

PUBLIC POLICY CHALLENGES IN LIGHT OF THE CARE CRISIS

The impact of the pandemic

on households with children
and adolescents led by women



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THE IMPACT OF THE PANDEMIC ON HOUSEHOLDS WITH CHILDREN AND ADOLESCENTS LED BY WOMEN

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INTRODUCTION

The crisis caused by the COVID-19 pandemic exacerbated preexisting structural economic inequalities, and had a disproportionate impact on informal workers, especially on women and young people, who lost jobs and income. The situation was even more difficult for single-parent households led by women, who also had to endure more housework and care tasks. As shown by various research studies, the asymmetric distribution of care tasks, taken up by women, is an inequality factor.

The emergency health measures implemented in order to reduce COVID-19 transmission and death rates involved social isolation (lockdown) or social distancing¹, which implied the physical closure of early childhood care centers, schools, cultural centers, clubs and socialization spaces for children and adolescents for much of 2020. This increased the burden of domestic and care work and had an impact on children and adolescents. In this context, single-parent households with children and adolescents led by a woman were hit the hardest by a double crisis: the economic crisis and the care crisis.

In this scenario of global crisis due to COVID-19, **during 2020 the Argentine State implemented unprecedented economic policies while it reinforced social protection.** Among other measures, cash transfers for vulnerable sectors of the population were implemented, companies were assisted to sustain employment, food aid coverage was expanded, leaves-of-absence for care were granted, social programs were reinforced, and care infrastructure was strengthened. The fiscal effort of the assistance and containment package implemented to mitigate the effects of the pandemic accounted for 6.6% of GDP (National Budget Office (ONP), 2020). Likewise, **care has for the first time played a central role in the debate and design of social protection measures, and in the prospects for economic and production recovery in 2021. These actions helped mitigate the effects of the COVID-19 crisis on socioeconomic indicators.**

The consequences of the COVID-19 pandemic for the labor market brought about an unprecedented state-of-affairs. The negative impacts on the economy aggravate pre-existing structural inequality gaps: social strata, formal/informal employment, geographical location, urban settings, income level, gender and age are determinant factors for people's ability to cope with

1. ASPO: Mandatory social isolation; DISPO: Mandatory social distancing.



the pandemic. In Argentina, prior to the pandemic, 5 out of every 10 women participated in the labor market. **Towards the second quarter of 2020** – when infection rates were on the rise and the ASPO (lockdown) measures were tightened – the number dropped to 4 out of 10. **When the lockdown of the Argentine economy was at its maximum level, the rate of women’s economic participation dropped by 8.2 percentage points (pp), down to a level comparable to the value recorded two decades ago. More than 1 million and a half women left the labor market.** The most critical situation is observed in female head-of-single-parent households with children and adolescents. For these women, **the drop in labor participation was 14 pp.** In other words, **women who face the greatest care burden were the most severely hit by the crisis.** Therefore as it will be detailed further along the document, most of the State responses were targeted to the informal worker sector, specially to female workers with children.

The crisis also had an impact on unemployment, which **rose from 8.9% to 11.7% for the general population, and from 9.5% to 13.1% for women.** However, this increase does not clearly reflect the total number of individuals who lost their job. Many of them were not reported as unemployed because, in order to be considered as such, they had to be actively seeking employment. Those who lost their job and did not actively look for one were classified as “inactive”. Thus, **between the fourth quarter of 2019 and the second quarter of 2020, around 3.4 million people left the labor market and entered inactivity. Had that transition to inactivity not existed, unemployment would have peaked to 30.12%** of the EAP. At the same time, most of this inactivity is transitory and due to the restrictions put on place at the beginning of the pandemic to prevent infections. Different measures were taken to mitigate employment and income losses, such as double compensation in case of dismissal and the prohibition of layoffs, the assistance to companies to pay wages and an expansion of social protection measures addressed at informal workers. The unprecedented magnitude and nature of the fall in the EAP within the COVID-19 context makes it difficult to predict how the labor market will recover based on past experiences. The latest data from 2020 show an incipient recovery, together with some changes in its composition.

Also, during the second half of 2019, income poverty affected 25.9% of households and 44% of households with children and adolescents, accounting for 35.5% of the total population and 53% of children and adolescents under the poverty line. **These levels rose in the first half of 2020 to 30.4% of households and 49% of households with children and adolescents (40.9% of the total population and 57% of children and adolescents). In single-parent households led by women, poverty afflicted 59% of households and 68.3% of children and adolescents in the same period** (UNICEF, based on Argentina’s National Permanent Household Survey -Encuesta Permanente de Hogares, EPH-INDEC).



TABLE 1
Evolution of poverty and extreme poverty

	2018	2018	2019	2019	2020	2020
	1st Semester	2nd Semester	1st Semester	2nd Semester	1st Semester	2nd Semester
Income poverty (households)	19,6	23,4	25,4	25,9	30,4	31,6
Income poverty (people)	27,3	32,0	35,4	35,5	40,9	42,0
Income poverty children and adolescents (people aged 0-17)	41,5	47,2	52,6	53	57	S/D*
Income poverty of children and adolescents in single-parent households led by women (people aged 0-17)	52,1	53	64,5	60,3	68,3	S/D*
Extreme poverty (households)	3,8	4,8	5,5	5,7	8,1	7,8
Extreme poverty (people)	4,9	6,7	7,7	8,0	10,5	10,5
Extreme poverty (people aged 0-17)	8,1	11,1	12,9	14,1	15,7	S/D*

Source: Prepared by the authors based on EPH-INDEC (I,II,III,IVQ- 2018; I, II, III, IVQ-2019, I, 2Q-2020; and technical report / Vol. 5, No. 59).

* At the time of issuing the present report, the microdata required to calculate income poverty for total children and adolescents (aged 0 up to including 17) were not available for the II semester of 2020.

The increase in poverty levels was mitigated by various income protection measures adopted by the State in order to assist the more vulnerable households. The main measures comprised extra payments of the Universal Child Allowance (AUH) and of the Alimentar Card (Tarjeta Alimentar), and bonuses for retirees who receive the minimum retirement pension. Additionally, the State created the Emergency Family Income (IFE), which benefited 8.9 million individuals and sustained many households' income. According to a study by the Ministry of Economy, the Ministry of Productive Development and the Ministry of Labor, Employment and Social Security (May 2020), the IFE was an effective tool to contain poverty and extreme poverty, and to prevent the inequality gap from widening. The micro-simulation exercise performed by the mentioned bodies showed that total money transfers (AUH, Universal Pregnancy Allowance-AUE, Alimentar, retiree bonuses, and IFE) prevent poverty and extreme poverty from rising between 6 to 8 points and 6 to 10 points, respectively. "This means that these measures would prevent 2.7 to 4.5 million people from falling into poverty or extreme poverty -temporarily- as a result of the pandemic", as stated in the report. Also, taken together, these measures have been progressive in nature: 68% of the money transfers (AUH and AUE additional payments, retiree bonuses, Tarjeta Alimentar and IFE) granted during the COVID-19 Health Emergency were targeted towards the poorest half of the population. The first two income deciles received almost 10 times more transfers than decile 10 (people with higher income levels).



Towards the third quarter of 2020, with the partial reopening of the Argentinean economy and the resumption of activities by some previously closed economic sectors, the EAP showed some signs of recovery. However, **the recovery is slower for women. Those who are in charge of households with children and adolescents face the highest difficulties to go back to work and keep their jobs or look for a new one.** Given the dynamics operating during the recovery, with a clear loss of jobs for women, **it is important to examine the particular situation of households with children and adolescents, which suffered a double impact of the crisis.** On the one hand, the access to the care system –which faced difficulties even prior to the pandemic– was restricted and this creates obstacles for women to work or look for a job. On the other hand, the closure of these spaces has effects on the social and emotional development of children; while at the same time many children live in households that lack connectivity or devices to access the Internet, which makes it difficult to continue with their education remotely. These two phenomena reinforce each other: fewer women in the labor market means less income for the household, which leads to more poverty and therefore a higher incidence of poverty among children and adolescents. Also, fewer childcare spaces and the lack of access to education imply less possibilities to access quality employment in the future and therefore, also higher poverty levels.

One of the key determinants that explain the access to work or household income is the educational level of the adults in charge of households. To give an example, **women heads of household with children and adolescents who have not completed their secondary school experienced more job losses than those in the same condition without children and adolescents. Reconciling work and family and care responsibilities is particularly complex for these women, especially in a context of serious limitations as to the access to childcare services.** In addition, the public supply of services is insufficient and coexists with private care alternatives available to higher-income families. These women also show the highest levels of employment informality. Hence, not only they have lower incomes than those holding formal positions, but also they are not covered by the labor legislation nor they have access to social security benefits for them and their children.

In Argentina, **single-parent households with children and adolescents in charge of a woman faced the largest negative impact of the COVID-19 crisis and are the most affected by poverty and by the care crisis.**

It is therefore imperative to concentrate efforts on balancing the social organization of care and strengthening social protection for the affected population. There are several policy options to this end, such as public investment in care infrastructure. Building and improving childcare centers is essential, since a higher availability of these will reduce the time gaps and improve women's access to the labor market. It also creates the possibility of providing quality care to children and adolescents, with adequate spaces and qualified personnel. In



addition, investment in care has a multiplier effect on employment by the hiring of personnel and could bring about a significant policy impact on poverty reduction. **Not to move forward on this entails costs for the State and for society as a whole: it increases expenditures in social protection, food aid and public services and, at the same time, reduces the chances of households to access education or quality employment in the future, thus reinforcing poverty cycles.**

This study presents the main findings of an investigation produced on the basis of official information available in late 2019 and early 2020 with the aim of contributing to a diagnostic of the situation of households at the onset of the pandemic, **with special focus on single-parent households with the presence of children and adolescents.** If economic, fiscal, labor and productive policies are to contemplate the various dimensions exposed and deepened by the pandemic and avoid further regressions, this approach is crucial. Economic recovery processes are not homogeneous; their dynamics differ for the various social segments and productive sectors. In turn, as argued by many international organizations –and proven by evidence in Argentina—**the social dimension of care is crucial to achieve a sustainable economic model.** While many productive sectors reduced their activity or were closed, the activity of the care sector grew.

