



# **The Right to Social Security in the Post 2015 Agenda: Universal Social Protection, a goal for humanity**

**Isabel Ortiz, Director Social Protection  
International Labour Organization**

**Human Rights and the Post-2015 Agenda  
24 – 25 November 2014, Oxford University**



International  
Labour  
Office

# The Inter-governmental Process: Where Do We Stand So Far?

- **Document produced by the Open Working Group**, contains 17 goals and 169 associated targets.
- **MDG format**: set of a limited number of action-oriented, concise and easy-to-communicate sustainable development goals (SDGs)
- **Aspirational and Transformative**
- **Universal** – meaning applicable to all countries, developed and developing – BUT many not universal in coverage, targeted to the poor
- **Measurable** – to ensure monitoring and accountability
- **Integrated** – ie balancing economic, social and environmental dimensions of sustainability
- **National flexibility** – eg in setting targets and indicators that respect national priorities and circumstances

# Social Protection in OWG Document July 2014

## Goal 1: End Poverty

- Implement nationally appropriate **social protection systems for all, including floors**, and by 2030 achieve *substantial coverage of the poor and the vulnerable*

## Goal 5. Achieve gender equality and empower all women and girls

- Recognize and value unpaid care and domestic work through the provision of public services, infrastructure and **social protection policies**, and the promotion of shared responsibility within the household and the family as nationally appropriate

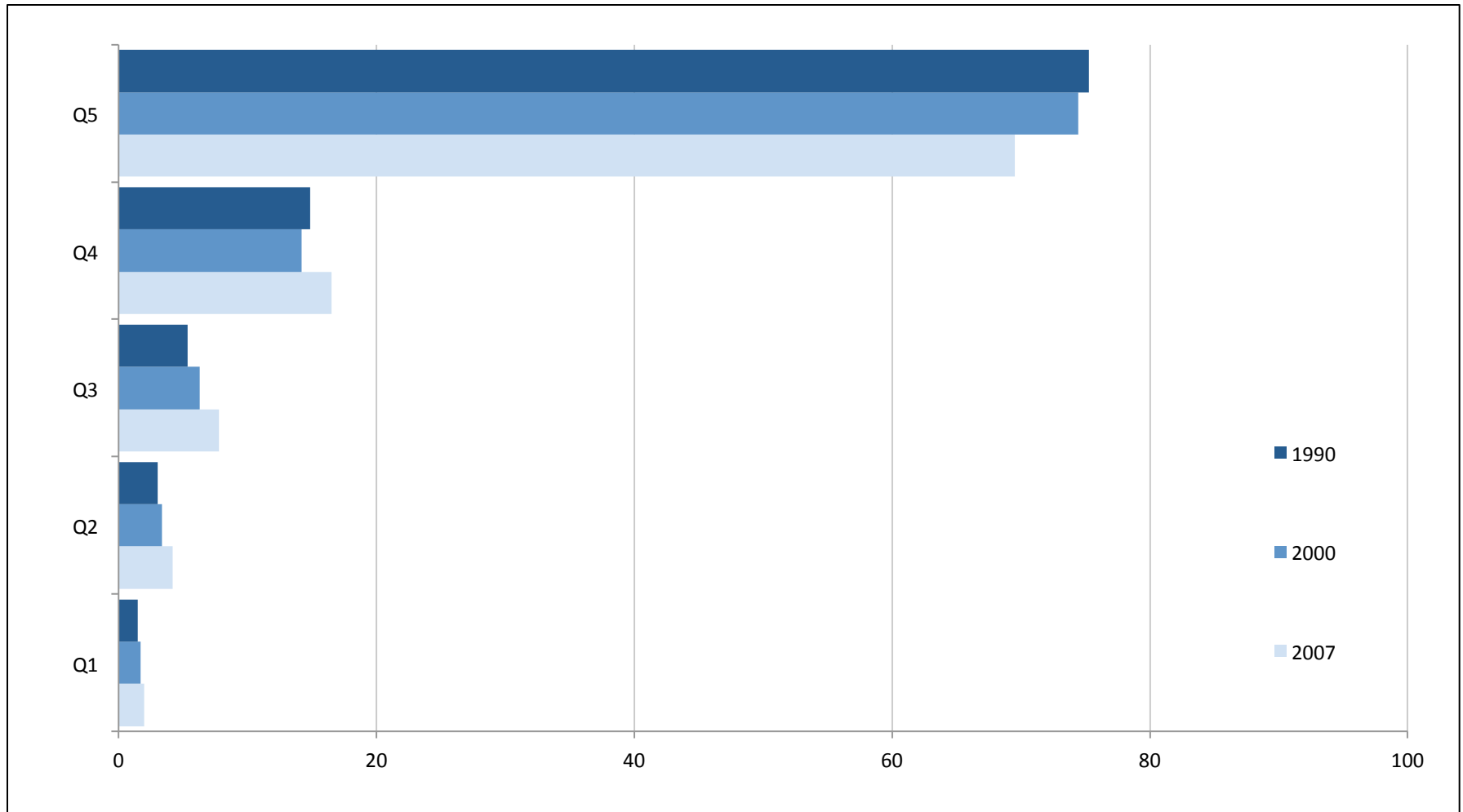
## Goal 10. Reduce inequality within and among countries

- Adopt policies especially fiscal, wage, and **social protection policies** and progressively achieve greater equality

# SDGs for 2030 – Time to be Ambitious

## Distribution of World Income: Development for Whom?

Global Income Distribution by Countries, 1990-2007 (or latest available)  
in PPP constant 2005 international dollars

