

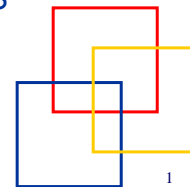


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The Social Protection Floor – Conceptual Development and Application to the Americas

Helmut Schwarzer
Social Security Dept./International Labour Office
Presentation at the XXVI General Assembly CISS
Panamá, Sept. 22nd 2010

The ILO Campaign on Social Security and Coverage for All



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***“Everyone, as a member of society, has a
right to Social Security”***

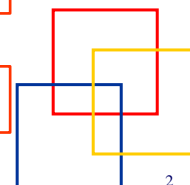
**Universal Declaration of Human
Rights, Art. 22 (1948)**

**Declaration of Philadelphia (1944): ILO
Mandate to extend Social Protection**

**ILO Declaration on Social Justice for
a Fair Globalization (2008)**

**Campaign to Extend Social Security
and Coverage to All (2001)**

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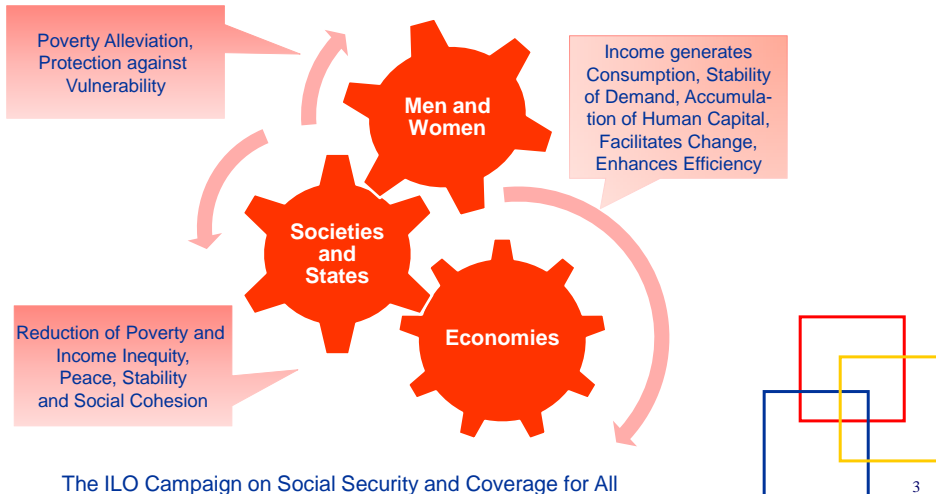


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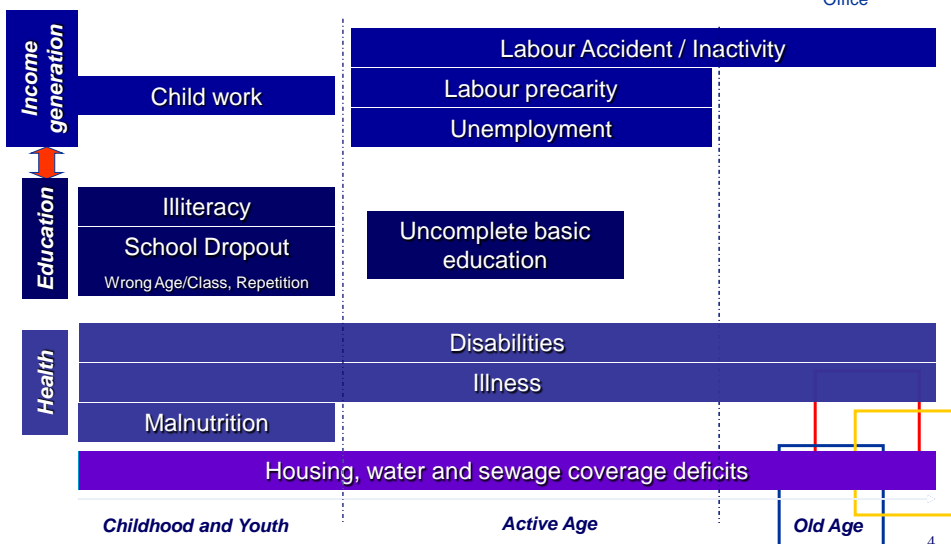
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Everybody needs Social Security: People, States, Economy



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Social Risks within the Life Cycle





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Social Security ILO Principles (2001):

