

policy brief

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CROSSING THE THRESHOLD OF REGIONALISM

Can We Meet the Social Cost of Integration in Southern Africa?

Summary

This policy brief reviews social security systems in southern Africa. In the context of increased cross border migration as a result of deeper regional integration and deteriorating living conditions in some countries, the brief examines the possibility of social benefits for migrant workers in southern Africa being portable across countries in the region.

Migrant workers are an asset to every country where they bring their labour. Let us give them the dignity they deserve as human beings and the respect they deserve as workers.

Juan Somavia, Director General of the International Labour Organisation, 2007.

Access to long-term social security such as pension and health care benefits are of particular concern to migrant workers. They generally lose any benefits that may have been accrued in a host country if they move back to their country of origin after their work period. In a context where labour migration is big, and set to increase with deeper regional integration, the possible portability of social benefits for migrant workers across countries in the region becomes an important social protection mechanism.

That is, the ability of migrant workers to move with such benefits between host countries and back to their home country.



¹ Cruz, Armando T. 2004. "Portability of Benefit Rights in Response to External and Internal Labor Mobility: The Philippine Experience." Paper presented at the International Social Security Association (ISSA), Thirteenth Regional Conference for Asia and the Pacific in Kuwait, March 8-10.

Portability in this context is understood as the migrant worker's ability to "preserve, maintain and transfer acquired social security rights" independent of nationality and country of residence¹.

The administrative procedures associated with portability mainly refer to the totalization of periods of insurance in the host and the home country to determine the migrant worker's pension benefits in both countries, the extraterritorial payment of pensions, and transfers between authorities in both countries to guarantee continued coverage for migrants.

Any meaningful regional social protection system should integrate social assistance with social services and ensure that migrant workers do not fall below acceptable minimum standards of social security, regardless of residence.

This policy brief raises the importance of such a regionally-focused social security system as an important instrument for improving the quality of life for migrant workers; thereby contributing to overcoming poverty and more effectively managing the movement of people between countries in the region.

The current trend shows that the ideals of social justice and equity, which are a strong basis for poverty reduction efforts, are being undermined due to the absence of a regional framework for the portability of social benefits of migrant workers.

Also, by failure to coordinate efforts at the regional level to address the social costs associated with economic adjustments for deeper regional integration.

The Southern Africa Development Community (SADC) committed itself to promoting social protection in Article 10 of the SADC Charter of Fundamental Social Rights. It affirms that:

- Member States shall create an enabling environment so that every worker in the region shall have a right to adequate social protection and shall, regardless of status and the type of employment, enjoy adequate social security benefits;
- Persons who have been unable to either enter or re-enter the labour market and have no means of subsistence shall be entitled to receive sufficient resources and social assistance.

SADC has also developed a Code on Social Security to provide guidelines for the development and consolidation of social security. Article 4.1 of the Social Security Code says that everyone in SADC has the right to social security. The Code includes different forms of social security. It also emphasises protection against collective risks and the establishment of an independent monitoring mechanism.

While SADC member states have been consolidating their social protection systems since the end of colonial rule, social protection systems in the majority of the countries have not provided an effective buffer against poverty. Social protection instruments being used in SADC are not adequately responsive to the socio-economic circumstances of the region. But more importantly, these benefits are not portable by migrant workers when they return to their home countries especially those related to social insurance.

The consequence is that, in a context of increased cross-border migration, the majority of migrants lose their social insurance contributions when they return home.

This policy brief makes the case for the development of a comprehensive framework for the portability of social benefits for migrant workers in the region that will ensure that, when migrants work in a host country, they can access social benefits and, when they return to their home countries, they do not lose the social benefits that they may have accrued in the host country.

Introduction

Southern Africa is characterised by high levels of job seeking migrant workers. Migration has increasingly characterized the southern African region and will continue to do so in light of SADC's regional integration agenda. Labour migration in Africa has a long tradition. Large-scale migratory movements preceded the colonial division of the region and have generally ignored national boundaries since political independence.

Migration provides opportunities for people to enhance their skills, transfer knowledge and deepen and share their cultural experiences.

In the less developed parts of the SADC region, where most migrants come from, positive contributions of migration are reflected in remittance flows, investments, technology and critical skills development through return migration and other contributions of communities.

