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Presentation

The Inter-American Conference on Social Security (CISS) is a specialized international technical agency with a permanent status that was founded in 1942 with the aim of promoting the development of social security and protection in the Americas. Since its founding, the Conference has recognized the importance of social security and protection policies to ensure people's well-being and support the economic and social development of countries. However, it is also important to recognize that we are currently facing a stage with new challenges, including new markets and labor relations, demographic changes, and sustainability and universal coverage, overall presenting a major challenge for social security and protection.

The mission of the CISS is aimed at improving the quality of life of people by strengthening institutions in the development and implementation of inclusive social security and protection policies in the Americas, ultimately aspiring to become the benchmark in the subject.

Comprising more than 80 social security institutions from 37 nations of the American hemisphere, our membership currently requires comprehensive and long-lasting solutions that can innovatively respond to these conditions, and the duty of the CISS is to remain close to them to address these challenges by providing technical assistance, undertaking the management and dissemination of knowledge, and sharing best practices, among other cooperation actions.

Arising from this, the *Working Paper Series* semi-annual publication aims to contribute to institutional strengthening, the generation of knowledge, and the development of inclusive public policies to ensure the free and fair exercise of rights and the quality of life of people.

Through this publication, the CISS reinforces its commitment to the dissemination of high-quality research in the field of social security and protection, and to a dynamic and flexible communication among its members, experts and researchers in the field. Thus, the papers it has endeavored to disseminate are aimed at bringing under discussion the current issues and international trends in fields including pensions, health care, employment, and migration. Also of particular interest are studies on topics relating to human rights and inclusive policies—children, older adults, people with disabilities, gender and vulnerable groups.

This issue features three research papers. The first paper was prepared by Daniel Maceira, who holds a PhD in Economics from the University of Boston, specializing in health economics and industrial organization, and is currently a senior researcher at the Centro de Estudios de Estado y Sociedad (CEDES) in Argentina. His paper provides an overview of social insurance models in the broader sense of the concept, and it then focuses specifically on social insurance systems in health care in Latin America. The second paper was written by Gabriel Martínez, who holds a PhD in Economics from the University of Chicago and is currently Director of the Master in Public Policy of the Instituto Tecnológico Autónomo de México (ITAM). His paper provides an analysis of labor migration trends in the Americas, focusing on portability of rights during the various stages of the migration cycle from the point of view of both migrants (documented or undocumented) and their families, and offers

recommendations to improve access to the protection of social security for migrants. Finally, this publication features an article by Joana Chapa, who holds a PhD in Economics from the University of Barcelona and currently serves as Director of the Centro de Investigación Económica (CIE) of the Universidad Autónoma de Nuevo León (UANL), and Cindy Rangel, who graduated from the School of Economics of the UANL. Their paper provides an analysis of the impact of the National Financing Program for Micro-Entrepreneurs and Rural Women (Pronafim) on the generation and redistribution of income among men and women in Mexico. Their study relied on the Accounting Multipliers Model, which innovatively incorporates unpaid domestic work as an economic activity carried out by men and women.

We hope that these papers contribute to the discussion and design of public policies in the topics that are currently in the social security and protection agenda of the CISS.

Mexico City, October 2017

conceived as national systems for people who are born, receive education and work, retire, and eventually die in a given country. Their regulatory frameworks have been successfully toned down to tackle certain life situations, as is the case of bilateral agreements in the field of pensions. However, there has not been equal success in terms of temporary migrants, health insurance programs, and families that migrate only partially or temporarily. No specific benefit schemes have been developed for migrants, such as travel insurance or financing for mobility.

In section 2, we will discuss general topics relating to volume of migration, the existing legal framework to consider migrants in terms of social protection, and the debates on the costs and benefits of migration that are currently taking place in many countries. Section 3 reviews selected topics of migration: the problem of families separated by migration, the role of the cities, the relationship between trade and migration, and the migration of health care workers. Section 4 presents a review of specific best practices that have been identified for attending to migrants and provides recommendations of items to be discussed to make progress in social protection policies for migrants.

2. Overview of migration, legal framework and social protection for migrants

2.1. The migration maps²

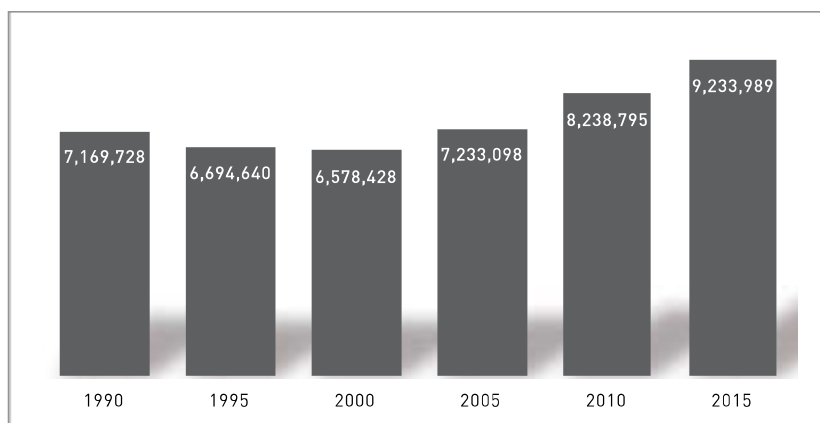
According to the latest International Labour Organization (ILO) reports, by 2015 there were 232 million migrants. Of this group, 150 million were workers and 207 were older than 15; this means that nearly 9 of every 10 migrants were working or expected to do so in a few years' time. Migrants work more than non-migrants: 72.7 percent versus 63.9 of the general population. In other words, people decide to move to a different country mainly to work.

The Americas remain a high migration environment, especially North America, which accounts for one quarter of migrants globally. Three-quarters of migrants go to high-income countries, and 11% more to upper-middle income countries. Migrants are increasingly engaged in services, partly because it is the fastest-growing sector in almost all countries, and partly because the work of migrants is a low-cost labor input for these labor-intensive industries (hospitality, health care, and other industries). Another aspect of this pattern is that the labor participation rates of migrants grow with the receiving country's level of income: those who migrate to poor countries work only at a rate of 59.4 percent, while those who migrate to rich countries do so at 74.1 percent. This pattern can be clearly seen in the Americas, where immigrants to Latin America and the Caribbean countries work at a rate of 65 percent, while those who migrate to North America do so at a rate of 73.7 percent—this pattern is observed both in men and women.

² This section is based on ILO data (2015). The study by Abel and Sander (2015) presents similar conclusions to ours.

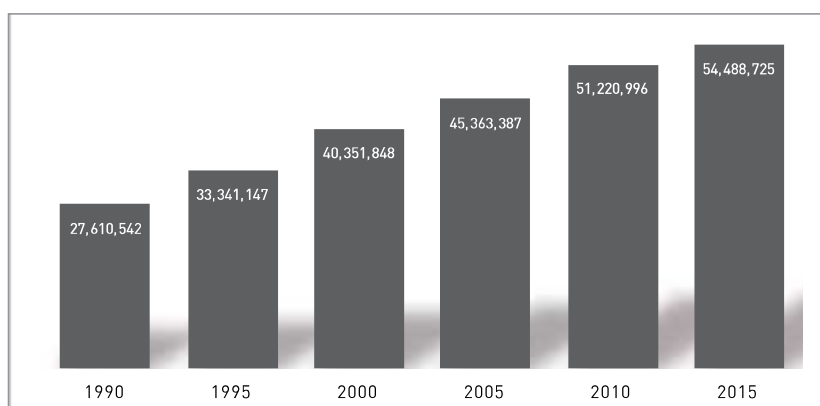
The following is a set of graphs showing the significant increase in the number of international immigrants in the American continent. They are based on ILO data (2015). North America is the largest recipient globally, and by 2010 it had surpassed the figure of 50 million, while Latin America and the Caribbean had a marked increase of about 40 percent between 2000 and 2015 (ILO, 2015a). The Anglo Caribbean has continued a solid trend to give hospitality to immigrants, although much of this reflects mobility among the islands. Central America shows an atypical behavior because the big fall in the number of immigrants between 1990 and 2000 reflects the end of armed conflicts in the region and the return of refugees; subsequently, the region has joined the trend of having more immigrants. Mexico has historically been a country with a low influx of people, but its figures have more than doubled from 1995 to 2015. In South America, the stability of the 1990s has changed, and there has been growth towards 2015.

GRAPH 2.1 NUMBER OF INTERNATIONAL IMMIGRANTS IN LATIN AMERICA AND THE CARIBBEAN 1990-2015



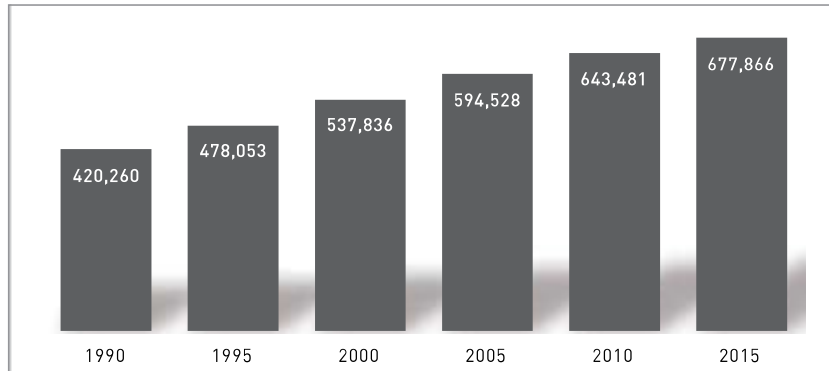
Source: Compiled by the author from ILO data (2015).

GRAPH 2.2. NUMBER OF INTERNATIONAL IMMIGRANTS IN NORTH AMERICA 1990-2015



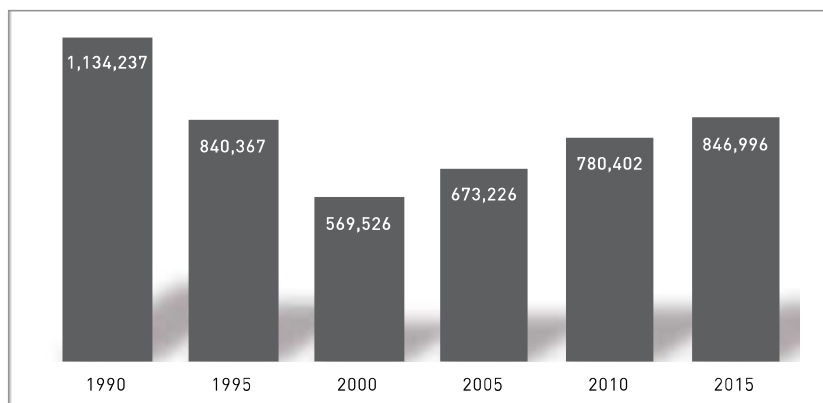
Source: Compiled by the author from ILO data (2015).

**GRAPH 2.3 NUMBER OF INTERNATIONAL IMMIGRANTS IN THE ANGLO CARIBBEAN
1990-2015**



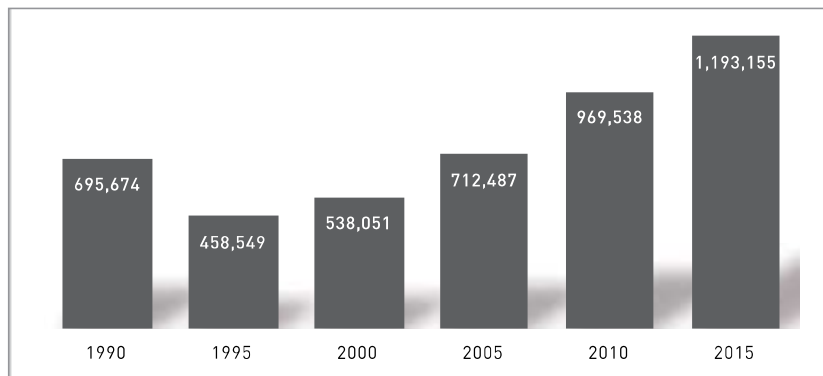
Source: Compiled by the author from ILO data (2015).

