Domestic Workers in Latin America: Statistics for New Policies

Victor Tokman
The global research-policy-action network Women in Informal Employment: Globalizing and Organizing (WIEGO) Working Papers feature research that makes either an empirical or theoretical contribution to existing knowledge about the informal economy especially the working poor, their living and work environments, and/or their organizations. Particular attention is paid to policy-relevant research including research that examines policy paradigms and practice. This series includes statistical profiles of informal employment and critical analysis of data collection and classification methods. Methodological issues and innovations, as well as suggestions for future research, are considered. All WIEGO Working Papers are peer reviewed by the WIEGO Research Team and/or external experts. The WIEGO Publication Series is coordinated by the WIEGO Research Team.

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Contents

Introduction ............................................................................................................................................ 1
The Importance of Domestic Services Occupation ................................................................. 1
Earnings and Poverty Incidence ...................................................................................... 2
Access to Protection and Labour Contracts ..................................................................... 4
Trends in Social Protection Coverage ............................................................................. 8
Determinants of Contributions to Social Security in Domestic Services: A Regression Analysis by
   Occupation and Sex.............................................................................................................. 11
Final Remarks.................................................................................................................. 14
References .......................................................................................................................... 16

Tables and Figures

Table 1: Domestic Workers by Sex in Latin America, 1990-2008......................................................... 2
Table 2: Earnings Differentials in Domestic Work by Sex (In Percentages)............................... 3
Table 3: Incidence and Share on Poverty: Domestic Workers and Other Employed by Urban/Rural
   (In Percentages, Around 2006) .......................................................................................... 4
Table 4: Contribution to Pensions by Worker and Sex .......................................................... 5
Table 5: Labour Contracts and Contributions to Pensions by Type of Work and Sex ............... 5
Graph 1: Domestic Workers Pension Coverage by Sex, 2000-2008 ........................................... 8
Graph 2: Access to Protection .............................................................................................. 9
Table 6: Coverage of Pensions and/or Health by Type of Employment and Sex, 2000-2008 ...... 10
Table 7: Determinants of Domestic Workers’ Contributions to Social Security ................. 11
Table 8: Immigrants in Domestic Work ................................................................................. 12
**Introduction**

This paper analyzes the situation of an understudied occupation, domestic work. Domestic workers labour in someone else’s home and perform diverse tasks including cooking, cleaning, driving and gardening. The activities performed are structured differently depending on local cultures and customs. Controls and inspections are difficult to undertake since the work takes place in the privacy of the family home. Domestic workers are in a labour relation of subordination that is ill-regulated, difficult to control, and without international standards. The conditions and characteristics of domestic work make it difficult to have the information needed to design appropriate regulations and monitor their implementation. The objective of this paper is to analyze and present the data available for Latin America to improve understanding of the situation and the needs of domestic workers in the region.\(^1\)

Given the predominance of women in domestic services, differences for women and men are a focus of the analysis.

After this introduction, section 2 provides data on the importance of the occupation and its main characteristics. Section 3 provides data on earnings, incomes differentials as compared to other types of employment, and poverty levels. Section 4 examines access to labour contracts and social protection. Section 5 takes up the coverage and evolution of social protection. Section 6 considers the determinants of access to social protection and how these vary for women and men. As international migrants constitute a significant part of domestic workers in the region, section 7 provides data on this activity as a source of employment for immigrants, particularly for women immigrants. The concluding section summarizes the main findings of the analysis and highlights general policies that emerge from them.

**The Importance of Domestic Services Occupation**

Today, 7.6 million people are employed as domestic workers in Latin America.\(^2\) They constitute on average 5.5 per cent of total urban employment. Domestic workers are mainly women from lower income households. Many are migrants originally coming from rural areas but more recently from foreign countries – generally, but not only, neighboring countries. At the beginning of the 1990s, more than six per cent of employment in the region was in the domestic services while in the following two decades, the share was stable although at a slightly lower level of 5.5 per cent.