1. Search for
Universality

- Promote basic coverage for all, not necessarily uniform

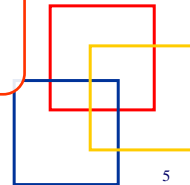
2. Rights
Approach

- Citizen has a right to Social Security

3. Suitable
Benefits

- Benefits avoid poverty and allow for life in dignity

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Social Security ILO Principles(2):

4. Public
Responsibility

- State has to define a Social Protection System, administration can be shared with Private Sector

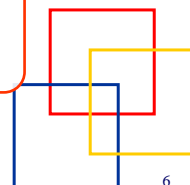
5. Pluralism

- Pluralism in organizing and financing, provided benefits are suitable and sustainable

6. Social
Dialogue

- Tripartism is essential for Good Governance and Sustainability

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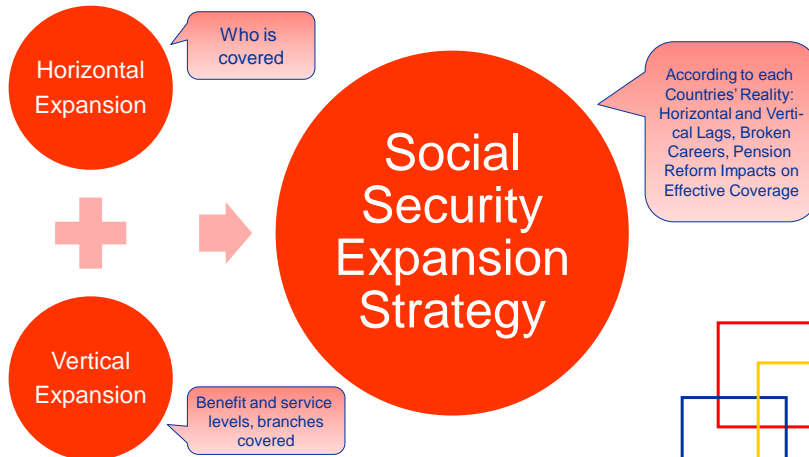


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The resulting double Social Security Expansion Strategy



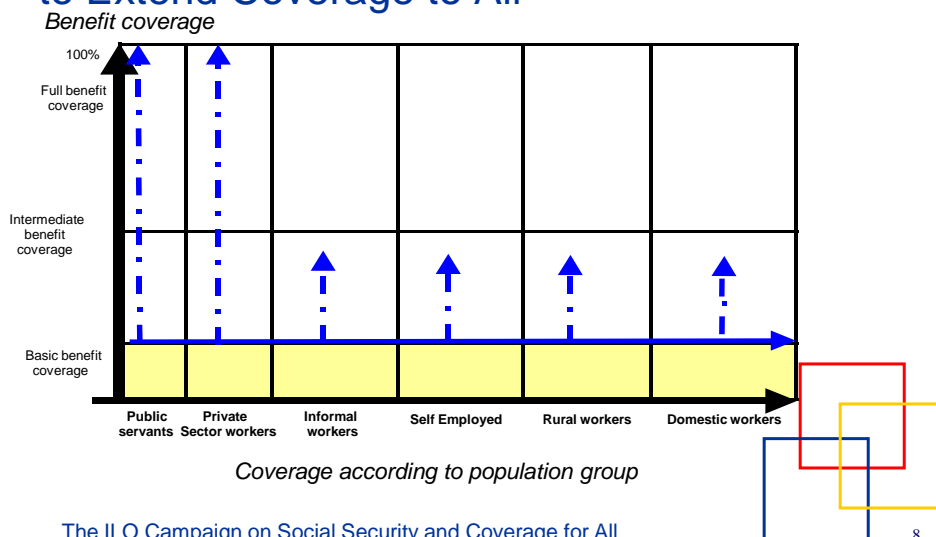
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The Double Strategy of the Campaign to Extend Coverage to All



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Conceptual Evolution within ILO

ILC 2001 “Coverage Extension Campaign”

- Priority for those still not covered
- Coordinate Social Security with Labour Market and Social Policies
- Extension tends to use a mix of contributory and non-contributory approaches

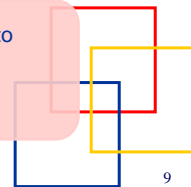
Hemispheric Decent Work Agenda 2006- 2015

- Compromise of Coverage Extension until 2015: Goal of +20%
- Governance, Service Quality, OSH, Tripartism

UNCEO & World Jobs Pact (2009)

- **Social Protection Floor** not only a reaction to crisis, but a permanent guarantee
- Rights approach, boost for economy and employment, requires stable funding

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What is the Social Protection Floor?

