

2012



Social Panorama of Latin America



UNITED NATIONS

ECLAC

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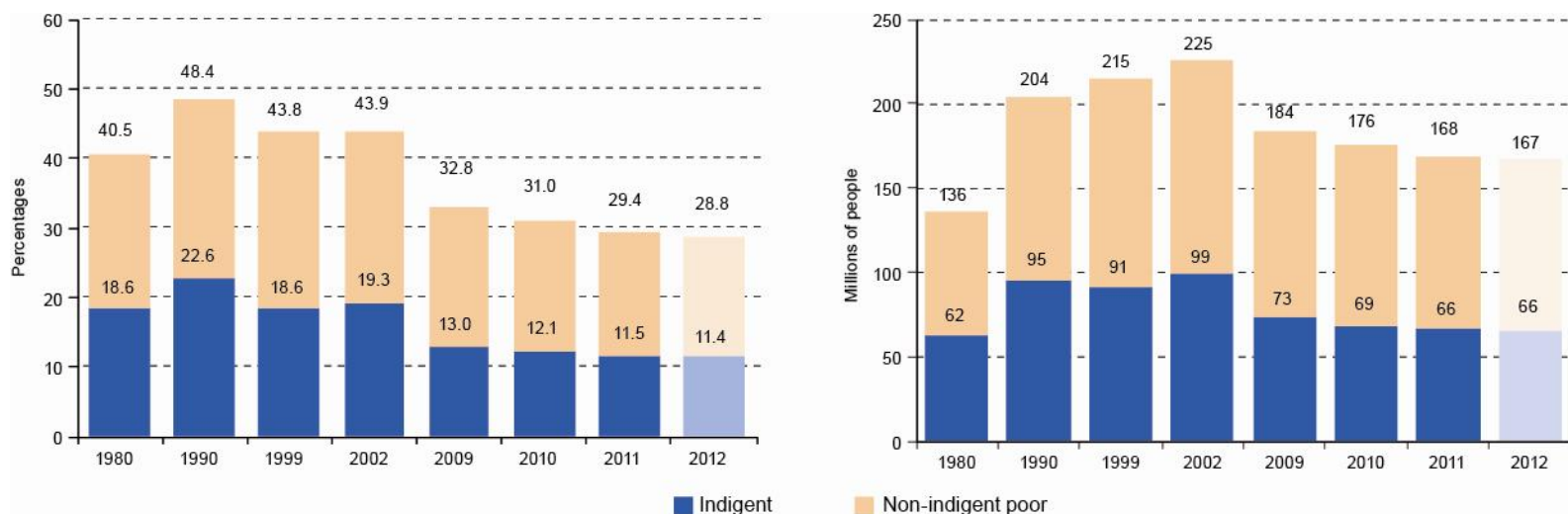


Changes in poverty and its determinants



Both poverty and indigence posted a fresh decline in 2011

LATIN AMERICA: POVERTY AND INDIGENCE, 1980-2012^a
(Percentages and millions of people)

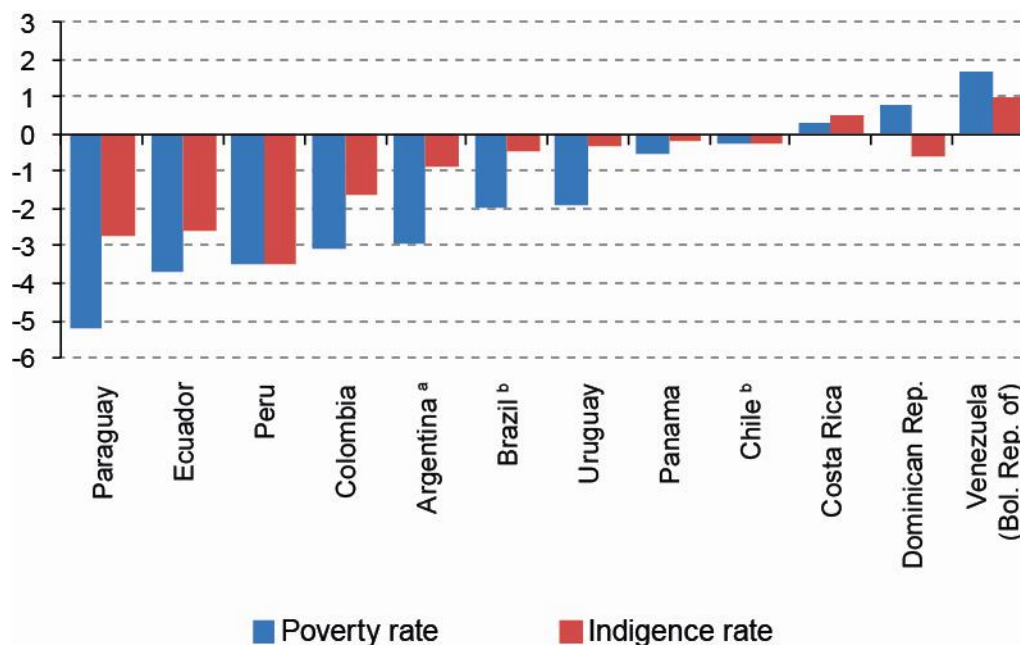


Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of household surveys conducted in the respective countries.

^a Estimate for 18 countries of the region plus Haiti. The figures above the bars refer to the percentage of total poor (indigents and non-indigent poor). The figures for 2012 are projections.

Poverty rates fell significantly in seven countries: Paraguay, Ecuador, Peru, Colombia, Argentina, Brazil and Uruguay

**LATIN AMERICA (12 COUNTRIES): ANNUAL VARIATION IN POVERTY
AND INDIGENCE RATES, 2010-2011**
(Percentage points)



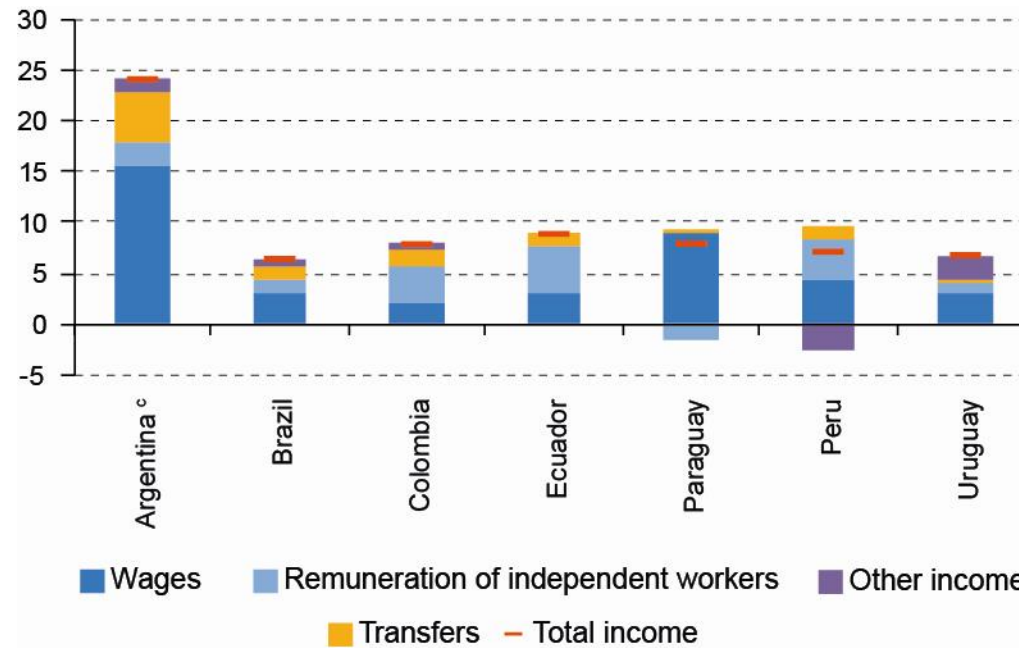
Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of household surveys conducted in the respective countries.

^a Urban areas.

^b Refers to annual variation between 2009 and 2011.

Wages were the main driver of higher income in poor groups...

LATIN AMERICA (7 COUNTRIES): ANNUAL VARIATION IN TOTAL INCOME PER CAPITA AND INCOME SOURCE IN POOR HOUSEHOLDS,^a 2010-2011^b
(Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of household surveys conducted in the respective countries.

