



Organización
Internacional
del Trabajo

► Child labour and social protection targeted at children, adolescents and their households in Argentina

Contributions to the debate on income protection policies related to child labour



▶ Main results

- ▶ Both the Universal Child Allowance (AUH) and the Contributory Family Allowances (A AFFs)¹ programmes, which target households with limited access to resources, significantly reduce the proportion of children and adolescents (C&As) who work among those living in the recipient households of these programmes².
- ▶ The impact is very heterogeneous: the incidence of these programmes on child labour (CL) is lower among women. Moreover, the analysed programmes have a lower impact among C&As who live in rural areas.
- ▶ Regarding the AUH, the evidence shows that this policy does not have a significant impact on CL in households where there are children and adolescents who work long hours.
- ▶ There continues to be a population without coverage, above all among C&As who work (one out of five are not reached by transfer programmes).
- ▶ The education conditionalities imposed by the AUH do not seem to have a determinant impact on CL, which suggests that monetary transfers result in a reduction of CL regardless of the co-responsibility requirement.
- ▶ In regional terms, there is high heterogeneity in the AUH's coverage by age group and by the type of productive activity performed by the beneficiary children and adolescents. The NOA and NEA regions have the two highest percentages of C&As covered by the AUH, and Patagonia has the lowest percentage. The regional coverage levels of the AUH do not always match the social protection needs of households with children and adolescents.

¹ The eradication of child labour is one of the targets included among the Sustainable Development Goals of the 2030 Agenda driven by the United Nations. The problem encompasses market-oriented activities, intense domestic work and family consumption activities performed by children and adolescents (C&As) that are harmful to their physical and psychological development and that – especially in the worst forms – deprive them of their potential and their dignity.

² This document is based on the studies conducted by Jiménez, M. and Jiménez, M., titled “Child labour and social protection in childhood in Argentina” and “Regional study of child labour and social protection in childhood in Argentina”, ILO, 2021.

▶ 1. Income protection in Argentina

In Argentina, income protection for children and adolescents is provided through three major components. The first component consists in contributory family allowances, which constitute the central and traditional scheme of monetary transfers targeted at households with C&As, within the framework of the Family Allowances (A AFFs) scheme. The second component, of a non-contributory nature, includes the Universal Child Allowance (AUH), Non-contributory Pensions (PNCs) and other provincial programmes with a minor scope. Finally, the third component refers to a deduction per child based on the tax on income earned by formal workers registered as employees (internationally known as the Personal Income Tax), who earn income above a certain amount called the “non-taxable minimum”. While this Tax Credit (TC) was not originally designed as an income protection mechanism, it is in reality set up as such for dependants of households with higher income.

Towards the end of 2020, the horizontal coverage of these three components reached 91 per cent of the children and adolescents residing in the country. These high levels of coverage were successfully reached and sustained from the implementation of the AUH in 2009 (including its successive adaptations) and, to a lesser degree, from the inclusion of the children of monotributistas (small contributors under a simplified tax scheme), beginning in 2016.

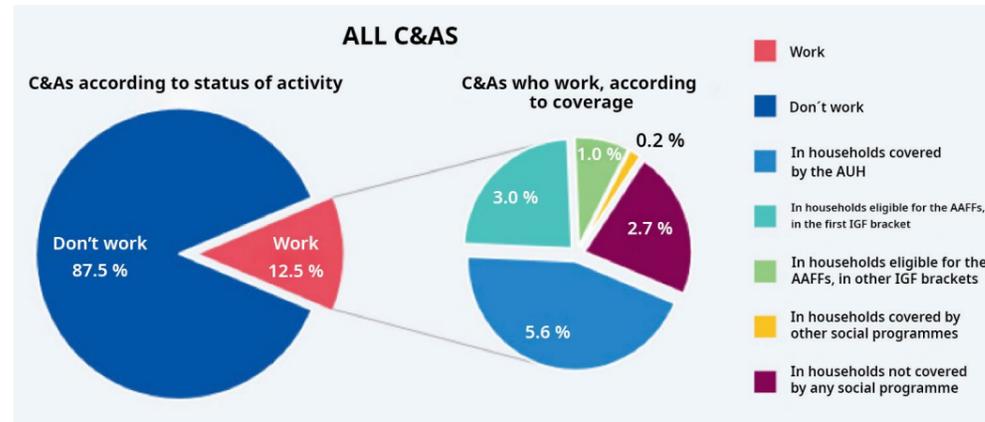
Decree PEN/2020, which was passed in November 2020 as a part of the emergency responses to the COVID-19 pandemic, set forth a series of measures for expanding the AUH by eliminating the limit of 5 children among those who were