**GRAPH 2.4 NUMBER OF INTERNATIONAL IMMIGRANTS IN CENTRAL AMERICA (WITHOUT MEXICO)
1990-2015**



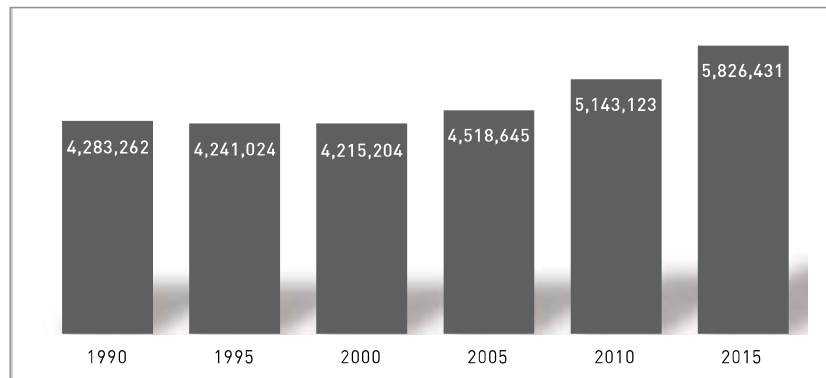
Source: Compiled by the author from ILO data (2015).

**GRAPH 2.5 NUMBER OF INTERNATIONAL IMMIGRANTS IN MEXICO
1990-2015**



Source: Compiled by the author from ILO data (2015).

GRAPH 2.6 NUMBER OF INTERNATIONAL IMMIGRANTS IN SOUTH AMERICA
1990-2015



Source: Compiled by the author from ILO data (2015).

Despite the importance of migration, countries have not made sufficient efforts to document the phenomenon. According to the ILO, in 2013 only 38% of the countries in the Americas had information on migration by gender up to 2010, and only 21% by age. In other words, the statistical information is produced with significant delay, which probably also reflects administrative deficiencies in the migration systems. All countries have some sort of migration control for entry or exit, but this information is evidently not used for policy purposes in a timely manner. Receiving countries, where political debates around migration have become a factor of political debate of utmost importance, have probably been most motivated to keep records and statistics. However, reaching bilateral or multilateral political agreements requires insight into migrants and their families in their place of origin.

Summarizing the ILO figures (2015), from 1990 to 2013, the number of migrants in the Americas rose from 34 to 61 million people. Fifty-three million of them were in the United States and Canada. Proportionally, migration within Latin America increased more, but it involved only 7.7 million people in 2013. However, it is possible that a significant part of migration within Latin America is not registered due to cultural affinity (for example, in Central America, Mexico and the Latin Caribbean). Thus, in 2013 Canada and the United States had an average immigrant population of 14.9%, compared with just 1.4% in Latin America.

According to the Organization for Economic Cooperation and Development (OECD), international migration in the Americas grew 5% annually between 2011 and 2013, and 17% in Latin America and the Caribbean. Furthermore, the region continues to receive migration from other continents at a high rate as well, although a little lower than that within the region. However, as we shall see below, in recent years the flow of migration from Asia to North America has started to overcome Latin America's.

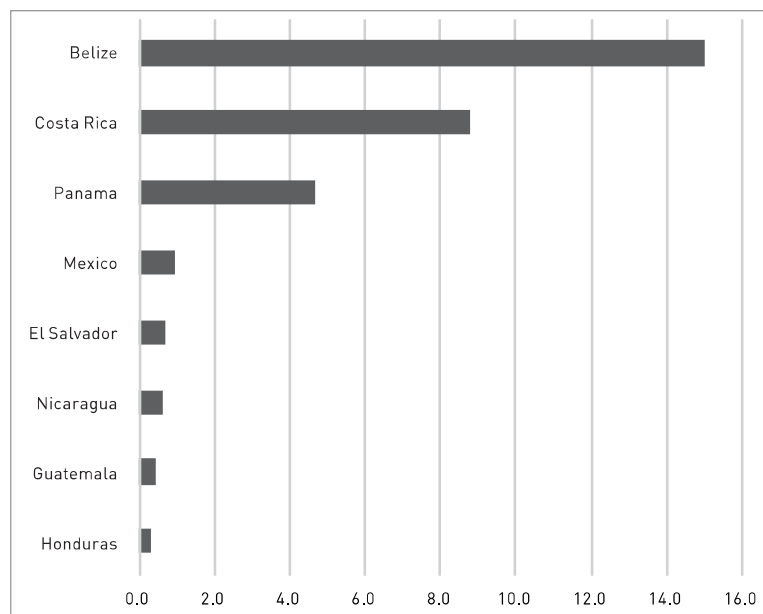
In broad terms, the Americas are split up in groups of sending nations, with few international immigrants and with a high proportion of emigrants, and receiving nations, with relatively low emigration. This results from the fact that the region is

characterized by high migration, and that, despite the growth of immigration from Asia, the flows remain predominantly intra-continental (certainly, flows from Europe and Africa were important more than 100 years ago).

In summary:

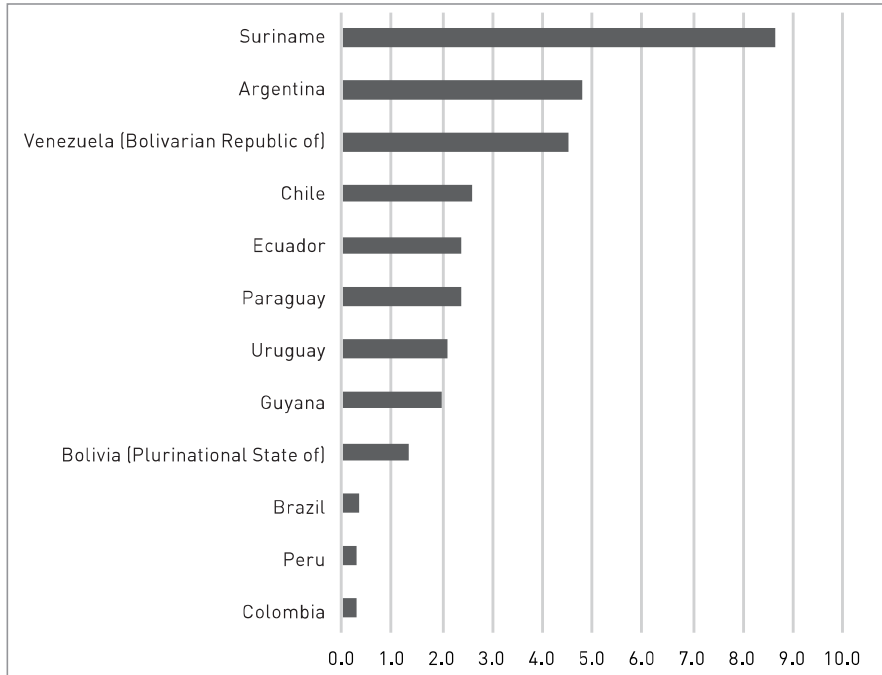
- Most of Central America (including Mexico) and South America are nations with low proportion of immigrants (less than 3 percent). The exceptions are Belize and Costa Rica, which receive significant migration from nearby countries.
- South America also has low immigration in general, and even Argentina remains with less than 5 percent of immigrants.
- The United States and Canada are two of the countries with the largest number of immigrants. For example, the Far East has only a half percent of immigrants, and Europe has 10.3%, but in terms of smaller—and some frankly tiny—countries, international migration in Europe has a different nature from that in North America—it involves a shorter distance, and it happens among countries integrated by the European Union.
- The Caribbean also shows high levels of immigration. This phenomenon is in part similar to the European case, as the greater weight of small countries increases migration rates, and it is also due to the economic integration of the island countries with larger continental economies.
- The global phenomenon of greater migration of women also takes place in America. In some countries like Chile and Costa Rica, more than half of immigrants are women.

GRAPH 2.7 PERCENTAGE OF IMMIGRANTS IN CENTRAL AMERICAN COUNTRIES 2015



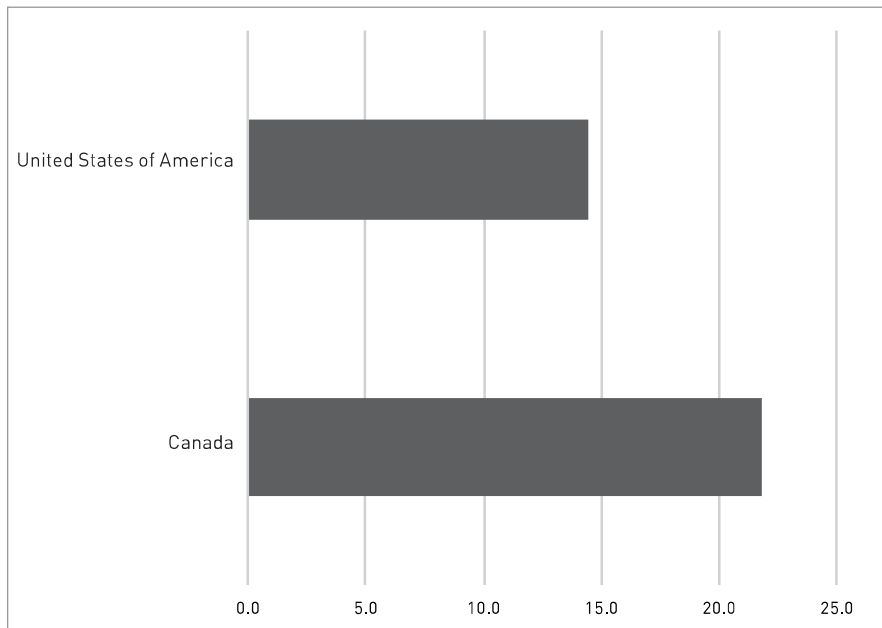
Source: Compiled by the author from ILO data (2015).

GRAPH 2.8 PERCENTAGE OF IMMIGRANTS IN SOUTH AMERICAN COUNTRIES, 2015



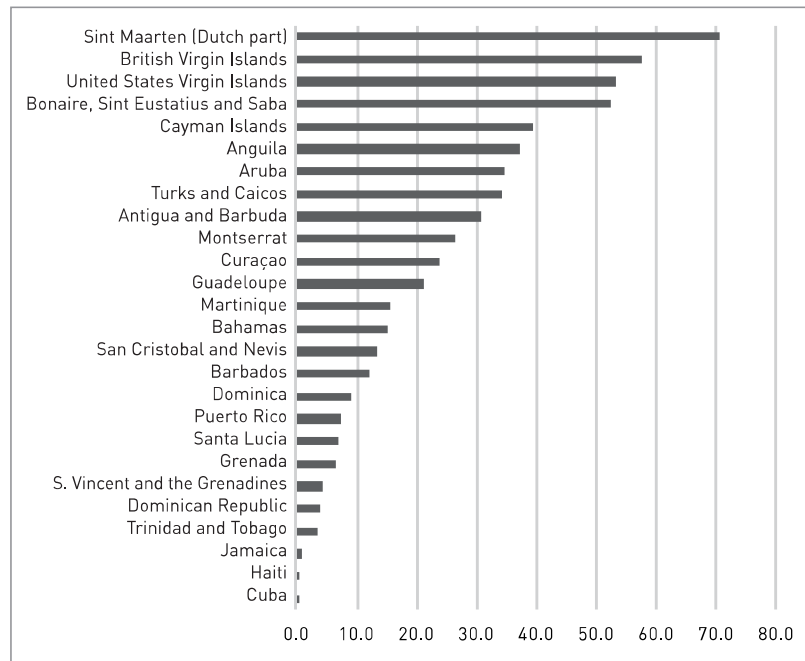
Source: Compiled by the author from ILO data (2015).

