

A Regional Report of Social Protection Systems

The 57th Commission for Social Development highlighted the critical need for the 2030 Agenda for Sustainable Development. Exploring, discussing and debating the priority theme, **“Addressing inequalities and challenges to social inclusion through fiscal, wage and social protection policies”**, the Commission heard from Member States, UN Agencies and Civil Society from around the world. As we live in a world where extreme wealth and extreme poverty co exist, it is essential that we begin to invest into social protection systems so that we can progress towards reducing inequalities and promote social inclusion. Social Protection systems are central to social equality, justice and allowing the most disadvantaged and excluded groups the basic social guarantees needed to participate fully within societies. Effective progressive taxation systems and the creation of decent jobs need to be implemented universally, as well as reducing the informal labour market and making these spaces more inclusive of youth and women, is essential to reaching the Sustainable Development Goals.

The Commission created a space to identify where these gaps in the systems are, and what each Member States and Civil Society Groups are doing to address this. It emphasised the importance of working towards universal implementation of social protection systems as well as fiscal and wage policies, and while some countries have managed to reach universal coverage within their State, let us examine by region where exactly social protection is thriving and where it is lacking.

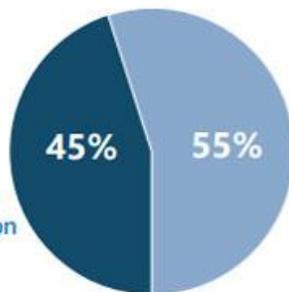


World Social Protection Report 2017– 2019

Universal social protection to achieve the Sustainable Development Goals

International
Labour
Organization

Only **45%** of the global population is effectively covered by at least one social protection benefit (SDG 1.3)



“Denying this human right to 4 billion people worldwide is a significant obstacle to economic and social development”

ILO Director-General Guy Ryder

Population receiving at least one social protection benefit (SDG 1.3)



ASIA & PACIFIC

The region of Asia and the Pacific is the most ethnically, culturally, religiously and economically diverse region in the world. With a population of approximately 3.7 billion people, this region is made up of some of the wealthiest countries on earth as well as two-thirds of the world's poor. This diversity of countries has led to various levels of social protection across the region. The proportion of old-age pensioners in the elderly population ranges from 0.3 percent and 3 percent in Bhutan and Cambodia, while it is 100% implemented in New Zealand . As a whole, Australia, Japan, New Zealand have fully developed systems of social security compared to other countries within the region. Most countries provide some social security benefits, either in cash, for civil servants and other government employees, including the security forces and in many cases workers in the social sectors of education and health. In addition, many states mandate some provision, through schemes administered either by government or by private sector organizations for specified, employed workers in the formal economy.

So far, though, only 38.9% of the population in the region is covered by at least one social protection cash benefit. Wide coverage gaps exist with regard to child and family benefits, except in Australia and Mongolia, which have achieved universal coverage. Progress has been made in the extension of maternity benefits, yet only 33.4% of mothers with newborns receive cash maternity benefits. Similarly, for unemployment benefits, despite recent policy reforms in Vietnam and other countries, only 22.5% of the region's unemployed persons receive unemployment benefits. Only a small minority of persons with severe disabilities, 9.4%, receive disability benefits. Significant progress has been made regarding old-age pensions, particularly through the introduction of non-contributory and partially contributory schemes leading to universal coverage in China, Japan, Maldives, Mongolia, New Zealand and Timor-Leste; as a result, 55.2% of older persons in the region now receive a pension.

AFRICA

African systems have a high degree of heterogeneity and generally low levels of coverage. While social security schemes do exist in all countries, coverage is very limited and usually confined to workers in the formal economy. Despite notable progress in the extension of social protection coverage, only 17.8% of the population are covered by at least one cash social protection benefit. Regional variations are large, with coverage ranging from 48.0% in South Africa to below 10% in a number of West African countries. Significant progress has been achieved for old-age pensions, with 29.6% of older persons covered in Africa, and approaching universal coverage in Botswana, Cabo Verde, Lesotho, Mauritius, Namibia, Seychelles, South Africa, Swaziland and Zanzibar. On the other hand, only 15.9% of Africa's children receive child or family benefits, and wide coverage gaps remain in the areas of maternity protection, unemployment protection and disability benefits. Despite greater efforts to invest in non-contributory cash benefits, only 9.5% of vulnerable populations in Africa receive them; the development of social protection floors is therefore an urgent priority.