A gender and childhood perspective in the analysis of the pandemic's impact on the social and productive fabric would allow to break the cycle of poverty and inequality, improve the quality of life of society as a whole and provide the State with more effective tools to bridge gender gaps.



EMPLOYMENT, INCOME AND THE PANDEMIC



**THE DIFFERENTIAL IMPACT
ON WOMEN, CHILDREN,
AND ADOLESCENTS**

EMPLOYMENT, INCOME AND THE PANDEMIC:

THE DIFFERENTIAL IMPACT ON WOMEN, CHILDREN, AND ADOLESCENTS

The drop in women's employment as a result of the pandemic is associated with their labor market insertion, as they have a greater presence in economic sectors that were strongly affected by the crisis (e.g., housekeeping service) and face higher levels of informal employment. Added to this is the increasing difficulty to reconcile paid work and household responsibilities in a context where educational and childcare services have been profoundly altered by the measures of Preventive and Mandatory Social Isolation (ASPO) and Preventive and Mandatory Social Distancing (DISPO) in force since March 2020 in Argentina.

This effect is heightened by the fact that women predominately perform economic activities that are considered essential -such as health and social services- so they did not cease to work in the context of the pandemic and are therefore disproportionately exposed to contagion risks and long work hours. In particular, health care workers, 7 out of 10 being women, have greater professional demands while facing the overload of care tasks at home.

These situations are rooted in a society that reproduces gender roles which place women as caregivers, both at work and at home. Multiple quantitative and qualitative studies that analyze the use of time from a gender perspective show that women are mostly responsible for health, education, housekeeping, support, and the care of others in both the public and private spheres of their lives.

Income Inequalities in Urban Households

Income inequality between female-headed and male-headed households was already evident before the pandemic. This inequality was further exacerbated by other factors, such as the presence of children and adolescents in the household, the education level of household heads, and their labor market insertion. By the end of 2019, approximately 56.2% of households in urban areas were headed by men and 43.8% by women. In turn, 41.8% of all households had children and adolescents living in them. 60.2% of these households were headed by males and 38.8% by females (Chart 2).



CHART 2**Household composition by educational level**

	DISTRIBUTION	AVERAGE NUMBER OF MEMBERS	AVERAGE NUMBER OF CHILDREN AND ADOLESCENTS	PERCENTAGE OF MEMBERS WITH IHS	PERCENTAGE OF MEMBERS W/ CHS/ IU	PERCENTAGE OF MEMBERS WITH CU	AVERAGE PER CAPITA INCOME
TOTAL HOUSEHOLDS	100	2,9	0,8	--	--	--	20.064
Female-headed households	43,8	2,6	0,7	50%	32%	18%	19.403
With children and adolescents	16,6	4	1,9	68%	22%	10%	11.151
Incomplete High School	6,9	4,7	2,2	89%	10%	1%	6.988
Complete High School / Incomplete University education	5,9	3,7	1,8	55%	44%	1%	10.287
Complete University education	3,8	3,3	1,5	49%	12%	40%	20.131
Without children and adolescents	27,3	1,8		39%	38%	22%	24.416
Incomplete High School	11,2	1,8		87%	10%	3%	16.929
Complete High School / Incomplete University education	9,3	1,7		8%	89%	3%	23.475
Complete University education	6,8	1,7		3%	16%	81%	37.954
Male-headed households	56,2	3,1	0,9	50%	33%	17%	20.579
With children and adolescents	25,1	4,4	1,9	64%	25%	11%	12.979
Incomplete High School	11	4,8	2	84%	14%	2%	8.752
Complete High School / Incomplete University education	9,9	4,3	1,9	50%	44%	6%	13.321
Complete University education	4,2	4	1,7	43%	11%	45%	23.243
Without children and adolescents	31,1	2,1		39%	39%	22%	26.695
Incomplete High School	13,1	2,2		84%	12%	4%	16.787
Complete High School / Incomplete University education	11,2	2		9%	84%	8%	27.233
Complete University education	6,8	2		3%	17%	80%	44.790

IHS: Incomplete High School; **CHS/IU:** Complete High School/Incomplete University; **CU:** Complete University education.

Source: Prepared by the authors based on the Permanent Household Survey (EPH), fourth quarter of 2019 (National Institute of Statistics and Census, INDEC).

The education level of household heads has a direct impact on individual and family household income. But it also has other long-term effects: the education level of mothers and fathers significantly influences child development. There is a high correlation between the mother's low education level and her children's low education level, so much so that in households with mothers who have had few years of schooling, their children tend to repeat this pattern.

The average education level of household heads in households with children and adolescents is lower than that of households without children and adolescents, both for male and female household heads. In turn, women have a higher level of formal education than men.

Per capita family income (PCFI) is slightly lower in female-headed households than in male-headed households. The income gap between men and women widens as the education level and the presence or absence of children in the household are included in the analysis. **The combination of these dimensions results in female-headed households with children and adolescents headed by women with incomplete high school education being at the lower end of the household income distribution. By the end of 2019, the PCFI of male-headed households with a university degree and without children (located at the other end of the income distribution) was almost 7 times higher than the income of households at the bottom of the distribution.** In general, **the vast majority of households with children and adolescents are below the total average income.** This is due to the larger relative size of poor households and the higher presence of children and adolescents in these households, which translates into a greater poverty among children and adolescents than among the adult population.

Labor income is the most important source of economic support for families in Argentina, as it is in other countries of the region. Labor incomes represent between 70 and 80% of total household incomes. Therefore, **the living conditions of the population under analysis are closely linked to the type and characteristics of their labor market insertion.** Given the great impact the pandemic had on incomes, inequality for female-headed households with children and adolescents is expected to have risen.

Labor Inequalities

By the end of 2019, the female participation rate in the labor market² was around 71%, while it reached 92% for men (Chart 1). In other words, 7 out of 10 women and 9 out of 10 men between 25 and 59 years of age were part of the EAP (Economically Active Population). How-

2. Only the population surveyed by the Permanent Household Survey between 25 and 59 years of age is taken into consideration. The choice of the age range owes to the "educational level" analysis, which requires this age cut-off to define the scope of its highest category ("college/university").

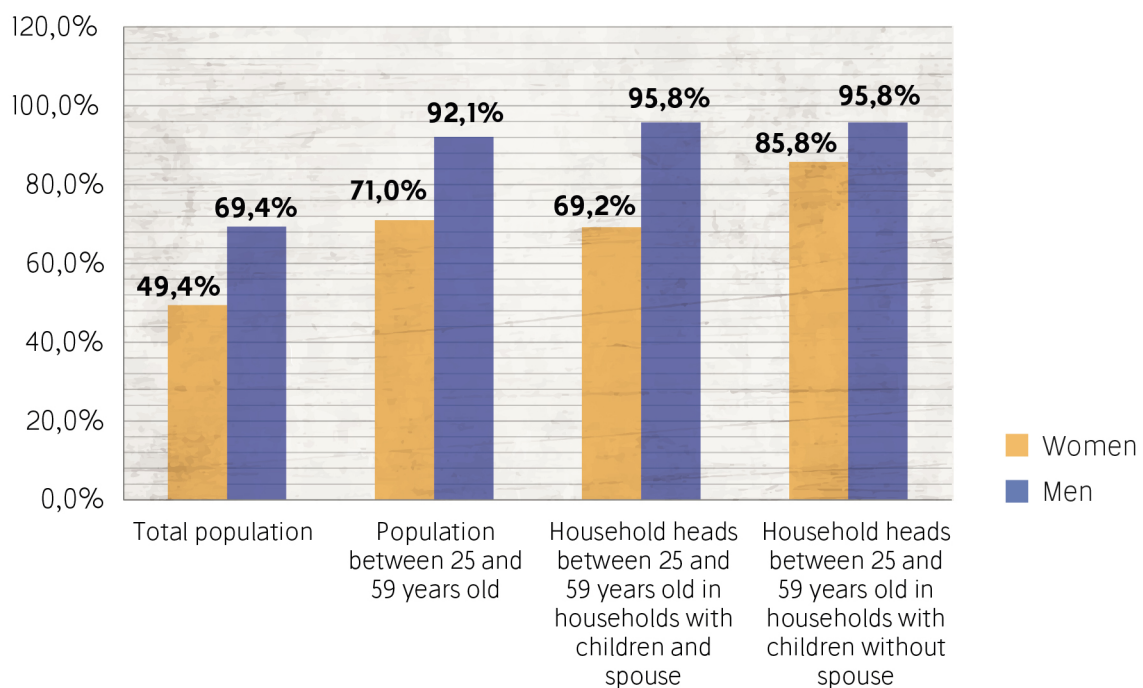


ever, household heads had a higher than average activity rate: specifically, around 80% of female household heads (and 94% of male heads) participated in the labor market, regardless of whether they lived in a household with children and adolescents (Permanent Household Survey- EPH-INDEC- 4th quarter, 2019).

In turn, if we focus on households with children and adolescents, the participation rates of female heads in single-parent households (households without a spouse) are much higher than those of female household heads with a spouse: at the end of 2019, the former reached 85.8% while the latter 69.2%.

CHART 1

Labor force participation rates in HH w/ children and adolescents



Source: Prepared by the authors based on the Permanent Household Survey (EPH), fourth quarter of 2019 (National Institute of Statistics and Census - INDEC).



On the other hand, the labor participation rate gaps between women and men narrow as the level of education rises: **the gender gaps are greater among people with lower levels of schooling.**

Between 2003 and 2015, the labor participation rate of university-educated women living in households without children and adolescents remained stable, while women with lower levels of education living in households with children and adolescents reduced their participation. **In the 2015-2019 period, the overall female labor supply increased by about 5.6 pp, driven mainly by women with lower education levels living in households with children and adolescents.** In general, the reductions of household incomes as a result of recessions or crises encourage more of its members to enter the labor market. This period was characterized by a low dynamism in employment generation, a slowdown and even a reversal of the previously verified labor formalization process, and a real income reduction for certain groups of workers.