The majority of domestic workers are women, but men also perform these activities although to a lesser extent. One of eight women workers are occupied in the domestic services in contrast to only 0.5 per cent of men workers. Domestic work is not only an activity where women predominate, it is also an important source of women’s employment. Domestic workers constitute 27 per cent of women employed in the informal sector\(^3\) and 12 per cent of women’s urban employment. Domestic service as a share of men’s employment has been fairly stable. However, domestic service as a share of women’s urban employment dropped during the last three decades from 14.8 to 12.2 per cent\(^4\) and as a share of women’s employment in the urban informal sector, dropped between 1990 and 2000 but then rose again in 2008 to the 1990 level.

---

1 The data used in this paper refers to urban employment. The only exception is in the analysis of poverty in rural areas where national data was available.

2 The data on domestic service workers in this paper are from household surveys in the CEPAL database and cover 18 countries. The data are processed according to the categories of the International Classification by Status of Employment (ICSE-93). In a few countries (Argentina, Mexico, Nicaragua, Uruguay and Venezuela), the International Standard Classification of Occupations (ISCO-88) is used as a complementary source.

3 Workers in the category urban informal sector, as tabulated by CEPAL, include owners and wage workers in informal enterprises, domestic workers, non-professional own account operators, and unpaid contributing family members. Informal enterprises are defined as enterprises with less than five workers. Own account workers are defined as self-employed workers who do not hire others and are not professionals.

4 The coefficients refer to arithmetic mean and not weighted mean to avoid that the average represents mostly the bigger countries in the Region.
Table 1: Domestic Workers by Sex in Latin America, 1990-2008

<table>
<thead>
<tr>
<th></th>
<th>Total</th>
<th>Men</th>
<th>Women</th>
<th>Total</th>
<th>Men</th>
<th>Women</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(as % of urban employment)</td>
<td></td>
<td></td>
<td>(as % of informal sector employment)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1990</td>
<td>6.1</td>
<td>0.6</td>
<td>14.8</td>
<td>13.1</td>
<td>1.3</td>
<td>27.7</td>
</tr>
<tr>
<td>2000</td>
<td>5.5</td>
<td>0.5</td>
<td>12.7</td>
<td>11.2</td>
<td>1.1</td>
<td>23.4</td>
</tr>
<tr>
<td>2008</td>
<td>5.5</td>
<td>0.5</td>
<td>12.2</td>
<td>11.6</td>
<td>0.9</td>
<td>27.0</td>
</tr>
</tbody>
</table>

Notes: the coefficients by gender are specific to each category. Arithmetic means for 15 countries.

Source: CEPAL (2009)

Underlying these aggregate figures is a positive correlation, though not high, between the level of development of the country and the importance of domestic services. Higher income countries mean higher income households and more demand and capacity to hire domestic services. However, other factors such as culture and the supply of workers also contribute to the levels of employment in domestic work. A first group, which is above the regional average, includes all MERCOSUR countries (Argentina, Brazil, Uruguay and Paraguay) plus Chile, Panama, Uruguay and Paraguay, where domestic workers hold over 9 per cent of urban employment. For the countries of Central America and most of the Andean countries, the per cent of domestic workers varies from 3.3 in Peru to 4.4 in Costa Rica. In an intermediate group of countries, between 4.6 and 5.6 per cent of workers are in the domestic service.

Domestic service as a source of employment for men varies within a small range among countries in the region. For example, in Uruguay and Paraguay, domestic service is about one per cent of men’s total urban employment while the majority of countries are closer to the average (0.5 per cent). However, among countries, there are considerable differences in domestic service as a source of employment for women. The highest levels of domestic work as a per cent of urban female employment are in Uruguay and Paraguay, with levels of around 20 per cent. In higher income countries – Argentina, Chile, Brazil and Panama, among others – domestic work is between 15 and 17 per cent of female urban employment. In the remainder of countries, domestic service is still an important source of women’s employment in urban areas – between 7.7 and 10 per cent.

Earnings and Poverty Incidence

Wages paid to domestic workers are low both in absolute terms as well as compared to other types of employment, even in informal enterprises. Incomes earned in domestic services in Latin America were only 40.7 per cent of the average earnings of the urban employed.

