



Organización  
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## Executive summary

# ▶ Child labour and social protection in childhood in Argentina

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The eradication of child labour (CL) is one of the targets included among the Sustainable Development Goals (SDGs) of the 2030 Agenda driven by the United Nations. The problem encompasses all productive activities performed by children and adolescents (C&As) 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. The minimum legal age for being employed is also an important factor to consider when defining CL. In Argentina, as from the enactment of Law No. 26.390, all forms of work by persons under the age of 16 years has been prohibited, whether or not there is a contractual employment relationship and whether or not the work is remunerated. However, 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. It should also be recalled that, since 2006 with the enactment of National Education Law No. 26.206, compulsory schooling was extended throughout the entire country until the completion of secondary education, which lasts until the age of 18 years. This complicates work possibilities for adolescents of 16 and 17 years of age, unless the job is related to a work experience programme or other forms of work that are set up around their education.

Several studies acknowledge that CL is a phenomenon with a number of facets and manifestations that are determined by the characteristics of each specific country. It is

therefore a complex subject that must be analysed and recognized as a problem so that it can be dealt with as a whole and can be eradicated by designing comprehensive and coordinated public policies. An analysis of the determinants of CL reveals the importance of factors that are associated with households in socio-economic vulnerability. And within this context, social protection policies targeted at childhood are a key tool for preventing and reducing the problem. Such policies connect vulnerable families to various benefits and establish minimum standards of inclusion that serve as the gateway to more comprehensive and inclusive welfare policies. Moreover, within the current context of the health and economic crisis caused by the COVID-19 pandemic, social protection plays a crucial role in promoting the social and economic welfare of the population, especially C&As who belong to the most vulnerable sectors.

In Argentina, social protection linked to income security for childhood is structured according to three components: Contributory Family Allowances (AAFFs), which have been in force since 1957 for all dependants of registered formal workers, although with a prior history in specific branches dating back to the 1940s; the Universal Child Allowance (AUH), which has been implemented since 2009 for dependants of informal workers and the unemployed, among other specific groups; and finally, the child tax credit (CF), which is determined according to the income tax base. While neither the AUH nor the AAFFs per child were created for the specific purpose of reducing CL among beneficiary C&As, these policies could have an impact on the level and intensity of the activities in which C&As are

involved, to the extent that the policies constitute a monetary transfer to families with C&As. However, there are notable differences between these allowances, depending on their origin, their target population and other associated characteristics. As such, AAFFs are targeted at workers who are registered in social security in the low- and middle-income brackets, thereby providing a partial allowance for family income due to the increased needs of households with C&As. Moreover, the AAFF system does not require compliance with any conditionality: it is an automatic transfer. On the other hand, the AUH is focused on households that, with C&As, are excluded from the contributory system of family allowances and that, because of their characteristics, represent a particularly vulnerable population. This latter point and the level of coverage reached by the AUH make it the most important mass programme of conditional cash transfers to vulnerable homes with C&As in Argentina and one of the most extensive programmes in Latin America.

Within this context, this research initially seeks to assess the effects of income security policies targeted at childhood in Argentina on CL, as well as analyse the potential heterogeneities and their impact according to the type of productive activity performed by C&As (activity for the market, activity for family consumption and intense domestic work), according to the age group (children and adolescents) and according to the area of residence (urban or rural). On the other hand, given that collecting the AUH is subject to conditions such as attending school, the research seeks to learn if the impact of this policy on CL might be strengthened by such an additional access requirement. Therefore, a second objective of the study consists in examining the relationship that exists between the observed effect on CL and the different mechanisms that operate through cash transfer programmes, particularly the role of conditionalities and especially the AUH conditionality of attending school. In this regard, the studied hypothesis is to determine if the final result on CL occurs due to the combination of both greater household income that ensures minimum living conditions and the school attendance requirement. To meet these objectives, the main source of data used is the latest Survey on the Activities of Children and Adolescents (EANNA) that was conducted in 2016-2017 in Argentina by

the Ministry of Labour, Employment and Social Security (MTEySS) and the National Institute of Statistics and Censuses (INDEC). This survey contains information about C&As from 5 to 17 years of age who perform economic and non-economic productive activities, therefore including the demographic, educational and general socio-economic characteristics of the households to which they belong; the distinctive traits of CL; and the main reasons behind the phenomenon. Following the definition used in the EANNA, in this document CL is understood to include the set of productive activities performed by C&As, which range from work oriented at the market (work in the labour market) to activities for family consumption and intense domestic tasks. Likewise, secondary sources of information are used, such as the data coming from the National Social Security Administration (ANSES) and the Ministry of Labour, Employment and Social Security of the Nation (MTEySS).

Based on the information available from the latest 2016-2017 EANNA, which allows identifying the C&As who perform a productive activity, the analysis focused on the main pillars of the social protection system targeted at childhood in Argentina: the AUH and the AAFFs of the lowest income bracket. Within this context, while these programmes are not specifically designed to reduce CL, the results obtained based on the survey indicate that both the AUH and AAFFs seem to have a significant impact on the problem, especially when studying their effects on the extensive margin (rate of C&As who perform a productive activity). In other words, both the AUH and the AAFFs contribute to reducing the rate of CL, although in different magnitudes. Thus, while in the case of the AUH the reduction is nearly 16 percentage points (p.p.), in the case of AAFFs, the CL rate is reduced by 8.9 p.p. This is a significantly relevant result in terms of the fight against CL if we consider that one out of every five C&As who work are not covered by either the AUH or the national AAFF system. It is therefore necessary to assess if this group of C&As have any mechanism of social protection or if they are entirely excluded from current income security policies targeted at childhood. Another aspect to be considered is the heterogeneity of the impact of these programmes on CL in certain subgroups of C&As. In this regard, a more in-depth analysis must be conducted into



the reasons as to why the AUH does not seem to cause a significant reduction of CL either among women or among those living in rural areas. Moreover, the study seeks to analyse if the C&As who belong to the most vulnerable households, especially C&As who perform some type of productive activity, are covered by either of the two family allowance schemes (the AUH or the AAFs).