Living in households with children and adolescents has opposite effects on men and women. In the absence of a public care system with sufficient coverage, living in a household with children and adolescents implies lower labor force participation for all women, but even less so for those with low education.

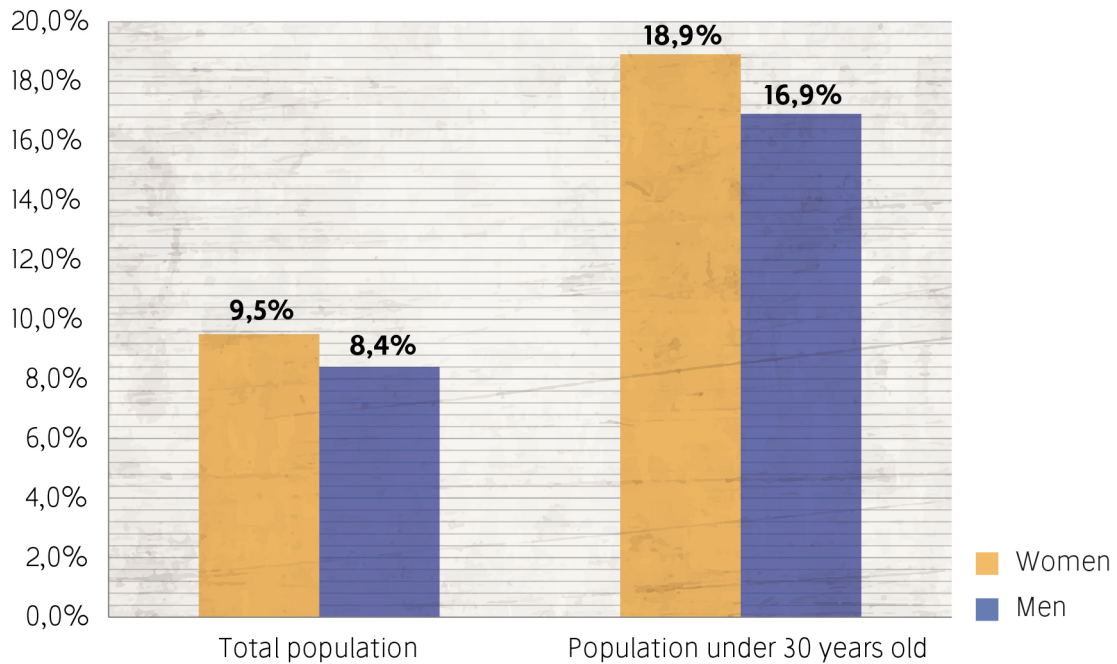
One of the factors strongly linked to school dropout among girls and women and, therefore, cause of truncated education, is adolescent pregnancy. As shown in a UNFPA report (2020), women who were **mothers during adolescence are affected 25% more by labor inactivity and 21.4% more by unemployment than those who postponed childbearing until adulthood,** and when they are employed, they obtain 23% lower labor incomes than the latter.

Regarding household composition, **of all households with children and female household heads, 56% do not live with a spouse, i.e., they are heads of single-parent households.** In the case of males, this represents 8%. 70% of female household heads who did not complete high school education do not live with a spouse. They have less resources to reconcile their participation in the labor market and caregiving tasks since there is no other adult living in the household. **If we look at the total number of female and male household heads of single-parent households between 25 and 59 years of age, 83.5% are women (this percentage rose to 88.3% during the pandemic). Of these, 44% were informal wage earners before the pandemic.**

Women experience not only lower labor participation rates but also higher unemployment rates than men. In the fourth quarter of 2019, women faced an average unemployment rate of 9.5% and men, 8.4% (Chart 2). In turn, these disparities deepen among the young population, also the most affected by unemployment: within this age group, unemployment reached 18.9% of active women between 14 and 29 years of age, doubling the overall rate.



CHART 2
Gender-based unemployment rate

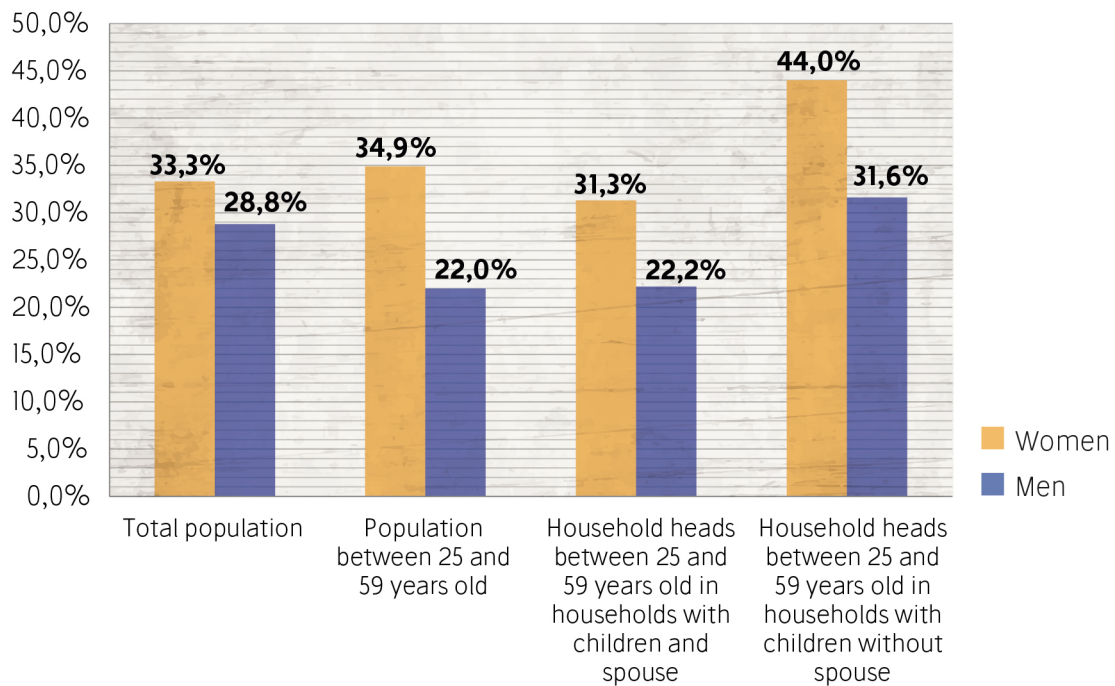


Source: Prepared by the authors based on the Permanent Household Survey (EPH), fourth quarter of 2019 (National Institute of Statistics and Census - INDEC).

In 2019, labor informality also affected women more than men: while 33.9% of men were non-registered wage earners, this percentage rose to 38.2% among female wage earners (Chart 3). Given that higher levels of informality contribute to greater employment vulnerability in extreme situations such as a pandemic, the higher degree of informality faced by women led to higher unemployment and inactivity levels among them in the context of the measures implemented to tackle the COVID-19 pandemic.



CHART 3
Gender-based labor informality rate



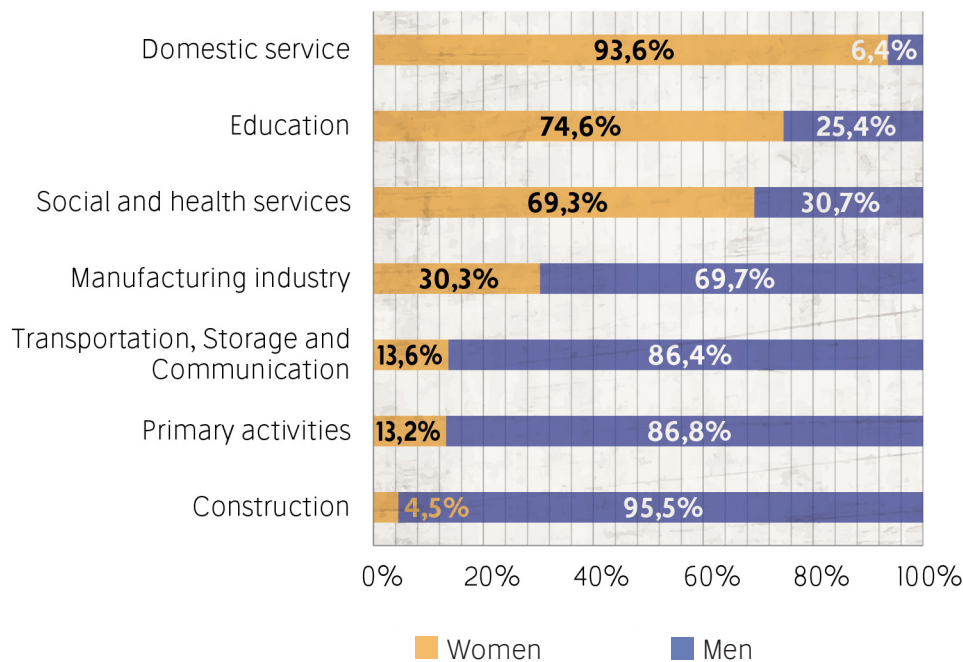
Source: Prepared by the authors based on the Permanent Household Survey (EPH), fourth quarter of 2019 (National Institute of Statistics and Census - INDEC).

This context is compounded by employment segregation and instability that still characterize women's labor market participation across the country. Horizontal segregation (job distribution based on gender roles) is a phenomenon that particularly affects the labor and income status of households with children and adolescents, especially those headed by women. As shown in Chart 4 for the fourth quarter of 2019, women are over-represented in domestic services, education, and health. These sectors account for about 17%, 15%, and 11% of female employment, respectively. In other words, **approximately 4 out of every 10 women fall under one of these care-related activities**. In turn, they account for 95%, 75%, and 70% of total employment in each of these categories, showing that these are highly feminized activities. **Women's roles in the domestic sphere, linked to household and child-care tasks, are reproduced in the labor market.** In turn, they represent a negligible share in construction, transportation services, and the manufacturing industry.



