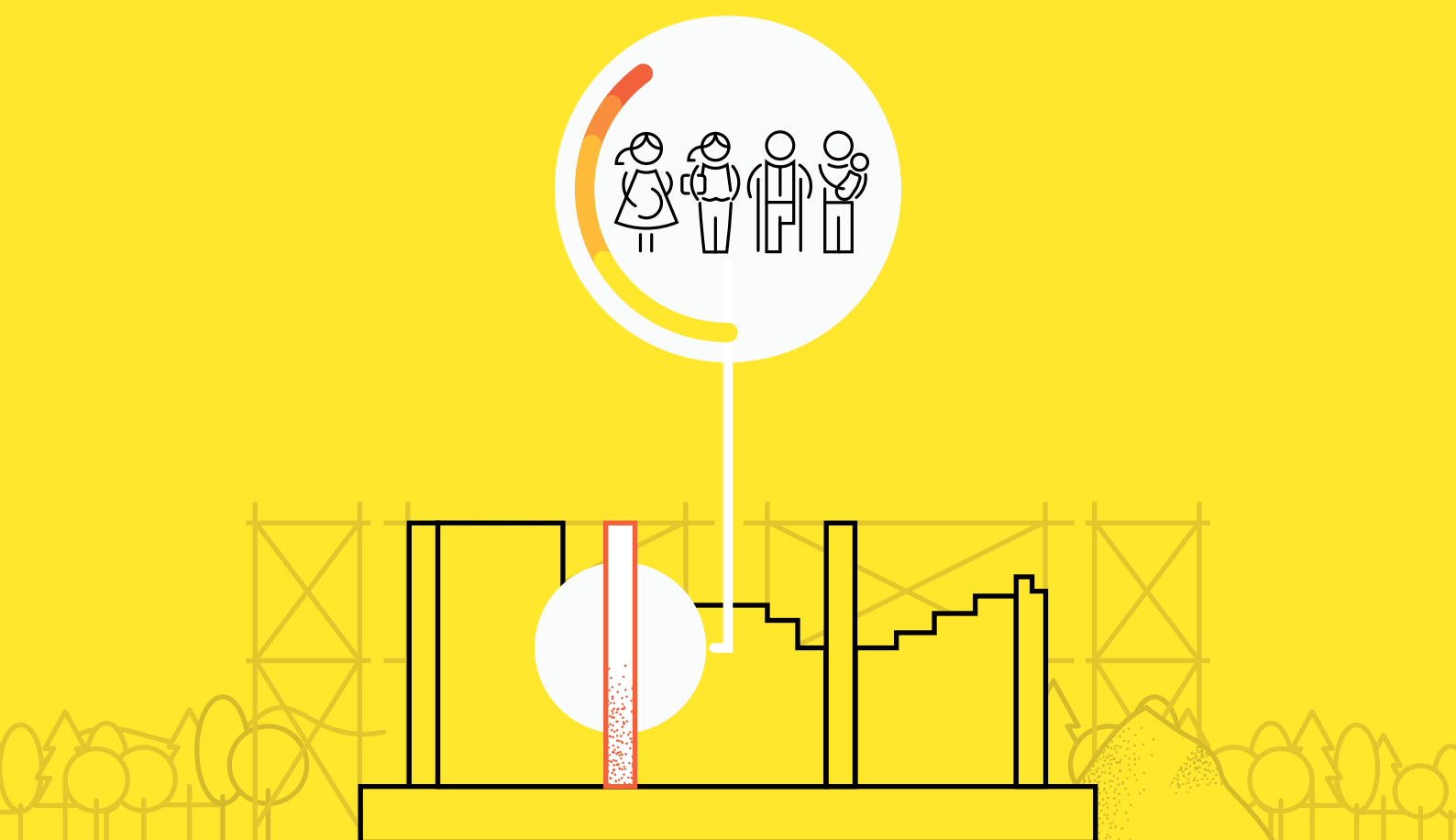


Chapter 4

Protecting women and men of working age: building a productive workforce



Social protection plays a key role in protecting people of working age in the case of events that may limit their ability to earn a living. Related contingencies are parenthood, caring obligations, unemployment, employment injury, sickness and disability. The COVID-19 pandemic is highlighting related gaps, particularly in unemployment and sickness benefits.

4.1 Parental benefits and benefits related to childbirth

The birth of a child is a precarious experience for parents, children and wider family members.

Ensuring income security and access to health care during this time is critical. Income security can be promoted through maternity and paternity leave benefits, which apply to the period around the birth of the child. Parental leave benefits, on the other hand, which usually follow the period of maternity or paternity leave.¹⁰⁰ Cash benefits need to be accompanied by effective antenatal and postnatal health care, discussed in chapter 6.¹⁰¹

