINALIZATION OF THE ASSESSMENT REPORT, TRANSLATION, DISCUSSION WITH POLICY MAKERS, DECISION ON NEXT STEPS**



Assessment matrix



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	Existing provision	Gaps/issues	Recommendations/ priorities
Health care	What are existing programs?	Analysis: Is all population covered? Are benefits adequate? Other issues?	Recommendations • New schemes • Expansion of existing schemes • Higher levels of benefits
Income security for children			
Minimum income for working age			
Income security for elderly/disabled		Policy gaps & Implementation issues	



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Linkage between Social Protection and Job Creation : The Virtuous Cycle



Enhancing coordination and impact



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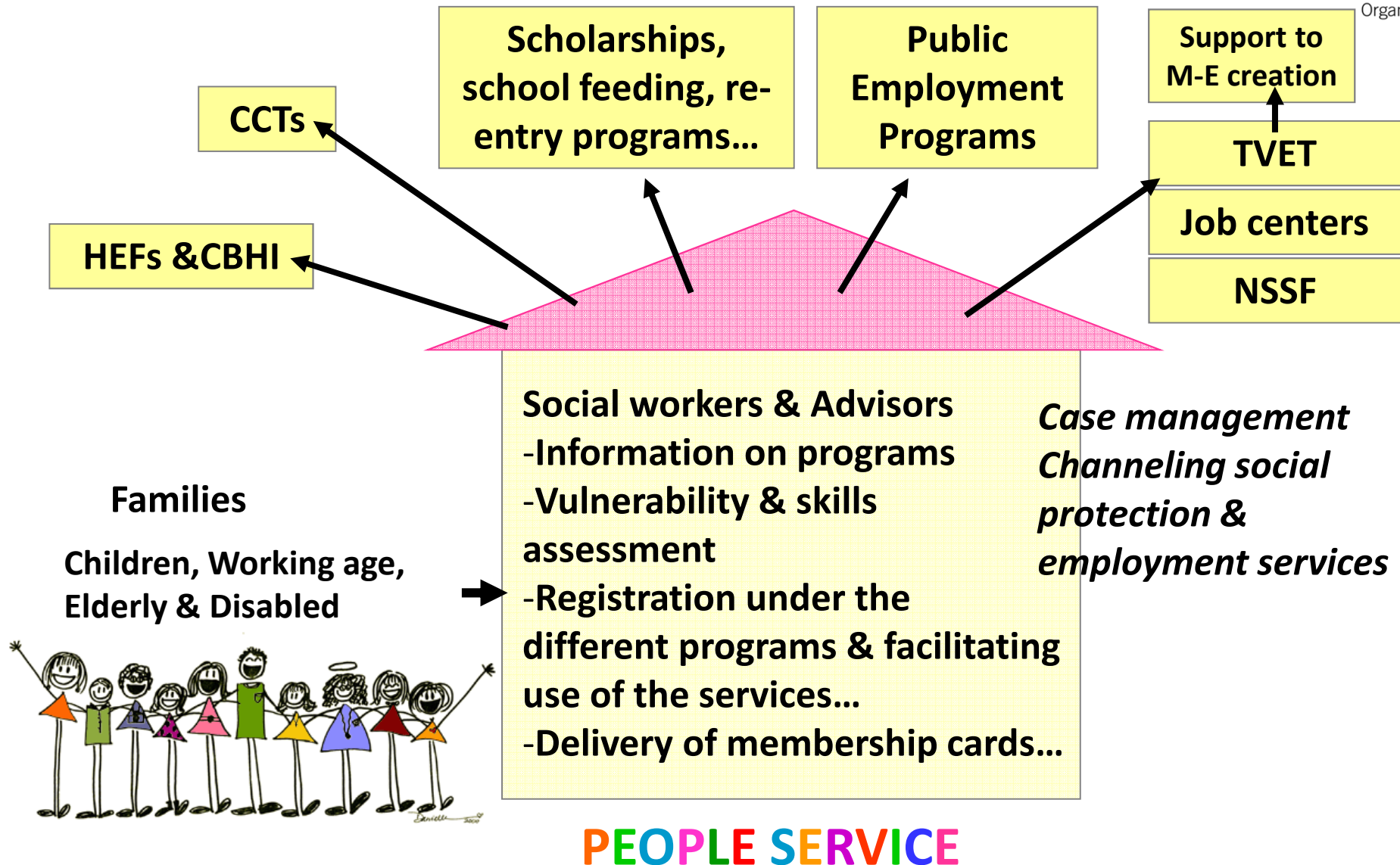
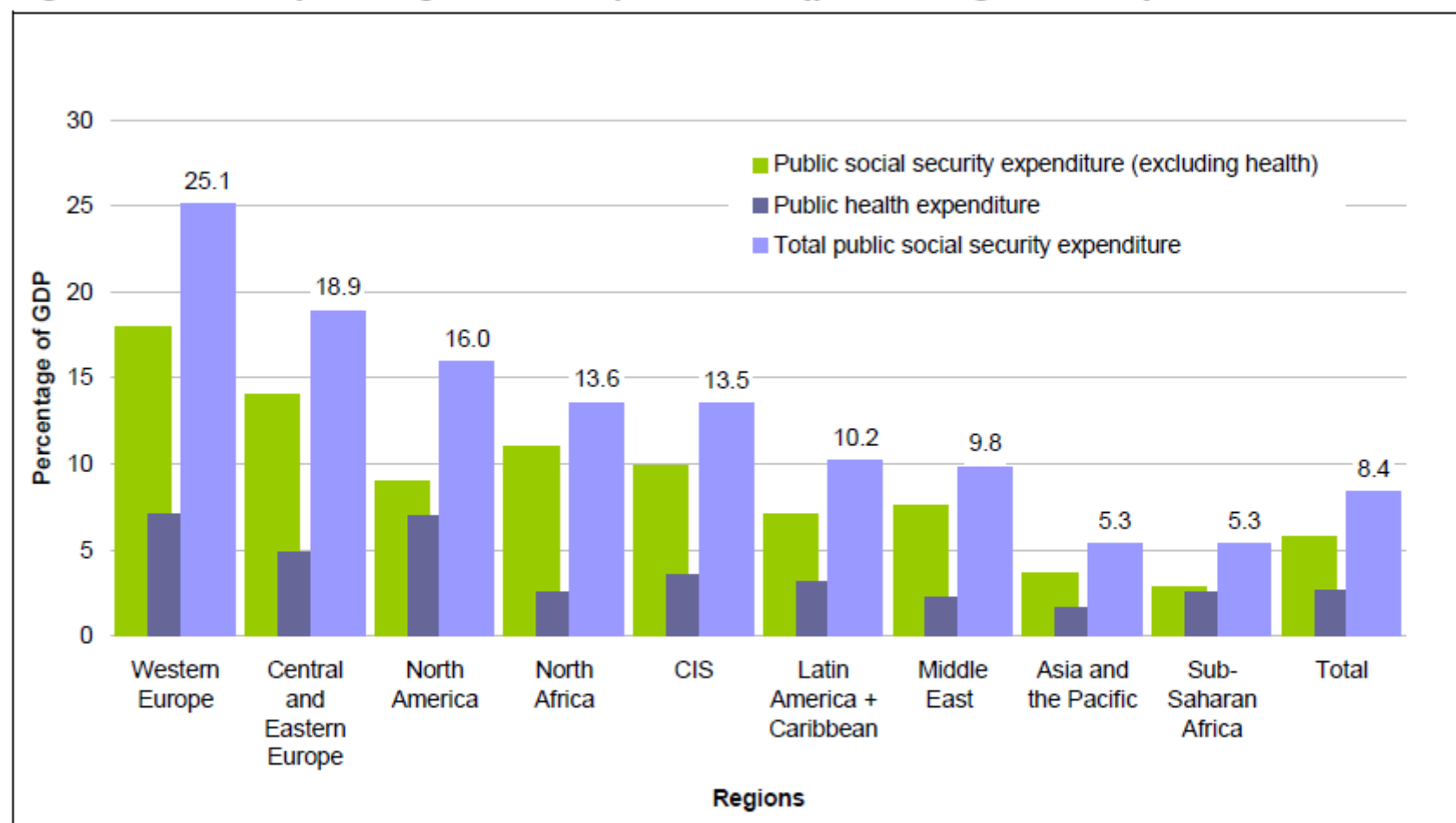


Figure 5: Public spending on social protection (percentage of GDP)



Note: Data are based on latest year available, weighted by population

Source: ILO-SECSOC estimates.

