

A stylized world map composed of a grid of dots in various shades of gray, with several dots highlighted in red. The map is centered behind the title text.

Engendering Social Security and Protection: The Case of Latin America

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- Progress has been achieved in providing social protection for Latin American citizens in many countries of the region, resulting in extended coverage for groups that were excluded up until a few years ago. Women have also benefited from this development, as a greater number of Latin-American women have accessed to politically relevant positions.
- Nevertheless, a number of challenges remain and need the attention of government leaders. The most important challenges are how to account for unpaid care work in the context of social security/protection, and how to develop paternity leave policies that promote the rights of fathers and, hence, strengthen mothers' positions in the labour market, including the effects on their entitlement to social security. Equally, it is necessary that the region's governments realize the importance of delivering gender oriented public policies.



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1. Introduction¹

Latin America has developed a variety of social security system mechanisms that ensure income levels that provide minimum quality of life levels, provide access to social services and their promotion, as well as ensure the universalization of decent work.

Three major components responsible for the success of the system are considered here:

- a) non-contributory social security aimed at those living in extreme poverty by means of transferable programmes and public subsidies that are normally financed from general income tax revenues;
- b) contributory social security that seeks to protect workers and their dependents during periods of both work and unemployment. Unemployment and disability benefits as well as pensions, health insurance and the associated benefits and protection mechanisms that cover maternity come under this heading;
- c) regulation of the labour market – in this context meaning the protection of the individual and the collective rights of workers, which fulfil a crucial role in the reduction and amelioration of the risks associated with unemployment and a lack of decent work.

Progress in the protection of citizens has been achieved in many countries of the region, resulting in extended coverage to groups that were excluded up until a few years ago. In part, this has been achieved thanks to the increased public investment in social security, which, since 1990/1991, has increased by an average of five per cent, reaching up to 18 per cent of Gross Domestic Product (GDP) by 2007/2008. Though it is a significant advance, it is still inadequate if one considers that the region is placed seven percentage points below member countries of the Organisation for Economic Co-operation and Development (OECD) whose investment in social security amounts to 25 per cent of their GDP (ECLAC 2010; Cecchini and Marinéz 2011). Alongside the extended social security coverage, a gender perspective was gradually incorporated into social security policies. Various factors explain this process, some of the most important are (ECLAC 2010):

- a) women are participating in higher numbers in politics and in decision-making processes. A good example of this is the access women have to decision-making processes at the highest levels in countries such as Argentina, Brazil, Chile, Costa Rica, and Jamaica;²
- b) the adoption of national laws covering equal rights, the implementation of gender-budgeting, and the integration of gender perspectives in planning procedures. Although these mechanisms exist at the ministerial level in countries such as Brazil, Chile, Costa Rica, Guatemala, Haiti, Honduras, Paraguay, Venezuela, and the Dominican Republic, in smaller and less well-developed countries – especially in the Caribbean – they are part of the ministries for social security and are associated with social or family assistance;
- c) the increased rate in economic participation by women that has occurred in urban areas – from 42 per cent to 52 per cent between 1990 and 2008 – while the population of economically active men has remained unchanged at around 78 per cent;
- d) the continuing rise in the educational levels of women, equalling that of men in all but some countries and geographical regions where women of indigenous and African descent have been left out.

2. The Impact of the Economic Crisis: Astonishing Resilience Because of the Social Protection Schemes in Place...

In 2009, 183 million people were living in poverty in Latin America – a third of the region's population – of which, 74 million were classified as living in extreme poverty (ECLAC 2010).

2. In Argentina, Ecuador, and Peru, the number of women forming part of the executive branch of government has reached 30 per cent. In Colombia in 2009, a minimum quota of 30 per cent for women in government was achieved, with the executive branch having the highest percentage. In Costa Rica, a parity law for the cabinet was approved (43 % of the current cabinet are women). The first cabinet of President Bachelet's government in Chile in 2006 was 48 per cent female. Meanwhile, a minority of women in positions of executive power can be observed in Brazil, Haiti, the Caiman Islands, Jamaica, Puerto Rico, the Dominican Republic, and Venezuela, where they account for percentages under 15 per cent. Regarding legislative power in 2010, female representation only reached 22.2 per cent, with the highest levels of participation found in the Caribbean (22.1 % and 29.4 % between 1990 and 2009). On inspecting the participation of women at the highest judicial levels of power over the past decade, an increase from 8 per cent to 19 per cent can be noted, a figure that includes the increase over the past four years (ECLAC 2010).

1. Thanks to ECLAC researcher Coral Calderón M. for her help with the references and to the sociologist Hugo Soto Ojeda for his valuable comments.

When considering the requirements for qualifying for social security benefits, employment is a fundamental factor. This is because employment is the principal means by which workers and their dependents gain access to stable incomes and contributive social security policies. However, at present, two very different realities co-exist for Latin American citizens: On the one hand, less than half of the working population is integrated into the formal economy with access to some kind of contributive social security. On the other hand, a large section of the population continues to be excluded from the formal labour market and therefore lacks access to such social security system mechanisms. The reason for this is that social security is basically tied to the expansion of the formal labour market (Lo Vuolo 2009; ECLAC 2006).