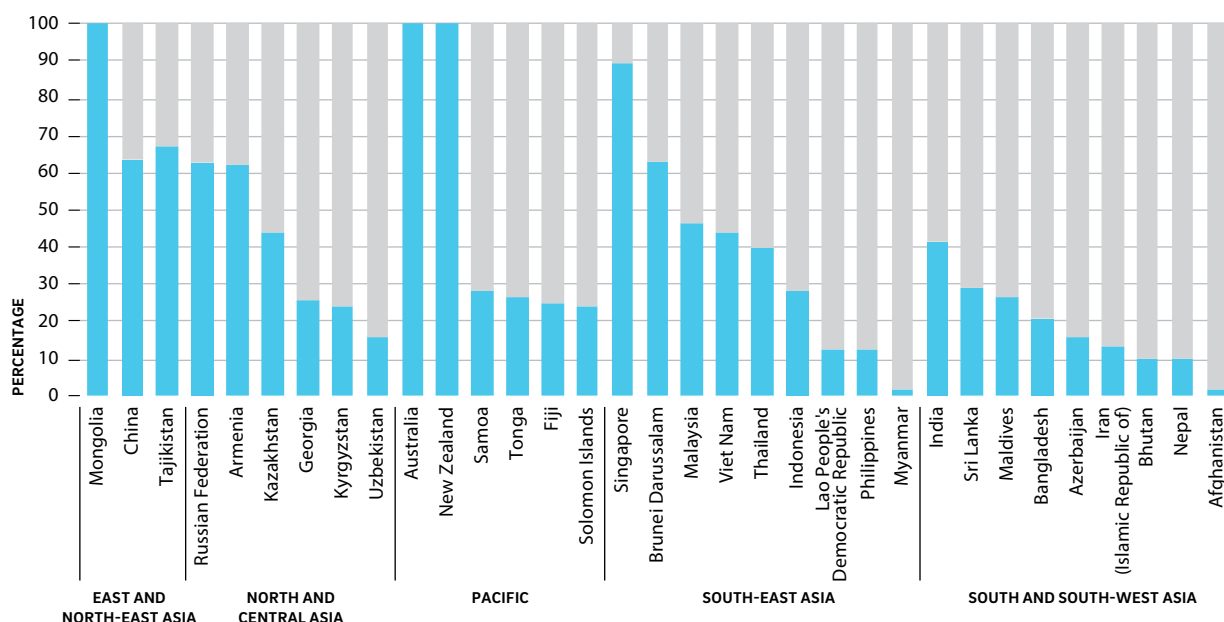
Maternity benefits prevent women from working during the very late stages of pregnancy and returning to work prematurely, which could expose them and their children to avoidable health risks. An effective mix of maternity, paternity and parental leave supports gender equality through a more even distribution of childcare responsibilities between the parents. It also promotes women's participation in the labour force, while giving parents the opportunity to spend more time with their child.¹⁰²

4.1.1 Insufficient coverage cements gender inequality

Maternity cash benefits mainly cover women in formal employment. Only nine countries in the Asia-Pacific region extend cash benefits to the majority of women. This is because maternity benefits are mainly provided through contributory schemes or employer-liability arrangements (figure 4.1).

FIGURE 4.1 Coverage of maternity benefits is low throughout the region

Percentage of women giving birth and receiving maternity cash benefits, by country, latest available year



Source: International Labour Organization, World Social Protection Database. Available at <https://www.social-protection.org/gimi/ShowTheme.action?id=10>.

100 Workers may also be eligible for unpaid leave for longer periods. This chapter focuses on the income security provided by paid leave.

101 Willem Adema, Chris Clarke, and Valérie Frey, "Paid parental leave: lessons from OECD countries and selected U.S. states". OECD Social, Employment and Migration Working Papers, No. 172 (Paris, OECD Publishing, 2015).

102 Ibid.

Reliance on employer liability schemes is problematic for women’s engagement in the labour force. Unlike schemes financed by contributions or taxes in which the costs of maternity are distributed across workers, employers and wider society, employer-liability schemes place the full responsibility and economic cost on employers. If an employer believes that hiring a woman might increase the likelihood of having to pay a future maternity benefit, he or she may be reluctant to hire a woman of childbearing age.¹⁰³

Non-contributory schemes are important for extending coverage of maternity benefits. A handful of countries in the region, such as Armenia, Australia, India, Kyrgyzstan, Mongolia and New Zealand, have established non-contributory maternity benefit schemes. In Mongolia, under the Social Welfare Scheme, maternity benefits are provided to all pregnant women and mothers of infants from the fifth month of pregnancy for 12 months, regardless of their contribution to the social insurance scheme. Those covered by the social insurance scheme receive additional benefits.¹⁰⁴

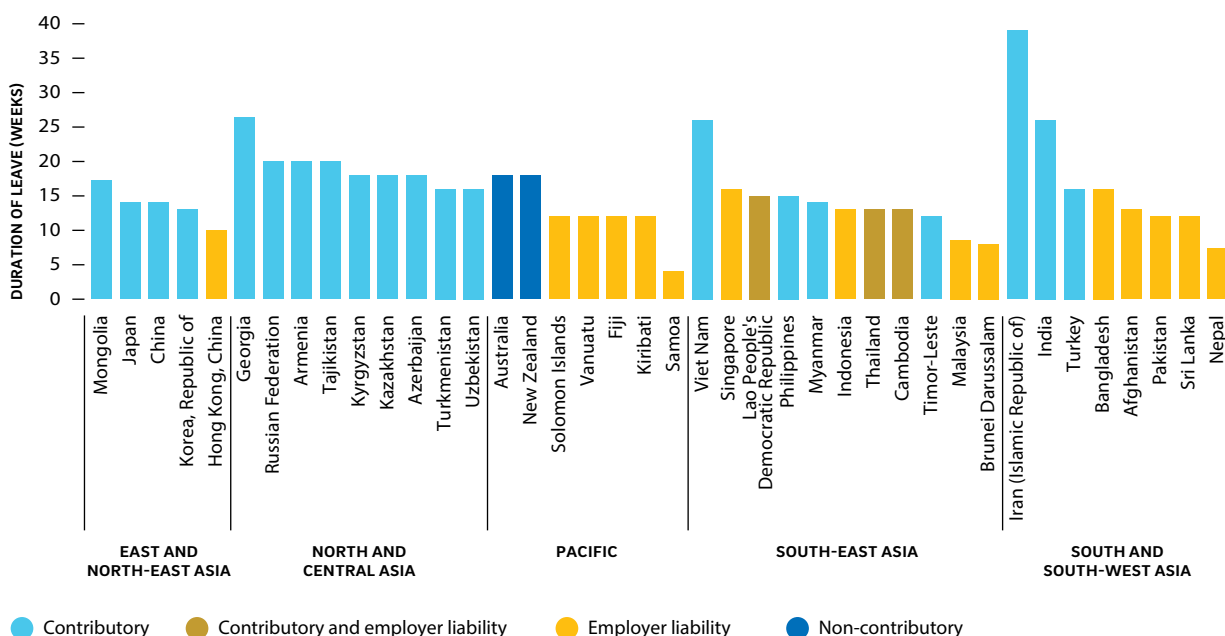
Migrant women are disproportionately disadvantaged during pregnancy and childbirth. In the region, many of the migrant women are young, poor and with limited education. As such, they often work in unregulated sectors under poor working conditions, earn low wages and do not have access to social protection and health care.¹⁰⁵ In some countries, migrant domestic workers can be deported for being pregnant.¹⁰⁶