CHART 4

Economic activities with higher levels of feminization/masculinization³



Source: Prepared by the authors based on the Permanent Household Survey (EPH), fourth quarter of 2019 (National Institute of Statistics and Census - INDEC).

Employment concentration in certain economic activities is more pronounced among women with lower qualification levels with children and adolescents in the household. For example, **domestic service accounts for 40% of employment among women with lower education levels in households with children and adolescents (construction accounts for 30% of male employees with the same education level and in the same type of household).**

Although Argentina has a law in force that regulates domestic work in private homes, most of these workers are informal. In fact, **they are the workers with the highest levels of informality and the lowest average income in the entire labor market.** The situation of these households is worsened by their limited access to free childcare services. Often, restrictions in the public supply of childcare services translate into children being left at home without responsible adults in charge, or under the supervision of older siblings. This leads to multiple effects on their development possibilities, their safety, and the quality of the care they receive.

3. Among the EPH-INDEC activity categories, those with the highest concentration of women/males are considered.



CHART 3

Female/male employment composition by main branch of economic activity

ECONOMIC ACTIVITY	WOMEN TOTAL	FEMALE HOUSEHOLD HEADS		MEN TOTAL	MALE HOUSEHOLD HEADS	
		With CHILDREN AND ADOLESCENTS			With CHILDREN AND ADOLESCENTS	
		TOTAL	IHS		TOTAL	IHS
Industry	7,9%	8,6%	11,1%	14,0%	15,0%	16,0%
Construction	0,9%	1,2%	1,4%	15,0%	16,0%	27,0%
Trade	14,6%	14,9%	17,5%	15,0%	14,0%	14,0%
Hotels and Restaurants	3,6%	3,9%	3,8%	3,0%	3,0%	3,0%
Transportation and communications	1,5%	1,5%	0,7%	10,0%	11,0%	11,0%
Financial services	10,0%	8,1%	3,9%	11,0%	9,0%	5,0%
Education	15,2%	12,2%	1,7%	4,0%	4,0%	1,0%
Health	11,4%	10,5%	7,3%	4,0%	3,0%	1,0%
Public administration	9,0%	10,1%	4,1%	10,0%	11,0%	7,0%
Domestic services	16,9%	19,8%	38,6%	1,0%	0,0%	1,0%
Other	8,2%	8,4%	8,9%	12,0%	11,0%	15,0%
TOTAL	100%	100%	100%	100%	100%	100%

IHS = incomplete high school.

Source: Prepared by the authors based on the Permanent Household Survey (EPH), fourth quarter of 2019 (National Institute of Statistics and Census - INDEC).

The type of labor market insertion is also associated with the presence of children and adolescents in the household and the education level of household heads. **Only 22% female household heads with incomplete high school education and living with children and adolescents were formal wage earners. The gender gap in informality decreases as the educational level increases:** the gap between men and women with incomplete high school education is 30 pp, while this difference drops to 4 to 7 pp between those with complete university education.

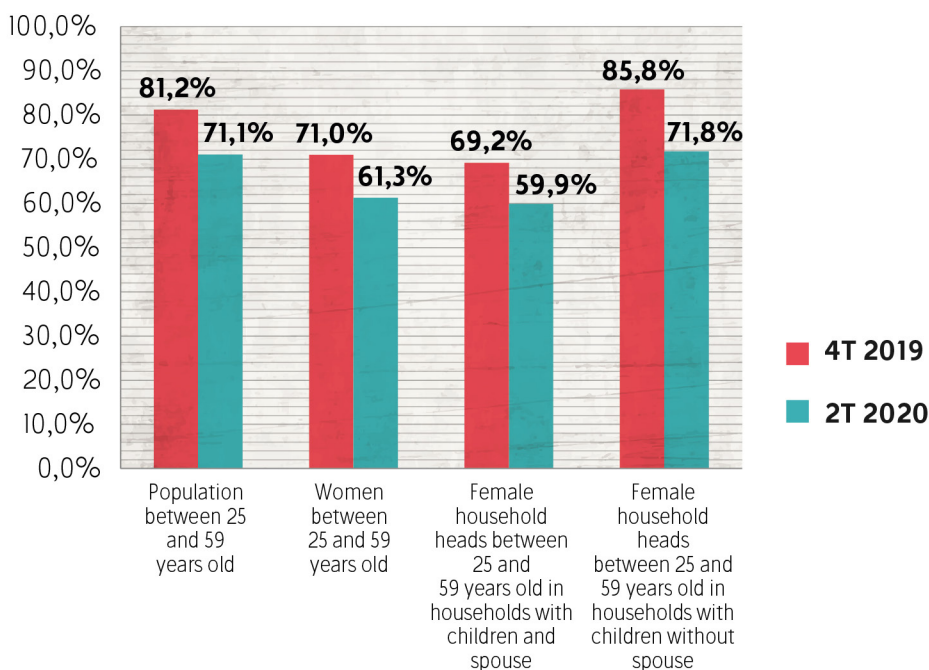


Therefore, female household heads with low education and in charge of children face the highest labor informality rates. This is relevant not only because they receive lower incomes compared to formal wage earners but also because they are not covered by labor legislation (maternity leave, among others) and do not have access to social security benefits (health, among others) both for themselves and for their children. **Given that the loss of employment during the COVID-19 crisis was mostly concentrated in the informal sector, it is female-headed households with children and adolescents who suffered its most negative effects.**

The labor force participation rate of female household heads with children, adolescents, and spouses dropped 9.3 pp between December 2019 and July 2020, while it decreased by **14.0 pp for female household heads with children and adolescents without a spouse.** The latter figure is well above that registered for the population as a whole and for all women. **In other words, those who face the greatest care burdens are the ones who were most affected by the crisis.**

CHART 5

Variation in labor force participation rates in light of the pandemic



Source: Prepared by the authors based on the Permanent Household Survey (EPH) (National Institute of Statistics and Census - INDEC).



Employment instability

The care burden on women affects their career path, especially those in charge of children and adolescents. In general, **women exhibit greater employment intermittency associated with greater family responsibilities, maternity, and/or caregiving tasks.** Employers, in the face of women's higher turnover rates, tend to hire them in precarious, informal, and unstable jobs.

In this sense, the changes observed in informality rates should be read in the context of the drop in the EAP, in which most of those who stop working or stop looking for a job are informal workers or workers in situations of vulnerability. **Thus, informality among female household heads of households with children, adolescents, who have a spouse fell from 39.3% to 27.4% (-11.9 pp) between December 2019 and July 2020, while it went from 45% to 32.2% (-12.8 pp) for female household heads of single-parent households with children and adolescents.**

At the same time, it is necessary to consider that the need to reconcile paid work and household chores, which fall mostly on women, in many cases limits their job search alternatives.

While men's most usual labor market transitions are from one job to another occupation, **women tend to transition more to inactivity.** This means that women who exit a job do not enter unemployment (since they are not actively looking for another job), but rather become inactive. Thus, women in charge of children and adolescents (who have the greatest care burden) are often expelled from the labor market and face the consequent reduction of household incomes.

Incidence and composition of poverty and extreme poverty

Family size and composition also impact their economic situation. While in the second semester of 2019 households with children and adolescents represented, approximately, 42% of the total, this percentage reached 71% among poor households and 74% among extremely poor households. **This shows the higher poverty and extreme poverty incidence in households with children and adolescents.** In fact, in the same period, the specific poverty rate for this group of households was 44% (and 11% for extreme poverty), while it was 13% for households without children and adolescents (and 3% for extreme poverty).

Having a job is not an insurance against poverty. In the second semester of 2019, approximately 44% of households with female/ male heads who were informal wage earners and 36% of households with own-account workers as household heads were poor, in contrast to 14%



among households headed by formal wage-earners. Non-labor income, such as the various family allowances, including the Universal Child Allowance (AUH), among other State response mechanisms for income protection, contribute to reducing childhood poverty.

The situation is heterogeneous among households with children and adolescents, although their presence is in itself a poverty driver. There is greater vulnerability, on average, among children and adolescents than in the overall population: in the first semester of 2020, poverty reached 57% of children and adolescents and 40.9% of total population.

In addition, in those households where there is only presence of the mother or father (single-parent households), the poverty and extreme poverty incidence is even higher, especially if the head of household is a woman. **The situation worsened with the pandemic: in the first half of 2020, 68.3% of children and adolescents living in single-parent households headed by women were poor and 23.6% were extremely poor** (UNICEF, based on EPH, first semester of 2020).

The number of children and adolescents living in the household strongly affects the prevalence of both phenomena. The women in charge of these children and adolescents (who generally have low qualifications) obtain, on average, low labor incomes and, on the other hand, must cover the basic needs of a larger number of members who do not participate in the labor market.



CARE TASKS AND THEIR DISTRIBUTION



**HOUSEHOLDS WITH CHILDREN
AND ADOLESCENTS**

CARE TASKS AND THEIR DISTRIBUTION:

HOUSEHOLDS WITH CHILDREN AND ADOLESCENTS

The participation in the labor market of women who have children and adolescents in their care is conditioned by their access to a public care system, including education and care services, which constitute a key pillar of this system together with family and community caregivers. In 2020, the lockdown of such services and spaces as well as the social isolation measures taken as a result of the health emergency, in many cases limited the possibility of family care and had disruptive effects on the strategies carried out by women to reconcile their paid work and the household and care activities, as well as negative impacts on the well-being and development of children and adolescents.

Continuing education through remote learning has been a decision adopted by most countries. Based on the data available in the “Global monitoring of school closures caused by COVID-19” (UNESCO), Argentina had 22 weeks of total school closures as of March 29, 2021⁴. This placed the country in **49th position** globally, out of a total of 210 countries. The regional comparison of **total closure** cumulative weeks since the start of the pandemic is led by South Asia, followed by Latin America and the Caribbean⁵ with North America coming in last (with a total of 7 weeks). As for the number of **partial opening weeks**, North America leads with 37 weeks. A partial closure scheme was used in these countries.