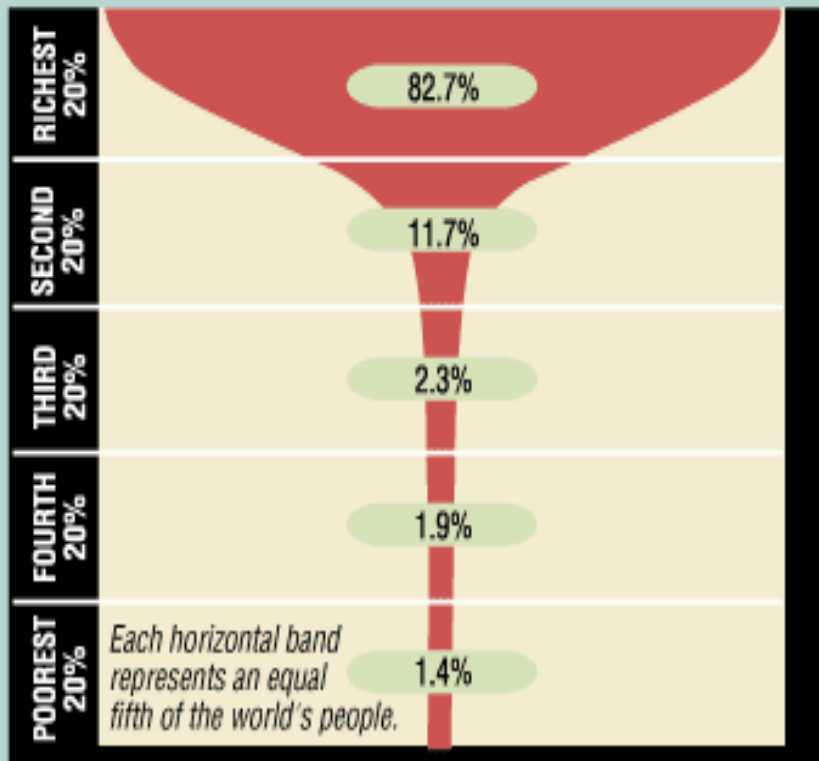


Source: Ortiz and Cummins. 2011. *Global Inequality*. UNICEF

# Distribution of World GDP: The “Champagne Glass”

## Distribution of world GDP, 1989

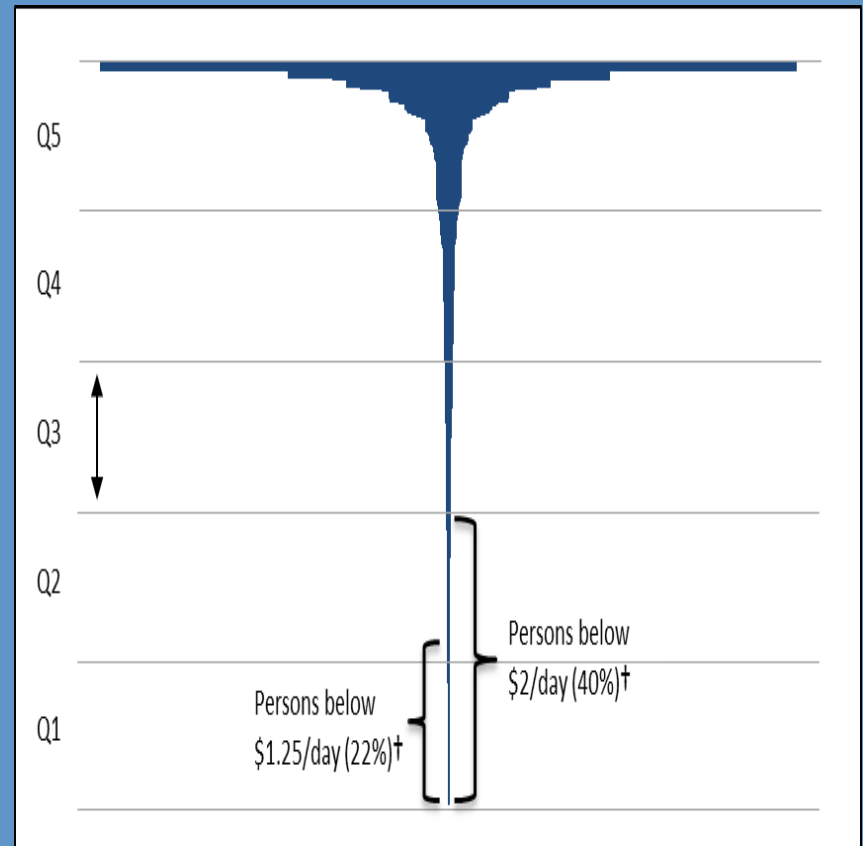
(percent of total, with quintiles of population ranked by income)



Source: United Nations Development Program, 1992, Human Development Report 1992 (New York: Oxford University Press for the United Nations Development Program).