4.1.2 Existing parental benefits are inadequate and short-lived

The specified duration of maternity benefits is shorter in the region than internationally established standards. The most up-to-date international labour standard (the ILO Maternity Protection Convention, 2000 (No. 183)) stipulates at least 14 weeks maternity leave and a payment of at least two thirds of the regular salary. In terms of duration, almost half of all countries in the region do not meet this requirement, in particular those with employer liability arrangements (figure 4.2).

FIGURE 4.2 Duration of maternity benefits is too short in most countries

Duration of cash maternity benefits by type of scheme, by country, latest available year



Source: International Labour Organization, World Social Protection Report 2017-19: Universal Social Protection to Achieve the Sustainable Development Goals (Geneva, ILO, 2017).

103 Ibid.

104 See <https://www.social-protection.org/gimi/gess/RessourcePDF.action?id=53942>

105 International Labour Organization, *Asian Decent Work Decade Resource Kit: Protecting Migrant Workers* (Geneva, ILO, 2011).

106 Office of the United Nations High Commission for Human Right, "Behind closed doors: protecting and promoting the human rights of migrant domestic workers in an irregular situation" (2015). Available at https://www.ohchr.org/Documents/Publications/Behind_closed_doors_HR_PUB_15_4_EN.pdf.

Many even fail to meet the minimum standards set out in ILO Convention No. 102 from 1952, of 12 weeks' leave.¹⁰⁷ Nonetheless, some countries have made important progress in recent years in this regard, including the Philippines, which has extended the duration of maternity leave from 8.6 to 15 weeks.¹⁰⁸ Furthermore, schemes also vary significantly in terms of the benefit level and income replacement.

Despite increasing attention, paternity and parental cash benefits continue to play a small role. Paternity benefits provide a specific paid leave entitlement to men, while parental leave benefits provide an entitlement that often can be shared between parents after the child is born. Greater involvement of fathers in raising their children not only benefits children's health and parent-child interactions, but it also contributes towards greater gender equality. Many countries around the world have increased their statutory paternity or parental leave provisions as a result. These provisions have more than doubled from 40 to 94 between 1994 and 2015.¹⁰⁹ In the region, Indonesia, Myanmar, the Philippines and Viet Nam have some form of paternity leave in place.¹¹⁰ Notably Japan and the Republic of Korea, are allowing fathers to take up to one year. However, due to factors, such as gender norms and women's lower average earnings, **only about five per cent of men eligible for this entitlement took advantage of it in 2019.**¹¹¹

4.2 Unemployment benefits: a lifeline in times of crisis

Unemployment benefit schemes are intended to provide income security to workers who have lost their jobs but also help them find new jobs. By supporting labour market mobility and reskilling, unemployment support can also facilitate structural transitions, such as the adaptation of labour markets to technological change, and the transition to more environmentally sustainable economies. Unemployment benefits can also act as automatic stabilizers in times of economic

downturns, helping to maintain aggregate demand. The COVID-19 crisis has highlighted a large shortfall of effective employment protection in Asia and the Pacific. Beginning to fill this gap will prove critical for weathering the ongoing crisis and for the adjustment of economies and labour markets to a post-COVID reality.

4.2.1 The preserve of a minority

In Asia and the Pacific, unemployment support is primarily offered through contributory schemes or severance pay. Of the countries with contributory schemes, most have social insurance schemes. In a small number of countries in the Pacific (Papua New Guinea, Solomon Islands, Fiji and Kiribati) unemployed members of provident funds can withdraw lump-sum grants.

In general, unemployment insurance schemes that provide a regular benefit for a guaranteed period are considered a superior type of protection to lump-sum payments. Unemployment insurance schemes are more effective at pooling the risks and contributions among employees and employers. They are also more likely to be linked to public employment services that support workers to reskill and find new employment. Malaysia and the Philippines have recently introduced new unemployment insurance schemes, while Cambodia and Myanmar are in discussions about introducing such schemes. Still, because of the high levels of informal employment, only a minority of workers benefit from this protection across the region (figure 4.3).

Non-contributory schemes have historically played a much smaller role in unemployment support. Some economies, such as Australia; Hong Kong, China; New Zealand; and the Russian Federation, provide non-contributory unemployment benefits. In other economies, non-contributory schemes targeted at poor households may help support workers who have been laid

107 Some of these schemes still comply with earlier standards such as the Social Security (Minimum Standards) Convention, 1952 (No. 102), which stipulates a minimum of 12 weeks' leave and a replacement rate of at least 45 per cent of the previous salary.