^a The percentage of the population analysed is the same for both periods and corresponds to the poverty rate for 2008 or nearest previous year.

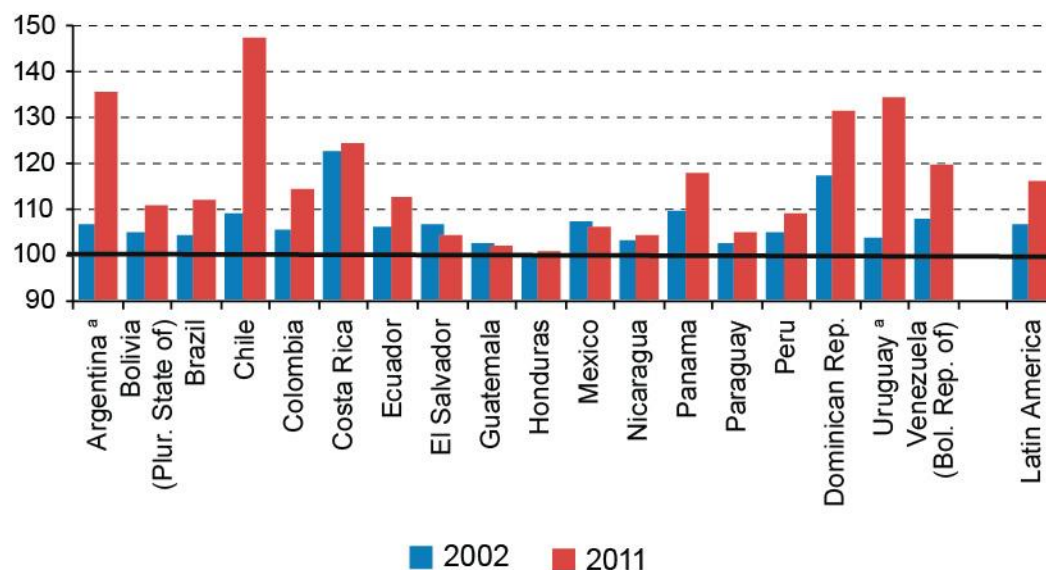
^b Corresponds to the period 2009-2011 in Brazil and Chile.

^c Urban areas.



... but gaps between women and men have been widening, leading to greater feminization of poverty

LATIN AMERICA (18 COUNTRIES): FEMININITY INDEX OF POVERTY, 2011



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of household surveys conducted in the respective countries.

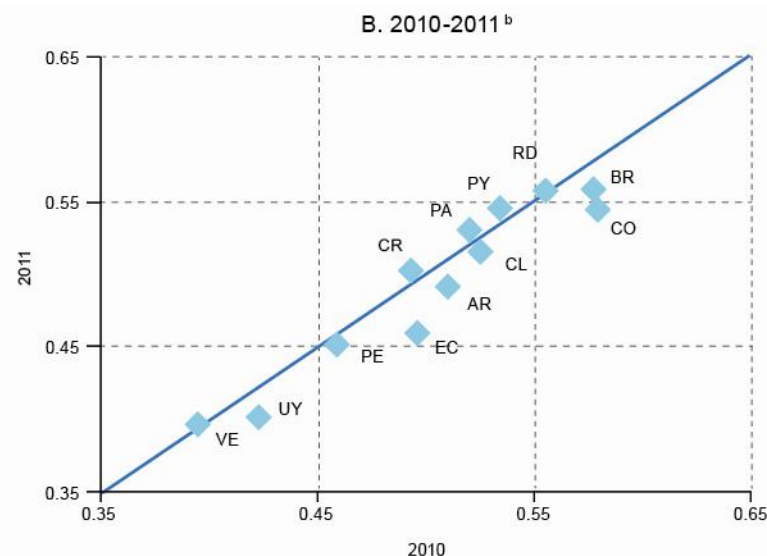
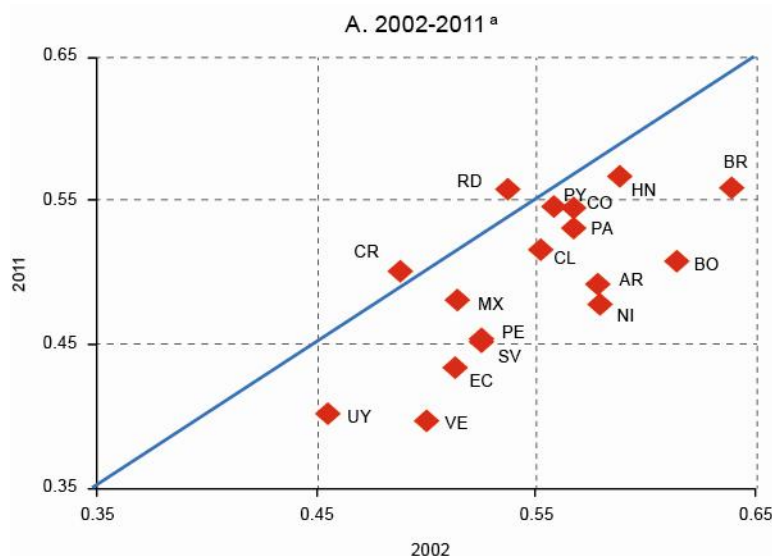
^a Urban areas.

Income distribution and perceptions of distribution



There has been a clear reduction in inequality since 2002, and this continued in 2011

LATIN AMERICA (18 COUNTRIES): GINI COEFFICIENT, 2002-2011 AND 2010-2011



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of household surveys conducted in the respective countries.

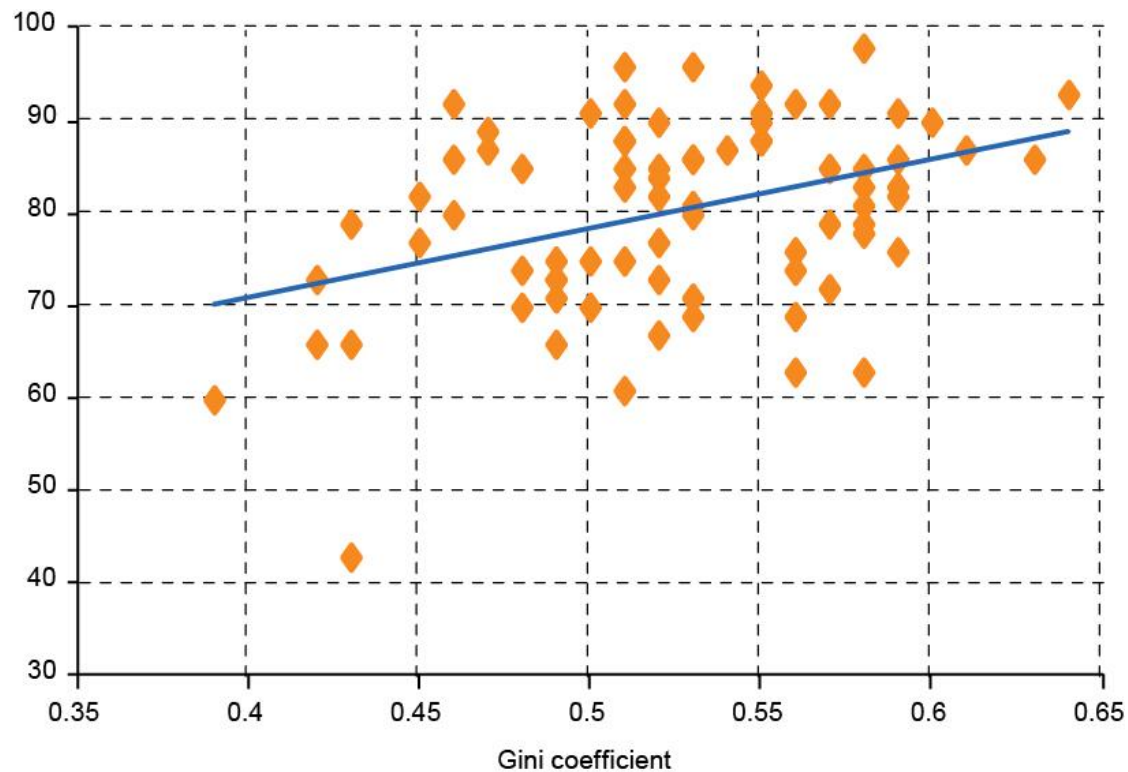
^a Data for urban areas in Argentina, Ecuador and Uruguay. Data for 2002 are from 2002 except for Brazil, El Salvador, Nicaragua, Paraguay and Peru (2001), Argentina (2004) and Chile (2000). Data for 2011 are from 2011 except for Costa Rica, Nicaragua and the Plurinational State of Bolivia (2009), El Salvador, Honduras and Mexico (2010) and Guatemala (2006).