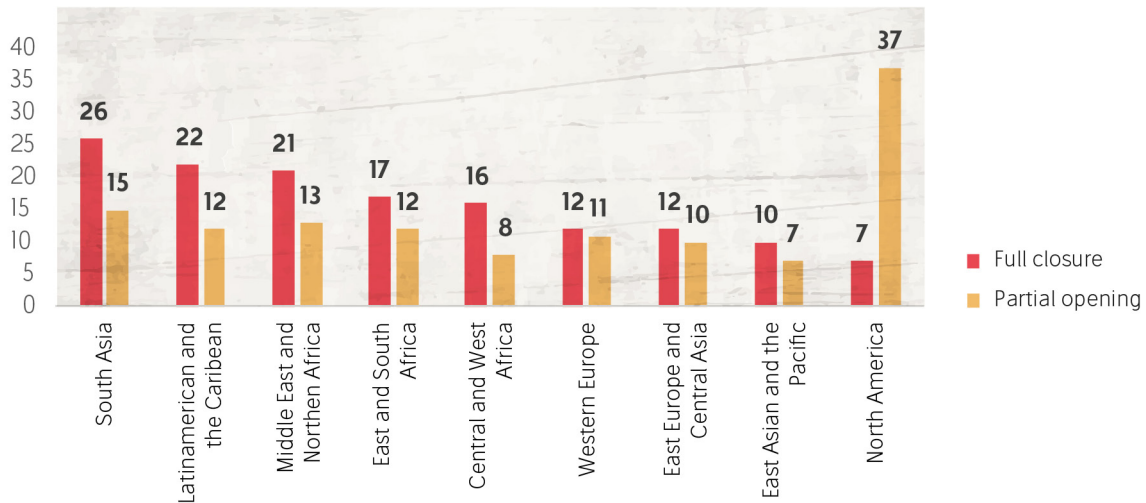
According to UNICEF⁶, approximately 214 million students worldwide lost at least three quarters of on-site classroom education. Of these, 168 million were affected by almost a one-year loss of on-site classroom education. In addition, countries with the longest lockdown measures tend to be the ones with lower coverage of children and adolescents living in households with home internet services. School closures have negative effects on children and adolescents, especially the most vulnerable, deepening not only previously existing learning gaps, but also affecting their well-being, protection and mental health (UNICEF, 2021). Therefore, it is key to assure protocols that allow for one-site schooling guaranteeing the health of children and adolescents and of all the education personnel.



4. UNESCO counts weeks of total school closure and weeks of partial opening. Given that Argentina adopted a partial distance learning scheme (mixed distance and on-site classroom learning) in some of its provinces as of 09/01/2020, the total accumulated weeks of total closure is 22 (03/16/2020 to 08/31/2020, with two weeks of winter vacation in July).
5. In Latin America and the Caribbean, Argentina ranks 18th in the total school closure accumulated weeks ranking, below countries such as Panama, Mexico, Bolivia, Costa Rica, Brazil, Honduras, Ecuador, Guatemala, Paraguay and Colombia, among others.
6. UNICEF “COVID-19 and School Closures: One year of education disruption” based on UNESCO “Global monitoring of school closures caused by COVID-19”, March 2021 (<https://data.unicef.org/resources/one-year-of-covid-19-and-school-closures/>)



CHART 6
Duration of (total and partial) school closures by region



Source: Prepared by the author based on UNESCO “Global monitoring of school closures caused by COVID-19”.

This scenario deepened the pre-existing care crisis, which involves two dimensions: on the one hand, families, particularly women, who experience a greater care overload and difficulties in reconciling work and family life, and, on the other, children and adolescents exposed to physical and emotional risk due to the consequences generated by the care crisis as well as external factors associated with the loss of play and educational spaces, engagement with peers and other socialization, education and recreation issues. This is further aggravated in poorer households by the reduction of income and a greater burden imposed by the needed measures of hygiene and sanitation, and a higher demand for drinking water and basic services to protect their families against the virus.



Care supply

Early childhood care heavily relies on family members and is segmented according to household income and place of residence. The education and childcare supply available for early childhood is extremely heterogeneous. This universe includes state and privately run preschools (45 days to 5 years), child development centers (CDC) managed by Social Development agencies at different government levels (national, provincial, and in some cases municipal), community spaces led by social organizations or under co-management modalities with the public sector, and private institutions, which are not regulated by the education sector and operate under commercial regulation. There is currently no official and public registry of all these diverse spaces and the extent of their coverage. With this in mind, the Ministry of Women, Gender, and Diversity (MinGen) is working on a Federal Care Map, together with other national agencies and civil society organizations. However, the latest data available from the National Survey on Living Conditions of Children and adolescents (2011/2012) indicated that only 21% of children between 0 and 3 years of age attended some early childhood education or care center.

As for Kindergarten, data from the National Survey on Social Structure (ENES) show that only 11% of children between 0 and 2 years of age attend daycare. While in higher-income sectors attendance reaches 30%, in lower-income sectors it is only 7%. This is partly explained by the fact that the public offer is limited. As a result, early childhood care relies on women, family members, neighborhood networks, community daycare centers or the possibility to hire paid domestic work.

From 3 and 4 years of age onwards, attendance to education and daycare centers shows an upward curve. This is because from the age of 3 there is an increase in the public supply: this sector goes from representing 40% of the supply for children from 0 to 2 years old to 60% for those over 3 years old, and from there it increases steadily. **The low labor market participation rates of women with low education in charge of children and adolescents are largely explained by the lack of state-run early childhood care and education services.** Therefore, it is key to allocate resources for the construction of childcare centers and the strengthening of care infrastructure to close inequality gaps.



CHART 4

School attendance by age and type of management (state or private)

Ages	Children	Attendance	Attendance rate	State-run management	Private-run management
0-2	2.235.697	108,027	4,8	39,9	60,1
3	745,232	317,903	42,7	60,3	39,7
4	745,232	685,063	91,9	71,9	28,1
5	748,786	740,608	98,9	72,6	27,4

Source: Prepared by the authors based on Population Projections and Statistical Yearbook of the Education Information and Statistics Directorate (2019).

For children from 5 to 12 years old, schools contribute to the reconciliation of family and work life since they function as spaces of formal education and care. Ninety-one percent of children from 5 to 12 years of age attend half-day schools, although there are differences observed by region and socioeconomic status. As a result of the limited supply of early childhood care and education centers, and of full-day schools, the responsibilities of care of children and adolescents falls on families.

The ENES (National Survey on Social Structure) shows that 80% of children under 4 years of age stay with their mother most of the day (between Monday and Friday). In the 5-12 age group, the role of the mother continues to predominate, but as the socioeconomic level increases, her participation decreases in favor of other female caregiver or non-cohabiting family member.

Overall, about 36% of high socioeconomic level households with children under 12 years of age arrange some type of alternative childcare service, either hiring domestic service (26%) or a caregiver (20%). In the middle-class sectors, 13% of households do so, and in the lowest socioeconomic level, only 3% have this option.



Feminization and participation of children and adolescents in care

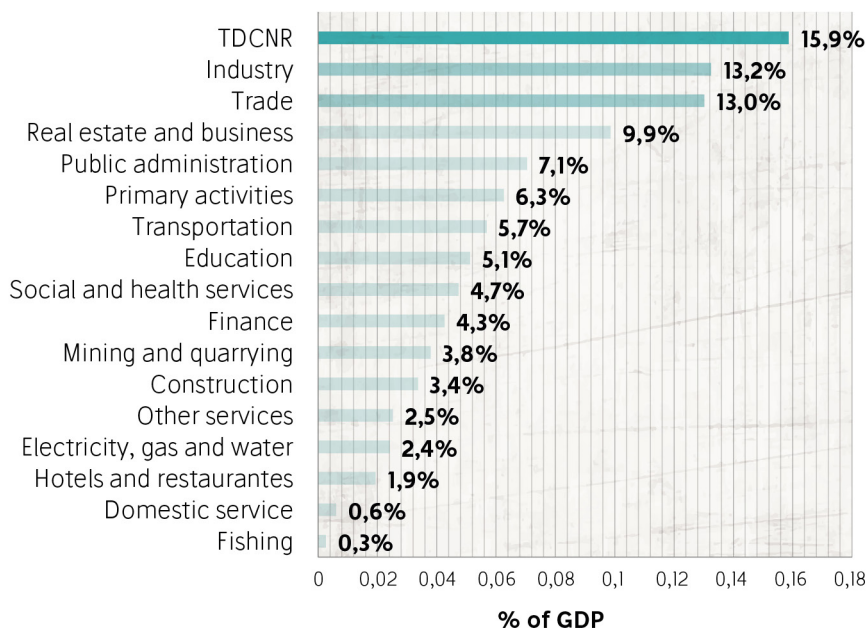
The Time-Use Survey (EUT) conducted by INDEC shows that women spend three times more time on house chores and unpaid care tasks than men. In households where there is a child under 6 years of age, both men and women increase their participation in unpaid domestic and care work (TDCNR) as well as the average time spent on those domestic chores, which is 4.5 hours for men and 9.3 hours for women. Since women increase the time spent in a greater proportion, the gender gap in the use of time broadens by almost 5 hours.

Men's dedication to unpaid work is not explained by their employment status: employed and unemployed men dedicate practically the same amount of time to it (between 3.2 and 3.5 hours). Women, on the other hand, increase their dedication from 5.9 to 6.8 hours when unemployed. Considering the total amount of time dedicated to both paid and unpaid work by men and women, the latter work 7 hours more per week than men (National Economy, Equality and Gender Directorate - DNElyG, 2020).

The economic value of unpaid domestic and care work has been recently calculated for Argentina. Estimates show that its contribution to gross domestic product (GDP) is 15.9% exhibiting the highest contribution of the different economic activity branches, even above industry (13.2%) and trade (13%). 76% of this value is produced by women (DNElyG, 2020).