eligible, by reducing the period of residence in the country for immigrants (from 3 to 2 years), by suspending certification of the conditionalities for 2020 and by launching the Pre-registration Certificate as a temporary tool to begin the sign-up procedures for people who do not yet have identification records, among other measures. The objective of these measures was to incorporate approximately 1 million children into the AUH and significantly reduce the policy's horizontal coverage gap, but this objective was not actually met.

Regionally, high heterogeneity is observed in the AUH's coverage. While the focus of the AUH is adequate in some regions, it still raises some questions associated with the need to adjust the programme's coverage levels in provinces or regions according to territorial disparities.

As it can be seen in the following figure, in Argentina nearly 12.5 per cent of children and adolescents work, and a large proportion of them (76 per cent) are covered by one of the current protection components. But the alarming data is that approximately one out of every five children and adolescents who work are not covered, regardless of the type of activity they perform.

► Figure No. 1 – C&As in recipient households of the AUH, which are eligible for the AAFs and beneficiaries of other social programmes, according to the status of activity (2016-2017)



Source: Jiménez, M. and Jiménez, M. "Child labour and social protection in childhood in Argentina", ILO, 2021.

► 2. What impact does income protection have on CL in Argentina?

There is extensive international evidence that links social protection tools to tendencies to reduce participation by children and adolescents in productive activities. In general terms, direct monetary transfer programmes in Argentina (whether conditional or not) that are designed for families with C&As under their care have operated like social protection instruments, with positive impacts on the well-being of households. Likewise, even though the main objective of these protection programmes was not designed to have an impact on CL and children and adolescents, they can have positive effects through two major mechanisms. On the one hand, they have a direct effect through the income from monetary transfers to the household, which offset the income derived from the work of children and adolescents; and on the other hand, these policies have another, indirect effect through their tendency to have an impact on school attendance. In the case of conditional transfers, they can, from an economic point of view, result in the replacement of CL to the extent that there is an increase in the opportunity costs of non-attendance in school or of failing to meet the primary health care needs of C&As. Therefore, the impacts of the main income protection programmes targeted at childhood were assessed based on the level, intensity and type of productive activities performed by children and adolescents. The analysis included a comparison exercise between the impact of the AUH and that of the AAFs of the lowest income bracket³, as well as an

analysis of the role of the AUH's conditionalities in relation to the studied effects on CL.

The results obtained⁴ indicate that both the AUH and the AAFs seem to significantly reduce the problem, especially the proportion of children and adolescents who work. However, as stated, this impact is heterogeneous:

The evidence shows that the incidence of these programmes among girls is lower than among boys, while the impact on activities being performed by C&As who live in rural areas is higher.

On the other hand, the evidence suggests that the education conditionalities that are imposed to receive the AUH do not have a determinant impact on CL. However, they could have a positive impact on other relevant variables related to the development of skills for work and social integration.

The evidence also suggests that the analysed programmes have different impacts on the number of hours that children and adolescents are engaged in work. Regarding the AUH, the estimates indicate that its amount does not seem to be enough to reduce their hours worked, especially when the number of hours exceeds 3-8 hours per week.