^b Data for urban areas in Argentina. Data for 2010 refer to figures for 2009 in Brazil and Chile.



The perception that income distribution is unfair is correlated with distribution inequality

**LATIN AMERICA (18 COUNTRIES): PERCEPTION OF INCOME DISTRIBUTION UNFAIRNESS
AND GINI COEFFICIENT, 1997-2010**
(Percentages)



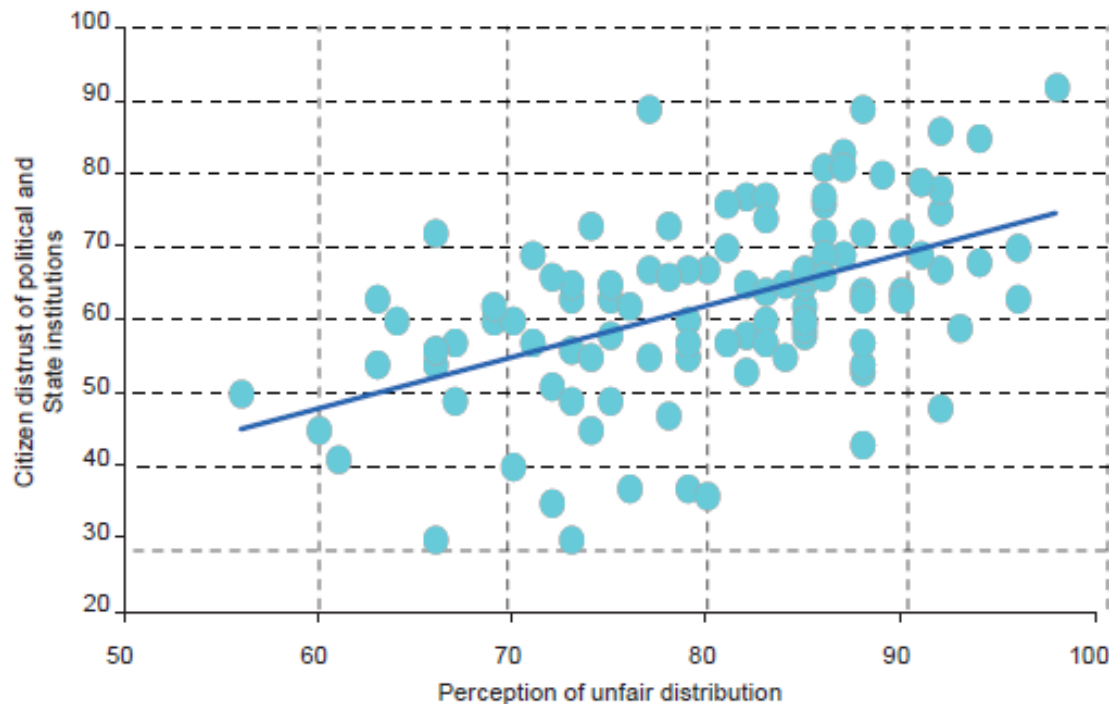
Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of data from Latinobarómetro, 1997, 1998, 2000, 2001, 2002, 2003, 2004, 2005, 2006, 2007, 2008, 2009 and 2010.



The perception of inequality is also associated with distrust of institutions (legislature, judicial power and political parties), highlighting the importance of deepening democracy

LATIN AMERICA (18 COUNTRIES): PERCEPTION OF INCOME DISTRIBUTION UNFAIRNESS AND DISTRUST OF THE LEGISLATURE, JUDICIAL POWER AND POLITICAL PARTIES, 1997-2011

(Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of data from Latinobarómetro, 1997, 1998, 2000, 2001, 2002, 2003, 2004, 2005, 2006, 2007, 2008, 2009 and 2010.

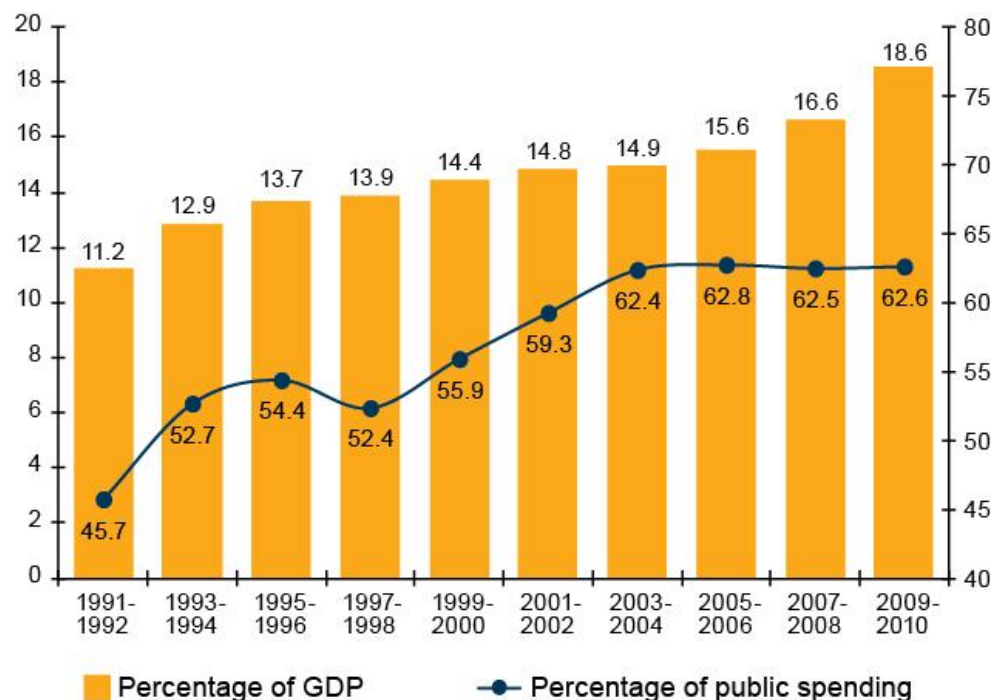




Trends in social spending

Until the middle of the last decade, social spending fluctuated in line with growth, but after the global crisis struck, public social and non-social spending were employed as countercyclical measures...

LATIN AMERICA AND THE CARIBBEAN (21 COUNTRIES): PUBLIC SOCIAL SPENDING AS A SHARE OF TOTAL SPENDING, 1991-1992 TO 2009-2010^a
(Percentages of GDP and of total public spending)

