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# **Social Protection in Argentina**

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**A view from the perspective of  
Access, Financing and Solidarity  
May, 2007**

# 1. Introduction

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## SOCIAL PROTECTION IN ARGENTINA

### Lights

- Long history of social protection policies
- Achieved a high level of human development (en AL)
- Considered pioneer in developing social security
- Programs that are mature and with coverage similar to OECD countries

### Shadows:

- Large inequality in social security coverage
- Contributory systems provides space for social exclusion
- Economic performance with high social costs demands attention of both contributory and non contributory social protection

# 1. Introduction

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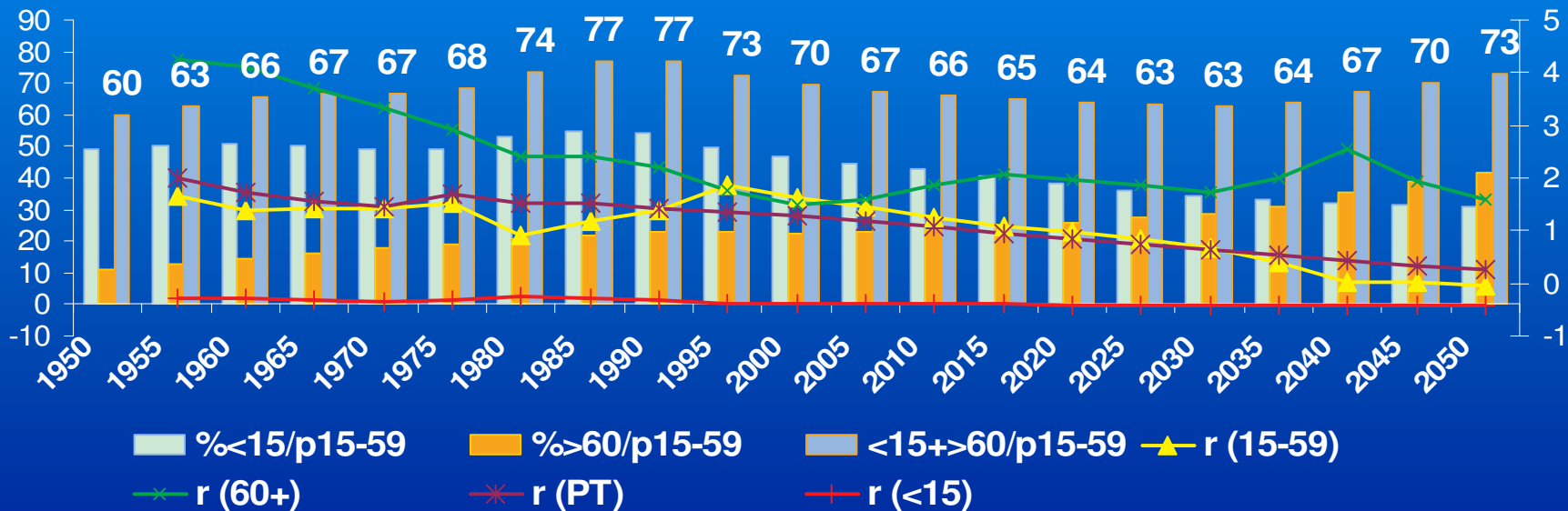
- **ACCESS, FINANCING AND SOLIDARITY**

- The **TASK** of universalizing and improving social protection is yet to be completed
- Employment alone is not enough to universalize coverage
- Greater complementarity between solidarity and incentives
- The contributory and non-contributory systems need to be integrated

**Reforms in the context of a social pact in which rights are the normative horizon and economic inequalities are constraints to be overcome**

# ARGENTINA: An aging society

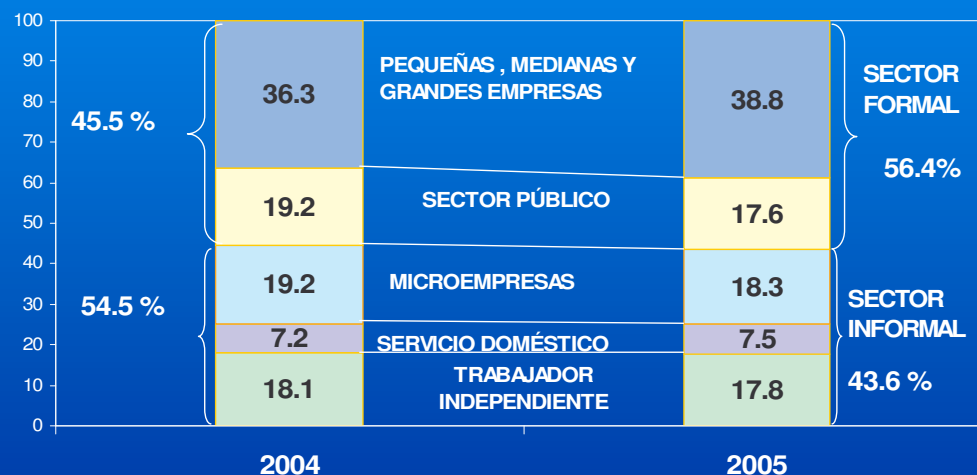
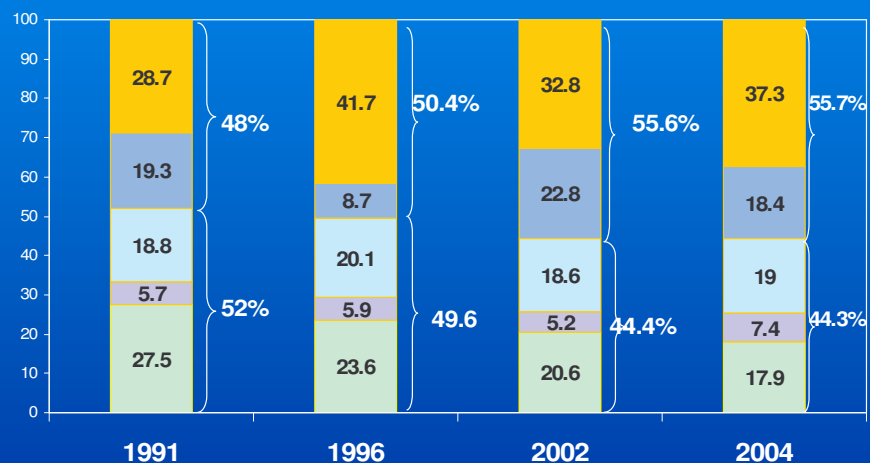
## ARGENTINA: TRANSICIÓN DEMOGRÁFICA AVANZADA



# Persistence of informality

## Argentina : Estructura del empleo URBANOa/ 2004-2005

Argentina 1991-2004 Estructura del empleo  
NO AGRÍCOLA

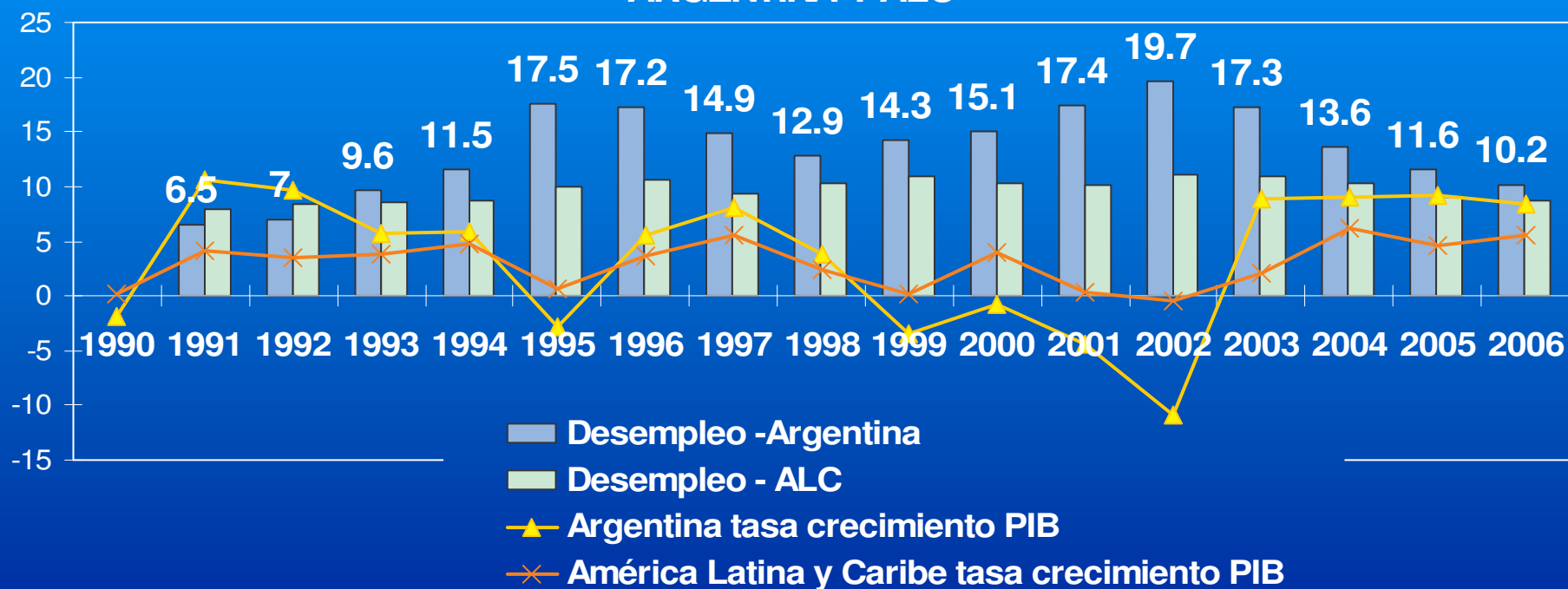


FUENTE: PANORAMA LABORAL 2004 Y 2006.

a/Nueva medición desde el 2004

# Cyclical unemployment

## DESEMPLEO ABIERTO URBANO (% DE LA PEA) ARGENTINA Y ALC

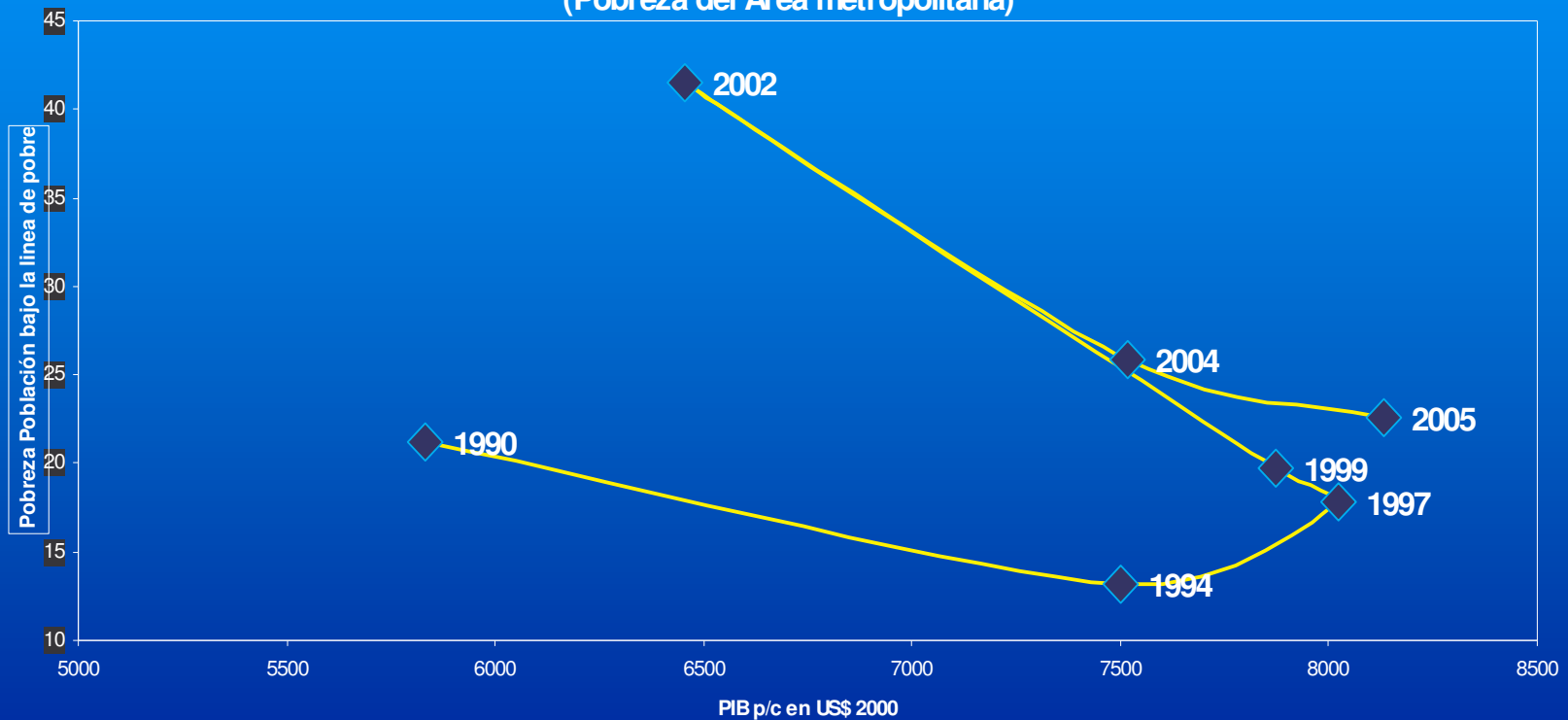


Fuente: CEPAL,

Nota: a/ Argentina corresponde a zonas urbanas

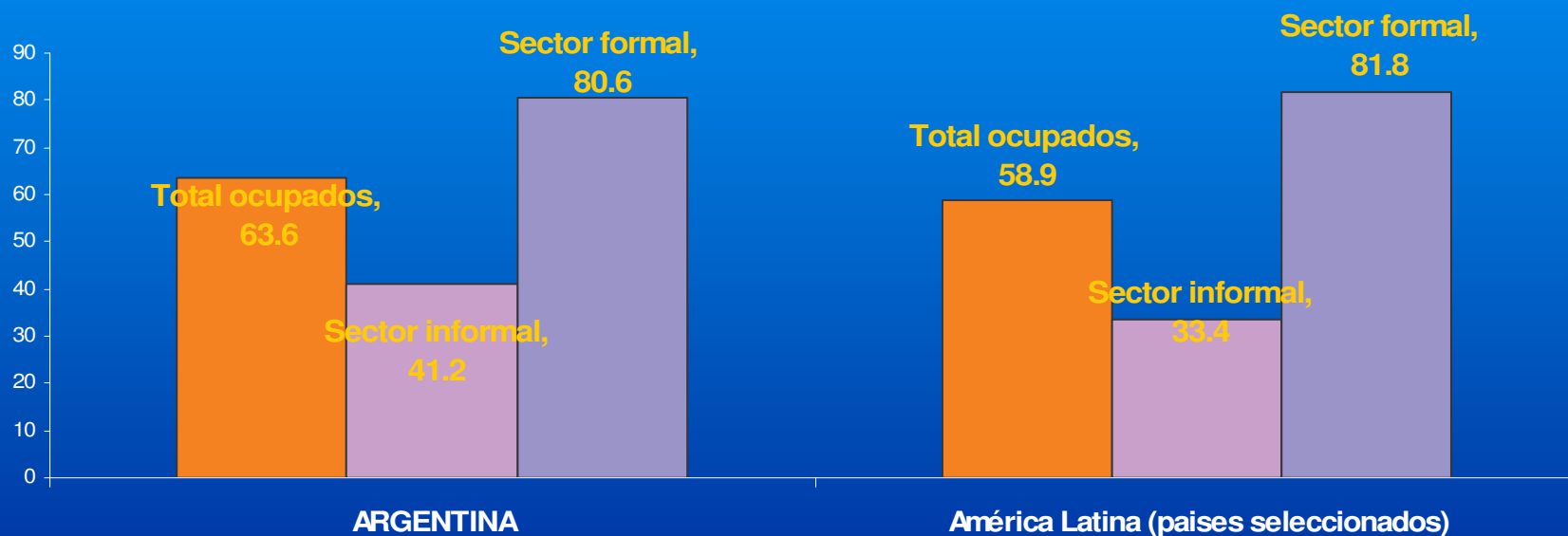
# Very vulnerable to economic shocks

ARGENTINA : PIB POR HABITANTE Y POBREZA  
(Pobreza del Area metropolitana)



