



Executive summary

- ▶ **Regional study of child labour
and social protection in childhood
in Argentina**

Mónica Jiménez
Maribel Jiménez

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Child labour (CL) is a persistent problem that accentuates intergenerational poverty, threatens national economies and violates the rights of children and adolescents. This problem includes all productive activities performed by children and adolescents (C&As)¹ that are harmful to their physical and psychological development and that – in the worst forms – deprive them of their childhood, their potential and their dignity. While the definition of CL can be debatable, it is broadly recognized to be a complex phenomenon that manifests itself diversely and in heterogeneous ways between the various regions of Argentina. Consequently, according to data from the Child Labour Risk Identification Model (CLRISK) – a study developed by the Economic Commission for Latin America and the Caribbean (ECLAC) and the ILO in 511 Argentinian departments throughout the entire country in 2018 – the average risk of CL in Argentina is 6.5 per cent. However, this risk increases to over 8.8 per cent in one out of every ten departments. Added to this is the likelihood that CL will increase as a consequence of the crisis caused by the COVID-19 pandemic, within a context of economic downturn, worsening labour market indicators, an increase in social vulnerability and a high rate of child poverty, all problems whose incidence tends to be heterogeneous among the country's various regions.

Within this context, a suitable response must be provided, which should include not only the implementation of CL prevention and eradication

programmes and projects, but also the development of accurate analyses and diagnoses of the problem. Some of the current policies that offer social protection linked to income security and targeted at childhood in Argentina – notably the Universal Child Allowance (AUH) implemented in 2009 – could be effective at mitigating the risks of CL and fighting against it. In fact, a previous study by Jiménez and Jiménez verified that both the AUH and the Contributory Family Allowances (AAFFs) per child in the lowest bracket of Family Group Income (IGF) have led to a reduction of this phenomenon at a national level. The evidence obtained in other articles also indicates that between 2004 and 2012 in Argentina the percentage of children of between 5 and 13 years of age who worked dropped by 66 per cent, resulting in a rate that is one of the lowest in Latin America. The public policies that were implemented in the country during those years played a central role in that reduction, given that they had an impact on substantive improvements in the living conditions of households in general and of childhood in particular.

Given the major socio-economic inequalities that exist between the various regions of the country, as well as the discrepancies in the incidence and the particulars of this problem in each region, a regional assessment and analysis should be conducted of the scope and impact of the public policies that are targeted at children and that provide income security to households

¹ Law No. 26.390 establishes 16 years as the minimum age for working. Nevertheless, adolescents of between 16 and 17 years of age can enter into an employment contract, as long as they have the permission of their parents or guardians and as long as specific conditions are met, such as working no more than 6 hours per day or 36 hours per week and the job does not involve night shift work.

with C&As in order to prevent any backslide in the progress that has been made. The potential impacts of those policies must be strengthened, given that they could be useful in responding to CL or in accelerating its reduction, mainly in the areas of the country where a greater incidence of this problem is observed. Both quantitative and qualitative studies on the scope and characteristics of this problem constitute indispensable instruments for formulating and executing actions, projects and public policies that contribute to preventing and eradicating CL.

This document seeks to contribute information about the role played in the fight against CL by the main public policies that are associated with social protection targeted at households with C&As. With this aim, the main source of information comes from the data of the latest Survey on the Activities of Children and Adolescents (EANNA) that was conducted in 2016-2017 in Argentina by the National Institute of Statistics and Censuses (INDEC). Based on that survey, CL is understood as a set of productive activities that are performed by C&As and encompass work oriented at the market (work in the labour market), activities for family consumption and intense domestic tasks.

Using the information available in the survey, first we examine the scope and failure of coverage of the AUH at a regional level, given that it is one of the main income security policies targeted at childhood that are currently in force in Argentina. Specifically, this document aims to determine the extent to which that programme offers adequate social protection regionally in terms of the horizontal and vertical coverage for C&As who are beneficiaries of the AUH. The analysis considers the differences in both types of coverage for different subgroups of C&As residing in each region of the country according to their status of activity (working or not), the type of productive activity they perform (activity for the market, activity for family consumption or intense domestic work), their gender, their age group (children or adolescents), the gender of the head of household where they live, the education level of the head of household, where they reside (urban or rural) and whether or not they are attending school. The study thus seeks to offer a descriptive map of the Argentinian territory that allows identifying the regions that have the

greatest incidence of child labour and how that incidence relates to the coverage level of the AUH as a regional diagnostic tool. Likewise, given that there is scarce empirical evidence available about CL and its relationship to current social protection in Argentina from a regional perspective, the study also seeks to provide information that contributes to the existing literature.