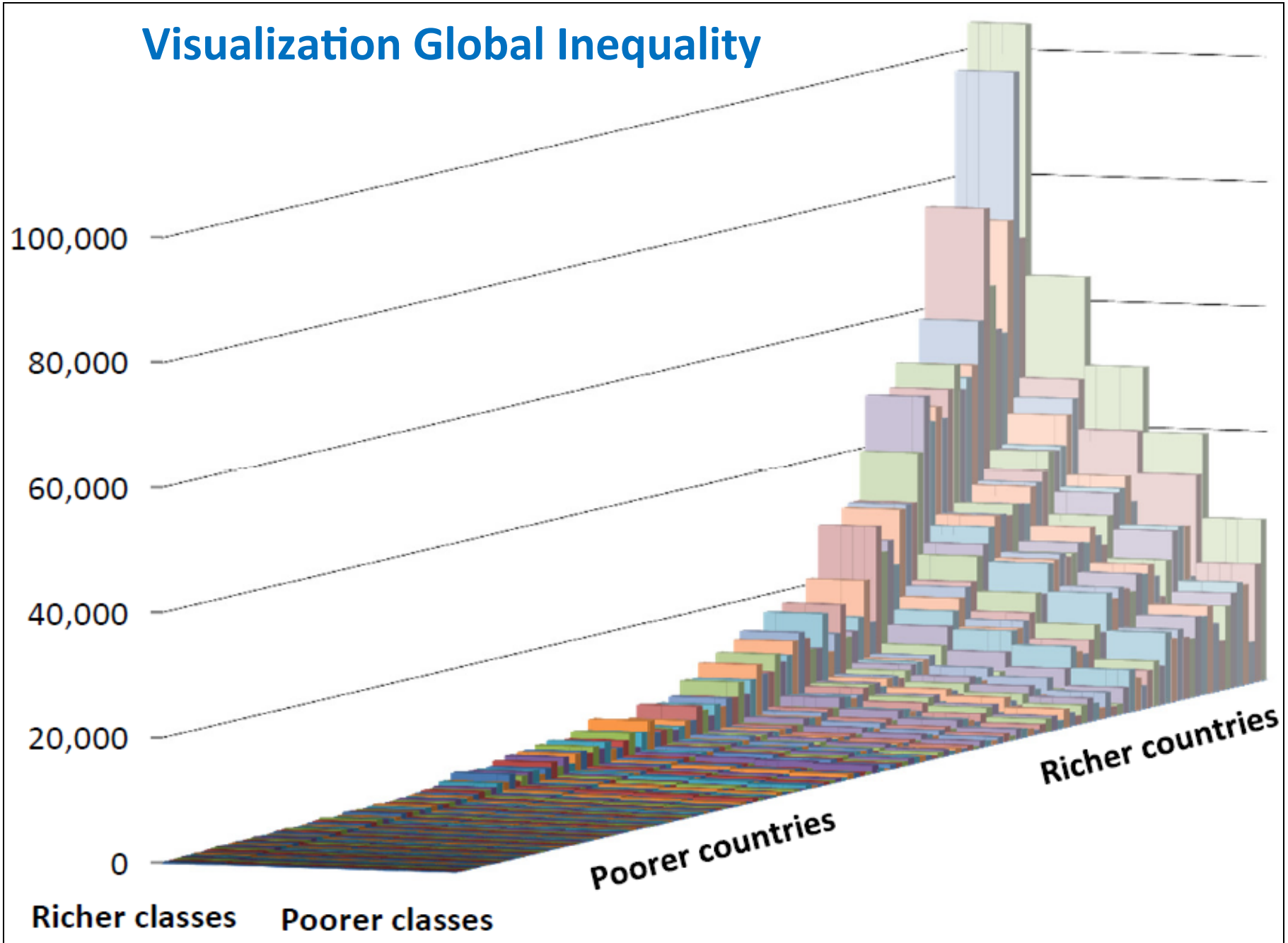
## Distribution of world GDP, 2007

(by quintiles, richest 20% top, poorest 20% bottom)



