



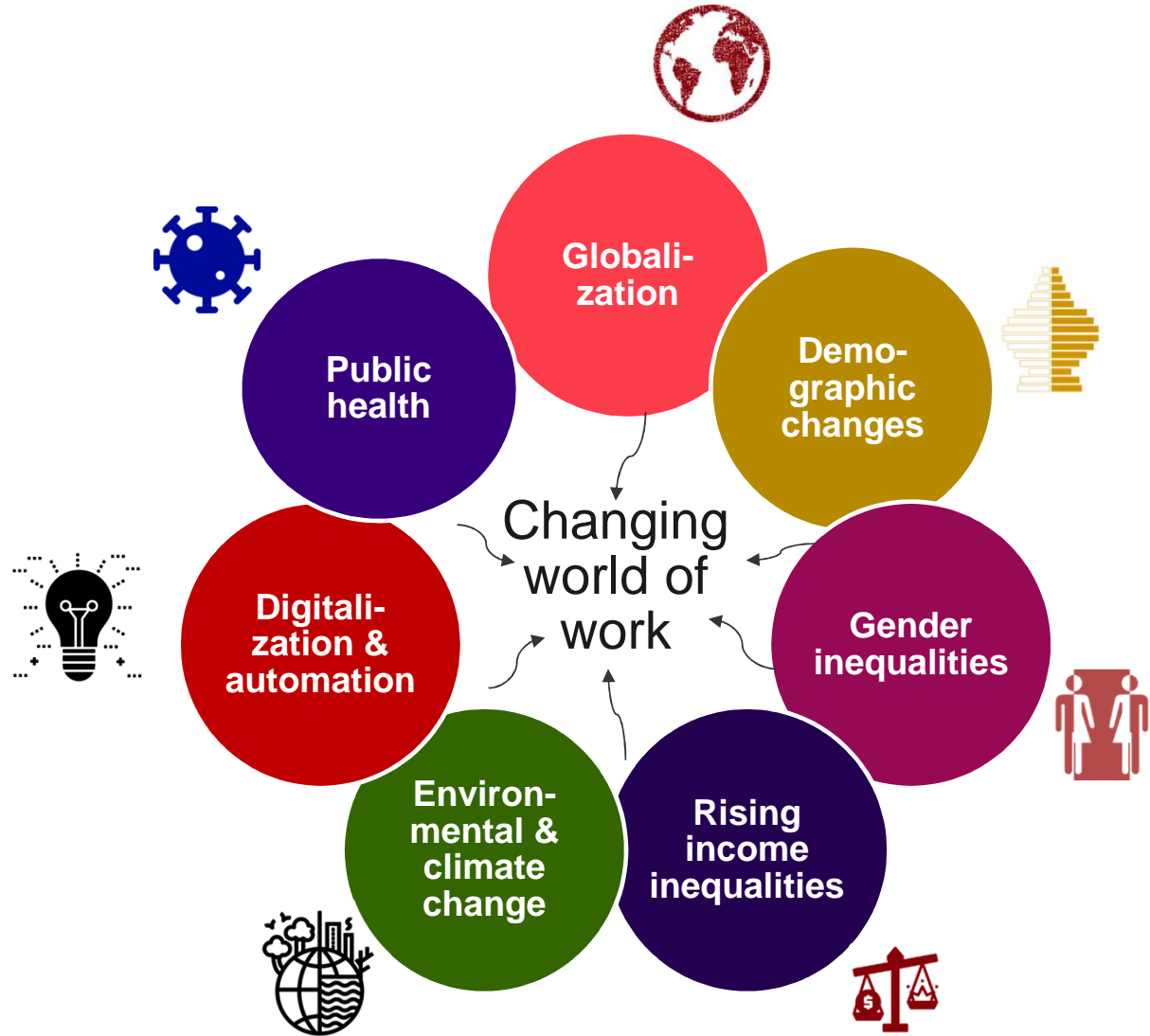
► **Ensuring pension coverage
for workers in non-standard forms
of employment and own-account workers**