The size of wage differentials varies across countries. In more advanced countries, the differentials reach higher levels while the gap tends to be smaller in the less developed countries. In MERCOSUR countries and in Mexico, Chile, Panama and Costa Rica, the remunerations of domestic workers are between one-third and one-quarter of average income while in other countries such as Bolivia, El Salvador, and Nicaragua, among others, the differential tends to be smaller – around 80 per cent of the earnings of all employed persons. In these countries, since the availability of well paid jobs is scarce even in higher productivity sectors and for better trained candidates, earnings differentials are small. The opposite seems to be the case in more advanced countries.
While the earnings differentials between domestic workers and the urban employed are large, gaps by sex are also significant. On average, the earnings of women working in urban domestic services are 73 per cent of what is paid to men. The gaps across countries and between women and men remained stable during the last decade.

**Table 2: Earnings Differentials in Domestic Work by Sex** (In Percentages)

<table>
<thead>
<tr>
<th></th>
<th>2000</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Earnings domestic workers/urban employed</td>
<td>39.1</td>
<td>40.7</td>
</tr>
<tr>
<td>Earnings domestic workers women/men</td>
<td>73.1</td>
<td>72.6</td>
</tr>
<tr>
<td>Earnings women domestic workers/ women in informal sector</td>
<td>73.6</td>
<td>76.4</td>
</tr>
<tr>
<td>Earnings women domestic workers/ women own account</td>
<td>74.4</td>
<td>84.0</td>
</tr>
<tr>
<td>Earnings women domestic workers/ women in informal enterprises</td>
<td>77.1</td>
<td>82.6</td>
</tr>
<tr>
<td>Earnings men domestic workers/ men in informal sector</td>
<td>56.2</td>
<td>55.6</td>
</tr>
<tr>
<td>Earnings men domestic workers/ men own account</td>
<td>100.3</td>
<td>117.8</td>
</tr>
<tr>
<td>Earnings men domestic workers/ men in informal enterprises</td>
<td>90.2</td>
<td>93.5</td>
</tr>
</tbody>
</table>

Note: Arithmetic mean 18 countries.
Source: CEPAL (2009)

The type of job performed is another important determinant of earnings differentials, even in comparisons with jobs largely in the urban informal sector. In general, the earnings of men in domestic services are closer to those of workers in informal enterprises and higher than those of own account workers. The earnings of men working in domestic services are only 6.5 per cent lower than wage workers in informal enterprises but 18 per cent higher than own account workers. However, in Argentina, Mexico, Uruguay, Paraguay, Peru and El Salvador, men in domestic work earn more than wage workers in informal enterprises. In Chile, earnings in both types of employment are the same. The largest differential occurs between men in domestic services and men working in informal enterprises. Men in domestic service earn only 56 per cent of the earnings in informal enterprises. This is due to the higher average income received by men who own informal enterprises.5

Earnings differentials between women in domestic services and women in other types of informal employment are in all cases negative and vary within a small range – from 24 per cent relative to women’s earnings in informal sector to 16-17 per cent of the earnings of own account workers and wage workers in informal enterprises respectively.

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5 Informal enterprises are defined in this paper as micro-enterprises employing five or fewer workers.
Table 3: Incidence and Share on Poverty: Domestic Workers and Other Employed by Urban/Rural (In Percentages, Around 2006)

<table>
<thead>
<tr>
<th></th>
<th>Urban</th>
<th>Rural</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total population</td>
<td>35</td>
<td>60</td>
</tr>
<tr>
<td>Total employed</td>
<td>26</td>
<td>52</td>
</tr>
<tr>
<td>Domestic workers</td>
<td>36</td>
<td>46</td>
</tr>
<tr>
<td>Wage workers in informal enterprises</td>
<td>35</td>
<td>49</td>
</tr>
<tr>
<td>Poor domestic workers</td>
<td>9</td>
<td>13</td>
</tr>
<tr>
<td>Poor wage workers in informal enterprises</td>
<td>18</td>
<td>12</td>
</tr>
</tbody>
</table>

Notes: Arithmetic mean for 18 countries for urban and 16 for rural. Percentages in each category in households below the poverty line. The last two indicators refer to percentages on urban poor.