# With labor segmented coverage

## POBLACIÓN OCUPADA URBANA CON PROTECCIÓN EN SALUD Y/O PENSIONES (Porcentajes)



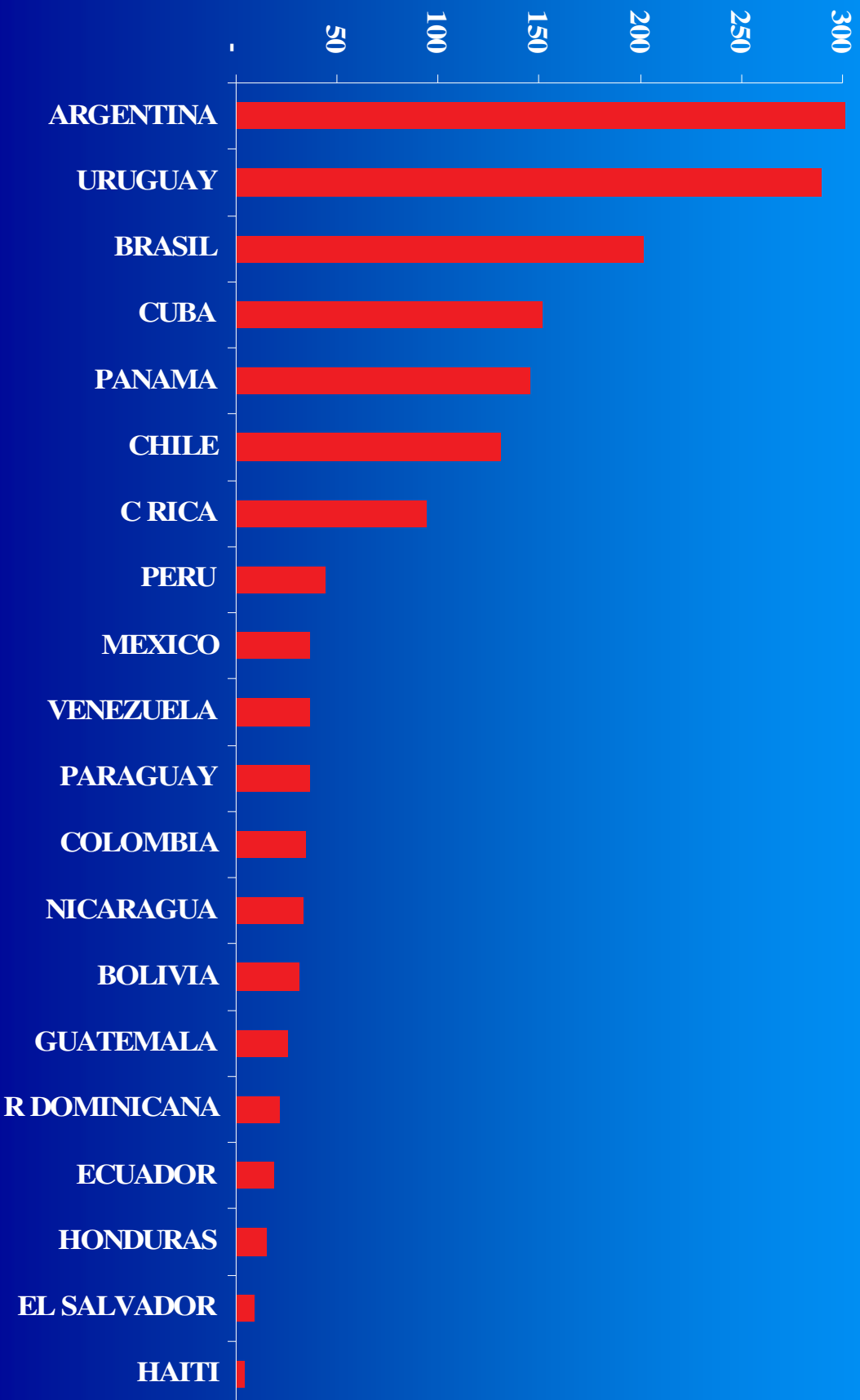


# Needs to improve social protection design

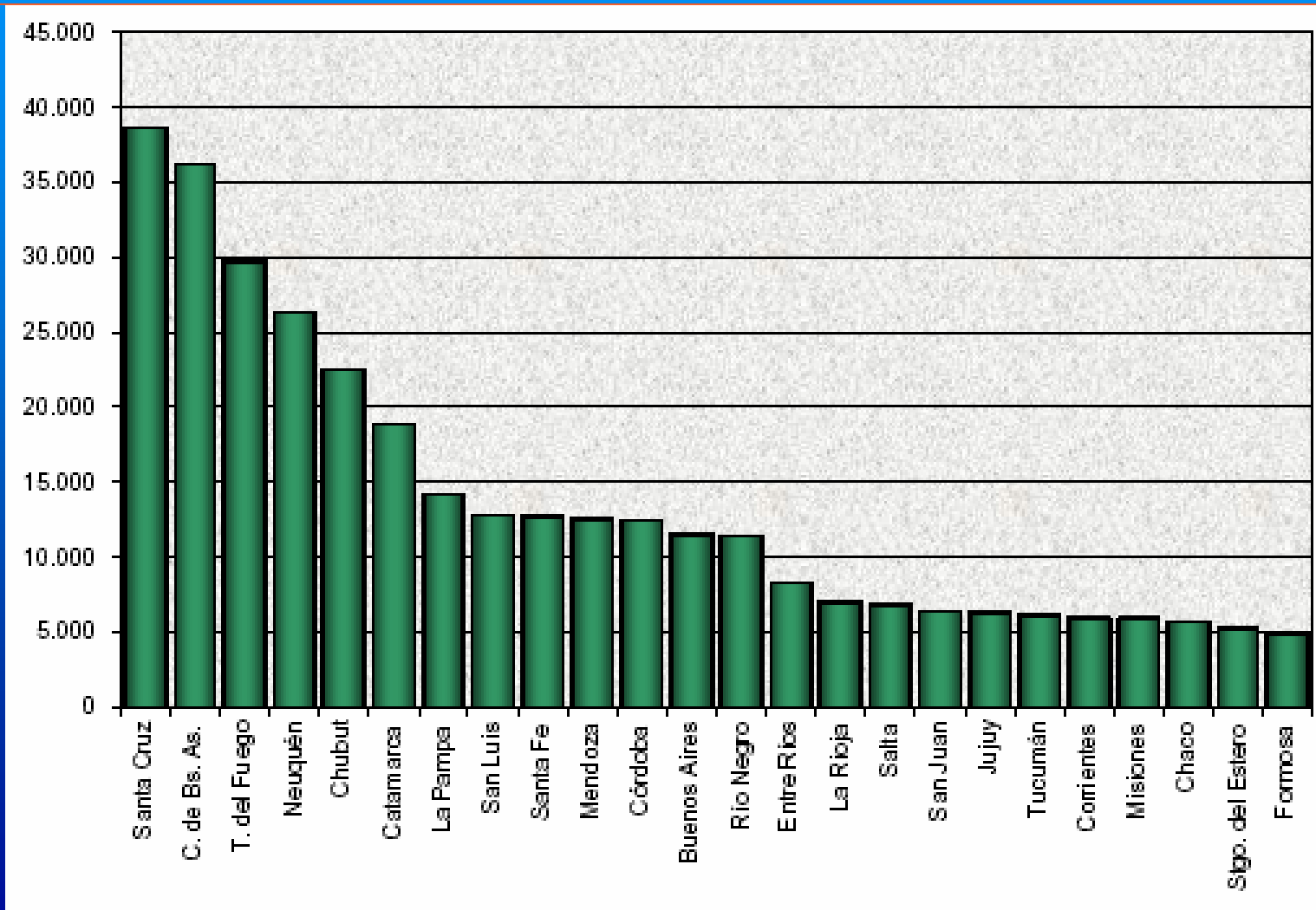
CURRENT RENDS				OBJECTIVE			
FUNCTIONS	SECTORS			FUNCTIONS	SECTORS		
	INSURED	NON INSURED			INSURED	NON INSURED	MIDDLE HIGH CLASS
		POOR	MIDLE HIGH CLASS				
REGULATION	↓	↓	↓	REGULATION	→	→	→
FINANCING				FINANCING	→	→	→
PROVISION				PROVISION	→	→	→
	SOCIAL SECURITY	PUBLIC SECT	PRIVATE SECT		SOCIAL SECURITY	PUBLIC SECT	PRIVAT E SECT

Fuente: Londoño y Frenk.

# Given a relatively high implicit provisional debt



# And large differences in the regional level of development



## 2. Sensitive issues

- **COVERAGE:** quality and equity in the public provision of health and educational services has worsened; □
  - **DESCENTRALIZATION:** badly oriented in a federal country with large regional inequality □
  - **EFFICIENCY,** fragmentation in an health system with increasing coverage □
  - **SUSTAINABILITY:** Unsustainable pension system □
  - **LABOR** Increasing labor informality that threatens the viability and pertinence of the current social security system □
  - **COMPENSATION;** Assistance programs have turned to be more permanent than transitory
- **THESE ARE HISTORICAL PROBLEMS OF A STRUCTURAL NATURE THAT HAVE NOT BEEN TIMELY FACED**

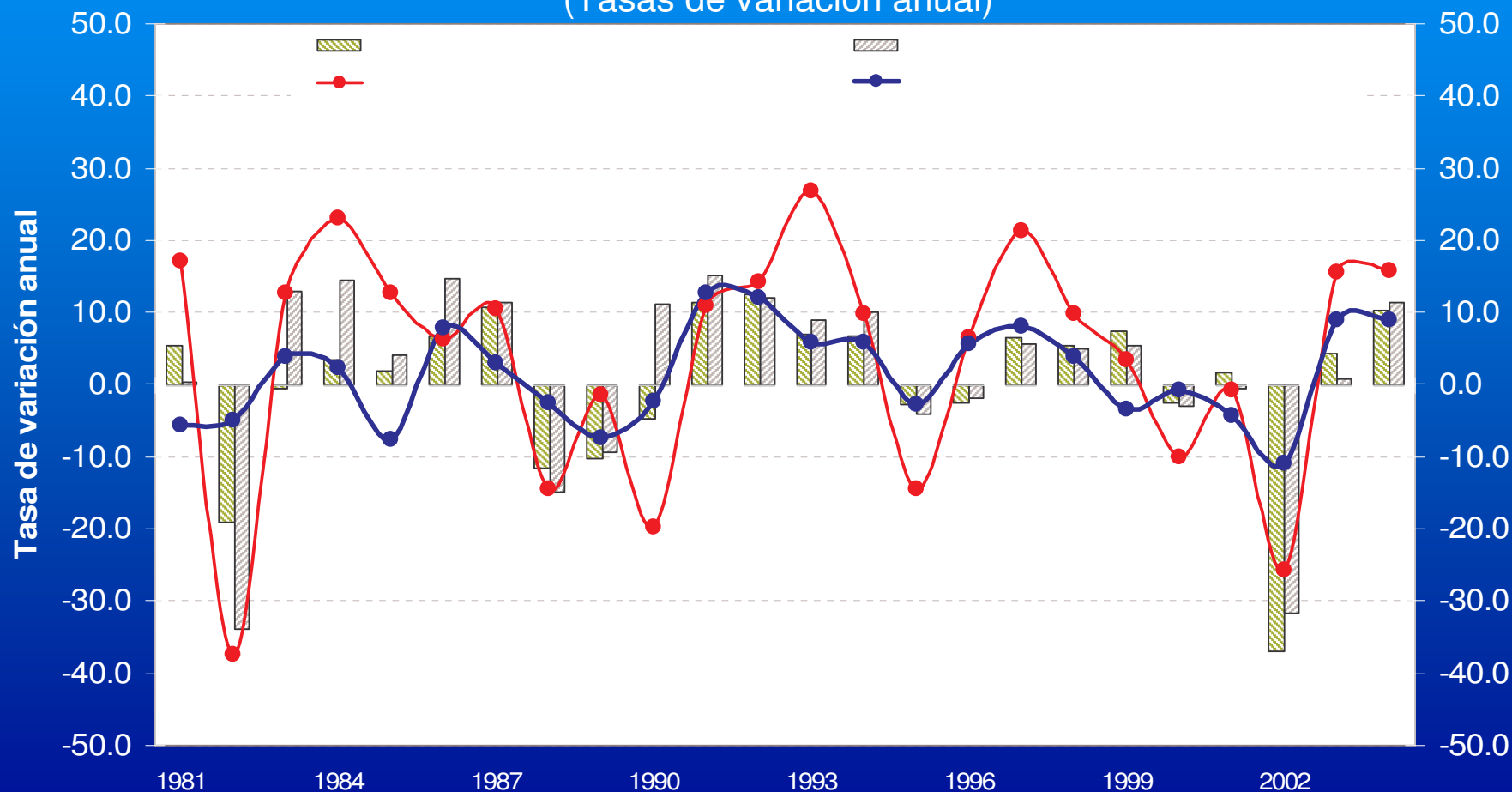
<b>REFORM</b>	<b>CONSEQUENCE</b>	<b>CHALLENGE</b>
<b>DESCENTRALIZATION OF SOCIAL EXPENDITURE</b>	<b>FEDERALISM AND INEQUALITY</b>	<b>SOLIDARITY AMONG REGIONS</b>
<b>REGULATION OF THE HEALTH SYSTEM</b>	<b>INEQUALITY IN ITS ORGANIZATION</b>	<b>INCREASING COSTS</b>
<b>REFORMING THE REFORM OF THE PENSION SYSTEM</b>	<b>LACK OF SOCIAL COHESION AND CREDIBILITY</b>	<b>SUSTAINABILITY AND CREDIBILITY</b>
<b>UNEMPLOYMENT INSURANCE AND SOCIAL ASSISTANCE PROGRAMS</b>	<b>SOCIAL IMPACT OF ECONOMIC CRISES LASTED LONGER</b>	<b>GRADUATION</b>