Source: Ortiz and Cummins UNICEF 2011

# Visualization Global Inequality



Source: Ortiz and Cummins. 2011. *Global Inequality*. UNICEF

# Poorest and Richest Quintiles in the World

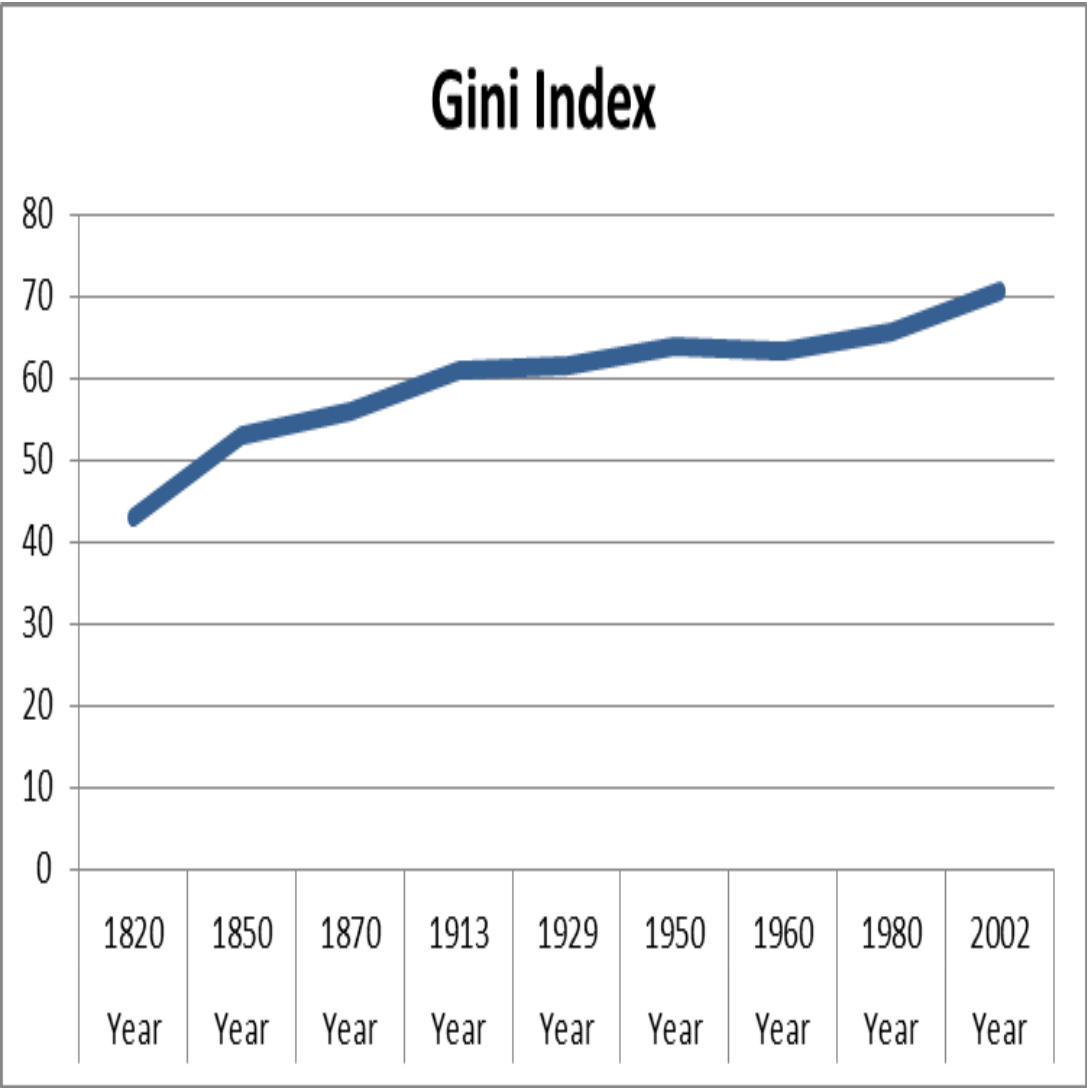
2007, constant 2000 U.S. dollars

Poorest				Richest			
Country	Quintile	GDP per capita	Population	Country	Quintile	GDP per capita	Population
Dem. Rep. of Congo	1	26	12,504,557	Luxembourg	5	104,189	95,999
Dem. Rep. of Congo	2	43	12,504,557	United States	5	96,946	60,316,000
Liberia	1	47	725,457	Singapore	5	76,189	917,720
Haiti	1	49	1,944,017	Switzerland	5	73,404	1,510,223
Burundi	1	49	1,567,596	Norway	5	70,184	941,831
Niger	1	50	2,827,937	Luxembourg	4	63,986	95,999
Guinea-Bissau	1	51	308,208	Ireland	5	63,507	871,386
Malawi	1	52	2,887,899	United Kingdom	5	58,408	12,196,061
Central African Rep.	1	60	851,481	Denmark	5	56,421	1,092,288
Dem. Rep. of Congo	3	65	12,504,557	Sweden	5	55,543	1,829,618

Source: Ortiz and Cummins (2011) based on World Bank (2011), UNU-WIDER (2008) and Eurostat (2011)

# Historical Perspective: Income Inequality Increasing

Year	Gini
1820	43.0
1850	53.2
1870	56.0
1913	61.0
1929	61.6
1950	64.0
1960	63.5
1980	65.7
2002	70.7

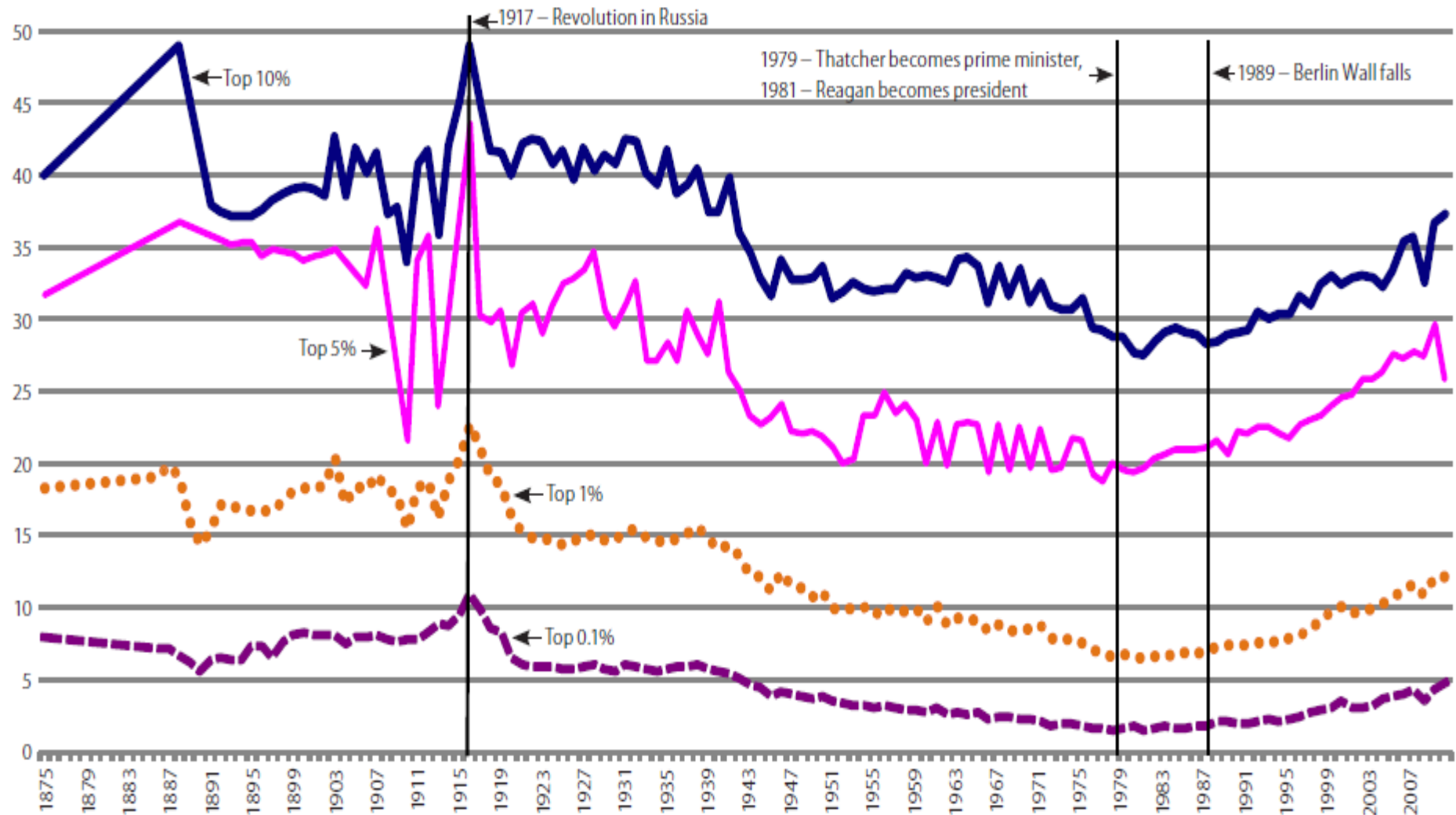


Source: Milanovic (2009) World Bank



# Income Shares of the Wealthiest 1875-2010

Chart: Income Shares, Average for 22 Countries



European countries: Denmark, France, Germany, the Netherlands, Switzerland, UK, Ireland, Norway, Sweden, Finland, Portugal, Spain, Italy; North America: United States and Canada; Australia and New Zealand; Latin American country – Argentina; Asian countries – Japan, India, China, Singapore, Indonesia; Sub-Saharan Africa – South Africa, Mauritius, Tanzania. Overall – about ½ of the population of the world.