Source: CEPAL (2009)

In urban areas, domestic workers and wage workers in informal enterprises are more likely to be below the poverty line than the general employed population (about 35 per cent in comparison to 26 per cent). However, while the incidence of poverty among wage workers in informal enterprises and in domestic work are similar, wage workers in informal enterprises are a larger share of the poor than domestic workers (around 18 per cent of the poor for informal wage workers in contrast to 9 per cent for domestic workers). Poverty levels are substantially higher for all categories of workers in rural than in urban areas. The proportion of the employed below the poverty line is twice that in urban areas. Moreover, nearly one-half of domestic workers and wage workers in informal enterprises in rural areas are below the poverty line in contrast to a little over one-third in urban areas.

Access to Protection and Labour Contracts

A protected job requires both labour a contract and compliance with the contract's legal obligations. The labour relation should be subject to a contract, and its existence should constitute a requirement for protected workers. However, the existence of a written contract does not necessarily ensure access to full protection. Domestic services workers are generally less regulated, and hence their protection is lower even than when working in jobs in informal enterprises.

Only 19 per cent of domestic workers in Latin America contribute to social security compared to 47 per cent of urban workers and 25 per cent of wage workers in informal enterprises. There are significant differences between women and men. Coverage of men working in domestic services is around 30 per cent and is only 18 per cent for women (table 4). For all urban workers, the difference by sex is not significant. However, among wage workers in informal enterprises, women are more likely to contribute than men. Men in domestic work are usually in better paid jobs such as gardeners, drivers, guardians and waiters while women are in cleaning, cooking and child care. The former jobs generally are not only better paid but are also more often covered by a contract and protection.

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6 A contribution to a pension scheme is taken in this paper as a proxy indicator of access to social security. Contributions are usually deducted from the remuneration although in many cases, there is also a contribution from the employer.

7 This refers to the arithmetic average but some of the tables include the weighted averages. The former capture better the situation by country, while the latter reflects more the situation of the bigger countries. To illustrate the magnitude of the difference, the weighted average reaches 24.3 per cent as compared to the 19.1 per cent mentioned in the text.

8 This pattern, as well as the direction of the difference with wage workers in informal enterprises, is also clear when the weighted average is considered.
### Table 4: Contribution to Pensions by Worker and Sex

<table>
<thead>
<tr>
<th></th>
<th>Urban total</th>
<th>Domestic workers</th>
<th>Wage workers</th>
<th>Informal enterprises</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total</strong></td>
<td>47.3</td>
<td>19.1</td>
<td>24.5</td>
<td></td>
</tr>
<tr>
<td><strong>Men</strong></td>
<td>47.9</td>
<td>30.6</td>
<td>22.3</td>
<td></td>
</tr>
<tr>
<td><strong>Women</strong></td>
<td>46.7</td>
<td>18.2</td>
<td>29.7</td>
<td></td>
</tr>
</tbody>
</table>

**Note:** Arithmetic averages for 13 countries.

**Source:** Based on household surveys around 2007

The existence of a labour contract makes it more likely that a worker will have social protection (table 5). Only 20 per cent of domestic workers have a labour contract compared to 58 per cent for all urban workers. The percentage of men working under contract in domestic work is higher than that of women. By contrast, while more wage workers in informal enterprises have contracts than domestic workers, women are more likely than men among these workers to have a contract. Working without a contract is not equivalent to zero protection, but access is significantly reduced, and this affects all workers including those in domestic work. Only about 10 per cent of domestic workers without a contract have social protection, and the percentage for urban workers is only 19.3 per cent. Men in domestic services working without labour contracts are almost as likely to have protection as urban employed workers and twice as likely as wage workers in informal enterprises. Only a small proportion of women in domestic services working without a contract register contributions to social security.