# 3. Decentralization and federalism

- **HIGHLY PRO-CYCLICAL EXPENDITURE**
- **DESCENTRALIZATION**
  - INCREASING EXPENDITURES BY PROVINCES AND MUNICIPALITIES WHILE STRUCTURE OF RECEIPTS IS FIXED
  - DIFFERENCES IN DELEGATION TO PROVINCES AND MUNICIPALITIES BY AREAS
- **EFFICIENCY IS CORRELATED WITH LEVEL OF DEVELOPMENT, WHEREAS LESS DEVELOPED REGIONS RECEIVE RELATIVELY HIGHER TRANSFERS FROM THE NATION**
- **EQUITY;**
  - RICHER PROVINCES SHOW LEVELS OF INCOME PER CAPITA THAT ARE SEVENFOLD THAT OF THE POORER
  - COMPENSATION MECHANISM IS NOT WORKING
  - DURING THE NINETIES AND MEASURED BY GDP PER CAPITA, THE REGIONS DID NOT CONVERGE: THOSE RICHER GREW FASTER
- **PUBLIC SOCIAL EXPENDITURE**
  - VERY RIGID STRUCTURE

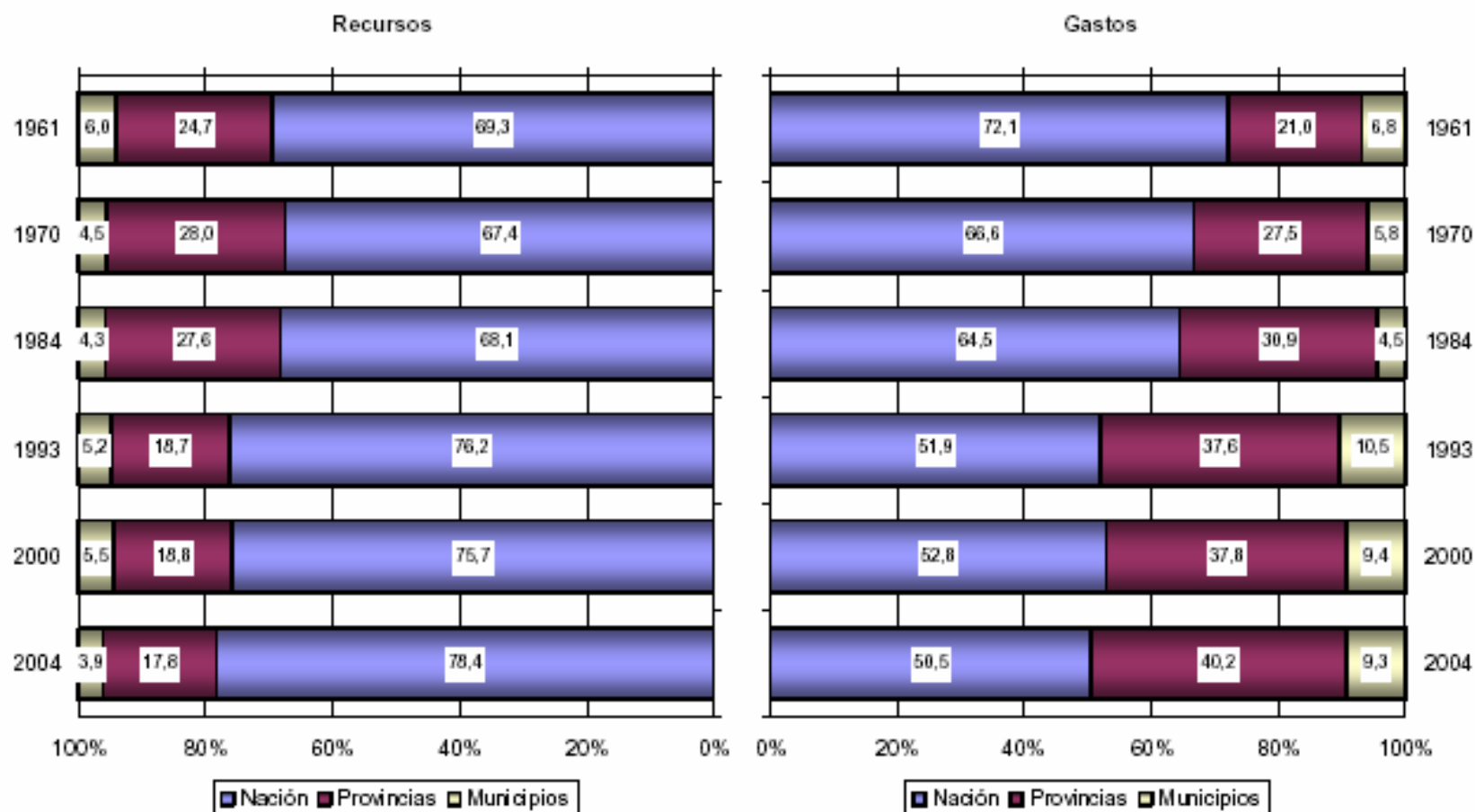
# Public sector expenditures are highly pro-cyclical

Argentina: Evolución del producto interno bruto, el gasto público total, el gasto social y el gasto en asistencia social  
(Tasas de variación anual)



Fuente: Datos oficiales del país y World Development Indicators, Banco Mundial.

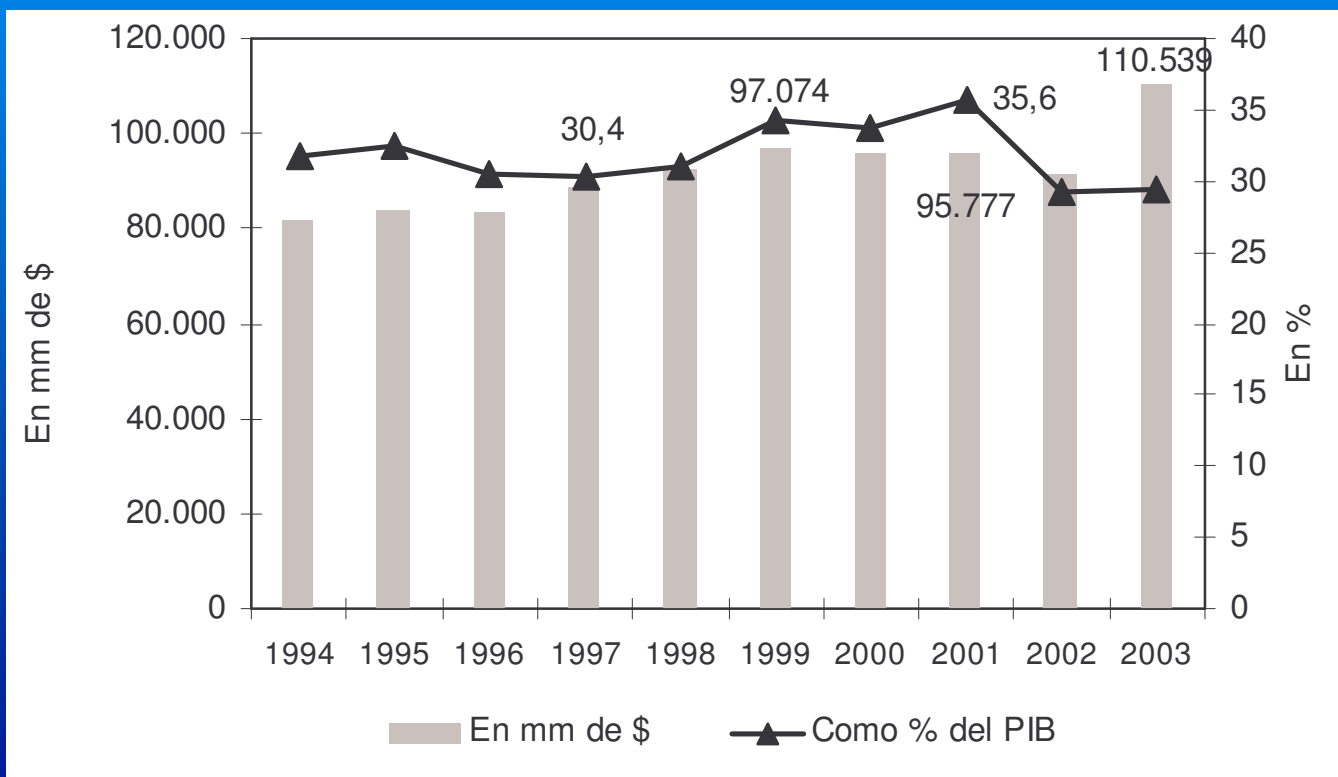
# There is evidence of large decentralization transfers





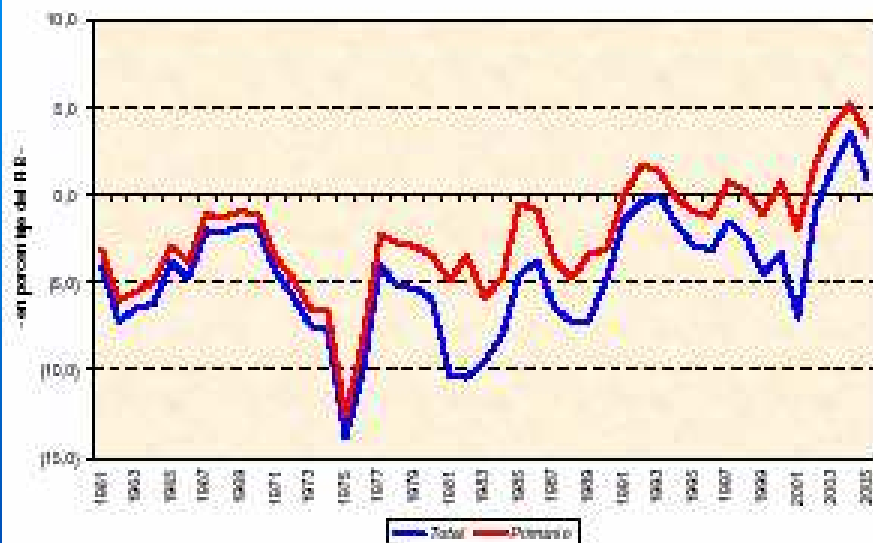
# Consolidated public expenditure has been procyclical

millions of pesos: 1994 - 2003

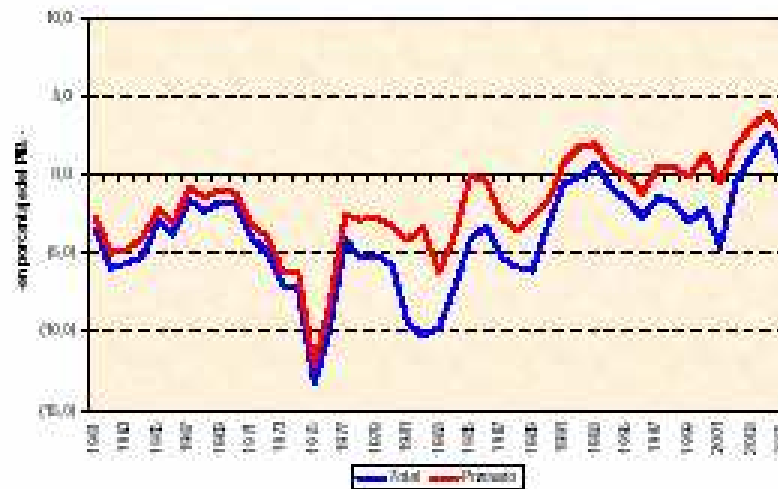


# Increasing solvency in public sector accounts. 1961 – 2005

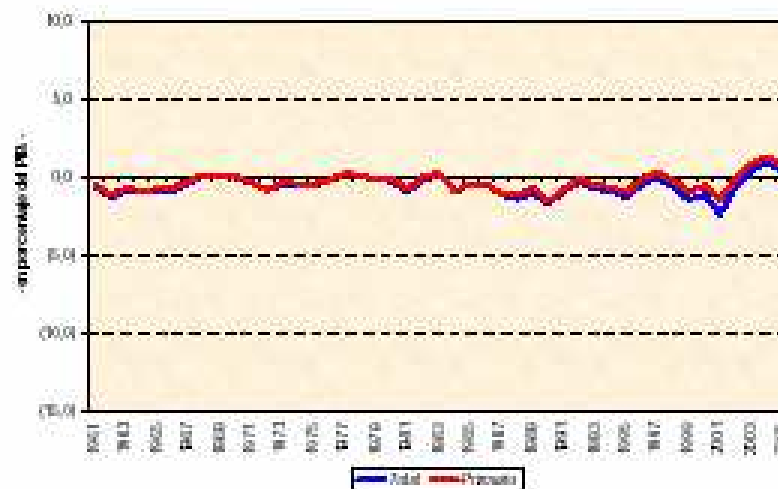
RESULTADO DEL SECTOR PÚBLICO CONSOLIDADO



