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Regional Social Security Forum For Asia And The Pacific Social Security Summit for the Asia and the Pacific

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Introductory address of Ms. Corazon de la Paz-Bernardo
President of the ISSA

Distinguished Ministers,
Dear colleagues,
Ladies and Gentlemen.

It is with great pleasure that I welcome you all to this first Social Security Summit for Asia and the Pacific. These last few days have been exceptionally vivid, and this afternoon we reach the highlight of the Regional Social Security Forum.

Our starting point this week was to say that social security is recognized as essential for social and economic development, for Asia and the Pacific as well as the rest of the world. Without social security, sustainable and more equitable economic growth would indeed not be possible. If evidence of this achievement is needed, I would ask you to imagine what our societies would be like if we could not all rely on social protection at some point in our lives – regardless of whether this be through mechanisms of formal social security or alternative community arrangements or family support.

But if our confidence in social security is to be maintained - indeed strengthened - then there is a need to honour commitments to society.

First, social security institutions must deliver according to their mandates. This means for most countries in Asia and the Pacific that they must improve to assure more adequate benefits and extend benefits to those who should be covered. Equally, government must respond to the voiced expectations of all their populations. Government must act to ensure a sustainable framework for improving social security. Last but not least, the ISSA also has an obligation - to lead the indispensable debate to promote and guide the development of social security.

Following this obligation, the goal of this Summit is to provide an arena to debate how social security can be a positive force in today's Asia and the Pacific. It is to identify how it should evolve so as to respond to the many expectations that the uncovered population – a large majority in many countries, as we have heard this week – can hope for and to address the new challenges brought from an unprecedented economic crisis.

To set the stage, I wish to briefly remind us all of some of the major challenges in Asia and the Pacific today. Some of them were suggested in the slide show that was presented to you. I would like to ask you all to think deeply about the implications of these challenges for social security – and for a brighter future for all people living in Asia and the Pacific.

Social security must be accessible and sustainable. It must also make a proactive contribution to better achieving socially inclusive and economically productive societies. These elements lie at the heart of the ISSA's Dynamic Social Security conceptual framework.

Firstly, social security systems in Asia and the Pacific are increasingly regarded as integral to the social, economic, and political management of countries. As a result, the role of the state in social security financing, management, and supervision is expected to increase. For all countries, a remaining matter is how to source and appropriately allocate the available resources to accomplish this role.

Secondly, the effective reform of social security systems must be complemented by broader public-policy reforms. Such broader reform is challenging, but the innovative experiences of developments in social security may help show the way forward. For example, an expanding role for tax-financed social security benefits should be aligned with reforms in public-service delivery systems and with measures to develop a more sustainable fiscal base.

Thirdly, the reform of core social security institutions must be associated with efforts to develop and better incorporate the complementary roles played by other legitimate social protection actors in the public, private, and private-not-for-profit sectors. In this manner, better levels of social protection should be possible, even for hard-to-reach populations.

Fourthly, political will and strong governance and management are essential elements to the development of high-performing and sustainable social security organizations. While social security organizations can actively contribute to improving their own performance, only executive-level authority can guarantee the necessary political will. These are observations that also hold for the healthy operation of all legitimate social protection actors.

Ladies and Gentlemen,

Poverty reduction is still a major priority for Asia and the Pacific today. Let's not forget that a majority of the world's poorest people today live here in Asia, with special concentration in South Asia. Some countries of the region have shown good progress on poverty in recent years, like China and South Korea. But Asia, holding the largest world's population, still has many extreme poor.

The persistence of poverty in some Asian countries is due to many factors: I could mention the pressure of population growth on scarce resources, significant social inequalities, inadequate education, medicine, clean water and sanitation.

The current world recession is also causing family remittances from overseas workers or migrant workers to fall. As more migrant workers lose jobs in industrialized countries in the West, remittances to their poor families in Central Asia are being hit hard.

Our proposal here, and I would like to hear the views of international organizations on this, is to say that extending social security holds a vastly under-utilized potential to help realize the poverty reduction that is so desperately sought. Sure, social security is just one of many necessary actors, but its role is a crucial one. In global terms, the evidence of the last fifty years bears witness to this.

This week has also reminded us of the importance of affordable access to health care. Let me say that without a healthy population, no economic growth is possible. Therefore, and if you have any remaining doubts, appropriate investment in health should be money well spent.

In terms of policy priorities, it is the most deprived that require fairer access to health care. But let's not forget that the risks associated with poor health, and with financing health care costs, are also faced by the better off. Therefore for the majority of people, sickness can signify the risk of entering – or falling deeper – into poverty. How can existing social health insurance help in this process of providing health care to all? What needs to be done to make this happen? I am looking forward to hearing more on this in the debate this afternoon.

Looking to other challenges, our deliberations showed that demographic ageing is increasingly a hot topic in Asia and the Pacific. Due both to falling mortality and fertility rates, the population of Asia and the Pacific is ageing rapidly. In 2009, 278 million people over the age of 65, more than half of the world's 65+ population, resided in the region. And this number is rapidly increasing.

Japan is the most aged society, not only in the region but in the world, with over 23 per cent of the population above 65 years. China, South Korea, Thailand and other East Asian economies have crossed the “aged society” threshold of a 7 per cent share of the population aged 65+. Ageing is less advanced in India, Pakistan and the Philippines. For the 300 million or so of the population aged 65 or older, being old is often a tragedy. And this number is set to increase rapidly. What solutions are at hand?

Our suggestion is that older people in Asia and the Pacific should represent an asset for development, that providing support to this population group can actually be very effective in term of reducing poverty more generally. For this issue, the evidence is clear. Cash support given to elders benefits, not only these individuals themselves but also their families, their households, and their local communities. So, here again, a case can be argued for investing in universal old-age pension, providing perhaps a sum equivalent to one to two dollars a day to the elderly in the poorest countries. And again the evidence shows that this is do-able.

Ladies and Gentlemen,

Finally, I believe that social security represents the very foundation of national cohesion and stability. Of all the messages I have presented, this is possibly the strongest message I want to bring to you this afternoon. Last year, we celebrated the 60th anniversary of the declaration of human rights. It is always worth repeating that the 1948 declaration defines social security as a fundamental human right. It is paramount to understand that social “security” is an essential ingredient for social cohesion, that it is a fundamental condition for economic growth, national stability, and sustainable peace.

As mentioned before, the present financial crisis shows that social security is more needed than ever. Economic growth without a social face is not sustainable.

The goal of this Summit is to look at the broader picture; and to look forward. I firmly believe that social security should generate opportunities for all. I look forward to the debate in the hope of learning how we can better ensure that all can have access to the opportunities that they require to contribute to society in an active and dignified manner.

We have mentioned several times this week that the ISSA supports Dynamic Social Security, I would appeal this afternoon for a dynamic debate as well, and I am confident that with the distinguished panellists here today, we can expect no less than that!

Thank you for your attention and I hope that you will also actively participate in the discussions this afternoon.