108 Mercer, "Philippines expands paid maternity leave", 1 March 2019. Available at [https://www.mercer.com/our-thinking/law-and-policy-group/philippines-expands-paid-maternity-leave-benefits.html#:~:text=All%20working%20mothers%20%E2%80%94%20including%20those,System%20\(SSS\)%20in%20the%2012](https://www.mercer.com/our-thinking/law-and-policy-group/philippines-expands-paid-maternity-leave-benefits.html#:~:text=All%20working%20mothers%20%E2%80%94%20including%20those,System%20(SSS)%20in%20the%2012).

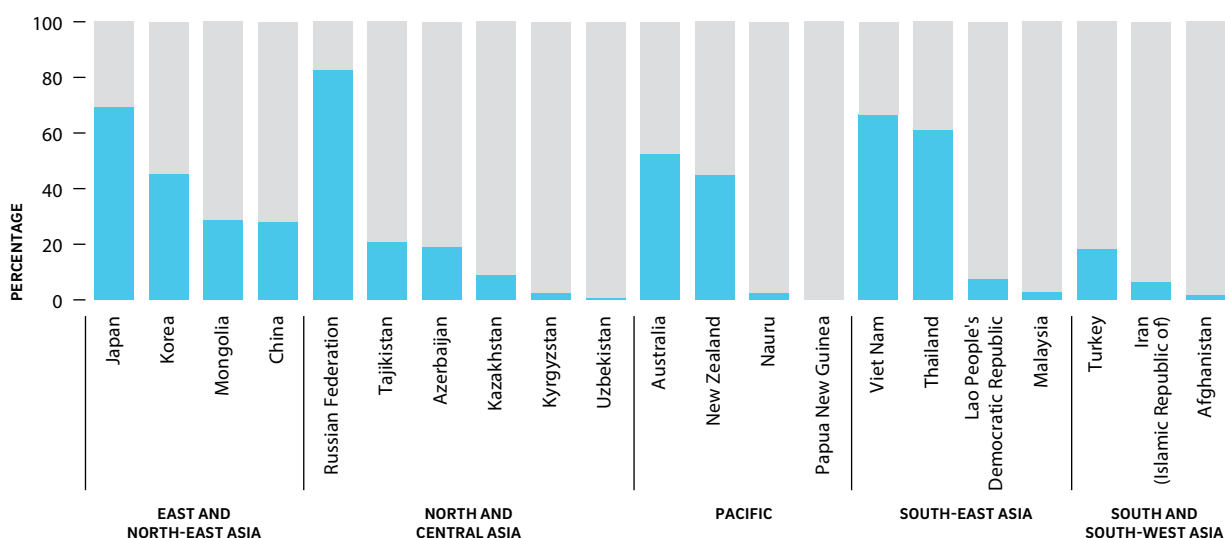
109 International Labour Organization, "World Social Protection Report 2017-19: Universal Social Protection to Achieve the Sustainable Development Goals" (Geneva, ILO, 2017).

110 See <https://thediplomat.com/2019/06/the-state-of-paternity-leave-in-southeast-asia/>

111 Willem Adema, Chris Clarke, and Valérie Frey, "Paid parental leave: lessons from OECD countries and selected U.S. states", OECD Social, Employment and Migration Working Papers, No. 172 (Paris, OECD Publishing, 2015).

FIGURE 4.3 Most people are left without support when becoming unemployed

Percentage of unemployed persons receiving unemployment cash benefits, by country, latest available year



Source: International Labour Organization, World Social Protection Database. Available at <https://www.social-protection.org/gimi/ShowTheme.action?id=10>.

off. In most cases, however, these benefits are far too low to provide a meaningful level of income replacement, and the targeting processes occur far too infrequently to respond to individual situations, as seen in chapter 3. Public works programmes also provide some support to unemployed or underemployed workers. One example in the region is the Mahatma Gandhi National Rural Employment Guarantee Act in India, which guarantees up to 100 days of work each year to all registered rural households who request it.¹¹² In general, the scale and relevance of these schemes tend to be very low and they are only available on a short-term, one-off basis.

4.2.2 COVID-19 pandemic prompts new income protection measures

The COVID-19 crisis has led to rapid mobilization of new or adapted mechanisms in response to the unemployment shock. National lockdown measures, along with the global economic slowdown, have resulted in a rapid increase in unemployment and underemployment throughout the Asia-Pacific region. In response, countries have introduced

various measures to protect workers' incomes. The pandemic and its aftermath provide an opportunity for countries to strengthen systems to support the recovery and set up mechanisms to better protect people and prepare for the future (box 4.1).

4.3 Sickness benefits to keep us healthy

Sickness benefits provide income security during periods of illness and contribute towards reducing the spread of diseases. The core function of sickness benefits is to provide income security for people who are temporarily unable to work because of illness. These schemes are also important from a public health perspective, as they help prevent the spread of the disease by avoiding a situation in which individuals with a contagious illness are forced to continue working. This function has come into sharp focus during the COVID-19 crisis because poor coverage and low benefit levels have compelled people who have contracted the virus to continue to work, leading to an increased spreading of the virus.^{113, 114}

112 Anna McCord, "Linking social protection to sustainable employment: current practices and future directions", (March 2018). Available at https://socialprotection.org/sites/default/files/publications_files/Report-Social%20Protection%20and%20Employment.pdf.

113 International Labour Organization, "Sickness benefits: an Introduction", ILO Brief: Social Protection Spotlight (Geneva: International Labour Organization, May 2020).