Many African countries are now both countries of origin and host countries for migrant workers. According to the International Labour Organisation (ILO), at the beginning of the 21st century the total number of people living outside of their countries of origin worldwide was estimated at over 150 million, of which the ILO counts some 100 million as migrant workers and their families. From the ILO's estimates, Africa has among the largest numbers of migrant workers – about 20 million people, or about one-fifth of the global total¹.

Labour migration in SADC shows an upward trend to South Africa, Namibia, and Botswana – the relatively richer countries in the region. These movements do not only include mining and agricultural workers but also professionals and skilled workers (See Table 1 below).

Table 1: Typology of current international migration in southern Africa according to typical characteristics and country of origin/destination

Type of migration	Description of migrants	Country	
		Origin	Destination
Permanent	Permanent residents Naturalised citizens Amnesty beneficiaries	Non-African sources; rest of southern Africa and Africa, Asia and Europe	Botswana, South Africa and Namibia
Labour	Unskilled/semi-skilled Skilled/professional	Rest of southern Africa Rest of southern Africa and Africa	South Africa (for mines and farms) Botswana, South Africa and Namibia
Refugees and Asylum seekers	Fleeing home country	Zimbabwe Namibia Swaziland Botswana South Africa	Botswana, South Africa Botswana, South Africa
	Repatriated/returning home	Rest of southern Africa Rest of Africa	South Africa Namibia, Zimbabwe South Africa South Africa, Namibia
	Clandestine (undocumented, trafficked/ smuggled)	Mozambique Zimbabwe Swaziland Non-African sources	South Africa South Africa South Africa South Africa
Undocumented/ illegal/ clandestine/ irregular/ unauthorised	Migrants lacking documents authorising stay/residence; 'overstayers'; amnesty defaulters for refugee Or asylum status	South Africa and Botswana	Rest of southern Africa Rest of Africa
Itinerant traders and business persons	Women traders; smugglers of goods; drug dealers; small arms dealers	Various countries	Various countries

Notes: Temporary contract workers; temporary professional transients, 'brain circulation'; including 'clandestine/ illegal workers' [after Appleyard 1991].

Source: Adapted from Oucho 2006:50, Table 3.1

¹ ILO Africa Labour Migration Policy Initiative, Social Protection Sector, Ouagadougou, April, 2002.

Table 2 below shows an upward trend in the total workforce in the South African mines from some SADC countries between 1990 and 2006. After 1994, legal contract migration to the mines and farms of South Africa from Botswana, Lesotho, Mozambique, and Swaziland continued to rise. The size of the South African mining workforce dropped from 376,000 in 1990 to 230,000 in 2000, due to a stagnant gold price and rising costs which forced many mines to close and downsize in the 1990s.

With higher gold prices in 2006, however, the workforce rose again to around 268,000. Mining companies increasingly subcontracted core production functions. Over 15 percent of the mining labor force worked for contractors by 2000 according to a study of subcontracting published by the Southern Africa Migration Project (SAMP). Retrenched Mozambican and Lesotho miners were an important source of new labour.

Non-South African migrants became a larger proportion of the mine workforce, rising from 47 percent in 1990 to nearly 60 percent by 1999. In particular, Mozambicans' share of the mine workforce increased from 12 percent in 1990 to 25 percent in 2000.

As seen in Table 2, the South African gold mining industry entered a period of renewed expansion after 2000. The mining companies fought hard to keep their right to hire foreign contract workers without government interference.

A SADC Today report of 1999 notes that without cheap migrant labourers over a sustained period, South Africa's key gold mining industry and farming would probably not have been developed to the level that it did over the years. It adds however, that there has been little or no public recognition of this fact².