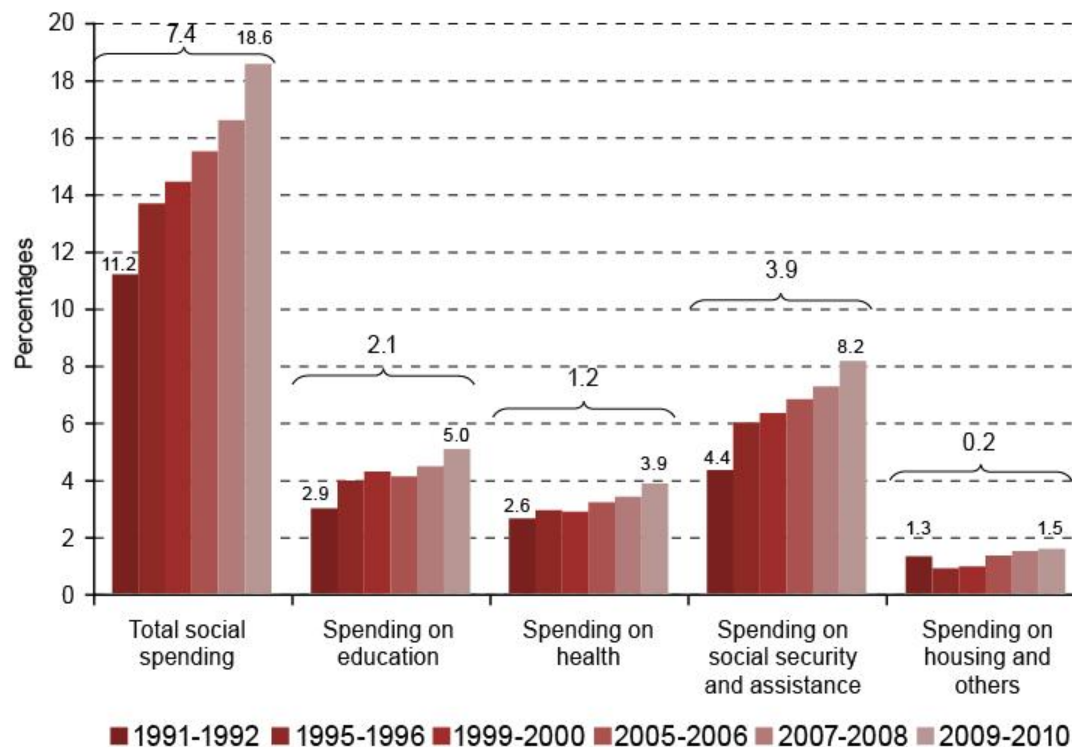


Source: Economic Commission for Latin America and the Caribbean (ECLAC), social expenditure database.

^a In general, the figures for total public spending are official figures based on the functional classification of public spending. They may differ from figures derived from the equivalent economic classification.

... with marked differences by sector

**LATIN AMERICA AND THE CARIBBEAN (21 COUNTRIES): PUBLIC SOCIAL SPENDING,
BY SECTOR, ^a 1991-1992 TO 2009-2010**
(Percentages of GDP)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), social expenditure database.

^a The figures above the bracket signs represent the increase in spending in percentage points between the periods 1991-1992 and 2009-2010.

Three aspects of care in Latin America and the Caribbean:

- 1. Paid employment,**
- 2. Household spending, and**
- 3. Persons with disabilities**

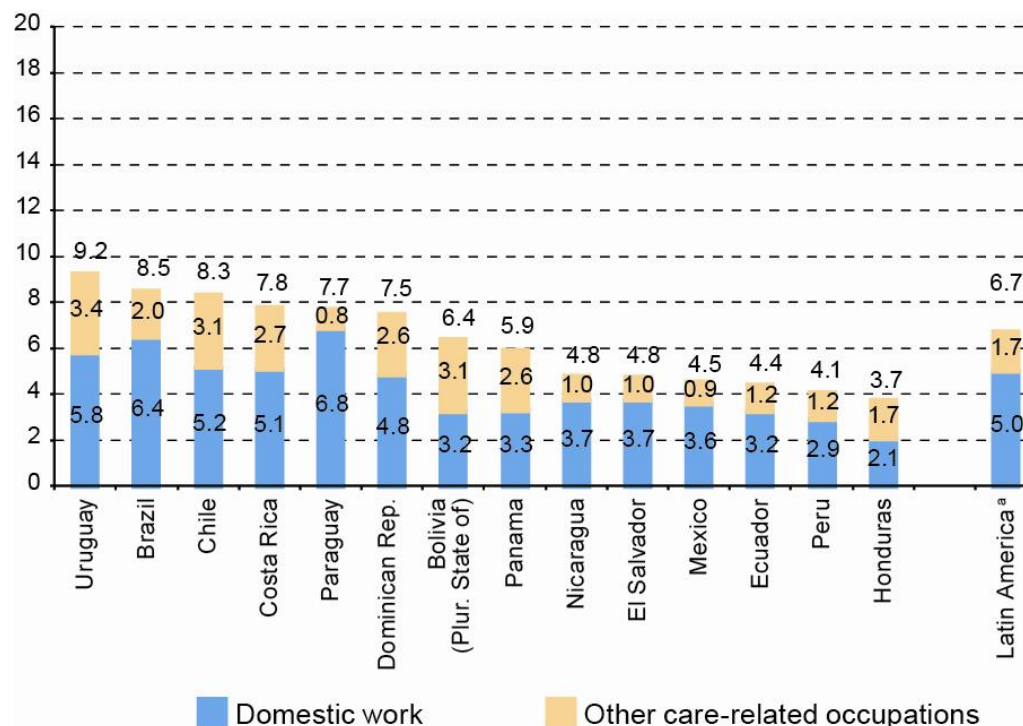


Paid employment in care activities



Paid care work currently accounts for 6.7% of overall employment in Latin America

LATIN AMERICA (14 COUNTRIES): EMPLOYMENT IN THE CARE SECTOR BY SUBSECTOR, AROUND 2010
(Percentages)



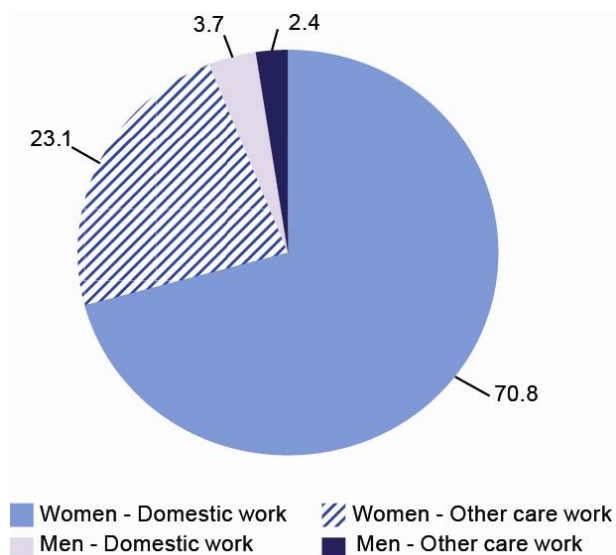
Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of data from household surveys conducted in the respective countries .

Note: Does not include data for Argentina, Bolivarian Republic of Venezuela, Colombia or Guatemala. The data for Nicaragua are from 2005, those for the Plurinational State of Bolivia from 2007, and those for Brazil and Chile are from 2009. The data for Ecuador and Uruguay correspond to urban areas.

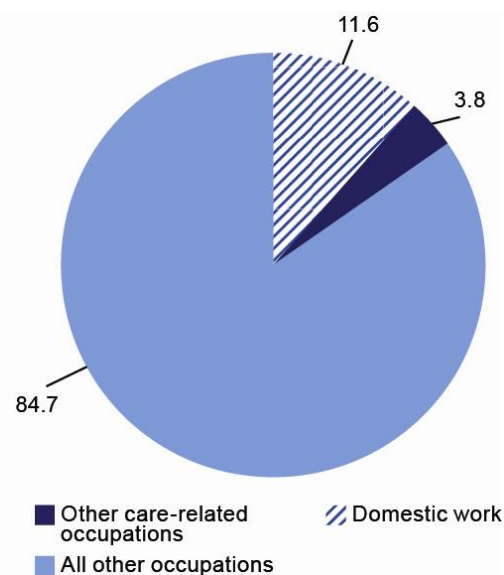
^a Weighted average.

Employment in the care sector is highly feminized

LATIN AMERICA (14 COUNTRIES): DISTRIBUTION OF CARE SECTOR WORKERS BY SEX, 2010
(Percentages)



LATIN AMERICA (14 COUNTRIES): DISTRIBUTION OF EMPLOYED WOMEN IN THE CARE SECTOR AND OTHER SECTORS, 2010
(Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of data from household surveys conducted in the respective countries.

Note: Does not include data for Argentina, Bolivarian Republic of Venezuela, Colombia or Guatemala. The data for Nicaragua are from 2005, those for the Plurinational State of Bolivia from 2007, and those for Brazil and Chile are from 2009. The data for Ecuador and Uruguay correspond to urban areas.