114 International Labour Organization, "Sickness benefits during sick leave and quarantine: country responses and policy consideration in the context of COVID-19", ILO Brief: Social Protection Spotlight (May, 2020). Available at https://www.ilo.org/wcmsp5/groups/public/---ed_protect/---soc_sec/documents/publication/wcms_744510.pdf.

BOX 4.1 Core types of social protection responses to the COVID-19 unemployment crisis

The COVID-19 pandemic has created an unemployment shock. Governments are applying a broad range of mechanisms to provide short-term support to workers and their families. Many of them are built on existing schemes; others are new schemes that are being introduced to reach affected groups not previously covered.

Countries that already have **unemployment insurance schemes** in place are often providing an automatic response for workers who have lost their jobs. In some countries, adjustments have been made to the schemes by increasing benefit levels and extending their duration (Thailand) or by expanding eligibility to contributors not previously covered (China and Viet Nam).

Other countries have mobilized existing or initiated new **job retention schemes**, which provide subsidies or credits to employers so they can continue to pay workers who are not working or are working with reduced hours. This is seen as a mechanism to maintain the contractual relationship, thus supporting businesses to reactivate as the peak of the crisis passes. Malaysia, Thailand and Viet Nam have set up job retention schemes.

Short-term **cash benefits to informal workers** are being deployed in, for example, Kazakhstan, Sri Lanka, Thailand and Viet Nam and various states in India. These cash benefits recognize that informal workers are among the hardest hit by the crisis.

Another mechanism to reach vulnerable workers is to temporarily expand the coverage and benefit levels of **household-targeted social assistance programmes**. Countries, such as Malaysia, the Philippines and the Republic of Korea, aim to reach most households through this approach.

Countries, including Fiji and Malaysia, allow members to make a **temporary withdrawal from provident fund accounts**. This approach may support workers and their families in the short term, but inevitably it leads to corresponding losses in income security in old age.

Sickness benefits are usually provided through contributory schemes, or employer liability arrangements. When these benefits are part of social insurance, the cash sickness benefits are usually administered by the same organization that manages health insurance, with cash and in-kind benefits sometimes provided as part of the same package. Most employer-liability arrangements only provide benefits for a limited number of days per year. In Bhutan and Singapore, for example, benefits are paid for 5 and 14 days per year, respectively. In Singapore benefits are paid for up to 60 days if the person is hospitalized. In contrast, sickness benefits through social insurance typically provide benefits for up to at least six months. Some countries also combine a short period of employer liability with social insurance for longer periods of sickness. When sickness extends beyond the coverage period, the benefit can transition to some form of long-term disability benefit within the same scheme.¹¹⁵ A handful of countries, including Australia, Hong Kong, China and New Zealand, also have non-contributory sickness benefit schemes.

4.3.1 Some improvements but schemes remain rare

Several countries have worked rapidly to strengthen their sickness benefits schemes since the onset of the COVID-19 pandemic. The Government of Singapore created the Quarantine Order Allowance Scheme whereby employers and self-employed workers can claim SGD 100 per day throughout the duration of a worker's quarantine.¹¹⁶ The inclusion of the self-employed is notable given that sickness benefits are normally a liability for employers. The Government of Fiji agreed to pay 21 days of leave for Fijian employees earning less than FJD 30,000 a year, who have tested positive for the virus, and a one-off grant of FJD 1,000 for informal sector workers testing positive. Other countries have increased the social insurance sickness benefit, including, among them, the Russian Federation and Uzbekistan. Some have issued administrative modifications, such as waiving waiting periods for sickness benefits and adapting delivery mechanisms to accommodate quarantine. Notably, the Republic

115 International Social Security Association and the United States Security Administration, *Social Security Programs Throughout the World: Asia and the Pacific*, 2018 (Washington, DC, 2019).

116 See [https://www.moh.gov.sg/docs/librariesprovider5/default-document-library/quarantine-order-allowance-scheme-\(for-web\).pdf](https://www.moh.gov.sg/docs/librariesprovider5/default-document-library/quarantine-order-allowance-scheme-(for-web).pdf).

of Korea extended sickness benefits to migrant workers who had to be quarantined because of the COVID-19 pandemic.

4.4 Employment injury benefits and risks at work

The rapid industrialization of the Asia-Pacific region is exposing workers to new risks in the workplace. Manufacturing forms a significant part of employment in the region, and employment in the construction sector — one of the most hazardous areas of work — is on the rise. Work in agriculture is being mechanized at a rapid pace and the use of pesticides is rising, making this type of work more hazardous. Work in the service sector also poses risks for workers, including those in the gig economy, such as the risk of road traffic accidents for ride hailing and delivery drivers. Inadequate social protection, occupational diseases and injury in the workplace resulting in disability or death often have a tremendous impact on workers and their families.¹¹⁷ This is especially the situation for many migrant workers, as, already indicated, they are often not covered under social protection schemes in general. Effective employment injury protection

