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RETIREMENT HERE OR THERE?

AGEING-MIGRANTS' TRANSNATIONAL SOCIAL PROTECTION STRATEGIES

As the researchers from the European Observatory on Gerontomigration have pointed out roughly a decade ago (Echezarreta 2005), there are several kinds of gerontomigrants. Among them we focus upon those who reach retirement age after having worked abroad. After at least 15 years of the latest significant emigration wave, Ecuadorian migrants living in Europe are planning their old age. As they plan where they will retire, they design strategies drawn from their personal resource environments. These reveal the intricacies of overlapping, complementary and contradictory formal frameworks at the national and sub-national level, the available resources at local level, and the agency of migrants to guarantee a decent old age.

International agreements, Ecuadorian diaspora policies, and European welfare regimes shape migrants' access to formal social protection in destination countries. Actual implementation of these takes place at the local level resulting in particular constellations of services, gaps, and opportunities in Madrid and in Vienna. Transnational practices of social protection are put at play and pieced together to use local services offered by the cities where they live in and the country where they hold citizenship.

As a result of the global financial crisis of 2008, and after at least 15 years since the accelerated Ecuadorian migratory flow to Europe, the characteristics of this population and its life projects have changed. Now an important part of them begins to require social security coverage—namely health care and old-age retirement.

If welfare is conceived primarily as the responsibility of one state, how then can we conceptualize the social protection of people who live in more than one nation-state? Migration itself has been conceived as a social protection mechanism for migrants and their families (Bocagni, 2010), insofar as it "increases the potential for income, remittances and social protection" (ISSA, 2011).

If migrants are formally incorporated into the labor market they acquire the right to social security benefits and health care. However, even for migrant workers who are in a regular situation, access to social security, especially to retirement, may not even be a possibility when there are no interstate coordination mechanisms. But the situation is even more complex for people who are in an irregular migration situation or those who are employed in "informal" labor camps and hold no records of their past work.

Transnational social protections

To think about how to secure social protections across national borders Levitt and colleagues have proposed Transnational Social Protections (2015), "the public policies, programs, people, organizations and institutions that provide and protect individuals in a transnational way in the areas of old age, pensions" and others (Levitt, Lloyd, Mueller & Viterna 2015). A person's *resource environment* refers to the intersection of these various networks, public policies, and programs (Levitt et al. 2015: 8) and goes beyond the classical formal-informal or origin-destination binary.

Each city, and not just each country, presents a particular set of institutional arrangements, limitations and possibilities for migrants to access social protections. So how do migrants living across these spaces arrange for old age? What services can they access and where?

During the last years, a constitutional reform in Ecuador overhauled the state apparatus expanding the scope and access to social protection. The explicit effort to link migrants and their families to the public social security system and the institutional resources made available to



the citizens residing abroad are evident.¹ For instance, voluntary affiliation to the Ecuadorian Institute for Social Security (IESS) was extended for Ecuadorians abroad (IESS, 2014; ILO, 2013). According to official sources, by 2015 at least 8,000 Ecuadorian migrants were insured in this mode.

This measure is not only an alternative to increase pension amounts in the future, but also to protect those left out of formal social security systems, such as undocumented migrants. Voluntary affiliation is even more significant for migrants from countries that lack portability of rights agreements with Ecuador and have weak public health systems, such as the United States.

Migrants contributing to social security systems inside the Ibero-American space can also make use of the Ibero-American Social Security Agreement (2005/2011), while those in Spain can make use of the Ecuador-Spain Bilateral Social Security Agreement (2009/2011), to sum up their contributions in signatory countries to apply for retirement pensions. This is an entitlement dependent on specific regulations of each social security institution and is not necessarily a smooth process. The question that Ecuadorian ageing migrants are asking themselves now is where to retire: “here” or “there”?

Ecuadorians in Madrid

Most Ecuadorian migrants live in the metropolitan areas of Madrid and Barcelona, attracted by the working opportunities in the construction (mostly men) and service sectors particularly in the domestic work and care sector (mostly women).

Thanks to the regularization processes in Spain, around 80% of the Ecuadorian population has acquired Spanish citizenship or has some permanent residence, granting them rights which they did not have as recent arrivals. Despite some achievements in terms of access to rights, Ecuadorians, like the rest of the migrant population living in Spain, once again experienced a deterioration of their living conditions due to the crisis unleashed in 2008.