Second, the study analyses the changes that have been introduced to the access requirements to the AUH since November 2020 through Decree 840/2020, which were aimed at adopting measures for mitigating the socio-economic impact of the pandemic. Based on the survey, the document studies how the analysed scenarios would change if social protection were expanded, considering the elimination of the maximum limit of five beneficiary children per family group, which was established when the policy was created. This exercise is performed specifically for a subgroup of C&As according to their work status and the type of productive activity, thereby identifying how the coverage levels change among C&As according to their work status and the region of residence. In this regard, the study seeks to measure the extent to which the changes recently introduced to the design of this policy add to the efforts being made to prevent and eradicate CL.

Finally, the third objective of the study is to assess the impact of the AUH on CL in each region of the country. Even though the AUH was not created for the specific purpose of reducing this problem, the programme could have an impact on the level and intensity of the work activities performed by C&As, given that the programme provides a monetary transfer to families with children. Likewise and considering that, according to research by the ILO, the decision to attend school and participate in the labour market are not independent, this document also seeks to study the relationship that exists between CL and attending or dropping out of school. The assessment of this relationship is relevant if we consider that the benefits from increasing the attendance rate (or reducing the dropout rate) translate into more C&As studying and fewer working, which contributes to better educational paths and professional careers in the future. To estimate the impact of the AUH on CL and/or on the school dropout rate of each region, the Coarsened Exact Matching (CEM) method is used.

According to the results obtained, the scope and level of coverage of the AUH is shown to be greater in some regions than in others. In general, the data show that the Argentinian North-West (NOA) and the Argentinian North-East (NEA) are the two regions with the highest percentage of C&As covered by the AUH, while the region of Patagonia has the lowest percentage. While the results generally suggest adequate focus in relation to the incidence of CL, the AUH's regional levels of coverage do not always match the social protection needs of households with C&As. Specifically, the data from the 2016-2017 EANNA indicate that over 43 per cent of the C&As who are eligible as beneficiaries are not covered by the AUH. Likewise, among the set of C&As who work, it can be observed that between 5 per cent (in NOA) and 10 per cent (in Greater Buenos Aires, or GBA, and Cuyo) reside in households that are excluded from the analysed social protection policies and belong to the lowest income strata.

While the changes introduced by Decree 840/2020 could have reduced some of the AUH's coverage deficits, the records of the National Social Security Administration (ANSES) and the simulation exercise performed in the study suggest that those changes were not enough to generate significant increases in the programme's coverage rate. However, when the type of productive activity performed by C&As is considered, some considerable differences in the regional levels of coverage can be appreciated. The absence of an increase in the AUH's coverage in the aforementioned records could be due to reasons that are not contemplated in the Decree and for which eligible persons of the programme are excluded, perhaps because of difficulties related to completing the procedure required to access the programme (such as connectivity, transportation or the education level of the parents, among others).

Furthermore, there is high heterogeneity in the AUH's coverage regionally by age group and by the type of productive activity performed by beneficiary C&As. In this case, the need to improve coverage is noted mainly among C&As who perform productive activities, especially when the tasks they carry out represent greater risks to their physical and moral integrity, such as those associated with activities for the market, which tend to have a greater weight in NOA, NEA and Cuyo. Although the AUH's scope is suitable in some regions, it

could be necessary to adjust the programme's coverage levels in provinces or regions according to territorial disparities.