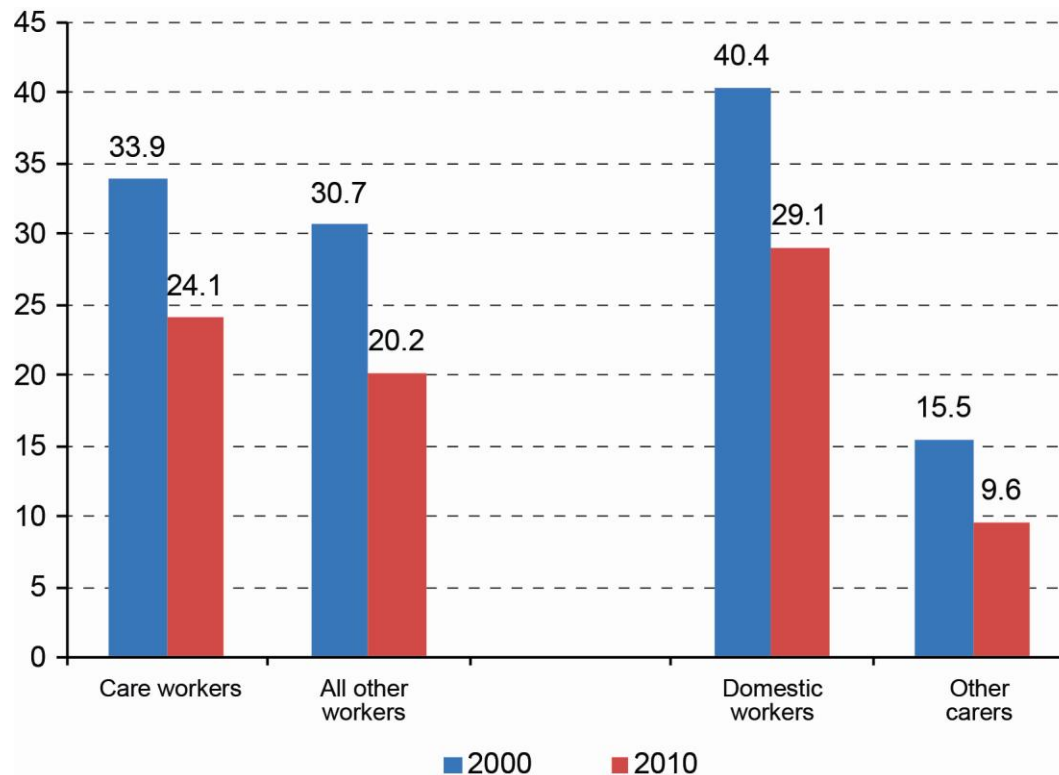
The distinctive features of employment in the care sector

- The sector is extremely heterogeneous sector in terms of education level: domestic workers have on average a low education level, while care workers in other subsectors, particularly education and health, have much higher levels of education.
- Care jobs are more highly concentrated in urban areas.
- The proportion of indigenous and Afro-descendent workers employed in domestic work is higher than for other population groups.
- A high proportion of female international migrants are employed as domestic workers.
- Economically active women who are of reproductive age have a larger presence in the sector than other population groups.
- Women from households with children account for the majority of care workers, with female heads of household outnumbering other women employed in the sector.



Broad differences in terms of poverty rates

LATIN AMERICA (14 COUNTRIES): POVERTY RATE AMONG DIFFERENT GROUPS OF WORKERS, WEIGHTED AVERAGE, 2000 AND 2010
(Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of data from household surveys conducted in the respective countries.

Note: The data for Ecuador and Uruguay correspond to urban areas. The data for Nicaragua are from 1998 and 2005; those for Brazil are from 1999 and 2009; those for Chile are from 2000 and 2009; those for Costa Rica, Ecuador, El Salvador, Panama and Peru are from 1999 and 2010; and those for the Plurinational State of Bolivia are from 1999 and 2007.

Working conditions

- Large proportion of domestic workers are employed in the private sector (households), while more than half of all other caregivers are employed in the public sector.
- Severe lack of social protection. The improvement seen in this indicator in the last decade is associated almost exclusively with the health and education subsectors, not domestic work.
- Part-time work more common than in other occupational groups owing to the nature of domestic work and the care duties in the education subsector.
- Wage differences: care workers on the whole receive much lower pay than other groups, particularly in terms of monthly rather than hourly rates of pay. Workers in the health subsector are the exception as they command top salaries.



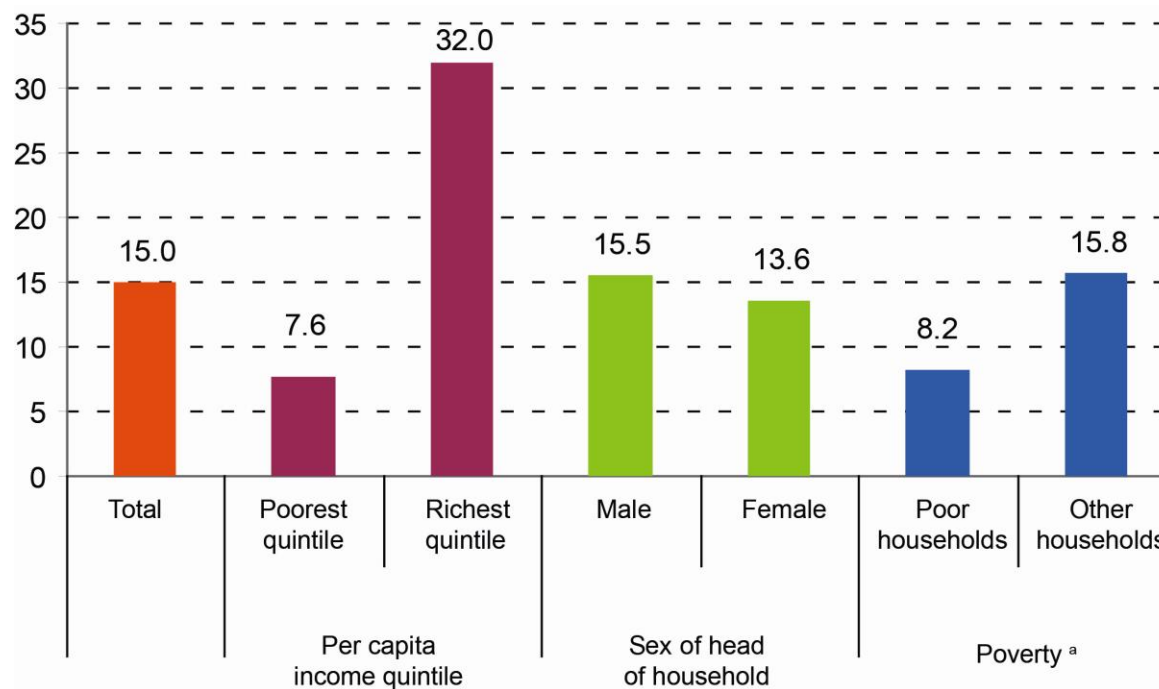


Household spending on care

A small percentage of households spend money on care services

LATIN AMERICA (14 COUNTRIES): HOUSEHOLDS THAT PAY FOR CARE SERVICES BY SELECTED CHARACTERISTICS, AROUND 2005

(Percentages)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of data from income and spending surveys conducted in the respective countries.

