

# Non-contributory social protection through a child and equity lens in Bahrain<sup>1</sup>

International Policy Centre for Inclusive Growth (IPC-IG)

**The Kingdom of Bahrain** is a small archipelago in the Persian Gulf. With approximately 1.4 million inhabitants, Bahrain has the second smallest population in the region, after Djibouti. In 2016 about a quarter of the population (334,791) were younger than 18 years of age, and 7.5 per cent (106,770) were children under the age of 5. More than half of the population are non-Bahraini, coming mostly from South and South-East Asia.

Bahrain is classified as a high-income country with a very high level of human development; its Human Development Index (HDI) of 0.824 places the country 47<sup>th</sup> out of 188 countries. There is no officially adopted national poverty line in Bahrain. The closest estimates are those for low standards of living, which accounted for about 11 per cent of the population in 2003.

The country has made considerable progress in child health over recent decades: the under-5 mortality rate fell from 23 to 6 deaths per 1,000 live births between 1990 and 2015, the lowest in the region. Universal primary school enrolment was achieved in 2000. Secondary net enrolment stood at 90 per cent in 2006. The Ministry of Education provides free education for all students at public schools.

Bahrain's economy has suffered significantly due to decreasing oil prices in recent years. Overall fiscal deficit was equal to nearly 18 per cent of gross domestic product (GDP) in 2016, and government debt reached 82 per cent of GDP in the same year. Consequently, the government introduced several fiscal reforms, including the reduction of subsidies and an increase in fees for some government-provided services, such as primary health care.

Several contributory insurance benefits exist for public- and private-sector workers, including old-age and disability benefits. However, non-Bahrainis have only limited access to the social security system. Likewise, most social assistance benefits are only available for Bahraini citizens. The right to citizenship is strictly regulated, and Bahraini women who marry non-Bahrainis do not enjoy the same rights as their male counterparts and cannot confer citizenship onto their children.

In 2008 the government launched Economic Vision 2030, highlighting the need to improve social assistance. The government's commitment to social protection was further emphasised in the Government Programme of Action 2015–2018, which included several policy actions, such as redirecting subsidies for the benefit of vulnerable groups, providing housing, empowering low-income families and developing social services for elderly people, those with disabilities and children. The Ministry of Labour and Social Development is the main provider of social protection schemes.

The flagship Social Assistance Scheme is regulated under Law no. 18 (2008), which details the provision of unconditional cash transfers (UCTs) to low-income Bahraini families whose income does not exceed BHD1,000. This transfer also targets vulnerable groups such as orphans, elderly people, divorced and widowed women, families of imprisoned heads of households

and people with disabilities. Benefits increase with the number of household members. Additionally, the Ministry of Labour and Social Development offers a special programme of UCTs to support poor families who lose their homes following emergencies such as fires.

Bahrain was the first country in the region to introduce an unemployment insurance scheme in 2006. It provides two types of benefits: while compensation benefits are paid to private-sector employees and civil servants based on contributions, Unemployment Aid is paid to first-time job seekers on a non-contributory basis for a maximum of six months. In total, 3,045 first-time job seekers received unemployment benefits in 2010; almost 70 per cent of them were women. This can be explained by the fact that unemployment is traditionally higher among women in Bahrain. In 2016, youth unemployment was estimated at 13.4 per cent for women, compared to 2.9 per cent for men.

Much like other countries in the region, universal price subsidies for food, water, electricity and fuel have been taking a toll on the government's fiscal budget. Currently, fuel subsidies in Bahrain are being reformed, and petrol prices were raised by 60 per cent in January 2016. This adjustment also extended to food subsidy programmes, while meat subsidies were removed altogether in 2015. To compensate, the government provides cash transfers to support families registered as beneficiaries of the social assistance scheme. Benefits are paid per household member, with a higher amount for adults. Subsidies remain in place for water and energy, although plans exist to reduce them.

Since 2000, social assistance beneficiaries have been eligible for reduced water and electricity bills from the Ministry of Electricity and Water as per the royal decree issued in 1999. Moreover, the Ministry of Housing offers a Social Housing Programme to low-income families. Between 1999 and 2010, more than 36,000 social housing support services were provided to Bahraini citizens, including 13,500 housing units at a cost of BHD510 million.

Bahrain has achieved a very high standard of human development. Existing social assistance schemes for low-income families and other vulnerable groups such as orphans have child-sensitive components and increase according to the number of household members. However, most of these benefits are only available to Bahraini citizens, meaning that more than half of the country's population is being neglected. Non-Bahraini children are likely to be particularly vulnerable, as their parents have limited access to both contributory and non-contributory social protection schemes. Finally, limited data availability hinders the estimation of the coverage and impact of existing programmes, making it difficult to obtain information about issues related to child protection.

**Note:**

1. This One Pager is taken from a comprehensive study developed in partnership between the IPC-IG and UNICEF MENARO. All data are thoroughly referenced in the full report:

Machado, A. C., C. Bilo, R. G. Osorio, and F.V. Soares. 2018. *Overview of Non-contributory Social Protection Programmes in the Middle East and North Africa (MENA) Region through a Child and Equity Lens*. Brasília and Amman: International Policy Centre for Inclusive Growth and UNICEF Regional Office for the Middle East and North Africa: <<https://goo.gl/QfmKwK>>.