El futuro de trabajo y la cobertura de la seguridad social contributiva (jubilaciones y pensiones) para trabajadores en relaciones laborales no estándar y por cuenta propia,
16 December 2020

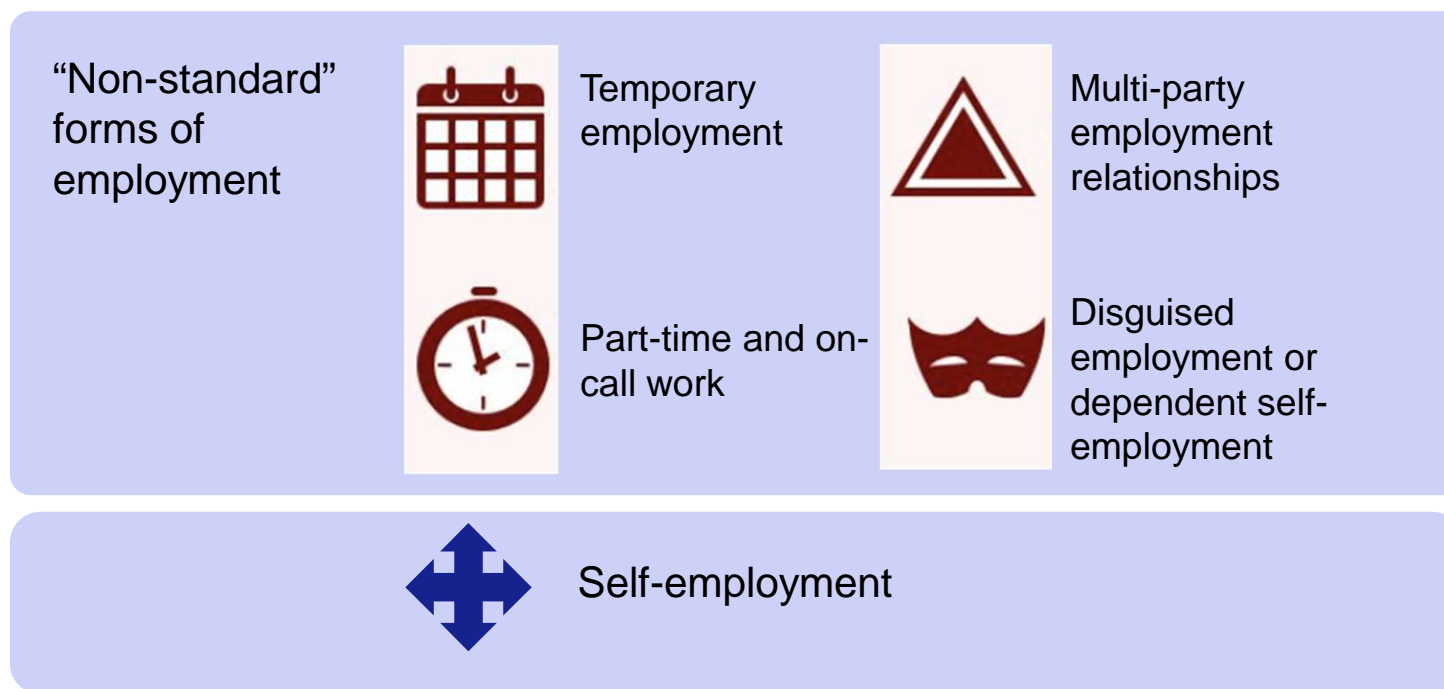
Christina Behrendt, Head Social Policy Unit, ILO Social Protection Department, Geneva
Contact: behrendt@ilo.org

► **New and not so new challenges:**

Major transformative changes in the world of work, with implications for social protection systems

