



TASK FORCE III

INTERNATIONAL MIGRATION :

**PORTABILITY OF
SOCIAL SECURITY FUNDS**



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International migration and Social Protection: Practice and legislations

Only 29% of the world's population has access to comprehensive social security systems that provide benefits for new-borns, families, and retirees, according to the International Labour Organisation (ILO). However, 71% of the world's population, or around 5.2 billion people, either have no protection at all or merely have the barest minimum. Indicators included in a wide variety of human rights treaties highlight the need of neutral national social protection systems. To enhance or achieve complete portability, present international portability procedures rely heavily on multilateral arrangements and bilateral social security agreements (BSSAs). The establishment of bilateral agreements between the country of origin and the country of destination may be an effective means of guaranteeing the basic standards and rights of migrant workers. Negotiations are open to countries that want to improve the rights of their low-skilled employees in line with global norms. Compliance requirements would be a part of any such agreements. These pacts may reduce the likelihood of exploitation by facilitating legal movement and employment. Some of the topics that might be included in such contracts are pre-departure and post-arrival coordination, the transferability of benefits like health insurance and retirement funds, dispute resolution procedures, and compensation for rights violations. It is essential that bilateral and multilateral agreements complement each other, and that bilateral accords operate within the context of international norms at the multilateral level.

To successfully govern migration trends and solve associated problems between two countries, bilateral agreements have often been used. Several of these agreements became irrelevant following the worldwide economic downturn of the 1970s, and were replaced by less stringent framework agreements, memoranda of understanding (MOUs), and declarations of mutual cooperation concerning the recruitment and protection of foreign workers (ILO, 2010).

At present, the Bilateral Social Security Agreement (BSSA) is the most typical international mobility arrangement. Although BSSAs may cover a broad variety of transferable social benefits in theory, they tend to concentrate on healthcare and other long-term benefits like retirement, disability, and survivor's pensions. Benefits for society may be shared across numerous countries via multilateral agreements (MAs). These advantages may cover all possible advantages or just some of them. Business System Security Architectures (BSSAs) are supplemental and detailed blueprints that often back up these exhaustive guidelines. Mutual Agreements (MAs) have been in place for quite some time between the nations of Latin

America's MERCOSUR, the Caribbean Community (CARICOM), and the fifteen French-speaking countries of Africa's CIPRES. The Ibero-American Social Security Convention, an MA between Latin America, Spain, and Portugal, is another recent development. Plus, ASEAN is in the midst of creating a multilateral agreement. The agreement struck by the Gulf Cooperation Council and the Baku Declaration signed by the states of Eurasia in 2005 are two such accords that immediately spring to mind.

There is a need for increased social security coordination between nations, and the International Labour Organisation (ILO) has established three conventions to that effect: the Equality of Treatment [Social Security] Convention (1962) [No. 118], the Maintenance of Social Security Rights Convention (1982) [No. 157], and the accompanying Recommendation No. 167]. The need of protecting the portability of social security benefits is also emphasised in these treaties. A major roadblock is the small number of governments that have signed these accords (Refugee Law Initiative, 2019).

Convention No. 102, founded in 1952 by the International Labour Organisation, is important because it highlights the necessity of ensuring that non-national residents get similar safeguards to national residents via bilateral or multilateral agreements that guarantee reciprocity.

Furthermore, the 2012 ILO Recommendation 202 on social protection floors, which seeks to ascertain its efficiency in lowering poverty in underdeveloped areas. This recommendation upholds the established human rights norms on social security by referencing the aforementioned human rights instruments and other ILO instruments, including but not limited to the Social Security (Minimum Standards) Convention, 1952 (No. 102), the Income Security Recommendation, 1944 (No. 67), and the Medical Care Recommendation, 1944 (No. 69), pertaining to this matter. The right-based approach to social protection, as proposed by the Recommendation, is a crucial element. The definition of social protection floors is founded on human rights language, rather than being solely viewed from a humanitarian perspective. The Recommendation defines social protection floors as a collection of fundamental social security guarantees that provide protection against poverty, vulnerability, and social exclusion. This aligns with the primary objective of social protection as a means of social restructuring and reducing poverty.

