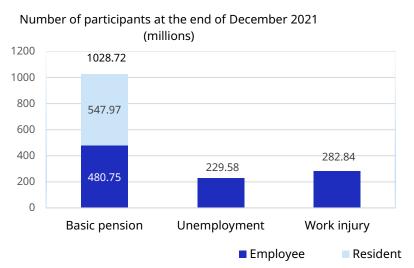
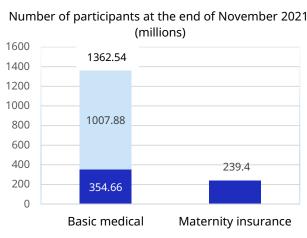


Social Security Policy Monitor China November 2021 – January 2022, Issue 9

China Social Security Barometer





Latest data available from MOHRSS and NHSA

Policy - China

Ride-hailing drivers' rights get protection

In November 2021, eight ministries and departments issued <u>Joint Opinions</u> to improve pay and working conditions for ride-hailing drivers. The Opinions propose to improve social security administration and services for ride-hailing drivers' insurance enrolment and benefits claiming. Car-hailing platform companies are encouraged to actively participate in the occupational injury protection pilots.

China rolls out measures to address population ageing, boost well-being of elderly

China will expand the coverage of old-age insurance and move faster to improve the unified management of enterprise workers' basic old-age pensions at the national level, according to the <u>document</u> jointly issued by the Central Committee of the Communist Party of China and the State Council in November 2021. China is also exploring to establish a long-term care insurance system. Read <u>more</u>.

China to enhance medical insurance and assistance system against major diseases

China will improve medical insurance and assistance targeting major and critical diseases with a multi-layered medical security system, according to a <u>Circular</u> released by the General Office of the State Council in November 2021. The government-led system, with widespread participation, should focus on easing the financial burden on people facing difficulties due to major and serious diseases, while putting in place a long-term mechanism

against illness-caused poverty. Read <u>more</u>. According to <u>National Healthcare Security Administration</u>(NHSA), through the three-tier medical security system, the actual reimbursement rate of outpatient chronic diseases and hospitalization expenses for the poor was stable at about 80% in 2020.

Work injury insurance prioritized for express delivery workers

On 31 December 2021, MOHRSS and the State Post Bureau jointly issued a <u>Notice</u> to promote work injury insurance for express delivery workers. It proposes that grassroots express delivery stations with flexible employment can give priority to participating in work injury insurance for express delivery workers. The document clarifies the work principles, scope of application and calculation of contributions. It also requests optimization of social insurance administration and encourages commercial insurance as a supplementary means of protection.

Guidelines set to regulate the platform economy in China

In January 2022, the National Development and Reform Commission and other departments issues <u>Opinions</u> on promoting the healthy and sustainable development of the platform economy. The document attaches equal importance to development and regulation of the platform economy and aims to establish the governance system for the platform economy. The document also includes specific opinions on strengthening the labour protection of workers in new forms of employment. Read <u>more</u>.

Social Security Administration - China

Smoothing the transfer of unemployment insurance across provinces

In November 2021, MOHRSS and the Ministry of Finance (MoF) issued a <u>Notice</u>, making specific provisions on the accumulation of contribution years, calculation methods of unemployment insurance contributions and the standard for payment of benefits, and the procedures for transfer.

Transfer of basic medical insurance further standardized

In November 2021, NHSA and MoF jointly issued "<u>Interim measures for the transfer of basic medical insurance</u>". It mainly clarifies the scope of application, online and offline application methods, handing procedures and continuation of benefits. The measures have three highlights: online document transfer, streamlined materials and shortened processing time, and progress monitoring. Read <u>more</u>.

Medical care for work injury insurance

In December 2021, MOHRSS issued a <u>Notice on further strengthening work injury medical care management services</u>. Among others, it proposes to accelerate the work of "seeking medical care in non-local medical institutions (not in the region of insurance participation)" and sets the goal of direct settlement of work-related injury medical expenses with social security cards in non-local medical institutions by 2022.