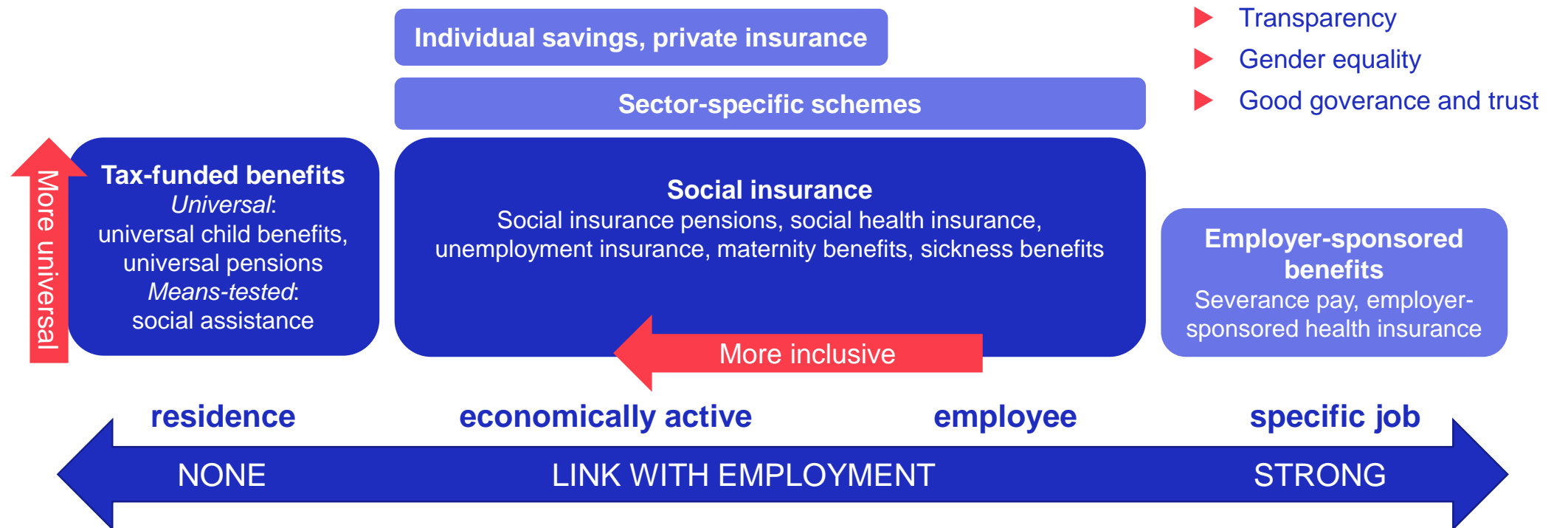


► Many “new” forms of employment (and “old” ones) are found in “non-standard” forms of employment or self-employment



Source: ILO, 2016. Non-standard employment around the world: Understanding challenges, shaping prospects (Geneva).