Fiscal space for SPF



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As countries in the region re-examine taxation and fiscal sustainability, it is critical to incorporate into these considerations, the issue of a basic social protection floor.

Governments in the region need to create fiscal space for investments in social protection, which in many instances will entail reprioritizing existing spending decisions, reached through social dialogue and national consensus;

The global economic and financial crisis has further corroborated the argument that balanced economic and social development requires a solid foundation in the form of a social protection floor;

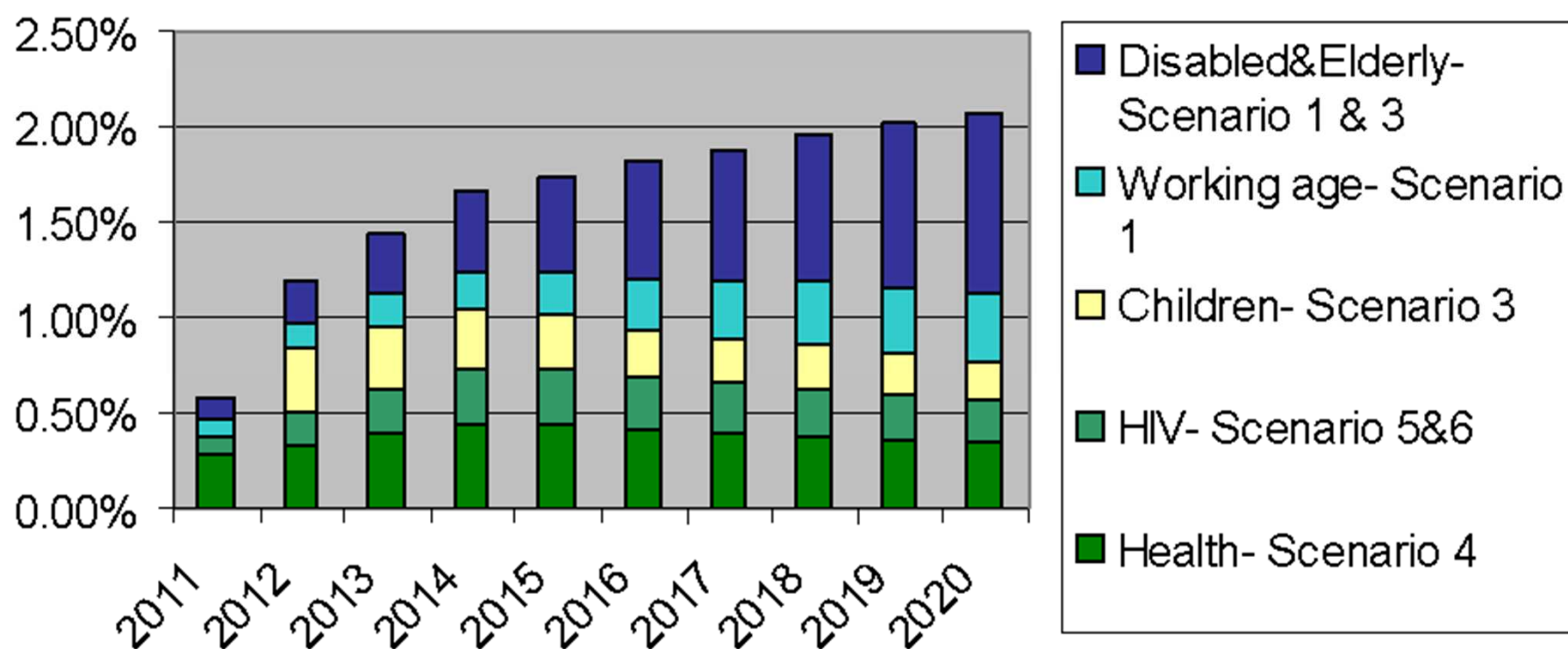


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The SPF is affordable and needs to be considered as an investment not a cost