Having a labour contract matters, but the type of contract is also important for access to protection. The standard contract is permanent, and in spite of the increased flexibility introduced in recent decades, it is still the most common type of contract. Around 79 per cent of both women and men who have a labour contract have it without limit of time. The permanent labour contract is even more common among domestic workers. However, for domestic workers, specific regulations to end the contract are generally not applied. Indemnities are usually not included as an obligation in the permanent contract for domestic services because it is generally considered as a post of “personal trust” and as such, subject to firing without indemnities. Hence, permanence in this case is even more flexible than a short term contract since it only requires advanced notice.

### Table 5: Labour Contracts and Contributions to Pensions by Type of Work and Sex

<table>
<thead>
<tr>
<th></th>
<th>Total urban workers</th>
<th>Domestic worker</th>
<th>Worker informal enterprise</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total Men Women</td>
<td>Total Men Women</td>
<td>Total Men Women</td>
</tr>
<tr>
<td><strong>Contracts</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Labor contract</td>
<td>57.6 58.2 57.6</td>
<td>20.4 26.5 20.1</td>
<td>27.7 25.7 32.2</td>
</tr>
<tr>
<td>Permanent contract</td>
<td>79.4 80.5 78.8</td>
<td>88.8 87.0 87.3</td>
<td>80.9 71.0 81.9</td>
</tr>
<tr>
<td><strong>Contributions</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contributions with contract</td>
<td>83.4 83.8 82.8</td>
<td>41.2 51.0 31.0</td>
<td>59.6 57.6 63.6</td>
</tr>
<tr>
<td>Contributions with permanent contract</td>
<td>86.4 86.7 85.9</td>
<td>43.4 54.0 38.4</td>
<td>64.3 62.9 67.4</td>
</tr>
<tr>
<td>Contributions with atypical contract</td>
<td>62.2 57.5 61.0</td>
<td>44.4 64.0 43.4</td>
<td>41.9 40.6 45.1</td>
</tr>
<tr>
<td>Contributions without contract</td>
<td>19.3 19.5 19.1</td>
<td>9.9 16.3 9.0</td>
<td>10.5 8.8 12.9</td>
</tr>
</tbody>
</table>

**Notes:** Arithmetic means based on few countries. Labour contract 7 countries, of permanent contract 6, contribution w/contract 5, with permanent contract 5, without contract 4 countries. Percentage of workers that contribute by contract.

**Source:** Based on household surveys around 2007.

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9 The contract usually includes one month advanced notice that can be offset by a similar payment, and in some countries, a contribution is included in the contract for unemployment insurance when the contract is ended.
Having a labour contract generates the legal obligation to contribute to protection, but the level of protection is also affected by the type of contract and by the effective enforcement of labour legislation. The existence of a contract does not ensure access to protection for all workers. Eighty three per cent of wage workers with a contract contribute to social security, and there are no major differences between men and women. The level for domestic workers is about half since only 41 per cent contribute.

Contribution levels of domestic workers are below the level registered by wage workers in informal enterprises. There are significant differences between contribution levels for women and men in domestic work since only 31 per cent of women have access to protection compared to 51 percent of men. Furthermore, while men in domestic work and in wage work in an informal enterprise have similar access to a pension system, twice as many women in wage work in informal enterprises contribute to a pension fund as do women domestic workers (table 5).

A large proportion of workers with a permanent labour contract – around 86 per cent – contribute to social security. However, only half (43 per cent) of domestic workers with a permanent contract contribute to protection. Further, among domestic workers with a permanent contract, women have less access to protection (only 38 per cent) than do men (54 per cent). Women workers in domestic services are in the weakest position and are generally excluded from protection. In comparison to women wage workers in informal enterprises and even when they are working with permanent contracts, the social protection access of women in domestic services is significantly lower.

For both women and men, working under an atypical labour contract in domestic services is accompanied by greater access to social security than working under a permanent contract. The percentage of men working in domestic services contributing to protection under an atypical contract exceeds the level reached under a permanent contract but also is the highest level of access of all workers, particularly in contrast to wage workers in informal enterprises. There is need to further analyze this apparent paradox. One explanation is that permanent contracts for domestic services are, in practice, atypical. By contrast and as expected, for wage workers in general and wage workers in informal enterprises, the percentages contributing to protection under atypical contracts are lower than for those with permanent contracts.