The precarious nature of the region's labour market is foremost due to its informality as well as to employment in low productivity sectors. In 2008, around half the Latin American working population was employed in low income and low-productivity sectors, which offer poor social security coverage. Of particular concern is the large proportion of working women in low productivity sectors (55.5 %) compared to men (49.9 %).

Nevertheless, the effects of the global financial crisis have not reached the dramatic levels of previous downturns. Among other reasons, this is due to a combination of an external environment that was previously very favourable and to improved management of macroeconomic policies, which has allowed the region to reduce its debt, reschedule its debt repayments under improved conditions, and, at the same time, increase its international reserves. The expansion of the macroeconomic space in many of the region's countries has generated a significant capacity for implementing policies aimed at combating the crisis. To this can be added the increases in social security spendings in recent years, as well as the programmes in this sphere that have contained the social costs arising from the global economic crisis.

Social security systems in Latin America have hence managed the crisis by creating insurance mechanisms – be they associated with the labour market or independent of it – as well as coverage against sudden declines in incomes using non-contributory social security mechanisms. In particular, the set of non-contributory state

payments – among them, social pensions or conditional cash transfers (CCT) – clearly improved the levels of well-being in the poorest households.

Currently there are 23 CCTs operating in 18 countries, ensuring the protection of 25 million families during times of crisis. This represents 133 million Latin American and Caribbean individuals and amounts to around 19 per cent of the regional population, financed by 0.4 per cent of the region's GDP (ECLAC 2010).

3. ...And Still, Some Challenges Remain

Contributory insurance: The degree of gender inequality reproduced by contributory insurance (such as formal pensions tied to employment conditions) in the labour market generally depends on the relationship between entitlements to a pension and employment history. It is possible that older women who worked for short periods or who did not work in the formal labour market are not protected by any social security mechanism. The majority of state and private pension schemes are principally aimed at workers with formal employment and exclude an increasing number of working people.

Regarding maternity and paternity leave: In Latin America, work/family balance policies have centred on the protection of working mothers, principally focussing on the phases of pregnancy, birth, and breastfeeding. Despite the fact that the ILO Agreement No. 183 recommends a minimum of 14 weeks of maternity leave, the majority of the region's countries only offer an average of 12 weeks. The longest maternity leave periods are provided in Brazil (180 days). Cuba and Venezuela allow for 18 weeks; the Bahamas only allows leave every three years; while Trinidad and Tobago allows leave every two years. Regarding maternity leave for adoptive mothers, the period allowed in Peru is 30 days, while in Guatemala, Uruguay, and Colombia, it covers the standard post-natal period; the same applies in Brazil and Costa Rica (ECLAC 2010).

Despite the fact that there has been plenty published on the impact of fathers' involvement in child-rearing, the right to paternity leave is lagging behind the period granted to women in the region. Paternity leave ranges between 2 and 14 days, depending on the country. Cuba is the only country that guarantees paternity leave imme-

diately after the mother takes her leave. In Ecuador, that right is set in its Constitution; in Peru, workers in the public and private sectors are granted paid paternity leave by law; in Venezuela, 14 consecutive days are granted from the day the child is born (Barker and Verani 2008).

Non-contributory insurance: CCT programmes have emerged as an important instrument of economic and social policy and various countries in the region have implemented these types of programmes. Two of the best-known programmes are Progresá in Mexico (subsequently renamed Oportunidades), and Bolsa Familia in Brazil, which is the largest of its kind in the world, with over 11 million families as beneficiaries. Evaluations indicate that these cash transfer programmes have efficiently achieved their objectives concerning poverty reduction and the levelling of opportunities (Barrientos and DeJong 2006; González de la Rocha 2008; Suarez et al. 2006): These programmes have helped to improve nutrition, infant health, and education, as well as to reduce child labour.

However, programmes focusing on poverty reduction have not always proved good practice from a gender perspective: Cash payments are often paid to mothers. But even though it has been shown that cash transfers made directly to women have positive impacts on the well-being of the family, unease has arisen regarding the design of these cash transfer programmes, because they tend to reinforce conventional gender-based employment divisions (UN 2009; Cecchini and Marinez 2011). In some cases, they have even resulted in women leaving the labour market in order to comply with the conditions imposed by a given CCT (Latapi and González de la Rocha 2009; Molyneux 2009; ECLAC 2006; Adato et al. 2000).

Inequality of access to the labour market and income gaps: Despite the equalisation of education for men and women, this educational achievement has neither been translated into an equivalent increase in the participation rates, nor in the levels of income, nor in parity of access to quality employment for women. Increased educational level do not result in a diminishing income gap between men and women in the region. In fact, women with lower educational levels are paid 68 per cent of male incomes, while women with higher educational levels (13 years of education or more) earn the equivalent of 69 per cent of male incomes (ECLAC 2010). The gender wage gap persists across all educational levels.