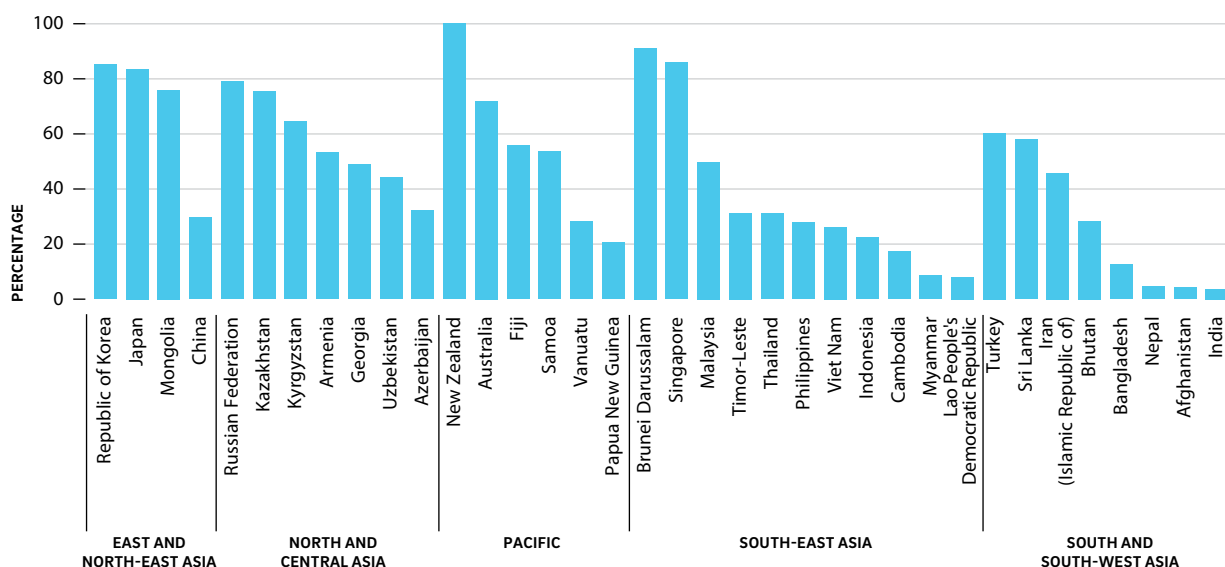
schemes can reduce these risks, but they need to be complemented by occupational safety and health measures and return to work policies.

4.4.1 Inadequate coverage and minimal protection

Existing employment injury schemes tend to provide minimal protection to self-employed workers and inadequate protection to the majority of employees. Employment injury protection is equally divided between contributory social insurance schemes and employer liability arrangements. Employer liability arrangements tend to provide lump-sum benefits, and claims are often delayed because employers use private insurance to back up their obligations. Contributory social insurance schemes share the risk among employers and are usually designed to provide periodic cash benefits to injured workers (in the case of disability) or their families (in the case of death). They are also sometimes linked to relevant medical care and rehabilitation or return-to-work programmes for injured workers. In either case, given that both approaches primarily cover employed workers in formal employment, coverage of such schemes is often limited in the Asia-Pacific region (figure 4.4).

FIGURE 4.4 In the event of a work injury, most people will remain unprotected

Percentage of workers covered in the event of work injury as a share of total employment, by country, latest available year



Source: International Labour Organization, World Social Protection Database. Available at <https://www.social-protection.org/gimi/ShowTheme.action?id=10>.

Efforts to expand the coverage of employment injury insurance are ongoing. In the wake of the collapse of the Rana Plaza building in Bangladesh in 2013, and multiple other accidents in the garment and other sectors, stakeholders in Bangladesh are in the process of establishing an employment injury insurance scheme.¹¹⁸ Cambodia, another country with a relatively large garment sector, is increasing the scope of its Employment Injury Insurance Scheme to small and medium enterprises. Meanwhile, in Malaysia, under a 2017 law, the reach of its well-established employment injury scheme has been expanded to cover self-employed workers.

4.5 Disability benefits boost opportunity and reduce poverty

Disability benefits are essential for protecting persons with disabilities and boosting their opportunities, while reducing family poverty. Persons with disabilities face major barriers in accessing medical services, attaining a good education, finding decent employment and living

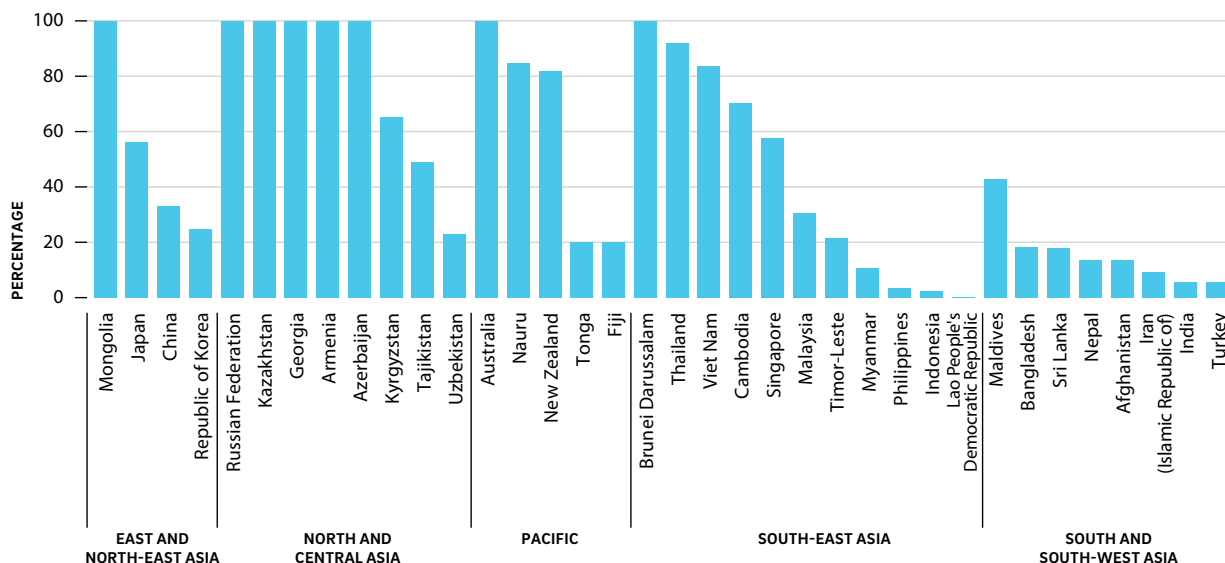
in dignity. Data from Asia and the Pacific show that persons with a disability are consistently less likely to be employed than persons without a disability and that their employment is more likely to be in the informal economy. The presence of a household member with a disability also tends to be associated with higher levels of household poverty.¹¹⁹ Disability benefits support individuals and their families who often have lower incomes and high disability-related expenses.¹²⁰ When designed well, they also play an important role in supporting persons with disabilities to find and take up decent jobs. Because levels of disability increase in older ages, it is critical that old-age pensions (discussed in the next chapter) also reach persons with disabilities.

