Social Security for Trade Unions Project

Project SSOS
2010 - 2012 period

Project Management
The ILO’s ITC, ILO’s Bureau for Workers’ Activities
ACTRAV-Turin Labour Education Programme

With coordination by
ILO Regional Office for Latin America and the Caribbean

Funding
State Secretary for Social Security
Spanish Ministry for Employment and Social Security

Partners
Trade union confederations
CCOO
General Union of Workers of Spain (UGT)
Trade Union Confederation of the Americas (TUCA)

www.oit.org.pe/ssos
The reality

The tables below show how in the 2010/2011 period, Latin America has been characterised by strong economic growth (table 1); however, this growth has not been reflected in a corresponding increase in salaries (table 2), nor in a reduction in informal labour (table 3). Therefore, the opportunities for greater investment in social protection given this economic growth have not been taken advantage of (table 4), there are still low levels of contributions towards the social security system (table 5) and regressive fiscal policies continue to be applied (table 6).

### Table 1: Significant economic growth

**LATIN AMERICA (9 COUNTRIES): GROSS DOMESTIC PRODUCT. I QUARTER 2010 - II QUARTER 2011.**

(Percentages)

<table>
<thead>
<tr>
<th>Countries</th>
<th>Variation rate&lt;sup&gt;a/&lt;/sup&gt;</th>
<th>Variation rate&lt;sup&gt;b/&lt;/sup&gt;</th>
</tr>
</thead>
<tbody>
<tr>
<td>Argentina</td>
<td>6.8</td>
<td>11.8</td>
</tr>
<tr>
<td>Brazil</td>
<td>9.3</td>
<td>9.2</td>
</tr>
<tr>
<td>Chile</td>
<td>1.7</td>
<td>6.4</td>
</tr>
<tr>
<td>Colombia</td>
<td>3.7</td>
<td>4.7</td>
</tr>
<tr>
<td>Ecuador</td>
<td>0.4</td>
<td>2.5</td>
</tr>
<tr>
<td>Mexico</td>
<td>4.5</td>
<td>7.6</td>
</tr>
<tr>
<td>Perú</td>
<td>6.2</td>
<td>10.0</td>
</tr>
<tr>
<td>Uruguay</td>
<td>9.6</td>
<td>10.5</td>
</tr>
<tr>
<td>Venezuela (The Bol. Rep. of)</td>
<td>-4.8</td>
<td>-1.7</td>
</tr>
</tbody>
</table>

**Source:** ILO’s official country databases

<sup>a/</sup> Preliminary figures: Varying percentages in relation to the same period of the previous year

<sup>b/</sup> Preliminary figures: Adjusted rates. Varying percentages in relation to the same period of the previous year.
Table 2: Increase in salaries much lower than economic growth

<table>
<thead>
<tr>
<th>Country</th>
<th>Real minimum salary</th>
<th>Average real remuneration</th>
</tr>
</thead>
<tbody>
<tr>
<td>Argentina b/</td>
<td>12.4</td>
<td>9.1</td>
</tr>
<tr>
<td>Bolivia (The Plur. State of) c/</td>
<td>1.8</td>
<td>...</td>
</tr>
<tr>
<td>Brazil c/</td>
<td>6.2</td>
<td>1.3</td>
</tr>
<tr>
<td>Chile</td>
<td>2.4</td>
<td>2.0</td>
</tr>
<tr>
<td>Colombia</td>
<td>1.4</td>
<td>1.1</td>
</tr>
<tr>
<td>Costa Rica</td>
<td>1.0</td>
<td>1.4</td>
</tr>
<tr>
<td>Ecuador</td>
<td>2.7</td>
<td>...</td>
</tr>
<tr>
<td>El Salvador</td>
<td>0.0</td>
<td>...</td>
</tr>
<tr>
<td>Guatemala</td>
<td>1.4</td>
<td>...</td>
</tr>
<tr>
<td>Honduras</td>
<td>9.1</td>
<td>...</td>
</tr>
<tr>
<td>Mexico b/</td>
<td>0.1</td>
<td>0.8</td>
</tr>
<tr>
<td>Nicaragua</td>
<td>5.6</td>
<td>0.6</td>
</tr>
<tr>
<td>Panama b/</td>
<td>1.0</td>
<td>-0.6</td>
</tr>
<tr>
<td>Paraguay</td>
<td>0.2</td>
<td>0.2</td>
</tr>
<tr>
<td>Peru c/</td>
<td>1.0</td>
<td>0.9</td>
</tr>
<tr>
<td>Dominican Republic</td>
<td>-0.7</td>
<td>...</td>
</tr>
<tr>
<td>Uruguay</td>
<td>7.0</td>
<td>0.3</td>
</tr>
<tr>
<td>Venezuela (The Bol. Rep. of) c/</td>
<td>1.2</td>
<td>-2.7</td>
</tr>
</tbody>
</table>

