



Plan Jefes y Jefas de Hogar Desocupados Argentina

A federally-funded and locally administered employment and cash transfer program targeting unemployed heads of households in the wake of the 2001 economic crisis

Summary

Argentina's political and economic institutions crumbled in the early 2000s - leading to rapid changes in governance, a collapse in employment and income, difficulty servicing the national debt, and a weakening of its currency (1). The Argentinian government sought to revive and expand public employment programs of the 1990s by becoming the Employer of Last Resort (ELR) to meet this greater need in the form of the Jefes y Jefas de Hogar Desocupados. The program generated public sector, socially valuable work and hastened the economic recovery in the mid 2000s.

Rationale

The program was implemented in response to a massive unemployment crisis and resultant civil unrest. In May of 2002, the unemployment rate reached 25% (2).

Defining Principles

Promote labour standards and fundamental rights at work, provide adequate social safety nets for vulnerable workers, eliminate inequality and discrimination in the workplace, and enhance occupational health and safety awareness and compliance in the workplace (1).

Dates of Operation

2002 - 2005

Number of Program Participants

A peak of 2 million participants in the second half of 2002. Nationally 15% of households received the benefit and as many as 40% in some regions (4).

Person-days of Employment

A work requirement of 20 work hours per week.

Criteria for Participation

Households with an unemployed head of household and A) children who are enrolled in school, B) disabled dependents, or C) pregnant dependents.

Pay and Benefits

ARP 150 (about 3/4 of the minimum wage) in monthly income support. In addition to their income, transportation discounts and tax refunds were available to recipients (5).



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Financing

The program was initially financed by the Treasury Department and beginning in 2003, financed by the World Bank USD 600 million). Program expenditures were equivalent to about one percent of GDP and almost five percent of the federal budget (6).

Implementation

Local governments, non-governmental and grassroots organizations managed the program. Local administration provided the necessary flexibility to effectively address local issues.

Types of Work

About sixty percent were employed in community projects like elder care, community kitchens, infrastructure improvements, and recycling. Eight percent were employed in microenterprises. Six percent of participants went back to school and a further four percent received vocational training. Twenty percent were employed in municipal administration and the remaining two percent in the private sector (7).

Notable Features

71% of participants were women, about half were under 35, and 60% of participating households had one or two children. More than 90% of participating households were below the poverty line and more than half were indigent. The program was the only income for 20% of participating households (9).



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Citations

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