







REPORT ON THE FOURTH EVENT OF THE LONG-TERM CARE POLICY NETWORK IN LATIN AMERICA AND THE CARIBBEAN (RedCUIDAR+):

30 June 2021

CARE POLICIES: How to transform a growing sector into an opportunity for gender-focused employment

Care policies for adults living with reduced functional capacity are a priority in many countries in Latin America & the Caribbean and Europe, as the result of the ever-growing recognition of the individual's human rights to receive care and support; the growing mobilization around women's rights (greater participation in the formal labor market, more just remuneration, greater recognition of the value of care work, in addition to the partner's co-responsibility in the care); and the increasing demand for care as a result of the population's aging and the risk associated with developing dependency. Further demands and pressures on the system have been provoked by the emergency of the COVID-19 pandemic. Countries face many challenges in developing

CUIDAR+ NETWORK

The RedCuidar+ network (Long-Term Care Policy Network in Latin America and the Caribbean) is an initiative promoted by the Inter-American Development Bank, the EUROsociAL+ program of the European Union, and the Development Agency of France.

The main purpose of RedCuidar+ is to promote and facilitate the sharing of knowledge / experiences and strengthen opportunities for collaboration among those responsible for formulation of longterm care policies in ALFs. The RedCUIDAR+ network will help develop institutional and technical capacity and good practices in long-term services.

care policies, and the RedCUIDAR+ network is providing a venue for interchange and sharing among countries, enabling the strengthening of processes already underway.

In the fourth event of the RedCUIDAR+ network, discussions focused on the opportunities presented by care-based work and the main challenges in generating formal and professionalized gender-focused employment. The debate followed a previous presentation of a general overview of Latin America's care sector and the experience of one country – France -- in formalizing / professionalizing the sector.

Opening remarks were presented by **Pablo Ibarrarán** (sector principal specialist of the Social Protection and Health Division of the Inter-American Development Bank) and **Marc Litvine** (senior expert, chief of the European Commission's sector of Latin America and Caribbean regional programs). They underscored the importance of the CUIDAR+ network as a space for dialogue and reciprocal support among countries, as well as specific priority care in the framework the COVID-19 pandemic: recovery with resilience after cases of infection with the virus. The presenters emphasized the need to take advantage of this pivotal moment in the pandemic to reorganize the care-associated work sector and invest in its formalization / professionalization. Additional participants included *María Noel Vaeza, regional director of U.N. Women for Latin America and the Caribbean*, who presented









the <u>Generation Equality Forum</u> and <u>Global Alliance for Care</u>, two initiatives backed by U.N. Women and the French and Mexican governments, to mobilize global care action. María Noel Vaeza also noted that the pandemic has shown how crucial care is and the inequality resulting from the overload of work on women, underscoring the nature of care as a public good with collective responsibilities and the urgent need for a new social contract that takes into account this aspect.

The next presentation was by **Soledad Salvador**, executive secretary and researcher in the area of gender and development in the Center for Interdisciplinary Studies on Development (CIEDUR) of Uruguay. She presented the main features of domestic employment in Latin America, emphasizing the sector's high informality and precariousness (long days, poor working conditions, etc.), besides the low pay and dearth of skills training.

She observed that the sector is growing. Demand for care by people living with reduced functional capacity is growing, accompanied by a growing outsourcing of services, proliferation of intermediaries, and growing supply of migrant and undocumented workers. Immediate challenges include the lack of recognition and valuing of domestic workers in homes of the elderly, including care responsibilities, as well as poor governmental regulation / fiscalization of the sector (although countries' regulatory frameworks are extremely heterogenous).

Soledad Salvador suggested these four steps: a) **Recognize** healthcare workers' contribution to society; b) **Upgrade** healthcare work through improved quality of employment in terms of formalization (regulation / fiscalization), education (basic and specialized), and certification (knowledge / skills); and better pay (which could involve more dialogue and negotiation in the sector through collective bargaining or other channels); c) **Regulate** care provided in homes and institutions, temporary or permanent; and d) promote **portability of social security benefits** (migrant workers).