4.5.1 Persons with disabilities are often left uncovered

Overall, social protection coverage of persons with disabilities remains limited. Countries in North and Central Asia have the greatest success in covering persons with severe disabilities. Outside of that subregion, only a few countries in South-

FIGURE 4.5 Persons with disabilities are better covered in North and Central Asia compared to other subregions in Asia-Pacific

Percentage of persons with severe disabilities receiving disability cash benefits, by country, latest available year



Source: International Labour Organization, World Social Protection Database. Available at <https://www.social-protection.org/gimi/ShowTheme.action?id=10>.

118 International Labour Organization, "Employment injury insurance in Bangladesh: the Rana Plaza disaster, Savar, Bangladesh". Available at <https://www.ilo.org/global/topics/geip/projects/bangladesh/lang--en/index.htm>.

119 *Disability at a Glance 2015*, (United Nations publication, Sales No. E.16.II.F.4).

120 International Labour Organization and International Disability Alliance, "Joint statement: towards inclusive social protection systems supporting the full and effective participation of persons with disabilities" (February 2019). Available at <https://www.social-protection.org/gimi/RessourcePDF.action?id=55473>.

East Asia, the Pacific, as well as Mongolia provide coverage to persons with disabilities (figure 4.5). In most other countries, a minority of persons with a severe disability receive a cash benefit. Even in countries with high coverage of persons with severe disabilities, coverage of persons with more moderate forms of disabilities may be low.

4.5.2 Existing disability benefits are complex and inadequate

The reach of non-contributory schemes is generally hindered by complex disability assessment processes. Despite the universal nature of the disability allowance in Nepal, for example, the coverage of persons with severe disabilities remains low. One of the factors behind this is the complex and cumbersome process of applying for a disability card (a prerequisite for the application), particularly for those who are illiterate or live in remote areas.¹²¹ Even in an upper-middle income country, such as Maldives, a substantial share of persons with disabilities do not receive the universal disability allowance because of lack of information, complex administration processes and stigma.¹²²

Non-contributory schemes targeted at low-income households and conditional cash transfers tend to be ill-adapted to reach persons with disabilities. Few of these schemes are originally designed for persons with disabilities and, in some cases, they seem to be less likely to reach households that have a person with a disability. For example, in Indonesia, households with a person aged above 15 with a severe functional limitation are less likely to be included in the Program Keluarga Harapan (PKH), the conditional cash transfer scheme, than households without a person with a disability. A person with a disability may also find it more difficult to comply with conditions attached to such schemes. For example, the results of an analysis

conducted in the Philippines show that, given the inadequacy of available educational services for persons with disabilities, many find it very difficult to comply with educational conditions and are thus excluded from the scheme.^{123, 124}

Persons with disabilities have higher costs of living. Disability-related living expenses accumulate, for example, for higher expenditure on health care and transportation, assistive devices, such as wheelchairs and hearing aids, personal assistants and modified housing. The disability-related extra costs vary based on the level of the disability, age and household composition, but they can be significant.¹²⁵ For example, in Cambodia, the additional monthly cost of living with a disability is estimated to be approximately 19 per cent higher than the average monthly household expenditure. Accounting for these additional costs would double the poverty rate for households with members with a disability, from 18 per cent to 37 per cent.¹²⁶

Where they exist, non-contributory disability benefits levels are often too low. This inadequacy means that persons with disabilities are often not able to cover their additional cost of living, particularly with respect to completing their education and finding and keeping full-time work.¹²⁷ Benefit structures are also complex and may mix income replacement (for those assessed to have limited work capacity) and compensation for additional costs associated with a disability, such as assistive devices and care.¹²⁸ Given that most non-contributory benefits in the region are focused on persons with more severe disabilities and assume an inability to work, the benefit levels appear particularly low (figure 4.6). Many schemes, including those established in Bangladesh, India and Mongolia, provide benefits that are not only low relative to average incomes (5 per cent of GDP per capita or less), but also below the \$1.90 international extreme poverty line.

121 Lena Banks and others, "Disability inclusive social protection research in Nepal: a national overview with a case study from Tanahun District" (London, International Centre for Evidence in Disability, 2018). Available at https://www.lshtm.ac.uk/sites/default/files/2019-06/Full-report_Nepal.pdf.

122 See https://www.lshtm.ac.uk/sites/default/files/2019-11/Maldives%20impact%20evaluation_conference.pdf.

123 Stephen Kidd and others, *Leaving No-One behind: Building Inclusive Social Protection Systems for Persons with Disabilities* (Orpington, UK, Development Pathways Limited, April 2019).