Notes:

a/ To see the coverage of average remuneration used per country, see table 9-A in the statistical annex

b/ Growth rate of average remuneration corresponding to the 2002 - 2010 period

c/ Growth rate of average remuneration corresponding to the 2003 - 2010 period

d/ Growth rate of average remuneration corresponding to the 2000 - 2008 period

e/ Growth rate of average remuneration corresponding to the 2000 - 2009 period

Source: ILO official country databases
Table 3: high rates of “informal labour” both in the “informal and formal economy”, creating deficits in social security coverage.

Latin America (16 countries): Total informal labour. Around 2010 (percentage of non-agricultural labour).

Source: ILO based on country surveys of homes.
a/ Data corresponding to the 2009 survey
b/ Data corresponding to the 2008 survey

NOTE: The explanations of the reach and coverage of the country surveys can be found in the Annex to this section and in the QUIPUSSTAT application.
Table 4: Investment in social protection lower than the opportunities offered by economic growth

Regional estimates of total public social protection as a percentage of GDP, weighted according to the population

Table 5: Limited contributions

Note: Government contributions are only taken into account if they are of a regular nature, funds given by the government in an irregular or discretionary manner are not considered.
Table 6: Regressive taxation

Effects of different forms of taxation on income inequality in a group of selected countries in the Americas

Note: a) includes contributions to social security; b) excludes contributions to social security

The need for SSOS Project

The Spanish government, through its Secretary of State for Social Security of the Ministry for Labour and Social Security, has funded the Project “Strengthening training on Social Security for Trade Unions in Latin America, especially in relation to the feasibility of Social Protection Systems”, promoting the dissemination and exchange of experience of the Spanish Social Security system among various countries in the Region.

Principles and guidelines of the Social Security system underlying Spanish cooperation in the Social Security area:

In accordance with the principles contained in Art. 41 of the Spanish Constitution, it is the responsibility of the political powers and the social agents and partners to ensure in the future a just and fair public pensions system based on solidarity.

Therefore, the Spanish Social Security system, in order to turn this constitutional principle as outlined above into reality, requires a public protective action that ensures adequate protection for all citizens in situations of need, plus stable and adequate economic resources to finance this protective action.

The Spanish Social Security system is based on:

- **Fairness and a contributory system**, strengthening the validity of these principles so that, without prejudicing the principle of solidarity and in a gradual manner, the benefits maintain a greater proportionality to the effort of contributions made.

- Strengthening the **principle of solidarity**, to the extent that the financial situation allows, delivering basic universal health and economic benefits to all those in a situation of need, especially elderly people and those unemployed.

Social Security is a fundamental and universal right which includes all citizens, offering them protection, regardless of their personal and social circumstances. Social Security has become an essential activity and is a fundamental factor in social cohesion.
Training for the transformation

THE FIRST GOAL OF THE PROJECT: strengthening or creation of trade union technical teams within Trade Union Organizations, creation of continent-wide union networks on Social Security and Health and Safety at Work, and the exchange of experiences between trade unions at various levels: national, subregional and regional and also with Spain.

Outcomes:

✓ All countries in which the project is carried out have set up Trade Union Technical Teams in each national centre; already providing notable examples of participation and involvement in defining social protection systems in the region.

✓ Defined a Continental Union Platform on Social Security (PLACOSS): discussion and collective construction process, which emphasizes the importance of ILO Convention 102 as a social security model to be followed, and which was approved by the Executive Board of the Trade Union Confederation of the Americas (TUCA) in 2010.

✓ Direct impact on national agendas, through union action whose greatest achievement is the ratification of Convention 102 in countries such as Brazil, Uruguay and Argentina and which is close to the ratification process in Honduras, the Dominican Republic or Paraguay.