Objective 22 of the Global Compact for Migration (GCM) pertains to the first intergovernmental negotiated agreement developed under the United Nations' guidance, which aims to address all aspects of international migration in a comprehensive and holistic manner.

This objective explicitly cites Recommendation 202 of the International Labour Organisation (ILO), which authorises the use of its 18 principles to achieve the GCM objective.

The aim of Objective 22 is to facilitate access to social protection for migrant workers, regardless of their skill level, in the countries they are relocating to. This includes enabling them to receive applicable social security benefits and earned entitlements in a portable manner. The importance of cross-border portability of social benefits is increasing in correlation with the growing number of international migrants and their percentage of the global population. Additionally, it is becoming more significant as a larger proportion of the global population works and/or retires abroad for a portion of their life. In order to, attain portability, it is imperative to broaden the reach of non-discriminatory national social protection systems (ibid).

G20 Countries and International Migration

The United Nations' Department of Economic and Social Affairs (UN DESA) estimates that by 2020, the combined G20 population would reach 4.9 billion, or around 63% of the world's total. The United States, Germany, Turkey, the United Kingdom, and Canada were predicted to have the greatest net migration rates among the G20 countries between 2015 and 2020. Among the G20 nations, India and China were predicted to have the smallest net migration.

According to data compiled by the United Nations Department of Economic and Social Affairs (UN DESA) in 2020, the global population of migrants increased by 83.4% between 1990 and that year. This growth was even more dramatic among the G20 countries, where it reached 99.0%, or 89.6 million people. Five nations, including the United States, Germany, Saudi Arabia, Russia, and the United Kingdom, were home to more than half of the world's population (100.8 million), as reported by the source. The percentage of non-native-born citizens varies widely from country to country. In China and Indonesia, for example, migrants make up less than 1% of the population, but in India they account for about 4% of the population. of contrast, foreign-born residents make up a sizable chunk of the population of both Saudi Arabia (38.5%) and Australia (30.1%) (Migration Data Portal, 2022).

Migration to G20 countries is has dropped significantly in 2020, according to data from the OECD and other sources. This follows a lengthy era in which migrant numbers increased steadily. The source claims that between 7 and 7.5 million people moved to one of the G20 nations permanently or temporarily in 2020. This is a forty percent drop from last year's total. Among the Group of Twenty nations, the United States is predicted to welcome the greatest number of legal permanent residents for the 2020 fiscal year.



With an inflow of almost a million people, largely consisting of temporary workers from other European Union member states, Germany has moved up to second place, passing the United States for the first time. In 2020, the number of foreign employees entering Saudi Arabia has dropped, but the country is still rank third with 800,000 migrant workers. A fall of 75% was recorded in Brazil, while decreases of 63% and 44% were recorded in Japan and Korea, respectively (ibid).

Top three destination countries of the migrants in G20 (millions), mid-2020

50.6
United States of America

15.8
Germany

13.5
Saudi Arabia

Top three countries of origin of emigrants from the G20 (millions), mid-2020

17.9
India

11.2
Mexico

10.8
Russia

Source: <https://www.migrationdataportal.org/themes/g20-and-migration>

Other G20 nations also reported substantial numbers of new migrants in 2020, despite drops due to the pandemic; they included China (530 000, -41%), the Russian Federation (350 000, -30%), France (221 000, -21%), and the United Kingdom (492 000, -30%). Both a surge in country status changes and a large influx of overseas students have had a moderating influence on the numbers in the latter two nations (ibid).