Migrants living in Madrid have some guidance and information services for social and labor integration, offered by the Community of Madrid, as well as by the City Council. The Municipality of Madrid has a Department

for information and orientation for the integration of immigrants, which advises on various issues, particularly in the visa procedures, family reunification, work permits and residence; as well as providing courses for the social and labor integration of immigrants. This office has dependencies, but also offers online assistance about the available services from local and national institutions. One of the most demanded services in Municipality of Madrid is legal advice. There is also a complementary pension for those who do not reach the minimum contributions required to access to public social protections.

Ecuadorian diplomatic representations seek, in addition to their traditional roles, to bring the programs of the Ecuadorian government closer to the migrant population, and the care services offered by Spanish and national institutions (mainly the Municipality and Community of Madrid).

Vicente is 63 years old and is originally from the Ecuadorian Austro, one of the regions most marked by emigration. He has been living for 14 years in the community of Madrid working as a welder in the construction sector, in order to send money to Ecuador to pay for the education of his children.

Despite difficulties encountered on arrival, particularly associated with the lack of legal residence permits, Vicente's story reflects the deep distrust in Ecuadorian institutions after the late 1990s crisis. This mistrust is reflected, among several other issues, in the lack of credibility in public health services in Ecuador. This perspective contrasts with the positive image they have about health in Spain. Although access to health services in the country of origin or destination is a determining factor in the living conditions of migrants, it is necessary to observe the perceptions that are linked to the strategies they apply to ensure their well-being.

Within two years Vicente could already avail himself of retirement in Ecuador and that is why now he regularly visits the Ecuadorian Consulate in Madrid to find out about the procedures to get his 12 years of contributions to social security in Spain added to the 16 years he had contributed for his work in Ecuador, before emigrating. With the entry into force of the Ecuador-Spain Bilateral

¹ For example, the incorporation of virtual channels to bring services closer together, such as an online platform for self-processing, a Skype line and a telephone number with working hours according to

Central European time, an online forum for frequently asked questions, among others (IESS, 2014).



Social Security Agreement and the Multilateral Ibero-American Social Security Convention, it is possible to achieve portability of rights so that migrants can access the benefits of retirement regardless of where they live.

This is an option, although due to the economic crisis, unemployment and/or the precarization of employment the contributions tend to be low. In addition, the minimum required age for retirement has increased. In that far, Ecuadorian migrants also consider the possibility of contributing voluntarily to Ecuadorian social security in order to improve their retirement pension.

Voluntary affiliation for Ecuadorians in Ecuador is also used to cover non-dependent family members. For example, there have been cases of people sending money to Ecuador to cover their children's affiliation, making use of the available resource environment, combining a "formal" IESS mechanism with an "informal" channel such as sending remittances to family members.

Vienna

The Spanish real estate bubble in 2008 forced thousands, not only Ecuadorians, to relocate to less hit countries within the EU where they could make use of mobility rights as citizens. In Vienna Ecuadorian migrants work in diverse sectors, with the service sector being the largest. In general terms, women tend to work in child care or elder care positions, in the domestic sector, food industry and sales. Men, also work or have worked in the domestic sector, food industry, in services in general and some as employees in manufacturing. Thus, although almost all have periods of informal work, during which they were not contributing to social security in Vienna, now they all are part of the Viennese Social Insurance (WGKK) and hold an e-card for medical services.

Austria in general, and Vienna in particular follow a Westphalian welfare model. Income taxes are high to secure good public services and social protection. Consequently, most of the population uses public services in the fields of health, education and transportation. Contributing formal employees have rights to a percentage of their last salary as unemployment money. Those who don't reach the social floor are eligible for social support from the Viennese Office for Social Affairs.

² Only for mothers who care for their children with disabilities there is a monthly income of \$240, called Bono Joaquin Gallegos Lara.

Now, what are the particularities of retiring in Vienna? Fifteen years of payments is the minimum requirement for applying for retirement upon fulfilling age conditions or other exceptional cases such as early retirement due to work disability (WGKK 2015). In comparison, Ecuador requires a minimum of 10 years. For several research partners, this is an important matter. Take Sara for instance. During her first 7 years in Vienna she worked without contributing to social insurance. Only in the past 8 years has she had formal employment. She is in her mid-50's and considering recent layoffs she wonders if she will fulfill the minimum 15 years for Austria. In the meanwhile, she has developed a backup plan: contributing to the IESS in Ecuador since the requirement there is of five years less.

In Vienna pensions are ranked in tiers and subsidized services for the elderly are granted accordingly. The City's Social Funds administers retirement homes and grants spots and differentiated prices for pensioners. Pensioners requiring carework are also ranked on the severity of their needs in 7 levels which in turn entitles them to an additional money amount for care needs (*Pflegegeld*). They might be eligible for a monthly amount of money dedicated for carework which can be performed by private, third sector or private-public care service companies. Carework performed by a pensioner's relative can also be (partly) covered by the state. There is no equivalent in Ecuador². Thus we have a very professionalized care industry, yet at the same time a large amount of eldercare is done at private homes by relatives, primarily daughters or daughters-in-law.

