

Bridging gender gaps?

The rise and deceleration of female labor
force participation in Latin America

**Leonardo Gasparini
& Mariana Marchionni**
EDITORS

C | E | D | L | A | S

Center for Distributive, Labor and Social Studies
Facultad de Ciencias Económicas | Universidad Nacional de La Plata

One of the most salient socioeconomic changes over the last half-century has been the strong rise in female labor force participation across the world. Latin America has not been an exception. However, since the early 2000s, there are signs of a widespread and significant deceleration in women's entry into labor markets in Latin America. The slowed increase of women in the workforce has delayed the closing of the gender gap in labor participation, and may also compromise poverty reduction targets.

This book, written at CEDLAS-Universidad Nacional de La Plata, documents the recent deceleration of female labor participation in Latin America, explores its causes, evaluates its implications, and discusses the limitations and challenges facing public policies that aim to empower women and foster gender equality.

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List of acronyms

ALMP	Active labor market policy
CCT	Conditional cash transfer
CEDLAS	Centro de Estudios Distributivos, Laborales y Sociales - Universidad Nacional de La Plata, Argentina
CIEDUR	Centro Interdisciplinario de Estudios sobre el Desarrollo, Uruguay
ECLAC	Economic Commission for Latin America and the Caribbean
GDP	Gross domestic product
IDRC	International Development Research Centre
ILO	International Labor Organization
LABLAC	Labor Database for Latin America and the Caribbean (CEDLAS and the World Bank)
LFP	Labor force participation
MDG	Millennium Development Goals
OECD	Organisation for Economic Co-operation and Development
PPP	Purchasing power parity
SEDLAC	Socio-Economic Database for Latin America and the Caribbean (CEDLAS and the World Bank)
TFR	Total fertility rate
WDI	World Development Indicators

“Among the many useful indicators of women’s economic status, including women’s educational attainment, health, role in politics and legal rights, labor force participation is arguably the most fundamental to the evolution of gender roles.”

Olivetti, 2013

“Of the many advances in society and the economy in the last century, the converging roles of men and women are among the grandest.”

Goldin, 2014

Chapter 8

Policies toward female labor force participation

Evelyn Vezza

1. Introduction

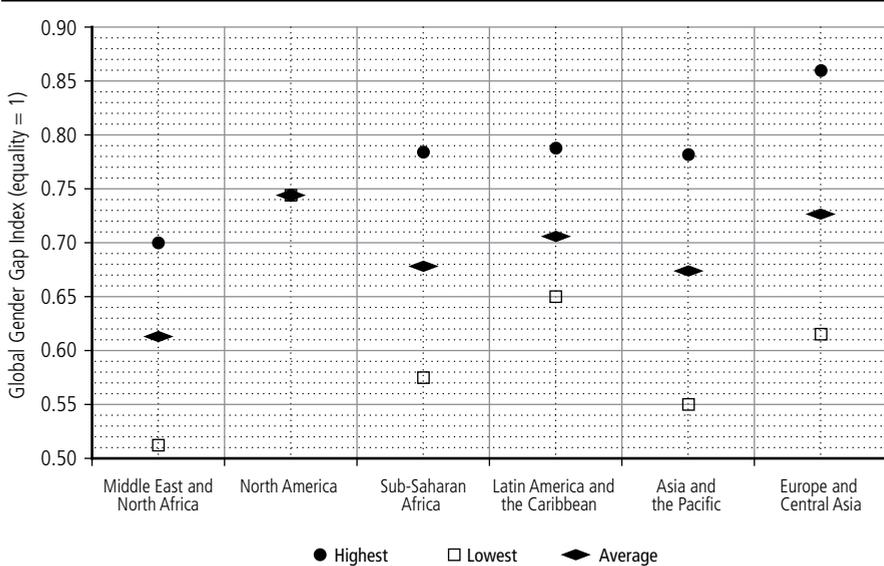
A long process of economic and cultural change has generated progress in gender equality. Institutions have been restituting women rights and changing social attitudes have improved the gender components included in policy (Doepcke, Terlilt and Voena, 2012). However, evidence reveals that translating development into gender equality has been difficult; recent policies directed at women's empowerment intend to close these gaps (Kabeer, 2012; Revenga and Shetty, 2012; Dufflo, 2012; and World Bank, 2011).

The current picture reveals that reaching gender equality is a challenge worldwide. Figure 8.1 illustrates regional rankings according to the Global Gender Gap Index¹, which measures countries' performance in terms of gender equality. It shows the highest, lowest and average figures reached by the countries in the six regions, according to their index score. No country has been able to fully close the gender gap, not even Nordic countries like Iceland, where the gap has been closed up to 85%. North America, and Europe and Central Asia have obtained average indexes that are the closest to gender equality, despite significant dispersion among countries in the latter region. Latin America and the Caribbean ranks third, with lower intra-group dispersion. While the two regions, North America, and Europe and Central

1 Introduced by the World Economic Forum in 2006, the Global Gender Gap Index measures gaps in gender equality based on a set of outcome variables for four categories or subindexes – health and survival, educational attainment, economic participation and opportunity, and political empowerment. See Hausman *et al.* in World Economic Forum (2014) for methodological details.

Asia, have closed nearly 75% and 73% of their gender gap, Latin America and the Caribbean has closed around 71%.

**Figure 8.1: Global Gender Gap Index
Regions of the world, 2014.**

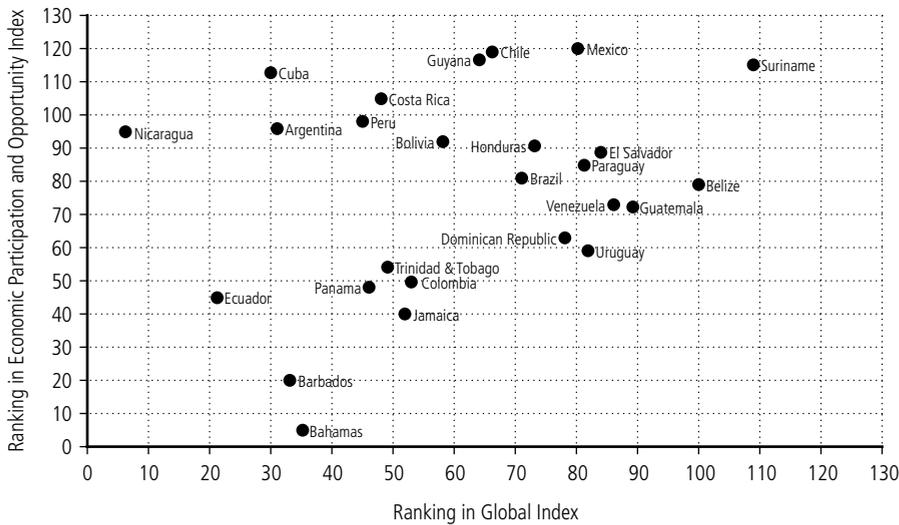


Source: The Global Gender Gap Report 2014 – World Economic Forum.

Note: Index based on data for 142 countries (the Latin America and the Caribbean region includes 26 countries).

Latin American and Caribbean countries have substantially reduced gender gaps in education attainment, but they have performed poorly in guaranteeing equality in the Economic Participation and Opportunity dimension. This latter sub index captures the gender gap in labor force participation rates, earned incomes, employment in top positions, and professional and technical workers. Figure 8.2 compares countries' performance according to the Global Gender Gap Index and the Economic Participation and Opportunity sub index. While 10 out of 26 countries pertain to the top fifty positions in the Global Index, only 6 out of 26 are also ranked among the top fifty of the Economic Participation and Opportunity Sub index.

Figure 8.2: Global versus Economic Participation and Opportunity Gender Gap Indexes Ranking Latin American and Caribbean countries, 2014.



Source: The Global Gender Gap Report 2014 – World Development Forum.

At the same time, labor market analysis in the region highlights that women persistently obtain poorer outcomes than men. As has been extensively documented in previous chapters, on average, prime-age women remain at the margins of the labor market: while around 65% of women aged 25-54 join the labor force, labor force participation is over 95% for men in the same age group. Women in the labor force are 1.5 times more likely to be unemployed than men. The figures are discouraging even when women are employed: most employed women perform precarious jobs without access to social security benefits², and the wage gap indicates that women earn 10% less than men (Ñopo, 2012). Moreover, current deprivations not only have a direct impact on women, but also on their dependents. The situation is expected to worsen as women age, as current labor conditions increase women’s barriers to social security entitlements (Barrientos, 2002).

Gender inequalities also prevent women from making economic decisions freely and increase barriers to other forms of empowerment. Hence, economic empowerment could be considered an entry point to other dimensions of empowerment (Kabeer, 2009).

2 See chapter 4 for detailed statistics on women’s employment profile.

The main aim of this chapter is to identify and analyze policies in the region that address the hindrances that women face when exercising power in the economic dimension, particularly when making labor market choices. Thus, the chapter reviews major interventions that took place in the region that were aimed at improving women's labor market and economic participation, especially those that target prime-age women. It takes into consideration interventions that rule the outcomes themselves as well as those that affect the incentives that unlock women empowerment.

The chapter is organized as follows. Section 2 describes the main features of policies that aim to empower women in the economic arena, proposes a taxonomy, and briefly depicts leading countries' approaches. Section 3 describes the policy profile across countries in the region in terms of design and performance. Section 4 discusses some of the challenges and pitfalls that these policies need to overcome and Section 5 provides some final comments.

2. What can be done to empower women in the economic dimension?

With ambiguous achievements in terms of the transition from wellbeing to empowerment, policies in diverse settings have enabled women to make their own decisions, and they have generated some visible results. Fostering empowerment in the economic arena requires policies that promote access to basic services, resources, employment, and social protections (Kabeer, 2012; World Bank, 2011).

Labor market decisions are the result of a joint decision making process at the household level in which women may take different positions according to their bargaining power (Chioda, 2011). Inter-member relations at the household level result in allocations of paid and unpaid work for members that may affect women's agency (Malhotra, 2003). Roles tied to gender, such as housework and caregiving, imply greater restrictions on female labor market participation; they also lower the threshold (in terms of wages and labor conditions) that women are willing to accept to reconcile work with home responsibilities.

Thus, economic empowerment policies seek to correct the imbalances that prevent women from making their own choices. These policies, which intervene during different stages of a woman's lifespan, relax constraints and enhance her ability to decide about her own future. Deprivation of these sources of empowerment keeps women from obtaining desired outcomes and distances their achievements from those of men.

Policy designs adopt two approaches to correct these imbalances. On the one hand, they alter incentives by providing benefits or reducing costs. On the other hand, they set mandatory outcomes like gender quotas in occupations or positions.

This chapter focuses on the set of economic empowerment policies that take place during a woman's active age. These policies are more closely related to labor market and economic sustainability than to formal education, which takes place during earlier stages of the lifecycle. Policies targeting women during their active age include: initiatives aimed at freeing up women's time, supporting women's participation and productivity in the workplace through Active Labor Market Policies (ALMPs) and labor regulations, social protection with a gender perspective, and efforts to eliminate institutional biases against women's economic participation and entitlements.

The following subsection proposes a taxonomy of policies that classifies them according to their main objectives and the imbalances they intend to correct. Then, it briefly discusses good practices employed in leading countries.

2.1. A taxonomy

Multiple interventions are necessary to achieve women's economic empowerment. Policy strategies can be classified according to three main objectives: relaxing the constraints on women's time, improving women's agency, and generating fair labor markets (Table 8.1). These objectives are connected to particular groups of women and depend on the hindrances they have to overcome. Although women appear to be a unique target population, they represent a heterogeneous set of needs.