Table 2. Sources of Migrant Labor on the South African Gold Mines, 1990-2006

Year	South Africa	Botswana	Lesotho	Mozambique	Swaziland	% Foreign	Total
1990	199,810	14,609	99,707	44,590	17,757	47	376,473
1991	182,226	14,028	93,897	47,105	17,393	49	354,649
1992	166,261	12,781	93,519	50,651	16,273	51	339,485
1993	149,148	11,904	89,940	50,311	16,153	53	317,456
1994	142,839	11,099	89,237	56,197	15,892	55	315,264
1995	122,562	10,961	87,935	55,140	15,304	58	291,902
1996	122,104	10,477	81,357	55,741	14,371	58	284,050
1997	108,163	9,385	76,361	55,879	12,960	59	262,748
1998	97,620	7,752	60,450	51,913	10,336	57	228,071
1999	99,387	6,413	52,188	46,537	9,307	54	213,832
2000	99,575	6,494	58,224	57,034	9,360	57	230,687
2001	99,560	4,763	49,483	45,900	7,841	52	207,547
2002	116,554	4,227	54,157	51,355	8,698	50	234,991
2003	113,545	4,204	54,479	53,829	7,970	51	234,027
2004	121,369	3,924	48,962	48,918	7,598	47	230,771
2005	133,178	3,264	46,049	46,975	6,993	43	236,459
2006	164,989	2,992	46,082	46,707	7,124	38	267,894

² www.sardc.net/editorial/sadctoday/v2-6-04-1999/v2-6-04-1999-7.htm

Recent developments in SADC are also seen to be a cause of the increase of people migrating to South Africa, Botswana and Namibia – as a result of poverty, economic pressures and political instability in their countries. Political instability in Zimbabwe coupled with dwindling investor confidence have resulted in poor performance in key sectors of the economy. In response to this, most industries have down-scaled operations or, in some cases, closed down. This has resulted in high unemployment levels and greater “informalisation” of the economy. Consequently, a massive skills flight to the region and beyond. In addition, power shortages being experienced in the region have depressed productivity thereby squeezing the demand for labour.

Other causes of migration include:

- Employment opportunities created by the 2010 World Cup soccer tournament to be hosted by South Africa and attendant labour requirements particularly in the construction industry;
- Firming international prices of gold, platinum, nickel and copper, which have boosted performance in resource based industries;
- The adverse effects of intermittent droughts and floods precipitated by climate change. Agro-based economies have been negatively affected by erratic rainfall and floods, with debilitating effects on downstream agro-processing industries; and
- The end of civil wars and the subsequent restoration of political stability in Angola and Mozambique have firmly re-oriented these economies on a sustainable growth and development path resulting in more job opportunities being created. In the case of Angola, the refurbishment of infrastructure such as roads, bridges, and buildings destroyed during the civil war, have created vast employment opportunities for both the local and immigrant populations.

Between 1990 and 2004, the number of people visiting South Africa from neighboring countries increased from 1 million to 5 million people³. During the same time, approximately 2 million Zimbabweans entered Botswana to look for jobs⁴. However, this development has put a lot of pressure on the host governments, most of which have no proper systems and programmes to adequately absorb the large numbers of migrant people from other countries especially in relation to provision of social services, employment opportunities and security.

Despite the economic performance of some SADC members states remaining robust with growth averaging 6.4 per cent in 2007, which was 0.5 percentage points above the 2006 level⁵, poverty continues to affect women, children, and the elderly in a disproportionate way. Approximately 45% of the 250 million people in SADC still live on less than USD1.00 a day. Most of them have no access to safe water, sanitation, or essential health services and do not know how to read and write.



Most SADC countries have young populations on average. This raises the added challenge of social security for this large and vulnerable group and their caregivers.

Also, the majority of the region’s population still lives in rural areas. Because they are not employed in the formal labour market, they are excluded from social security coverage in most countries in the region.

Women constitute the majority of the people most affected. This gives the lack of social security coverage a particular gender dimension.

³ Verduijn, L, (International Organization on Migration), A Response to the Regional Human Security Impact of Attacks on Immigrants in South Africa Meeting, 10th June, 2008, Maputo, Mozambique.

⁴ Jankie,G, (Botswana Council of Churches), A Response to the Regional Human Security Impact of Attacks on Immigrants in South Africa Meeting, 10th June, 2008, Maputo, Mozambique

⁵ SADC Economic and Business Environment Outlook for 2007, TIFI Directorate , January 2008

Efforts to develop comprehensive social security systems within SADC are generally being hampered by economic factors such as limited productivity, persistently high inflation rates, high and increasing informal sector employment, extremely high levels of income inequality, very low life expectancy, somewhat high birth rates, divergent patterns of retirement provisions, and serious governance weaknesses facing emerging democracies with weak subsystems for public administration⁶. Weak and undeveloped systems of governance pose enormous challenges to efficient administration⁷. The high levels of unemployment and underemployment, as well as the inadequacy of current labour and social protection standards, mean that social protection in the region is very weak⁸.