GRAPH 2.9 PERCENTAGE OF IMMIGRANTS IN NORTH AMERICAN COUNTRIES IN 2015



Source: Compiled by the author from ILO data (2015).

GRAPH 2.10 PERCENTAGE OF IMMIGRANTS IN CARIBBEAN COUNTRIES, 2015



Source: Compiled by the author from ILO data (2015).

Recent flows

Migration shows a relatively low frequency of nationalizations in the Americas. In United States and Canada, the rate is close to 0.7%, and in Latin America and the Caribbean it is closer to 0.3% (Organization of American States [OAS] and Inter-American Conference on Social Security [CISS], 2015). The reason is that many migrants go to nearby countries and plan to come back, or at least do not feel so great a separation from their country of origin to seek the change of nationality. Another possibility is that countries are not so open to granting citizenship.

Regarding emigrants in the Americas: half of them go to North America, one quarter go to other countries in the Americas, and one quarter go to OECD countries outside the Americas. However, since the 2008-2009 recession, movements to Canada and the United States declined, and the fall of departures to Europe was even greater (OAS & CISS, 2015). These decreases were offset by growth of migration within the Americas, with destination countries outside North America. For example, Brazilian migration to the United States started to grow significantly in the 1980s, doubling the prior figure, and in the 1990's it tripled, but it then stabilized after the 2007-09 Great Recession. In 2014, there were 336,000 Brazilian immigrants in the United States (Zong & Batalova, 2016). However, aggregate figures mask significant migratory processes for countries. For example, the pairs of Nicaragua-Costa Rica; Bolivia, Chile, Uruguay Paraguay-Argentina; Colombia-Venezuela;

Argentina-Spain; Suriname-Netherlands, and United States-Mexico all show that emigrants from a country tend to concentrate in a destination country, rather than scatter in several countries.

The decrease in the size of migration flows that seems to happen since 2008 resulted in an increase in migrants with more than 10 years of residence in Europe, but this phenomenon was not seen in North America (OAS & CISS, 2015). Presumably, the decrease of migration in Europe caused the distribution of the accumulated migrant stock to gradually tend towards a greater proportion of those with most time in destination countries. The fact that this has not happened in the United States seems to be more complex. According to the OECD, the cause may be the greater proportion of irregular migration,³ but it is not clear because that leads to a more frequent renewal of the migrant stock. In other words, for average years since entry of migrants not to increase, it is necessary that many new migrants arrive, or that turnover take place, with a high proportion of migrants returning to their country of origin (as compared with what has been observed in Europe).

One unexplored element by researchers is the way in which the demographic change is related to the organization of families and the way it will impact on migration. Specifically, families in Latin America and the Caribbean are smaller today because fertility rates are significantly lower than between the 1960s and 1980s, which means a lower supply of migrants to North America (Scott, Wilcox, Ryberg & DeRose, 2015). Moreover, it is a more educated population with stronger family and employment networks in North America. It is also a fluent migration, in the sense that it shows significant short- and long-term return patterns.

Another phenomenon that has been noted since the last decade is that migrants now have a higher educational profile. This is partly due to the fact that national populations are now better educated in general, but it is also related to the fact that migration towards the services sector demands people with greater communication skills, even in a second language, and to the fact that the demand for skilled workers in receiving countries has risen.

The issue of irregular migration is still very important. The number of people who have been legally admitted to the United States is high and continues to increase, but the issue of irregular migration, rather than declining, has been a source of growing conflict in public opinion and the electoral arena. According to the most recent data, in 2014 there were 42.4 million immigrants in that country, and if we add the second-generation descendants, the figure rises to 81 million people —26%

³ *Irregular migration*: movement that is done in violation of regulatory standards of the sending, transit and receiving countries. There is no clear or universally accepted definition of irregular migration. From the perspective of receiving countries, it is to enter, stay or work in a country without the necessary authorization or documents required under the immigration regulations. From the perspective of the sending country, irregularity occurs, for example, in cases where a person crosses an international border without a valid passport or travel document, or does not comply with the administrative requirements to leave the country. However, there is a tendency to restrict the use of the term “illegal immigration” to the cases of smuggling of migrants and human trafficking (International Organization for Migration [IOM], 2017).

of the total population. In other words, one in every four residents of the United States is an immigrant or child of immigrants, and the percentage of immigrant population has tripled between 1970 and 2014. It is estimated that between 2013 and 2014 the foreign population grew 2.5 percent, well above the growth of the native population (us Department of Homeland Security, 2015).

India has become the main place of origin of immigrants to the United States, followed by China Mexico and Canada. However, due to the historical records, Mexico remains the main place of origin, with 28 percent of the total. This predominance, which is accentuated when considering the Latin and Central American Caribbean, will last for several years, as India and China each represent only about 5 percent of the migrants. Overall, Hispanic countries represent 46 percent of immigrants to the United States (us Department of Homeland Security, 2015).

The number of foreigners who become permanent residents in the United States is significant (1'051,031 in 2014), but the figure is less than the number of immigrants. For example, nearly 140 thousand of these cases are Mexican immigrants, considering that the number of Mexican migrants is above 1s1 million people (us Department of Homeland Security, 2015).

Fifty-three percent of immigrants in the United States had private health insurance, compared with 68 percent of the general population. Immigrants also showed a greater deficit in coverage in public health insurance (27 vs. 34 percent of the native population). A total of 27 percent had no insurance —compared with 9 percent of the general population. The *Affordable Care Act* (also known as *Obamacare*), has promoted a decrease in the lack of health insurance coverage for immigrants. They are generally eligible to affiliate to the qualified plans and receive tax credits and lower co-payments (National Immigration Law Center, 2014).

Regarding pensions, bilateral totalization agreements are the main tool to protect migrants. To date, most migrants in the Americas are not covered by them (see, for example, Neuschler & Siskin, 2010). The direct cause is that the larger migration flows go to the United States, which has signed few agreements with other nations in the continent. Mexico, which has already exceeded the figure of 1 million immigrants, only has agreements with Canada and Spain, although immigration comes predominantly from Latin America.

Overall, the world is still afflicted by political conflicts that generate migration. The Americas have a lower incidence of this problem: in Latin America and the Caribbean, there was a rate of 18 asylum applications per million inhabitants in 2013, but the figure is ten times larger in the United States and Canada (OAS & OECD, 2015). Within Latin America, Colombian emigration has resorted more frequently to that mechanism, but this seems to have declined with the closeness of peace. Conflicts in the Middle East have impacted on immigration to the region, and Syria has increased its share as source of emigrants to the Americas.

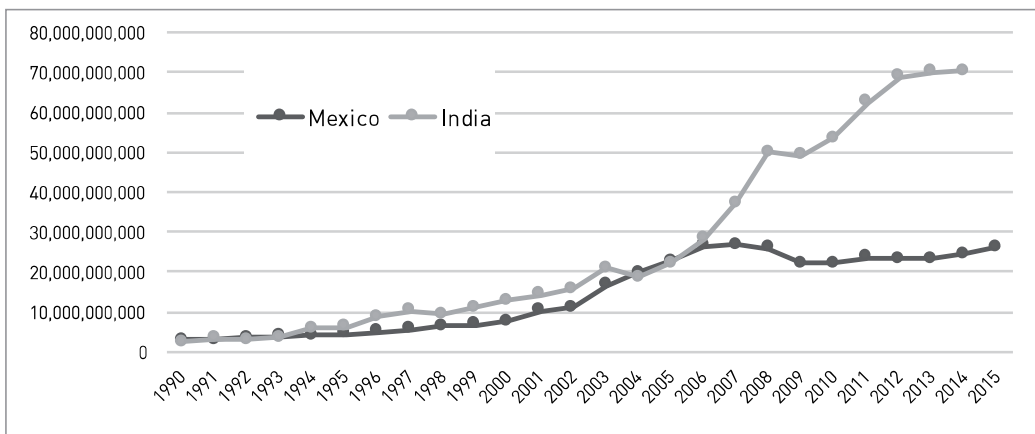
Remittances⁴

A phenomenon that strongly reflects the motivations behind migration are international remittances. By 2013, remittances to Latin America and the Caribbean were estimated at \$61.3 billion. According to a World Bank survey, 72% of the countries in Latin America and the Caribbean are net recipients of remittances, and, together with Eastern Europe and Central Asia, and sub-Saharan Africa, these regions have the highest levels in this indicator (World Bank, 2016; section V).

The following graphs classify countries according to the level of remittances they receive in order to facilitate visualization. The data for these graphs were taken from the World Bank database. On the horizontal axis, the time span starts in 1990, which is roughly the year that saw the beginning of a significant growth of the phenomenon of remittances—a mechanism that represents a significant source of income for many families in the sending countries—until its current status.

Graph 2.11 shows remittances to India and Mexico, two of the largest recipients globally. It is clear that by 2008 there was a halt in the growth of the amounts for Mexico, a phenomenon that most Latin American countries—and Caribbean countries to a lesser extent—have experienced. The money received by India, by contrast, has not ceased to grow, despite a slight squeeze in 2008. Whether the decreased growth of remittances has been caused only by the different financial conditions around the world or there are other changes in the behavior of migrant families remains a question for future research.

GRAPH 2.11 INTERNATIONAL REMITTANCES
(ANNUAL DOLLARS)

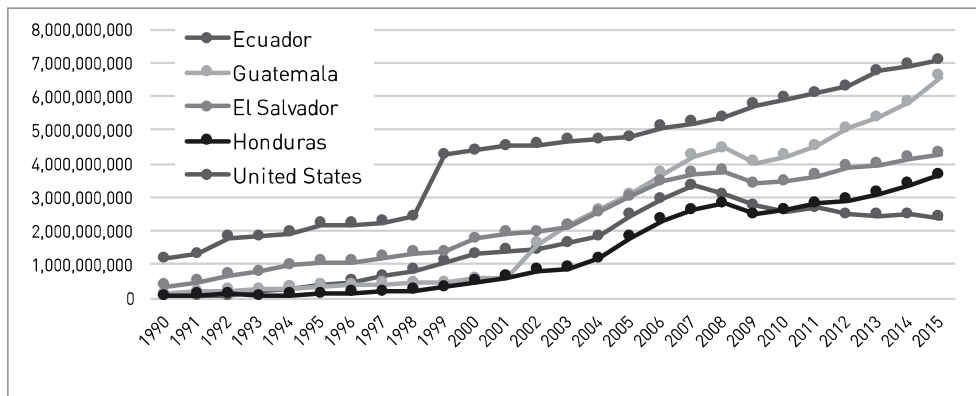


Source: Compiled by the author from ILO data (2015).

⁴ *Remittances*: money earned or acquired by foreigners that is transferred to their country of origin (IOM, 2017).

Graph 2.12 shows a set of countries on which the phenomenon of remittances has a significant impact, especially if we consider the size of the population, plus the us. This group receives flows of 2-7 billion dollars annually, and it suffered the effects of the 2008 crisis as well; furthermore, with the apparent exception of Guatemala, it has also experienced lower growth since then. The us figures are small compared with the international financial flows that the country experiences, but it is still necessary to note in the context of migration that the us also has a growing population abroad that support their families back home.