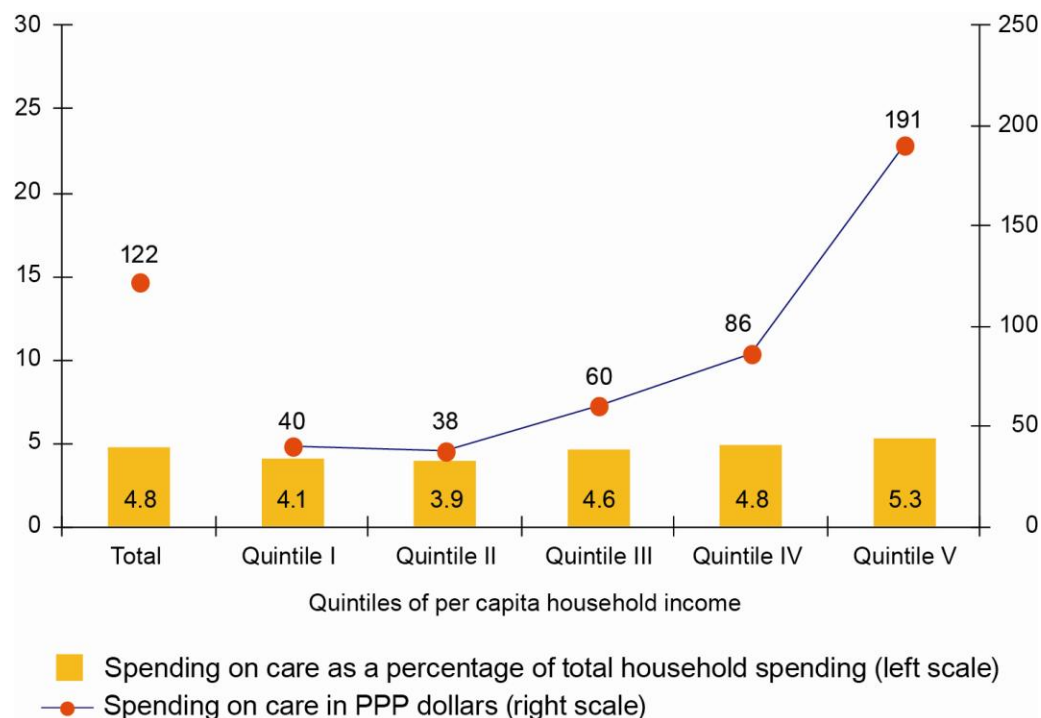
Note: Data are from surveys conducted in the following countries in the years indicated: Brazil (2002), Chile (2006-2007), Colombia (2007), Costa Rica (2004), Dominican Republic (2007), Ecuador (2003-2004), El Salvador (2006), Honduras (2004), Mexico (2006), Nicaragua (2005), Panama (2007), Peru (2008), Plurinational State of Bolivia (2003-2004) and Uruguay (2005-2006).

^a Includes only Mexico, Nicaragua, Peru and the Plurinational State of Bolivia.

Household spending on care services is very unequal in absolute terms, but not so unequal in relative terms

LATIN AMERICA (14 COUNTRIES): SPENDING ON CARE BY PER CAPITA HOUSEHOLD INCOME QUINTILE, AROUND 2005^a

(Percentages of total household spending and 2005 PPP dollars)



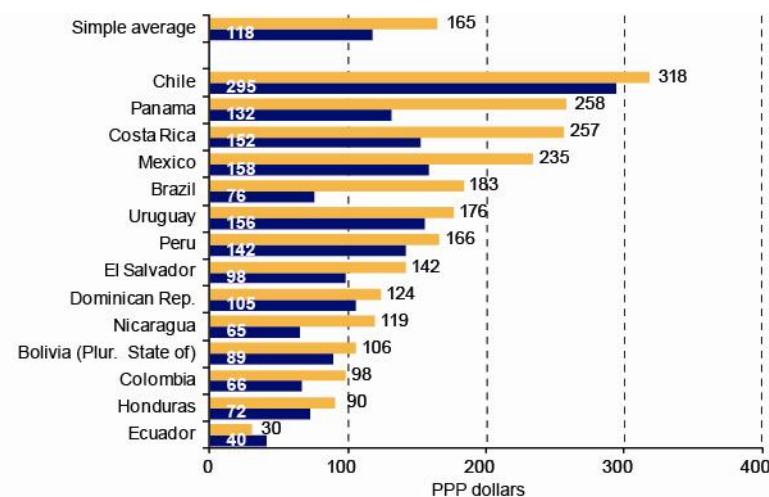
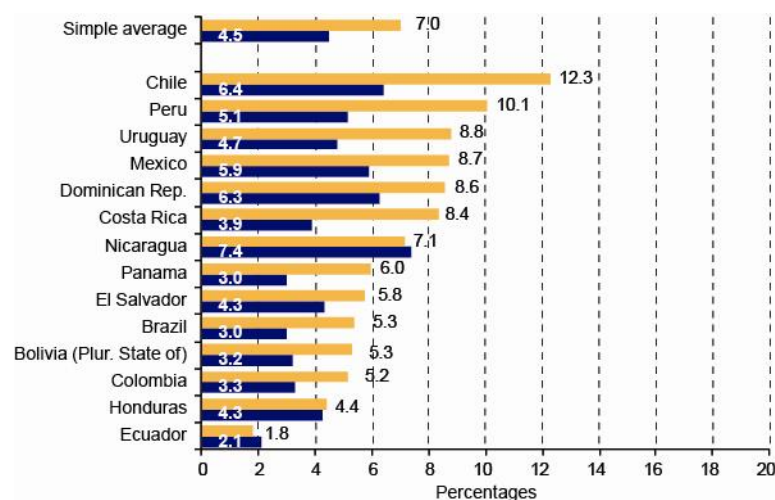
Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of data from income and spending surveys conducted in the respective countries.

Note: Data are from surveys conducted in the following countries in the years indicated: Brazil (2002), Chile (2006-2007), Colombia (2007), Costa Rica (2004), Dominican Republic (2007), Ecuador (2003-2004), El Salvador (2006), Honduras (2004), Mexico (2006), Nicaragua (2005), Panama (2007), Peru (2008), Plurinational State of Bolivia (2003-2004) and Uruguay (2005-2006).

^a Only includes households that spent on care.

Higher spending on care in households with dependent older persons

LATIN AMERICA (14 COUNTRIES): SPENDING ON CARE AS A SHARE OF TOTAL HOUSEHOLD SPENDING AND AS A MONTHLY AVERAGE, BY PRESENCE OF ADULTS AGED 75 OR OVER, AROUND 2005^a (Percentages and 2005 PPP dollars)



Households with older persons

Households without older persons

Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of special tabulations of income and expenditure surveys in the respective countries.

^a Includes households which report expenditure on care.

The situation of persons with disabilities and care



The concept of disability and care is evolving

Biomedical model

Consequences of the illness as a personal problem

Adaptation to the new situation

Rehabilitation and daily needs care

Social model

The consequences are not a characteristic of the person, but rather changes in the way they interact with the environment

Social integration of people who suffer the consequences of an illness

Building capacities

Functional autonomy model

The consequence is a complex interaction between altered health and environmental factors

Individual treatments and social action for personal and environmental change

Quality assistance and support to guarantee the right to exercise personal autonomy



Problems of measuring the scale of disability in censuses

- The data available are not entirely comparable between countries, because the estimates vary according to the degree of disability assessed using the questions contained in the various measurement instruments: censuses, household surveys or specialized surveys. International efforts are focused on streamlining censuses.
- As the concept of disability evolves, progress is being made –albeit unevenly from one country to another– in capturing more detailed data on persons with disabilities.



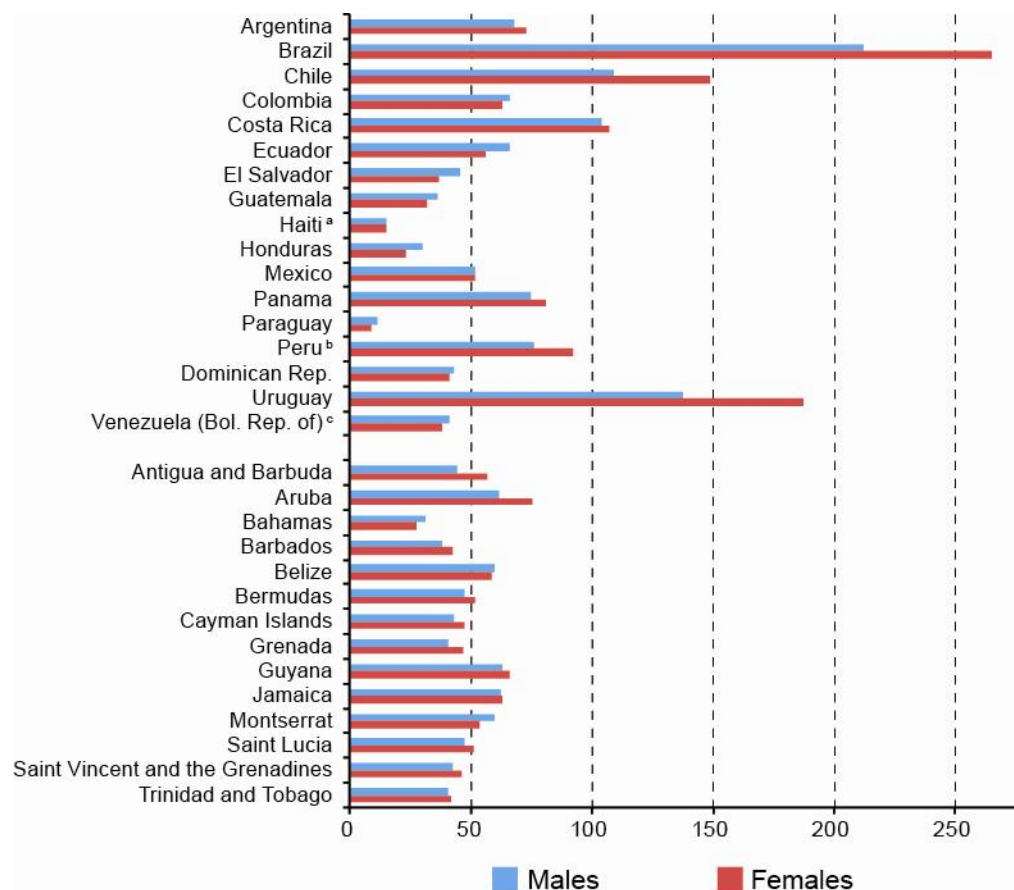
Scale of disability in Latin America and the Caribbean