The possibility of addressing cross border migration in relation to access to, and portability of, social protection benefits may seem farfetched but it is crucial to explore different ways of developing a comprehensive social security system for the region.

The challenges faced by migrant workers

Migration is a highly charged issue particularly in relation to labour – in most parts of the world.

Migrants have, in one way or another, been viewed as a threat by the host society in terms of competition in accessing jobs and social amenities or as criminals or terrorists⁹.

Other problems include exploitation of vulnerable migrants who are afraid to report violations of their rights by employers; undermining of labour laws since irregular migrants are used to undercut local workers, and growing hostility towards migrants often leading to violence against them.

This has exposed migrants to various forms of abuse, exploitation, discrimination and xenophobia. The most affected are women.



Many female migrants are illiterate and unskilled and often have limited knowledge about and access to information regarding their rights. Hence, women migrant workers face a triple vulnerability: as women, as foreigners, and as unskilled workers. They are often exposed to abuse and exploitation such as social isolation, sexual harassment, and sexual and physical violence.

Although governments, research institutions, labour organizations, business and civil society are attempting to weigh the costs and benefits of labour migration and to formulate appropriate regional policy responses, the process is taking place within a politically charged atmosphere characterised by growing hostility towards foreigners in the region.

⁶ Fultz, E. and Pieris, B. Social security schemes in southern Africa: An overview and proposals for future. Development ILO/SAMAT 1999, pp. 7-12.

⁷ Ibid.

⁸ Olivier, M. Regional social security: Are innovative developments in southern Africa relevant to the European experience? Paper presented at the EISS (European Institute of Social Security) Annual Conference, Bergen, Norway (unpublished paper, September 2001).

⁹ Chipangula, Eunice, need for concerted efforts in migration management, Wednesday, October 24, 2007



Regional portability and access of social benefits: key issues

The increasing labor mobility within SADC raises questions about social protection for migrant workers. It seems that given the atypical lifecycle of migrant workers, they require special provisions with regard to the various instruments for social security. Although many regional migrants probably leave their home country with no intention to return, a significant share of them in fact decide not to permanently stay in their host country and eventually return to their country of origin. The current return migration ratio for countries of the Middle East and North Africa (MNA)¹⁰, for example, suggests a rate of well above 30 percent. With improvements in communication and transportation, the temporary movement between SADC countries – and return migration – is likely to increase.

SADC governments of host countries and countries of origin may want to encourage return migration of temporary migrants for various reasons. Home (or migrant sending) countries may see return migration as highly beneficial for their development, essentially through remittances of production factors, including investment capital, return of human capital, and transfer of knowledge and skills. However, the lack of portability of long term social security benefits hinders return migration. After paying contributions to the social security system of the host country for several years, many migrants are incentivized not to return home by the potential loss of these contributions.

In most southern African countries, the national law of the host country or bilateral agreements between the host and the home country do not include provisions that allow the migrant worker to keep the social security entitlements she accrued during her stay in the host country. She loses a substantial amount of the income earned while working in the host country. Such an income loss might very likely prevent the migrant from returning to her home country.

Governments of the host (or migrant-receiving) countries in SADC may support return migration to stress the temporary nature of migration for political reasons. Temporary migration is already under discussion in the SADC protocol on the free movement of people. However, a migrant worker who is certain of returning to his home country at some point but may not be able to keep his benefits and therefore has a strong incentive to avoid paying social security contributions during his stay in the host country. In consequence, such migrant workers may seek to participate in the informal sector of the host country instead of the formal sector, making their economic activity extremely difficult to monitor and regulate. Enhancing the portability of long-term social security benefits may therefore be a very useful tool for host countries to encourage migrants to participate in the formal sector and discourage irregular migration.

Current social protection systems in SADC

Although some SADC member states have developed social security systems, these have remained at different levels of development as far as the provision of social protection is concerned. The landscape reveals that the few social protection schemes that exist are disjointed, fragmented and offer only basic social protection – and are not yet portable within the region.