A key restriction to women's economic empowerment is the time burden attached to their family responsibilities. Significant decisions concerning education, work, and fertility overlap during women's active age. As a result, family decisions may crowd out human capital accumulation as well as labor market insertion for mothers and wives. The intrinsic gender roles related to maternity increase the costs of women's entry into the labor market, and these costs are often reinforced by other caregiving and home-production responsibilities that usually fall to women.

As a response, *co-responsibility and care policies* seek to alter the households' cost-benefit equation by engaging women in paid work. Parenthood policies can counterbalance the incentives that an employer could have for hiring males instead

of females because of maternity breaks, balancing the support in child-related post-birth leave between working parents. The possibility to share parental care after childbearing ameliorates the gender-biased effects of child-breaks on career prospects, *i.e.* progress and earnings. Another way to increase the incentives for women's employment is to diminish or neutralize the tax burden for the second-earner in the household. When taxes on the second earner are higher than on the first (or single) earner, the forgone increases in disposable income at the household level may prevent women from participating in the labor market.

Table 8.1: A taxonomy of economic empowerment policies

Objective	Issue	Policy	Tool
Relaxing constraints on women's time	Competing roles at the household level	Co-responsibility at home	Parental leave Family leave Taxation on second earner
		Care support	Child and adult care services
Improving women agency	Unequal access to economic resources	Social protection	Conditional cash transfers (CCTs) targeting women Motherhood compensation in social entitlements Social benefits
		Regulatory environment	Property rights
Getting fair labor markets for women	Barriers to labor market entry, discrimination, asymmetry of information, segmented labor markets	Active labor market policies (ALMPs)	Training Employment services Temporary employment Entrepreneurship
		Labor laws	Protective legislation Part-time work arrangements Reduced-hours schemes in full time jobs Minimum wages
		Advocacy	Representation in organizations Campaigns and awareness activities

Source: own elaboration.

International evidence suggests that parental leave has positive effects on women's labor market participation. Ruhm (1998) identified a positive effect of short parental leave on employment for women of childbearing age based on data for OECD countries. In contrast, the author found that lengthy parental leave (more than 6 months) is associated with lower wages. Waldfogel, Higuchi and Abe (1998) found that family leave policies increase women's attachment to the labor market after childbirth, based on panel data for Japan, Great Britain, and the United States. Schönberg and Ludsteck (2007) analyzed the case of Germany, where several parental leave expansions took place, and found a positive and small impact on female labor supply in the long-run and a delay in women's return to work in the short-run. More recently, Thévenon and Solaz (2013) have pointed out that expansions in the leave period have had positive, though modest, impacts on female employment in OECD countries, provided that break periods are shorter than two years.

Provision of care services also provides an incentive for mothers to engage in paid work. Supply of high-quality care services for children, such as early childhood education and daycare or nurseries, relaxes time-demands on mothers, allowing them to reconcile working hours and safe care for their children. Public or community care services represent a particularly important need for vulnerable women, whose potential labor earnings would not be enough to cover the high costs of private childcare services. Care for the elderly and the disabled is also a task traditionally assigned to women, who usually drop out of the labor market when circumstances require them to take on these responsibilities.

Childcare subsidies have also shown to have a positive effect on women's labor participation. For instance, Bettendorf *et al.* (2012) measured the childcare subsidy increase that took place in the Netherlands during 2005–09 and found that there was a moderate sized impact on female labor supply, and Lefebvre *et al.* (2009) found that a sub-national and universal subsidy in Canada that facilitates childcare also generated positive effects on female labor supply in the long run.

The second objective in Table 8.1 relates to improving women's agency. Women's agency refers to a woman's ability to exercise control over resources, something often denied by norms or as a result of economic-based gender inequality. *Social protection and regulatory environment policies* aim to correct unequal access to economic resource, seek to provide autonomy and self-worth to women, and empower them to participate on equal instead of subordinated terms.

Conditional cash transfer programs (CCTs) usually direct payments to women, although they either target children in the household or the entire household. This potentially gives women control over resources as well as the responsibility to

comply with certain conditions, such as school enrollment and children's health check-ups, which could increase their bargaining power within the household (Fizbein *et al.*, 2009).

The impact of CCTs on female labor supply appears to be uncertain. Although CCT impact evaluations mainly consider those variables related to childhood development—which figure as the primary goal of this type of program—some evaluations measure the program's effects on labor supply. Most of these studies do not find that cash transfers have significant short-term effects on female labor force participation, although there are exceptions. Their long-run impact remains uncertain.³

Another role assumes motherhood compensation in social protection entitlements as pensions and unemployment insurance. Maternity leave can limit a woman's ability to accrue sufficient social security contributions, resulting in lower social benefits, like pensions. Compensation for motherhood or housework during active age contribution years serves as a means to reconstitute women's control over economic resources at the time of retirement and facilitate economic autonomy.

Additionally, general regulations on property rights guarantee women the ability to exercise decisions over economic resources in equitable conditions. When a woman's property rights are recognized, she obtains greater control over economic decisions, including productive uses, financial choices, and well-being. Assuring women's control over resources can be guaranteed through legislation. Laws can reconstitute agency by granting women social identity to manage properties and inheritances; laws should avoid discriminatory clauses that deny women's access to land or housing titling, inheritance, and marital assets based on gender fundamentals.

The third objective of many economic empowerment policies is to ease women's access, permanence, and success in the labor market. Segregation by occupational type—in economic sectors and position levels—limits women's mobility to better-paid and hierarchical positions, and to a stable employment trajectory. *ALMPs, labor laws, and advocacy* address the underlying factors that underpin labor market segmentation.

3 See Gasparini, Garganta and Marchionni (2015), Alzúa *et al.* (2010), Martorano and Sanfilippo (2012), Ferro and Nicollela (2007), MDS (2007), Foguel and Paes de Barros (2010), and Borraz and Gonzalez (2009) as examples of a growing literature. See also the discussions and the empirical evidence in the previous chapters of this volume.

Most countries design ALMPs to include specific components for women, particularly the most vulnerable groups of women, to encourage their involvement in the labor market. ALMPs include a broad set of interventions such as training, employment services, incentives for small business development, and direct employment generation through public employment programs. They seek to overcome poor endowments in education, employment tenure, social networks and productive assets, in order to facilitate women's transition from inactivity, unemployment, or precarious employment, to formal jobs and stable incomes.

Card *et al.* (2010) reviewed studies that evaluate the impact of ALMPs for the period 1995-2007 and underlined that no gender differences were found in this type of program. In-classroom and on-the-job training show positive effects, particularly in the medium term. Subsidies for jobs in the public sector yielded poorer outcomes than other ALMPs. Cho and Honorati (2013) reviewed entrepreneurship programs in developing countries, finding positive effects on women's labor outcomes. They found that interventions that provided financing instead of training generated significant impacts. This suggests that credit constraints matter most among women in self-employment activities. Training programs appear to only affect women's attitudes.

Labor laws aimed at empowering women are subject to a lively debate concerning their actual effects. Some protective norms may create incentives that could make their aims inoperative or could even obtain adverse outcomes. Legislation that restricts women's working hours and their participation in industries or certain types of jobs may deter incentives to hire women. Although they promote women's participation in the labor market, part-time job schemes or reduced working hours for women could also favor precarious employment relationships in segmented markets. Other protective legislations like anti-discrimination regulations, guarantee equal treatment across genders (World Bank, 2012a). For instance, minimum salary policies may exert a substantive role on women's earnings and the gender wage gap, as women are overrepresented among workers earning the minimum wage (Betcherman, 2012).

Finally, *policy advocacy* pursues changes in social attitudes regarding discriminatory practices and female stereotypes, raising awareness of the importance of gender equality in the economy. Policy advocacy includes initiatives to disseminate information about public policies that could be imitated, promote transparency in recruitment and promotion practices, and encourage gender balance in top-level boards, seniority positions, and political decision-making.

2.2. The experience of leading countries

Nordic countries serve as examples of achievement in gender equality. They are ranked in the top five positions of the Global Gender Gap Index 2014 (Iceland, Finland, Norway, Sweden and Denmark rank from 1st to 5th) and their successful policies on the subject are also widely acknowledged. Even though the Latin American context is very different in terms of socioeconomic and demographic variables, the region could learn some lessons from these countries' experiences.

The premise of the Nordic system is to promote equal conditions and opportunities to individuals no matter their gender condition, with the aim that such a policy would extend the freedom of choice on an individual basis. Since 1987, the Nordic Council of Ministers for Gender Equality has led regional government cooperation in the area of gender equality. This council prioritizes gender equality in the labor market, and intends to become a model for gender policy innovations for other countries.

Initiatives like parental leave schemes and formal childcare are aimed at reducing the burden of care activities. They have a long tradition. Maternity leave schemes were first put in place in the 1950s, and paternity and parental leave began a bit later, during the 1970s and 1980s. While maternity and paternity leave are linked to the biological requirements of childbirth, parental leave benefits are allocated to parents to help with childcare. Maternity leave for the period before/after birth are the longest in Finland and Denmark, with 18 and 17.5 weeks respectively; in Finland, maternity leave may be transferred to fathers for health reasons. Paid paternity leave periods are shorter, with 2 weeks in Denmark, Norway, and Sweden; and 3 weeks in Finland. These lengths contrast with those observed for Latin American countries, as the following section shows.

In addition, fathers and mothers in these Nordic countries are permitted to take more weeks off using paid parental leave schemes. Evidence shows that men are in charge of around 40% of unpaid work at home, and there is a tendency towards equal shares of parental leave between marital partners (Gislason and Eydal, 2011). "Father quotas" for parental leave—*i.e.* the required take-up rate of parental leave for men—were first implemented at the end of the 20th century to encourage co-responsibility. In Iceland, the father quota is 12 weeks and in Norway it is 10. There are also "mother quotas" in Iceland, Norway, and Sweden. These countries have legal instruments similar to maternity leave that provide leave from 9 to 11 weeks in duration.

Countries also offer different models for entitlements to leave compensation. In Finland, paid leave is linked to living arrangements. Mothers should reside in

the country for at least 180 days before the estimated delivery date and fathers should live with the child's mother. In Denmark, Norway, Sweden, and Iceland, however, leave compensation is connected to employment. Thus, the parent must meet some eligibility requirements to receive the benefit, including minimum working hours and duration of employment.

Another distinguishing feature of the Nordic system relates to childcare, which is universal, services-oriented, and closely tied to education. Indeed, coverage of formal childcare services in Nordic countries is among the highest in the world (European Commission, 2013). The childcare system, which began in the 1960s and 1970s, was initiated as a complement to family-friendly policies and was intended to encompass parents' increasing labor market participation. In contrast to other European countries, where national governments are in charge of providing childcare services, these national policies are decentralized at the municipal level.

Daycare centers, family daycare, and schools offer support in the form of non-parental care. Following parental leave, all children are entitled to public daycare, though in practice there are some supply constraints. Daycare can also be provided in the form of family daycare, where care services are delivered at the child's home. The cost of care is directly related to family income, allowing the most vulnerable families to have access to high-quality services.

Finland and Norway—and Denmark and Sweden, more recently—provide cash grants for care to promote equality and freedom of choice. These subsidies are targeted to children under the age of three. While access to these programs is universal in Finland and Norway, there are requirements based on parent's income in Denmark and Sweden.

There are additional incentives for women's employment. In Nordic countries, taxing on second earners is lower than on single earners, and it has been decreasing over time (OECD, 2006). Flexible working hours is common in Sweden and Finland. In Finland, there are pension credits for women who interrupt their careers to raise children; these contributions are paid for by the State. Iceland offers a basic pension through the social assistance pillar of the social security system (OECD, 2012). Gender-balance in political decision-making appears stronger in Sweden, Finland, and Denmark, where at least 40% of each gender was represented in the national parliament in 2012 (European Commission, 2013).