Finally, in regional terms, there are major socio-economic inequalities in Argentina. There is

³ According to current data, by October 2020 (cut-off date of the work) the lowest bracket of the AAFs corresponded to Family Group Income (IGF) levels of between 6,105.79 and 54,865 Argentine pesos per month. The minimum IGF to access the bracket has now been eliminated, and the current maximum is set at 69,805 pesos.

⁴ Based on the 2016-17 Survey on the Activities of Children and Adolescents (EANNA), published by the Ministry of Labour, Employment and Social Security (MTEySS) and the National Institute of Statistics and Censuses (INDEC), which provides statistics on C&As from 5 to 17 years of age involved in economic and non-economic activities.

also broad heterogeneity in not only the incidence of CL but also in the rate of C&As who reside in households covered by the AUH. A direct relationship is consequently observed between the analysed problem and the social protection offered by this transfer. Thus, in regions where the rate of CL is relatively higher, such as in the NOA (17 per cent) and the NEA (15.8 per cent), the percentage of children and adolescents who reside in households covered by the AUH is also relatively high (45.3 and 44 per cent, respectively).

► 3. Recommendations for improving the impact of income transfer policies targeted at childhood

Social protection plays a notable role in mitigating the socio-economic vulnerabilities associated with CL. Based on the main findings of the analysed studies, it is evident that monetary transfers to families have significant effects on CL, given that they decrease the proportion of working C&As among the beneficiary households of these programmes. Within this framework, income protection policies targeted at childhood in Argentina must continue to be supported and strengthened, together with income transfer programmes for households, given that they are effective tools for promoting access to and compliance with the rights of children and adolescents.

The responses by public policies must be examined and adapted due to the extensive effects and impacts caused by the COVID-19 pandemic. The main recommendations for the debate on income protection policies designed to prevent an increase in CL and favour the prevention and elimination thereof are summarized below:

1. It is essential to have suitable data that allow identifying the reasons why children and adolescents are excluded from current social protection mechanisms so that the design of these mechanisms can be modified and the situation of the C&As who are most in need but not yet covered can be improved. Specifically, the potential of the knowledge base that comes from implementing programmes such as the following must be taken advantage of: the AAFs, the AUH, the IFE, the "AlimentAR" (Nourish) Card and the Potenciar Trabajo (Promote Work) programme, as well as the National Registry of Workers of the Popular Economy (ReNaTEP), among others, which

offer detailed information about populations with greater vulnerability.

2. Considering that a large number of children and adolescents still do not have access to any type of income transfer policies, these gaps in coverage need to be reduced starting by identifying such groups and including them in the social protection system. It is important to continue advancing on the detection of C&As who, despite meeting the eligibility conditions, are still without access. This could be done, for example, by intensifying operations related to conducting surveys and recording cases (handled by the National Social Security Administration (ANSES) and/or through agreements with provincial and local government institutions that implement territorial policies linked to employment and social protection) and by improving information records (in cooperation with the Ministry of Social Development, the National Register of persons, AFIP, etc.), which allow more accurate registration of the family characteristics of recipients and their contact data.

3. Regarding vertical coverage or protection capacity, a more detailed study is needed to determine if these programmes provide a monetary transfer that is significant enough to offset the family income coming from CL, especially within the context of an economic crisis. In this regard, the need to adjust the amount of monetary transfers should be assessed, thereby considering that social protection policies such as the AUH have proved to be effective in terms of preventing

and fighting against CL, especially among the poorest and most vulnerable households.

