



PLATFORM FOR SOCIAL PROTECTION ZAMBIA

**Memorandum submitted to the parliamentary committee on
Health, the aged and social protection
2012**



SOCIAL PROTECTION FOR THE AGED

INTRODUCTION

The following is a memorandum submitted to the committee on Health, Community Development and Social Welfare by the Platform for Social Protection Zambia on the topic “Social Protection for the Aged in Zambia”.

Social protection for the aged is or can also be referred to as a social pension due to the fact that it is given to people that are retired from active employment formal or informal. Social protection for the aged therefore describes regular, predictable transfers of money or food to citizens who are and can no longer be in employment, whether formal or informal and are at risk of experiencing adverse conditions such as poverty. Social protection should provide the aged with an opportunity to live a decent life and to participate in economic activities and raise their standard of living.

At the moment there only 65,000 people who are receiving a contributory pension and most of these people get pensions which cannot sustain them. There is an additional 5,700 elderly individuals receiving an old age cash transfer under the Katete social cash transfer.

Social protection for the aged or social pension has been necessitated by several factors:

- a. Breakdown of the traditional safety net of the extended family
- b. The elderly have become principal bread winners of orphans and other vulnerable children
- c. The effects of HIV and AIDS which have created the “skipped generation” effect due to the increase in mortality of prime age adults.

We urge the government of the republic of Zambia to broaden its tax in order to make social pensions affordable.

THE ROLE OF THE GOVERNMENT IN PROMOTING SOCIAL PROTECTION FOR THE AGED

1. The government’s primary role is to be the providers of social protection or social security for its aged citizens. The rights based approaches to social protection considers SP to be a right and entitlement, and not just a matter of charity and places clear obligations on states to guarantee SP.

2. The government should formulate a sector policy for social protection; the social protection policy should give guidelines on how the sector should be governed. The government should also take the lead role in promoting donor participation in the social protection sector.

MEASURES THE GOVERNMENT HAS PUT IN PLACE TO ENSURE SOCIAL PROTECTION FOR THE AGED

The current social security system is nowhere near adequate to tackle the problems faced by the aged. The systems currently available that benefit the aged are:

1. The government of Zambia has put in place old aged homes which are very poorly funded. The conditions in these homes are deplorable. They are under financed and in most instances overcrowded. In the 2012 budget, government allocated, the following; K300, 000,000 in grants to Matero after care centre; K500, 000,000 was allocated to Maramba and Chibolya old people's homes. While the social welfare programme care for the aged received an annual allocation of only K230, 000,000.
2. These are very limited in number and cannot cater for all the old people that need care. If the old age homes are to be effective, the government needs to see to it that they fund these better or involve donors that are able to assist. Currently, there are seven homes for the aged with one transit home in Matero.

HOME	DISTRICT
Likulwe	Senanga
Mwandi	Sesheke
Maramba	Livingstone
Chibolya	Mufulira
Mitanda	Ndola
Chibote	Luanshya
Saint Theresa	Ndola
Matero After Care Centre	Lusaka

Ministry of Community Development Mother and Child Health 2012

With the population increase in our nation, these are not adequate. While we appreciate that our culture does not promote abandoning our elders in old age homes, reality is that it is happening and the government can only help them to cope with being in the old age home. In certain cases, the old people are not looked after by their families because they are not able usually because of the harsh economic conditions and in other circumstances they do not simply have any family left to look after them due to the skipped generation syndrome caused by the HIV Aids pandemic.

3. The aged in Zambia also benefit from the Social Cash Transfer (SCT) and the Public Welfare Assistance (PWAS) though not specifically targeted at the aged.
4. Contributory social pension provide pensions which benefits those that have been in the formal sector that reach retirement age. The benefits levels are very low and are not indexed to inflation.
5. The Katete social pension, which is a cash transfer of K60, 000 per month (MCDMCH) specifically targeted at everyone who is above the age of 60 years. Unfortunately, this is the only social pension in Zambia and it does not cover the entire Katete district. The social pension has brought numerable benefits to the lives of the beneficiaries, such as
 - a. Some financial resources to buy food and to feed the many dependents they look after.
 - b. Better accommodation because they are now able to save and buy building materials.
 - c. Keep their dependents in school as opposed to sending them out to do piecework to earn extra monies for the family or to go digging up holes for rats. Previously children were in most cases sent back from school due to lack of books but their older caregivers are now able to provide these for them hence they are now kept in school.
 - d. Improved health and now able to pay for transport to the clinic in case they fall ill
 - e. They are not a burden to their families anymore and are able to take care of themselves therefore restoring their dignity which had been eroded.

