SEYCHELLES

Extending Social Protection to migrant workers

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1. Introduction

Social security is a fundamental human right enshrined in major international instruments such as the Declaration of Philadelphia (1944), which forms an integral part of the Constitution of the International Labour Organization, the Universal Declaration of Human Rights (1948), the International Covenant on Economic, Social and Cultural Rights (1966) and the International Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families (1990).

Access to social protection for all is also the target of the Sustainable Development Goals (SDGs), as well as of the Global Compact for Safe, Orderly and Regular Migration, under its Objective 22: "Establish mechanisms for the portability of social security rights and acquired benefits".

This chapter, devoted to the situation of social protection, particularly for migrant workers in Seychelles and Seychellois abroad, attempts to explore the gaps and difficulties in accessing to social protection, and to provide solutions with a view to greater inclusion of this category of workers.

The chapter starts with an analysis of the country's national context, followed by a more explicit assessment of the current social protection situation, before exploring actions that could be implemented for improvement.

Background

Located in the northeast of Madagascar, the Republic of Seychelles is an archipel of 115 islands with a population of around 98,000, three-quarters of whom live on the main island of Mahé. Its Gross Domestic Product (GDP), estimated at $12.3 billion in 2020, is the highest in Africa. Seychelles relie heavily on tourism and fishing, while climate change threatens the long-term sustainability of the country's economy. With

a GDP per capita of US$10,764, Seychelles is the most prosperous nation in sub-Saharan Africa. The ratio of poor people living on less than $1.90 a day (2011 PPP) (% of population) is 0.5%, and life expectancy at birth is 73 years. Net migration (the difference between immigrants and emigrants) is positive, standing at 146 in 2021.
The Seychelles population is estimated at 102, 612 inhabitants in 2022[1]. The Seychellois represent 82,622 (80,6%) and the non-Seychellois 19,920 (19,4%). Forty-six percent (46,6%) of non-Seychellois are Indian, nine percent (9,3%) Sri Lankan, 5,6% and 5,5% are respectively from Madagascar and Kenya. It is also estimated that 94,1% of migrants living in Seychelles are migrant workers. At the same time, almost 30,000 Seychellois live abroad.

Social protection in Seychelles

Seychelles devoted almost 7% of GDP to social protection in 2020, above the averages observed in sub-Saharan Africa, small island states and upper-middle-income countries, even taking into account the effects of COVID-19.

The current structure of the social protection system has helped to reduce poverty. Nevertheless, it needs to be adapted to the new demographic context, as current social spending is very largely geared towards the elderly population. While the elderly represents 9% of the population, they account for 22% of the total number of beneficiaries of non-contributory programs, and receive up to 42% of all benefits.

The country's system is generous and extensive, but fragmented. It encompasses at least 30 schemes, from universal pensions and social security for the poor to programs targeting orphans and the disabled. There is a universal system covering all Seychellois citizens, and a social insurance-based system covering salaried Seychellois workers.

[1] Population and Housing Census, 2022. Final Results Dissemination, 06 June 2023.

The first laws dating from 1971 concerned pension funds, and those of 1987 social security. The latest laws date from 1990 and cover social insurance, as do those of 2005, the Pension Fund Act. Finally, the laws of 2010 cover universal systems.

It should be noted that the social insurance scheme also covers the self-employed. According to the Seychelles Pension Fund Act, 2005, Part V Membership of the Fund and contributions*: "Every worker who is a citizen of Seychelles shall be a member of the Fund"; and a self-employed person or other person who is a citizen of Seychelles may on application to the Chief Executive Officer in the prescribed manner become a member of the Fund".*

At present, migrant workers do not contribute to the contributory social security scheme and are not entitled to pension benefits under the contributory scheme. Nor are they entitled to benefits from the Social Welfare Agency. Most benefits for migrant workers are provided either through private insurance, or through employer liability schemes, as in the case of sickness, maternity or health.

Seychelles also has a very low level of ratification of ILO instruments, specifically on instruments related to migrant workers and social security. Conventions 97 (Migration for Employment) and 143 (Supplementary Provisions for Migrant Workers), Conventions 102 (Social Security, Minimum Standards) and 118 (Equality of Treatment, Social Security) have not been ratified by the country. Nor has the country ratified Convention 198 (Domestic Workers). The country has, however, ratified the 9 fundamental ILO conventions.

Seychelles is not party to any multilateral social security agreement, and has not concluded any bilateral social security agreement to date.