Source: Alvaredo, Facundo, Anthony B Atkinson, Thomas Piketty and Emmanuel Saez, "The World Top Incomes Database," <http://g-mond.parisschoolofeconomics.eu/topincomes>, 25 April 2012.

Source: Jomo and Popov 2013

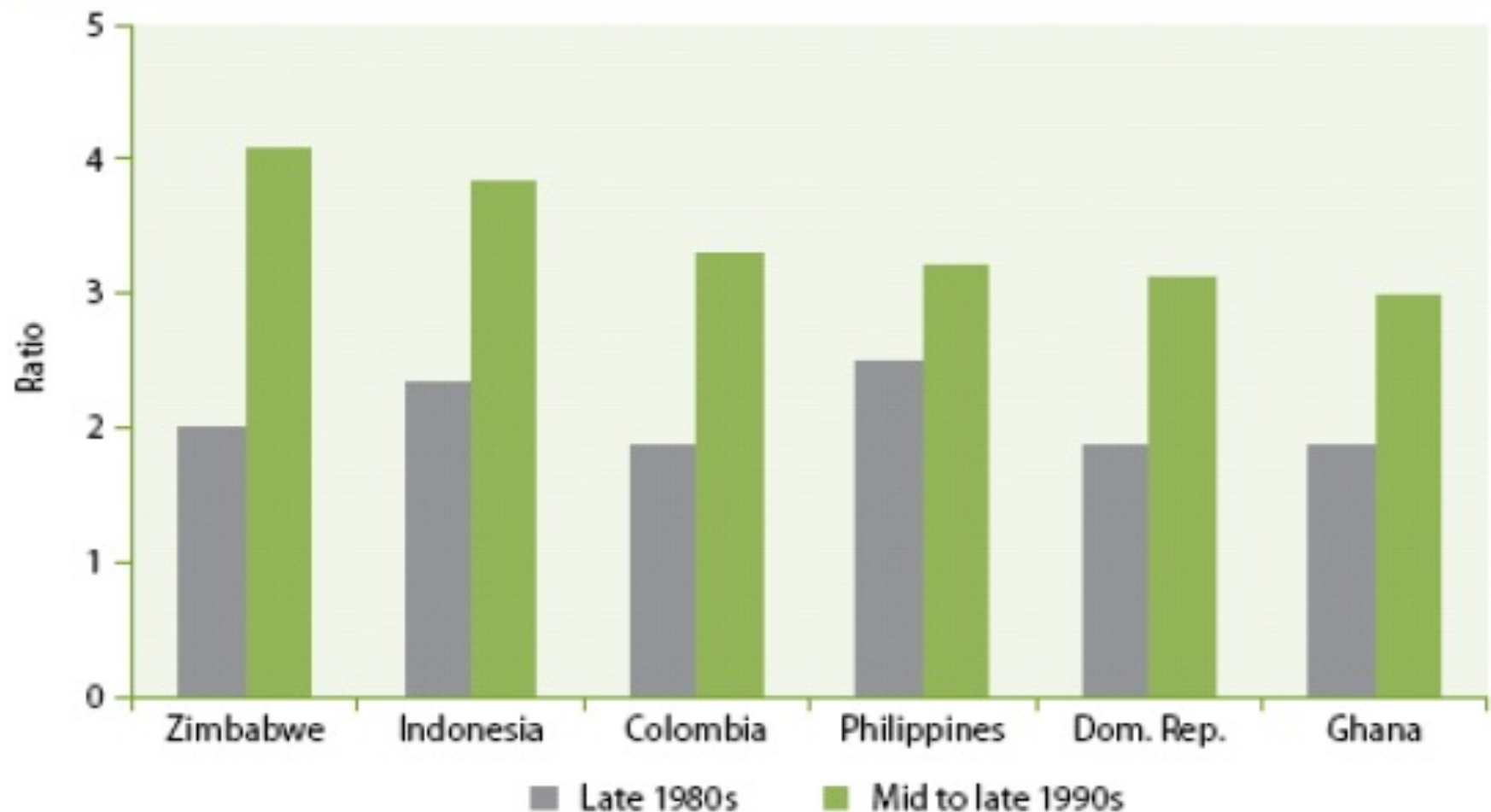
1980s-90s Washington Consensus	UN Agenda Development for All
<ul style="list-style-type: none"> <li>✗ Growth priority through deregulation, free markets, minimalist governments, residual social policies</li> </ul>	<ul style="list-style-type: none"> <li>➤ Growth and equity through active promotion of national development. Social, environmental and economic development integrated</li> </ul>
<ul style="list-style-type: none"> <li>✗ Macroeconomic policies focused on inflation and stabilization</li> </ul>	<ul style="list-style-type: none"> <li>➤ Macroeconomic policies focused on the stability of real output, incomes and employment</li> </ul>
<ul style="list-style-type: none"> <li>✗ Containing public expenditures, fiscal discipline, avoiding fiscal deficits</li> </ul>	<ul style="list-style-type: none"> <li>➤ Public investment for development; need to expand governments' fiscal space</li> </ul>
<ul style="list-style-type: none"> <li>✗ Minimal direct taxation</li> </ul>	<ul style="list-style-type: none"> <li>➤ Taxation for development and redistributive purposes</li> </ul>
<ul style="list-style-type: none"> <li>✗ Export-led growth</li> </ul>	<ul style="list-style-type: none"> <li>➤ Developing domestic markets, selective export policy</li> </ul>
<ul style="list-style-type: none"> <li>✗ Privatization of public assets services, minimalist government</li> </ul>	<ul style="list-style-type: none"> <li>➤ Building state capacity to promote development, public investment.</li> </ul>

1980s-90s Washington Consensus	UN Agenda Development for All
✗ Residual social policies – a cost (minimal, <i>targeted to the poor</i> ), safety nets	➤ Universal policies (for all), redistribution back in the development agenda, social Policies as an investment.
✗ Commercialization of social services, cost recovery (fees for services)	➤ Universal public services, eg UNICEF School Fee Abolition Initiative, WHO-Bank Universal Health Coverage
✗ Labor flexibility, productivity	➤ ILO Decent work agenda
✗ Reforms social security and welfare systems, targeted safety nets, pension privatization	➤ Social Protection Floors for all and universal public social security systems, reversing pension privatization
✗ Human Rights: endorsed but not implemented	➤ Empowering people through rights and standards
✗ No interest for culture and values (intangible)	➤ Important for tackling exclusion, discrimination (UNESCO, UNFPA)
✗ No attention at sources of conflict (“political”)	➤ Conflict prevention (UNDP)