124 Life Haven Inc., "Disability and the world bank safeguards – Case study on the conditional cash transfer program in the Philippines: the case of poor households with persons with disabilities". Available at www.lifehaveninc.org. <https://consultations.worldbank.org/sites/default/files/consultation-template/review-and-update-world-bank-safeguard-policies/submissions/disabilityandwbsafeguardscasestudyofthecctprogram.pdf>

125 Sophie Mitra and others, "Extra costs of living with a disability: a review and agenda for research". *Disability and Health Journal*, vol. 10, No. 4 (2017), pp. 475–484.

126 Michael Palmer, Jenny Williams and Barbara McPake, "Standard of living and disability in Cambodia", *The Journal of Development Studies*, vol. 55, No. 11 (2019), pp. 2382–2402.

127 *Social Outlook for Asia and the Pacific: Poorly Protected* (United Nations publication, Sales No. E.19.II.F.2).

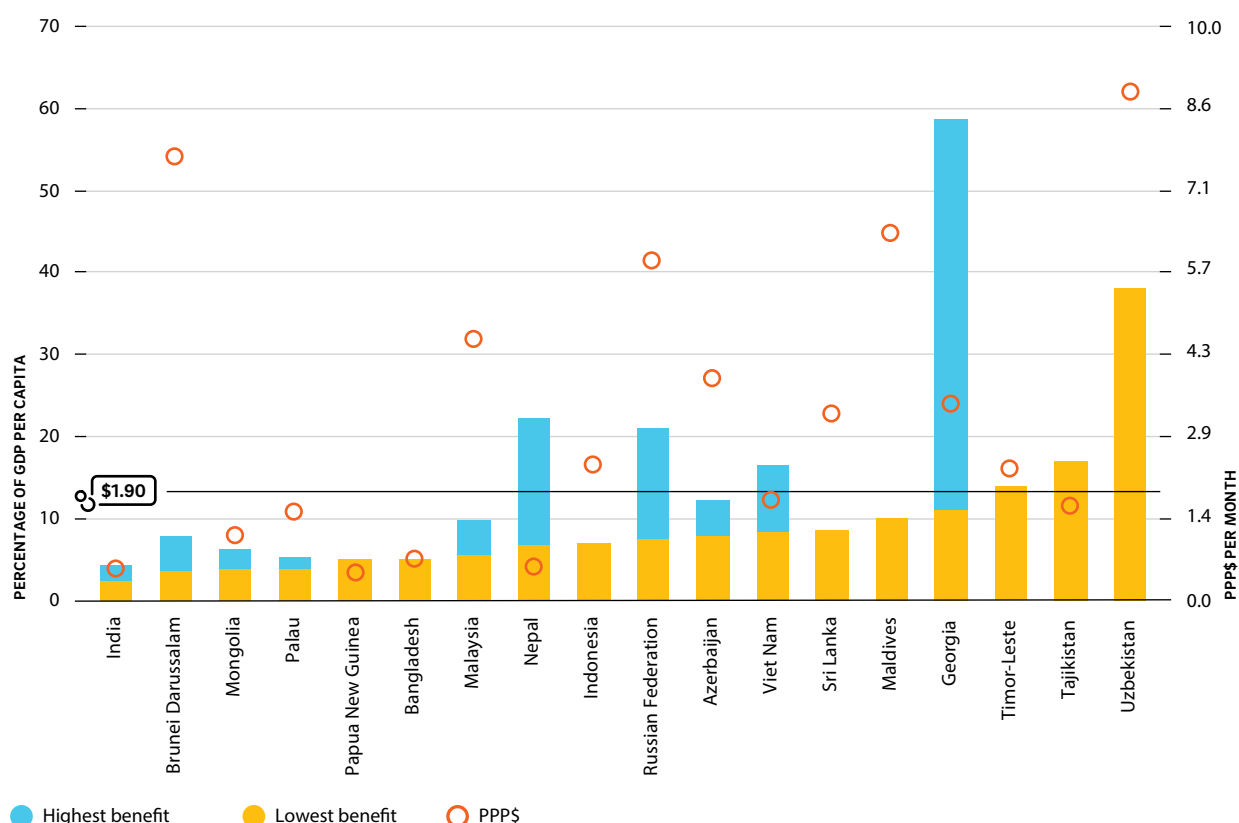
128 Stephen Kidd and others, *Leaving No-One behind: Building Inclusive Social Protection Systems for Persons with Disabilities* (Orpington, UK, Development Pathways Limited, April 2019).

The COVID-19 pandemic has affected persons with disabilities and those living with chronic illness particularly hard. Prior to the crisis, a large share of this group was already living in poverty and faced barriers to secure and maintain their livelihoods. Some countries have provided short-term top-ups

to existing benefits, including disability benefits. An important advantage of this approach is that the disbursement can build on existing beneficiary registries. Sri Lanka, for example, has provided a top-up to older persons and people receiving disability allowances.

FIGURE 4.6 When disability benefits exist, the level is usually insufficient

Benefit levels of non-contributory disability benefits as share of GDP per capita and PPP\$ per day, selected countries, latest available year



Source: Development Pathways, Disability Benefits Database (2019) (<http://www.developmentpathways.co.uk/publications/#disability-database>).

Note: PPP\$ figure relates to the lowest benefit only. The scheme in Papua New Guinea only covers New Ireland. Benefit levels for schemes in the region are shown as a share of GDP per capita (a measure of average income), and also in PPP\$ per day (to give an indication of their absolute value comparable across countries). In cases in which a range of benefit levels are provided (often according to severity of a disability) the range is provided in terms of the lowest and highest benefit.