It is in this context that the ILO Migration Management in Southern Africa (SAMM) project is supporting the SADC Secretariat in the implementation of the SADC Guidelines on the Portability of Social Security Benefits.

A first e-learning course took place from June 21 to July 16, 2021 in collaboration with the ILO's International Training Centre (ITC/ILO). The course brought together 36 participants from Botswana, Comoros, Democratic Republic of Congo, Eswatini, Lesotho, Madagascar, Malawi, Mauritius, Seychelles, South Africa, United Republic of Tanzania and Zimbabwe.

Following the e-learning course on "Piloting the SADC Guidelines on Portability of Social Security Benefits", the Migration Management in Southern Africa project supported all participating countries in developing action plans for the implementation of the guidelines. The action plans guide the implementation of the SADC guidelines in each of the participating SADC countries, in particular in 5 countries (Eswatini, Lesotho, Malawi, South Africa and Zimbabwe), which volunteered to pilot the implementation of the guidelines.

Other countries, including Seychelles, have also expressed an interest in working in this area. The activities identified in the labour migration action plan developed in partnership with the SAMM project in relation to the extension of social protection to migrants working and living in Seychelles include, among others:

- Review of existing legislation to assess compliance with ILO standards and international conventions specific to migrant workers, paying particular attention to treatment of migrant workers with regard to laws concerning social security, income tax and remuneration, as well as access to family reunification, housing and social assistance;
- Assess current level of social protection coverage for migrant workers in practice, including gender differences in rights and benefits, and formalize employers' responsibilities for social coverage;
- Review existing bilateral labor agreements and memorandums of understanding and update them to reflect existing migration flows and labor needs, and to ensure that they contain provisions respecting the principle of equal treatment and opportunities between migrant workers and nationals, and are in line with internationally recognized good practices;
- Consider concluding bilateral social security agreements with the main countries of origin of migrant workers to ensure the maintenance of rights, and with the countries of destination of Seychellois abroad;

- Study the potential impact and identify the necessary preconditions for extending coverage of the national social security system to migrant workers and their families.

It is under this context that the Seychelles Pension Fund (SPF) has started a study to develop a proposal to present to the Government of Seychelles for the coverage of migrant workers. The SPF and the Employment Department for the Extension of Social Protection to Migrant workers of the Ministry of Employment and Social Affairs initiated discussions with ILO, in July 2023, in order to seek technical assistance from the ILO.

Following the discussions, the SPF submitted a formal request from the ILO to support the development of the proposal.

The proposal consists on extending coverage to migrant workers in the country, especially the permanent resident permit holders and all migrant workers. The proposal also is extended to the possibility of ensuring portability of social security rights to migrant workers, following guidance from ILO. The intention of the SPF is to have bilateral agreements with the respective countries of origin of migrant workers.
Therefore, against this background, some activities must be initiated in order to improve access to social security and to guarantee the portability of social security rights to migrant workers in the country.

Activities to be carried out

Based on the first discussions with the Seychellois's authorities (Ministry of Employment and Social Affairs, Seychelles Pension Fund), the following short- and medium-term activities should be implemented:

1. Assess the feasibility of a social security agreement with main countries of origin of migrant workers in Seychelles, including Madagascar. The assessment will provide guidance on the avenues to be pursued and the provisions to be included in the agreement. Access to social security, export of benefits and totalization of coverage periods should be included in the

agreement. The assessment will provide guidance on the content it should include, taking into account the different contexts in terms of the benefits provided by social security funds.

2. Revise the legislative framework governing social security, especially the Social Security Act[2] and the Pension Fund Act, in order to guarantee access to social security and portability of social security rights to migrant workers established in the country, based on the principle of equal treatment and non-discrimination and the development of bilateral social security agreements .
3. Develop capacity building activities on portability of social security. Training of Government officials, social partners and social security institutions can contribute strongly to a better understanding of the interest of providing access to social security to migrant workers. Good examples from the region and elsewhere can be shared and explained during the capacity building activity.
4. Consider transforming the current tax-funded health care program (managed under the Social Welfare Agency) into a contribution-based health insurance scheme. The scheme could then also be extended to migrant workers.
5. Advocate the ratification and implementation of ILO Conventions related to migrant workers and social security (Conventions 97 (Migration for Employment), 143 (Migrant workers (Supplementary Provisions)), Convention 102 Social security (minimum standards) and 118 Equality of Treatment (Social security). All these ILO instruments are relevant for the protection of the rights of migrant workers, access to social security, equality of treatment and non-discrimination and portability of social security rights in some circumstances.

[2] http://www.asp.gov.sc/images/SSA.pdf