Regarding the AUH's vertical coverage, the results show a high level of dispersion regionally. NOA is generally the region with the highest replacement rates of the AUH in relation to the different reference values that are considered, such as the Complete Basic Basket (CBT) for a child under 5 years of age, a male adolescent of 17 years of age, an equivalent adult or the per capita family income of covered households. Conversely, GBA, together with Patagonia and the Pampean region, shows the lowest levels of vertical coverage. However, in GBA a significantly high replacement rate is noted when the labour income of C&As is considered. The results also clearly show the insufficient vertical coverage of the AUH with respect to the basic needs of the most vulnerable population, which are becoming more profound in some areas of the country. This evidence is relevant considering that the previous study by Jiménez and Jiménez showed that the effect of this programme on CL seems to respond more to the amount received rather than to the conditionalities required to collect it.

In general, the evidence obtained raises some questions, such as whether or not it is necessary to adjust the amount of the AUH among the poorest and most vulnerable households where the replacement rate might not be high enough in relation to the purchasing power of families within an inflationary context and, in particular, in relation to the income coming from the activities performed by C&As. Furthermore, given the economic crisis caused by the COVID-19 pandemic, adequate coverage by the AUH is essential for protecting families with C&As from the negative consequences of the crisis on their general well-being and for guaranteeing access to the basic rights of C&As in these households.

In terms of public policy recommendations that might mitigate the disparities among the social protection levels of C&As, the study outlines a few alternatives, such as determining different amounts of the AUH by region of residence, thereby considering the territorial disparities in the social protection needs of not only C&As as a whole but also of some subgroups in which greater socio-economic

vulnerabilities are observed, especially when those C&As are working. Another proposed alternative is the possibility of implementing, improving or expanding local or national income transfer programmes targeted at households with C&As, which could supplement the AUH and offset the deficiencies observed in the programme's coverage, especially in those areas or provinces of the country where some vulnerabilities are becoming more profound in households with C&As. The budget limitations that currently exist nationally, provincially and locally represent a possible difficulty for implementing these types of measures. The cost-benefit ratio of these measures is a factor that should be taken into account when designing and implementing them, for which there must be studies that analyse such costs and benefits for making public policy decisions. On the other hand, from the perspective of the fight against CL and considering the results obtained, it is necessary to improve the quality and quantity of public education, which is managed by the provincial governments and constitutes a central issue in this problem.

Another contribution that this research makes to the available evidence is its assessment of the AUH's impact on CL at a regional level. The results indicate that the AUH significantly reduces this problem in every region of the country. Together with the evidence obtained in the previous study by Jiménez and Jiménez, which suggested that, to a great extent, this effect on CL responds to the amount rather than the conditionalities of the AUH, it is advisable to assess the need to increase the programme's coverage in those regions where lower effects on CL were observed. Moreover, beyond the observed levels of horizontal and vertical coverage, it is also important to keep in mind that in the NOA, NEA and Cuyo regions the characteristics of the C&As in households covered by the AUH, mainly those in which C&As work, are associated with greater levels of socio-economic vulnerability, which has implications for the risk of CL and causing it to increase.

Likewise, while the study acknowledges that the income transfers offered by the AUH are an effective tool at reducing CL regionally, it also cautions about the need to attack the problem comprehensively through complementary public policies, such as those targeted at improving care systems. The study also suggests that policies favouring the creation of quality jobs that allow reducing the labour precariousness of parents and tutors should be boosted, thereby promoting the mitigation of CL, especially in households where the situation of the parents represents a risk factor. These actions could constitute effective, complementary and, possibly, more efficient tools in the fight against this problem. Decreasing the negative consequences caused by CL necessitates the right decisions regarding socio-economic and child protection policies in order to contribute to protecting families with C&As in the short term and also generating long-lasting, positive effects in the long term.

Considering the limited information available for the analysis, the results of the research should be considered to be an initial diagnosis of public policies for social protection targeted at childhood and their relationship with CL. Furthermore, within the current context of the socio-economic and health crisis, it is evidently important to have studies that update and delve deeper into the analyses in order to come up with solutions that adapt to regional needs.

Given the significant economic and social inequalities that exist between the different provinces and regions of the country, as well as the discrepancies in the incidence and the particulars of CL in each one, income security policies targeted at childhood in Argentina must continue to be assessed in order to improve their design and implementation so that they can become even more effective tools in the fight against this problem.