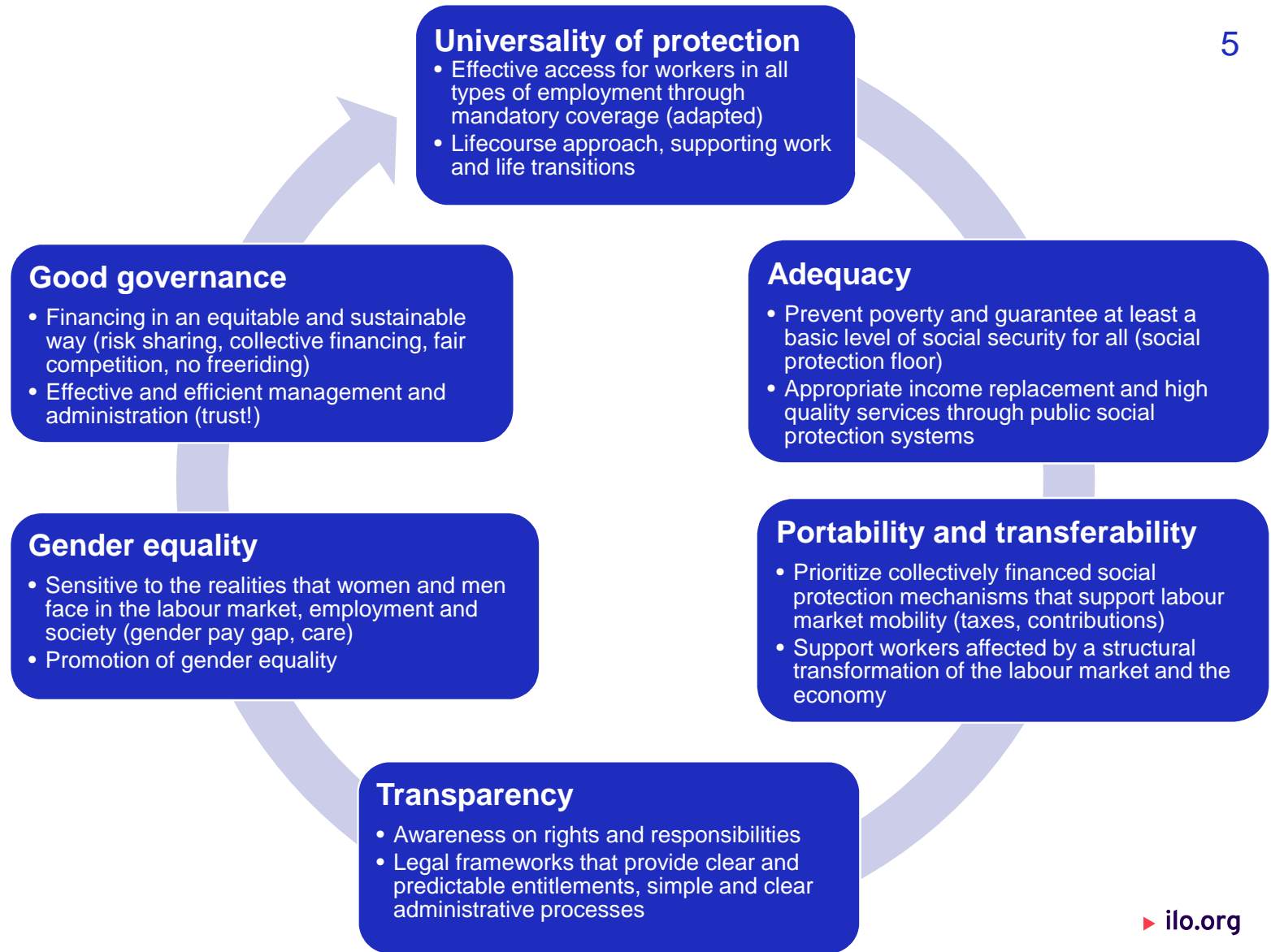
Disentangling the debate about a decoupling social protection from employment



Key principles:

- ▶ Universality of protection, including for workers in all types of employment
- ▶ Adequacy
- ▶ Portability and transferability
- ▶ Transparency
- ▶ Gender equality
- ▶ Good governance and trust

Zooming in on key principles that can inform the adaptation of social protection systems



How to strengthen social protection systems and extending coverage? Lessons learnt from international experience

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More information: ILO policy resource package on extending social security to the informal economy (informaleconomy.social-protection.org)

► What can be done to ensure coverage of part-time and temporary workers? Some examples



- Lowering thresholds regarding working hours or earnings, in line with Convention No.175
- Practical solutions for workers with multiple employers (e.g. adaptation of legal frameworks, simplification of administrative procedures)
- Facilitate coverage of marginal part-time workers



- Lowering or removing legal thresholds regarding the duration of employment
- Better accommodate interrupted contribution periods
- Ensure adequate protection of temporary agency workers through adapted mechanisms, such as joint or shared liability
- Ensure adapted mechanisms to protect casual workers