Nevertheless, there is some debate regarding the actual effects of this policy framework on gender equality. Some family-oriented policies that try to combine

familial and labor market responsibilities are suspected of encouraging gender role segregation at home and in the labor market. For example, extended maternity leave and child allowances may strengthen gender roles as they presume that women will be the primary caregivers and they detach women from the labor market for longer periods, which can erode their seniority and human capital accumulation. Moreover, part-time employment may reinforce women's attachment to traditionally "female" occupations. Conversely, policies that offer all household members incentives to engage in care activities are subject to another fairness debate centered on financing and targeting.

3. Policies in place

In Latin America, policies to promote women's economic empowerment seem to lag behind increased female participation in the labor market. Some studies argue that policies in the region are built on a paradigm that centers on the whole household and do not weigh the gender-equality effects. These policies thus stand in contrast to the individual empowerment and gender-equality approach adopted by Nordic countries (ILO *et al.*, 2013; Rossel, 2013; Arriagada, 2007).

3.1. Relaxing constraints on women's time

The growing trend in female labor force participation has not been accompanied by greater involvement of men in housework, causing an increasing burden on women (ILO *et al.*, 2013; CEPAL, 2010; Arriagada, 2007).

A remarkable feature of the initiatives in place is their close connection with employment. In fact, most tools to alleviate the burden of care activities carried out by women—like birth and post-birth leave—are attached to jobs in the formal sector, *i.e.* jobs with access to social security benefits. In addition, other public childcare services are scarce, while private options are expensive. As this type of intervention is offered to (or affordable for) women with high-quality employment, the lack of universal policies deepens the negative empowerment effects experienced by vulnerable women.

Co-responsibility at home

For women, maternity leave is an extended intervention among family-friendly policies to reconcile home and work in Latin America and the Caribbean. Paternity leave has been implemented several decades after maternity leave in some countries in the region; parental leave is far less frequent—it is only offered

in three countries. Maternity leave includes a mandatory break before and after birth (duration differs across countries), in which entitled women receive full salary. When the term ends, women in many countries also have the right to reduced and paid working hours for breastfeeding.

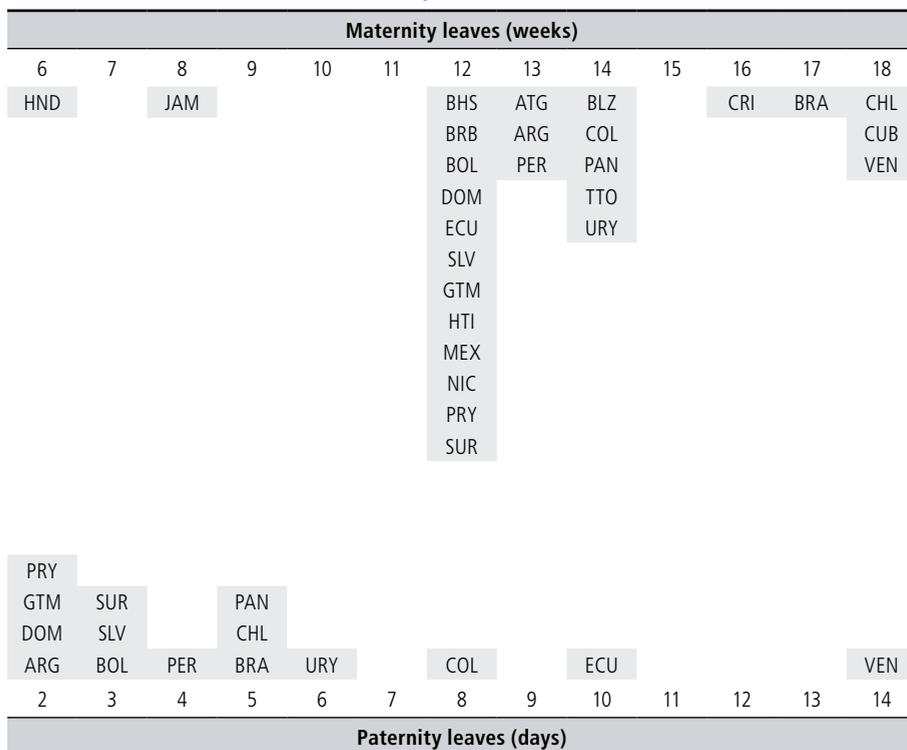
Figure 8.3 reports the duration of maternity and paternity leave with 100% income replacement for 27 Latin American and Caribbean countries in 2014. All of these countries offer paid maternity leave, and the most frequent duration is about 12 weeks, which takes place for women with formal jobs in the Bahamas, Barbados, Bolivia, Dominican Republic, Ecuador, El Salvador, Guatemala, Haiti, Mexico, Nicaragua, Paraguay, and Suriname. The longest paid leave (18 weeks) corresponds to working mothers in Chile, Cuba, and Venezuela, while the lowest one (6 weeks) takes place in Honduras.

Conversely, only 15 out of 27 countries offer full pay paternity leave and in most cases (12 countries) it is less than a week. Indeed, Paraguay, Guatemala, Dominican Republic, and Argentina offer only 2 days of paternity leave and Suriname, El Salvador, and Bolivia offer 3 days of paternity leave. Venezuela has the longest paternity leave (2 weeks), followed by Ecuador and Colombia (10 and 8 days, respectively).

Recently, many countries in the region have pushed to reform their birth leave schemes. Reforms have largely aimed to extend the duration of leave. In 2011, Chile increased the length of maternity leave from 12 to 18 weeks and Colombia increased its maternity leave from 12 to 14 weeks. Uruguay added two weeks (from 12 to 14) to its maternity leave program in late 2013. Establishing or extending paternity leave is another recent phenomenon. As a new measure, Peru and Bolivia implemented paternity leave in 2010 and 2012, respectively. Meanwhile, Colombia extended its existing leave period for fathers from 4 to 8 days in 2010, and Uruguay established a progressive increase in its duration from 3 to 6 days by 2015 and 10 days by 2016 for its reform, which took place in 2013.

One significant difference between maternal and paternal leave is the method of financing. While maternity leave is financed through a social security system in which employers, workers, and the public sector make contributions, paternity leave relies mainly on employer financing. This is the case in Argentina, Brazil, Dominican Republic, and Guatemala. In Uruguay, before the new reform, employers paid benefits for 3 days of paternity leave. Law No. 19.161, passed in 2013, charged the Treasury with the responsibility of financing 7 additional days; the reform will likely be implemented in the near future. By contrast, in Colombia and Venezuela, paternity leave is completely financed by the social security system.

Figure 8.3: Maternity and paternity leave with 100% income replacement Latin America (27 countries), early 2015.



Source: own elaboration based on ILO Working Conditions Laws Database, ILO Geneva, available at: <http://www.ilo.org/dyn/travail>; and countries' legislations.

Notes: data reflects the most general labor law and does not include special cases, *i.e.* it ignores leave schemes for employment in specific economic sectors (*e.g.* public sector employment usually provides a more generous leave).

Some policies place constraints on the number of leave periods that an individual may take. Trinidad & Tobago and the Bahamas both established a limited number of leave terms for employed women—once every two years in Trinidad & Tobago and once every three years in the Bahamas. Both countries have also instated a tenure requirement to access these benefits.

Three countries have emerged as exceptions by connecting parental leave to childcare rather than childbirth. Cuba, Chile, and Uruguay allow shared parental leave for childcare after birth leave. In Cuba, working mothers or fathers are able to request parental leave to care for children during the period between the end of the maternity leave until the child turns one. Additional

unpaid leave (for justifiable reasons) is also available for parents when children reach the age of one. In Chile, working mothers may request parental leave for childcare after their maternity leave ends. The period of leave is up to 12 weeks for full-time employment or 18 weeks for part-time. In addition, based on the reform that took place in Chile in 2011, mothers are entitled to transfer up to 6 weeks of maternity leave to fathers. In Uruguay, mothers or fathers—parents are entitled to choose—have the right to parental leave for children aged up to five-months-old in 2015 and six-months-old by 2016.

For almost all countries shown in Figure 8.3, mothers and fathers employed in the formal sector are eligible for maternity or paternity leave. Given the high rates of informal employment in the region, these policies are less likely to affect the distribution of childcare responsibilities between mothers and fathers.⁴

Brazil, Nicaragua and Peru offer a maternity leave entitlement for unemployed women. Women under the unemployment insurance regime are entitled to full paid childcare leave. However, these schemes are also biased to participants in formal labor markets. Indeed, women qualify for unemployment insurance if they are able to demonstrate a formal labor history—*i.e.* past social security contributions.

The only study examining of the effects of maternity leave on women's labor outcomes in the region was conducted for Costa Rica. Gindling and Crummett (1995) studied how three maternity leave laws, initiated during the 1980s and 1990s, affected labor outcomes for women. In 1980, leave duration increased from 2 to 4 months in the public sector, and then the same increase took place in the private sector in 1986. Later, in 1990, the law sanctioned mechanisms to enforce mandatory maternity leave. While the increase in the length of leave in the 1980s did not have any effect on female employment and wages, the law sanctioned in 1990 had a negative effect on women's wages in the private sector and no effects in the public sector and self-employment, which were not addressed in the law.

Care services

Public policies on care services are less relevant to the global set of women's economic empowerment policies (Arriagada, 2007). Existing public supply may be grouped into two categories: those initiatives related to enrolling children in

4 This is particularly relevant for some stereotyped female occupations like domestic service, and some job types like self-employment, which have the highest informality rates and reduced social protection schemes. Recently, some countries in the region set new legislation for domestic workers in order to formalize this activity (Argentina, Brazil, Chile, Costa Rica and Uruguay).

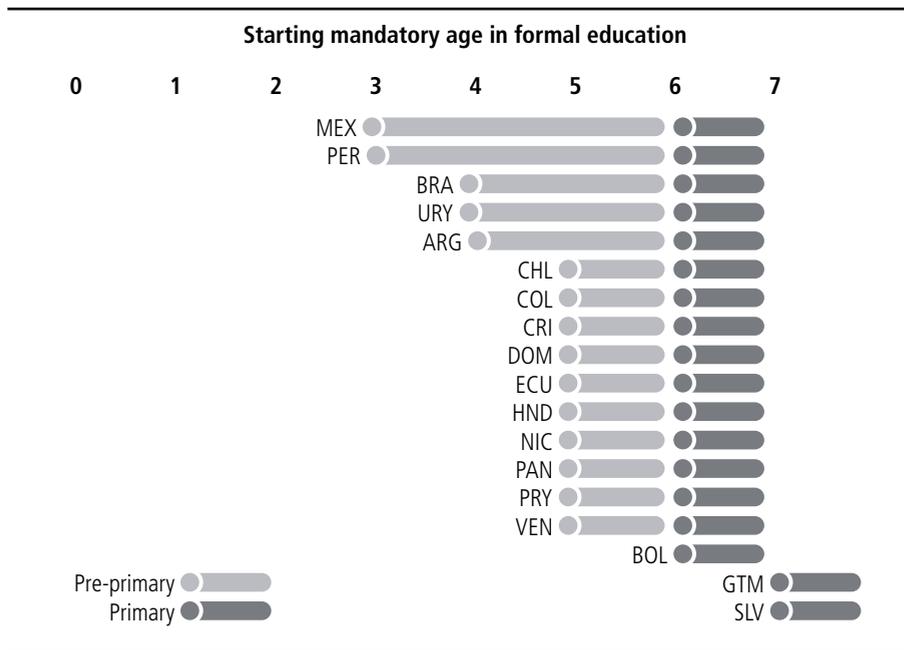
formal education, and those covering children in vulnerable households through social assistance programs (ILO & UNDP, 2009). The public provision of care services that cover mothers with children under the mandatory education age is scarce and heterogeneous. Even though initiatives regarding the elderly and people with disabilities have a longer tradition in the region, the degree of coverage varies across countries.