CHART 7

The care sector as a % of GDP



TDCNR: unpaid domestic and care work

Source: Prepared by the author based on data from the Activity Level Progress - INDEC, fourth quarter of 2019.



The evidence pointed out up to this point shows that the configuration of the Social Organization of Care (OSC) reinforces the role of women in the provision of care. This has effects on the work overload they experience day to day, the reduction of their free time, and creates obstacles for their participation in the labor market. Consequently, it limits their economic autonomy, as shown in the previous section.

In addition, this has an impact on children and adolescents. The Children and adolescents Activity Survey (EANNA)⁷ shows that they play a role in the survival strategies of households. **Ten percent of children between 5 and 15 years of age are engaged in at least one productive activity. This percentage triples (31.9%) for 16–17-year-old adolescents. Regional disparities are also observed in the proportion of children and adolescents performing intensive household chores:** North East (NEA) (12,2%), Patagonia (10,8%), North West (NOA) (9,8%) and Cuyo (9,7%), in contrast to the Greater Buenos Aires (5%) (Tuñón, 2018:557). The participation of children and adolescents in work-related activities endangers their rights to play, health and education, and positions them at a disadvantage for the future by reinforcing the situation of vulnerability in which they live (INDEC-EANNA, 2018).

Inequalities **are exacerbated in the context of the pandemic.** The rapid survey conducted by UNICEF in April 2020 shows that in 56% of households, the lockdown disrupted the organization and execution of household tasks. The survey shows that before the pandemic, women performed 68% of household chores while with the ASPO (Social, Preventive and Mandatory Isolation) this figure climbed to 71%. Consequently, 51% of the women over 18 years of age interviewed in April 2020 reported feeling a greater housework overload compared to the previous period. The housework overload is explained by house cleaning (32%); care-related activities (28%); cooking (20%) and helping with homework (22%). In turn, 4% of women reported a greater workload of their paid jobs. In the second wave of the same survey, conducted in October 2020, this overload perception had intensified even more: it was reported by 57% of women. Consequently, as ECLAC, ILO, and UNICEF argue, the COVID-19 crisis is “deepening the unequal division of labor and generating a negative impact on women’s physical and mental health”.

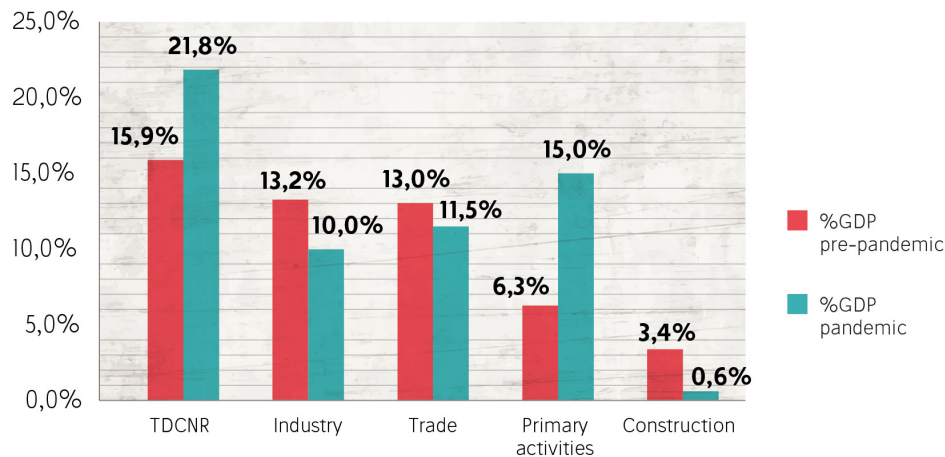
In the context of the physical lockdown of education and childcare services, the contribution of care activities to GDP increases from 16% to 22% (DNElyG, 2020). The scenario described so far explains why 61% of households report difficulties in reconciling labor market and household demands (UNICEF-Rapid Survey, 2020a). Other surveys carried out by the Argentine Chamber of Medium-sized Enterprises (CAME)⁸ and the National Management and Public Employment Secretariat⁹ point in the same direction.

7. Conducted during 2016/2017, this is the first national survey of its kind and covers both urban and rural area residents.
8. CAME-Women’s division (CAME-Mujer) reveals that 81.4% of businesswomen saw an increase in the domestic and care tasks burden. Almost half of the women surveyed spend between 3 and 4 hours a day on household chores and care tasks. Seventy percent of businesswomen dedicated less hours to their professional activities because of these tasks (Came, 2020).
9. 37.5% of respondents stated that they found it extremely difficult to combine remote work activities with the family environment. When analyzed by gender, 9.7% of men explicitly mentioned this issue as a determining factor versus 14.1% of women (Management and Public Employment Secretariat, 2020).



CHART 8

Share of economic sectors in GDP (before and during the pandemic)



TDCNR: unpaid domestic and care work.

Source: Prepared by the author based on data from the Activity Level Progress - INDEC (fourth quarter of 2019 and second quarter of 2020).

The closure of schools did not imply the discontinuation of education process, but rather the transition towards a scheme of remote education with family support. The National Assessment of the Pedagogical Continuity Process indicates that education-related activities take an average of ten hours a week (ME and UNICEF, 2020:44) and that **it is women who provide educational support in 9 out of 10 cases**. In turn, half of the adults who perform this function are the main income earners in the household.

In female single-parent households, when the mother must go out to work, children and adolescents remain in the care of a sibling under 18 years of age in 7% of cases or are left alone also in 7% of cases. These situations only happen in 2% and 7% of cases, respectively, in the rest of households.

One externality of the increased care burden and the reduction of household incomes is the rise in the participation of children and adolescents in labor, care and domestic activities. The National Assessment of the Pedagogical Continuity Process states that **32% of the population between 13 and 19 years of age works supporting an adult in the household in their work. One out of 3 began to do so during the ASPO** (Social, Preventive and Mandatory Isolation). In addition, 14% of children and adolescents began taking care of other children during this period. If work and care tasks are grouped together, it is observed that 20% of adolescents currently perform such activities. **In vulnerable households, the participation of adolescents in these activities increases to 46%.** Based on this evidence, UNICEF points out that it is important to ensure that adolescents **engage in activities that are appropriate for their age** and do not represent an opportunity cost for educational, recreational, and leisure activities. This calls for care policies that alleviate the burden on households.



SOCIAL PROTECTION AND CARE POLICIES DURING THE PANDEMIC



THEIR IMPACT ON WOMEN

SOCIAL PROTECTION AND CARE POLICIES DURING THE PANDEMIC AND THEIR IMPACT ON WOMEN

In Argentina, the State took unprecedented measures in terms of their magnitude and scope, while strengthening pre-existing programs aimed at providing health care, ensuring income, and sustaining employment. Various mechanisms were also put in place to provide access to housing and basic services, including access to the Internet and telecommunications. The fiscal effort made by the government on the aid and support package to face the pandemic reached 6.6% of GDP (National Budget Office - ONP, 2020). The expenditure on National Government Programs implemented in response to COVID-19 during 2020 amounted to \$981,823 million, equivalent to 3.6% of GDP (National Budget Office - ONP-UNICEF, 2021).

In turn, **UN Women and UNDP pointed out that Argentina is the country with the largest number of actions with a gender perspective implemented in the context of COVID-19**, indicating that 26 out of the 44 actions taken by government are gender-sensitive: 8 refer to women's economic security, 5 to unpaid care work, and 13 to gender-based violence (UN COVID Future Platform, 2020).

Among the actions and policies implemented or reinforced during the COVID-19 setting that contributed to support women and households with children and adolescents in terms of their income, employment, and care, the following can be highlighted:

EMERGENCY FAMILY INCOME (IFE): a direct transfer of \$10,000 aimed at individuals who, as a result of the pandemic and the health measures implemented, were deprived of generating income. It was also a reinforcement for the most vulnerable sectors of society, including the Universal Child Allowance (AUH) and Universal Pregnancy Allowance (AUE) holders. It reached 8.9 million people, of which 55.7% were women and 24.8% were young people between 18 and 25 years old (National Social Security Administration - ANSES, 2020). It was paid 3 times during 2020. The budget effort on this policy amounted to \$262,118 million in 2020 (1% of GDP) (National Budget Office - ONP-UNICEF, 2021).

THE NEIGHBORHOOD TAKES CARE OF THE NEIGHBORHOOD: a National Social Development Ministry program that, through community outreach workers, provides support to at-risk groups, distributes security and hygiene elements, and coordinates the supply of food with soup kitchens and community centers.



FOOD AID: the food policy budget received a COVID-19 reinforcement of \$42,788 million, which implied a total expenditure equivalent to \$133,234 million during 2020 (National Budget Office - ONP-UNICEF 2021). Many of these resources went to community kitchens that continued to serve throughout the pandemic, with demand increasing from 8 million to 11 million people. Specifically, in April 2020 the Alimentar Card credited an extra payment to its holders: additional bonuses of \$4,000 and \$6,000 were transferred to families with one child, and to families with two or more children, respectively. Again in December 2020, an additional bonus was credited to the Alimentar Card, which implied doubling its amount. This card reaches 1.5 million people, of which 97% are women (National Directorate of Economy, Equality and Gender - DNElyG, 2020).

INCOME PROTECTION: in March 2020, holders of the Universal Child Allowance and the Universal Pregnancy Allowance received an extraordinary bonus of \$3,000 per child to ensure an additional income for the most vulnerable families. In addition, the certification of conditionalities was waived and several modifications were made to the Family Allowance System which, among other objectives, seek to expand the system's coverage to 720,000 children and adolescents (Executive Order No. 840/20). In December 2020, new extra payments were made to the Universal Child Allowance and Universal Pregnancy Allowance holders.