Since the appearance of COVID-19 has caused widespread disruption to global economic activity and migration, Ratha et al. predicted, in April of that year, that remittance flows to low and middle-income countries (LMICs) would decrease by about 20%. There seems to be less of an effect on remittances from the epidemic than was first feared, while the specific effects will vary greatly between nations and areas in a very short period of time. Ratha et al. (2020b) report that the predicted decrease has been revised upwards, from 7.2% in 2020 to 7.5% in 2021.

Despite predictions of far steeper declines, the World Bank found that remittance flows fall by just 1.7%, to USD 589 billion, in November 2021. Among the top five countries receiving remittances in 2021, India received 87 billion USD, China received 53 billion USD, and Mexico received 53 billion USD. India has received the most remittances of any nation every year since 2008.

G20 countries is home to 37% of the world's refugees registered with the UN High Commissioner for Refugees (UNHCR). Almost half of them were welcomed into Turkey. There were 870,800 first-instance asylum petitions registered by G20 countries in 2020, a 23% decrease from the year before. In the same year, the rate at which refugees were accepted for resettlement fell to its lowest point in more than two decades. A total of less than 34,000 people were relocated to 21 different nations. The OECD (2021) report that in 2019, just a third of the number of people who migrated in 2018 actually did so.

The use of migrant labour is crucial to the economies of many nations, including many G20 members. They are vital in many fields, including agriculture, and have made great strides in responding to the problems caused by the COVID-19 pandemic. A recent analysis found that working hours in the G20 countries fell by 8.5% in 2020 compared to the last quarter of 2019. About 195 million full-time workers were affected by this cut, assuming a 40-hour work week, and the primary cause was the implementation of lockdowns and mobility restrictions. Profits lost due to the deficit amount to almost \$3.2 trillion, or 8.1% of total profits.

The G20 nations rely critically on migrant labour in a wide range of industries. About 370,000 seasonal migrant workers are needed in Italy, says the source. Eighty percent of the seasonal workforce in French agriculture is made up of non-native speakers. The source claims that foreign-born workers account for 13% of the retail sector in Australia, 17% in New Zealand, and 28% in Canada. Moreover, in the corresponding areas, foreign-born people accounted for 11%, 15%, and 27% of the healthcare workforce. According to the cited source, foreign employees make up anything from half to eighty percent of Germany's meat processing workforce. The continued pandemic has shown the crucial need of immigrant employment for governments despite the imposition of travel restrictions and border closures. Many nations, notably the United States, have legalised the immigration of seasonal agricultural labourers.

The United States, Australia, and the UK benefited the most. Both Canada and Turkey had significant yearly increases. An OECD and partner organisation survey from 2021 found that the majority of overseas students in Europe were enrolled in graduate programmes. On the other hand, there is a sizeable number of foreign students participating in undergraduate programmes in Asia, Mexico, and Russia.



G20 Countries and their Social Security Scenario

Social security systems of the G20 countries vary widely in terms of purpose, coverage, structure, and finance. The fundamental goal of these systems is to provide social security for the roughly 60 percent of the world's population that resides in G20 countries. Social protection systems, such as unemployment benefits and worker's compensation insurance, are often funded by a mandatory tax or payroll deduction in industrialised countries. According to the provisions of the agreement, both the company and the worker are responsible for the operation of the system. The European Union (EU) is unusual among industrialised nations in that it receives a very small amount of funding from its member states' governments. However, in countries like India's growing economy, the government plays a far larger role.

To guarantee the safe and effective distribution of benefits as nations go ahead with extending their social safety net to include unorganised employees, a holistic approach is required. This is essential if we're going to meet our goals without jeopardising the long-term viability of these institutions' budgets. The epidemic of COVID-19 has shown how crucial it is to have trustworthy social security delivery systems. Economies may more effectively provide social security benefits to their citizens if they use a social registry-based system that accepts online payments. Only those who have their information in the Aadhaar database may get Direct Benefit Transfers (DBT) in India. Unified Payments Interface (UPI) and similar digital payment networks have also allowed for distant customer registration and interoperability, which has facilitated timely payments.