✓ Defining a Continental Union Strategy on Occupational Health for the Americas (ESSLA in Spanish) which emphasizes working conditions and representation rights, taking as its reference points from PLACOSS, ILO Conventions 155, 187 and 161, the ILO's Global Strategy on Health and Safety at Work and the Ibero-American Strategy on Health and Safety at Work promoted by Spain.

With the participation of 26 national centres from the 10 target countries of the project in both processes: Peru (CGTP, CUT, CAT, CTP), Colombia (CUT, CTC, CGT), Honduras (CUTH, CTH, CGTH), the Dominican Republic (CNUS, CNTD, CASC), Argentina (CGT, CTA), Uruguay (PIT-CNT), Paraguay (CUT(A), CNT), Brazil (UGT, CUT, FORZA), Chile (CUT, CAT), Costa Rica (CUSIMA, CTRN and CSJMP).

✓ Synergy of goals and resources working along the same lines, both through the TUCA (ISCOD/UGT and FPyS/CCOO) and the ILO itself (Andean Project to expand coverage and Project FSAL), and the ILO's International Training Centre in Turin, especially the Project on Social Security for Employers Organizations which has made it possible to work with union delegations in Nicaragua, Guatemala, El Salvador, Ecuador and Venezuela and to hold bipartite workshops between employers and workers.
THE SECOND GOAL OF THE PROJECT: Strengthen union participation in ILO tripartite activities.

Outcomes:

✔ Visibility and protagonistic leadership of the labour movement of the Americas; the building process in preparing the ILO Regional Meeting in December 2010 and the coordinated participation of the labour movement of the Americas in the 100th International Labour Conference and the 101st Conference, where a discussion on the adoption of a Recommendation concerning the social protection floor initiative was on the Agenda. The draft submitted to the discussion included, at the request of the labour movement of the Americas, the centrality of work, the importance of the strength and sustainability of decent wages and freedom of association and collective bargaining as part of a rights-based approach that serves to build citizenship that goes beyond the urgent and necessary fight against poverty.
Increase in participation of trade unions in developing reports for the ILO on the Social Security issue, as the following graph taken from questionnaires shows:

Increase in unions’ participation in concrete experiences on Social Security dialogues and in processes of ‘delivering as one’ union action on Social Security. Some concrete examples include: the Team representing workers on Social Security (ERT in Spanish) from PIT CNT in Uruguay, actions by CUTH, CTH and CGTH in Honduras, actions regarding domestic work in the Dominican Republic, among others.
THE THIRD GOAL OF THE PROJECT: Promote gender equality through social security and health and safety at work

Outcomes:

- Inclusion of gender issues in proposals on social security on the agendas of national centres. Defining a training itinerary dedicated to gender and social protection, created as a result of the participation of female trade unionists, and replicable within trade unions, as an instrument to empower unions regarding decent work principles and strategies and to highlight the specific needs of women with regard to social security and health and safety at work.
- Participation of women and their protagonistic roles in the trade union technical teams.
- Review of the Social Protection Floor Initiative from a gender perspective so as to integrate womens’ demands.
- Participation of 530 women in the training activities carried out within the Project (representing 40,6% of total participants).

THE FOURTH GOAL OF THE PROJECT: Facilitating training instruments and tools on Social Security and on Health and Safety at work, to consolidate the trade union technical teams within trade unions so as to improve their technical assistance capacity towards their own organization and also beyond.

Outcomes/Products:

- Specific training itinerary “Social Protection Axis” within the framework of the Decent Work Agenda, integrated and terrelated with the other strategic and transversal axes. It has four different levels, each with corresponding manuals for participants and teaching material for teachers.
- Production of documentation and technical union analysis which serve as an international reference in dealing with the various issues of social protection from the trade union perspective.
- “Social protection and gender” itinerary consisting of three manuals for participants and teaching material for tutors.
- PLACOSS trade union training guide: Input so that national centres in the region disseminate and study more in-depth the strategic lines of the Trade Union Confederation of the Americas on social security issues.
- Guide to intervention on health and safety at work: consultative tool for union action within companies.
SSOS Project - 2010-2012 Period

✓ **Database on International Labour Standards concerning Health and Safety at Work**
  which includes 19,300 searches where one can search by keyword, standard, article, paragraph, subparagraph, annex and point of each annex, sanctions and country that has ratified the Conventions and Protocols.