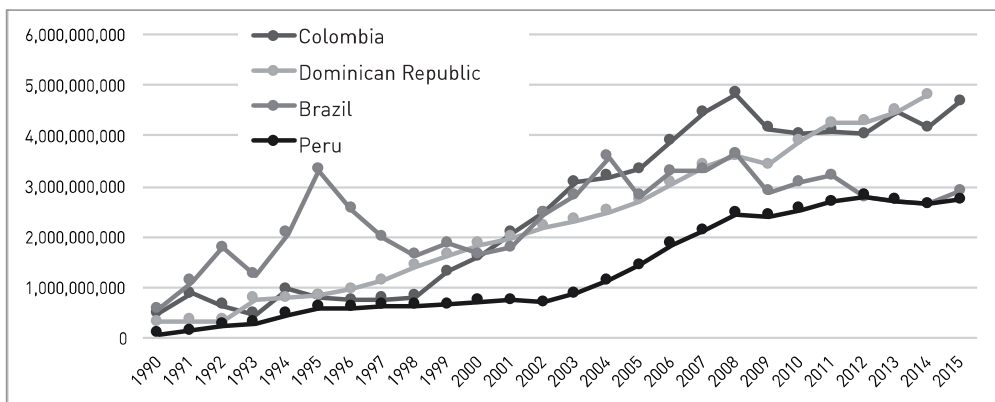
**GRAPH 2.12 INTERNATIONAL REMITTANCES
(ANNUAL DOLLARS)**



Source: Compiled by the author from ILO data (2015).

Graph 2.13 shows countries that have similar levels of remittances to those in Graph 2.12, but the phenomenon has a smaller impact on families due to their larger population. With a population of 200 million in 2013, Brazil received roughly 10% of remittances per inhabitant in Mexico. This group also experienced a halt in 2008, which was overcome only by Dominican Republic.

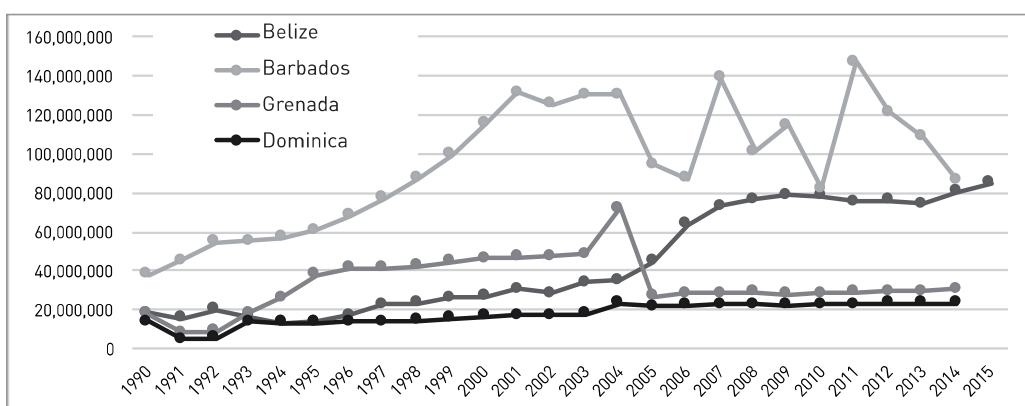
**GRAPH 2.13 INTERNATIONAL REMITTANCES
(ANNUAL DOLLARS)**



Source: Compiled by the author from ILO data (2015).

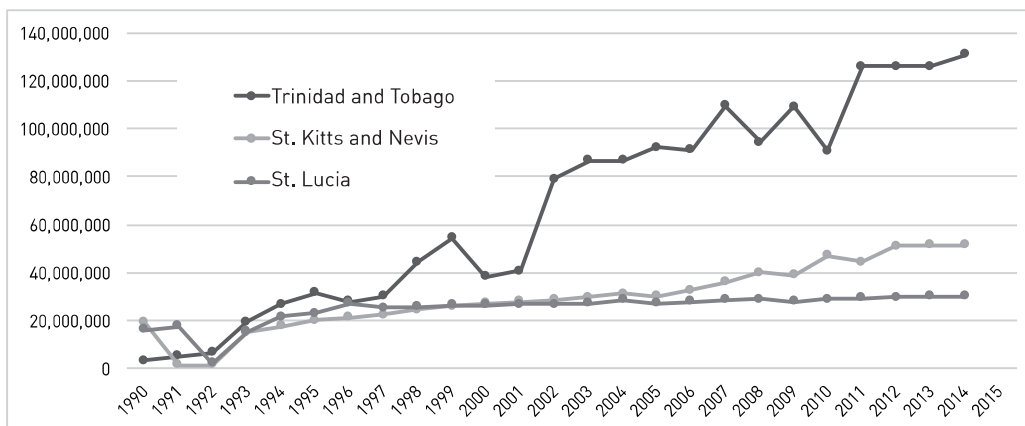
The following set of Graphs (2.14-2.16) shows countries of the Caribbean area, some of which receive significant amounts considering the size of their economies. The behavior is similar to that of most of the region in terms of the fluctuation in 2008, but there are relevant cases of strong growth even after that event: Haiti, Jamaica and Trinidad and Tobago stand out in their subsequent recovery.

**GRAPH 2.14 INTERNATIONAL REMITTANCES
(ANNUAL DOLLARS)**



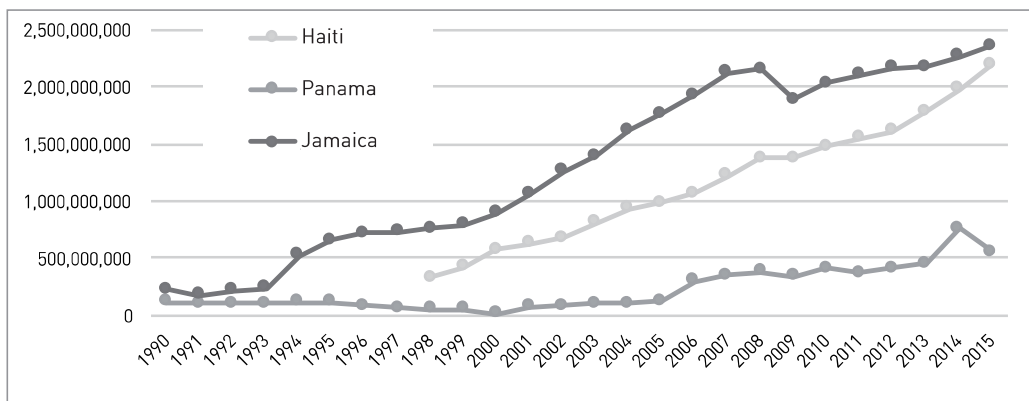
Source: Compiled by the author from ILO data (2015).

**GRAPH 2.15 INTERNATIONAL REMITTANCES
(ANNUAL DOLLARS)**



Source: Compiled by the author from ILO data (2015).

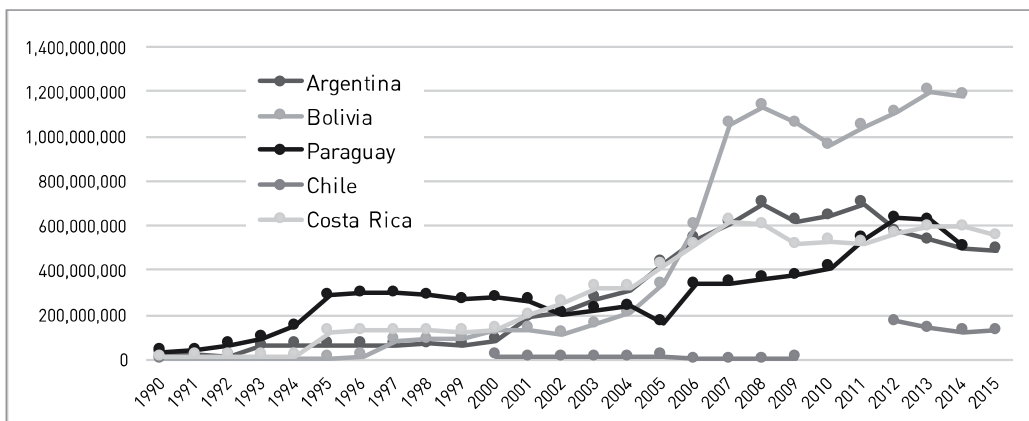
**GRAPH 2.16 INTERNATIONAL REMITTANCES
(ANNUAL DOLLARS)**



Source: Compiled by the author from ILO data (2015).

Finally, this section shows two Graphs for South America, which tends to experience less migration to North America because of the long distance. The first group of countries (Graph 2.17) shows levels of remittances ranging within the hundreds of millions of dollars, and they all experienced the fluctuation of 2008.

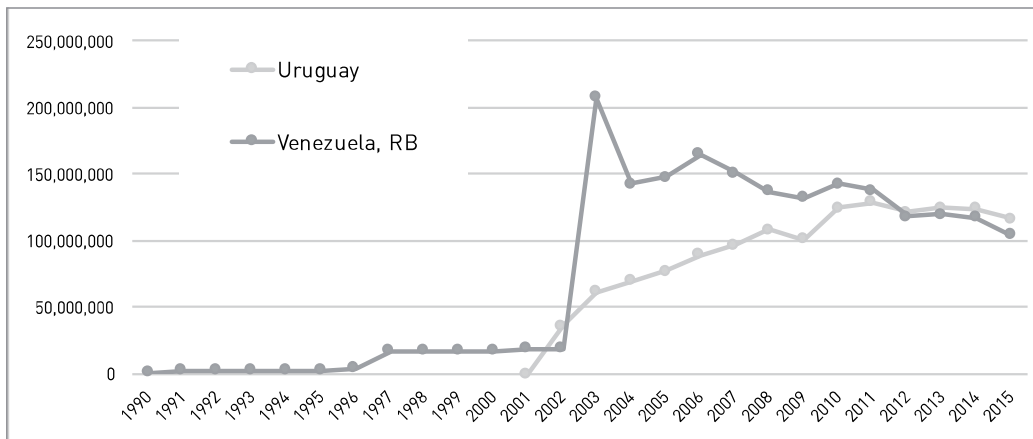
**GRAPH 2.17 INTERNATIONAL REMITTANCES
(ANNUAL DOLLARS)**



Source: Compiled by the author from ILO data (2015).

Graph 2.18 shows only two countries with a rather atypical behavior. One is Venezuela, which registered a peak in 2003 and an almost immediate subsequent fall. The other one is Uruguay, which started at very low levels in 2000 and peaked in 2008, also experiencing the general fluctuation.

GRAPH 2.18 INTERNATIONAL REMITTANCES
(ANNUAL DOLLARS)



Source: Compiled by the author from ILO data (2015).

In conclusion, the growth of remittances was significant since 1990, and it has stabilized since 2008. There are important exceptions that have maintained growth, but there are no observed significant decreases (with the possible exception of Venezuela), but rather stabilization.

What will happen with migratory flows?

- Migration in the Americas is temporary to a significant extent due to the geographical and cultural proximity of countries. Temporary and returning migration has become more common, causing gross flows to increase faster than net flows.
- America will remain an important place for migration, especially intra-continental migration, with Argentina, Canada and the United States remaining as net recipients during the next half century.
- Migration is an important economic and social phenomenon for many small and large countries in the region. The lower growth of the population (compared with the last few decades of the 20th Century) means that there is less supply of migrants. This will change the profile, as there will be a smaller volume of migrants and more selectivity.
- Europe has become a migrant-receiving region with significant political implications. The phenomenon is expected to continue and even to increase because the levels of labor participation are low, fertility levels of native women are also low, and migration thus has a relatively greater effect on the long-term evolution of the population (Hackett, Cooperman & Ritchie, 2015).
- Remittances have reached a significant level for a group of countries in the Caribbean, Central America and northern South America. While their growth seems to have stabilized, they remain a source of income for families in the countries of origin.