What can be done to ensure coverage of self-employed workers? Some examples



Genuine self-employment

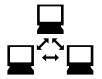
- ▶ Adapted solutions for determination of income (e.g. broad income bands or establishing contributory categories, proxy measures)
- ▶ Adapted solutions for frequency of contributions (contribution collection schedule)
- ▶ Simplifying and streamlining administrative procedures (e.g. simplified tax and contribution payment mechanisms)
- ▶ Exploring the potential of intermediary bodies to fulfil some “employer” functions (e.g. cooperatives)
- ▶ Government subsidies for contributions of those with limited contributory capacity



Disguised employment or dependent self-employment

- ▶ Clarifying nature of employment relationship in line with Recommendation No. 198
- ▶ Adapted solutions to ensure compliance and coverage especially in situations of complex or unclear employment relationships
- ▶ Role of workers’ organisations

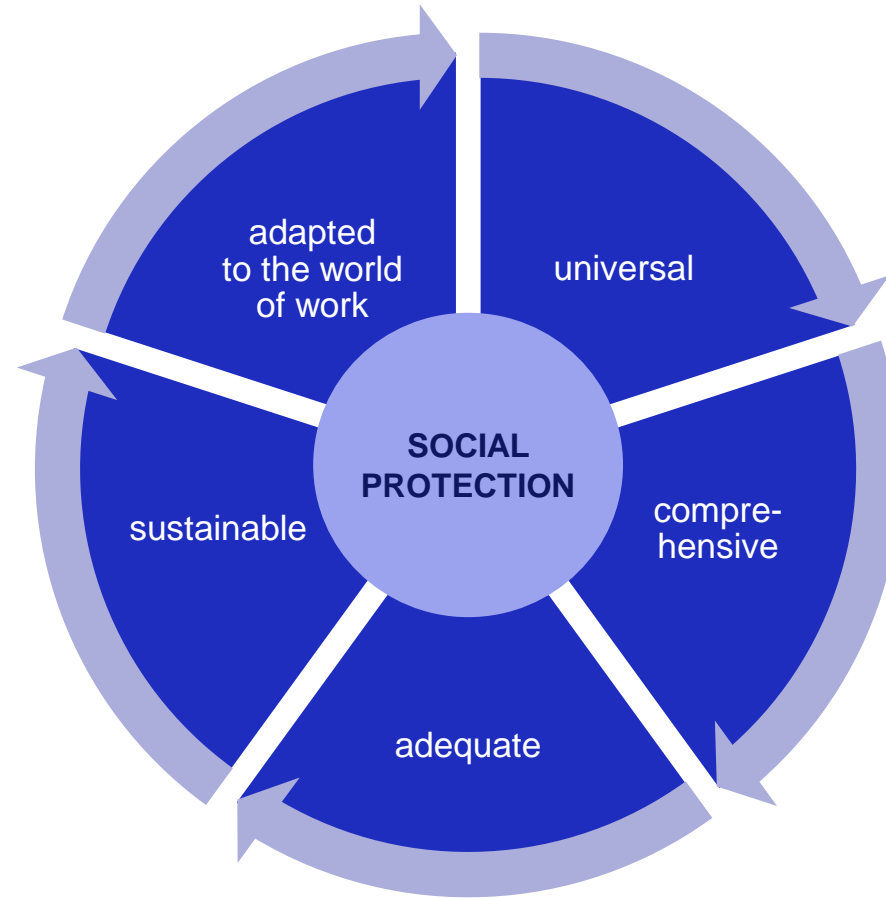
► What can be done to ensure coverage of workers in the digital economy? Some examples



Workers on digital platforms

- Clarifying the nature of the employment relationship, in line with ILO Recommendation 198, and adapting legal frameworks
- Ensuring compliance and coverage through adapted mechanisms, harnessing the potential of digital technology
- Addressing situations of complex and unclear employment relationships through adapted mechanisms
- Simplifying and streamlining administrative procedures
- Strengthening the role of workers' organizations
- Cross-border work: strengthening international governance mechanisms