Source: UN Policy Notes for National Development Strategies (2008) <http://esa.un.org/techcoop/policyNotes.asp>

# Orthodox policies 1980s-90s aggravated poverty inequality

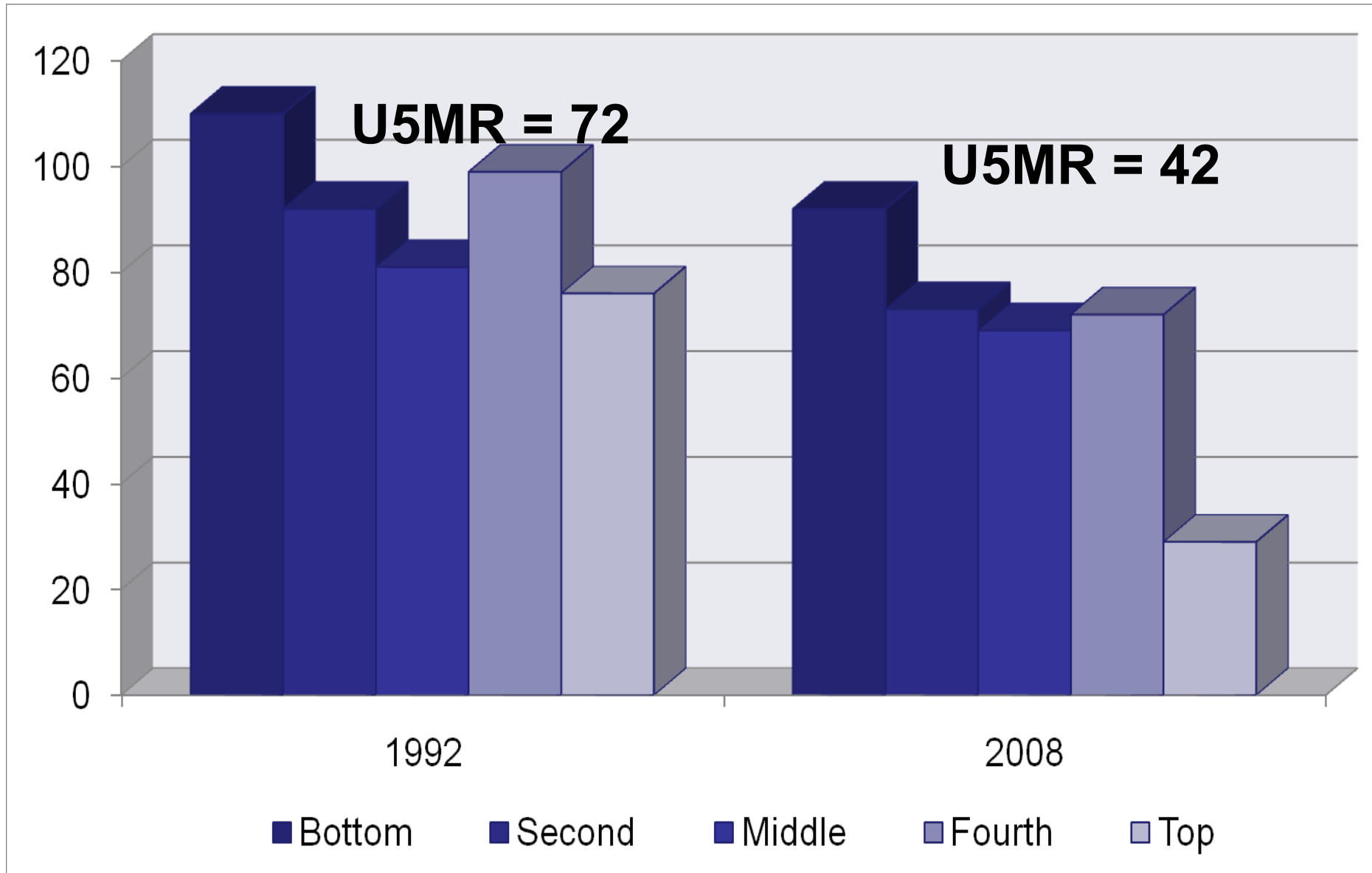
Ratio of under-five mortality rate for the bottom quintile to that for the top quintile, selected developing countries, late 1980s and mid to late 1990s



Source: World Health Organization, Regional Office for the Western Pacific (2002).