2.2. The ILO framework for labor migration

The International Labour Organization has a significant history of addressing migrant labor. The existing agreements deal with the fundamental aspects of social protection to migrants. However, these conventions have been ratified by a minority of countries, indicating the difficulty of achieving international cooperation in the matter, at least at the multilateral level.

The main instruments of the ILO concerning migration are the following:

- Migration for Employment Convention, 1949 (No. 97).
- Migrant Workers (Supplementary Provisions) Convention, 1975 (No. 143).
- Convention concerning Migrations in Abusive Conditions and the promotion of equality of Opportunity and Treatment of Migrant Workers (Entry into force: 9 December 1978).

Migration for Employment Convention, 1949 (No. 97), entry into force: 22 January 1952. It has been ratified by 49 countries, including Barbados (except annexes I-III), Belize, Brazil, Cuba, Dominica, Ecuador, Grenada, Guatemala, Guyana, Jamaica, Trinidad and Tobago, Uruguay and Venezuela. This means that most of the countries in the Americas do not adhere to this convention. This convention includes, among others, the following provision (included in Article 6):

1. Each Member for which this Convention is in force undertakes to apply, without discrimination in respect of nationality, race, religion or sex, to immigrants lawfully within its territory, treatment no less favourable than that which it applies to its own nationals in respect of the following matters:
 - (a) in so far as such matters are regulated by law or regulations, or are subject to the control of administrative authorities:
 - (i) remuneration, including family allowances where these form part of remuneration, hours of work, overtime arrangements, holidays with pay, restrictions on home work, minimum age for employment, apprenticeship and training, women's work and the work of young persons;
 - (ii) membership of trade unions and enjoyment of the benefits of collective bargaining;
 - (iii) accommodation;
 - (b) social security (that is to say, legal provision in respect of employment injury, maternity, sickness, invalidity, old age, death, unemployment and family responsibilities, and any other contingency which, according to national laws or regulations, is covered by a social security scheme), subject to the following limitations:
 - (i) there may be appropriate arrangements for the maintenance of acquired rights and rights in course of acquisition.
 - (ii) national laws or regulations of immigration countries may prescribe special arrangements concerning benefits or portions of benefits which are payable wholly out of public funds, and concerning allowances paid to persons who do not fulfil the contribution conditions prescribed for the award of a normal pension;
 - (c) employment taxes, dues or contributions payable in respect of the person employed;
 - (d) legal proceedings relating to the matters referred to in this Convention.

2. In the case of a federal State the provisions of this Article shall apply in so far as the matters dealt with are regulated by federal law or regulations or are subject to the control of federal administrative authorities. The extent to which and manner in which these provisions shall be applied in respect of matters regulated by the law or regulations of the constituent States, provinces or cantons, or subject to the control of the administrative authorities thereof, shall be determined by each Member. The Member shall indicate in its annual report upon the application of the Convention the extent to which the matters dealt with in this Article are regulated by federal law or regulations or are subject to the control of federal administrative authorities. In respect of matters which are regulated by the law or regulations of the constituent States, provinces or cantons, or are subject to the control of the administrative authorities thereof, the Member shall take the steps provided for in paragraph 7 (b) of Article 19 of the Constitution of the International Labour Organisation.

The same convention of 1949 includes the following text in Article 10:

In cases where the number of migrants going from the territory of one Member to that of another is sufficiently large, the competent authorities of the territories concerned shall, whenever necessary or desirable, enter into agreements for the purpose of regulating matters of common concern arising in connection with the application of the provisions of this Convention.

The International Convention on the Protection of the Rights of All Migrant Workers and Members of their Families (ICRMW, 1990) of the United Nations has been adopted by 34 countries, including some major migration-sending countries (such as Mexico and Philippines), but no major receiving country of immigrant workers has accepted it. This Convention includes all the important aspects of ILO Conventions 97 and 143.

Several other ILO Conventions are relevant to migrant labor, as it involves all the rights that benefit non-immigrant workers, such as the prohibition of forced labor, the right of association, the right to security and hygiene, and the rights that have generally been accepted by the community of nations as inalienable for any worker, regardless of their immigration status (Baruah & Cholewinski, 2006).

The message behind this analysis is that it is necessary to innovate in the bilateral and multilateral mechanisms of social protection to migrants. The issue is not only irregular migration, since most migrants are regularized, but still the international agreements that are necessary to make social protection the rule rather than the exception have not been achieved. For example, in the case with the greatest quantitative importance, the United States, while the number of irregular immigrants is estimated at 11.1 million, the total number of immigrants is 32.5 million (Stepler & Brown, 2016).

2.3. The Agreements

International social security agreements are aimed at achieving totalization of benefits and avoiding double taxation. They have a long history around the world, but in the American region most international migrants are not covered by these instruments. For example, most of the 34.9 million Hispanic immigrants to the United States come from countries that have no agreement with this country (Stepler & Brown, 2016). Agreements typically cover pension systems, but they often include health insurance as well.

Totalization involves taking into account the periods of contribution and the contributions made in different countries in order to have a sufficient reckoning for a pension. For example, a migrant who worked in two countries may not achieve the contribution period prescribed by the pension system of one or both countries. By adding the contribution periods in both territories, the person can get access to the benefit. To define the monetary benefit, agreements follow a pro-rata rule: they must add the contribution periods in each country (hence the term “totalize”) and the pension agency of each country calculates the pension according to its own rules considering the total time, but pays the benefit at a percentage equal to the time contributed to its system. For example, if a worker contributed 30% of the time in country A and 70% of the time in country B, and the pension in A would have been $P(A)$, and the pension in B would have been $P(B)$, the person will receive a pension equal to $0.7P(A) + 0.3P(B)$. It should be noted that if the worker does not achieve the time required in one country, but he does in another, the rule is that the country in which he fulfilled the requirements shall pay the full benefit, and the other country shall pay partial benefits.

The part on double taxation provides that a temporary migrant worker contributes to the social security of the country where he works. Otherwise, the law or the social security scheme itself could force him to contribute in both countries. This mechanism complements naturally the totalization part of the agreements.

Totalization and double taxation agreements do not involve exchange of cash between agencies in different countries. Once the pension has been determined, each agency pays directly to the beneficiary the corresponding amount. On the fiscal side, the agreement simply exempts the payment

A study by the OAS and the CISS (OAS & CISS, 2015) states that there are 83 agreements in the Americas between American countries. Canada, Chile and Uruguay alone take part in 50 of them, which is notable because Canada is the only country in the group with a high immigration rate —note that 83 agreements implies at least double the number of signatory countries. The US has signed agreements in the region only with Chile and Canada (plus a Memorandum of Understanding with the Canadian province of Quebec). There are three relevant multilateral instruments: (i) the Ibero-American Multilateral Agreement on Social Security (CMISS), which has been adopted by twelve countries, including Portugal and Spain; (ii) the Caricom Agreement covering the countries of the Caribbean Community in general, and (iii) the

Multilateral Agreement on Social Security of Mercosur. There are other agreements relating to social security in the region, but they are not totalization and double taxation agreements.

The status of social security agreements in the Americas can be described as an *impasse*. In other words, the solution to the situation might prove difficult to achieve. There has been little progress in negotiations or entries into force of agreements for more than ten years, and the issue has now been politicized. Historically, agreements have been regarded as topic of property rights and human rights: workers are entitled to the benefits prescribed by the laws, including those on social security. By contrast, there is currently a significant number of immigrant-receiving countries with anti-immigrant movements and rejection of the recognition of these rights. The reasons for the occurrence of this situation precisely at a time when the international flow of migrants has grown significantly are a factor that must be considered when devising and designing policies to address the problem.

Considering that it is such a controversial topic, we cannot expect consensus on the causes of the lack of progress in negotiations for social security agreements. However, there are two factors that appear to be important: (i) the perception that immigration represents a net cost for the receiving society, a problem that is accentuated by the high level of the benefits granted in receiving countries, as we stated above; (ii) the hypothesis that a high flow of immigrants displaces low-skilled native workers, and (iii) the hypothesis that a large migrant stock with different language and culture from those of the native population can generate friction with sectors of the native population, and even concerns about long-term life style (Davis & Deloe, 2015).

Notwithstanding the complexity of the problem altogether, we can state that the list of the paragraph above can serve as a basis for a constructive agenda. This agenda will have to go beyond the scope of social security agreements as they have occurred thus far to address the concerns of sending and receiving countries.

Regarding the issue of the net fiscal cost of migrants, some receiving countries have already begun to make changes in policies to dampen the negative effects, considering that part of the problem arises precisely because of the absence of a framework for orderly migration. The actions taken by countries include the payment for health services and education by immigrants, and a better prior selection to increase the probability that migrants are properly integrated into the labor market. The existence of irregular workers hampers these developments because, since they do not have the necessary papers, workers can engage in informal jobs. The lack of agreements on temporary workers also causes that those who manage to secure a job in a destination country are less likely to return to their countries of origin, a situation that may lead to an increase in the cost of the pension system in the receiving country. It is possible that comprehensive agreements on temporary work help to promote return migration and less migration of entire families, thereby decreasing the cost on the welfare state in the destination country. Presumably, reaching such agreements will require greater commitment from Governments in the sending countries to receive immigrants back with an adequate protection scheme (for example, with an adequate totalization of pension benefits).

The issue of displacement of low-skilled workers is highly controversial, as it has not been easy for researchers to determine whether it is a significant event (Aydemir & Borjas, 2011), and the market labor indicators do not capture all the benefits that immigrants bring to a country, such as better complementarity with investments and with high-skilled workers. For instance, service industries require high-skilled workers, but they become more competitive if they also have access to low-skilled workers.

Addressing the issue of cultural conflict is one of the most important political challenges of our time. While some political actors present it as a “clash of civilizations” issue, it is possible that addressing the two previous topics can significantly reduce the pressure in this respect.

Finally, we can reflect on the future of migration. We know that the migrant stock in developed countries has grown in the past 20 years, and this is correlated with the low demographic growth of the native population and the highest population growth in low-income countries. As these countries manage to improve their labor markets, especially for women, incentives for migration will decrease. However, this requires greater trade openness towards developed countries, and that countries where migration originates be more hospitable to job-creating investment. In any case, considering the current stocks and flows, migration rates will be high for at least a couple of decades, a situation that requires the development of innovative solutions. Totalization and double taxation agreements will be part of the solution, but they may not be sufficient due to the impasse they are experiencing.

2.4. The balance of benefits and costs of migration

The generally accepted conceptual framework on the decision to migrate states that people migrate when the well-being in the place of destination is higher than that expected in the place of origin after considering the costs of migration (Borjas, 1999). However, this analysis refers to individual decisions. Additionally, migration policies of countries also consider the social costs of the phenomenon. Here, attention mainly focuses on two kinds of impact of migration: on public and social services, and on the labor market. This issue is a matter of research and policy mainly in receiving countries, which, as described above, are primarily Canada, the United States and Argentina.