This transformation of the care system cannot help but have positive effects on gender equality and populations needing care and support.

The presentation by **Bruno Grégoire**, deputy director of international relations at URSSAF (France's social security and family benefits agency), shared his **experience with the French social security system and its socioeconomic inclusion and transition to a formal gender-focused economy.**

In France, development of domestic employment between individuals -- a sector that creates many formal job opportunities -- is a major challenge responding to basic daily needs: care for the young, assistance for the elderly and the most vulnerable with their care needs (especially those with reduced functional capacity or who are physically challenged or ill), and help for "active aging" at home or setting up a new balance between private life and professional services (for example, delegation of domestic chores).

The State and local authorities support the resource of "declared" employment contracts between individuals by enacting measures adapted to vulnerable people with various fiscal and social incentives and benefits – contributive deductions or fiscal measures such as reductions, fiscal credit, or lump-sum deductions from social security contributions.







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Employed individuals, for their part, have some guaranteed rights such as workman's compensation, access to health care, and retirement benefits.

To advocate for and bring about formal labor relations between (private) employers and domestic workers, the URSSAF promoted simplified services such as CESU (*Chèque Emploi Service Universel*, an employment / service vouchers payment system), enabling the contracting of broadly defined household services (housekeeping, transportation, etc.), and later the *Pajemploi*, further enabling the contracting of childcare services provided by a licensed caregiver or home day-care center.

Implementation of the system has relied on use of a <u>digital platform connecting employer and</u> <u>employee and streamlining administrative steps</u>. Through the platform, employers can keep track of employees' payments and deduct the amount of wages declared or process payment to employee by wire transfer.

Implementation of CESU and *Pajemploi* services with their accompanying <u>fiscal and social</u> <u>incentives and benefits</u> has been a key strategy for achieving formalization of domestic and childcare work, jobs performed mainly by women. Presently, there are close to 600,000 people employed through CESU and almost two million employers/users, while in *Pajemploi*, there are 439,000 and almost 1.2 million, respectively.

A number of questions were raised for the group discussions that followed:

What obstacles exist in your country to the formalization/certification process for caregivers of the elderly?

Who are the actors in the formalization/certification process of caregivers for the functionally dependent elderly?

What effects might formalization have on social security?

These key issues were identified in the group discussions:

- The main obstacle to formalizing certification of caregivers for the elderly continues to be lack of recognition of the need for training and professionalism in caregiving. The lack of employment protection (employer/employee) also persists. To successfully achieve formalization, it must be convenient for both parties.
- Formalization in social security will require creation of incentives and benefits so that caregivers will want to formalize their situation.
- Proper regulation of the sector is essential, with professionalization of the sector and inclusion of caregivers in collective bargaining.
- Formalization implies improved quality of work (provided and therefore received) that can attract both women and men to the field, increasing the presence of men in the sector.

In his closing remarks, *Francesco Maria Chiodi* (coordinator of the Social Policies Area of the European Union's EUROsociAL+ program) expressed the need to approach care as a smart investment with clear benefits. He underscored participant consensus on key issues such as the need for recognition, formalization and regulation of care or portability of rights









and, consequently, the need for strong public investment to develop the sector and move it toward formality.

In conclusion, he returned to the webinar's main focus: the need to transform the care sector by creating formal and professionalized gender-focused jobs, asserting that structured and formal care systems improve the quality of services and expand employment opportunities for women, who are the majority in this sector.

