



# **Employment and Social Protection in the New Demographic Context**

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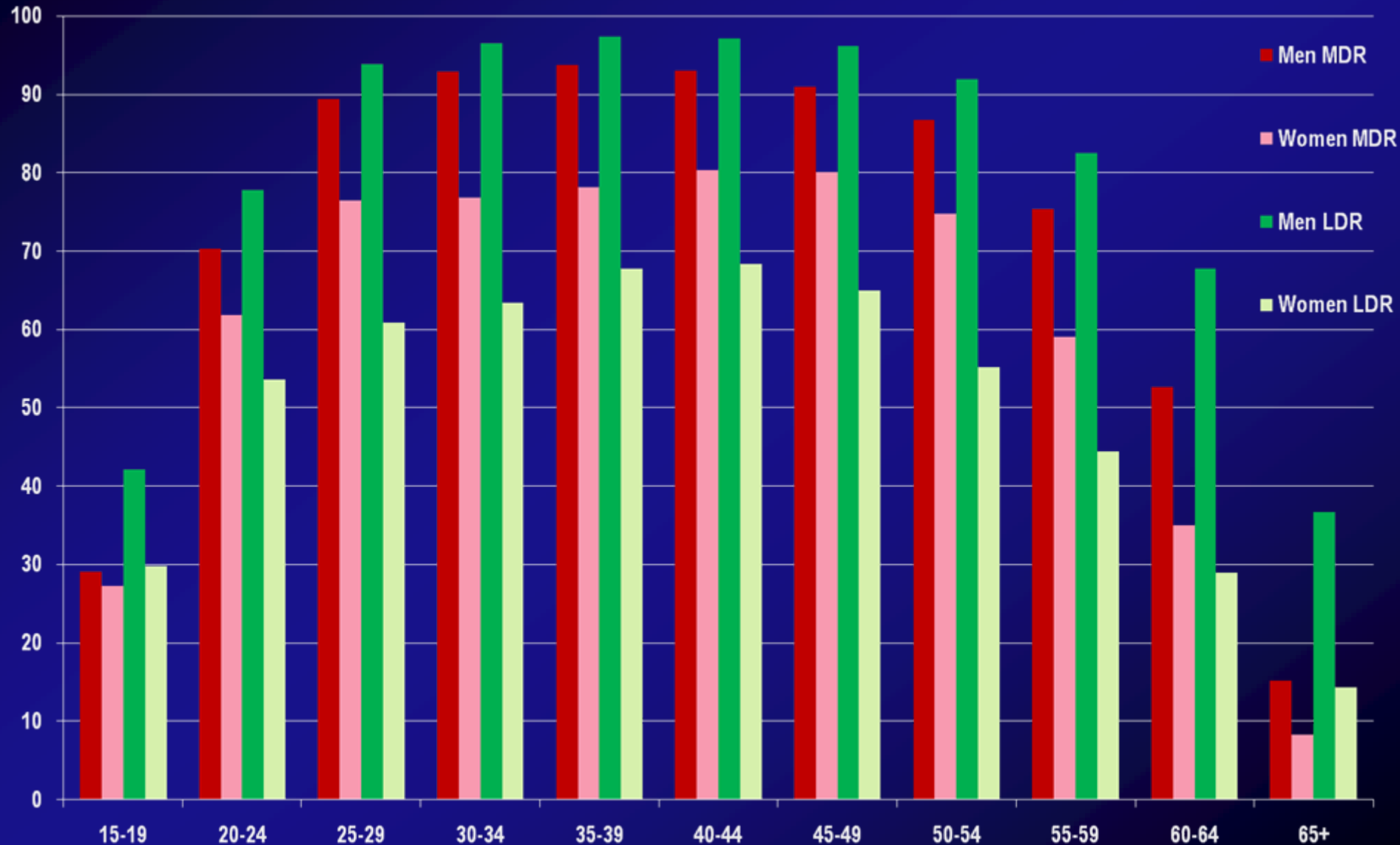
## Employment and Social protection in the New Demographic Context