Basic Transfers

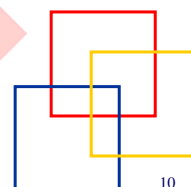
- In cash or in kind;
- To guarantee a minimum income level; and
- To support the access to essential services as health and education.



Essential Services

- Geographic and financial access to nutrition, health, water and sewage, education, housing and other essential social services.

“Socio-economic
Floor for a global
Economy”
(World Commission on the
Social Dimension
of Globalization)



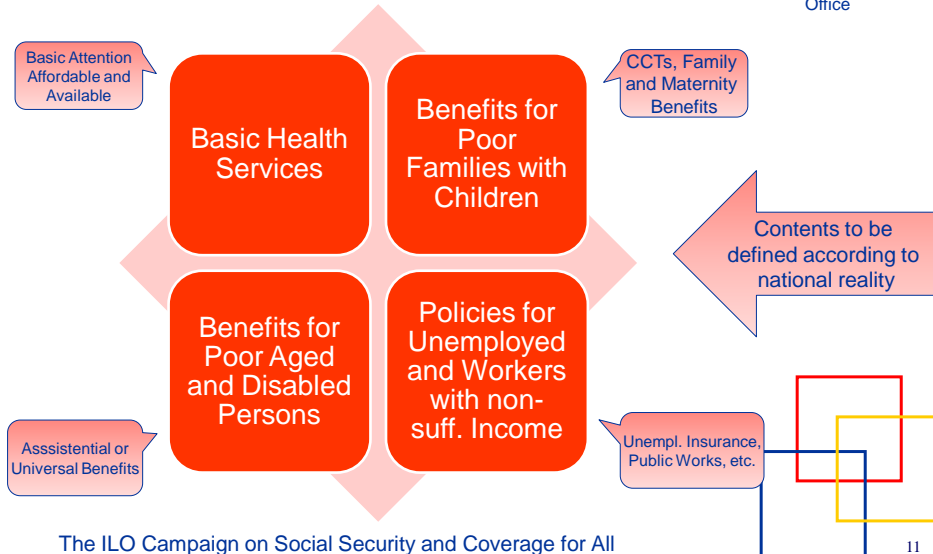
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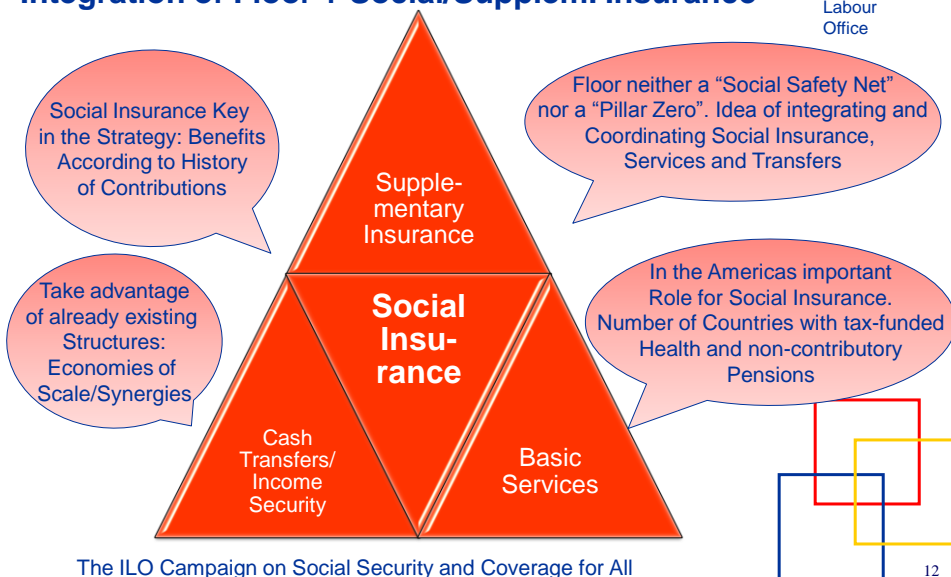
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The 4 Fundamental SPF Guarantees



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Integration of Floor + Social/Supplem. Insurance