¹⁰ Robert Holzmann, Johannes Koettl and Taras Chernetsky; Social Protection, Human Development Network, The World Bank, Sept. 2005.

Table 3: Social security systems in Southern Africa: a Comparative Assessment

Type of Scheme	Contingencies	Botswana	Lesotho	Malawi	Mauritius	Mozambique	Namibia	South Africa	Swaziland	Tanzania	Zambia	Zimbabwe
Mandatory Savings Schemes (Mainly by national provident funds)	Old Age								X	X	X	
	Disability								X	X	X	
	Death								X	X	X	
Non-Contributory Schemes	Old Age				X		X	X				
	Disability	X			X		X	X				
	Foster Care (Children)							X				
	Widowhood				X							
	Orphans/Child Support				X			X				
	War Veterans	X					X					
Social Insurance	Old Age				X	X				X	X	X
	Disability				X	X				X	X	X
	Survivorship/Death				X	X	X MSD	X UIF		X		X
	Sickness					X	X MSD	X UIF		X	X	
	Unemployment							X UIF		X	X	
	Maternity						X MSD	X UIF		X	X	
	Adoption							X UIF		X	X	

Note: X denotes the existence of a scheme: Source: Transforming the Present – Protecting the Future, Chap. 15: Social Security within a Regional Context, p151 – Consolidated Report. Note: MSD - stands for Maternity leave, Sick leave and Death benefits Fund. UIF - Unemployment Insurance Fund.

Table 2 shows that several SADC countries have social assistance schemes, some of which migrant workers, depending on their resident status in the country, may have access to – such as disability, death and sickness. Portability of these benefits across the region can apply but not to non-contributory schemes.

In some countries, like South Africa, migrant workers can not access UIF. Although social protection systems in some countries like Botswana, South Africa and Mauritius cover, to some extent, the poor, particularly destitute members of society who are unable to meet their basic needs such as food, shelter, education and health and the most vulnerable in society, the rest of the region’s social security systems remain underdeveloped.

Most countries in the region rely too heavily on social insurance as a social protection instrument. However, social insurance is only oriented towards protecting workers in formal employment. Under this system, the people that benefit from social security are only those who are employed in the formal sector, leaving the majority of the population excluded from social security provisions. For example, in Tanzania the existing social insurance schemes are said to cover only 5.4 per cent of the labour force of 16 million people¹¹. The picture is not much different in many other southern African countries.

¹¹ National Social Security Policy (Ministry of Labour, Youth Development and Sport, Dar-es-Salaam, 2003), para 2.1.

In cases where non-contributory schemes are available, a heavy reliance on general tax revenues strains government finances, keeping benefits at low levels in most countries. Social security payments are not adequate to meet basic needs.

Those in the formal sector who have to provide – either directly or indirectly – the economic basis for successful social security programmes, whether it be through their direct contributions to social insurance schemes or through their contributions to tax-based social assistance programmes, often constitute a small and in some cases a declining percentage of the total population. In fact, this type of cover is often further limited in that only certain categories of the formally employed, such as government employees, benefit from social security schemes set up to deal with particular contingencies¹². The impact is that large segments of the population – in most cases the majority of the population – have no social security coverage from the formal system.

Increasingly, social security systems are being forced to contend with the increasing economic and labour market pressures in the formal and informal sectors.

This puts complex demands on the SADC governments. The nature of the interface between economic and labour developments and social security imperatives depends largely on the economic status of a country¹³. For example Zambia, Tanzania, Mozambique, Malawi and Lesotho, in which there is significant economic growth, there are no serious efforts to absorb increases in the labour force, let alone at a pace that would address the backlog of existing unemployment and underemployment. Countries like South Africa, Namibia, Botswana and Angola, which are endowed with substantial economic rents and resources, have to contend with increasing numbers of poor people and rising inequality.

Options for social protection for migrants workers

According to Robert Holzmann, Johannes Koettl and Taras Chernetsky, in their 2005 report on portability regimes of pension and health care benefits for international migrants: an analysis of issues and good practices, there are four regimes of social protection that can allow for access of migrants to social protection in the host country and the portability of entitlements back to the home country:



Access to social security benefits and advanced portability regulated by bilateral agreements between the migrant-sending and receiving country:

With bilateral agreements in place, migrant workers should not encounter, in principal, any discrimination with regards to social security benefits, and transferability of acquired rights should be guaranteed. Nevertheless, not all bilateral social security agreements cover all benefits, so the degree of portability may vary within this model.