DEBTS REPROFILING: as of December 2019, there were 1.9 million Universal Child Allowance (AUH) holders with debt with ANSES, which represents 78.4% of overall AUH recipients. The average debt balance per capita was \$15,600 and the average debt installment payment deducted from their monthly allowance was \$815. At the same time, interest rates on these debts had increased in line with inflation and had deviated from the indexation applied to social security pensions and allowances. To alleviate this situation, prior to the pandemic, a three month grace period had been granted by suspending debt installment payments for January, February and March 2020. Then under COVID-19, the grace period was extended, and payments were only resumed in December 2020 with interest rates below 30% and without interest charges for the January- November 2020 period.

EMPOWER WORK PROGRAM (POTENCIAR TRABAJO): the program's coverage was extended and, in December 2020, the Government announced a bonus of \$5,000 for 50,000 recipients who work in care activities in soup kitchens, meal distribution centers, and other community areas. Most of them are women (ONP, 2020). In addition, again on December 22, a year-end bonus of \$9,450 was granted to 700,000 program beneficiaries and the Strengthen Youth Inclusion program (Potenciar Inclusión Joven) was launched, which provides an economic stimulus equivalent to half the minimum vital and adjustable wage for the training of young people between 18 and 29 years of age.

TELEPHONY, INTERNET, AND TELEVISION WERE DECLARED AS PUBLIC ESSENTIAL SERVICES: as of December 2019, 4 out of 10 households did not have a fixed Internet connection. With the pandemic, access to communications became a decisive factor to study as well as to work or look for a job. Thus, the declaration as public essential services and the establish-



ment of a mandatory Universal Basic Provision packages (PBU) allow closing digital gaps and contribute to access education, employment and rights. The PBU are aimed at approximately 10 to 15 million people, including social programs beneficiaries, domestic workers, informal workers, and workers in the lowest categories of the Simplified Tax Regime for Small Taxpayers, among others. The PBU include options from \$150 per month for mobile telephony, \$380 for fixed telephony, and discounts of up to 40% on the lowest Internet cable rates.

ACTIONS TOWARDS MENSTRUAL JUSTICE: the State's territorial action made it possible to detect, among other things, the difficulties faced by women, girls, and adolescents in vulnerable neighborhoods to acquire menstrual hygiene products. Lack of access to menstrual pads or tampons leads to health issues and school and work absenteeism. The National Government and several community networks established communications channels to address these issues and shared several initiatives to improve access to these products. One of these initiatives was the purchase by the National Ministry of Health of menstrual cups to be distributed free of charge through governmental programs. The National Ministry of Social Development also implemented a specific menstrual management line of activity within the Youth Inclusion Program and a budget line for cooperative experiences aimed at the production of menstrual management elements. In addition, the inclusion of sanitary pads and tampons in the Regulated Prices (Precios Cuidados) product list means a cost reduction of between 35% and 75%, respectively.

These are some of the actions and policies implemented or reinforced during the COVID-19 setting that contributed to provide a supportive response to women and households with children and adolescents in terms of their income, employment, and care. In addition, other actions were carried out to support jobs, such as the Labor and Production Assistance Program (ATP), which included the payment of part of private employees' salaries, zero-rate credits for self-employed workers, subsidized rate credits and a comprehensive set of unemployment benefits. From April to December 2020, due to the ATP program salary aid, an average of 137,484 companies benefited monthly, with a maximum of 254,562 companies in May and a minimum of 29,382 companies in December. During the same period, an average of 1.35 million workers benefited monthly, with a maximum of 2.3 million workers in April and a minimum of 503 thousand in December. In addition, subsidized-rate loans were taken by 36,280 companies and 285 thousand workers on average per month.

Financial inclusion was also a key area of work during the pandemic. Between April and June 2020, 4.8 million new accounts were opened, mostly linked to the provision of social aid. One of the big challenges of the first IFE payment (Emergency Family Income) was that approximately half of its beneficiaries did not have (or did not know they had) a bank account to deposit the \$10,000, which led to payment delays. By the third payment round, free bank accounts had been opened for those who did not have one, reaching more than 2.3 million people who had never had access to the financial system.



THE CARE CRISIS IN LIGHT OF THE PANDEMIC



**PUBLIC POLICIES TO
BRIDGE INEQUALITY GAPS**

THE CARE CRISIS IN LIGHT OF THE PANDEMIC:

PUBLIC POLICIES TO BRIDGE INEQUALITY GAPS

The required economic reactivation to overcome the 9,9 GDP point drop in the economy during 2020 poses several challenges in terms of employment, public investment, and income protection policies. In turn, the situation described throughout this report highlights the need to address the care crisis, aggravated by the pandemic.

This work has shown that the negative impact is stronger in female-headed households with children and adolescents. Thus, targeting public policies to this population is crucial to break inequality and poverty dynamics that reinforce one another. Some ongoing projects and challenges of this agenda are outlined as follows below.

Institutional strengthening

The creation of areas to address gender inequalities throughout all levels of State is essential for public policy design to contribute to narrowing gender gaps. Besides from the prioritization of gender policies with the creation of the National Ministry of Women, Gender, and Diversity (MinGen), other specific areas have been created in the National Ministry of Social Development and in the MinGen itself to focus on care policies. The MinGen leads an Inter-ministerial Round table on Care, with the participation of several government agencies such as the National Ministry of Economy, the National Social Security Administration (ANSES), the National Ministry of Education, the National Ministry of Social Development, the National Secretariat of Children, Adolescents and Family (SENNAF) and the National Institute of Social Services for Retirees and Pensioners (PAMI), among others. One of the objectives of this Round table for 2021 is the presentation of a draft bill for a comprehensive care system, with the participation of civil society organizations, specialists, trade unions, among others. During the opening of the Legislative year, the President committed to send this bill to Congress.

To plan for a gender-sensitive reactivation, the budget is a fundamental tool for economic programming and expenditure management. The 2021 National Budget is the first one with a gender and diversity perspective. This budget proposes social inclusion with a gender perspective



and gender equality as part of its priorities and principles, as well as the incorporation of a gender impact analysis of public policies and public resources aimed at bridging inequality gaps.

In addition, for the first time, the National Ministry of Economy together with the Ministers Cabinet Office included in the 2021 Budget Message a special section for the identification and analysis of cross-cutting policies with a specific focus on the financial resources and physical goals of national programs directed to children and have a gender-sensitive perspective. In turn, since 2019, the Open Budget Portal tracks spending of national programs with high impact on gender and on children and adolescents. The transparency of budget information is key to improve the scope, effectiveness, and monitoring of public policies that seek to ensure rights while reversing inequality processes.

The existence of these areas of government specifically aimed at defining the approach to the care crisis at national and sub-national levels is crucial to take accurate steps in the construction of adequate policy responses. In this sense, the National Directorate of Economy, Equality and Gender of the National Ministry of Economy leads a Federal Roundtable on Economic Policies with a Gender Perspective that groups female ministers, secretaries, and high-level officials in economic and production agencies from different Argentine provinces to accelerate equality. This Federal Roundtable is carrying out a plan to train management teams throughout the country to improve indicators, promote budgets with a gender perspective, and exchange good practices and results of public policies to close gender gaps, while considering territorial specificities.

Employment and income

The COVID-19 crisis is unprecedented in terms of its magnitude, reach, speed, and characteristics and requires the coordination of health, economic, labor, and social protection policy responses. Inequality, with its structural characteristics, demands structural responses.

Rapid state intervention has not only mitigated the immediate loss of income and the lack of access to basic goods and services but it has also prevented the amplification of these negative shocks in the short term. The administration of cash transfer policies (such as the IFE) faced the challenge of expanding and improving the registry of individuals and households that have become vulnerable. The expansion of the AUH coverage implemented at the end of 2020 and the increase in the value of the Alimentar Card payments announced in February 2021 are examples of this.

The challenge remains as to which are the best intervention strategies to boost economic recovery and promote the economic inclusion of people who have lost their labor income sources or have seen them sharply reduced. Achieving a quality labor reinsertion in the current situation is more difficult given the high levels of uncertainty around the characteristics and



intensity of the growth paths in the next stages of the pandemic and even in the much expected pos-pandemic period. In this sense, the integration of income transfer policies for the working-age population with professional training and other policies to support labor inclusion constitute a very important challenge in the current context.

To achieve equal opportunities for women, it is necessary to strengthen their inclusion with explicit policies. It is essential to deploy strategies to ensure their access to training, education and financial inclusion programs, and the development of digital skills and school completion, among others. **To this end, family responsibilities must be considered in the very design of any program.** At the same time, the availability of free care services is essential. Access to devices such as cell phones and computers as well as Internet connectivity is another relevant factor when it comes to maintaining a job or looking for a new one.

Another current challenge in this context is the implementation of professional training policies in community care with a gender perspective. Particularly, it is necessary to advance simultaneously in the professionalization and certification of knowledge in these traditionally feminized occupations and at the same time in training strategies that effectively increase the range of job opportunities for women.

Social and Income Protection

In the last months of 2020, the Family Allowance System, the main income transfer policy aimed at children, has incorporated changes that point to an expansion of its horizontal coverage. In turn, the 1000 Days Plan Act, passed on December 30, 2020, incorporates, among other issues, several benefits for the non-contributory regime (prenatal, birth, and adoption allowances).

However, there are still coverage gaps affecting children and adolescents who do not have any type of income protection. In addition, the family allowance system responses vary according to the different existing subsystems, resulting in a heterogeneous protection capacity based on family income and the employment characteristics of the heads of household in which the children live (UNICEF, 2020).

Especially, given the magnitude of the pandemic crisis effects, it is essential to continue strengthening social protection programs that support families to mitigate the decline or loss of their income. The extent of the challenge adds one more argument for advancing towards universal and unconditional responses to cover all children and adolescents. These shall be of sufficient magnitude to allow all families to escape from (or avoid falling into) extreme poverty.



Care services

The country still faces the challenge of having a unified registry that captures the total number of existing education and childcare centers in the country, their characteristics, location, conditions, and quality. The Federal Care Map under the responsibility of the Women, Gender and Diversity Ministry (MinGen, 2021) appears as a relevant initiative to this end, together with survey and information generation efforts carried out by the different ministries and sectoral departments.