In most of Latin America, pre-school education is not mandatory at early ages. Only one year of pre-primary education is mandatory in the majority of countries, mostly for 5 year olds. Figure 8.4 summarizes the age at which mandatory education begins in 18 Latin American countries in 2014. Pre-primary education is mandatory earlier in Mexico and Peru, where the law requires three years of mandatory education (beginning at 3 years old) before children enter primary school. Argentina, Brazil and Uruguay begin schooling at 4 years old. At the other extreme, El Salvador and Guatemala have the highest mandatory schooling entry age, 7 years old, and do not require compulsory pre-primary school education.

In the 2010s, some countries in Figure 8.4 extended the years of compulsory education to include pre-primary education. Honduras made one year of pre-primary education mandatory in 2012. Brazil established that 2 years of pre-primary education would be mandatory in 2013 and determined that the Federal States and local governments should include children aged 4-5 in this education level by 2016. Similarly, Chile established one year of mandatory pre-primary education in 2013. Most recently, Ecuador passed a law to require one mandatory year for pre-primary education and Argentina and Uruguay lowered the mandatory requirement to children aged 4 years old.

Although increasing the mandatory years of education at the primary or basic education levels tends to close attendance gaps, it does not guarantee universality. Coverage indicators reveal that enrollment reached wide coverage for children aged 5 years old in most countries, mainly through public providers (Figure 8.5). Average gross enrollment rate for the region (15 countries in the 2010s) is 77.4% among 5 year-old children. In Mexico, Uruguay, and Argentina, coverage is close to universal, with rates above 95%. In the case of Chile, the enrollment rate is around 94% despite enrollment not being mandatory at the time of the survey (2011). Among the countries with the lowest records are those where enrollment is not mandatory for this age group –Guatemala registers the lowest rate 47.3%. In Nicaragua and Paraguay, education is mandatory at age 5 and enrollment rates are below 70%. In all countries, most children are enrolled in the public system.

Figure 8.4: Age for starting compulsory education Latin America (18 countries), early 2015.

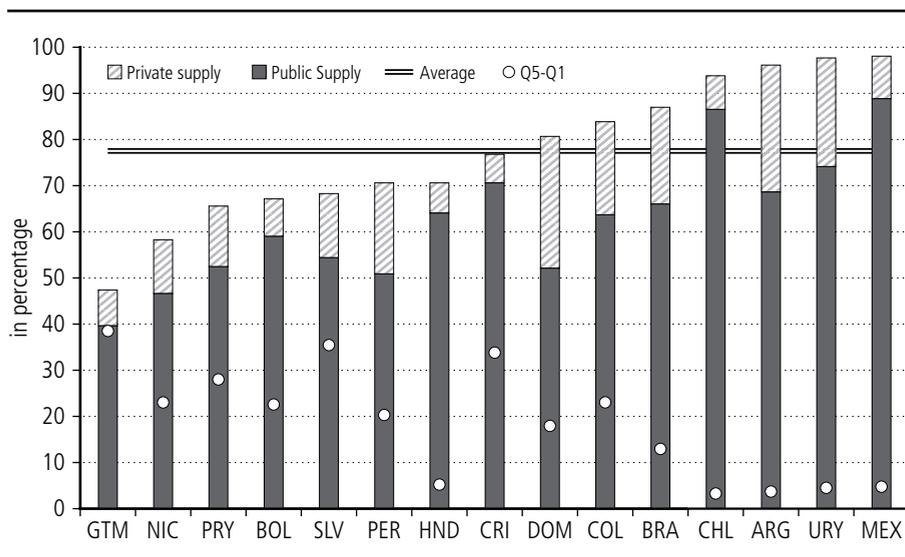


Source: SITEAL and countries legislations.

Countries with lower enrollment rates for children aged 5 years old also show higher coverage gaps between the richest and poorest quintiles. Thus, the poorest women face economic barriers to addressing care demands in countries where enrollment rates for pre-primary school remain low. While the enrollment gap remains below 10 percentage points in countries where more than 90% of the children are attending school, the gap reaches up to 39 percentage points in Guatemala, 36 percentage points in El Salvador, and 34 percentage points in Costa Rica.

For younger children who are not subject to the mandatory education requirement, enrollment rates are substantially lower, and therefore care demands become higher. Figure 8.6 illustrates gross enrollment rates for different age groups by country and the corresponding enrollment gap between children in the richest and poorest income quintiles. Although enrollment rates differ widely across countries, achievements remain significantly below the levels obtained for children aged 5 years old in all cases. For instance, despite showing rates above 90% for children aged 5 years old, Mexico exhibits an enrollment rate slightly above 60% for children aged 3-4 even when enrollment is mandatory for this

Figure 8.5: Gross enrollment rates for children aged 5 years old Latin America (15 countries), circa 2012.



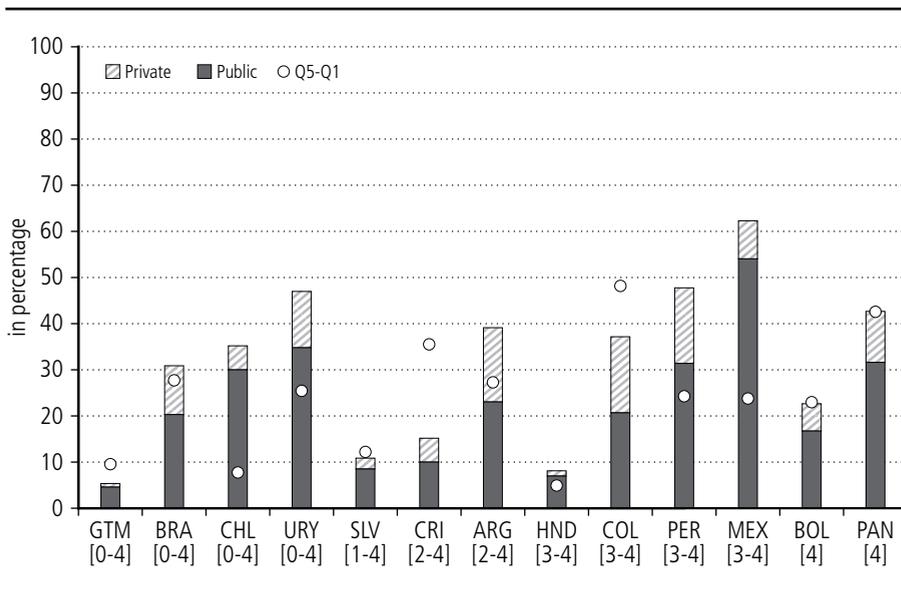
Source: Own calculations based on microdata from national household surveys.
 Note: Household surveys correspond to 2012 in most countries with the exception of Nicaragua (2009), Chile, Guatemala, Honduras and Paraguay (2011).

age group. Argentina, another country where coverage is almost universal for primary school, covers less than 40% of children aged 2-4. Finally, enrollment for children aged 0-4 reaches the maximum level in Uruguay⁵, 47%, and the minimum in Guatemala, 5.5%.

The enrollment gap by economic condition is significant, no matter the age group considered. The coverage rate in the richest quintile duplicates the level of the poorest ones in Argentina, Brazil, and Panama; it triplicates in the case of Colombia and El Salvador; it quadruples in Honduras and is 7 times as great in Costa Rica. Regarding the type of supply, enrollment of children below 5 years old also takes place mainly in public institutions, though with a lower share than for children aged 5 years old, in all countries.

5 Nollenberger and Perazzo (2014) estimate the effect of rising vacancies for pre-primary school (non mandatory) on women's employment in Uruguay during the 1990s. In the context of a low take-up rate, authors did not identify general effects on women's supply, with the exception of significant and positive effects on women with intermediate level of education.

Figure 8.6: Gross enrollment rates for children under 5 years old Latin America (13 countries), circa 2012.



Source: Own calculations based on microdata from national household surveys.

Note: Household surveys correspond to 2012 in most countries with the exception of Chile, Guatemala and Honduras (2011). Different age groups by country.

The high shares of children outside the formal education system increases the demand of care services at the household level, raising the costs for mothers to participate in the labor market. In addition, even when these services exist, they provide an incomplete solution. In general, early childhood school hours are shorter than the typical workday, and thus they do not completely solve women's challenges of work-family balance.

In many countries, the gap in the early childhood care services provision is complemented with public programs and community involvement. The main objective of these types of initiatives is to provide assistance to families in poverty during early childhood. Table 8.2 summarizes the main initiatives already in place, by country. For example, *Crece contigo* in Chile, *Hogares Comunitarios de Bienestar* in Colombia, *Hogares Comunitarios* in Guatemala, *Estancias Infantiles de apoyo a madres trabajadoras* in Mexico, *Cuna más* in Peru, and *Hogares de Atención Integral para Niños y Niñas* in Venezuela, target populations in need as a way to break the poverty cycle.

The level of coverage and quality of the care services provided by these programs varies across countries and programs. They also focus on the family instead of the individuals, and assign caring roles mainly to women, deepening gender stereotypes (CEPAL, 2013a).

Table 8.2: Public initiatives for care services during childhood
Selected initiatives in place, 2014.

Country	Program	Description
Chile	<i>Crece Contigo</i>	Gives support to vulnerable families with children under 4 years old and includes assessment on care services.
Colombia	<i>Hogares Comunitarios de Bienestar</i>	Targets children under 5 years old living in poverty. Provides support for childcare and child development. Care providers are the parents.
Costa Rica	<i>Red Nacional de Cuido</i>	National network that includes centers for childcare for children under 7 years old, in two formats: (i) extended time –10 or more hours/day; (ii) reduced time –4 hours/day; Also includes incentives to promote the private supply of care services. It sets goals for childcare coverage on a yearly basis.
Cuba	<i>Educa a tu hijo</i>	Targets children up to 6 years old, with different interventions for the 0-2 and 2-6 age groups. Provides care and education outside of formal institutions. It is based in communities and performed by the families themselves.
Guatemala	<i>Hogares Comunitarios</i>	Targets children of working mothers in poverty under 7 years old providing community-based care services.
Mexico	<i>Estancias Infantiles para Apoyar Madres Trabajadoras</i>	Subsidizes the full cost of daycare for poor mothers in the labor force, with children aged 1- 4 years old. In the case of children with disabilities, the age of eligibility increases up to 6 years old.
Nicaragua	<i>Centros de Desarrollo Infantil</i>	Early childhood support for children up to 6 years old, in rural and poor areas. It trains parents on children care.
Peru	<i>Cuna más</i>	Targets children up to 3 years old in poverty and extreme poverty, providing cognitive, social and health support. The centers offer two care models: (i) daily care –integral care for children aged 6 months to 3 years old; and (ii) encompassing families –advise on childcare and early childhood development by performing home visits and training in the centers.
Trinidad & Tobago	<i>Early Childhood and Education</i>	Set of interventions that enhance children’s development prior to mandatory school level. Targets children aged 3-5.
Venezuela	<i>Hogares de Atención Integral para Niños y Niñas</i>	Targets children aged 0-6 in poor families where mothers are care providers. It has two care models: based in families or based in communities.

Source: SIPI – SITEAL, and official agencies.

The initiatives offer a set of services beyond childcare that are related to children’s nutrition, health, and early stimulation. The programs in Chile, Colombia, Nicaragua, Trinidad & Tobago, and Venezuela provide integral services to

children. In addition, some day nurseries offer extended schedules to allow mothers to engage in employment, such as *Red Nacional de Cuido* in Costa Rica, *Hogares Comunitarios de Bienestar* in Colombia, and *Crece contigo* in Chile.