Regarding the use of public and social services by immigrants, the main concern in receiving countries in North America is that immigrants make the decision expecting to receive health services, pensions and other benefits that are paid with taxes generated by the native population. For example, in 2015, 51 percent of immigrant households in the United States used at least one of the major federal welfare programs (transfers of cash, food, housing or health care), against 30 percent of native households (Cammarota, 2015). However, these data leave much to be desired as a basis for assessing the impact of immigration. The most reliable data use data on employment, wages and other factors to study the ramifications of immigration for

the use of public services, payment of taxes, use of health services, contributions to Social Security, labor participation, wage levels and gross domestic product. Given the complexity of these calculations, the net impact of immigration is difficult to determine with clarity. The results of these studies vary widely depending on whether the unit of analysis are individuals, families or extended families. In countries with considerable immigration, there is wide variation in the age of immigrants, life situations and economic circumstances, making it difficult to model the data. Current immigrants are mostly young working men, so they generate tax income and have a low demand for health services, but, with the passage of time, their settling as households tends to demand education for their children and, eventually, health services and pensions. The analysis is further complicated by changes in policy, as national and local governments have been changing rules of provision of health services and education to be able to charge immigrants for them.

The issue of fiscal net balance of immigration is of great importance for policy design. The us Congressional Budget Office carried out an analysis of the reform initiative on migration for the Senate of the country and estimated that the fiscal deficit could be reduced by \$850 billion over 20 years if the reform were adopted because immigrants could work more and could be better supervised (Executive Office of the President, 2013). The country's National Academy of Sciences argued that any calculation of the fiscal balance critically depends on the age structure of the immigrant population; initially, immigrants work and generate a favorable balance for the receiving country, but as they age the balance reverses (The National Academies of Sciences, Engineering, and Medicine, 2016). The same source points to the significant change that is being observed in the skills profile of immigrants. Historically, migration to North America has involved low-skilled workers, but there are increasingly more people arriving with higher education as a result of the general improvements in the countries of origin, and, in particular, a change of policy could entail a radical change in the skills profile of immigrants.

According to estimates by Grubel and Grady (2012), the fiscal net cost per immigrant in Canada, the country with the highest rate of immigration worldwide, was over \$6,000 Canadian dollars per immigrant in 2005/06, and \$5,329 in 2011 (Grady & Grubel, 2015). These authors have updated their estimates and consider that the changes in immigration policy have reduced this figure to \$5,300; health care, social services and education account for more than half of the total cost of \$18,042 Canadian dollars per current immigrant, which are offset by taxes paid to get to the net figure mentioned above. Just as in the United States, there are differences among estimates depending on the studied cohort of immigrants and the assumptions about the nature of the expenditure and the demographics of the population. Hence, professors Javdani and Pendakur (2014) found that the correct figure is around \$500 Canadian dollars per immigrant. Both pairs of researchers concluded that the cost is primarily derived from income of low-skilled workers, and that reducing it requires improving the potential of the labor market for immigrants.

In the case of Argentina, the profile of immigrants is not different from that in North America in an important aspect: it is predominantly comprised by young working men. In addition, it is a group that integrates more to the local society and sends fewer

remittances to their countries of origin. According to an ILO publication (2015c) on migration to Argentina, only 51% of South American immigrant households are covered by the social protection system, compared with 71% of other households. There is also a greater dependence of immigrant households on non-contributory benefits (such as the Universal Child Allowance), and lower prevalence of contributory benefits, such as family allowances. Regarding pensions, there are also differences between immigrants and natives: 88% of native men and 75% of native women who have reached the minimum retirement age receive a pension, while among immigrants the figures are 75% and 61%. However, there was a special event in Argentina that led to a higher coverage of the pension system among immigrants, the 2011 insurance moratorium, through which people who did not have enough contributions to social security were given access to the benefits. The result of the moratorium was that, among the South American immigrants, the majority of women (60%) and nearly a third of men (32%) receive benefits without having reached the years of work or contributions that would have been required otherwise.

3. Topics concerning public policy on migration

This section comprises four topics that are relevant for migration policy: the separation of families, the role of cities in supporting migrants, the status of trade negotiations and their relationship with migration, and migration of health workers. The discussion of these specialized topics is useful to round off the discussion on migration policy and its relationship with social issues.

3.1. The problem of families separated by migration

When an irregular immigration situation takes place, there is a risk that the family will disintegrate and that the children will temporarily, or even permanently, be separated from their parents. Undocumented migrant children are often subjected to treatment that may be a violation of their human rights.

It is estimated that there were approximately 30 million children of immigrants in the United States between 1990 and 2014, and nearly 88 percent were born in the United States. In other words, there is a fairly considerable percentage of children of immigrant families that may not have a regular migration status (because they were not born in the United States). For those who were born in the United States, there is a risk of family breakup if the parents do not have regular migration status. The incidence of this problem seems to be higher for children from Guatemala, Honduras and El Salvador.

The Committee on the Rights of the Child of the European Union has suggested that the detention of children for immigration always constitutes a violation of children's rights and cannot be justified as in their best interests. The EU Return Directive does not comply fully with that principle, but it significantly limits recourse to the detention

of children by stating that it must only be used as a last resort and for the shortest appropriate period of time. However, 17 European countries detain unaccompanied minors and 19 European countries detain families with children. Thus, the practice is widespread. Furthermore, some countries which do not detain children split up families with the aim of detaining a parent and not the child. This also runs counter to the rights of the child and has been found to be harmful to children (Keith, 2015).

It is a complex issue. Immigration laws and policies in the United States are based on the assumption that families should be together, regardless of whether the parents are deported. Similarly, the child welfare policy aims to reunite families whenever possible. In practice, however, when mothers and fathers are detained and deported and their children are sent to the system of care of another family (foster care), the separation of the family can last for long periods. According to an ARC report (Wessler et al., 2011), during the first six months of 2011, the federal government removed more than 46,000 mothers and fathers of a citizen of the country.

A message intended in this section is that the lack of regularization of workers may cause serious harm to children, including children who already have the nationality of the receiving country. In practice, migrant detentions are often at a higher rank than civil laws and legislation for the protection of the family and childhood.

3.2. Cities and Migration

Immigration to a country tends to concentrate on certain industries and cities. Migration towards agriculture follows historical patterns, which have occurred since the mid-20th century, towards labor-intensive farming regions, and while it continues to be important in some regions, its relative importance has declined. Migration to cities will continue to grow in relative importance due to the decline of the economic weight of the primary sector. Migration to cities has acquired special characteristics, and the major cities in North America have immigrant populations of over 20 percent.

In the category of mega cities, Los Angeles has one third of immigrant population and New York's is 28 percent. Moreover, the most dynamic metropolitan areas almost invariably have a high proportion of immigrants: Miami, San José (the heart of Silicon Valley), Los Angeles, San Francisco, San Diego, Houston, Washington, D.C., and New York. Immigrants are key contributors to innovation and economic growth. A large body of research has shown that they account for a disproportionate share of the leading scientists, inventors and entrepreneurs.

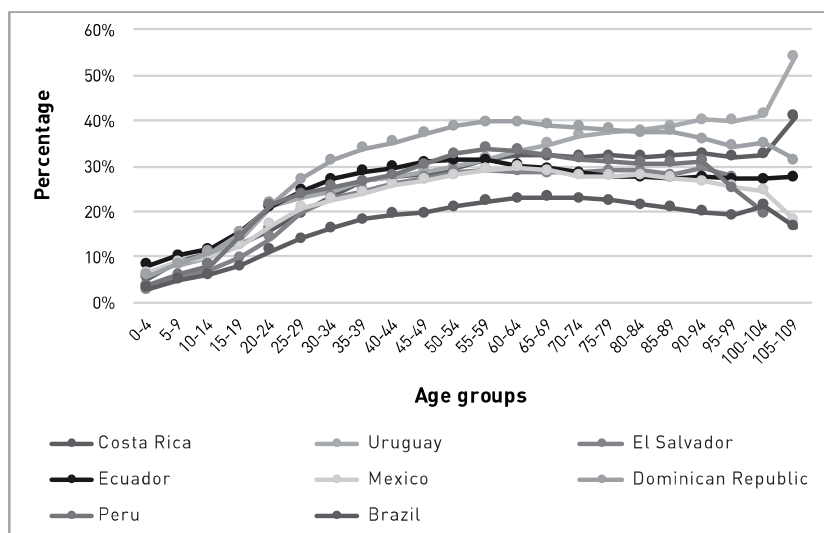
While international migration poses special challenges to social security, it is also useful to discuss internal migration, as it is correlated with international migration and impacts on social security administrations. Such impact arguably requires more attention in the field of health insurance because that is where portability problems are more likely to take place. Since pension systems are typically national, mobility within a country does not generate special administration challenges.

According to the Cities of Migration organization (Turner, 2012, p. 11), “at the municipal level, in our cities and urban regions, managing the settlement and inclusion of newcomers is vital. Managing it well can make a city prosper.” The cases presented that can be useful to other cities to develop a policy for migrants include:

- Montreal: Charter of Rights for Urban Citizens.
- Dublin: Did you know you can vote? Cities and Democracy at Work.
- Barcelona: Combating fiction with real data: NCB Anti-Rumor Campaign
- New Haven. Urban citizens: municipal identity cards to achieve integrated and safe communities.
- Frankfurt: Diversity Moves Frankfurt.
- Copenhagen: Engaging in Copenhagen
- Calgary: Calgary’s Employment Forums Go Face-to-Face
- Toronto: Mentoring skilled immigrants at City Hall
- New York: *We are New York*: ESL for the Newest New Yorker
- Philadelphia: The Philadelphia Story: Economic Integration through Integrated Services

While the emphasis of this document is international, in this point it is worth making reference to internal migration processes. Although migrants within a country do not face the problem of not having permission to work, they often engage in the informal economy and face protection gaps. Graph 3.1 shows that in Latin American countries 20–40 percent of people have become internal migrants in the average age groups (30–50 years of age). In other words, they live in a different place from their home town, when considering a higher level of administrative division (e.g. state or province).

GRAPH 3.1 INTERNAL MIGRATION IN A LIFETIME, GREATER ADMINISTRATIVE DIVISION



Source: Compiled by the author with information from the on-line database on International Migration Research in Latin America and the Caribbean (IMILA), from Centro Latinoamericano y Caribeño de Demografía (Celade) <<http://www.cepal.org/celade/migracion/imila/>>.

These problems do not only concern cities, but, because of their size and government capacity, large cities have a special interest in the adaptation of immigrants. They require “upward” coordination with national Governments, and “downward” coordination with the multiple communities that typically make up a city. Thus, governments of large cities can play a role in solving the problems that are often difficult to address by national governments. The following could be an agenda to support migrants in cities:

- Difficulties in learning the language
- Educating children and integrating them into the school system
- Finding employment
- Finding housing
- Getting access to services, especially when there is fear of deportation
- Transport, when it is not possible to get a driver’s license
- Cultural barriers.

3.3 Trade and migration⁵

The growth of the global economy has common causes with the pronounced growth of migration since the 1980s. It is no coincidence that migration increases while foreign investment and trade experience such an important growth. Until now, progress in normalizing trade relations between countries has not had a sufficiently rich correlate in the fields of employment and social protection.

The World Trade Organization (WTO) agreements and the regional trade agreements (such as NAFTA and Mercosur) are relevant to the issue of migration. Concerning the WTO, mode 4 of the General Agreement on Trade in Services (GATS) refers directly to the cross-border movement of people to provide services abroad. In the context of GATS, this is known as the “movement of natural persons.” It is defined as a temporary movement, but the concept of temporality is not further specified in the text.⁶

The trade liberalization of the services sector could offer significant gains, possibly greater than the liberalization of the international trade of goods. The trade of services cannot thrive if there is no promotion of movement of people. The main barriers to trade in services in mode 4 of the GATS are immigration policy and social security issues, the possible discriminatory treatment of foreign providers of services, and insufficient recognition of job qualifications. There is broad agreement in the literature that the text of the GATS, particularly mode 4, is rather vague; although it is potentially ambitious in practice, it has resulted in few commitments to opening markets. In any case, GATS only deals with the issue of temporary migration. A more significant implication of using GATS to deal with the problem of migration is the most-favored-nation clause that is included in trade agreements, as it would mean

⁵ Part of this section is based on the article by Strutt, Poot and Dubbleddam (2008) for the government of New Zealand.