A tripartite agreed framework: ILO Centenary Declaration for the Future of Work (2019)



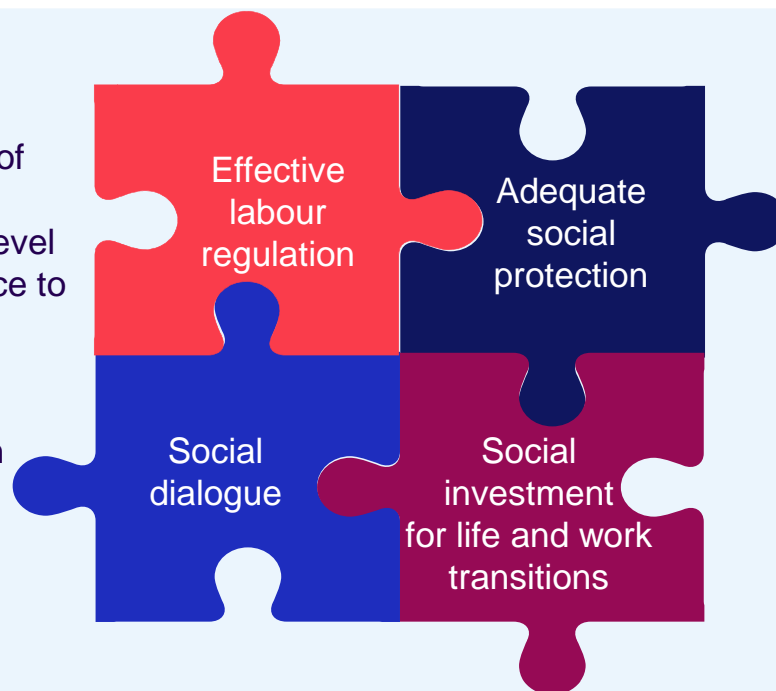
Centenary
Declaration reflected
on report of the
Global Commission
for the Future of
Work

**Tripartite agreed framework reflected in
international social security standards and the
ILO Centenary Declaration for the Future of Work (2019)**

Building universal social protection systems for the future of work: key takeaways

Regulation of wages, working conditions; correct classification of employment relationships
-> indispensable for ensuring a level playing field and preventing a race to the bottom

Reinvigorated social dialogue based on effective representation and including collective bargaining



Strengthened social protection systems, with strong tax-financed mechanisms and social insurance, to ensure universal access to adequate and sustainable social protection for all, including workers in all types of employment

Gender-responsive policies to support life and work transitions: lifelong learning, active labour market policies, employment services, health care, child and long-term care services,

Conducive policy environment: macro-economic policies, trade and competition policies, tax policies, etc.

Future of work and social protection:

- ▶ [Global Commission for the Future of Work \(2019\) Work for a brighter future.](#)
- ▶ [Ensuring better social protection for self-employed workers \(ILO & OECD, 2020\)](#)
- ▶ [Innovative approaches for ensuring universal social protection for the future of work \(ILO, 2018\).](#)
- ▶ [Non-standard forms of employment: understanding challenges, shaping prospects \(ILO, 2016\).](#)
- ▶ [Extending social security to workers in the informal economy, policy resource package \(ILO, 2019\)](#)
- ▶ [Social Contract and the Future of Work: Inequality, Income Security, Labour Relations and Social Dialogue \(ILO, 2016\).](#)
- ▶ [Behrendt C and Nguyen QA Innovative approaches for ensuring universal social protection for the future of work \(2018\).](#)
- ▶ [Behrendt C and Nguyen QA Ensuring universal social protection for the future of work. Transfer 25\(2\): 205–219 \(2019\).](#)
- ▶ [Behrendt C, Nguyen QA and Rani U. Social protection systems and the future of work: Ensuring social security for digital platform workers. International Social Security Review 72\(3\): 17-41 \(2019\).](#)
- ▶ [Ortiz I, Behrendt C, Acuña Ulate A, Nguyen QA Universal basic income proposals in light of ILO standards: Key issues and global costing. Extension of Social Security \(ESS\) Paper Series 62. \(ILO, 2018\).](#)