Evidence has shown that the Katete social pension is effective in reducing poverty in the lives of the beneficiaries and giving them a better standing in the community Helpage (2008). The targeting method used is also easier to manage administratively and cheaper as the cost of administering the cash transfer is about 5-6% of the total cost of the transfer. The benefit of the social pension on the individuals, families and the communities are clear but remain the challenge of scaling up of the scheme to other parts of the nation and to the remaining districts in Katete itself. The scheme was scheduled to be moved to the Ministry of Labour from the Ministry of Community Development Mother and Child Health (MCDMCH) which is currently implementing it. The Ministry of Labour Youth and Sport was responsible for labour and head way had been made to transfer the scheme from MCDMCH and start a scale up. With the realignment of the ministries, the fate of the social pension hangs in the balance.

The current social security scheme benefits only those in the formal sector while those who have been in the informal sector for most or all of their lives are left out. This contributes to the poverty levels being experienced in the nation as the elderly are among the poorest in Zambia today.

THE ROLE OF THE PLATFORM FOR SOCIAL PROTECTION IN PROMOTING SOCIAL PROTECTION FOR THE AGED IN ZAMBIA

The Platform for Social Protection Zambia is an advocacy organisation which advocates and lobbies the government for social protection programs and policies which benefit the poor and vulnerable in Zambia. Social pensions should be part of a wider social protection which should include other schemes in order to ensure that all vulnerable people are not left out.

As a Platform, our role includes monitoring government implemented social protection programs, sensitisation and awareness to the citizens. We also provide alternative ways of thinking and recommendations based on our research and monitoring. We are an interface between the duty bearers and right holders, that is the poor and the government.

In addition we aim at creating space for the poor for their voice to be heard. We represent civil society at the social protection sector advisory group meetings held four times a year where feed into the government system our research findings from our monitoring of the government implemented social protection programs.

CHALLENGES FACED IN IMPROVING THE WELFARE OF THE AGED IN ZAMBIA

The biggest challenge is lack of political will; social protection spending is viewed as consumption spending whereas it should be viewed as an investment. The existing programs are inadequate and poorly funded. The current pension system does not cover most of the poor elderly especially women who because of traditional practices never had an opportunity to go to school and never got a chance to work in the formal sector.

1. Long term costs of not providing social welfare which include increased spending on health in the country, high mortality rates due to malnutrition and an overall social decay brought about by poverty levels
2. Low levels of funding to the sector in the national budget. The social protection budget has received a low allocation of the budget over the past five years (Ministry of Finance yellow books). In view of the actual budget allocations over the past few years, social protection expenditure has decreased in terms of the percent of the national budget. In 2008 Social Protection received 4.19% of the budget where as in 2009 it only received 2.93% of the budget, in 2010 even less at 2.48% of the budget and in 2011 further reduced to 2.67%. The 2012 allocation of 655.6 to Social Protection is 2.37 % of the total budget. Our concern

is the 65% poor people of Zambia who are continuously hardest hit by every day challenges among them the old people. The Ministry of Community Development Mother and Child Health is the ministry largely responsible for fighting poverty and it has continued to receive low levels of funding.

THE WAY FORWARD IN IMPROVING THE WELFARE OF THE AGED IN ZAMBIA AND BROADER RECOMMENDATIONS

1. The government must formulate a broader social protection policy encompassing both social security and social assistance.
2. Civil Society organisations must further work together to strengthen the voice of the old aged.
3. There must be a shift in political will so that the government views social protection expenditure as an investment spending and not consumption
4. The government should establish an agency which will coordinates all social protection programs across the country.
5. The government must plan for and launch a nationwide social pension, to make this social pension affordable the government can narrow down recipients to those above 65 years of age. Studies by the World Bank (Old Age Pensions 2008) found that Sub-Sahara countries can run sustainable pensions which would cost under 1% of the budget if the beneficiaries group is narrowed down to those who are 65 years old and above.

CONCLUSION

Given that most of the poor happen to be in the informal sector, the contributory pensions are not adequate to address the poverty levels being experienced by the aged in Zambia. As such, there is need to consider the role of social pensions for the elderly.

Pensions for older people have demonstrated effects on beneficiaries' mental health, social standing, and livelihoods. These benefits extend beyond beneficiaries to improve household economies and the communities. Social pensions have been known to reduce the scale of older people's poverty by large margins and also reduce the overall population's poverty.