⁶ The “modes” of the GATS are those in which the trade of services occurs: cross-border, consumption abroad, commercial presence and movement of natural persons.

that providing a certain treatment to a country requires automatically extending it to others. Furthermore, the considerable growth of *outsourcing* arrangements leads to changes in employment demand that may be significant in some cases.

In the end, workers should settle where the mixture of productivity, quality of life and other factors is most appropriate. Restrictions to migration hamper this process, and offsetting through trade and investment can be slow. In some countries, the idea that migration policy is only aimed at increasing the possibilities of employment for natives has been important, but that is inconsistent with the existence of trade agreements and the idea that greater mobility generates greater well-being overall. In other words, countries do not win by shutting themselves, and if everyone shuts themselves up, everyone loses.

There are two agreements that have become reference-points due to their importance and permanence: the European Union (EU) and the North American Free Trade Agreement (NAFTA). The EU is a unique agreement (or rather a set of agreements) due to the great diversity of countries it involves and the free mobility it provides people. Originally, the EU envisaged that only highly-qualified people would have mobility, but they eventually decided to include all citizens. However, mobility within the EU is not completely free of regulation. For its part, NAFTA only allows temporary mobility, and it does so on a restrictive basis. For example, people usually can move if they have a job or a business.

The message behind this section is that a large part of the growth of temporary migration is correlated with the growth in trade. The existing trade agreements do not address the issue in detail. The models of the EU and NAFTA represent two extremes: the objective of full mobility and mobility only for people directly involved in business activities. Overall, social security does not address the phenomenon of temporary migration. Even bilateral social security agreements often require a minimum contribution in each country to be able to integrate a pension benefit, and they also presuppose the idea that migration is permanent or at least medium-term. This is an area that should be explored, since social security could provide better solutions for temporary migrants, both in the field of pensions and in the field of health insurance.

A message behind this section is that progress in international trade agreements has been slow, and especially slow in terms of the topics of employment and social protection. Countries and social security agencies must seek alternative channels to generate social protection solutions.

3.4. Migration of health workers⁷

The motives for migration of workers in the health care industry are complex. Migratory flows respond to a wide range of factors affecting all forms of migration—such as the differences of opportunities among sending and receiving countries, and the history of political and trade relations between countries. For health care

⁷ This section uses material from the World Health Organization report by Siyam and Dal Poz (2014).

workers, they also depend on policies relating to health care personnel and institutions, changes in the demand for health care services (including the ways to address the ageing of the population), policies on the granting of credentials or registration of professionals trained abroad, and immigration laws —which are not generally designed considering the needs of the sector.

The migration of the workforce of the health services industry is under scrutiny, largely due to concerns about its potential impact on the countries of origin. The reason is that the movement is taking place from developing countries to richer countries, which benefit from receiving highly qualified labor without having invested in their development.

Indeed, this kind of migration has various facets: it takes place from lower-income countries to others that pay more to health care workers, it is a movement to countries with aging populations that require long-term care, it aims at countries that are typically net recipients of migrants, and, in the case of more highly-qualified workers, it happens once the training has been completed in the country of origin. Australia, Canada, United Kingdom and the United States together account for the majority of international mobility of doctors and nurses in OECD countries.

The phenomenon has also taken place in Latin America. While there is no systematic information for the entire region, partial evidence suggests that the phenomenon is significant. PAHO has encouraged the study of the problem in the Andean region, which seems to have considerable emigration (Colombia, Venezuela, Ecuador, Bolivia, Peru, Chile). For example, a study by Gamero Requena (2011) reports an annual emigration of 1,991 physicians and 1,293 nurses from the Andean region, roughly from 1994 to 2008. According to the study, the cost of training these personnel was about \$682 million in public expenditure, and \$752 million in private expenditure; an estimate of the aggregate cost of emigration for national economies was \$221 million in public expenditure and \$153 million in private expenditure.

The sources of health care professionals trained abroad vary depending on the receiving country and the occupation. India is the largest source of physicians in the countries included in the WHO study. The country is ranked first as the place of origin of doctors in Australia, the United Kingdom and the United States, and second in Canada. South Africa has also been an important source of physicians in all countries except the United States, and it is the largest (and growing) country of origin in Canada. Similarly, Philippines is the dominant country of origin of nurses, representing the main source of nurses in Canada, the United Kingdom and the United States, and the third source in Australia, below the nurses coming from New Zealand and the United Kingdom/Ireland.

In addition to the global sources, each country has some specific migration patterns. For example, the U.S. has around 13,000 Mexican medical professionals and a considerable number of Haitian nurses. Work visas have not been the main path for physicians to arrive to the U.S., but the size of the U.S. economy means that a considerable number of them emigrates in this manner in absolute terms. (For example, 6,000-8,000 health professionals arrived with annual temporary H-1B visas during

the last years of the past decade.) Employment-based immigration is easier for nurses than for physicians, the reasons including that the rules for temporary skilled migration often require an undergraduate degree. However, as countries of origin have raised the academic requirements for nursing, there have been more people with undergraduate degrees, and this could presumably facilitate migration.

The adoption of the WHO Global Code of Practice on the International Recruitment of Health Personnel by member States in 2010 represents a major step forward to address the shortage of health workers around the world. The pronounced global shortage of health personnel represents a crisis today that is expected to worsen in the coming years. There is a chronic worldwide need of approximately 2.4 million more doctors, nurses and midwives, and nearly 2 million pharmacists and other paramedical workers (WHO, 2006).

There are currently nearly 60 million health workers worldwide, but they are unevenly distributed among countries and regions. Typically, they are most scarce where they are most needed, especially in the poorest countries. In any case, the total number is insufficient to meet the demands of the required access to health care of many populations. Both developed and developing countries are striving to address the enormous challenges posed by the imbalance between the increasing demand and the difficulties of educating and training enough staff.

Nurses and doctors trained abroad are an important part of the health personnel in the main English-speaking destinations; these flows do not seem to have been affected by the 2008-2009 economic crisis, and they are expected to remain strong in the coming decades due to the ageing of the population, which increases the demand for health services.

The health services industry was one of the few industries in the U.S. that experienced employment growth throughout the 2007-2009 recession, and projections indicate that health professions will be among the fastest-growing professions in the coming years. It is expected that the new jobs for registered nurses, who already account for the majority of health workers, and employment for home health aides will surpass almost all other types of employment in the U.S. The proportion of immigrants in the group of workers in health care occupations is the same as that in the group of general employees (16%). Moreover, immigrants have representation in the extremes of highly-qualified and low-qualified occupations in the health care sector; in other words, immigrants get to high and low positions, and to a lesser extent to intermediate levels. In 2009, for example, more than one fourth of medical practitioners and surgeons had been born abroad, as was the case of nearly one fifth of people employed as dentists, pharmacists, and health assistants for psychiatric and home nursing. Furthermore, there is evidence that many doctors trained abroad, nurses and other types of skilled health professionals do not practice in the U.S. because they find substantial barriers to practice; in other words, the absence of certain regulatory barriers would liberate the employment of personnel trained abroad. This situation can lead to "brain waste," that is, when highly-qualified immigrants are not able to secure employment that properly takes advantage of their skills and occupational education.

A bad outcome is that these professionals do not practice in their destination countries but do not return to practice to their countries of origin either.

In the U.S., health aides in nursing, psychiatry and home represent the largest segment of immigrant health workers, with a figure of 463,000 (or 27%). In 2009, the total number of foreign health workers was 1.7 million. These “direct care” positions are associated with low education and low entry barriers, and they do not always require a high school degree. Psychiatric nursing and home health aides (22% of whom are foreigners) are often involved in the care of elderly people, and the demand is likely to grow as the “baby boom” generation transitions to old age. According to a study, direct care workers tend to enter the U.S. through rules based on the union of families and other channels prescribed in immigration laws not directly relating to the employment.

Further considering immigration in the U.S., which is the main destination in the region, while the regional distribution of immigrant workers varies according to the specific health care occupations, Asia remains the predominant region of origin. However, there are exceptions to this pattern in almost all health care aide occupations. For example, the Caribbean is the most common region of origin for psychiatric nursing and home health aides (34%) and Latin America is the most common for dental assistants (40%).

Estimates also suggest that a significant proportion of physicians born abroad and nurses who practice in the United States were probably born and educated in countries facing shortage of critical health workforce. *The World Health Report 2006 - Working together for health*, by WHO estimates that there is scarcity of health care workers in 57 countries around the world: they have less than 23 physicians, nurses and midwives per 10,000 people (WHO, 2006) (tables 3.1 and 3.2).

A program that has sparked interest is Mais Médicos, which was launched by the government of Brazil in 2013. This program called foreign doctors to go to places where there were no Brazilian nationals willing to provide the service. The program aims to raise the rate of physicians per 1,000 inhabitants from 1.8 to 2.7 by 2026. While the call for foreign professionals was widely disseminated, the program is in fact an effort to strengthen the supply of Brazilian physicians and bring them to suburban and rural areas where there are deficiencies.

A line of thought is that, globally, countries will not be able to meet their needs of health professionals with immigrants, and only rich countries are attracting large numbers of professionals. The migration of health personnel can cover specific needs and is a way of enriching the human capital of each country, but it will be necessary to strengthen education in medicine, nursing and paramedical training, and make the labor market of health workers more flexible to promote the significant increase that is required in every country.

TABLE 3.1 PHYSICIANS AND NURSES TRAINED ABROAD IN SELECTED OECD COUNTRIES, BASED ON PROFESSIONAL RECORDS

	Year	Number	Participation (%)
Nurses			
<i>Trained abroad</i>			
Netherlands	2005	3,479	1.4
Canada	2007	20,319	7.9
United Kingdom	2001	50,564	8.0
Ireland	2008	37,892	47.1
<i>Foreigners</i>			
Italy	2008	33,364	9.4
Belgium	2008	2,271	1.5
Physicians			
<i>Trained abroad</i>			
Netherlands	2006	1,282	6.1
France	2005	12,124	5.8
Canada	2007	14,051	17.9
United States	2007	6,034	18.4
United Kingdom	2008	48,697	31.5
Ireland	2008	6,300	35.5
<i>Foreigners</i>			
Japan	2008	2,483	0.9
Germany	2008	21,784	5.2

Source: Siyam and Dal Poz (2014).

TABLE 3.2 NURSES AND PHYSICIANS EMPLOYED IN OECD COUNTRIES BY PLACE OF BIRTH, BASED ON POPULATION CENSUSES AROUND 2000

	Nurses	Physicians	Years of census
Canada	24.8	42.9	2001
United Kingdom	15.2	33.7	2001
Mexico	0.2	1.5	2000
United States	11.9	24.4	2000

Source: Siyam and Dal Poz (2014).

4. Cases of improvement and recommendations

4.1. Some cases of improvement in social protection for migrants

Providing an appropriate framework for work and social security for migrant workers is not only a concern of advanced countries, and it is necessary that everyone adopt a proactive position, especially regarding irregular immigrants. This section discusses recent experiences in this field.