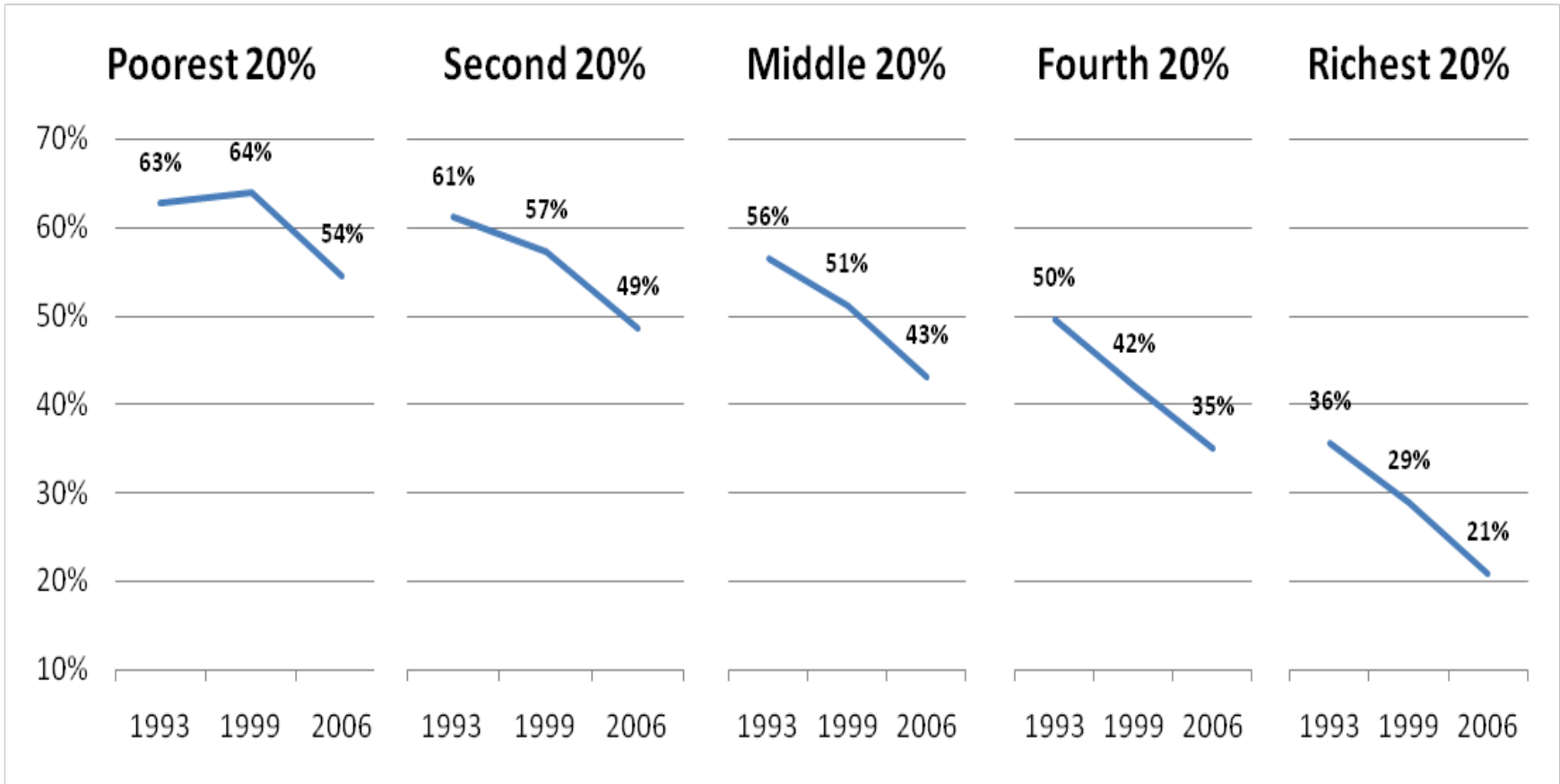
# MDGs – National Averages Hide Deep Inequalities

## Namibia: Reduction of Under-5 Child Mortality Rate



# India: Child Stunting Under 5

Proportion of children 0 – 59 months old who are stunted, by household income quintile in India



**Source:** National Family Health Survey, 1992–1993, 1998–1999 and 2005–2006.

# **Now it is time for Universal Social Protection**

- **Since the 2000s, universalism has re-entered the development agenda.**
- **First it was education: universal primary education became a Millennium Development Goal in 2000.**
- **Then it was health: in December 2013, the World Bank and WHO committed to universal health coverage, to be reflected in the future Sustainable Development Goals**
- **Now it is time for universal social protection!**

# It is legitimate: A Human Right

- Article 22 of the [Universal Declaration of Human Rights](#) states *“Everyone, as a member of society, has the right to social security”*
- Article 25 *“(1) Everyone has the right to a standard of living adequate for the health and well-being of himself and of his family, including food, clothing, housing and medical care and necessary social services, and the right to security in the event of unemployment, sickness, disability, widowhood, old age or other lack of livelihood in circumstances beyond his control. (2) Motherhood and childhood are entitled to special care and assistance. All children, whether born in or out of wedlock, shall enjoy the same social protection.”*
- Further echoed by the International Covenant on Economic and Social Rights (1966,1976)



- [Social Security \(Minimum Standards\) Convention, 1952](#) (No. 102)
- [The Social Protection Floors Recommendation, 2012](#) (No. 202)



# Basic Pillars of ILO Recommendation 202 on Social Protection Floors



Higher levels  
of protection

**NATIONAL SOCIAL SECURITY SYSTEM**



**NATIONAL SOCIAL PROTECTION FLOOR:**  
nationally defined basic social security guarantees

basic income  
security for  
**CHILDREN AND  
FAMILIES**

basic income  
security for **WOMEN  
AND MEN IN  
WORKING AGE**  
unable to earn  
sufficient income

**OLD AGE  
PENSIONS AND  
CARE**

**ESSENTIAL HEALTH  
CARE**

# Universal Social Protection: Combining Non-contributory Floors + Contributory Systems

*Voluntary insurance*

*Mandatory social insurance - social security  
benefits of guaranteed levels for contributors*

*The SPF four essential guarantees*

*1. Access to essential health care for all*

*2. Income  
security children*

*3. Assistance  
unemployed and poor*

*4. Income security  
elderly and disabled*

# **12 Social Protection Targets to Change People's Lives by 2030...**

- 1. All older persons receive a pension**
- 2. All workers covered by employment injury schemes**
- 3. Extend unemployment support for those without jobs**
- 4. All mothers receive social support**
- 5. All persons with severe disabilities receive benefits**
- 6. Labour force contributes to social security**
- 7. Expand benefits to families with children**
- 8. Universalize essential health care coverage**
- 9. Reduce to zero the number of people impoverished due to health expenditures**
- 10. Countries have Social Protection Strategies as part of their National Development Plans**
- 11. More resources for social protection**
- 12. All persons have social protection coverage during the life-cycle**

## ... and 12 Feasible Indicators

- ✓ Share of older persons receiving pensions
- ✓ Share of families with children receiving cash transfers
- ✓ Share of women and men in active age protected by schemes - disability, maternity benefits, work injury, unemployment
- ✓ Share of the labour force contributing to social security (linked to formalization of the informal economy)
- ✓ Share of people with access to essential health
- ✓ Share of people impoverished due to health expenditures
- ✓ Number of countries that have a National Strategy on Social Protection Floors as part of National Development Plans
- ✓ Social protection expenditures as a %GDP
- ✓ Share of persons with social protection coverage during the life-cycle