Workload and unpaid employment: Given the cultural patterns in the division of labour between the sexes, Latin American women continue to do the domestic and unpaid work even when they have paid work. Also, since domestic work as well as childcare and nursing the sick and aged is traditionally assigned to women, the proportion of women without incomes independent of their spouse is significantly higher than that of men. Without formal employment, these women are generally outside the contributory benefits systems associated with participating in the labour market (unemployment, sickness and pension insurances). On the other hand, employed women also have to spend significant amounts of time on domestic work, so that no matter how long their working week is, they usually spend much more time than their male counterparts in domestic work (ECLAC 2010).

4. Good Examples to Learn From

Regarding institutionalism and the recognition of paid and unpaid employment: The Venezuelan Constitution of 1999 explicitly recognises housework as an economic activity that generates aggregate value and improves wealth and social quality, and it grants the right of each and every person to social security, which specifically includes housewives. In the case of Ecuador, the Constitution of 2008 guarantees the universal and irrevocable right to social security; furthermore, it recognises unpaid housework and caring that is carried out in households as productive labour. In Bolivia, the New Constitution of 2008 recognises the economic value of housework as a source of wealth that is to be quantified in the public accounts (ECLAC 2010).

The labour market – aiming for parity between men's and women's salaries: Some countries have started to establish explicit legislation obliging employers not to discriminate on the grounds of gender and to respect the principle of equal pay between men and women carrying out the same work. In Colombia the Labour Code (Código Sustantivo del Trabajo) and its regulatory decrees and related provisions establish, among other things, the banning of differential pay scales based on gender. In the Dominican Republic the text of the new Constitution, proclaimed in 2010, recognises the concept of equal pay for equal work. In Chile, an Equal Salaries Law for men and women has been established that applies to employees in both the public and private sectors (ECLAC 2010).

Contributory social security: The Chilean pension reform illustrates the decision of improving gender parity in pensions through an increase in women's pension funds by means of a bonus for each live birth. This is applied universally, without considering employment, social, or economic conditions, nor whether or not the beneficiaries have contributory support. The bonus equates to approximately 600 US dollars per child – this amount accumulates value until the woman reaches the age of 65. When that date is reached, the bonus is deposited in her pension fund (Administradora de Fondo de Pensiones/AFP), where it augments her savings and the final pension she will receive. The establishment of this benefit has, at its core, the recognition of unpaid care work, which continues to be carried out mostly by women, and its transformation – that is to say, to change the current unequal share of domestic work responsibilities between men and women.

Regional co-ordination and relevant statistics:

During the 10th Regional Conference on Women in Latin America and the Caribbean held in Ecuador in 2007, the member States of ECLAC requested the creation of a gender equality observatory. Among its principal objectives were: to analyse and highlight the achievement of international goals and objectives regarding gender equality; to design strategic gender inequality indicators and analytical tools for policymaking available to Governments as well as to produce an annual report on key topics on gender for the region (Gender Observatory). In line with this, Chile has developed surveys on early childhood (Early Childhood Survey/Encuesta Nacional de la Primera Infancia ENPI – Chile, 2010). Colombia is also currently developing one, as well as surveys on quality of life and time use, which will assist in the quantification of factors relating to caring that were previously not taken into account.


5. Conclusion

Latin America has developed its social security models based on the cornerstones of employment and contributory and non-contributory social security. Many of those policies have achieved their objective of reducing poverty and vulnerability, and are increasingly incorporating gender perspectives – both in their design and implementation. The increased presence of women in the decision-making sphere and the needs that arise

from having more women in the labour market explain in large measure the increased gender awareness in social security policies. Nevertheless, a number of issues that need to be addressed by Governments remain if gender equality is to be set at the heart of social security policies:

- Social security plans need to be adequate, sustainable and gender-sensitive, covering contributory and non-contributory insurance that fulfils the minimum basic needs of an entire life cycle, and which are calculated to allow – in their respective benefits – for time credit for periods spent caring for others.
- Social protection must be reviewed, reinforced, and extended to adequately serve the needs of those that live in poverty, taking into consideration the specific needs and priorities of women in relation to the unequal distribution of unpaid work.
- The development of employment policies and employment guarantee programs, as well as cash transfer programs to families must be based on a gender analysis that has taken into consideration the needs and priorities of both men and women, and does not reinforce gender bias.
- Regarding contributory social security, common tables for mortality rates specific to both sexes need to be established for the calculation of payments; retirement ages need to be progressively equalised for men and women; and provisions should be taken, be it for subsidising a child bonus or reducing the number of years for obligatory payments for women, in recognition of the time spent in domestic work, caring, and child-rearing.
- A comprehensive paternity leave policy that promotes the rights of fatherhood must be developed. This policy should make use of features such as exclusive paid post-natal leave and should, at the very least, be extended to cover four weeks. In addition, gender, family, and work policies that recognise the joint responsibilities of men and women in childcare and upbringing should be promoted.

In order to achieve progress in this direction, Governments need good data and statistics to allow for informed policy making. This is why, it is important to sus-



tain the initiatives on the regional coordination of statistics – such as the Gender Observatory carried out by ECLAC – and the establishment and development of surveys on households that highlight topics such as caring and the organisation of time. By quantifying care work in financial terms and hence making it statistically »visible«, chances increase that gender equality becomes one of the guiding principles of social policy design.



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