Link to presentations: <u>https://cursos.iadb.org/es/webinars/envejecimiento/cuarto-evento-</u> <u>de-la-redcuidar-pol-ticas-de-cuidado-como-transformar-un-sector-en-crecimiento</u>

Link to panelist Soledad Salvador's blog: <u>https://blogs.iadb.org/salud/es/atencion-personas-mayores-con-dependencia/</u>

References:

EUROsociAL:

- □ To learn more about the European Union's EUROsociAL program, see:
 - <u>https://eurosocial.eu/</u>
 - Section on COVID-19: https://eurosocial.eu/covid-19/
- Article by Francesco Maria Chiodi, EUROsociAL Social Policies Area on care and professional skills:

https://eurosocial.eu/bitacora/cuidados-y-certificacion-de-competencias-laborales/

EUROsociAL magazine *Reciprocamente*, social cohesion in Europe and Latin America: <u>https://eurosocial.eu/blog-reciprocramente/</u>

IDB:

Materials on aging and care for dependent persons:

- 'Panorama page on aging: https://www.iadb.org/es/panorama/panorama-de-envejecimiento
- "Aging with Care:"
 https://publications.iadb.org/publications/spanish/document/Envejecer_con_cuidado

 https://www.atenci%c3%B3n_a_la_dependencia_en_Am%c3%A9rica_Latina_y_el_Caribe_es.pdf
- Working less to care for parents? The labor effects of home-based dependency care in Latin America: <u>https://publications.iadb.org/publications/spanish/document/Trabajar-menos-para-</u>







cuidar-de-los-padres-Los-efectos-laborales-de-la-atencion-a-la-dependencia-en-elhogar-en-America-Latina.pdf

 Personal support services for persons with limited functional capacity: background, characteristics and outcomes: <u>https://publications.iadb.org/publications/spanish/document/Servicios-de-apoyopersonal-para-personas-con-dependencia-funcional-Antecedentes-caracteristicasy-resultados.pdf</u>

Special section on material from the RedCUIDAR+ network:

• https://www.iadb.org/es/panorama/redcuidar

Participants

Carlos Soto	ADF
Alfonso Martinez Saenz	AFD-Expertise France
Nélida Redondo	Argentina
Pilar Escalante	Argentina
Prensa MMGYD (Lucia Sangiorgio)	Argentina
Deusina Lopes da Cruz	Brazil
Hellayne Meneses Ribeiro	Brazil
Liliane Bernardes	Brazil
Maicon Douglas	Brazil
Moara Pedrosa Braga Silva	Brazil
Gloria Duhalde	Chile
Igor Dedic	Chile
Nidia Canas	El Salvador
Andrea C Monaco	EuroSOCIAL
Francesco Maria Chiodi	EuroSOCIAL
Silvia Donoso	EuroSOCIAL
Virginia Tedeschi	EuroSOCIAL
Ana Perez	France
Leprince	France
Bruno Emmanuel Gregoire	France (panelist)
Camila Sánchez	Guatemala
Gustavo Sierra	Guatemala
Mayte Milian	Guatemala
Déborah Oliveira	IDB
Fiorella Benedetti	IDB
Francisco Ochoa	IDB
Luis Buscarons	IDB
Marco Stampini	IDB
Mario Sanchez	IDB



Long-Term Care Policy Network in Latin America and the Caribbean

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Martha Guerra	IDB
Natalia Aranco	IDB
Pablo Ibarraran	IDB
Patricia Jara	IDB
Perez Cuevas	IDB
Alexandra Alarcón	Mexico
Alma Caliz Morales	Mexico
Almudena Ocejo Rojo	Mexico
Ariadna Hinojosa	Mexico
CONOCER_Omar.Villarreal	Mexico
Guadalupe Casales	Mexico
Juana Jiméneze	Mexico
Marta Clara Ferreyra	Mexico
Juan Manuel Almanza	UN Women
Juan Siller	UN Women
Karin Mattsson	UN Women
Maria Noel Vaeza	UN Women
Clarissa Martinez	Panama
Virginia Barreiro	Panama
María José Méndez	Paraguay
Katherine Vejarano	Peru
Andy Centeno Salcedo	Peru
Diana Carolina Mejia de Moronta	Dominican Republic
Diandra Peña	Dominican Republic
Francina Hungria	Dominican Republic
José Roberto Piqueras	Spain
Anna Herrero	European Union
Marc Litvine	European Union
Florencia Krall	Uruguay
Nicolas Scarela	Uruguay
Yanella Posente	Uruguay
Soledad Salvador	Uruguay (panelist)