RESULTADO DEL SECTOR PÚBLICO NACIONAL



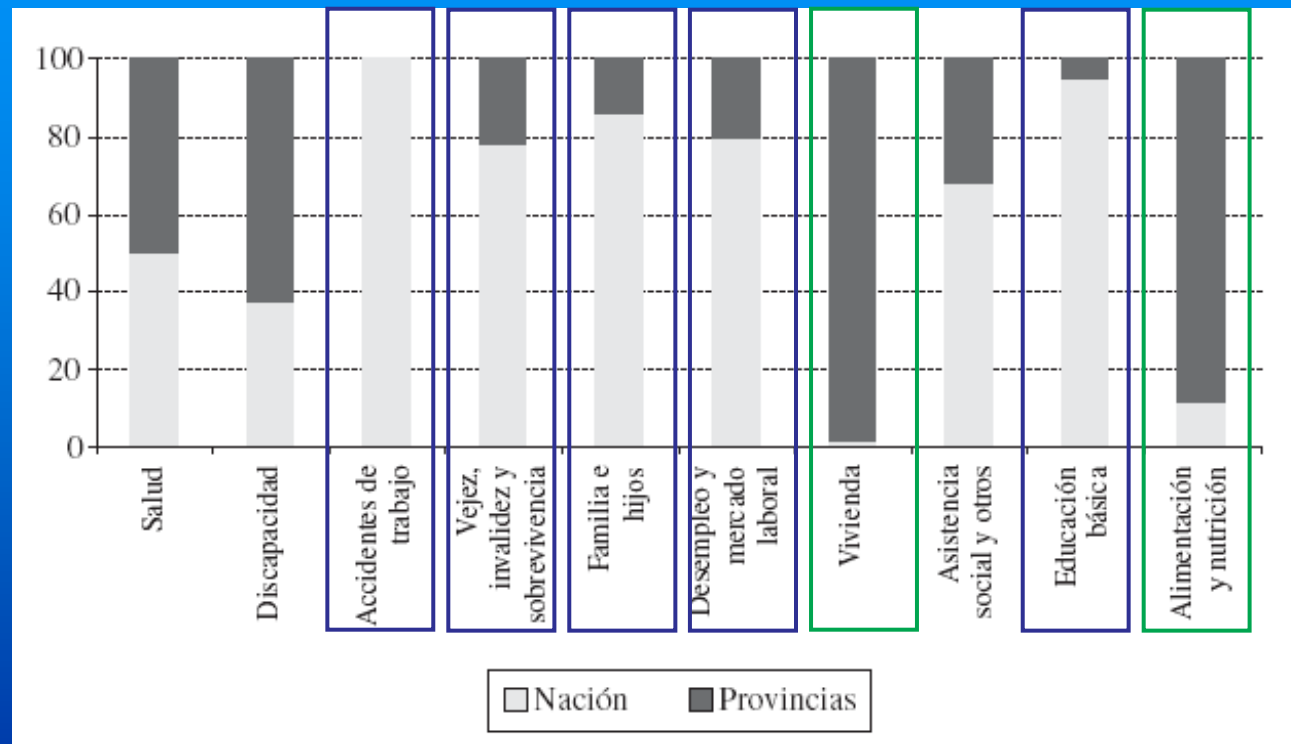
RESULTADO DEL SECTOR PÚBLICO PROVINCIAL



El resultado agregado es explicado básicamente por las cuentas de la Nación

# But decentralization varies by program

PERCENTAGE DISTRIBUTION BY AREA OF LEVEL OF GOVERNMENT :  
average 2001 - 2003



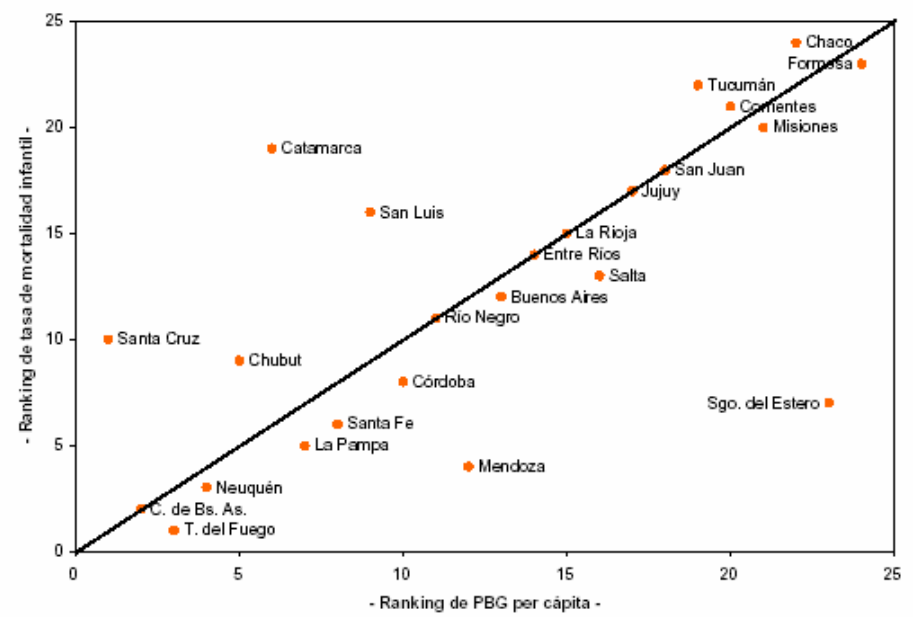
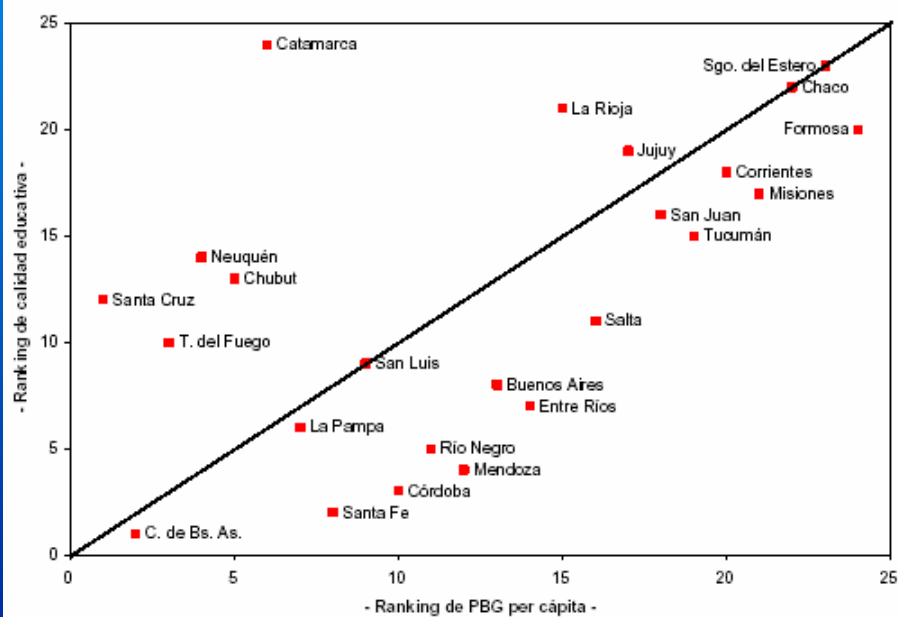
- CENTRALIZED FOR LABOR ACCIDENTS, PRIMARY EDUCATION, FAMILY AND CHILDREN, UNEMPLOYMENT AND PENSIONS.
- MOST DESCENTRALIZED FOR HOUSING, FOOD AND NUTRITION.
- 50 – 50 FOR HEALTH

# Effectiveness of social expenditure is a function of the level of development

## EDUCATION QUALITY

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## INFANT MORTALITY



# Characteristics of Public social expenditure

- $\frac{3}{4}$  GOES TO SOCIAL PROTECTION, REPRESENTING 15 % OF GDP, AND THE NATION EXECUTES  $\frac{2}{3}$  OF IT
- MOSTLY IN HEALTH (24 % ) AND PENSIONS (57%)
- ORIENTED TO MITIGATE THE CONSEQUENCES OF RISKS
- ON A CONTRIBUTORY BASIS
- UNDER THE FORM OF INSURANCE
- UNTIL LATELY DOMINATED BY OBLIGED EXPENDITURES
- AND AN INCREASING IMPORTANCE OF
  - EMPLOYMENT AND FOOD ASSISTANCE BENEFITS
  - SPECIFIC PROGRAMS

# Decentralization and federalism

## CHALLENGES

- REDUCE REGIONAL INEQUALITY
- INDEPENDENCE FROM CO-PARTICIPATION LAW
- COMPREHENSIVE SOCIAL POLICY PACKAGES
- CONSOLIDATE REGIONAL ACCOUNTABILITY

## POLICIES

- FISCAL RESPONSABILITY AND EDUCATIONAL FEDERAL BUDGET LAWS
- FEDERAL COUNCILS SPECIALY ON FISCAL RESPONSIBILITY
- GUARANTEES AND ACTUARIAL PROJECTIONS

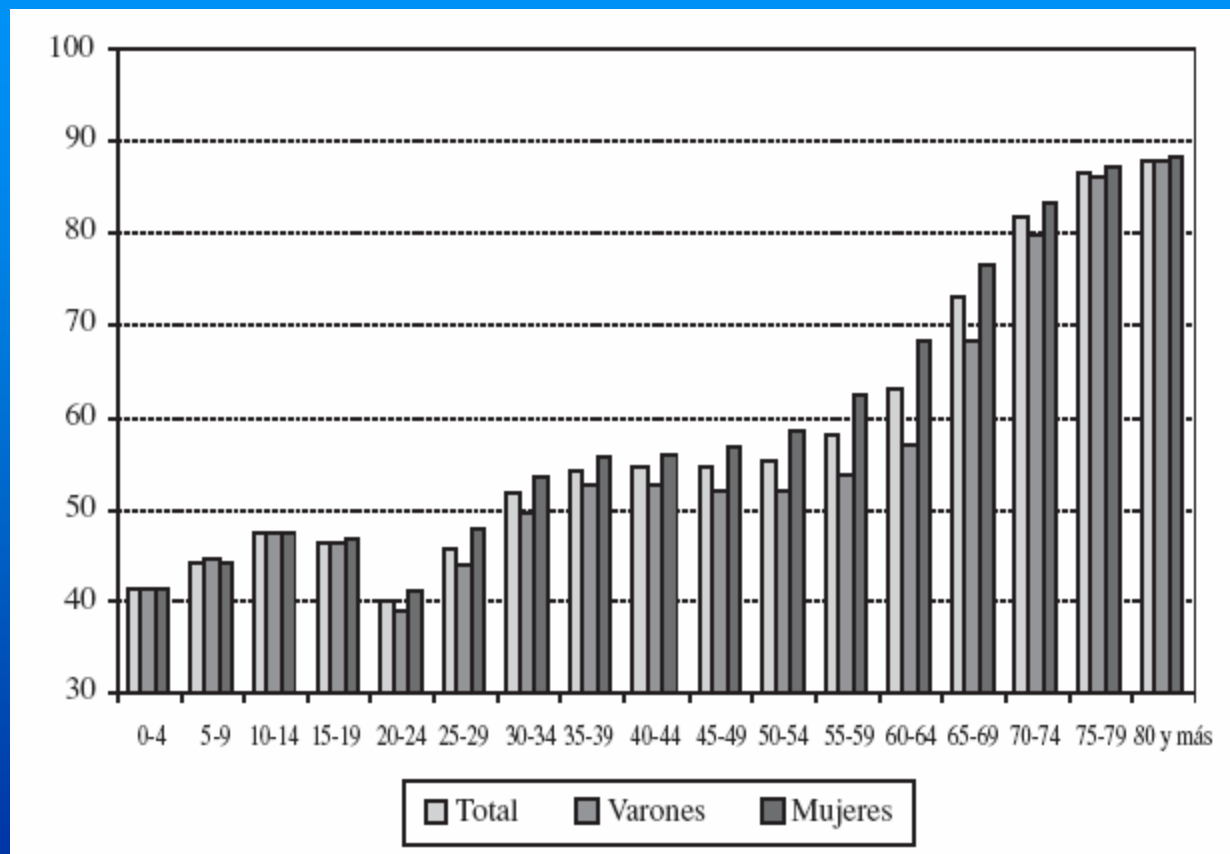
# 4. Regulation of the health system

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- **CONTRIBUTIVE COVERAGE IS LOW**
- **WEAK ARTICULATION BETWEEN PUBLIC, SOCIAL SECURITY AND PRIVATE COMPONENTS**
- **NEED TO INCORPORATE SOLIDARITY FINANCING MECHANISMS (BOTH CONTRIBUTIVE AND NON CONTRIBUTIVE)**
- **NEED TO IMPROVE ACCESS, EFFICIENCY AND QUALITY**

# Contributive coverage is low

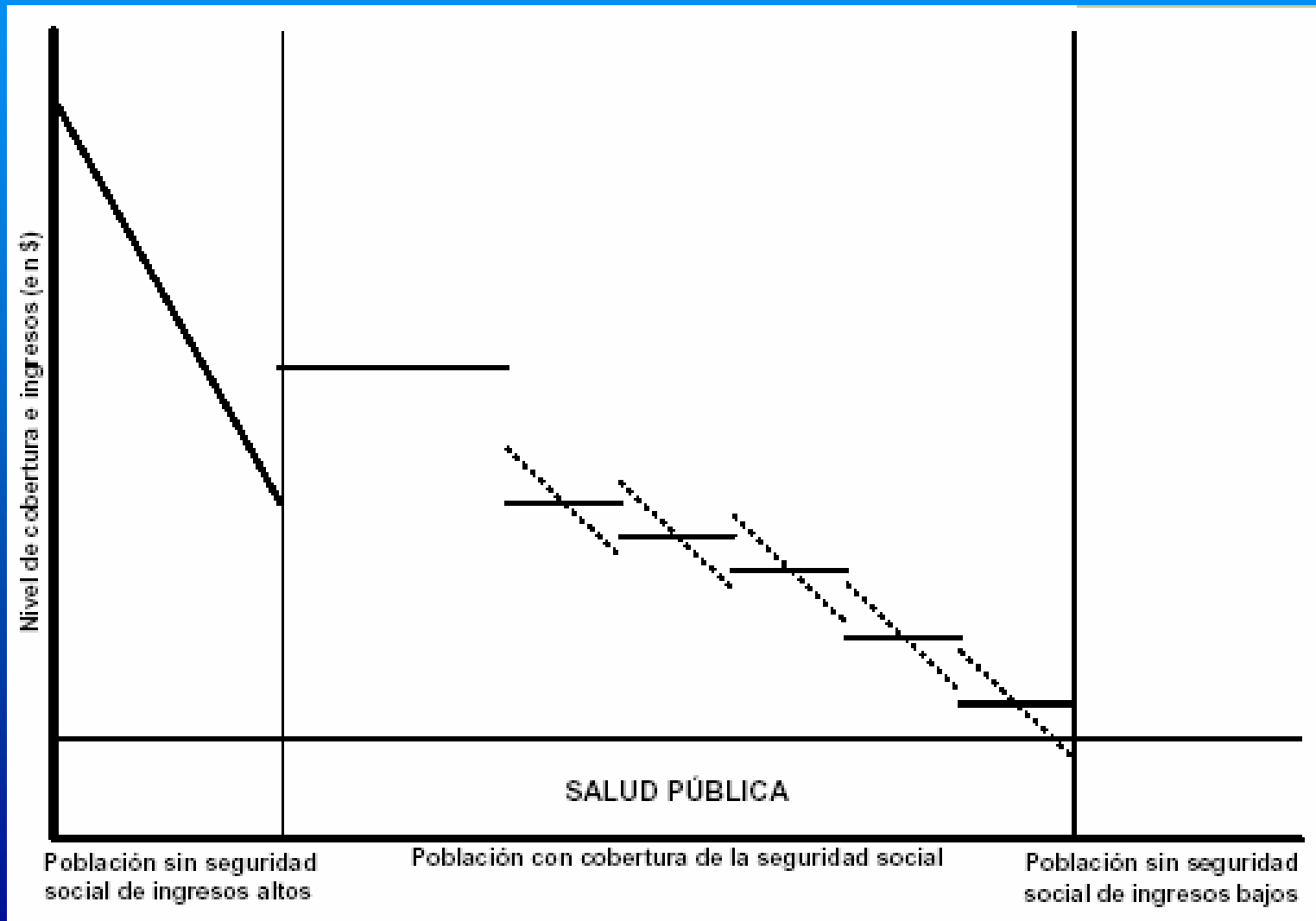
Coverage of health insurances by age and sex: 2001