- The degree of autonomy depends on the nature of the disability: visual, auditory, cognitive, communicational or related to mobility, self-care or mental function.
- On the basis of the latest available data, over 12% of the population —5.4% in the Caribbean and 12.4% in Latin America— lives with some form of disability, although the criteria used to compile data is different in the countries.
- Disability is more prevalent in countries with an older population.
- In over half the countries, disabilities are much more prevalent among women than among men, especially in the population aged 60 and over.
- The population groups which are most economically and socially vulnerable exhibit higher rates of disability: rural-dwellers, indigenous peoples and Afro-descendants, and those with lower incomes.



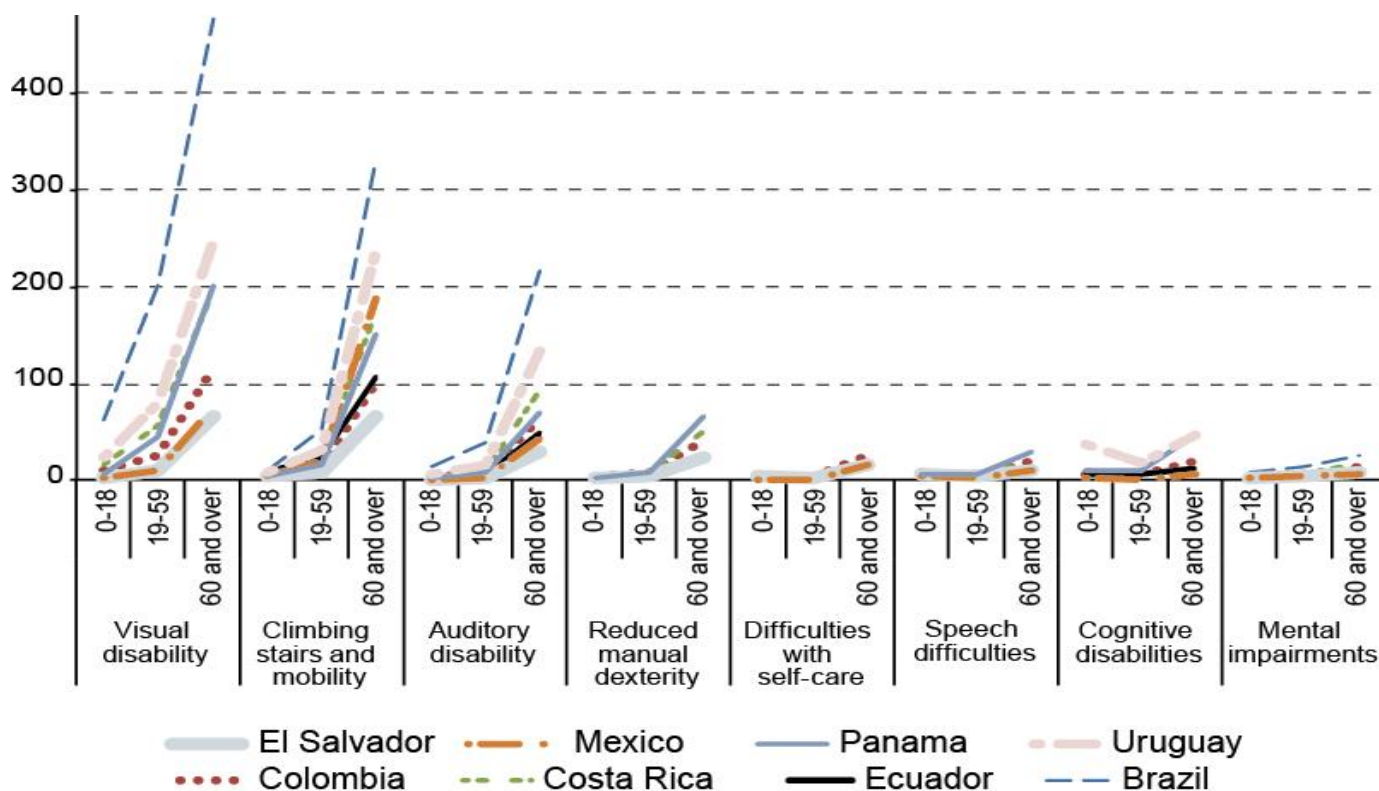
The most recent censuses and specialized surveys are compiling more accurate data on the population with disabilities

LATIN AMERICA AND THE CARIBBEAN (31 COUNTRIES): PREVALENCE OF DISABILITY BY SEX AND SOURCE
(Number per thousand)



In Latin America, vision and mobility impairments are the most common disabilities as people grow older

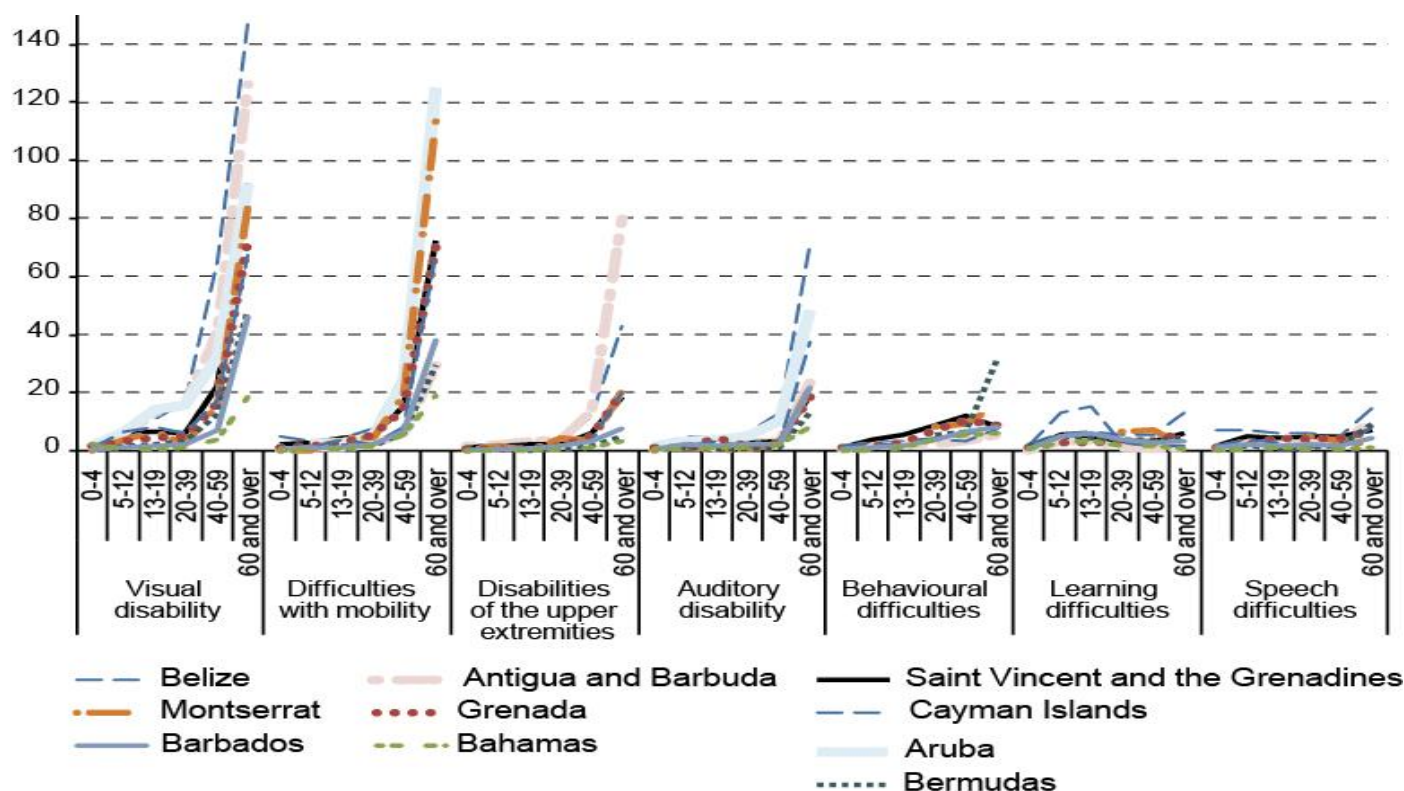
LATIN AMERICA (8 COUNTRIES): PREVALENCE OF DISABILITY BY AGE GROUP
(Number per thousand)



Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of population censuses of Brazil (2010), Colombia (2005), Costa Rica (2011), Ecuador (2010), El Salvador (2007), Mexico (2010), Panama (2010) and Uruguay (2011).

Vision and mobility impairments are the most common disabilities in the Caribbean as well

THE CARIBBEAN (13 COUNTRIES AND TERRITORIES): PREVALENCE OF DISABILITY BY AGE GROUP
(Number per thousand)

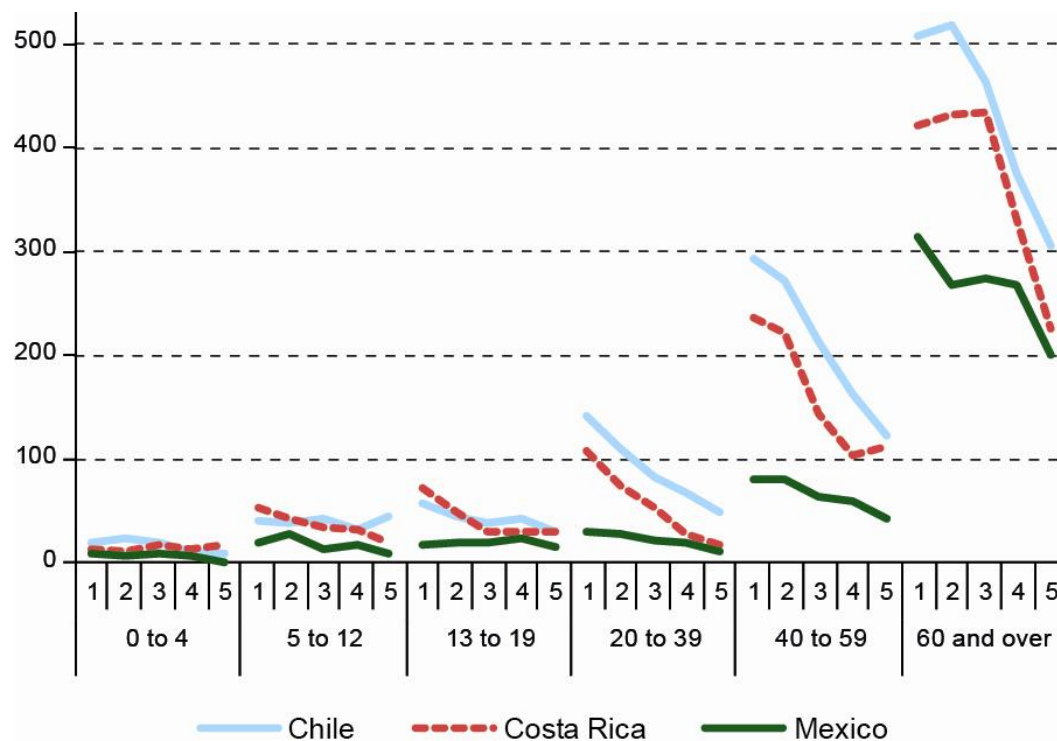


Source: Economic Commission for Latin America and the Caribbean (ECLAC), on the basis of population censuses of Antigua and Barbuda (2001), Aruba (2010), Bahamas (2010), Barbados (2000), Belize (2000), Bermudas (2010), Cayman Islands (2010), Grenada (2001), Montserrat (2011) and Saint Vincent and the Grenadines (2001).



Persons with disabilities are more concentrated in older and low-income populations

**CHILE, COSTA RICA AND MEXICO: PREVALENCE OF DISABILITY (ALL TYPES)
BY AGE GROUP AND INCOME QUINTILE**
(Per 1,000 inhabitants)



Source: Chile: National Socio-economic Survey (CASEN), 2009; Costa Rica: National Household Survey (ENAH), 2010; Mexico: National Household Income and Expenditure Survey (ENIGH), 2010.



Living with different types and levels of disability

- Persons with a visual disability have less difficulty in entering the school system and the labour force. Next come persons with auditory and motor disabilities.
- Persons with impairments in cognitive and mental functions have fewer opportunities for social integration and difficulties in looking after themselves.
- A significant proportion of persons with disabilities live alone, but most receive care and support from members of their immediate family.
- Care policies for persons with disabilities should be geared towards enhancing their autonomy and dignity.



Public policies on care



Challenges

- Greater participation by women in the workforce, changing family structures, population ageing and shifts in the epidemiological profile, which modify care needs and call into question the reliance on unpaid work by women as the linchpin in the provision of care.
- A new balance is needed between the roles of the State, the market, families and the community in the provision of care.
- The State must set up national care systems with public institutions that are capable of integrating care policies and services, bringing together organizations and public, private and civil society resources, and ensuring that services are relevant, comprehensive and of good quality, with an awareness of the particular traits and needs in each context.



Guiding principles of care systems

- Care systems and the policies that underpin them must be guided by the following principles:
- Equal access to care for all persons based on their status as rights-holders.
- Progressive universalization of care, which must be a pillar of social protection, combining universal approaches with affirmative action and selective policies.
- Solidarity-based financing, structured around taxation and social security contributions and geared to progressive redistribution and intergenerational solidarity.
- Joint responsibility in ensuring a more equitable distribution of roles and resources between women and men within the family and society, with a view to obtaining an egalitarian solution to the care requirements of the region.



Towards integrated caregiving systems: public policy

- Increase financing and consolidate the provision of care for children, older persons and persons with disabilities, the objective being to move towards national care systems.
- In order to safeguard quality, the State must regulate and monitor the benefits and the comprehensiveness of services.
- Move towards quality jobs in caregiving, professionalize the sector and regulate to make this part of the labour market less precarious, especially in domestic caregiving.
- Promote social covenants to improve financing of public care services, distribute responsibility for care more equitably and promote universal access to services based on the different needs of care recipients (children, persons with disabilities and older persons).
- Take steps to facilitate reconciliation of paid and unpaid work in order to support the care activities of households.



To sum up: social issues are not resolved in the social sphere alone

- Poverty alleviation and reduction in inequality are positive developments.
- However, as ECLAC has been long argued, a structural shift towards a more dynamic and diversified production structure is needed to make these improvements sustainable over time.
- This would make it possible to combine high long-term growth rates with an economy able to tackle environmental challenges, and with more productive, rights-based employment and capacities, and more robust social protection systems.
- The care economy also contributes to structural change by making it easier to reconcile paid and unpaid work, which in turn allows women to enter the labour market, use their skills to boost productivity within society, increase household income and strengthen the contributory pillar of the social security system.



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