- ❖ ILO and demographic change: first instruments adopted in the 1930s
- ❖ Most comprehensive instrument on the subject: Older Workers Recommendation, 1980 (No. 162)
- ❖ Demographic change, initially on the agenda of the 2009 International Labour Conference (ILC). Currently proposed for discussion in ILC 2013
- ❖ ILC 2011: recurrent discussion on the strategic objective of social protection (social security)



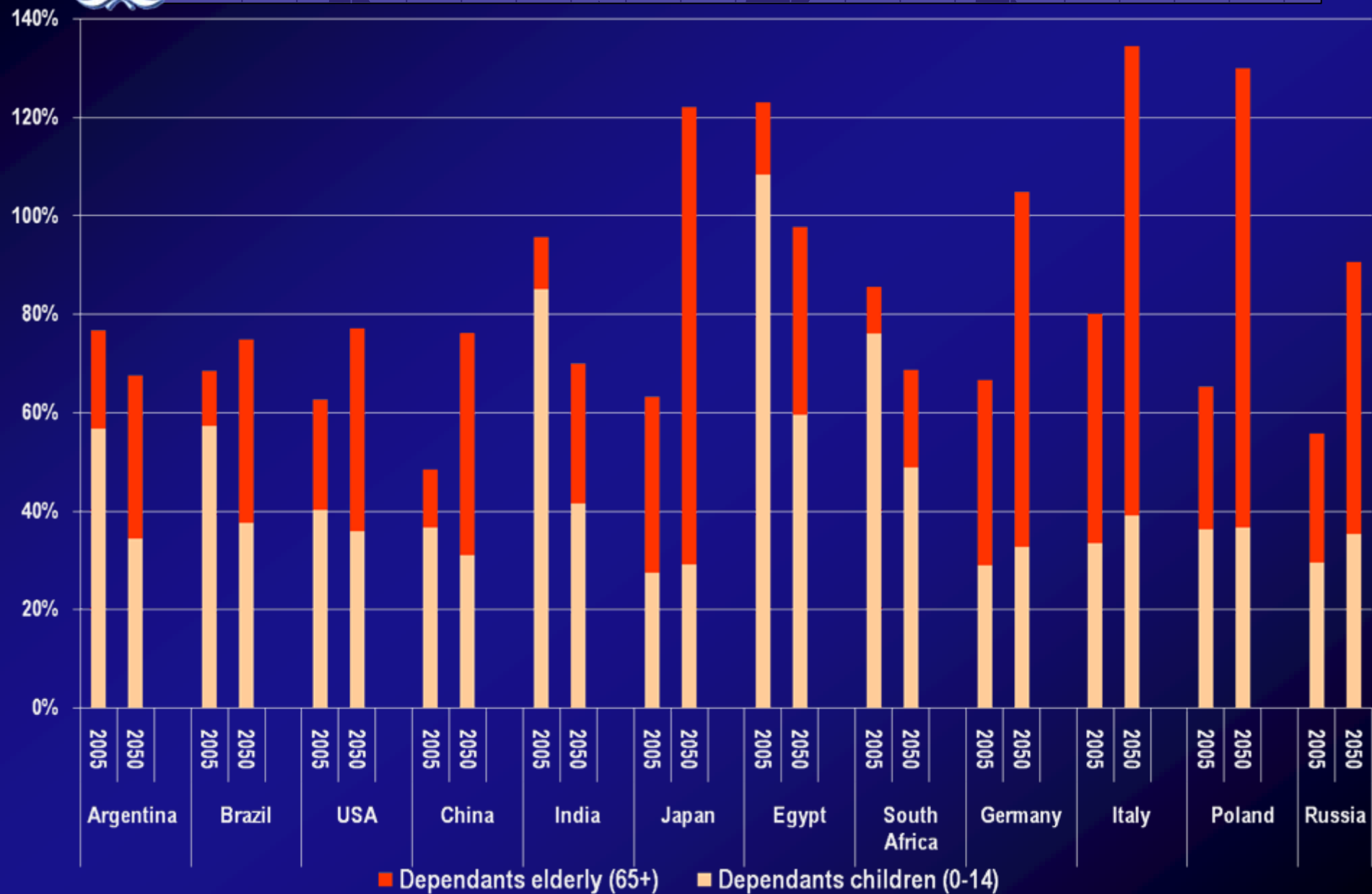
# Global labour force trends

## Labour force participation rates, MDR and LDR, 2011





# Child and old age economic dependency, 2005-2050





## The centrality of employment promotion

- ❖ An integrated life cycle and intergenerational perspective
- ❖ Promoting employment
  - Youth employment and « the lump of labour » fallacy
  - Increasing female labour force participation can substantially reduce old age dependency
  - International migration is not the *only* solution, but well managed migration policy can provide part of the answer
  - Improving employment opportunities of older people and the option of extending working lives



## Combating prejudice and age discrimination

- ❖ The key role of age discrimination legislation
- ❖ Older workers recommendation, 1980, No. 162: ... equality of opportunity and treatment... in particular:
  - a) vocational guidance, placement
  - b) access, taking into account skills & experience to i) employment of their choice ii) vocational training (iii) paid educational leave (iv) promotion & eligibility
  - c) employment security
  - d) remuneration for work of equal value
  - e) social security measures & welfare benefits
  - f) conditions of work
  - g) access to housing, social services & health in particular when related to occupational activity or employment



## The role of employability and better working conditions

- ❖ Fostering employability and lifelong learning
  - Continuous education and skill development
  - Career guidance and counselling
  - Active labour market policies
  
- ❖ Ensuring a safe and healthy working environment
  
- ❖ Adapting working time, working life and work organization
  - Family friendly work practices
  - Flexible pathways to retirement



## Social security systems are being reformed to adjust to ageing populations

- ❖ There is no crisis in social security
- ❖ Social security systems where they exist are being successfully reformed and adjusted to demographic, social and economic changes
- ❖ These reforms have to be monitored so the balance between adequacy of provisions and financial sustainability is being kept
- ❖ The real challenge however is that majority of the world population and majority of the elderly have no access to social security despite it has been declared a human right and labour standards long time ago