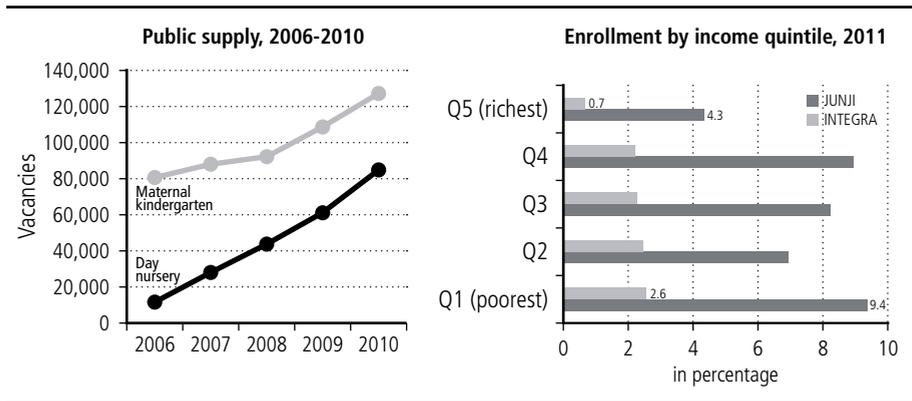
The programs also differ in their connections to the formal education system. Most programs are based in the home or in community centers and are not regulated by an education agency. In these cases, social development agencies lead the initiatives. They provide care services to children at an early age and to mothers, in some cases. Mothers become potential caregivers in home or community childcare schemes. *Hogares Comunitarios de Bienestar* in Colombia, *Educa a tu hijo* in Cuba, *Cuna más* in Peru, *Hogares Comunitarios* in Guatemala, and *Hogares de Atención Integral para Niños y Niñas* in Venezuela adopt this scheme. A smaller set of programs is more connected to the education system. For instance, the Ministry of Family and Social Welfare has implemented the *Red Nacional de Cuido* program in Costa Rica since 2010, which integrates children aged 4 and above into a pre-primary education level. Chile's *Crece contigo* includes a formal education component in the services network, assuring vacancies for children in day nurseries and kindergartens, which are regulated by the Ministry of Education.

Chile's *Crece Contigo* is a social protection program targeting children 0-4 years old in vulnerable socioeconomic conditions. Although the program primarily focuses on health services, including early stimulation during the growth stage and integral development, it also provides free access to high quality care services such as day nurseries (*salas cuna*) for children under 2 years old, and maternal kindergarten (*jardín maternal*) for children aged 2-4. To qualify for these care schemes, the mother or the legal tutor should be in vulnerable economic conditions.

A network of centers formed by National Council of Kindergarten (*Junta Nacional de Jardines Infantiles - JUNJI*) and *Integra* Foundation provide these care services. Reyes and Urzúa (2012) found that labor participation of mothers increases the likelihood of children being enrolled in the JUNJI and Integra day nurseries and maternal kindergartens. These centers adapt their schedules and models to the population in need, offering part time or full time schedules (until 8 pm), opening kindergartens during January and February to cover the needs of seasonal workers, and implementing kindergartens 'on wheels' (*sobre ruedas*) to reach rural and isolated areas. The program was launched in 2006 and it has continuously expanded. Figure 8.7 (left panel) shows that between 2006 and 2010 day nursery vacancies increased by six times and maternal kindergarten vacancies increased by nearly fifty percent. These centers have become the main providers of childcare for children at an early age. By 2011, around 17% of the

children 0-2 years old were attending a care center (right panel), where almost 10 percentage points corresponds to JUNJI and INTEGRA centers –8 and 2 percentage points respectively. Child attendance at these centers is biased to the poorer income quintiles (right panel). While 9.4% of children in the poorest quintile were attending a JUNJI center and 2.6% an INTEGRA center, only 4.3% and 0.7% of the children in the richest quintile were attending those centers, respectively.

Figure 8.7: Chile. Public supply of early childcare in Crece Contigo and enrollment of children under 2 years old by center type

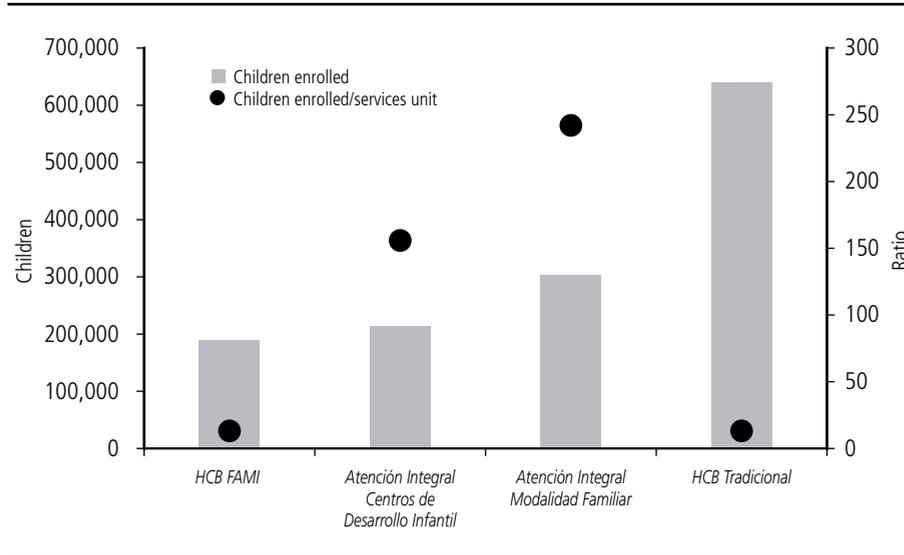


Source: Crece Contigo Memoria 2006-10 (left panel), and own calculations based on CASEN (right panel).

Colombia has a long tradition implementing childcare programs for vulnerable households. The Colombian Institute of Family Welfare (*Instituto Colombiano de Bienestar Familiar – ICBF*) has been running the program *Hogares Comunitarios de Bienestar* since 1987. This program achieved a wide coverage in comparison to similar initiatives in the region, reaching 13% of the target population (González Ramírez and Durán, 2012). The supply includes different types of childcare. Figure 8.8 depicts the scale adopted by the referred types. It organizes care services mainly through a network of community mothers who receive children at their own homes on a daily workday basis, during 4-8 hours per day (*HCB Tradicional*). Other types of childcare services support the family through community centers where pregnant women, breastfeeding women, and mothers with children under 2 years old participate (*HCB FAMI*). A community educational agent trains families on childbearing issues like nutrition and childcare. Both *HCB Tradicional* and *HCB FAMI* provide more personalized care services, attending 13 children per unit in 2013. In contrast, the remaining childcare types, *Atención Integral Centros de Desarrollo Infantil* and *Atención*

Integral Modalidad Familiar, offer similar services, but the groups are larger, joining community mothers or educational agents in local centers.

Figure 8.8: Colombia, 2013. Public supply of early childcare in Hogares Comunitarios de Bienestar



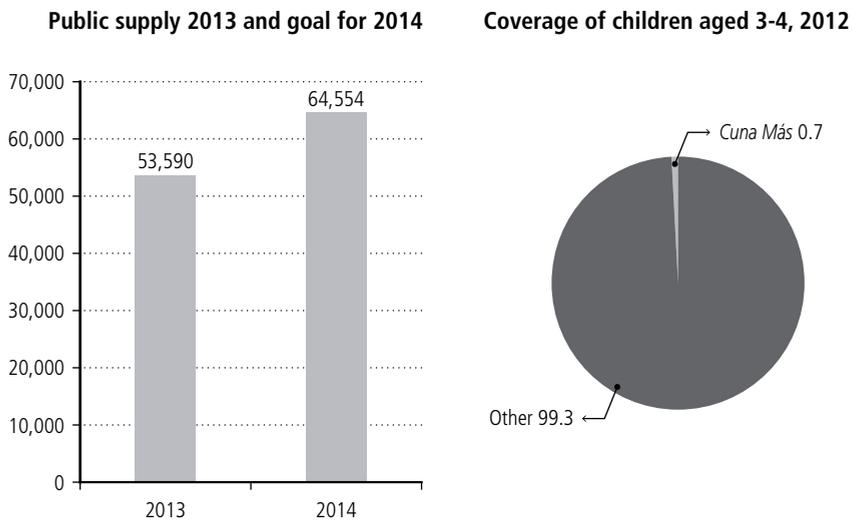
Source: ICBF Memoria 2013.

Following a similar scheme, Peru launched a pilot national program, *Cuna más*, in 2012. This program is based on a former initiative, the *Wawa Wasi* program, which worked through homes and community centers to support working mothers and provide integral services (daily care, education, nutrition, identity documentation) to children under 4 years old in vulnerable conditions. *Cuna más* implements a progressive plan that expands daycare coverage to the whole country, while also providing support to children’s families. Enrollment is expected to be 20% higher in 2014 than in 2013, reaching approximately 65,000 children (Figure 8.9, left panel). Targeting is based on poverty condition and support focuses on family care in rural areas and day nurseries in urban centers. In 2012 the pilot program covered only 0.7% of children aged 3-4 (Figure 8.9, right panel).

Evidence coming from the region indicates that childcare services have positive effects on women’s labor outcomes. Paes de Barros *et al.* (2011) examined a program in Rio de Janeiro that expands free childcare in poorer neighborhoods and found considerable positive effects on mother’s employment. CIEE (2012) measured positive effects on women’s employment for the program *Estancias*

Infantiles para Apoyar Madres Trabajadoras (PEI) in Mexico, which subsidizes childcare to mothers and single fathers employed or searching for a job and in low socioeconomic condition. Berlinski and Galiani (2007) identified that the positive impacts of free childcare centers on mother's employment ranged from 7 to 14 percentage points in Argentina. Katzkowicz and Egas (2014) microsimulated the potential effects of extending pre-primary education to children aged 3 years old in Argentina and found that, ex ante, this universal policy would increase female labor participation, particularly for married women. Effects would appear lower for women in the poorest 30% of the population.

Figure 8.9: Peru. Public supply of early childcare in *Cuna Más* and early childhood enrollment



Source: Programa Nacional *Cuna Más* (left panel), and own calculations based on ENAHO (right panel).

Uruguay is planning to implement *Sistema Nacional Integrado de Cuidados*, aimed at addressing the care needs of children, dependent elderly persons, and people with disabilities. It would focus on the vulnerable population, with the aim of universalizing access to care services. In the case of children, it would target those aged 0-3. The project fundamentals emphasize the need to formalize the care services and promote co-responsibility between households and the State, as well as between women and men.

In some countries, legislation has assigned an active role to employers in employees' care services provision; these are usually gender biased. These norms set a mandatory supply of nurseries and care services for those firms above the medium staff size (Rodríguez, 2010; Pautassi & Rico, 2011). In Chile, the Labor Code states that an employer who hires 20 or more women should offer day nursery services (either within the firm or via outside contracting) for employed women with children under 2 years old. Legislation in Venezuela does not discriminate by gender; employers with more than 20 employees must offer childcare services. In Colombia, employers must offer day nurseries for breastfeeding workers. In Bolivia and Ecuador, the regulation requires that firms with more than 50 employees offer childcare services. In Bolivia, employers must arrange for an in-house nursery for children under 1, while in Ecuador, legislation also allows employers to contract these services outside if an onsite child-care center is not available (Navarro 2008).

In addition, some firms offer childcare to employees as part of their corporate social responsibility policy or their human resources strategy. These initiatives are common among big or multinational firms, and public sector agencies. They often offer flexible or reduced working hours arrangements to working parents with young children.