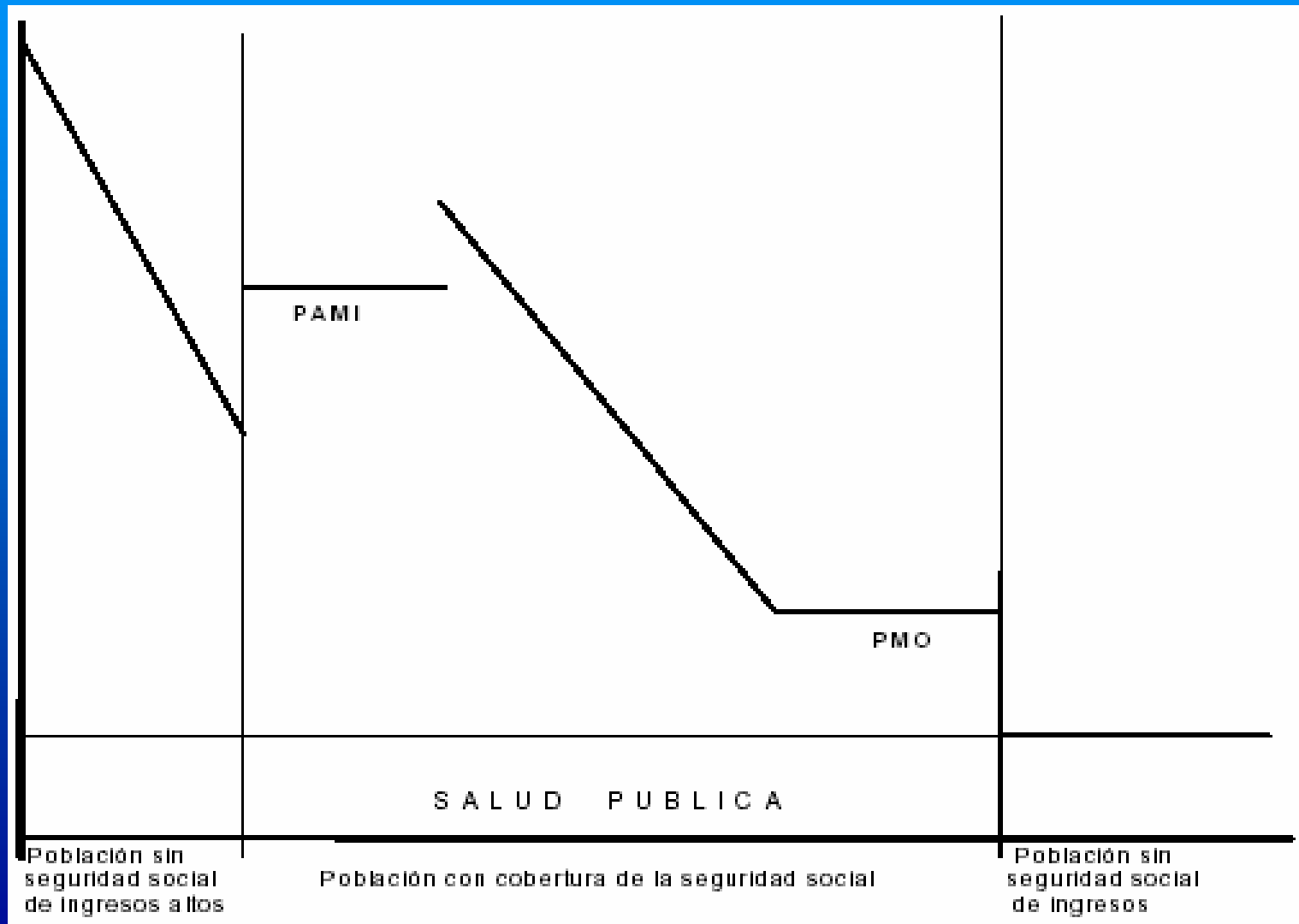
- 52% OF THE POPULATION IS INSURED, LESS THAN IN 1991.
- LARGE DIFFERENCIE BY AGE AND SEX.



# Cream skimming by income due to lack of premium regulation



# De-regulation reduced in a significant manner the already weak solidarity components



# No major changes in health

2004 - 2006

- POLICY GUIDELINES MAINTAIN THE STATUS QUO.

- AT THE ASSISTANCE LEVEL: Nacer

- Promotes insurance at the provincial level for child and maternal health and strengthens the national and provincial health ministries.

- Improves coverage of pregnant women and children younger than 5 years of age, to reduce infant and maternal morbidity.

- Increases regional coverage

# No major changes in health

2004 - 2006

- POLICY GUIDELINES MAINTAIN THE STATUS QUO.
  - AT THE POLITICAL AND INSTITUTIONAL LEVEL REINFORCING DESCENTRALIZATION THROUGH COORDINATION DIALOGUES WITH THE PROVINCES:
    - el Consejo Federal de Salud. (Federal Health Council)
    - Plan Federal de Salud (Federal Health Plan) , defines state policies por primary health services.
  - AT PROVISION LEVEL:
    - Access to medicines and hospital benefits
    - Reinforcing public hospitals
    - Financing of the “ obras sociales “ sector

# Regulation in the health system

CHALLENGES	POLICIES
<ul style="list-style-type: none"><li>▪REDUCE HETEROGENEITY AMONG SUBSYSTEMS</li><li>▪IMPROVE GUIDELINES FOR FEDERAL DESCENTRALIZATION</li><li>▪IMPROVE ORGANIZATION OF SOCIAL SECURITY</li></ul>	<ul style="list-style-type: none"><li>▪INTEGRATE PUBLIC, PRIVATE AND SOCIAL SECURITY SYSTEMS</li><li>▪STRENGTHEN THE SOLIDARITY FINANCING MECHANISMS THAT WEAKENED DUE TO DEREGULATION (PAMI, PMO)</li><li>▪</li></ul>

# Improvements in regulation in the health system

- **RECENT MEASURES**
  - **INCREASE SOLIDARITY FUND AND SANO**
  - **RISK ADJUSTMENT CAPITATION IN SANO**
  - **IMPROVE INSTUTIONAL ARTICULATION BETWEEN SOCIAL SECURITY AND PUBLIC HEALTH, AS WELL AS WITHIN SOCIAL SECURITY (SSS, APE, PAMI, INSTITUTOS)**
  - **REGULATION OF PRIVATE SECTOR :**
    - **uncertainty,**
    - **Asymmetry**
    - **Moral hazard**
    - **Public goods**
    - **Externalities**

# 5. Reforming the pension system reform

- **BENEFITS AND SOLVENCY**
  - **NEED TO**
    - **REDUCE THE TREND OF GENEROUS DEFINED BENEFITS**
    - **REVIEW WIDE COVERAGE AND LOOSE REQUIREMENTS**
    - **ADDRESS STRUCTURAL SOLVENCY PROBLEMS ON EROSION OF THE CONTRIBUTIVE BASE**
      - AGING
      - LABOR PRECARIZATION
  - **LARGE ADMINISTRATIVE AND JUDICIAL CLAIMS**
  - **LIMITED REFORM PROPOSALS**

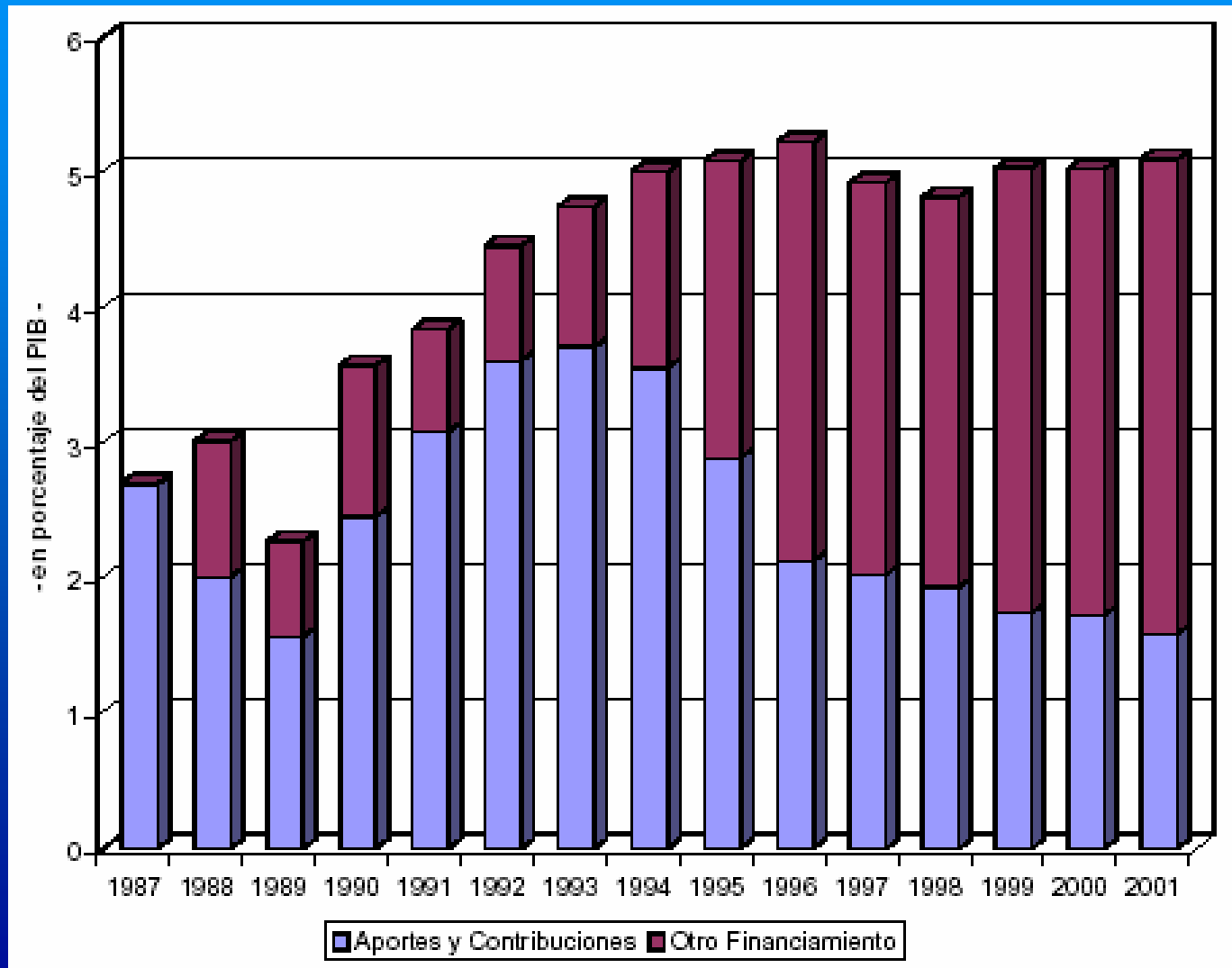
# Need to fight cost expansion: consolidated public expenditure on pensions

Año	% del PIB	% del gasto público consolidado	% del gasto público social
1980	5,2	19,0	40,1
1985	5,5	19,7	42,4
1990	7,9	28,4	49,0
1995	8,4	27,6	44,1
2000	7,9	25,1	41,4
2004	6,3	23,5	37,2

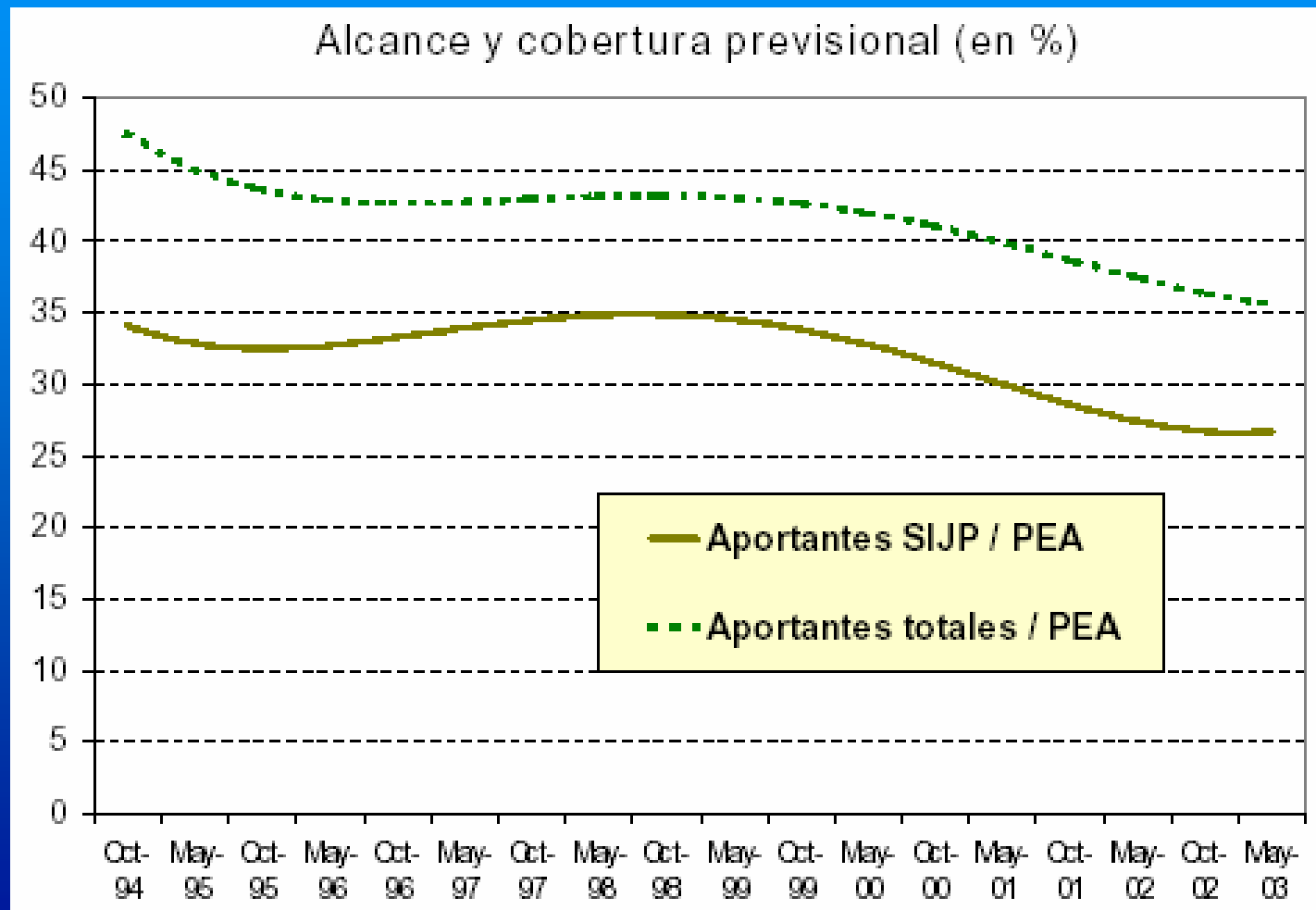
Fuente: Basado en datos de la Dirección Nacional de Análisis de Gasto Público y Programas Sociales.



