



issa

INTERNATIONAL SOCIAL SECURITY ASSOCIATION
ASSOCIATION INTERNATIONALE DE LA SÉCURITÉ SOCIALE
ASOCIACIÓN INTERNACIONAL DE LA SEGURIDAD SOCIAL
INTERNATIONALE VEREINIGUNG FÜR SOZIALE SICHERHEIT

Good Practices in Social Security

Good practice in operation since: 2015

***Tongzhou* Programme: The Same-Boat Programme for the Chinese Work Injury Insurance**

**Certificate of Merit with Special Mention, ISSA Good Practice Award – Asia and the Pacific
competition 2018**

Ministry of Human Resources and Social Security
China

Summary

Aiming to resolve the problems in construction industry, such as high work-related injury risks, flexible employment and high mobility of construction workers, China has implemented the Same-Boat Programme, a specific social insurance extension programme for construction industry workers. The programme requires the construction industry to join the social insurance coverage in terms of each building project, exploring a new coverage pattern of dynamic real-name registration management. At present, the insurance registration rate of building projects has exceeded 98 per cent, and over 40 million person times have been brought under the work injury insurance coverage. The rights and interests of workers with work-related injuries have been effectively protected. In 2018, building projects related with railway, highway, water transport, water conservancy, energy and airport will also be covered by the work injury insurance system.

The issue or challenge

What was the issue or challenge addressed by your good practice? Please provide a short description.

Construction enterprises bear high work injury risks, and they are also industries concentrated with urban-rural migrant workers. In order to safeguard the rights and interests of building industry workers, especially those of the farmer-turned-domestic-migrant workers, the state has promulgated a series of laws, regulations and policies. Relevant regions and departments have taken measures to promote construction enterprises to participate in work injury insurance in accordance with the legislation, so as to strengthen the protection of the construction workers' work injury related rights and interests. However, due to the uncertain cycle of building projects, flexible employment mode and high mobility of personnel, it is difficult for the traditional social insurance to guarantee the full work injury insurance coverage of building industry workers. Previously, for an injured worker for whom no insurance contribution had been paid, the employer was obliged to shoulder the full cost of work injury benefits. Labour inspectors might find it difficult to enter the construction sites and make thorough investigations. Liable employers were not sure about how much to compensate and how much to pay. Victim workers or their relatives had to run many errands to get adequate compensation for medical treatment, rehabilitation and loss of working ability, etc. Furthermore, the limited paying capacity of some employers exacerbates the employment risks and economic burden of enterprises, bringing new challenges to social insurance coverage extension in China.

Addressing the challenge

What were the main objectives of the plan or strategy to resolve the issue or challenge? List and briefly describe the main elements of the plan or strategy, focusing especially on their innovative feature(s) and expected or intended effects.

On 29 December 2014, the Ministry of Human Resources and Social Security (MoHRSS), the Ministry of Housing and Urban-Rural Development, the State Administration of Work Safety and the All-China Federation of Trade Union jointly promulgated the guideline on further improving work injury insurance coverage in the construction industry (Ren She Bu Fa (2014) No. 103). The MoHRSS decided afterwards to carry out the Same-Boat Programme in the

construction industry, aiming to explore and implement the insurance policies and contribution methods that are in line with the features of the construction industry. Institutional arrangements have been made to ensure the following principles, such as work injury insurance prioritized, coverage by projects, estimated budget extraction, one-time insurance and full coverage of all involved personnel. The programme has also made it clear that transportation, railway, water conservancy and other related industries shall also abide by the guideline.