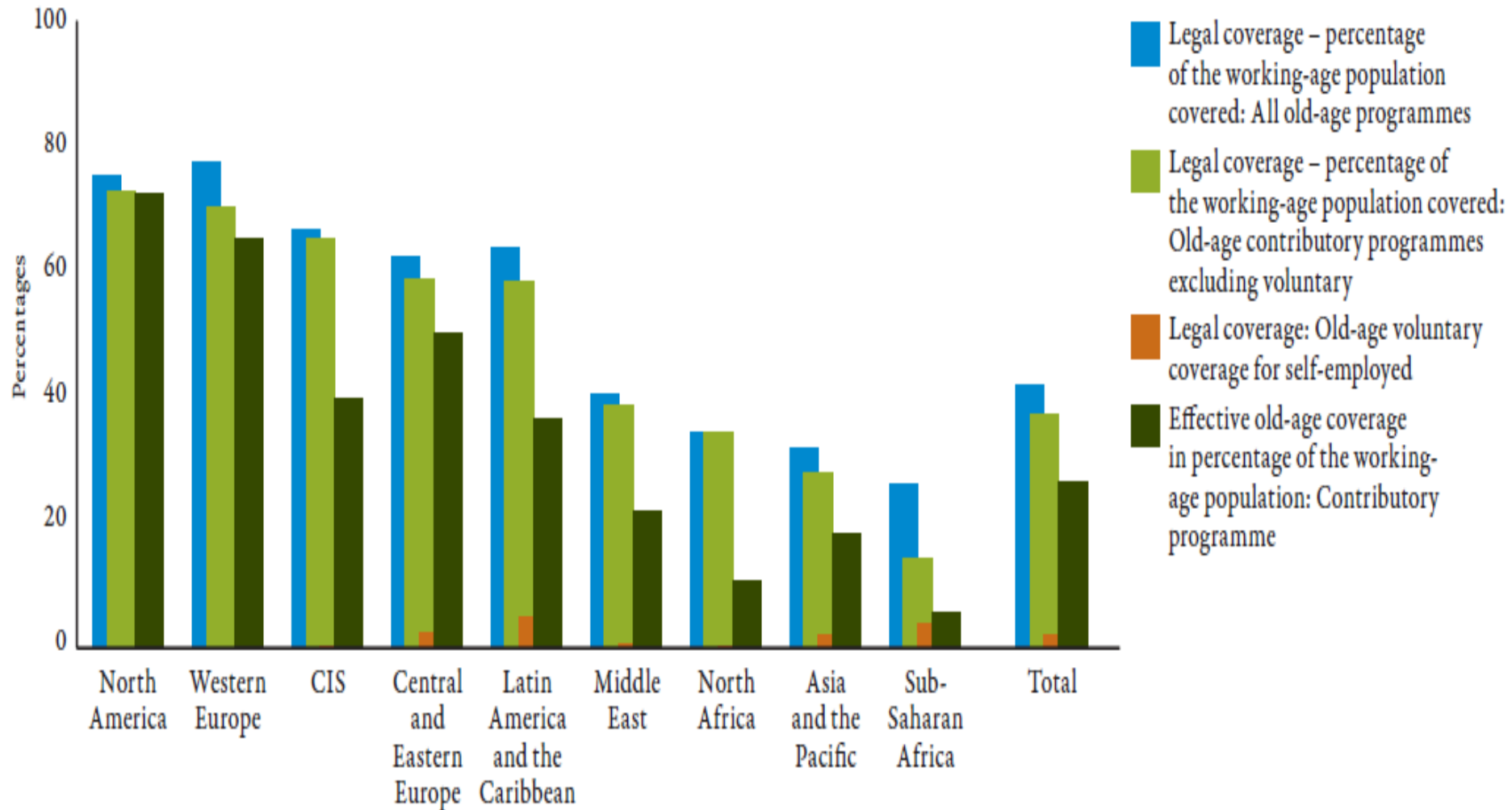


## Lack of social security is the biggest challenge

- ❖ Only minority of the world's working population contributes to any pension scheme
- ❖ Only small minority of the world's older persons receives any pension (20% in low-income countries)
- ❖ While in lower income countries there is lower life expectancy at birth, life expectancy of women and men at 65 is not much lower than in higher income countries
- ❖ Only minority of the world's older people have and can afford and have access to health care services needed