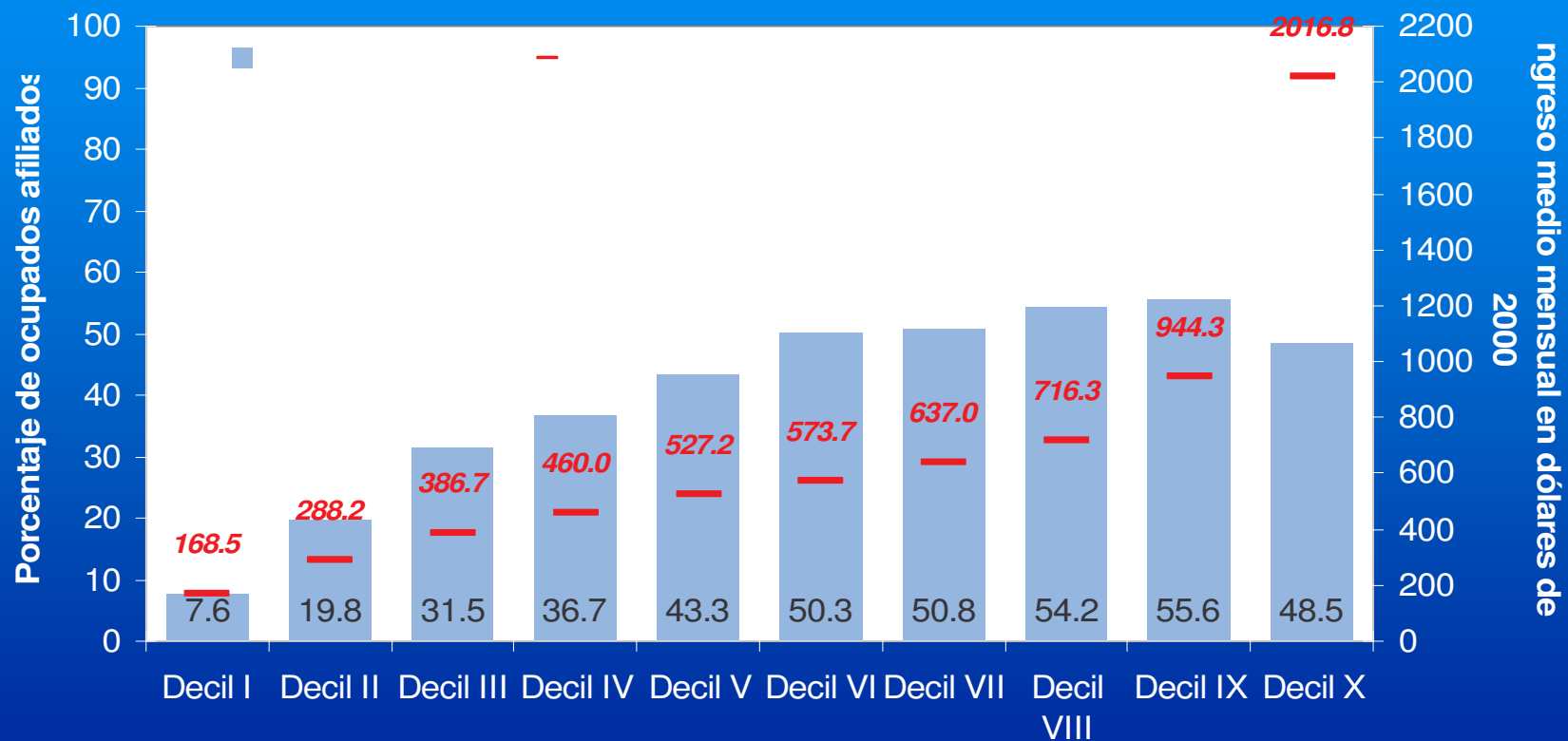
# In spite of additional non contributive finance



# Contributive coverage is declining

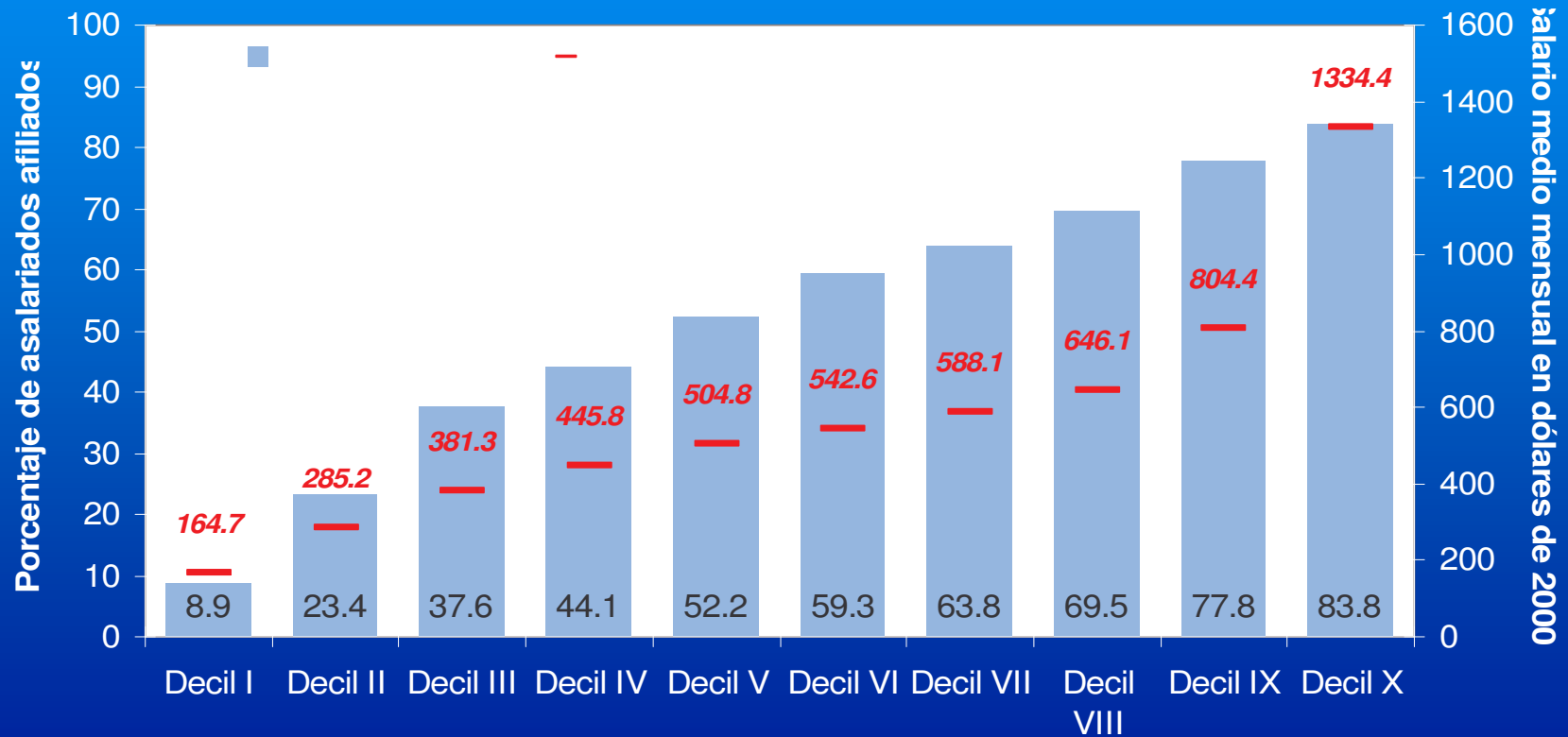


# With large differences by income strata



Nota: Ocupados entre 15 y 64 años de edad que registraron ingresos laborales el mes anterior a la encuesta.

# Even among wage earners



Nota: Asalariados entre 15 y 64 años de edad que declararon salarios el mes anterior a la encuesta.

# Coverage is very sensitive to labor market outcomes

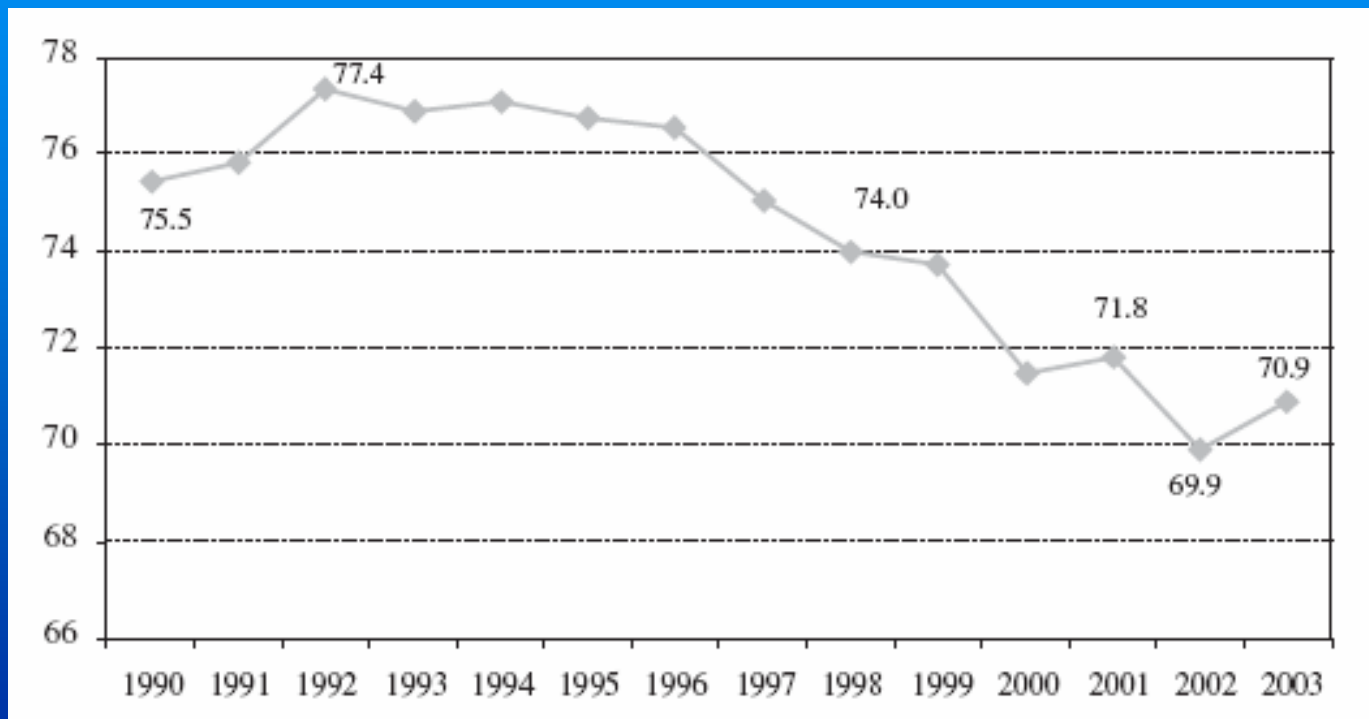
Coverage as % of active economic population and % of employment population by type of system: 1995 - 2003

Año	Aportantes <sup>a/</sup> / Población ocupada <sup>b/</sup>				Aportantes <sup>a/</sup> / Población económicamente activa <sup>b/</sup>			
	Total	Reparto	AFJP	Indecisos	Total	Reparto	AFJP	Indecisos
1995	42.3	19.2	20.8	2.2	35.1	16.0	17.3	1.9
1996	45.0	16.1	27.1	1.9	37.5	13.4	22.6	1.6
1997	43.2	12.1	29.7	1.3	36.9	10.4	25.4	1.1
1998	42.4	9.9	31.1	1.3	37.1	8.7	27.3	1.1
1999	42.1	8.9	32.0	1.1	36.3	7.7	27.6	1.0
2000	42.8	8.1	33.1	1.6	36.4	6.9	28.2	1.4
2001	41.7	7.2	32.8	1.7	34.6	6.0	27.2	1.4
2002	38.1	6.2	30.3	1.6	30.8	5.0	24.5	1.3
2003	38.6	6.0	30.7	1.9	32.6	5.1	25.9	1.6

- **DECREASING TREND OBSERVED FOR CONTRIBUTORS LARGELY ASSOCIATED TO INCREASE IN INFORMALITY AND UNEMPLOYMENT**

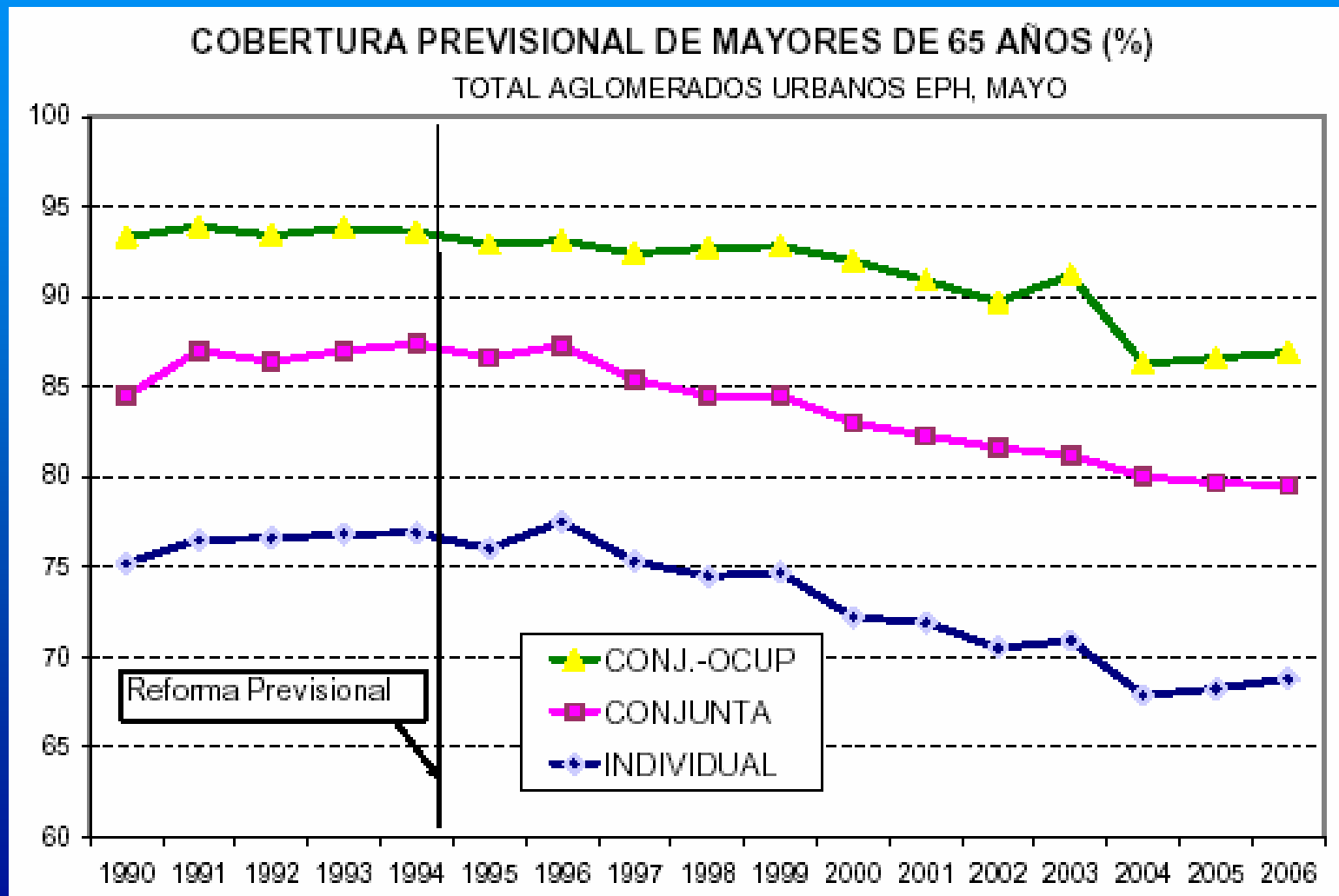
# And also reflected in beneficiaries

Coverage to elder of 65 years old: 1990 - 2003



Decreasing coverage of elder of 65 years.