According to the features of the construction industry, construction enterprises whose employees are relatively fixed shall participate in work injury insurance scheme in terms of each enterprise. Workers who cannot be enrolled in work injury insurance from their enterprise, especially those short-term domestic migrant workers, will be prioritized to participate in work injury insurance according to the project. Generally speaking, the general contractor of the construction project or the contractor of the bid section of the project shall make contribution for the work injury insurance of the project in lump sum in accordance with the labour and employment relations. The insurance will cover all employees in the project, ensuring that domestic migrant workers who are employed in various construction sites shall be insured according to the legislation. The innovative practices include:

- Getting insured first before any construction operations. The construction enterprise shall submit the certificate of work injury insurance of the construction project before they go through full procedures of construction permission. For projects whose safety measures are incomplete, the competent authorities shall not issue construction permission.
- Prioritizing work injury insurance. Construction enterprises may find work injury insurance prioritized among all the other insurance schemes when they undertake housing and municipal infrastructure construction projects.
- Estimated budget extraction. The work injury insurance contribution may take a certain proportion of the total cost of the project for those projects insured as a whole, instead of being calculated with the total wage.
- Dynamic real-name management. Keep record of the employee roster, attendance, salary and other ledgers, and implement dynamic real-name management for all personnel during the construction period of the project with the help of information technology and biometric identification.

Targets to be achieved

What were the quantitative and/or qualitative targets or key performance indicators that were set for the plan or strategy? Please describe briefly.

We have established sound working mechanisms of insuring by project and prioritizing work injury insurance within the triennium of 2015–2017. All construction workers have been brought under work injury insurance coverage. The management and serving capacities of insurance by project have been strengthened. Meanwhile, we have also been promoting construction enterprises of transportation, railway and water conservancy to participate in work injury insurance.

Our goal for 2018 will be to promote railway, highway, water transport, water conservancy, energy and airport construction projects to participate in work injury insurance while consolidating what we have achieved in housing construction industry.

Evaluating the results

Has there been an evaluation of the good practice? Please provide data on the impact and outcomes of the good practice by comparing targets vs actual performance, before-and-after indicators, and/or other types of statistics or measurements.

Over the past three years, with the synergy of all relevant departments and administrations, remarkable achievements have been made in construction industry's participation in the work injury insurance. In 2018, the increase in the number of workers affiliated with work injury insurance programme in the construction industry accounted for 82.9 per cent of the total net increase, leading to new breakthroughs in the work of social security coverage extension. A total of more than 40 million domestic migrant workers in the construction industry have been covered by the work injury insurance scheme, which means the goal of Same-Boat Programme has been basically achieved.

In terms of the number of insured persons, by the end of 2017, 25.87 million people from construction enterprises were insured, registering an increase of 15.62 million compared with 10.25 million at the end of 2014, with an average annual growth rate of 36.2 per cent.

Viewing from the project coverage rate, both of that of the newly-started-projects and the under-construction-projects are steadily increasing. Since May 2016, the MoHRSS started to make bimonthly notification of construction industry's participation in work injury insurance. In the beginning, there were 27,465 newly-started-projects, among which 21,626 projects participated in work injury insurance, registering a coverage rate of 78.74 per cent. The number of under-construction-projects was 99,648, of which 49,634 participated in work injury insurance, taking up 49.81 per cent of the total. In 2017, there were 123,184 newly-started-projects in China, among which 123,089 participated in work injury insurance, with the coverage rate reaching 99.92 per cent and the coverage rate reaching 100 per cent in three quarters of all provinces. There were 96,782 under-construction-projects, among which 95,103 participate in work injury insurance, accounting for 98.27 per cent of the total, with 100 per cent of the coverage rate for nearly half of the provinces in China.

Lessons learned

Based on the organization's experience, name up to three factors which you consider as indispensable to replicate this good practice. Name up to three risks that arose/could arise in implementing this good practice. Please explain these factors and/or risks briefly.

Abiding by the social insurance service principles of "one-stop service" and "once and for all", the operational agencies have opened up green channels, optimizing and simplifying the procedures so as to provide more convenient, efficient and high-quality services for the enterprises and injured workers. With the help of information technology, we have also been promoting the real-name insurance schemes for the construction projects, making the alternation and management of the insured more standardized.

For the construction projects, some special provisions have been made from the policy level with regard to the procedures of registration and contribution. However, the supporting policies are yet to be improved after the project is finished.