Access to social security benefits in the absence of bilateral agreements:

In this case, the national social law of the migrant-receiving country alone determines if and how benefits can be accessed after the return to the home country. In addition, the national social law of the migrant-sending country may grant benefits to returning migrants. This is obviously a broad category with a varying quality of portability, as the national social law varies greatly across countries. Most legal migrants who do not benefit from bilateral agreements fall under this category.

¹² Ibid.

¹³ Mhone,G, in Social Protection in SADC: An Integrated and Inclusive Framework, CILASS and Institute of Development and Labour Law ,UCT, 2004



No access to portable social security benefits:

Migrants cannot, even on a voluntary basis, contribute to long-term benefits like old-age pensions in the host country. Access to short-term benefits like health care might be granted, but no provisions for the portability of those short-term benefits exist. The reason why this constitutes a separate regime is that in fact it allows migrants to make provisions for long-term benefits elsewhere, like participating in old-age pension plans from private insurance companies or the public pension system of their home country.

Undocumented but legal migrants who participate in the informal sector of the host country:

These migrants have very limited access to social protection, if at all, and typically have no acquired and portable rights to long-term benefits.

In SADC, these regime options are not available. The scope and reach of the social benefits to incorporate remains too uncoordinated across the region to take account of the special needs of migrant workers. Most SADC countries grant full equality of treatment to third country nationals only after awarding them long-term or permanent residence status. The requirements for permanent status, though, vary across the region.

SADC countries have not negotiated bilateral social security agreements to enhance the cooperation between the social security authorities of the countries involved and to ensure the adequate portability of contributions and entitlements of migrant workers and their families.

This is a policy gap that should be high on the agenda of SADC in order to protect people, especially given the increased movement of labour across national borders due to regional integration.

An example of such an arrangement is Morocco, which has concluded various bilateral social security agreements with a number of European countries on the transferability of pensions and health benefits. Morocco recently signed a multilateral Euro-Mediterranean agreement with the European Union (EU), which includes far-reaching stipulations on the portability of social security entitlements for Moroccan migrants who work and live in the EU¹⁴. Moroccan migrants are mainly going to Europe, and France is by far the most important host country for Moroccan migrants. The return rate of Moroccan migrants from, for example, Germany back to their home country is more than 50 percent.

Another example is the Philippines, one of the main migrant labour suppliers in Asia with an extensive overseas community throughout the world. The Philippine government pursues an active emigration policy to place its migrant workers in various countries around the world¹⁵. The government seeks cooperation with its main migrant-receiving countries (the United States, Saudi Arabia, Malaysia, Canada, and Japan) but at the same time also tries to foster transnational ties between its overseas communities and the home country. Two examples of that effort are to offer continuous coverage under the Philippine social security system while staying abroad, and to conclude bilateral social security agreements with the main destination countries for Philippine migrants.

SADC member states should ensure that such bilateral arrangements are negotiated and developed within a comprehensive regional social protection framework.

¹⁴ Robert Holzmann, Johannes Koettl and Taras Chernetsky; Social Protection, Human Development Network, The World Bank, Sept. 2005.

¹⁵ *ibid*



Policy Recommendations

Developing a comprehensive approach to social security in SADC

Deeper regional integration in SADC, boosted through the proclamation of a free trade area in August 2008 and a SADC Customs Union planned for 2010, will be accompanied by an increase in cross border labour migration.

Notable in the SADC Charter of Fundamental Social Rights is the objective to achieve development and economic growth, alleviate poverty, enhance the standard and quality of life of the peoples of southern Africa and support the socially disadvantaged through regional integration. Such an objective must include developing viable social protection measures and structures throughout the region. Regional collaboration is essential to achieve consensus on the principles and values that inform measures to support worker mobility, rights and conditions across the SADC region.¹⁶

Bilateral agreements should be explored to ensure access and portability of social benefits by migrant workers.