Information on contributions to social security by the categories used in this analysis is available for 13 countries. In these data, two groups can be distinguished. In the first group, the coverage of urban wage workers varies from a minimum of 56 per cent to a maximum of 79 per cent. The first group includes Panama, Costa Rica, Chile, Uruguay, with the highest coverage, and Brazil, Mexico, Venezuela and Argentina in descending order. Within this group, two patterns can be distinguished on the coverage of domestic workers. In the first four countries, Chile and Uruguay followed by Panama and Costa Rica, coverage for domestic workers is around half the level for all urban workers – around 30 to 45 per cent. The four remaining countries show lower coverage for domestic workers. Argentina registered the smallest contribution both for urban wage workers and for domestic workers.

In the second group – Guatemala, Ecuador, Bolivia, Paraguay and Peru – coverage of urban wage workers is between 31 to 49 per cent. Coverage of domestic workers in all countries in the group is less than a quarter of this level and in some cases is almost nonexistent. The highest coverage is 10 per cent in Ecuador followed by Guatemala and Paraguay. In both groups of countries, women are less likely to contribute to pension funds than men. However, in the second group and especially where the contribution is very low, the differences between women and men are small.

There are significant differences across countries in the availability and type of contracts as well as in the links to contracts to social security coverage. Unfortunately, as the data disaggregation required increases, the number of countries that can be analyzed decreases. Seven countries have data on
the percentage of wage workers with contracts. In these countries, the percentage of wage workers with contracts varies from 83-84 per cent in Argentina and Panama to 50-40 per cent in Ecuador and Guatemala. Only in Argentina is the number of domestic workers with contracts similar to the average of urban workers, and almost all are permanent contracts. The coverage of contracts for domestic workers varies from half the aggregated coverage in Chile and Brazil to one-tenth in Guatemala. Domestic workers with contracts are mostly covered without limit of time, and there is no significant difference between women and men.

Only five countries have data on coverage by type of contracts. Coverage of contributions to social security for all urban wage workers is, in ascending order, from 90 to 96 per cent in Panama, Mexico and Chile. In Ecuador, coverage of contributions to social security is 74 per cent, and in Argentina, it is 66 per cent. Working with a contract does not necessarily ensure domestic workers protection. Only in Chile is the coverage almost universal whereas in Mexico and Panama, coverage reaches around 40 per cent, and in Ecuador, it reaches to 20 per cent. In Argentina, less than 9 per cent of the workers in domestic services have social security coverage although 81 percent have a contract. Working without a contract does not mean a total lack of coverage for domestic service workers except in Argentina. In Panama, the coverage of domestic workers without a contract is 29 per cent while it is 12 per cent in Chile and around 8 per cent in Ecuador and Mexico. In most cases, men are more likely than women to be covered.

The coverage of workers with a permanent contract is high but with differences among countries. In Chile, 97 per cent of all wage workers are covered while in Mexico and Panama, 95 and 93 per cent are covered respectively. In Ecuador and Argentina, 79 per cent and 69 per cent of all wage workers are covered respectively. As seen above, this type of contract is also dominant for domestic services workers, but it is not accompanied by a parallel coverage of social protection. Only in Chile does domestic workers coverage reach 93 per cent, but in Mexico and Panama, the coverage of domestic workers is less than half that of all urban wage workers. In Ecuador, it is only one-third. The major gap is observed in Argentina since although 69 per cent of all urban wage workers under permanent contracts are covered by contributions to social security, only 9 per cent of domestic workers are covered even though they work under permanent contracts.

Working under an atypical labour contract expanded as a result of the labour reforms that began in the early 90s. The issue is whether or not an atypical contract contributes to the precariousness of labour relations. Wage workers under an atypical contract in Chile are, on average, almost fully protected with 91 per cent coverage. Coverage is lower in Mexico (80 per cent) and in Panama (77 per cent). However, domestic workers under atypical contracts are less likely to be covered than urban wage workers. In Chile, coverage for domestic workers is reduced to 76 per cent, and in the other two countries to 26 and 31 per cent respectively. The result is a loss of protection of around half of the coverage received by average wage workers under a similar contract and even by wage workers in informal enterprises.