✓ **Project web page** with more than one hundred thousand consultations annually, containing all information about the project as well as a statistical base and bibliographical references (www.oit.org.pe/ssos), and an electronic newsletter.

**ACTIVITIES**

**Seminars, workshops, training courses and various outreach events**, at national, subregional and regional level, as well as distance learning activities: 56 activities in total have taken place. Notable among the issues addressed were those related to:

- Health and Safety at work,
- Governance and financing of social security,
- Social protection floor,
- Social protection and domestic work, and
- Extension of social security with a gender focus.

**PARTICIPANTS**

The project has reached some 1,310 participants through the activities of which 530 were women – 40.6% - a percentage that has been maintained in the different types of activities:

✓ 15 regional activities: 159 participants - 66 women.
✓ 8 subregional activities: 161 participants – 59 women.
✓ 24 national activities: 791 participants - 322 women.
✓ 7 distance learning activities: 199 participants - 83 women.
CONCLUSIONS

✓ Exchange of experiences and support among the trade union technical teams.
✓ Campaigns in various countries on ratification of ILO Convention 102 concerning minimum standards in social security; resulting in Latin America being the Continent with the highest number of ratification of Convention 102 in recent years.
✓ The SSOS Project has become an important reference point which has ensured:
  ■ that Social Security remains a high priority for unions.
  ■ ‘delivering as one’ union action of national centres and across the continent.
  ■ strategic alliances at national level: strengthen consultation mechanisms between national centres and creating new alliances between other civil society organizations.
  ■ the strengthening of international trade union cooperation networks: regular and continual exchange of information.
  ■ the capacity to engage, both with trade unions in other countries and from other continents, and to coordinate efforts on Social Security with other Projects that are being carried out in the Region, which has resulted in an increase in the coverage of beneficiaries.
  ■ an important contribution to the Decent Work Country Programmes and in general to ILO policies for Latin America, creating important synergies with other programmes and initiatives.
Outlook

The obvious progress made in Latin America with regard to representation and competencies in social security which have been translated into purposeful capacities for the labour movement, calls for continuity of the process already started, as well as the transfer of this valuable experience to other regions, through:

- **Multilateral support for the third phase of the Project** for the 2012-2015 period, in response to the obvious benefit of extending the current experience to African countries, involving active Latin-American participation in developing it in both continents.

- **Sustainability and stability of current achievements**: the imminent adoption of a recommendation concerning social protection floors is an opportunity and a challenge for the labour movement to actively participate in the necessary extension of social protection coverage. The process of collective construction used in Project SSOS with TUCA clearly highlights certain elements that set the agenda for a “third generation”. Future challenges need to incorporate the characteristics of the trabituaria structure in the training process, as well as an analyse of the types of contracts which circumvent labour relations, among other issues. Both elements are of utmost importance in ensuring the necessary contributory factor to allow the progress in extending coverage to steadily contribute to social cohesion.

- **Interregional homogenity of the decent work concept**: the remarkable progress generated by the project in terms of the comprehensiveness of the four dimensions of decent work, will become fully efficient if these standards are common to the entire labour movement. This is the key in seeing decent work as a key element in a sustainable development model. All of this combined with the necessary support and reference from the labour movement of the Americas, with the support of the ILO’s national, subregional, and regional Offices, as well as the respective experts in each tematic area and in particular ACTRAV (subregional, regional and in Geneva) whose support is essential in organizing the work of the project and ensuring it coincides with the Decent Work Country Programmes.
“The participants’ experiences allow us to “move to the concrete stage”. This happens when you make something concrete, to see the problems of social security reflected in the experience of participants or their work colleagues leaves us with the knowledge that all these analysis, studies and reflections are worthwhile, but that in themselves they are not enough. One has to get in touch, submerge oneself in the workers’ problems so that social security as a union issue acquires all its dimensions. Then, we can also move on to an analysis that allows us to think not only about the bigger pieces of the social security model that we wish to have, but also see how it is possible to progress “little by little”, correcting issues that may seem trivial but that in reality affect the right of many workers and their families.”

(D,G, Participant)