With these bilateral agreements in place, migrant workers should not encounter legal discrimination on social security benefits and the portability of social benefits should be guaranteed. However, a comprehensive regional social protection framework is required to ensure proper coordination and harmonization of social security systems across the region.

The implementation of such a regional framework would need to take into account the need for macroeconomic convergence across the region focusing on currency convertibility, alignment and/or stability.

In order to address specific labour migration concerns in line with SADC's and the New Partnership for Africa's Development (NEPAD) agendas, the ILO is establishing an African Labour Migration Policy Initiative aimed at assisting countries to develop policy frameworks and effective practical structures and mechanisms. Particular emphasis will be on improving data on actual conditions and needs, identifying model practices, building capacity to manage the relevant issues, and providing technical assistance to tripartite partners – both at national and regional levels. SADC should explore synergies with such efforts.

The ILO has also been considering the development of a comprehensive foreign employment policy to manage the outflow of migrant labour from most developing countries. Similarly, many host countries stress their need for comprehensive immigration policies that would help manage irregular inflows and reduce unregulated employment of migrants. Until now, little research, data collection or elaboration of frameworks necessary for the development of effective national policies has been done at national or regional levels.

¹⁶ Taylor, V. Social Protection Challenges in Southern Africa, No.2, 2001.

Integrating social assistance with social services

Mot social assistance programmes in SADC have failed to coherently integrate social assistance programmes such as cash transfers with exemption of the poor from user fees for basic social services. What this means is that many beneficiaries end up using social assistance transfers to pay for basic social services. The Studies in Poverty and Inequality Institute (SPII), says, in relation to South Africa, that “the cutting of income taxes and the budget deficit reduces the state’s available resources that it could instead allocate to greater poverty eradication programmes. The state’s response to this has been that in order for them to guarantee long term access to these basic rights by the poor, it is essential to have a stable and sustainable economy, and in order to ensure this, it is necessary to adopt more conservative fiscal and monetary policies”¹⁷. This negates the poverty-reducing and developmental impacts of social security grants.

The provision of basic social services such as education and health becomes critical for breaking the cycle of intergenerational poverty. The provision of basic social services therefore, complements the use of social assistance in the fight against poverty but if the poor are not able to afford or even access these services, due to the effects of macro-economic policies, efforts to overcome poverty become futile.

A comprehensive approach to social security means going beyond social protection of the most vulnerable to supporting each citizen to build their social security. Investing in education and health, for example is an investment in human capital formation. Countries such as Botswana and Malawi introduced free primary education in order to improve access to education. Malawi introduced free primary education in 1994/95 and the fruits of this policy shift were reflected in the increase of primary school enrolment from 1.9 million pupils in 1994/95 to 3 million in 1997.

However, despite the introduction of free primary education, about 25 percent of girls dropped out of school for socio-cultural reasons¹⁸. The implications for the social vulnerability of girls must therefore be given particular attention in a comprehensive social protection system.

Strengthening the role of key stakeholders

Social protection is not solely a responsibility of government. It is a shared responsibility between governments and other stakeholders including civil society organisations. However, the overall coordination responsibility rests with national governments. At the national level, governments can play a central role not only in creating an enabling environment for the establishment and well functioning social security systems, but also in providing social services.

The government should also be responsible for the enactment of legislation that provides the framework for social security provision. In addition, the state is responsible for putting in place measures for the enforcement of legislative provisions, including adjudication arrangements.

Civil society organisations, for their part, should promote self-organised mutual aid arrangements. These arrangements should be in response to the absence or inadequacy of formal social protection systems so that the most vulnerable people in society are not continually excluded.

In the implementation of a regionally-focused social security system for migrant workers, it would be crucially important for the following institutions to be involved as key players. These include: central and commercial banks, payment system agencies, governments, non-bank financial institutions and compensation houses/institutions.

¹⁷ SPII, The Measurement of Poverty in South Africa Project: Key issues Working Paper No 1, 2006

¹⁸ Kanyongolo, Social Protection in SADC: Developing an Integrated and Inclusive Framework – A Rights-based Perspective, in Olivier M. P. and Kalula, E. R. (eds) Social Protection in SADC: Developing an Integrated and Inclusive Framework. Cape Town: RAU and UCT, 2003