Local policies

Dongying allows flexible workers to participate in work injury insurance

Since 1 July 2021, a <u>new policy</u> in Dongying City, Shandong Province allows enterprises to enroll their flexibly employed workers in work injury insurance. Each employer of the part-time jobs that the flexible worker engaged can enroll the worker separately.

Provincial measures issued to safeguard the labour and social security rights of workers in new forms of employment

Following the "Guiding opinions on safeguarding the labour and social security rights and interests of workers

<u>in new forms of employment</u>" issued by eight departments in July 2021, a number of provinces issued specific opinions and introduced implementation measures, such as <u>Jiangsu</u>, <u>Chongging</u>, <u>Sichuan</u>, <u>Tianjin</u>, etc.

Jiangxi social insurance system docked with national system

On 28 December 2021, the launching ceremony of the Jiangxi Provincial Social Insurance Information System docking with the National Pension Insurance Information System was held in Nanchang. Jiangxi has become the first province in China docking with the national system. Read <u>more</u>.

Flexible workers allowed to participate in unemployment insurance in Guangdong

In December 2021, Guangdong issued <u>trial measures</u> for workers in new forms of employment to participate in unemployment insurance. In nine cities of the Greater Bay Area including Guangzhou and Shenzhen, workers in new forms of employment and self-employed business owners without employees can participate in unemployment insurance on a voluntary basis.

Flexible workers encouraged to participate in basic pension insurance for enterprise employees in Anhui

Anhui Province issued a <u>policy</u> targeting flexible workers. It further relaxes the restrictions on household registration for insurance participation, unifies policies and procedures for insurance participation and paying contributions, and improves policies and procedures for receiving benefits.

Shanghai supports multi-channel flexible employment

Shanghai government issued a <u>policy</u> to support multi-channel flexible employment. It proposes to formulate labour and social security policies for platform employment and carry out pilot work on occupation injury protection for platform workers. It also aims to gradually include flexible workers without local household registration into the social insurance system in Shanghai.

Maternity leave extended and parental leave introduced in provinces

Since August 2021 when the Standing Committee of the National People's Congress passed the decision on revising the Population and Family Planning Law, many provinces have revised their local regulations to extend maternity leave and specified parental leave. See <u>China: Beijing and Shanghai extend maternity leave by 30 days; parental leave entitlement introduced</u>. Some provinces (such as <u>Guangdong</u>) also proposed to establish sound labour cost sharing mechanism for maternity related leave.

European Policy

EU proposes new measures to improve the working conditions in platform work

On 9 December 2021, the European Commission proposes a set of measures to improve the working conditions in platform work and to support the sustainable growth of digital labour platforms in the EU. The Commission put forward a Communication, a proposal for a Directive and draft Guidelines. Read <u>more</u>. The proposed <u>Directive</u> includes measures to correctly determine the employment status of people working through digital labour platforms and new rights for both workers and self-employed people regarding algorithmic management.

International Labour Office

ILO reaches ratification target for landmark social security Convention

Paraguay has become the 60th country to ratify the flagship ILO social security Convention, No.102, reaching a target set in 2012 by the ILO's Governing Body. Read <u>more</u>.

UN Secretary-General calls for accelerated action on jobs and social protection

Deeply diverging recoveries threaten to undermine trust and solidarity and make the world more vulnerable to future crises, including climate change. In response the UN and ILO have established a 'Global Accelerator' to help ensure global financing to create 400 million jobs and extend social protection to 4 billion people currently without coverage. Read <u>more</u>.

Policies around the world

South Africa is taking steps to a new universal income grant in 2022

A panel of experts in December 2021, recommended that the country gradually implement a basic income grant beginning with the institutionalisation of a monthly welfare payment. The panel was appointed by the Department of Social Development, the ILO and the United Nations-backed Joint Sustainable Development Goals Fund. Read more.

Spain implements Pension Reform Law

On 1 January 2022, Spain's government implemented a new law that makes numerous reforms to the country's old-age pension system, which include increasing early retirement penalties, expanding pension deferral bonus options, eliminating social security contributions for certain older workers, establishing a new sustainability mechanism, adopting a new benefit adjustment method, and creating a new social security agency. Read more.