# And a systematic loss in coverage when defined contributions started



# Some developments in pensions

2004 - 2006

- **COVERAGE STABILIZED AT LOWER THAN HISTORICAL LEVELS.**
- **THERE HAS BEEN AN INCREASING NEED FOR ASSISTANCE BENEFITS 28 % MORE IN 2003 y 2005**
- **BENEFITS WERE INCREASED BY 13% TO \$560 (INCLUDING \$30 FOR PAMI). COMPLEMENTING A PREVIOUS INCREASE OF 11% IN JUNE 2006.**
- **THERE HAS BEEN**
  - **A DEFAULT POLICY BENEFITING THOSE WHO, HAVING REACHED ELIGIBILITY AGE, HAD NOT ACCOMPLISHED WITH ENOUGH SAVINGS.**
  - **A TIME WINDOW TO ALLOW AFFILIATES TO MOVE FROM THE PRIVATE TO THE PUBLIC MIXED SYSTEM**



# Pension reform failure, fiscal cost and new reforms

## CHALLENGES

- SOLVENCY HAS IMPROVED AT COVERAGE EXPENSE
- THERE IS AN INCREASING DEMAND FOR ADDITIONAL COVERAGE
- SPECIAL REGIMES ARE REGRESIVE
- NEED FOR AN OVERALL ASSESSMENT ON LABOR AND RETIREMENT

## POLICIES

- BETTER ARTICULATION BETWEEN CONTRIBUTIVE AND NON CONTRIBUTIVE BENEFITS
- SEPARATE EMERGENCY AND STRUCTURAL MEASURES
- IMPROVE ARTICULATION BETWEEN CONTRIBUTIVE AND NON CONTRIBUTIVE FINANCING
- IMPROVE ELEGIBILITY RULES

# 6. Unemployment insurance and social assistance programs

- INCREASING IMPORTANCE DUE TO SEVERE ECONOMIC CRISES
- NEVER ENOUGH RESOURCES TO COVER ALL UNEMPLOYED
  - INSURANCE COVERS LESS THAN 7 %
  - WITH PROVINCIAL EMPLOYMENT PROGRAMS REACHED 34
  - WITH PjyJHD REACHES 45 %
- CONDITIONAL TRANSFER PROGRAM
  - HUMAN DEVELOPMENT INCOME (HEALTH, SCHOOLING ATTENDANCE, DEVELOPMENTS)
  - IDB FUNDING (\$100 FIRST CHILD UP TO \$200 FOR OTHERS)
  - REACHED CIRCA 200000 FAMILIES IN 2002
- FOOD AND NUTRITION
  - FOOD EMERGENCY PROGRAM (CONSOLIDATED OTHERS)
  - PRO-HUERTA
  - SOCIAL INVESTMENT FUND, REDIRECTED FOR EMERGENCY FOOD ASSISTANCE

# Towards more comprehensive programs

- **RECONVERSION OF PJyJHD INTO**
  - TRAINING AND EMPLOYMENT PROGRAMS (2006)
  - IMPROVE UNEMPLOYMENT CASH BENEFITS AND ELEGIBILITY
- **SOCIAL INCLUSION PROGRAMS**
  - FAMILIES FOR SOCIAL INCLUSION
    - ABSORBS BENEFICIARIES FROM OLD PROGRAMS (IDH, PJyJHD)
    - LARGE CASH BENEFIT
- **FOOD EMERGENCY PROGRAM**
  - ABSORBS PROHUERTA AND FOPAR
  - EMPHASYS IN NUTRITION
- **HOUSING**
  - FEDERAL HOUSING PORGRAM
    - ABSORBS ALL PLANS EXECUTED AT THE PROVINCIAL LEVEL
    - CONTINUES TRADITIONAL FUNDING PROGRAMS (FONAVI)

# Unemployment and labor market

## Employment programs expenditures Nacionales y provinciales: 2000 - 2005

millions of pesos and percentage

Gasto	2000		2001		2002		2003		2004		2005*	
Programas provinciales	234,0	56,7%	340,2	66,9%	221,6	8,7%	347,8	8,1%	467,2	11,0%	485,3	12,4%
Programas nacionales	179,0	43,3%	168,0	33,1%	2.328,5	91,3%	3.919,2	91,9%	3.779,2	89,0%	3.423,5	87,6%
Total	413,0	100,0%	508,3	100,0%	2.550,0	100,0%	4.267,0	100,0%	4.246,4	100,0%	3.908,8	100,0%

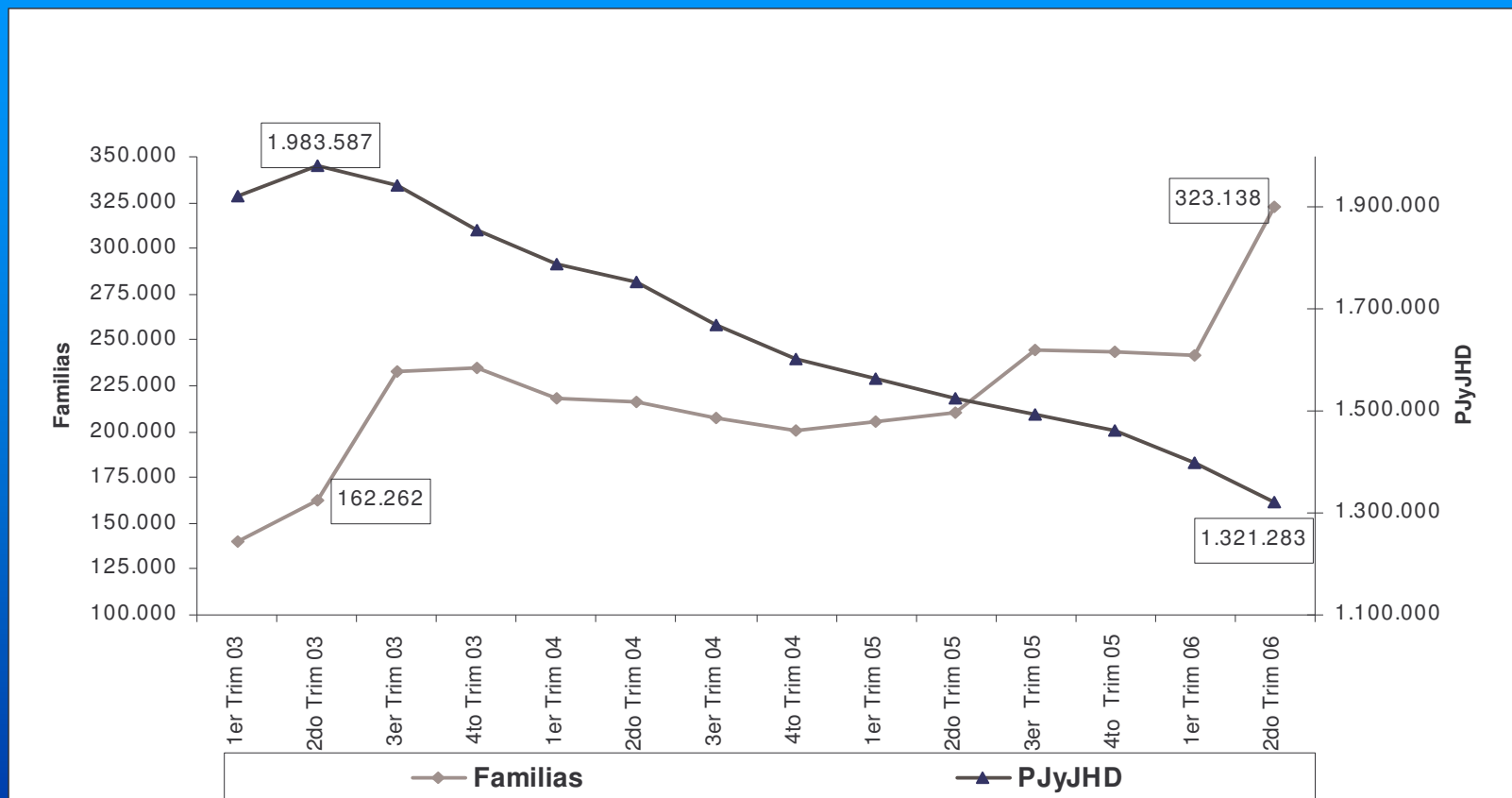
millions of pesos of 2001 (Índice combinado) and annual variation %

Gasto	2000		2001		2002		2003		2004		2005*	
Programas provinciales	230,1	-	340,2	47,8	145,8	-57,1	197,8	35,6	250,5	26,7	240,9	-3,9
Programas nacionales	176,1	-	168,0	-4,6	1.532,1	811,7	2.228,9	45,5	2.026,3	-9,1	1.699,0	-16,2
Total	406,2	-	508,2	25,1	1.677,9	230,1	2.426,6	44,6	2.276,9	-6,2	1.939,9	-14,8

\* datos provisionales

- Entre 2003 y 2005 aumenta la participación de los programas de empleo provinciales en 4.3 puntos porcentuales.
- Al mismo tiempo se observa una caída en el gasto total en programas de empleo

# TRENDS IN BENEFFICIARIES: PJyJHD y Programa Familias por la Inclusión Social



En 2003 el PJyJHD registró el nivel máximo de beneficiarios.

A partir de 2004 se verifica una tendencia decreciente como consecuencia de las mejoras registradas en el mercado laboral.

A esto se agrega, a partir de 2005, el traspaso de más de 70.000 beneficiarios al Plan Familias y, en el último trimestre de 2006, el traspaso de alrededor de 7.000 beneficiarios al Seguro de Capacitación y Empleo (Tucumán, Buenos Aires y Santa Fe).

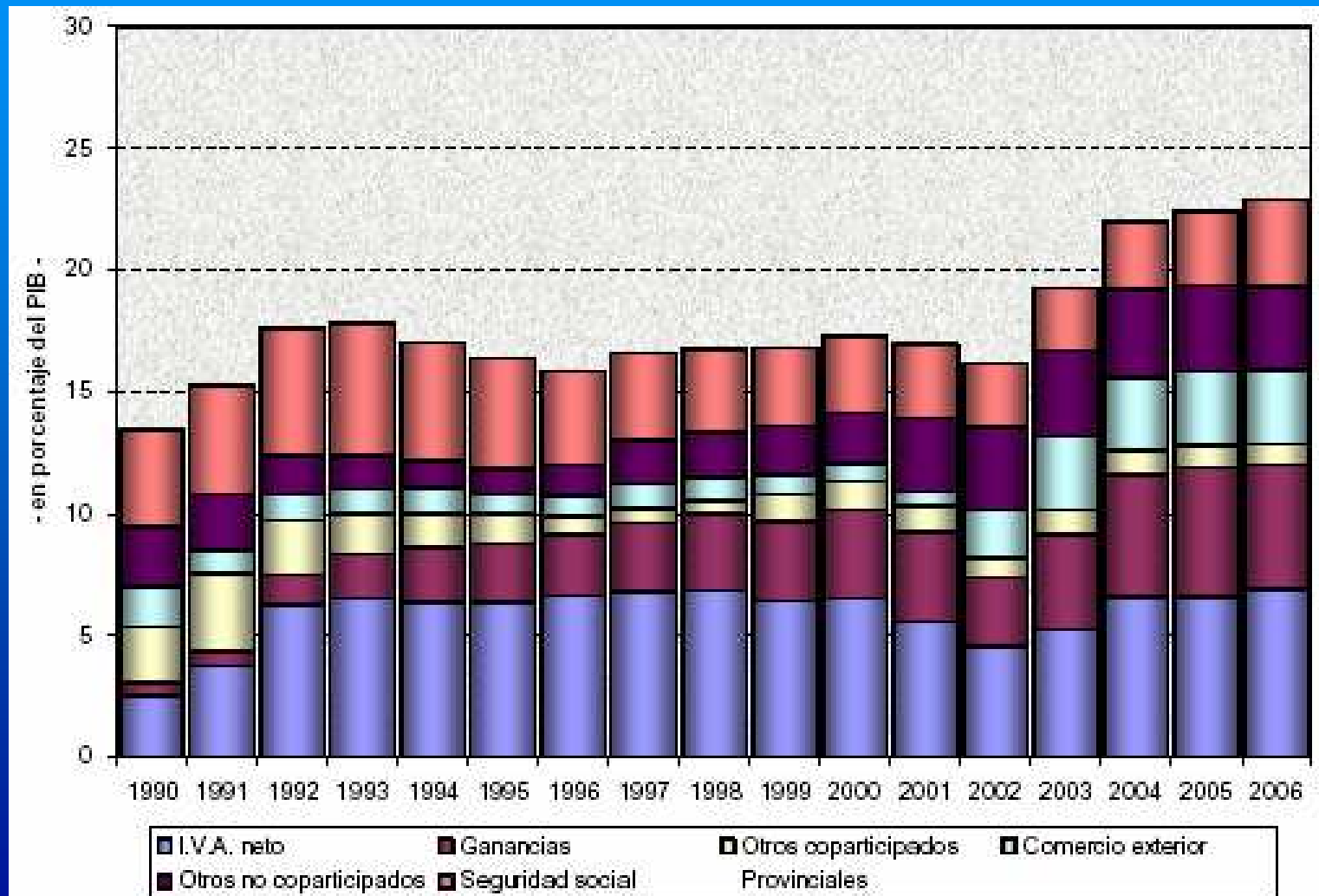
# 7. Need of a new social contract

FISCALLY RESPONSIBLE	SOCIAL PROTECTION		
	HEALTH	PENSIONS	OTHERS
<p>1. STRUCTURAL SOLVENCY</p> <p>1. NATIONAL 2. PROVINCES 3. MUNICIPALITY</p> <p>2. OVERALL TAX &amp; SS BURDEN</p> <p>3. BASIC PACKAGE BY AREAS</p> <p>4. FISCAL COSTS</p> <p>5. EFFICIENCY</p> <p>6. ACTUARIAL</p>	<p>1. INTEGRATE PUBLIC, PRIVATE AND SOCIAL SECURITY SYSTEMS</p> <p>2. SOLIDARITY FINANCING MECHANISMS</p> <p>3. FEDERAL DESCENTRALIZATION</p> <p>4. REGULATION OF PRIVATE SECTOR uncertainty, Asymmetry, Moral hazard/ Public goods/ Externalities</p>	<p>1. INTEGRATE CONTRIBUTIVE AND NON CONTRIBUTIVE BENEFITS</p> <p>2. INTEGRATE CONTRIBUTIVE AND NON CONTRIBUTIVE FINANCING</p> <p>3. IMPROVE ELEGIBILITY RULES</p> <p>4. DEVELOP INSTITUTION TO ADDRESS LEGAL COMPLAINTS</p>	<p>1. COUNTER CYCLICAL POLICIES</p> <p>2. IMPROVE UNEMPLOYMENT INSURANCE COVERAGE</p> <p>3. CONDITIONAL TRANSFERS</p> <p>1. ALLEVIATE POVERTY IN THE SHORT RUN</p> <p>Break the cycle of intergenerational poverty transmission (human capital)</p> <p>Create a framework of social institutions: Intersectoral coordination and integration</p> <p>Transparency and evaluation Continuity and consistency Engagement of civil society</p> <p>4. HOUSING SUBSIDIES</p>