The evidence also suggests that the programmes have different impacts on the intensive margin of CL (the number of hours that C&As are engaged in performing productive activities). Regarding the AUH, the estimates indicate that the amount of this programme is not enough to reduce the hours worked by C&As, especially when the number of hours exceed 3-8 hours per week. In view of these results, the amount of the AUH should be assessed to determine if it needs to be adjusted among the poorest and most vulnerable households where the replacement rate might not be high enough in relation to the income coming from the activities performed by C&As. This latter point is even more important when we consider the analysis of the role that conditionalities could play in the estimated impacts of the programmes on CL. According to that analysis, the effect of the AUH on CL seems to respond more to the amount received rather than to the conditionalities required to receive it. In this regard, a more detailed study could be necessary to determine if these programmes provide a monetary transfer that is significant enough to offset the family income coming from CL, especially within an inflationary context or that of an economic crisis. Nevertheless, in the case of the AAFs, the results must be interpreted with caution, given that the limitations of the information available in the 2016-2017 EANNA do not allow either identifying the recipients of this programme or constructing a more appropriate control group.

Another key aspect of the assessed programmes is their scope and coverage. While the results are encouraging, there are still challenges related to improving their design and implementation. Even though access has been extended to other vulnerable collectives in recent years (most recently through Decree 840/2020), there are still certain population groups that are excluded from this social protection. Nevertheless, the change that has been introduced is deemed to be appropriate – this change leaves the automatic loss of an accumulated 20 per cent of the benefit as the only penalty due to the failure to meet the conditionality. From the perspective of rights, it would therefore seem reasonable to

eliminate suspension of the programme as an additional penalty in view of signs that are telling the State about a situation of profound vulnerability. And regarding this point, it is important to note the difficulty of obtaining more information about the C&As who belong to those vulnerable groups, especially in the case of those who work and who are not reached by any income security component targeted at childhood. It is essential to continue working on identifying the reasons why these C&As are excluded from current social protection mechanisms so that their design can be changed and so that the situation of the C&As who are most in need can be improved. Moreover, we must continue to pool efforts in order to obtain data that allow monitoring the access by C&As to the various mechanisms of the social protection system.

Another factor that must be considered is compliance with the conditionalities imposed by the AUH in order to be collected. In this regard, while the evidence suggests that the requirements do not seem to be a determining factor of the estimated impact on CL, we cannot, based on that evidence, infer what effects those requirements have on other relevant variables related to the education and health of C&As. Both factors are essential for not only promoting the development of C&As of the most vulnerable households but also for favouring their future insertion in quality job positions.

In this regard, continuing to work on increased and higher quality public education could be an important ally in the fight against CL and in strengthening the observed impacts of income security programmes. This could, among other aspects, increase the opportunity costs of the productive activities developed by C&As and increase the return on the investment in the health and education of C&As. Within this context, the availability of quality public education must be strengthened, and the importance of care policies in preventing the different aspects of CL must be considered. It might also be necessary to support monetary transfers for families that receive the AUH through awareness-raising activities related to the negative consequences that CL causes for C&As, considering that, in some cases, CL is perceived as a learning opportunity rather than as something that limits the development of C&As and the exercise of their rights.

While this research does not assess how efficient the programmes are at reducing CL, it would be advisable to study how well the available economic and human resources are being used in implementing and

executing the programmes and if this use is reaching or is close to reaching an optimal cost-benefit ratio.

It should also be noted that some of this study's limitations to delving deeper into the analyses that were conducted stemmed from a lack of information. For example, the quantity of observations available in the 2016-2017 EANNA do not allow an accurate assessment of the impact of the programmes on certain relevant subgroups, such as among the C&As who perform activities that are qualified as among the worst forms of CL. In this regard, monitoring and assessing the cash transfer programmes targeted at childhood in Argentina is key to enhancing their impact in general and their specific impact on CL. Another subject that should be analysed in greater detail is the territorial disparities in the coverage and impact of the income security programmes targeted at childhood. This type of analysis is even more pertinent when we consider the major 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 the problem of CL in each province and region.

Finally, given that CL constitutes a complex problem involving a multitude of factors, eliminating CL must be tackled using approaches that have an impact on its different dimensions. While monetary transfers (such as the AUH) for households with C&As who work appear to have a significant impact, they are not enough for a comprehensive fight against this problem. To enhance the impacts of these transfers on the general welfare of C&As, they should be implemented in conjunction with other public actions and policies. For example, one way to strengthen the effects of income security programmes targeted at childhood is to promote access to quality jobs among the recipients of the programmes, especially in the case of parents who work in the informal economy, where the risk of CL among their children is higher, not only due to the low income associated with informal and unstable jobs, but also because of the limitations inherent in these job positions, such as the lack of access to adequate social protection or to care services, among others.

In brief, considering the magnitude and significance of the effects that the assessed programmes have on CL, as well as other relevant variables, income protection policies targeted at childhood in Argentina must continue to be supported and strengthened as effective tools at promoting access to and effective compliance with the rights of C&As.