Examples of Advances on the 4 Guarantees

Benefits for Poor Families with Kids: <ul style="list-style-type: none"> - CCTs (Oportunidades, Bolsa Familia, etc.) - Universal Family Benefits (Argentina and Uruguay) - Universalization of the Maternity Benefit 	Benefits for the Unemployed and Workers with Insuff. Income: <ul style="list-style-type: none"> - Unemployment Insurance with Redistributive Elements - Public Employment Guarantee Programs (i.e. Rural Program in India) 	Benefits for the Poor Aged and Disabled Persons: <ul style="list-style-type: none"> - Non-contributory Pensions in a Number of Countries in LAC and Canada - Rural Pensions in Ecuador, Mexico, Brazil 	Basic Health Services: <ul style="list-style-type: none"> - Universal Tax-Funded Systems (Caribbean, Brazil) - Subsidized Regime (Colombia) - Health Reforms in USA and Uruguay
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- Rights Approach: Legal Provision, Delivery and Sufficient Budget.
- Efficiency Requires Sharing and Coordination of Administration Structures.
- Cost is feasible: 3-4% GDP in Africa with -40% poverty, less than 5% GDP in LAC with -50% poverty head count. Phasing in while "economic space" unfolds.
- The larger the contributory scheme coverage, the lower the SPF cost.

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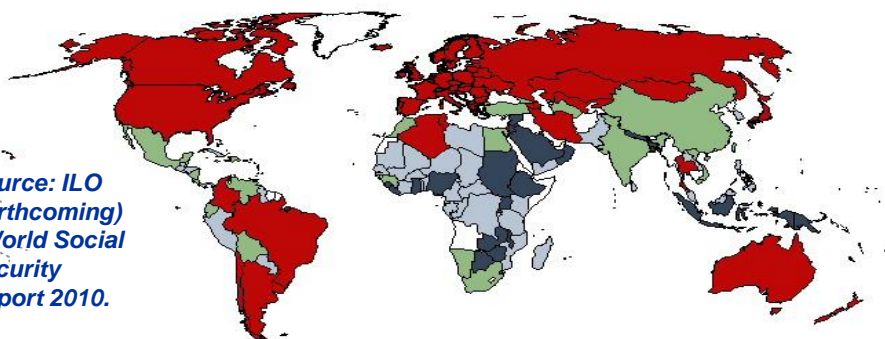
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Social Security Branches Covered (2008-09)

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Source: ILO
(forthcoming)
World Social
Security
Report 2010.

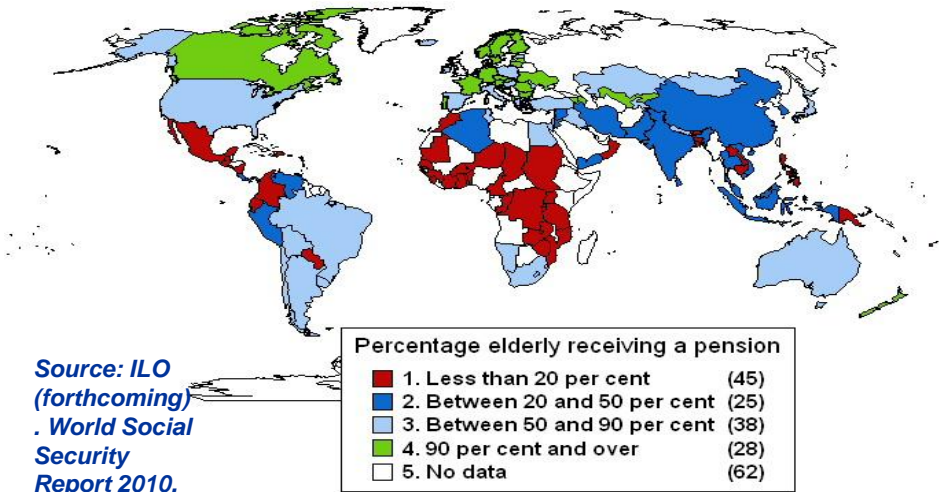


1. Very limited statutory provision 1 to 4 branches	(30)
2. Limited statutory provision 5 to 6 branches	(52)
3. Semi-comprehensive 7 branches	(24)
4. Comprehensive social security 8 branches	(59)
5. No information	(33)



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Effective Pension Coverage (around 2005)



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Coverage of Unemployed Workers (% of Unemployed which receive a Benefit)