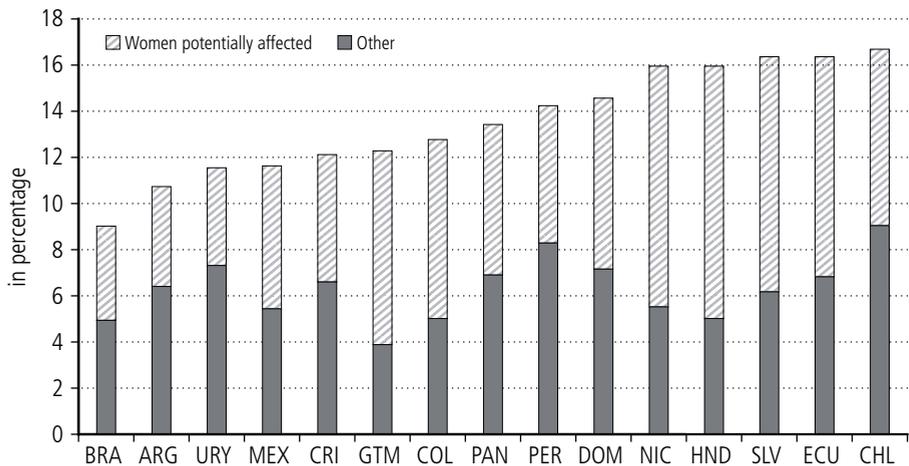
The supply of care services for elderly and people with disabilities also faces constraints. The presence of household members with illnesses, disabilities or old age, increases women's attachment to housework, given that care supply to cover these particular needs is scarce. Even when these care services exist, they rely on the social security system available for people in formal employment (actual or former formal employees). The problem is expected to deepen over the following years, as the rising life expectancy will add new pressures on the existing care systems.

In a study based on time use surveys for Latin America conducted in the 2000s, Batthyány (2010) showed that women were the main party responsible for care services at the household level, particularly among households in poverty. Batthyány *et al.* (2012) used a care survey to analyze the National Care System in Uruguay in 2010, and found that women were more willing than men to reduce their working hours in order to care for family members over 70. While 65% of working women answered that they would be able to reduce workday time, only 58% of working men answered that they would be able to do so. Figures reveal two additional facts according to socioeconomic condition. First, the gender gap is wider for people in better socioeconomic conditions, where 63% of working women and 51% of working men showed a willingness to reduce their working hours; meanwhile, the shares were 66% and 61% for those in lower socioeconomic conditions. Second, the willingness to reduce working hours to take care of the elderly—for both men and women—was negatively associated with socioeconomic status. When employed

people were asked whether they would drop their jobs to care for their mothers or fathers when they were elderly, women appeared more willing to do so than men, and the gap became particularly higher for people in better socioeconomic conditions.

Figures suggest that the share of women potentially affected by caring for elderly household members could be significant. Figure 8.10 illustrates the share of people aged 18-50 not studying nor working as salaried workers in households with at least one member older than 64 years old. The share of people in that condition ranges from 9.1% in Brazil to 16.7% in Chile. Women represent a higher share in Honduras and Guatemala (almost 69%) and a lower share in Uruguay (37%) and Argentina (40%).

Figure 8.10: Women potentially affected by tasks at home related to elderly care
Latin America (15 countries), circa 2010.



Source: Own calculations based on microdata from national household surveys.

3.2. Improving women's agency

Interventions based in the social protection arena dominate these policies, in contrast to those interventions related to the regulatory environment. While some countries in the region demonstrate advances in women's rights in regards to economic resources, others are still lagging behind. CCTs are common initiatives within social protection programs, and even though women's agency is not a key objective of these programs, they nevertheless made an impact.

Social protection

CCTs are tools for attacking poverty that are widespread across the region⁶ and have given more attention to women (CEPAL, 2013b). First, these programs assign a significant role to women in their households. The majority of CCTs entitle women to receive the subsidy—only a few do not state a preferred gender for entitlement—which usually translates into better compliance with the conditionalities of the program. Second, women are overrepresented among beneficiaries for two reasons. On the one hand, there are more women than men in poor households, and on the other hand, some programs define female quotas for targeting to guarantee a higher share of women among total CCT beneficiaries.

The decision to select women for CCT entitlement is based on evidence that women are better resource allocators than men (Fizbein *et al.*, 2009). This capability for managing home resources does not necessarily translate into a higher productive role. In fact, most programs treat women as responsible for care tasks within the household, and do not promote their entrance into the labor market through training, employment services or microcredit for small businesses. Moreover, even in cases where men could receive transfers, the household decision is to entitle women. Thus, CCTs can be functional to social attitudes regarding women's responsibilities in the household. Table 8.3 summarizes main CCTs programs in the region, identifying the member of the household entitled (preferred) and the role attached.

Most CCT programs entitle mothers to receive the transfer with compliances linked to the maternity role. In fact, mothers must assure conditionality compliance in children's school attendance and health checks in order to receive the benefit. For instance, the CCT *Avancemos* in Costa Rica incentivizes young people in poor households to go back to school; the tutor becomes responsible for student's attendance. The CCT *Bono de Desarrollo Humano* in Ecuador requires compliance with school attendance and health checks for children under 16 years old. Some social protection initiatives, such as the programs in place in Argentina, Bolivia, Chile, Guatemala, Honduras, Jamaica, Paraguay, and Peru, also establish conditionalities for pregnant women as a method of reducing maternal and infant mortality. The program *Comunidades Solidarias* in El Salvador offers a health bonus for pregnant women and children under 5 years old, and an education bonus for children aged 6-15.

6 The initiatives launched shared similar features related to eligibility—vulnerable households with children—and conditionalities—certification of children's health controls and school enrollment (Fizbein *et al.*, 2009).

These programs less frequently focus on the enhancement of women’s capabilities outside the household –like ALMPs. As exceptions, *Chile Solidario* in Chile, *Bolsa Família* in Brazil and *Red de Protección Social* in Nicaragua provide access to labor-oriented programs. For instance, employers who hire beneficiaries of *Chile Solidario* receive a wage subsidy equal to 50% of the minimum wage and training financing. Women are entitled to a specific component called the *Asignación Social*, which provides a subsidy to those beneficiaries who get a formal job. *Bolsa Família* beneficiaries may attend training courses via the program *Próximo Passo*. There is a participation quota of 30% for women, as a minimum, in order to preserve their vacancies. Besides the transfer and health and education services to families and their children, *Red de Protección Social* in Nicaragua contemplates an occupational training bonus to young people aged 14-25 with basic mandatory level of education.

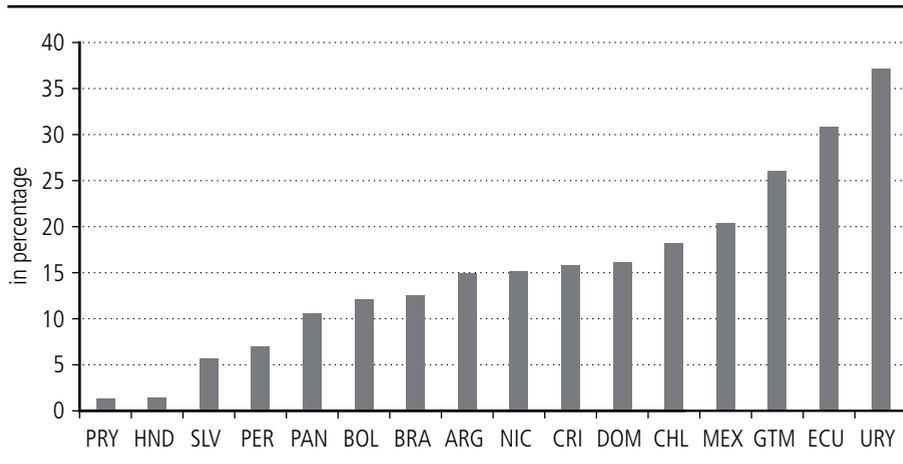
**Table 8.3: CCTs entitlement and responsibilities
Selected Latin American and Caribbean programs.**

Country	CCT	Transfer receiver			
		Household member	Responsible for conditionalities on		Attends training
			children	mother	
ARG	<i>Asignación Universal por Hijo</i>	mother	x	x	no
BOL	<i>Bono Juana Azurduy</i>	mother	x	x	no
BRA	<i>Bolsa Família</i>	mother	x	no	x
CHL	<i>Chile Solidario</i>	mother	x	x	x
COL	<i>Familias en Acción</i>	mother	x	no	no
CRI	<i>Avancemos</i>	tutor	x	no	no
DOM	<i>Programa Solidaridad</i>	tutor	x	no	no
ECU	<i>Bono de Desarrollo Humano</i>	mother	x	no	no
SLV	<i>Bonos comunidades solidarias</i>	mother	x	x	no
GTM	<i>Mi Familia Progresa</i>	tutor	x	x	no
HND	<i>Programa de Asignaciones Familiares</i>	mother	x	x	no
JAM	<i>Programa de Avance mediante salud y educación</i>	mother	x	x	no
MEX	<i>Oportunidades</i>	mother	x	no	no
NIC	<i>Red de Protección Social</i>	mother	x	no	x
PAN	<i>Red de Oportunidades</i>	mother	no	no	no
PRY	<i>Programa Tekopora</i>	mother	x	x	no
PER	<i>Programa Juntos</i>	tutor	x	x	no
TTO	<i>Programa de Transferencias monetarias condicionadas focalizadas</i>	tutor	no	no	no
URY	<i>Programa de Asignaciones Familiares</i>	mother	x	no	no

Source: ECLAC – database of non-contributory social programs, and official agencies.

In some countries, these programs cover a significant share of women. According to Figure 8.11, the highest share is found in Uruguay, where *Programa de Asignaciones Familiares* covers nearly 37% of women; *Bono de Desarrollo Social* in Ecuador, which covers approximately 31% of women, ranks second. Both programs prefer to entitle the woman of a household.

**Figure 8.11: Women covered by CCTs
Latin American countries (16 countries), circa 2010.**



Source: Own calculations based on microdata from national household surveys.

The significant share of women in poverty who are beneficiaries of CCTs raises questions regarding the type of women’s agency that these programs promote. Some argue that CCTs reinforce gender-role stereotypes, with negative effects for economic empowerment. Moulyneux (2009) notes that evidence suggests that CCTs have weak effects on economic empowerment, and reinforce a “maternal model of care,” since they do not promote cooperation within the household. Based on evidence from evaluations of the Mexican *Progresar/Oportunidades* program, the author highlights that women’s economic autonomy is mainly centered on consumption and mostly measured by beneficiaries’ perception, like becoming more “creditworthy,” which does not necessarily translate into empowerment. In their literature review, Cecchini and Madariaga (2011) propose that women’s empowerment depends on resource management and that some CCT designs reinforce a maternal role. In almost all CCTs, barriers seem to deepen in the absence of care co-responsibility components. *Chile Solidario* and *Oportunidades* are exceptions, as they provide their beneficiaries preferred access to the program *Chile Crece Contigo* and *Programa de Estancias Infantiles para Madres*, respectively, to reconcile childcare with employment responsibilities.

Conversely, CCT evaluations reveal improvements in self-esteem tied to a feeling of being a “good mother” that depend on compliance with time-consuming conditionalities. As these types of programs strengthen the gendered division of household responsibilities (women are tasked with care instead of men), women may face disadvantages toward assigning their time in paid-work activities, and thus may remain outside the labor force. Indeed, women are rewarded for contributing to program goals, which are centered on child development.

Existing evaluations do not reveal a clear picture about the impact of CCT programs on women’s labor outcomes in the region. Most studies do not find that these poverty-alleviation programs have a significant effect on female labor supply (Alzúa *et al.*, 2010 for Nicaragua, Mexico and Honduras; Foguel and Paes de Barros, 2010, for Brazil; Martorano and Sanfilippo, 2012, for Chile; Adato *et al.* (2000) for México’s *Progresá*). However, some studies do find some disincentives for female labor force participation (*e.g.* Gasparini *et al.*, 2015, for vulnerable women in Argentina; MDS, 2007, Teixeira, 2010, and Ferro and Nicollela, 2007, for rural women in Brazil; Borraz and Gonzalez, 2009, for some areas in Uruguay).