Under the current conditions, families will face greater difficulties to defamiliarize care due to the loss of incomes and the closure of many private childcare centers and kindergartens impacted by the pandemic crisis. Therefore, the commitment to build 800 kindergartens and 300 child development centers between 2021 and 2022 constitute not only an urgent need but also a concrete way to boost employment, production, and the professionalization of childcare. At the same time, it allows bridging inequality gaps in the time men and women allocate to childcare. Regarding the 300 CDCs, the budget for fiscal year 2021 includes an investment of \$2.241 million for an initial stage of construction of 112 centers. In addition to this, the support for educational and cultural infrastructure is also included (Ministry of Public Works, 2021).

On the other hand, it is necessary to advance in incorporating the gender perspective in the Article 179 of the Labor Contract Law (LCT, Law 20.744/76), which regulates the obligation to provide childcare services for early childhood. The process of drafting the bill for a comprehensive care system is a substantial step towards addressing the multiple aspects of the problem and providing a comprehensive response, including gender and children perspectives. Hand in hand with this, it is important to expand the supply of public full-day and extended-day schools, especially for the elementary and high school levels, with federal equity to address not only the gender and socioeconomic inequalities, but also the territorial ones.

Time to care

In the country, paid maternity leaves for pregnant women as established in the Labor Contract Law are of 90 days. The special paid paternity leave is of 2 continuous days at the employer's expense. The Labor Contract Law does not contemplate, neither for fathers nor for mothers, leaves for adoption, multiple births, pre-term births, or the birth of children with disabilities.

As a result of the high levels of employment informality and self-employed worker (freelance and own-account workers, among others) currently, only 1 out of every 2 working people have access to maternity or paternity leaves. It is essential to advance towards a parental leaves regime that contemplates the different types of



family configurations, and of care and development needs of children, while at the same time promotes gender equality. Several draft bills that go in this direction have been submitted to the National Congress¹⁰, proposing different ways to gradually broaden parental leaves and achieve a sustainable expansion of the regime.

Recognition of care work is crucial to provide economic autonomy and security to those who make an essential contribution to society. The Ministry of Economy has calculated and made visible, for the first time, the economic contribution of unpaid care activities (DNElyG, 2020), considering the sector that performs these activities as strategic for the development of the Argentine economy, as it is a mainstay of the productive fabric. This constitutes an important milestone that contributes to introducing a previously invisible topic into the economic and productive debate.

Care infrastructure

During the pandemic, in neighborhoods where isolation was difficult to achieve due to infrastructure issues, community childcare centers and soup kitchens have been of vital importance. Progress must be made in strengthening these institutions, in acknowledging the female workers in charge, and in implementing programs to formalize the employment status of caregivers, as well as ensuring access to basic services such as water, gas, electricity, and Internet.

Given that the State will be a key player in Argentina's reconstruction and public investment will play a fundamental role throughout this process, it is **essential to place the care infrastructure at the center of the recovery process.** This is crucial not only to contribute to the resolution of the care crisis but also to **reactivate the economy without leaving women behind.**

According to the IMF's October 2020 Fiscal Monitor, public investment is key to recovering from the declines caused by the pandemic: for every 1 million dollars invested in traditional infrastructure, the IMF estimates that between 2 and 8 jobs can be directly generated. And for every 1 million spent on research and development, green electricity, and efficient buildings, between 5 and 14 jobs are created. According to the same report, estimates based on cross-country data sets and a sample of 400,000 companies indicate that public investment can have a huge impact on GDP growth and employment in the current crisis. Thus, taking aggregate investment

¹⁰. As an example, one of the latest submitted projects, by National Congressman Itai Hagman, proposes a change in the family leave legislation including the expansion of leaves for fathers and non-gestational co-parents. The project proposes a 30-day mandatory and paid family leave, which would be transferable for each family to decide which member will take it.



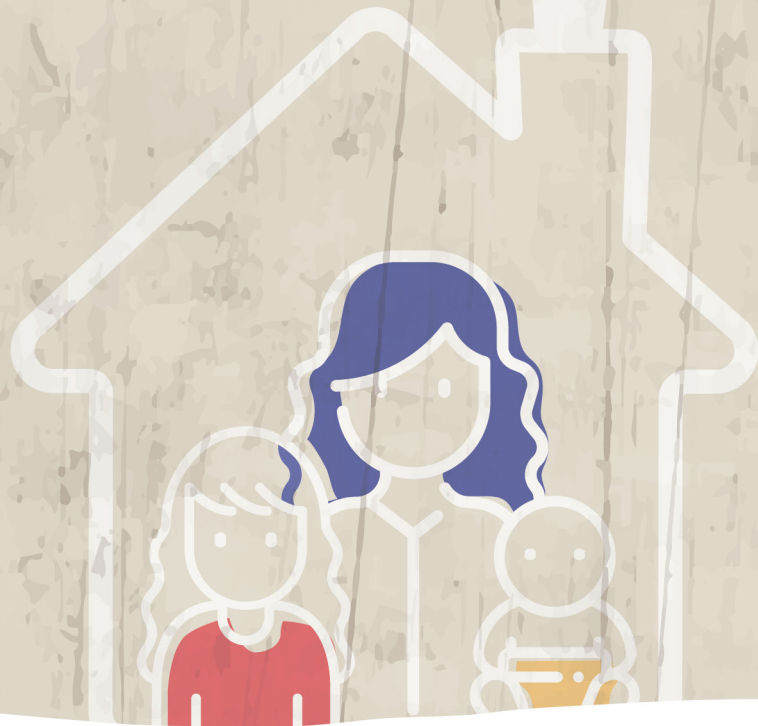
in the overall set of countries analyzed in advanced and emerging market economies, for each percentage point increase in investment relative to GDP, 7 million jobs are created directly, and between 20 million and 33 million jobs if indirect macroeconomic effects are taken into account.

Recent analyses by the International Trade Union Confederation on investment in care reflect that an **investment of 2% of GDP in care industries generates increases in overall employment ranging from 2.4% to 6.1%**. This would mean, for example, that almost 13 million new jobs would be created in the United States, 3.5 million in Japan, almost 2 million in Germany, 1.5 million in the United Kingdom, or 1 million in Italy. As a result, the employment rate for women would increase from 3.3 to 8.2 pp (and from 1.4 to 4.0 pp for men), and the employment gender gap would drop (ITUC, 2016).

In Argentina, the 2021 National Budget foresees the doubling of real investment in productive and social infrastructure compared to 2019, with a projected investment of \$842,683 million, which represents 2.2% of GDP. Preliminary estimates show earmarked investments for care infrastructure of \$55,407 million, representing 6.6% of total investment. More than 95% of construction workers are men, making it one of the economy's most **masculinized** sectors. Therefore, expanding care infrastructure and setting incentives to hire women are necessary conditions for public investment and the recovery strategy to be more effective and contribute to close inequality gaps.



AN ECONOMIC RECOVERY WITH GENDER AND CHILDREN PERSPECTIVES



AN ECONOMIC RECOVERY WITH GENDER AND CHILDREN PERSPECTIVES

There is widespread consensus that the effects of the pandemic amplify inequality gaps and that narrowing gender gaps is key to a sustainable economic model. According to ECLAC, women in the region have lost, on average, a decade of progress in the labor market. The World Economic Forum's "Global Gender Gap Report 2021" warns that in the last year, the process of closing the global gender gap has slowed down: if before it took 99 years for men and women to be on an equal footing, the pandemic has prolonged this process to 135 years. In turn, the pandemic has had important effects on the well-being and exercise of children and adolescents' rights. Although children are not the most affected population group in terms of physical health, there is a set of collateral effects that impact them especially in dimensions such as education, nutrition, mental health, inclusion, care, leisure and recreation, protection, among others (UNICEF, 2020a). The situation described for Argentina is replicated throughout the world, highlighting the importance of an approach to economic recovery with a gender and children's perspective.

The analysis of the pandemic's impact on women, children, and adolescents provides challenging data for the design of public policies for reconstruction and economic recovery. **Women in charge of households with children and adolescents are the most affected by the crisis: they face a worse labor market insertion (higher levels of informality, greater instability, lower wages) while experiencing a time poverty that was exacerbated by the pandemic.** As a consequence, their labor market participation rate falls and the unemployment rate rises, which increases their households' poverty and extreme poverty levels. The results presented here are in line with research published by ECLAC, ILO, IMF, and other international organizations.

Evidence shows that the COVID-19 pandemic crisis deepened poverty and worsened its consequences for children and adolescents, making it more likely for them to drop out of school, enter the labor market early, receive less and poorer quality food, experience health services access limitations, or become victims of violence, among other significant social risks.

The situation for female household heads and for children and adolescents living in these households becomes even more challenging when considering the intergenerational consequences of poverty: in about 90% of households where there are children and adolescents and



where the female head of household did not complete high school, the rest of its members did not complete it either. **Women's poverty feeds back on children and adolescents' poverty, inducing a circle that requires a comprehensive approach.** In turn, and as noted throughout this report, these households are more vulnerable due to the care crisis.

The global crisis that also affects Argentina can become an opportunity to innovate and advance strategies capable of addressing not only the COVID-19 pandemic emergency but also the structural factors that limit the full exercise of women, children, and adolescent's rights. These strategies necessarily involve public policy tools with a gender and children's perspective. As mentioned above, social, and income protection, professionalization of care, investment in care infrastructure, access to technology, institutional strengthening in gender and children government areas, and progress towards a comprehensive care system are key elements to contain the pandemic impact (and the crises) on the most vulnerable sectors of society. But at the same time, they are also factors that can boost consumption, production, and employment, and thus contribute to the improvement of socioeconomic indicators and the advancement towards a more just society.

The inclusion of women in the economic recovery strategy through investment will be crucial to increase economic participation, employment and incomes and, as a consequence, will be key to break the intergenerational cycle of poverty. The reconstruction of Argentina begins by generating decent living conditions so that children and adolescents have the possibility of shaping their present and be a part in the creation of their future.



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