These are the current conditions that shape migrant ideas around a future retirement. Now let us take a look at how arrangements migrants are making in the present using the idea of resource environments that span more than one location.

In Quito, Sara worked for her home and had never been part of the IESS but was covered by the private insurance her husband's job provided. She remembers going to private doctors because public hospitals were unreliable and miserable.



During her first years in Vienna Sara was undocumented and relied on jobs arranged by other Spanish speakers. For health emergencies, she could use her sister's social security card — they look alike. After obtaining legal residence and a working contract in a cleaning company, the WGKK opened a file with her data, she got a social insurance card.

She now works taking care of elderly for a private company which benefits from state subsidies. Because of her age (mid 50s), Sara tells me she could easily be discarded from the job market and not have enough contributions for her pension fund in Austria. The IESS voluntary membership scheme is a good back-up plan for her. She has also invested in a house in Ecuador to support her pension, either in Quito or in Vienna.

Would she really like to retire in Ecuador? She is not sure. Next month when she travels to Ecuador to take care of her ill father, she will find out in person what precisely her entitlements are, and what her IESS account looks like. After 16 years of lost faith in Ecuador, Sara acknowledges many advances of the current administration, but remains wary. In the end, *It's not [President] Correa nor [President] Fischer who support me.*

Retirement here or there? Migrant strategies for social protection

Complex and distinct regulations in different locations make this a difficult decision to make. Additionally, personal ties play a key role in the imagining of a future retirement, and the actual one.

The experiences and realities of our interview partners are compound, and also respond to the variables of time and space; they have changed in the past and are expected to change in the future. However, four main strategies can be identified.

- A) Mandatory insurance in Vienna or Madrid via the employer.
- B) Use of voluntary affiliation (for Ecuadorians abroad)
- C) Buying property in Ecuador to secure an income.
- D) Buying homes in Ecuador for their own use in retirement.

These are only some from a wide array of practices, ideas and plans to patch together social protections

across space and time, and sometimes even across generations.

Final remarks

Ecuadorian migrants who fled the multiple crises of the 1990s have a very limited trust in Ecuadorian institutions, which is why many are wary of trusting them once again with their monies. However, when uncertainties on their retirement in Vienna or Madrid arise, the benefits and open channels of voluntary affiliation to the IESS become more attractive.

This has led to a limited self-insurance in IESS. Others have invested in property either in Europe or in Ecuador and will rely on it for housing or an income to complement their retirement pension. In Vienna migrants are aware of the strong social system and multiplicity of services available to them with their social security, services which in Ecuador would require out-of-pocket payments if at all available. At the same time, for many of our interview partners affective ties to the kin or the land also play a role in either motivating them to stay in Europe with their children or grandchildren, or to retire in Ecuador. Both in Vienna and in Madrid migrants expressed a very strong sense of longing for Ecuador to retire, while also highlighting the stark differences of aging here and there. "Here" in Europe, retirees have social lives, buses stop for them, there are ramps and reliable streets, there are public, third sector and private institutions targeting retirees, be it health services, entertainment, sport, or social gatherings. "There" in Ecuador public hospitals have improved, but waiting times are a serious problem, availability of medicine and of additional services such as physiotherapy are limited to specific institutions. Yet "there" a private careworker might be more affordable than in Europe.

Not only are migrants creative agents, but migration exposes a series of transnational ties that connect diverse actors from the local, national and global scales. In the midst of these interconnections, families create spaces for contact and exchange "here and there", either through the flow of goods and remittances, exchange of information, or arrangements of care practices for those who remain and those who leave (Boccagni, 2010 and 2013, Herrera, 2013).

Beyond the formal systems of social security, there are transnational family exchanges that play a fundamental



role in the social protection of migrants, somehow sup-
plying the limitations of access to social security.

The particular constellation of services, institutions and
personal networks in a city influence how people per-
ceive it for a future retirement. What will the city of resi-
dence offer in the next decade? Will migrants reach min-
imum requirements to access retirement pensions?

Although the existing bilateral or multilateral social secu-
rity agreements cover this population, it is ultimately the
services offered by the cities where migrants reside,
which determine a real short and medium term access
to health services, social assistance, social and labor in-
tegration, etc. While the scenario unfolds, and the par-
ticularities of each city and each individual play out, Vi-
cente and Sara are not sure if they will retire here or
there.

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