Contact: behrendt@ilo.org



COVID-19 crisis response:

- ▶ [ILO portal on social protection response to COVID-19, including](#)
 - ▶ [Spotlight briefs: Extending social protection to informal workers in the COVID-19 crisis; Social protection responses to the COVID-19 pandemic in developing countries; Unemployment protection in the COVID-19 crisis; Sickness benefits during sick leave and quarantine; Financing gaps in social protection; COVID-19 and the health sector](#)
 - ▶ [Data dashboard: World Social Protection Database Dashboards; Social Protection COVID-19 Monitor](#)
 - ▶ [Costing tool: Rapid Social Protection Calculator for COVID-19](#)
- ▶ [ILO portal on COVID-19 and the world of work](#)

Other key resources:

- ▶ [World Social Protection Report 2017-19 \(ILO, 2017\)](#)
- ▶ [Tackling Vulnerability in the Informal Economy \(OECD and ILO, 2019\)](#)
- ▶ [Toolkit on extending social security to workers in the informal economy](#)
- ▶ [Building social protection systems: International standards and human rights instruments \(ILO, 2017\).](#)
- ▶ [ILO Social Protection Platform](#)
- ▶ [Joint UN Social Protection and Human Rights web platform](#)
- ▶ [Global Partnership for Universal Social Protection \(USP2030\)](#)


Contact: behrendt@ilo.org



▶ **Additional slides**



► Social protection in an age of labour market transformation: what is at stake?

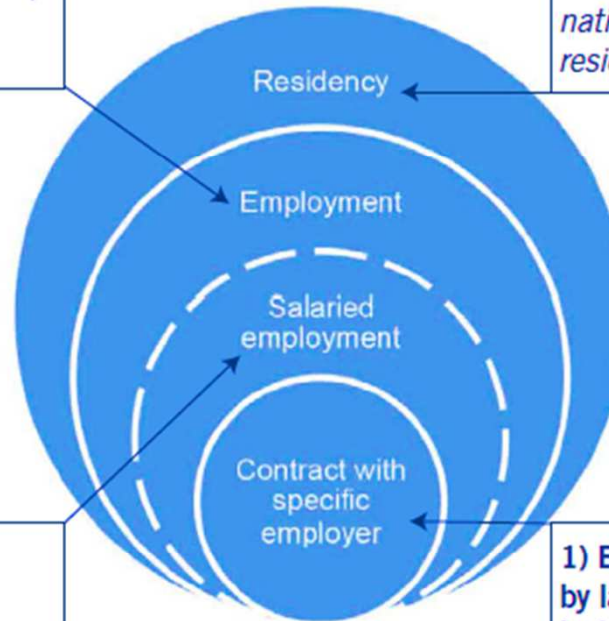
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- Shifting economic risks to workers, erosion of workers' rights
 - De-responsibilisation of (some) enterprises
 - Unfair competition
 - Fragmentation
 - Disempowerment
 - Fractured social contract

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- Fair risk-sharing and protection of workers' rights
 - Continued relevance of employment relationship
 - Fair competitive environment
 - Integrated solutions
 - Representation and social dialogue
 - Reinvigorated social contract

Decoupling social protection from employment? Disentangling the debate

3) Social insurance (if adapted), other forms of insurance or tax-financed programmes
Examples: health insurance, pensions, maternity protection, in-work benefits for low income earners.

(4) Tax-financed schemes (means-tested or not)
Examples: social assistance, social pensions, child/family benefits, disability benefits, national health service or residency-based health insurance.



(2) Mostly social insurance (thresholds may apply)
Examples: health insurance, maternity protection insurance, employment injury insurance, old age, disability and survivor pensions, unemployment insurance

1) Employer liability mandated by labour or social security legislation or voluntary employer engagement
Examples: employer liability for paid maternity, sick leave and workers' compensation, severance pay, employer-provided health or pension insurance

Decoupling social protection from employment? Disentangling the debate

How do different types of social protection mechanisms comply with regard to key principles?