Besides CCTs that seek women’s economic autonomy, other social protection entitlements contemplate women’s agency in the economic arena. This is the case of compensations to social security contribution records that seek to avoid interruptions during the maternity break. Chile has offered universal contribution credits for maternity, known as “bonus per child,” since 2009. Mothers up to 65 years old are entitled to this benefit (Rofman *et al.*, 2013) no matter their contribution history in the pension system. This bonus increases the pension benefit by 10% of 18 minimum wages at the moment of childbirth.

Regulatory environment

Latin America has made progress in its efforts to enable women’s more equitable control of assets. Particularly, housing, land, and business assets are more equally distributed by gender than what would be expected given numbers on the gender of the head of household (Deere, Alvarado, and Twyman, 2009). Inheritances and property rights do not discriminate between women and men, though land ownership is concentrated on men, in contrast to housing (Deere and Leon, 2003).

Peru is one of the countries in the region that reformed land ownership to improve gender equality (Malhotra *et al.*, 2009). The country established mandatory joint land titling for married couples. Nicaragua also implemented a joint land titling reform to correct gender imbalances in assets possession (Box 1).

Box 1: Land titling programs with gender approach in Latin America

Proyecto Especial Titulación de Tierras y Catastro Rural (PETT) in Peru

The program was established in 1992 to address the formalization of property rights through land titling in rural communities. In the first phase, registration did not promote gender equality within couples, recognizing mainly men's rights over land. Taking into account these outcomes, a second phase that began in 2000 considered spouses or cohabitants –i.e. joint titling– in recognizing the property over land. PETT was merged with the Commission of Formalization of Informal Property (COFOPRI) to include the formalization of urban properties in 2007.

Proyecto de Ordenamiento de la Propiedad (PRODEP) in Nicaragua

Implemented in 2002, it addressed the registration of land to indigenous communities. Later, it adopted a gender strategy in 2007 to guarantee equitable access to property for both women and men and accomplished its goals. Women represented 51% of the beneficiaries in PRODEP during the 2003-2012 period.

Source: Ministerio de Agricultura y Riego in Perú; Instituto Nicaraguense de Estudios Territoriales in Nicaragua; and The World Bank.

Wiig (2012) evaluated the effect of land property rights on women's empowerment based on the Peruvian *Proyecto Especial Titulación de Tierras y Catastro Rural* (PETT, see Box 1), finding that the land property program had increased women's involvement in household decisions at a higher level than men, particularly in the realm of agriculture. An impact evaluation of the Nicaraguan *Proyecto de Ordenamiento de la Propiedad* (PRODEP, see Box 1) will be carried out in the near future.

3.3. Getting fair labor markets for women

Promoting women's participation in employment also enhances their voice within the household. A woman's empowerment through employment changes both her set of choices and the way her household spends money and invests in their children. This policy grouping comprehends a dynamic set of public interventions that are subject to redesign and permanent readjustment.

The core interventions can be categorized as the “promoting opportunities” type rather than the “guaranteeing outcomes” type. Thus, they mainly provide incentives

and are less concerned about establishing quotas. ALMPs with a specific focus on women are common tools used to empower women's participation in the labor market and to alleviate negative employment shocks. Labor laws also represent a significant avenue for female empowerment policy, as they can guarantee a desired gender-equilibrium result or prevent and punish discriminatory practices in labor relations. Finally, public sector advocacy has an important place in women's empowerment agenda, providing assessments and incentives, as well as demonstrative practices, to be imitated by the stakeholders in the labor market.

ALMPs

The interventions in this set of employment policies are oriented to populations with difficulties in finding a job, particularly among the vulnerable population, including women, youth, indigenous and rural populations, people with disabilities, and people with socioeconomic deprivations. Although women make up a substantive portion of participants in general programs, some countries develop initiatives specifically targeting women in order to increase their chances of employment. However, these kinds of initiatives do not represent the majority of the interventions in place under ALMPs.

Initiatives that aim to foster the female labor supply include training programs that increase employability. They are mainly centered on women outside the labor force who face vulnerable conditions (Table 8.4). The training is often vocational, with some modules focusing on soft-skills development. In Trinidad & Tobago, the *Non-traditional Skills Training Program* offers poor women, aged 18–50 with low or no qualifications, vocational training. In Chile, the *Mujer Trabajadora y Jefa de Hogar* program offers women vocational training to increase their chances of getting a job. The program focuses on women in the poorest quintiles. They receive a stipend for transport costs. Evaluation studies show positive effects on women's training but not on labor insertion for the 2007 cohort; they also show that the program had positive effects on the likelihood of being employed and labor market activation for the 2008 cohort (SERNAM, 2010). In Uruguay, *Proimujer* provides in-classroom and on-the-job training for unemployed women, with the aim of enhancing employability conditions. Evaluation analysis did not identify effects on employability and employment quality—*i.e.* formalization (DINAE, 2008).

**Table 8.4: ALMPs to enhance women's employment
Selected countries and programs ongoing during 2014.**

Country	Program	Type	Target group	Benefit	Length
CHL	<i>Mujer Trabajadora y Jefa de Hogar</i>	Training	Women aged 18-65, economically active, in charge of household members, in vulnerable conditions	Ad-hoc to women's needs, including training and labor intermediation, formal education, entrepreneurship support	1–2 years
	<i>Bono al trabajo de la mujer</i>	Subsidies to employment	Women aged 25-59, with pensions contributions up to date, in the poorest 35%	Monetary benefit to the employer and worker - according to earnings level	2 years for employers, 4 years for workers
COL	<i>Ley de Formalización y Generación de Empleo</i>	Subsidies to employment	Women below 28 or above 40 years old, without a formal contract in the last year	Fiscal incentives to employers for new jobs oriented to women	2 years
	<i>Mujer Rural</i>	Support to own business	Women head of household in rural areas and associations where at least 80% of members are women in vulnerable conditions	Training, technical support and access to productive networks and financing	-
SLV	<i>Programa de Apoyo Temporal al Ingreso</i>	Temporal employment	Head of households -women preferred- and young people aged 16-24 without formal employment	Monetary transfer and training for working in community projects	6 months
MEX	<i>Impulso Productivo de la Mujer</i>	Support to own business	Social firms or associations formed by women exclusively	Training and support to project development through technical assistance and micro-financing	-
TTO	<i>Non-traditional skills training</i>	Training	Women aged 18-50 who are unskilled, unemployed, or earn low income	"Specialized training (construction; woodwork-furniture; automotive; technology; industrial maintenance) and life skills development; remedial literacy and numeracy training"	6 months
	<i>Craft training program for women</i>	Support to own business	Women aged 25-50 who are single, unskilled, and unemployed	Training and marketing support to establish home-based craft business	-
URY	<i>Proimujer</i>	Training or support to own business	Unemployed women aged 25-55	Vocational training and soft-skills development	up to 6 months

Source: own elaboration based on information from official agencies.

Another set of ALMPs promotes labor market insertion by concentrating on the labor demand side. Benefits for women's hiring, also known as "protected employment," have been developed in some countries. *Bono al Trabajo de la Mujer* in Chile targets poor women aged 29-59 who become employed. The program provides a bonus (this benefit depends on current incomes) to employed woman for 4 years as a way of compensating her effort, and to her employer for 2 years, to incentivize women's hiring. The law *Ley de Formalización y Generación del Empleo N° 1429* in Colombia gave employers fiscal incentives to hire women under 28 or over 40 years of age, to support their transition toward formal employment. The wage subsidies program *Objetivo Empleo* in Uruguay has a specific component for women aged 45-65 who have experienced a long period of unemployment and who are living in conditions of vulnerability. The program offers employers a high subsidy for hiring women, which reaches 80% of two minimum salaries during 18 months; for hiring men, the subsidy reaches 60%. In Chile, *Bono al Trabajo de la Mujer* offers an economic incentive to women aged 25-59 who are among the 35% poorest beneficiaries and who find employment. The bonus serves as a method of encouraging employment outside the program.

Generating direct employment is another strategy used to support women through public programs. *Programa de Apoyo Temporal al Ingreso (PATI)* in El Salvador offers public temporary employment to women, combining income support and training. The program focuses on women, particularly heads of households, and youth aged 16-24. An impact evaluation estimated a positive effect on women's expectations and prospects of labor market insertion in the short run, but this effect vanished in the long run. Regarding labor outcomes, the program had positive effects on labor participation (around 9 percentage points) as well as on employment (8 percentage points) (Beneke de Sanfeliú, 2014).

The promotion of small businesses in the region has also reached women as a target group. One out of four working women in the region is self-employed, and her participation in micro-business seems to be related to low-productivity and informal activities, compatible with familial responsibilities (Heller, 2010). Recognizing the barriers that women in poverty must overcome in order to develop their own business, current initiatives rely on micro-financing schemes and organization through cooperatives. In Mexico, the program *Impulso Productivo de la Mujer* supports social enterprises formed exclusively by women –with the financing of the *Fondo Nacional de Apoyo a las Empresas de Solidaridad*. In Colombia, the program *Mujer Rural* also supports women's cooperatives and small business in vulnerable rural areas. The programs aid businesses and cooperatives in which women represent 80% of membership and aim to improve their living conditions of rural women and boost businesses productivity as well. In Trinidad & Tobago the *Craft training program for women* collaborates to

develop home-based craft businesses. Currently, there are no rigorous evaluations that evaluate these programs' impact on labor outcomes.

A weakness in employment programs centers on the need to reconcile women's participation with motherhood responsibilities. The lack of care services induces dropout and "cream skimming effects." Employment programs, particularly those without cash-transfers, usually face low participation rates among women because mothers cannot afford childcare services. Considering this fact, the program *Cuna Más* in Peru celebrated a partnership with the Ministry of Labor in order to offer childcare services to women attending the one-stop window for employment. The *School Crossing Guard Programme* in Trinidad & Tobago also connects participants with childcare centers. In Chile, beneficiaries of social programs like *Programa Mujer Trabajadora y Jefa de Hogar* also have preferred access to childcare services. Another innovative initiative is *Subsidio al Empleo Joven* in Chile, which targets youth without gender distinction, but allows an extension of the participation period for young mothers. The program targets people aged 18-25, and offers a wage subsidy for both employers and the workers themselves. Workers should earn low wages and pertain to the poorest 40% of the population to qualify for the subsidy. Female participants who become mothers may extend their participation in the program until they are 27 years old.

Labor laws

Anti-discriminatory clauses, as well as women's participation quotas in employment, are enforced through labor legislation across the region. Laws protect workers from discrimination based on pregnancy or motherhood.

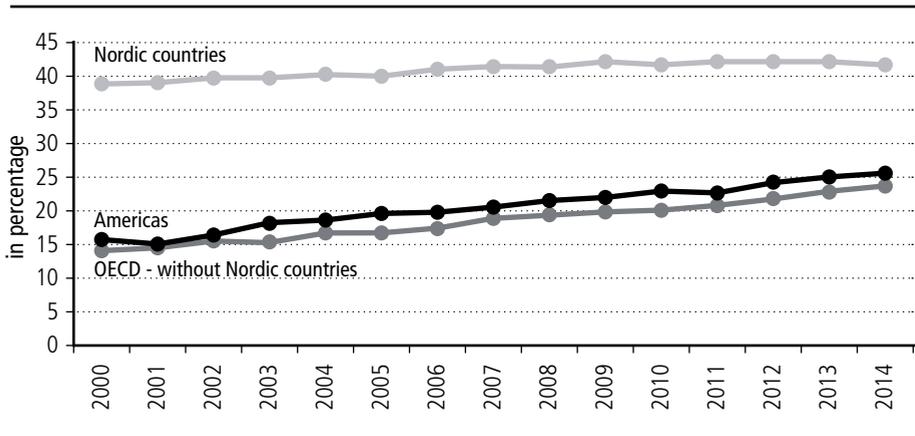
Labor laws forbid pregnancy tests during the selection process, unless a pregnant woman cannot perform the type of task described in the vacancy. This is the case of Brazil, Chile, El Salvador, Honduras, and Venezuela. Pregnancy anti-discrimination is explicitly stated in the labor laws of Colombia, Guatemala, Haiti, Jamaica, and Uruguay.