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10 Chile, Mexico and Brazil are the remaining three countries with data available. Their coefficients of contracts vary from 77 per cent in the former country to 59 per cent in the latter.

11 Men working in domestic services under permanent contracts register higher coverage than women in the same situation.

12 It must be noted that this issue should be further researched since the data available refer only to three countries in the case of domestic services, and most of these activities are performed under permanent contracts.
Trends in Social Protection Coverage

Domestic services performed without written labour contracts result in low social protection coverage. Only 19 per cent of domestic workers contributed to a pension fund in 2008. This number is considerably less than the average of 47 per cent for all urban wage workers and 24.5 per cent for wage workers in informal enterprises. Coverage more than doubles if coverage is expanded to pensions and/or health, but it is still 30 per cent below the coverage for all urban workers and is close to the level registered by wage workers in informal enterprises. Women in domestic work are less likely to have access to protection than men – about 33 per cent of men have access while only 18 per cent of women have access. Men in domestic services are more likely to have protection than men in informal enterprises whether protection is measured by contributions to pensions and/or health. However, coverage is higher and gender differences tend to diminish due to higher health coverage.

Graph 1: Domestic Workers Pension Coverage by Sex, 2000-2008

The level of protection as measured by contributions to old age pensions decreased from 2000 to 2005, but after 2005, economic recovery allowed a return by 2008 to the initial level (graph 1 and table 6). With wider access to health benefits, social protection expanded during the period for all the compared groups: total employed domestic workers and workers in informal enterprises. Yet

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13 Contributions to pensions are taken as a proxy indicator of access to protection since it is usually available in the statistics. Other indicators like access to health present more difficulties of interpretation given their nature. However, this indicator will also be used to complement the previous one.

14 The percentages refer to the arithmetic mean. The weighted mean is larger than the arithmetic mean due to the high correlation between bigger and more developed countries.
large differences in coverage remain between categories of workers, especially in contributions to
pension systems (graph 2).

**Graph 2: Access to Protection**

Coverage of domestic services varies according to countries and by type of risk covered, old age pensions
or pensions, and/or health. As graph 2 shows, the latter is better covered.

Three groups of countries can be identified in coverage by pensions. The highest coverage is in Chile and
Uruguay where 42.5 per cent of domestic workers have access to a pension; Brazil follows with 38 per
cent. A second group includes Colombia and Argentina where pension coverage reaches 14 and 10 per
cent respectively. The lowest levels of domestic workers covered by pension are in Peru with coverage of
4.5 per cent, Mexico with 1.7 per cent of domestic workers covered, and Paraguay with coverage below
one per cent (ILO 2009).

When health benefits are included, the number of countries with information is larger and the workers
covered by benefits are higher than when studied for pension coverage only. The pattern across
countries is generally the same as that for pensions only. Almost full coverage is reached by Uruguay
and Chile with levels of 96 and 94 per cent respectively, Colombia (83 per cent) and Costa Rica (72
per cent) also maintain high levels. An intermediate group with 36 to 38 per cent coverage includes
Argentina, Panama and Brazil. Ecuador and Peru follow with coverage between 25 and 22 per cent. As
in pensions, Mexico and Paraguay remain in the bottom group and are joined here by El Salvador; all of
these countries have below ten per cent coverage.

In most countries and for both types of protection, women have lower coverage than men. Only a few
exceptions can be noted when health is included and refer to those countries where coverage is almost

---

15 The number of countries included increase because in several cases the information of contributions to pensions and health is available for both
together and in some cases, health contributions particularly linked to work accidents and sickness register a wider coverage.
universal such as Uruguay and Chile and, to a lesser extent, Colombia. In these countries, protection is either similar for women and men, or women register a higher level than men.

