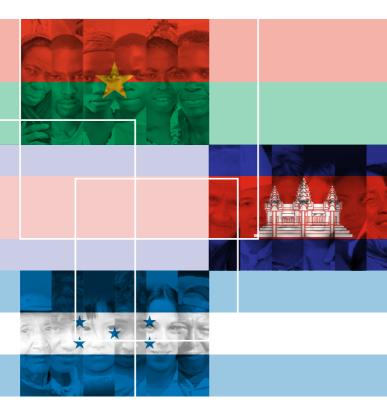


# Improving social protection and promoting employment

International Labour Organization



Employment Policy Department

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# The challenge of creating 600 million jobs over the next decade and extending social protection to 80 percent of the world's population

The world enters the year 2012 facing a serious jobs challenge and widespread decent work deficits. After three years of continuous crisis conditions in global labour markets and against the prospect of a further deterioration of economic activity, there is a backlog of global unemployment of 200 million - an increase of 27 million since the start of the crisis. In addition, more than 400 million new jobs will be needed over the next decade to avoid a further increase in unemployment. Hence, to generate sustainable growth while maintaining social cohesion, the world must rise to the urgent challenge of creating 600 million productive jobs over the next decade, which would still leave 900 million workers living with their families below the US\$2 a day poverty line, largely in developing countries. Of these 900 million working poor, about half were living below the US\$1.25 extreme poverty line. Furthermore, only one-third of countries globally (28 per cent of the global population) have comprehensive social protection systems covering all branches of social security. In many other countries coverage is limited to a few branches and to a minority of the population. It is estimated that only about 20 per cent of the world's working-age population (and their families) have effective access to comprehensive social protection. Hence, sound mutually reinforcing employment and social protection policies are required more than ever.

"Interactions between economic growth and employment and social protection need to be further explored"

G20 Labour and Employment Ministers' Conclusions - Paris, 26-27 September 2011

"The best form of social security remains a decent job. Facilitating access to employment opportunities should therefore be a basic orientation of integrated policies"

Social security for social justice and a fair globalization, International Labour Conference. 2011

#### Aims of the project

The overall objective of the project is to assist three pilot countries, namely Burkina Faso. Cambodia and Honduras, in the development of integrated social protection and employment policies.

Funded by the European Commission, the project began in November 2009 and it is being managed jointly by the ILO and the European Commission. The ILO Social Security Department and the Employment Policy Department are implementing the project. A large team of employment and social security specialists both in the Field and in Headquarters are working closely with constituents as well as with European Union delegations in all countries on all the different activities.

The proposed process recognizes that employment and social protection problems cannot be tackled through fragmented and isolated interventions. Rather, they require sustained and concerted action - by several actors - over an array of policy areas. **Employment and Social Protection Policies** are developed following the ILO approach based on social dialogue and international labour standards. The ILO Employment Policy Convention, 1964 (No. 122) and Social Security (Minimum Standards) Convention, 1952 (No. 102) constitute the normative framework of such policies.

The process follows also a multi-stakeholder approach based on social dialogue and that involves consultation and collaboration with the Ministries of social security, labour, employment, employers' and workers' organizations as well as other key stakeholders such partners and other national stakeholders.



#### What does the project do?

Assesses the situation regarding social protection and employment

The project carries out research and diagnostics on social protection and employment in each of the countries. Its purpose is to improve the knowledge base on levels and trends of social protection coverage and constraints and opportunities for employment, as well as their interrelationship from the qualitative and quantitative aspects.

- 2 Identifies employment and social protection policy priorities and policy options
  Based on the abovementioned assessment the project assists tripartite constituents in identification of the main problems, policy priorities and generation of policy options and the planning for their implementation.
- 3 Supports capacity-building
  Training seminars are organised to improve capacity and transfer knowledge to constituents. The training courses cover: (i) general concepts and principles of social protection and employment policy; (ii) strategies and tools available for the extension of social protection and employment policy develop-

4 Promotes social dialogue

The project promotes tripartite social dialogue by involving government's, workers' and employers' representatives in identifying policy priorities and policy options and evaluating policy alternatives to increase social protection and promote employment. An informed and effective social dialogue on employment and social protection policies is key for gaining consensus on the best way to achieve employment gains and extending social protection.

5 Contributes to placing employment and social protection at the center of national development strategies and frameworks

The project aims to articulate the goals of the employment and social protection policy with major development frameworks and strategies.



### What is the joint UN Social Protection Floor Initiative?

The joint UN Social Protection Floor (SPF) Initiative, composed of UN system agencies and development partners, coordinates activities related to the SPF defined as an integrated set of social policies designed to guarantee income security and access to social services for all, paying particular attention to vulnerable groups, and protecting and empowering people across the life cycle. It includes guarantees of basic income security, in the form of various social transfers and universal access to essential and affordable social services. A bi-dimensional strategy to extend social security by developing simultaneous classical social security in coordination with a national SPF was endorsed by the International Labour Conference in June 2011.

At country level, the SPF is nationally defined through participatory processes that encourage social dialogue and its implementation is country-led.

The SPF is a tool to reduce poverty and vulnerability. During the economic and financial crisis many SPF-type social protection measures also proved to be key in attenuating the adverse impact on labour markets, contributing to maintaining social cohesion and stimulating aggregate demand.

## Employment central to socio economic development

Global employment deficits, both in "levels" and in "quality", are of major concern. The global jobs crisis has aggravated these job deficits and highlighted the need to address structural imbalances. It is now acknowledged that economic growth, while necessary, is by no means sufficient to engender sustainable and productive employment. A rethinking of macroeconomic policy frameworks is taking place, triggered by the need to accommodate more employment-oriented growth.

Major ILO global policy frameworks articulate the importance of employment. The resolution of the International Labour Conference's general discussion on the strategic objective of employment (June, 2010) underscores the importance of employment policy and emphasizes the interrelated nature of employment and social protection: "the full economic and social growth potential of a society cannot be realized if people are not benefiting from a social protection floor and by the same token, social security schemes cannot be financed without a sound economic and employment base". The Global Employment Agenda (2003), the Declaration on Social Justice for a Fair Globalization (2008), and the Global Jobs Pact (2009) further emphasize the key role of employment policy.

Employment is also having a prominent role in the international policy agenda. The G20 leaders are increasingly recognizing the role of employment policies in addressing the human dimension of the financial and economic crisis. The Seoul development consensus on shared growth unveiled during the November 2010 G20 represents an important step forward towards pro-employment macroeconomic frameworks.



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