Israel increases normal retirement age for women

As part of its annual budget process, Israel's parliament passed a law (the Economic Arrangements Law) on 4 November 2021 that gradually increases the normal retirement age for women from 62 to 65. (The law does not affect the normal retirement age for men, which will remain at 67.) Read more.

Estonia provides option to increase second pension pillar deposits

The Ministry of Finance has drawn up an intention to allow people to voluntarily increase their second pension pillar deposits to 4 percent or 6 percent from the current 2 percent. The draft is currently on a coordination round. Since the creation of the mandatory funded pension system, the rate of payment for the second pillar has always been 2 percent of a working person's gross salary, but the finance ministry is planning amendments to the Funded Pensions Act, which would allow people to increase that rate to 4 or 6 percent. Read more.

UK proposes a legislation expanding auto-enrolment pensions

Proposed legislation expanding auto-enrolment pensions to include thousands more employees, including younger workers and lower earners, could lead to higher costs for employers, experts have warned. A bill was introduced to Parliament on 5 January 2022 that would see the minimum age for auto-enrolment drop from 22 to 18, giving employees an extra four years of savings towards their pensions. The proposal would also scrap the £10,000 minimum earning threshold that currently triggers automatic enrolment, meaning that all workers over 18 would be enrolled. Read more.

Spain adopts a law to protect the purchasing power of pensions

In December 2021, the Spanish Parliament approved a law to protect the purchasing power of pensions and to improve the adequacy and financial sustainability of the social security system in the short and long term. The reform is a step forward in the protection of pensioners against poverty. Read <u>more</u>.

Denmark: towards a new system of minimum income benefits

The Danish Minimum Income Benefit Commission has proposed a new system. If adopted, the new simplified

scheme will provide benefits set in relation to reference budgets, clear economic incentives to work or study and, for the first time ever, an allowance aimed at encouraging children's active participation in recreational activities and cultural life. Read <u>more</u>.

Kosovo's government introduced a universal cash child benefit

The scheme covers children aged below 7 years since November 2021 and which will be expanded to all children under 16 by 2023 at the latest. Read <u>more</u>.

Statistics

Social security coverage for women much improved in the past decade

In December 2021, the National Bureau of Statistics of China released the <u>Final Statistical Monitoring Report on the Implementation of China National Program for Women's Development (2011-2020)</u>. The report shows that women have experienced significant growth in coverage of all social insurances over the decade.

Over 100 million self-employed businesses in China

<u>The latest statistics showed</u> that the number of companies exceeded 150 million in China, with 100 million created in the last decade, and over 100 million were self-employed businesses. Among over 700 million jobs created by market entities, nearly 300 million come from self-employed businesses.

Social security benefits in the EU

Updated July 2021 MISSOC | Mutual Information System on Social Protection Table XII – Long-term care was extensively revised.

Publications

APEC 2021 Guidelines on providing social protection to digital platform workers

European Institute for Gender Equality 2021 Artificial intelligence, platform work and gender equality

European Social Insurance Platform (ESIP) 2021 <u>Coverage of (solo) self-employed platform work under unemployment and sickness benefits schemes</u>

ILO 2021 Extending social health protection: Accelerating progress towards Universal Health Coverage in Asia and the Pacific includes China profile by Zhang Yuhui (China National Health Development Research Centre), Ying Zhao (Chinese Academy of Labour and Social Security)

ILO 2022 International practices in employment injury insurance for workers in digital platform employment

ISSA 2022 Social security responses to the COVID-19 pandemic – Asia and the Pacific

OECD 2021 Pensions at a Glance 2021: OECD and G20 indicators

UN 2021 <u>Secretary-General's Policy Brief Investing in Jobs and Social Protection for Poverty Eradication and a</u> Sustainable Recovery

Main Sources

News Archives - Pension Policy International

EU Employment and Social Affairs

Eurofound Platform Economy Database

<u>US Social Security Administration International monitor</u>

<u>ILO | Social Protection Platform (social-protection.org)</u>

<u>International Social Security Association Monitor</u>



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