4. From the point of view of inequality between the children of workers who are registered and unregistered, suspending the AUH benefit as an additional penalty because of a breach of the education and health conditionalities represents a dual penalty that comes on top of the profound vulnerability to which a considerable number of C&As are subject⁵. The analysis performed identified that the effect of the AUH on CL seems to respond more to the amount received rather than to the conditionalities required to collect it. Consequently, while the conditionalities lead families to evaluate the opportunity costs of going to school, it is central to debate over the role that these conditionalities could play on the estimated impacts of these programmes on CL.
5. While the evidence suggests that conditionalities do not seem to be a determining factor of the estimated impact on CL, it is not possible, based on that evidence, to infer what effects those conditionalities might have on other relevant variables related to the children and adolescents' accumulation of skills and capabilities. School is, without question, a major ally in the fight against CL, in conjunction with the observed impacts of social security income programmes. Effective access to quality education services could increase the opportunity cost of productive activities performed by C&As and increase the return on the investment in the health and education of C&As. Therefore, access to the public offer of education must be strengthened and guaranteed, mainly among adolescents who encounter the most difficulty in accessing this right, such as those living in rural areas and those in the poorest and most vulnerable regions of the country. Finally, School must operate as a place for containing and raising awareness about the problem of CL.
6. In the rural sector, the greatest proportion of jobs are seasonal, and only 50 per cent of labour relations are registered, which is why it is very difficult to tackle the problem

of CL through social protection policies. The challenge is to support rural workers through monetary transfers, thereby preventing income instability. It is essential that social protection policies be reviewed to ensure that they are comprehensive and allow workers to enter and exit the labour market, without being detrimental to those workers or their families. In this regard, the advancement represented by Decree PEN 514/2021 is notable, as it has expanded the scope of the AAFs and other benefits for persons who are contracted under temporary work mode or permanent intermittent employment mode.

7. Gender permeates the decisions of families with respect to CL in aspects such as the tasks that are performed, where they are performed and the conditions under which they are performed, as well as expectations related to education and future employment. Public policies that generate a solid care structure must be strengthened to prevent CL in its various dimensions. The focus must be placed on sustaining the rate of female activity and not penalizing women with caregiving tasks, as well as not falling into the cultural mandate that women have the duty to care for children and the elderly. To achieve this, there must be continued work on implementing policies related to defamiliarization and co-responsibility for care, through intervention by the state, the market and the community. In turn, neighbourhood spaces that offer opportunities for training, sports and leisure and that operate with resources and staff professionals provided by the state must be developed as a core feature, thereby offering new points of reference for C&As about what to be and do.
8. There are significant differences regarding territorial coverage of income protection policies targeted at children and adolescents and their families. For the AUH, there is a strong link between CL and the social protection offered by this transfer, given that in regions such as the NOA and the NEA, where there is a relatively higher percentage

⁵ Despite the fact that the aforementioned Decree 840/2020 ordered that the certification of conditionalities should be suspended, this measure is temporary and jeopardizes the scope of coverage with respect to potential breaches in the future.

of CL, the percentage of C&As who reside in households that are covered by the AUH is also relatively high. The Cuyo and Pampas regions, in turn, present intermediate values of both AUH coverage and the incidence of CL. This shows that the programme is more heavily focused in regions such as the NOA and the NEA, where socio-economic vulnerability tends to characterize the households covered by the AUH and where the incidence of CL is greater in relation to other regions of the country. Consequently, the spotlight must be placed on extending and reinforcing regional coverage for certain groups that are not covered but have social protection needs, given their greater socio-economic vulnerability due to costs that are increased by geographic situations, climate, less access to services and communication difficulties, among other aspects.

9. Finally, given that CL constitutes a complex problem involving a multitude of factors, eliminating it must be tackled using approaches that have an impact on its different dimensions. In terms of social protection, while monetary transfers to households with children and adolescents do seem to have a significant impact, they are not enough to comprehensively combat this problem. To enhance the impacts of programmes on the general well-being of C&As, there must be progress on a comprehensive approach within the framework of an economic process that creates quality jobs for adults, together with the development of an integrated care system that works jointly between the state, the private sector, the community and families. The final purpose must be to foster better living conditions for children and adolescents within a context of equal rights and opportunities.

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