# Fiscal responsibility

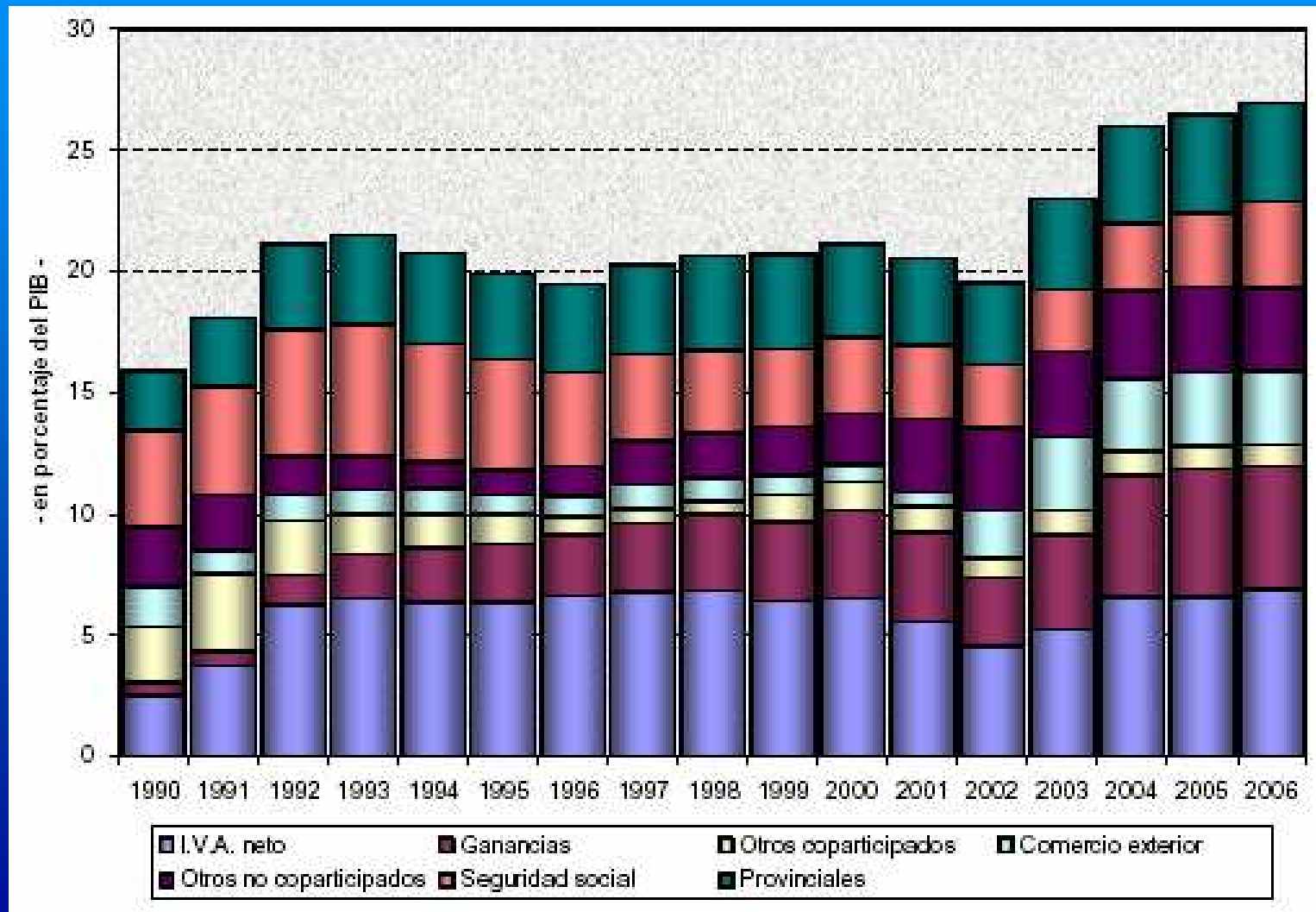
- IN SPITE OF:
  - IMPROVEMENTS AT NATIONAL LEVEL
  - DIVERSE OUTCOMES AT PROVINCE LEVEL
- TAX POLICY IS LIMITED
  - **THEY HAVE INCREASED**
    - FIRST ON EMERGENCY SOURCES
    - LATELY ON IMPROVEMENTS IN TAX COLLECTION AND EFFICIENCY

# National tax resources 1990-2006





# Total tax resources 1990-2006



# Social Protection

- **THE CHALLENGES IS TO INCREASE SOCIAL EXPENDITURE WITHOUT AFFECTING SOLVENCY**
  - ADMINISTRATIVE IMPROVEMENTS
  - STRENGTHEN PROGRESIVE APPROACH IN THE CONTEXT OF MODERNIZATON
  - BETTER INCENTIVES
- **INTEGRATIO/ARTICULATION OF THE SYSTEMS**
  - ELEGIBILITY
  - BASIC BENEFITS
  - INSURANCE
    - REGULATION OF PUBLIC-PRIVATE MIXTURES IN HEALTH AND PENSION
- **ASSISTANCE PROGRAMS INTEGRATED TO LONGER TERM POLICIES**
  - **CONDITIONAL TRANSFER PROGRAMS**
    - ASSITING THE POOR
    - HUMAN CAPITAL APPROACH
    - BREAK THE INTERGENERATION TRANSFER MECHANISM
    - CONSIDER FAMILY COMPOSITION CHANGES

# Financing of public expenditure in social protection of the national government

Percentage distribution by area and sources of financing: 2003

Área	Tesoro nacional	Recursos propios	Recursos con afectación específica	Transferencias internas	Crédito externo	Otros	Total
Salud	11.24	83.84	0.13	0.37	4.41	0.01	100.00
Discapacidad	98.75	0.13	1.12	0.00	0.00	0.00	100.00
Accidentes de trabajo	0.00	100.00	0.00	0.00	0.00	0.00	100.00
Vejez, invalidez y sobrevivencia	37.98	52.07	0.67	9.28	0.00	0.00	100.00
Familia e hijos	4.60	94.98	0.00	0.00	0.19	0.23	100.00
Desempleo y mercado laboral	79.79	5.65	0.03	0.00	14.50	0.02	100.00
Vivienda y saneamiento	22.27	0.47	73.09	0.00	4.04	0.13	100.00
Asistencia social y otros	5.49	21.37	49.84	18.82	4.40	0.08	100.00
Educación básica	31.40	0.00	0.00	0.00	68.60	0.00	100.00
Alimentación y nutrición	74.89	0.00	12.70	0.00	12.40	0.00	100.00

- Disability, unemployment and labor market, food and nutrition are financed from national tesourus.
- Salud, accidentes de trabajo, y familia e hijos: el financiamiento surge mayoritariamente de recursos propios.
- Vivienda: la mayor parte de los recursos son de afectación específica.
- Educación: se destaca la participación del crédito externo.
- Vejez: el tesoro nacional y los recursos propios son las principales fuentes de financiamiento.
- Asistencia social y otros: el financiamiento proviene de diversas fuentes, siendo las más importantes los recursos propios, los recursos con afectación específica y las transferencias internas.

## Need to reconsider the type of health system design to enhance the interaction between public finance and social security contributions

<p style="text-align: center;"><b>Tipo (1)</b></p> <p><b>Países con financiamiento de la salud en base a rentas generales</b></p>	<p style="text-align: center;"><b>Tipo (2)</b></p> <p><b>Países con integración de rentas generales y cotizaciones a la seguridad social</b></p>	<p style="text-align: center;"><b>Tipo (3)</b></p> <p><b>Países sin integración de rentas generales y cotizaciones a la seguridad social en el financiamiento de la salud</b></p>
<p><i>La estructura de la prestación es heterogénea entre prestadores públicos y privados</i></p>	<p><i>En todos los casos hay algún grado de separación explícita de funciones de financiamiento y provisión. También varía el nivel de integración en el financiamiento.</i></p>	<p><i>La estructura de la prestación es heterogénea: existen distintos tipos de vinculación entre el sector público y privado.</i></p>
<p>Provisión pública y privada: Bahamas, Barbados, Belice, Brasil, Dominica, Granada, Haití*, Jamaica, Saint Kitts y Nevis, Santa Lucía, San Vicente y las Granadinas, Surinam, e Trinidad y Tobago, Venezuela.</p> <p>Provisión sólo a través del sistema público: Cuba</p>	<p>Tipo 2A: Integrado con mantenimiento del financiamiento contributivo y nivel único de cobertura a cargo de la seguridad social: Costa Rica.</p> <p>Tipo 2B: Integrado con cobertura diferenciada entre financiamiento contributivo y no contributivo: Colombia, Antigua y Barbuda, Rep. Dominicana.</p> <p>Tipo 2C: Modelo dual con integración parcial: Chile.</p>	<p>Argentina, Bolivia, Ecuador, El Salvador, Guatemala, Honduras, México, Nicaragua, Panamá, Paraguay, Perú, Uruguay</p>

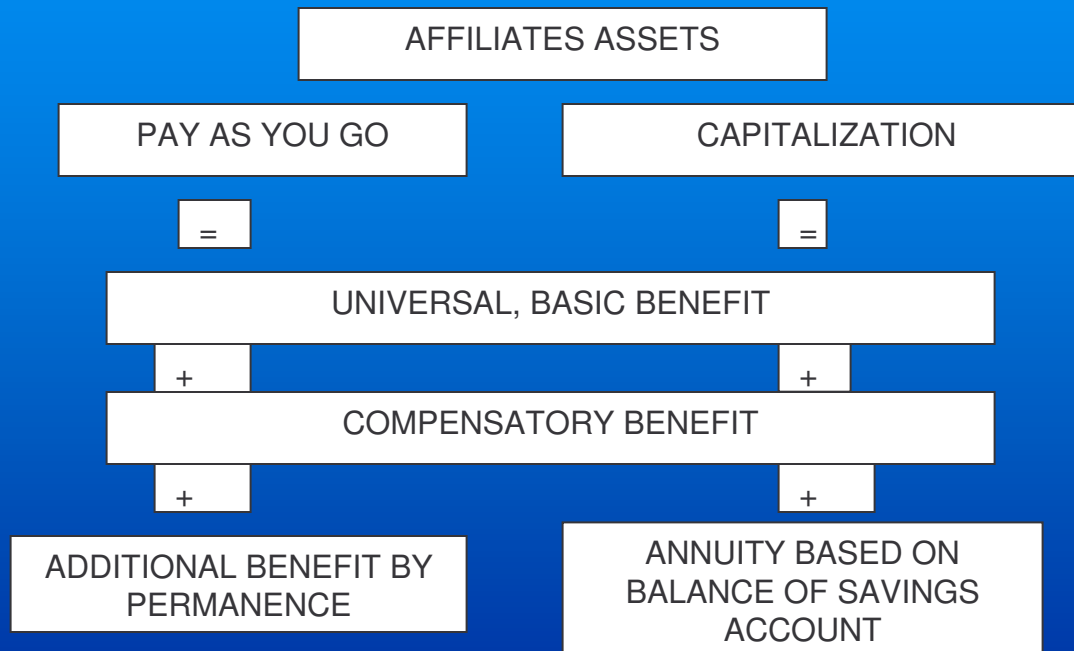
# And also reconsider the pension system design

**Cuadro 1**  
**Modelos y Características de las Reformas de Pensiones en América Latina, 2004**

Modelo, país y fecha de inicio de la reforma	Deuda (% del PIB)	Sistema	Cotización	Prestación	Régimen financiero	Administración
<b>REFORMAS ESTRUCTURALES</b>						
<b>Modelo Sustitutivo</b> Chile: Mayo 1981 Bolivia: Mayo 1997 México: Sept. 1997 El Salvador: Mayo 1998 R. Dominicana: 2003-06 Nicaragua: 2004	130 31 37 9 22 33	Privado	Definida	No definida	CPI	Privada <sup>b</sup>
<b>Modelo Paralelo</b> Perú: Junio 1993 Colombia: Abril 1994	37 63	Público o Privado	No definida Definida	Definida No definida	Reperto CPI <sup>a</sup>	Pública Privada
<b>Modelo Mixto</b> Argentina: Julio 1994 Uruguay: Abril 1996 Costa Rica: Mayo 2001 Ecuador: 2004	305 289 94 19	Público y Privado	No definida Definida	Definida No definida	Reperto CPI <sup>a</sup>	Pública Múltiple <sup>c</sup>
<b>REFORMAS PARAMÉTRICAS O SIN REFORMA</b>						
Brasil <sup>d</sup> Cuba Guatemala Haití Honduras Panamá Paraguay Venezuela <sup>d</sup>	202 151 26 4 15 145 36 37	Público	No definida	Definida	Reperto o CPC <sup>b</sup>	Pública

<sup>a</sup>Capitalización plena e individual. <sup>b</sup>Capitalización parcial colectiva. <sup>c</sup>Privada, pública o mixta. <sup>d</sup>Reformas paramétricas recientemente implantadas o en proceso.  
Fuente: Mesa-Lago 2004.

# Mixed model



# 8. In sum

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## **ARGENTINA HAS A VERY COMPREHENSIVE SOCIAL PROTECTION SYSTEM**

### **THAT IS IN:**

- **NEED TO DEFINE A STRATEGY TO ADDRESS STRUCTURAL FACTORS THAT AFFECT ITS FUNDING**
  - **ECONOMIC CYCLE**
  - **DEMOGRAPHY**
  - **LABOR MARKET**
  - **TAX COLLECTION**
- **NEED TO REDESIGN THE INSTITUTIONS TO OVERCOME FRAGMENTATION AND CONSOLIDATE TECHNICAL CAPABILITIES**
- **NEED TO IMPROVE COVERAGE BY INTEGRATING ALL SUBSYSTEMS FUNDING**
- **NEED TO ADDRESS INEQUALITIES**
  - **DUE TO SOCIO ECONOMIC AND SPATIAL ENDOWMENTS**

**Andras Uthoff**  
**Officer in charge**  
**Social Development Division**



# **Social Protection in Argentina**

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**A view from the perspective of  
Access, Financing and Solidarity  
May, 2007**

▪ <http://www.cepal.org/id.asp?id=27399>