Results of the costing in Indonesia, using ILO costing tool

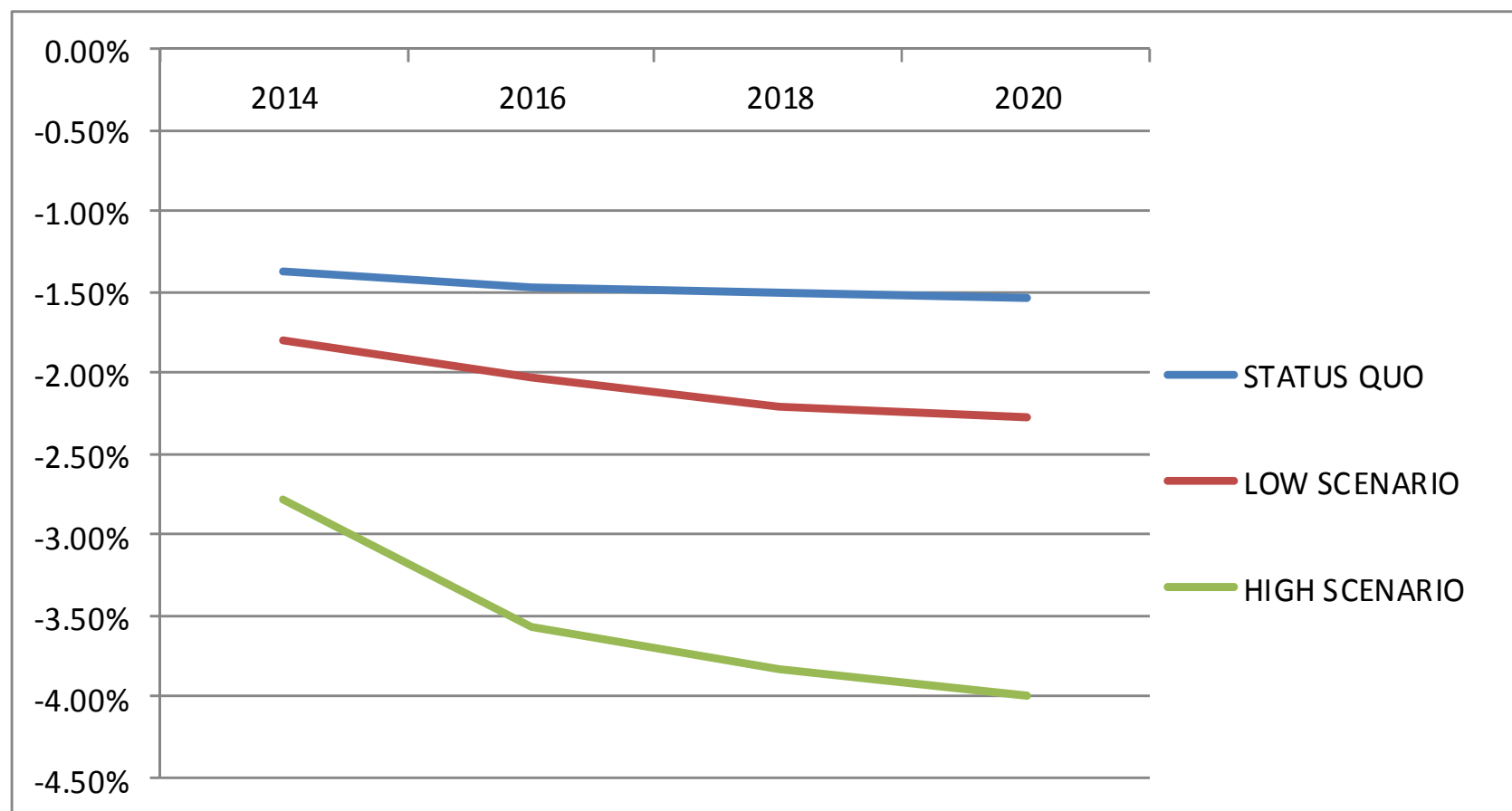
High scenario in order to close the SPF gap in Indonesia (% GDP)



Fiscal deficit (in % GDP) in case SPF financed from government budget only-Indonesia



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Need for budget reallocations, changes in the tax structure and/or the collection of social contributions, sequencing the implementation or further extension of the social protection floor components

Recommendations



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Employment policies must **not merely focus on creating jobs, but also on ensuring adequate wages and working condition;**

Social protection policies should be **youth responsive** and seek to capitalize on the human resources represented by the youth bulge.

There needs to be a **“life cycle’ approach** to social protection that emphasize skills development, income support, employment generation, school to work transition;

Better strategies are needed to improve and expand social protection programme for young people, **and tailor labour market reform for their specific needs.**

Undertaking an “Social Protection Assessment Based National Dialogue” (involving young people) followed by the implementation of **“Single Window Service” for social protection.**





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Thank you

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