Link to employment	Examples	Coverage/ access	Adequacy	Portability	Transparency/ predictability	Risk-sharing	Gender equality	Potential
Employment contract with specific employer	Employer liability for paid maternity leave or employment injury; severance pay, employer-provided health insurance	-	+	---	-	--	--	Only supplementary
Employment in specific sector/ occupation	Occupational pensions; some micro-insurance schemes	+	?	-	?	+	-	Only supplementary
Employment/ savings capacity	Individual accounts; personal savings accounts	-	?	+	---	---	-	Only supplementary
Salaried employment	Social insurance limited to employees	+	++	++	+	+	+	Adapt: more inclusive ↓
Employment	Social insurance including self-employed	++	++	+++	+	+	++	★
None (tax financing)	Universal benefit schemes: social pensions, universal child benefits; national health service, UBI	+++	?	+++	+++	+	++	★
	Means-tested schemes for the poor: social assistance, "safety net programmes"	+	-	+	-	+	+	↑ Adapt: more universal



Behrendt, C., Q. A. Nguyen, and U. Rani. 2019. 'Social Protection Systems and the Future of Work: Ensuring Social Security for Digital Platform Workers'. *International Social Security Review* 72 (3): 17–41.

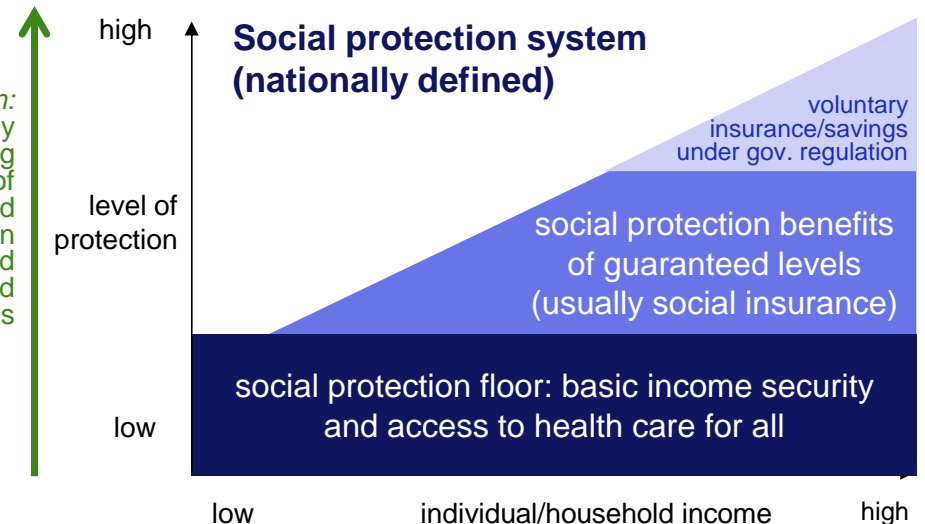
Priority actions towards guaranteeing a social protection floor as part of national social protection systems

Internationally agreed framework provided by ILO Recommendation, 2012 (No. 202)

Social protection floor guarantees

- ▶ Everyone has **access to essential health care**, including maternity care
- ▶ All **children** enjoy **basic income security**, providing access to nutrition, education, care, and any other necessary goods and services
- ▶ All **persons in active age** who cannot earn sufficient income, enjoy **basic income security**, particularly in cases of sickness, unemployment, maternity, disability
- ▶ All **older persons** enjoy **basic income security**

Vertical dimension:
progressively ensuring higher levels of protection, guided by Convention No.102 and more advanced standards



Horizontal dimension:
Guaranteeing access to essential health care and minimum income security for all, guided by Recommendation No. 202

Anchored in human rights framework and reflected in SDGs 1.3 and 3.8