# Possible Target and Indicator: Social Protection for Older Persons

## 1. All older persons receive a pension

- Share of persons above retirement age that benefit from an old-age pension
- ILO monitored indicator, exists for 175 countries
- Currently 51.5% (weighted world average, latest available year 2009-2012)
- FYI - High income countries 90%; developing 44.3%, LDCs 16.8%
- Potential for quick increases in middle income countries





# Targets/Indicators: Social Protection for Women and Men in Working Age (I)



**RANA PLAZA: The world must address employment injury by 2030**



## 2. All workers covered by employment injury schemes

- Share of those covered against an occupational accident
- 172 countries have Employment Injury programs.
- Currently estimated statutory coverage is of 27.8% of working age persons and 39.4% of labour force

## 3. Extend unemployment support for those without jobs

- Share of unemployed who receive a regular unemployment benefit
- Indicator, exists for 79 countries out of 85 that have unemployment benefits
- Current coverage is low, 11.7% of the unemployed
- This does not include employment guarantee programs and general social assistance paid to the unemployed, updating data feasible in the short-term

# Targets/Indicators: Social Protection for Women and Men in Working Age (II)

## 4. All mothers receive support

- Share of pregnant or recent mothers who receive maternity benefit
- 139 countries have a formal maternity benefits program
- There is still no consolidated effective coverage figure available for the world
- Widespread availability of statistics, further data work feasible in the short-term

## 5. All persons with severe disability receive benefits

- Share of persons (severely) disabled who receive a regular disability benefit
- 171 countries in the world have disability benefit programs
- There is still no consolidated effective coverage figure available for the world
- Widespread availability of statistics, further data work feasible in the short-term





# Targets/Indicators: Social Protection for Women and Men in Working Age (III)



## 6. All labour force contributes to social security

- Share of persons aged 15+ contributing to a pension programme
- Indicator exists for 164 countries
- Current world average: 41.4%
- Important to formalize the informal economy



# Possible Target and Indicator: Social Protection for Children



## 7. Expand Benefits to All Families with Children

- Share of families with children that receive support
- 109 countries in the world have family allowances
- There is still no consolidated effective coverage figure available for the world.
- Widespread availability of statistics, further data work feasible in the short-term.

# Possible Targets and Indicators: Health Protection

## 8. Universalize Essential Health Care Coverage

- Share of persons that have access to affordable health care services and drugs
- Information exists for 168 countries in the World
- Current coverage 61.1%

## 9. Reduce to Zero Number of People impoverished due to Health Expenditure

- Share of people impoverished due to health expenditures
- Information on out-of-pocket expenditures exists for 186 countries.
- To calculate number of impoverished persons needs further developments of surveys and data work – feasible.



# Possible Targets and Indicators for the Development of Social Protection Floors

## 10. Countries have a National Strategy

- Number of countries that have a National Strategy or Plan to extend social protection
- Based on Recommendation 202, Art. 13 and Convention 102
- Ultimate objective is to have in place social security systems that cover the 8 classical income support schemes (sickness, old-age, unemployment, work injury, disability, survivorship, family/child allowances and maternity)
- Information exists and is collected for 177 countries in the world by the US SSA and the International Social Security Association
- Currently 76 countries run the 8 schemes

## 11. More resources for social protection

- Social protection expenditures as a % of GDP
- Indicator is available for 178 countries
- World average for public social security expenditure is 8.6%

## 12. All persons have social protection coverage during the life-cycle

- Share of persons covered by all social protection areas
- These include the 8 classical income support schemes (sickness, old-age, unemployment, work injury, disability, survivorship, family/child allowances and maternity), according to Convention 102
- Current estimate is 27%.

# **It is Affordable: Fiscal Space Exists Even in the Poorest Countries**

- **There is national capacity to fund socio-economic development and transfers in virtually all countries**
- **There are many options, supported by UN policy statements:**
  - Re-allocating public expenditures
  - Increasing tax revenues
  - Increasing social security contributions
  - Fighting illicit financial flows
  - Lobbying for increased aid and transfers
  - Tapping into fiscal and foreign exchange reserves
  - Restructuring debt
  - Adopting a more accommodative macroeconomic framework (e.g. tolerance to some inflation, fiscal deficit)

# **It is not too late:**

## **SDGs Timeline 2014-15**

**Feb/2014:**  
**OWG**  
finishes  
consultative  
sessions and  
starts  
negotiation  
of its report

**Sept/2014:**  
OWG report  
proposing  
the SDGs  
  
Sustainable  
Development  
Financing  
Report

**Jan/2015:**  
Start  
negotiations  
on the SDGs  
outcome  
document

**Jul/2014:**  
SG report on  
accelerating  
MDGs  
  
UNDG 2<sup>nd</sup>  
round interim  
report

**Dec/2014:**  
SG Synthesis  
report on  
Post 2015  
and SDGs

**Sept/2015:**  
Global  
Summit to  
adopt the  
new  
development  
agenda





# Thank you

## Download:

*Global Inequality: Beyond the Bottom Billion – A Review of Income Distribution in 141 Countries.* 2011. New York: UNICEF. [http://www.unicef.org/socialpolicy/index\\_58230.html](http://www.unicef.org/socialpolicy/index_58230.html)

*Social protection floors in the Post-2015 Agenda. Targets and indicators, ILO Policy Brief 2014*

<http://www.social-protection.org/gimi/gess/RessourcePDF.action?ressource.ressourceId=44357>

*World Social Protection Report 2014-15* . Geneva: ILO

[http://www.ilo.org/global/research/global-reports/world-social-security-report/2014/WCMS\\_245201/lang-en/index.htm](http://www.ilo.org/global/research/global-reports/world-social-security-report/2014/WCMS_245201/lang-en/index.htm)

*A Recovery for All.* 2012. New York: UNICEF Policy and Practice. <http://arecoveryforall.blogspot.com/>