It has been determined that coordination and participation are the primary obstacles to developing a delivery system. With its experience in establishing effective Direct Benefit Transfer (DBT) systems, India is in a prime position to lead the development of a unified framework to address these issues during its G20 presidency.

There are consequences for monitoring, targeting, and delivering social security due to the operational differences across national social security systems. To solve this problem, we must create a global system of social security that provides all people with the same level of protections and benefits, with special attention paid to those in the informal economy. All G20 countries may use the shared adaptive structural framework for social security to achieve a minimum acceptable level of social security while maintaining the policy's financial sustainability and considering the unique needs of each setting. In order to do this, it is essential that the nations keep a careful eye on the areas of national social security programme design where differences are most pronounced. It is critical to create a conducive atmosphere for a multi-stakeholder collaboration to share resources, technology, and information to close current gaps.



Women in this regard are another matter of concern where a gender gap is persistently present on career paths and their unequal contribution depending on income levels. Women are subjected to stronger impediments to joining the labour market than their male counterparts, especially in formal, well-paid, and secure occupations that allow for continuous upward trajectories. It is critical to recognise that there is a structural gender issue, and data suggests that feminization of care is one of the primary causes for women's lower labour market participation. Women are largely responsible for meeting the needs of others. Children, teenagers, people with disabilities, or adult dependents within their families and communities, as well as being the primary carers of home duties. These responsibilities demand a hefty effort that is difficult to balance with a full-time job. The discourse of international migration of women workforce and their social security has to deal with these difficulties too.

International Migration Scenario in India

The Indian diaspora is the biggest in the world. Given that 17.9 million people of Indian descent now live outside of India and 13.1 million claim India as their ancestral home, India must consider the possible influence of migration on its development and progress. Population forecasts suggest that in the not-too-distant future, India has already overtaken China as the world's most populated nation. The national fertility rate has dropped just below the replacement level, according to a large demographic study released in 2021. The government's approach to diaspora and emigrant labour may need to change in light of this new information. In addition, there are now 1,020 women for every 1,000 males in India. Regulations targeting sex-selective practises and female infanticide have contributed to the first-time women having outnumbered men in history, as have women's generally higher life expectancies. In a society where son preference is strongly rooted in culture, the upward trend in the gender ratio is evidence of the success of programmes aimed at strengthening women (Singh, 2022).

There are significant inequalities inside India, and this is reflected in the changing patterns of emigration from the country. The southern Indian states of Kerala and Tamil Nadu have long been major departure points for workers heading to the Middle East and Southeast Asia. There are significant inequalities inside India, and this is reflected in the changing patterns of emigration from the country. The southern Indian states of Kerala and Tamil Nadu have long been major departure points for workers heading to the Middle East and Southeast Asia.

Henceforth, India has a pivotal role in the world of migration as the major country of origin and a destination for millions of migrants. Draught legislation intended as a successor for the Emigration Act of 1983 is now making the rounds, suggesting that the government is reviewing its roles and perhaps updating the governing framework.

Policy Recommendations

- A) The lack of comprehensive data on migration further exacerbates the inefficiency of social protection systems. Enhanced social safety programming for migrants could be achieved through increased knowledge regarding migrants, their susceptibilities, and their requirements. This technology can be utilised in various ways, such as identifying migrants who may already be eligible for social assistance and creating outreach programmes for marginalised communities.
- B) It is imperative to conduct a disaggregation of national data pertaining to social safety schemes, considering citizenship and residency status as a reliable indicator of migrant status. This would facilitate the computation of the potential financial ramifications of transferable benefits and the estimation of the labour migrants' effective or de facto social protection coverage.
- C) Taking the initiative to set up procedures to facilitate mobility on a unilateral, bilateral, or multilateral basis.
- D) Engaging private, global companies may be a useful strategy for implement portability through third-party service providers. Given that private health insurance is not readily transferable within the nations and is far less likely to be movable across the countries, a significant portion of funds is lost when people move.