EUROPE

In Europe and Central Asia, social protection systems, including floors, are traditionally well developed and have achieved high effective social protection coverage compared to other regions. More than 84.1% of people are covered by at least one social protection benefit, with several countries reaching universal coverage. Child and family benefits reach 87.5% of children on average, given that more than 20 countries in the region have achieved 100% coverage. Approximately 81.4% receive maternity cash benefits, yet significant coverage gaps remain in Central and Western Asia. Coverage ratios for unemployment benefits are also considerably lower, with only 42.5% of unemployed people receiving such benefits. Much higher coverage levels are recorded for disability benefits, where 86.7% of persons with severe disabilities are covered, and old-age pensions where 95.2% of older persons are covered, reflecting a long-standing commitment to universal social protection, not only in high-income countries and EU Member States, but also in Belarus, Georgia, Kyrgyzstan, Ukraine and Uzbekistan.

ARAB STATES

Compared to other areas of social protection, coverage for old-age pensions is relatively well developed, yet only slightly more than a quarter of the region's older persons receive an old-age pension. Limited pension coverage is likely to persist for future pensioner generations, as less than one-third, 32.9%, of the region's current labour force contributes to a pension scheme. Positive developments include the introduction of a social insurance scheme for workers in the private sector in the Occupied Palestinian Territory, the establishment of unemployment insurance schemes in Bahrain, Kuwait and Saudi Arabia, and enhanced coverage for maternity protection in Iraq and Jordan. However, given the limited size of the formal sector in some countries and the large social needs, the extension of social protection floors to vulnerable groups is a critical priority. In addition, the region continues to face significant challenges, including the repercussions of the ongoing conflicts in the Syrian Arab Republic and in Yemen.

LATIN AMERICA

Despite recent progress, Latin America continues to be the most unequal region in the world. In the Americas, the development of progressively comprehensive social protection systems over many years has resulted in 67.6% of the population being effectively covered by at least one cash social protection benefit, contributing to the reduction of inequality in many countries. Child or family cash benefits now reach about 66.2% of the region, cash maternity benefits reach 68.6% of new mothers with newborns, disability benefits reach 59.4% of persons with severe disabilities, and old-age pensions are paid to 70.8% of older persons. Unemployment protection, however, lags behind, with only 16.7% of unemployed persons receiving

unemployment benefits. Countries such as Argentine, Brazil and Chile have achieved universal social protection for children, Canada and Uruguay have implemented universal coverage of mothers with newborns, universal coverage of persons with disabilities in Brazil, Chile, Uruguay, United States and universal coverage for old-age pensions in Argentina, Plurinational State of Bolivia, Canada, Trinidad and Tobago, United States. While significant progress has been made, efforts to strengthen social protection systems, including closing coverage gaps and reinforcing social protection floors as well as enhancing the adequacy of benefits, remain a key priority in the region. Central government social spending rose between 2011 and 2016, reflecting its increasing importance within national development strategies, but this growth has tapered off in the past few years. OECD countries spend over 30% of GDP while in Latin American, countries averaged only 11.2%. It is crucial to increase social spending to regain a path towards reducing poverty and inequality amid uncertain global conditions. Universal policies in education, health and social protection contribute not only to social inclusion, but also to strengthening human capacities, increasing productivity and economic growth. It is imperative to strengthen the simultaneous implementation of social and labour inclusion policies so that universal coverage can be reached all throughout the region. Equality as a foundational value of development and as a non-negotiable ethical principle, centre on a rights-based approach.