Labor laws often include penalties for dismissal during pregnancy or initial motherhood. There is also protective legislation that regulates the type of work and occupation women can take while pregnant to preserve their former salary level. In Argentina, legislation considers that a woman has been unjustifiably dismissed if dismissal takes place during the seven and half months following childbirth. In Bolivia and Venezuela, laws protect women against dismissal for a year after childbirth; Chile and Panama extend this guarantee through the year after maternity leave. Mexico is an exception: there, women can be dismissed after maternity leave.

Some protective norms may bias labor outcomes against women. The General Labor Law in Bolivia regulates both youth (workers under 18) and women’s work. For example, working days for both types of workers cannot exceed 40 hours per week and the workday should take place during daylight hours—night work is forbidden. Beyond this, other clauses within the law reinforce gender stereotypes. There is a female work quota of 45% by firm—though there is no control on its compliance—unless “job characteristics” require more women workers (Article no. 3). These protective norms assume women’s weaknesses or lack of capabilities and may reinforce discriminatory practices (Marco Navarro, 2014).

During the 1990s and 2000s, some Latin American countries set gender quotas for the legislature, enhancing gender equality at the policy-making level. As a result, the share of women in National Parliament has increased 11 percentage points between 2000 and 2014, surpassing the figures for OECD countries (Figure 8.12) (excluding Nordic countries). In Argentina, legislation requires a minimum percentage (30%) of female candidates on party lists in legislative elections. Similarly, Brazil sets a minimum percentage of female candidates (30%) in elections for the Chamber of Deputies. In Bolivia, a law sanctioned in

Figure 8.12: Share of women in National Parliaments
Regions of the world, 2000-2014.



Source: Inter-Parliamentary Union.

Notes: shares correspond to Senate and Lower Houses combined. Averages correspond to December for 2000-2013, and to October for 2014.

2010 established that there should be equal numbers of men and women in the candidates list for Parliament elections. This was implemented for the first time during the 2014 elections. Some countries also established gender-quotas for

candidates for elected offices. For example, Colombia requires 30% of candidates to be women, and Costa Rica sets the requirement at 50%.

Recently, unions have also begun to use gender quotas. Most organizations in the region adopted quotas for women at around 30-40%. Indeed, 17 of 32 unions now have a set gender quota. However, employers' organizations and unions do not include regulations on women's participation in the social dialogue. Only 13% of women in Central American countries and 29% in Southern Cone countries are directly engaged in social dialogue. This illustrates a barrier to include a gender component in tools like collective agreements, which rule outcomes in labor market such as salaries, labor conditions, and labor benefits (ILO *et al.*, 2013).

Advocacy

Experiences pushing the gender agenda into private institutions have taken the form of advocacy. The most common strategy aims to incentivize them to develop their own gender-equality policies or to disseminate good practices and promote peer effect.

In some countries, the State certifies a firm's gender policies. This is the case of *Sello Iguala–Conciliación vida laboral, familiar y personal* in Chile. The public sector, NGOs, and the private sector are able to obtain this certification by demonstrating good labor practices that seek to close the gender gaps at the workplace. The *Sistema de Certificación Laboral con Sello de Equidad de Género* in Costa Rica constitutes the pioneer certification program in the region. Private and public sectors must obtain this acknowledgement (which has to be renewed in the third year) to fulfill the minimum requirements of gender equality practices. The *Modelo de Equidad de Género* in Mexico advises and supports organizations as they adapt human resources policies that reinforce gender equality for certification. The *Modelo de Certificación del Sello de Calidad con Equidad de Género* in Uruguay encourages gender equality in human resource policies, particularly in regards to application requirements for positions and training opportunities.

Regarding assessment of gender issues, the *Social Entrepreneurship Service⁷* and the *State of Parana Project* in Brazil advises employers on how to create gender-equal corporate policies. It seeks to remove anti-discriminatory practices and generate more balanced work-family responsibilities among workers.

7 This entity represents industry in the country.

4. Challenges

Despite these policies' intentions, they may not result in women's economic empowerment. Even mechanisms to protect women may weaken their economic participation and lessen the likelihood that they become equal participants in society. Difficulties in establishing causal links between gender policies and labor outcomes, based on the scarce evidence and the proper complexities to perform this type of analysis, lead us to believe that some policy effects remain unclear.

Evidence for other regions (based on cross-country data) suggests that the policies that intend to relax constraints on women's time and ease a balance between work and family responsibilities have had positive effects on female participation in the labor market. Blau and Kahn (2013) studied the role of some work-family policies in explaining the decrease in female labor force participation in the United States as compared with OECD countries. Authors found that parental leave had a positive impact on labor market participation for men and women, with a larger coefficient for women. Adema, Ali and Thévenon (2014) studied the relationship between family policies and outcomes like female employment in OECD countries. Their findings revealed childcare and pre-school enrollment rates had a small but significant effect (greater than the effects of leave policies) on female employment. In addition, tax incentives for part-time work were also positively associated with female employment.

Furthermore, findings suggest that the association between policies and female labor participation becomes complex and desired labor market outcomes are hard to obtain. As evidence still has not disentangled the hidden mechanisms between policies and outcomes in achieving intended results, additional challenges in policy design arise.

First, the expansion of programs that provide transfers in the pursuit of anti-poverty goals raises questions about whether child-oriented cash transfers might be used for other purposes, like encouraging female labor participation. As has been shown, evidence on the second round effects of CCTs on labor supply behavior is not clear.

Whether or not cash transfers for childcare, or even in-kind transfers for kindergartens or daycare nurseries, can increase women's employment, still remains a subject of debate in developed countries. Indeed, while some studies showed positive and moderate sized effects on female labor participation, others obtained modest or null effects. Findings suggest that elements of the program's design and starting labor market conditions may be important factors. The Dutch

reform that raised childcare subsidies during the 2005-09 period increased mother's participation by a modest 2.3% (Bettendorf *et al.*, 2012). Other studies indicate that mothers' characteristics may be relevant to distinguish results. The cash-for-care program in Norway has implied a small decrease on mother's employment (Havnes and Mogstad, 2011), with an exception for mothers with higher levels of education (Rønsen, 2000). A study on childcare subsidies in Cook County, Illinois, reveals that access to subsidies has not generated employment effects for non-poor families (OPRE 2011).

Evidence on the effect of extending childcare services is still limited. For instance, free access to childcare in the municipality of Rio de Janeiro in Brazil implied a considerable rise in mother's employment and a crowding-out effect on private childcare supply, even in low socioeconomic neighborhoods (Paes de Barros *et al.*, 2011). The expansion of free pre-primary school centers in Argentina also increased mother's employment (Berlinski and Galiani, 2007).

Moreover, there is also no consensus on the effect of maternity and paternity leave on labor participation. Thus, discussions and analysis of policy design will be important to avoid unintended effects. Despite legal work protection during childbearing, access to employment might be discouraged by the unequal gendered parental leave schemes. There is a growing trend in Latin America towards extending the lengths of maternity leave schemes over the ILO standard of 14 weeks. Child development and maternity form the basis of arguments in favor of this reform. However, there has been little discussion or evidence to evaluate the effects of the reforms on female labor participation. In fact, longer periods of leave may affect women's ties to the labor market (Cerise *et al.*, 2013). Moreover, effects may not only apply to mothers. For example, Puhani and Sonderhof (2008) have shown that increased maternity has negatively affected job-related training for young women (mothers or not) in West Germany.

Moreover, the near absence of paternity leave could make it difficult for women to return to work, particularly given the mother's cost-benefit equation. Even in places where a paternity leave scheme exists, men were not able to take advantage of leave, because earners with higher wages face higher costs of staying at home. Mechanisms like leave-quotas discourage these effects. However, a mandatory paternal leave may also impact future earnings. For instance, the paternity-leave quota of four weeks established in Norway in 1993 reduced fathers' future earnings. This effect lasted for years (Rege and Solli, 2013). Additionally, enforcement issues regain particular relevance in terms of financing. There is a pending discussion on how to finance paternity leave in the region, and whether employers should bear the costs instead of the social security system. Hence, there

are potential disincentives to discriminating against workers in their childbearing age that need to be accounted for. Promising policy designs have underlined the importance of guaranteeing universal coverage, non-transferable paternity leave, protection against a “parent tax”, flexible scheduling, and collective financing (Ray, Gornick and Smith 2009).

Third, enforcing specific employment results to strengthen women’s role in the labor market is not a common practice in the region. Consequently, there is no evidence on its impact. Quotas serve as one way to counteract gender imbalances in decision-making spaces, and these have become progressively widespread in politics, particularly in Parliament, across the region. In Europe, some countries have made steps toward correcting gender inequality in corporate management. The direct (participation, wages and career prospects) and indirect (workers displacement or substitution, incentives to training accumulation) effects of quotas like these should be carefully assessed. For instance, Norway established a 40% female quota for the boards of public limited liability companies. However, while gains were obtained for qualified women at these top positions, there was no effect for women with similar qualifications beyond these positions (Bertrand *et al.*, 2014).

Finally, we still do not know how to make ALMPs compatible with social protection policies. ALMPs and cash transfer programs usually share a target population. As programs are incompatible with one another, eligible participants must choose which one they will participate in. In addition, “one-stop shops” are uncommon and employment programs and CCTs are offered through different “institutional windows” (World Bank 2012a). As a result, a participant’s access to a program emerges mainly as a matter of chance, rather than via a proper information assessment. Thus, once a woman graduates from a social protection program, she may find herself in the same trap of low-productivity or subsistence work, lacking the benefits and social coverage associated with a formal job.

5. Final comments

Women’s economic empowerment and women’s performance in the labor market are relevant issues in Latin America and the Caribbean. Despite reducing disparities between men and women’s educational outcomes in recent years, the region still ranks low in terms of Economic Participation and Opportunity.

Nevertheless, countries have developed public policies that aim to close these gaps. Existing initiatives in Latin America have been designed from a family approach; they have attempted to free-up women’s time, protect women’s

employment, ease access to social protection and entitlements, and support participation and productivity in the workplace.

The region has benefited from policies that help women reconcile home and work responsibilities, but more efforts are needed. Maternity leave is one of the most common initiatives to this end; paternity leave and childcare services for children under 5 years old are less common. Informal labor markets pose an additional challenge to efforts towards universalizing leave policies. In addition, supply of early-age childcare services is insufficient and access to high quality childcare is not easy to come by. Small-scale public programs function as remedial alternatives as they offer subsidies for women in vulnerable conditions.

Most of the active policies that address women's agency have taken the form of CCTs. The primary objective of these initiatives was to alleviate poverty, but the programs may have also reinforced maternal roles for women. Although the effects of these policies on female labor supply might not be substantial, CCTs have been prioritized over employment-oriented interventions, gaining more attention in the policy agenda and more resources. Indeed, ALMPs compete with CCTs for beneficiaries and vulnerable women usually enroll in CCTs because those programs underscore that women are the most suitable candidates.

A lack of sufficient empirical evidence prevents us from examining the quantifiable effects of these policies on female labor participation. The existing evidence is not sufficient to assess the causal links between policies and outcomes, but they do highlight some of the potential problems that should be taken into account when designing public initiatives.

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