- a. From 2010 to March 2015, the ILO collaborated with the World Association of Public Employment Services (WAPES) and the Central American Integration System (SICA) in a joint initiative that aims to strengthen labor intermediation services of public employment services in Central America and Dominican Republic. The initiative is implemented in the context of ILO's project to strengthen integrated training and labour intermediation systems (FOIL), and it is based on the model of the European Employment Service (EURES) —a network of public employment services in sending and receiving countries of migrants. EURES offers information on the labor market at the departure of migrants and upon their arrival, and it offers skills courses. The FOIL project has achieved bilateral labor migration agreements between Mexico and Guatemala and Nicaragua, Honduras and Guatemala.
- b. Another positive example is Brazil's Regularization Act 11,961, which provided temporary residence to foreigners in an irregular situation. It was adopted by the Brazilian National Congress in 2009. The period of implementation was July 3 to December 31, 2009, and it granted temporary residence for two years. According to the Federal Police, 42,400 foreigners benefited from this initiative (Presidencia da República, Casa Civil Subchefia para Assuntos Jurídicos, 2009).
- c. An event that has not yet finished is the one concerning the so-called deferred action programs (DAP) promoted by President Obama in the U.S. (Masters, 2016). In 2014, the absence of action by Congress, and the logistic and humanitarian inability to deport millions of people led the U.S. government to expand the DACA program (Deferred Action for Childhood Arrivals), which provides relief to immigrants who have arrived in the country before turning 16, and the DAPA (Deferred Action for Parents of Americans and Lawful Permanent Residents), to provide support to undocumented parents of citizens and legal residents. It is estimated that this program applies in the majority of cases to Hispanics —about 90 percent of beneficiaries. While DACA and DAPA are programs similar to others adopted by previous administrations, Texas and other twelve states sued the Obama Administration for not applying migration laws, and in June 2016 the Supreme Court issued a one-page judgment without making any decision on the matter, resulting in the programs being blocked upon the date of writing of that document.
- d. International social security agreements define a minimum standard that countries should achieve in the medium term. These instruments are also known as "totalization and double taxation" agreements, simply aimed at recognizing the work of people in different countries and avoiding double

taxation on the same work period. The CISS and OAS document presents a recent review of the status of these agreements in the region. Considering work a human right, there should be no reason not to sign these agreements. In practice, the greater part of migration in the Americas is not covered by these agreements, including the greater part of the documented migration. There are two major obstacles to achieving progress. The first is that migrant-sending countries do not always have sufficient institutions to manage the agreements —reliability is required for providing information, making payments, and ensuring overall integrity of the system for the countries that shall make the payment accept to sign an agreement. Second, people mix up the issue with that of migration and confuse the recognition of rights of working people with alleged illegal group behavior that merits punishment to all the group. But whatever the explanation, the reality is that the past years have seen little progress in the matter. Important agreements that have been signed in the past are maintained, but most international migrants in the Americas remain without recognition of the contributions made to social security.

- e. Regarding the academic literature, Ulf Rinne (2012) explains that there are two aspects: one relating to the evaluation of Labor Market programs, and another relating to the integration of immigrants. In addition to selection policies, there are mainly four types of policies: (i) introduction programs, (ii) language training, (iii) labor market programs, and (iv) anti-discrimination policies.

4.2. Short- and long-term recommendations for an agenda on migration and social security

Uncertainty has not made it easier to improve social protection for migrants. The era of political conflict and terrorism we have witnessed since the past decade affects migration policies and their social supplements. Nobody thinks that nearly all migrants are anything different from workers and their families, but the use of restrictive mobility policies for security reasons has affected the development of immigrant-friendly policies.

There is also lack of progress in multilateral trade forums. Proof of this are the difficulties encountered by governments under the so-called Doha Round, which began in 2001 and was expected to finish in 2005. The difficulty of agreements in fields like trade and investment is even more serious in social and migration issues, as stated in the section on ILO agreements on the matter (we saw that a minority of countries adheres to such agreements).

The lack of multilateral agreements brings the risk that the space for global governance be taken by institutions that leave out weaker nations, and that solutions requiring collective action from countries are not implemented.

In the complexity of global policy, the issue of social rights has proven to be one of the most difficult. Fundamental social rights have been difficult to integrate in trade

negotiations. Social security works on a territorial basis, with rights and obligations defined by national governments. Despite the existence of totalization agreements, the vast majority of international migrants in the Americas is not covered by them.

Thus, it is relevant to point at potential policies to improve international dialogue and advance in providing solutions to the protection problems of migrants. The following is a list of proposals in this respect. The following are problems in terms of strengths and weaknesses to focus the discussion on what social security can do to contribute to increasing protection to migrants. This is an agenda for discussion rather than a list of proposals.

- *Improving social security administration to register migrants.*
WEAKNESS: Deficiencies in the registration of migrants, both exiting and entering the country. Sending countries have made feeble efforts to manage migration of their nationals; there are no reliable databases to facilitate dialogue and manage cases with the migration and social security systems in receiving countries.
STRENGTH: Considering that social security is the area with most contact with immigrants, and that people have an incentive to keep their information in social security agencies up to date, work must be done with migration authorities to improve the administrative registration of migrants, in the process for both entry to and exit from workforce and the country.
- *Designing new formal instruments for communication between countries.*
WEAKNESS: The ILO conventions on migration have been ratified by a minority of countries. While they include basic provisions for social protection, they are not generally accepted. Some agencies are not legally able to register migrants as such because of legal restrictions.
STRENGTH: Countries have interest in knowing more about migrants, regardless of whether they are temporary or permanent, even if they are undocumented. Effective and structured communication between countries can serve as a basis to formulate realistic options to achieve multilateral and bilateral developments in social protection issues.
- *Recognizing that migration is not a temporary phenomenon, and that permanent solutions are required in social protection.*
WEAKNESS: Migration and social security rules rely on the assumption that workers make their entire careers in a single country. In the absence of temporary work programs, the pressure of undocumented migration rises, along with the cost of return migration.
STRENGTH: Migration is a reality, not as a special case, but as an important part of the workforce in several countries. Social security laws must be adapted so that social security be the rule for all, including migrants, instead of achieving it only by exception. The implementation of temporary migration programs would diminish the pressure of undocumented migration.
- *Supporting countries with institutional weakness to improve their information systems.*
WEAKNESS: Some small countries or countries with low social security coverage cannot have access to the model of international totalization and double taxation agreements because they lack the administrative capacity.

- STRENGTH:** International financial agencies can support the development of administrative systems for social security and, especially, migrant registration to facilitate work towards international agreements.
- *Facilitating family integration and protecting children.*
WEAKNESS: migration policies can be above civil legislation and family reunification policies, leaving children unprotected, including those who already have been granted nationality in the destination country of the parents.
STRENGTH: migration laws should pay special attention to cases involving children and facilitate family union, avoiding the sudden separation of the family and the detention of children.
 - *Promoting an agenda for social protection to migrants at the city level.*
WEAKNESS: Migration policy is defined by national governments, but migrant integration challenges are increasingly happening in large cities that concentrate employment and migrant families.
STRENGTH: Developing joint agendas for social protection between social security institutions and cities with high immigration levels. In addition to the international issue, internal migration has been linked to the fact that migrants in cities often belong to the informal economy, thus opening another space for cooperation between cities and social security agencies.
 - *Recognizing imbalances in supply and demand of health personnel and facilitating their temporary migration.*
WEAKNESS: There is a global gap in the supply of medical, nursing and paramedic staff. Some countries are attracting personnel because of their higher wages, and others have active policies to recruit staff. All in all, there is a need to increase the global supply. Medical, nursing and paramedic staff tend to migrate to jobs in richer countries, thus wasting the investment of lower-income countries.
STRENGTH: Social security agencies that finance health care services should work with providers to find solutions to increase the national supply of physicians. Staff migration should happen in compliance with the ethical principles summarized by WHO. Allowing temporary migration can help solve the problems in receiving countries without undue harm in the supply of doctors and nurses in sending countries.

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*Redistributive Effects of the National Financing Program
for Micro-entrepreneurs and Rural Women in Mexico
A study with gender approach*

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Abstract

This paper assesses the impact of the National Financing Program for Micro-entrepreneurs and Rural Women (Pronafim) on the generation and redistribution of income in Mexico, adopting a gender approach. For this, the accounting multipliers model is proposed to endogenously characterize the income-expenditure relations between: 31 economic sectors, two types of households (male-headed and female-headed), four types of occupation (salaried workers, employers, self-employed, and unpaid workers), and unpaid domestic work by gender. The production activities that are more benefited in terms of increased income and better position in the country's income distribution are trade and temporary accommodation and food and beverage preparation services. Regarding households, while income increases in both types of households, only male-headed households get a better position in income distribution.

1. Introduction

Mexico is one of the countries with the highest levels of inequality worldwide. In 2014, its Gini coefficient¹ was 48.2, a much higher figure than those reported in developed countries like Germany, whose coefficient was 30.13 points in 2012. According to Germán-Soto and Chapa (2015), the slow economic growth of the last few decades has caused inequality in Mexico to remain practically constant.

Income inequality is reflected not only in the gap between the rich and the poor, but also in the income gap between men and women. One of the major factors contributing to such income inequality in terms of gender is the fact that women do not have the same opportunities to find employment in the labor market. While women have been gaining ground in the labor market in the last few decades, the time they devote to production activities is still very different from the time men do. It is precisely this difference between the tasks that men and women do at home (unpaid domestic work) and in the labor market that determines some of the most important gender inequalities in the country.

According to the results of the National Employment and Occupation Survey (ENOE), during the last quarter of 2016, a working woman devoted on average 20% more

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¹ According to World Bank data.

time to both economic and non-economic activities than a man. Furthermore, an unemployed woman used 120% more hours to both economic and non-economic activities than an unemployed man, and an economically inactive woman devoted 45% more hours to both economic and non-economic activities than an economically inactive man. In terms of wages, in 2015, for every peso in a man's wage, a woman with the same characteristics earned 79 cents on average, that is, 21% less (Chapa & Ramírez, 2017).

The participation of the female labor force in the Mexican economy increased by 2.1% between 2003 and 2008², rising from 37.8% in 2003 to 39.9% in 2008, achieving an average annual growth rate of 5.5%, which was higher than the 3.6% rate achieved by the male labor force³. In terms of sectors, women are typically employed in the services and trade sector.

This reduction of the gap between men and women in the labor force participation rate may be due to the fact that the population growth rate of women has increased at a faster pace than that of men—during the years covered by the surveys of the economic censuses, 2003-2008, the rate of female population growth was 6.71%, compared with 5.84%⁴ for men. However, while the participation of women in the labor force has increased, presumably due to female population growth, it does not necessarily mean that women have obtained better quality jobs.

Nevertheless, the greater population growth of women compared with that of men brings an unfavorable context for female labor because, not being able to integrate into the labor market, women turn to informal and/or unpaid activities.

The *Gender inequality at work report* published by the Instituto Nacional de las Mujeres in September 2008 states that 10.4% of working women do so without receiving any kind of payment for their work, compared with only 5% of men who are in the same situation. Unpaid female workers usually work in businesses using household resources.

Furthermore, it also states that the largest proportion of unpaid female workers is in the trade sector, especially in restaurants, with 56% of concentration—unlike men, who are concentrated in the agricultural sector with a 60.6%. With regard to age groups, the majority of working women who do not receive any monetary remuneration are between 20 and 60 years of age, while the majority of unpaid working men are between 14 and 50 years of age.

However, women face not only fewer opportunities of gainful employment, but also few possibilities of getting access to adequate financing to be able to develop and expand new business ideas. According to the Outcome Report for 2010 of the National Survey on Competitiveness, Sources of Financing, and Use of Financial Services by

² 2004 and 2009 economic censuses.

³ Instituto Nacional de Estadística y Geografía (INEGI), 2011.

⁴ Projections of the Consejo Nacional de Población (Conapo).