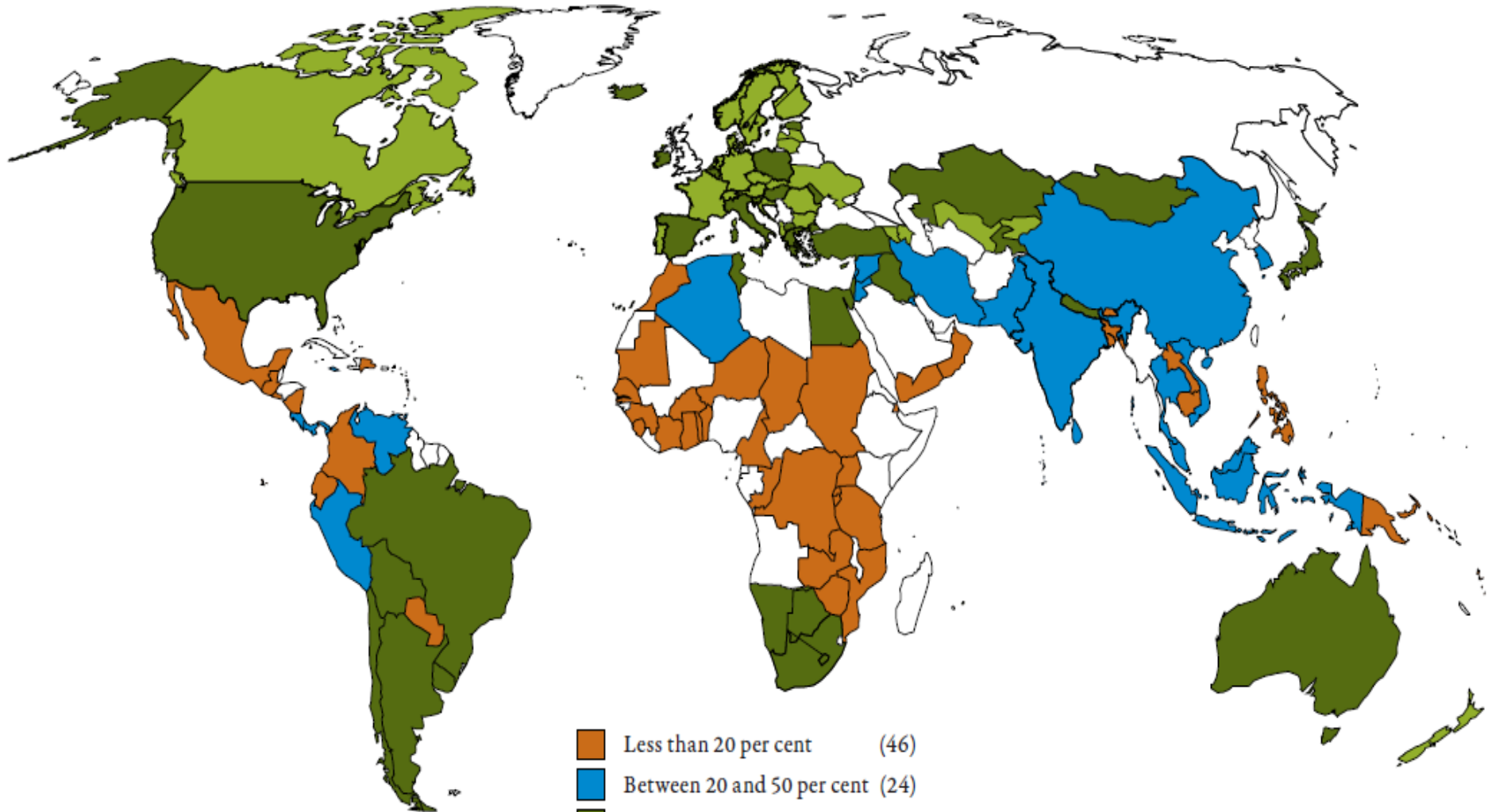







# Pensions: Legal and effective coverage





# Percentage of elderly receiving pension



	Less than 20 per cent	(46)
	Between 20 and 50 per cent	(24)
	Between 50 and 90 per cent	(39)
	90 per cent and over	(29)
	No data	(59)



## Coverage gap will worsen in the future – unless action is taken

- ❖ Now already 63% of the worlds' elderly live in less developed regions with lowest social security coverage
- ❖ This percentage will increase to 78% in 2050
- ❖ Majority of these not covered elderly are – and will be - in Asia
- ❖ There is more women than men among those not covered



## Implementing social protection floor is the answer

- ❖ All residents have access at least to basic/essential health care benefits through pluralistic delivery mechanisms;
- ❖ All children enjoy income security through various family/child benefits aimed to facilitate access to nutrition, education and care;
- ❖ All residents of active age unable to earn sufficient income due to sickness, unavailability of adequately remunerated work, loss of breadwinner, care responsibilities etc. enjoy income security at the minimum level through a combination of basic social insurance, social assistance and employment policies interventions
- ❖ All residents in old age or with disabilities enjoy income security at least at the poverty level: through pensions for old age and disability



## UN Social Protection Floor Initiative

- ❖ There is growing body of evidence that provision of basic social security, social protection floor:
  - ❖ makes human right to social security a reality
  - ❖ effectively reduces poverty
  - ❖ enhances productivity and growth
  - ❖ facilitates economic change and secures social peace
  - ❖ is feasible and affordable