Table 6: Coverage of Pensions and/or Health by Type of Employment and Sex, 2000-2008

<table>
<thead>
<tr>
<th></th>
<th>Total urban</th>
<th>Domestic workers</th>
<th>Workers in informal firms</th>
<th>Domestic workers / total</th>
<th>Domestic worker / Worker informal firm</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pensions (7 countries)</td>
<td>45.0</td>
<td>19.9</td>
<td>26.8</td>
<td>0.44</td>
<td>0.74</td>
</tr>
<tr>
<td>Men</td>
<td>45.8</td>
<td>32.7</td>
<td>23.9</td>
<td>0.71</td>
<td>1.37</td>
</tr>
<tr>
<td>Women</td>
<td>43.9</td>
<td>19.2</td>
<td>33.3</td>
<td>0.44</td>
<td>0.58</td>
</tr>
<tr>
<td>Pensions and/or health (12 countries)</td>
<td>57.8</td>
<td>37.8</td>
<td>39.4</td>
<td>0.65</td>
<td>0.96</td>
</tr>
<tr>
<td>Men</td>
<td>56.7</td>
<td>42.3</td>
<td>35.2</td>
<td>0.75</td>
<td>1.20</td>
</tr>
<tr>
<td>Women</td>
<td>59.4</td>
<td>37.3</td>
<td>49.2</td>
<td>0.63</td>
<td>0.76</td>
</tr>
<tr>
<td>2005</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pensions (8 countries)</td>
<td>44.2</td>
<td>16.8</td>
<td>25.8</td>
<td>0.38</td>
<td>0.65</td>
</tr>
<tr>
<td>Men</td>
<td>44.9</td>
<td>28.3</td>
<td>23.4</td>
<td>0.63</td>
<td>1.21</td>
</tr>
<tr>
<td>Women</td>
<td>43.0</td>
<td>16.1</td>
<td>31.2</td>
<td>0.37</td>
<td>0.52</td>
</tr>
<tr>
<td>Pensions and/or health (12 countries)</td>
<td>60.7</td>
<td>40.2</td>
<td>42.9</td>
<td>0.66</td>
<td>0.94</td>
</tr>
<tr>
<td>Men</td>
<td>59.5</td>
<td>44.5</td>
<td>38.8</td>
<td>0.75</td>
<td>1.15</td>
</tr>
<tr>
<td>Women</td>
<td>62.3</td>
<td>39.7</td>
<td>52.0</td>
<td>0.64</td>
<td>0.76</td>
</tr>
<tr>
<td>2008</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pensions (8 countries)</td>
<td>47.1</td>
<td>19.5</td>
<td>27.8</td>
<td>0.41</td>
<td>0.70</td>
</tr>
<tr>
<td>Men</td>
<td>48.5</td>
<td>33.5</td>
<td>25.8</td>
<td>0.69</td>
<td>1.30</td>
</tr>
<tr>
<td>Women</td>
<td>45.3</td>
<td>18.8</td>
<td>31.9</td>
<td>0.41</td>
<td>0.59</td>
</tr>
<tr>
<td>Pensions and/or health (12 countries)</td>
<td>63.6</td>
<td>44.3</td>
<td>45.7</td>
<td>0.70</td>
<td>0.97</td>
</tr>
<tr>
<td>Men</td>
<td>62.6</td>
<td>47.4</td>
<td>42.0</td>
<td>0.76</td>
<td>1.13</td>
</tr>
<tr>
<td>Women</td>
<td>64.9</td>
<td>44.0</td>
<td>53.3</td>
<td>0.68</td>
<td>0.83</td>
</tr>
</tbody>
</table>

Notes: Arithmetic means. The percentages refer to workers making contributions to pensions and/or health. It includes 12 countries. The last two columns refer to ratios between coverage of domestic workers in relation to urban employment and workers in microfirms.

Source: ILO, Labor Panorama for Latin America (2009)
Determinants of Contributions to Social Security in Domestic Services: A Regression Analysis by Occupation and Sex

The level of contributions to social security is determined by the structure of the labour market (labour insertion) and by personal characteristics of the workers. The former refers to the size of the enterprise, the public or private sector, the economic sector, and the occupational category among other factors. The latter usually includes sex, age, education, civil status and presence of minors in the family. In order to evaluate the interrelations among the determinants mentioned, the Economic Commission for Latin America and the Caribbean (ECLAC/CEPAL) undertook a multivariate regression analysis identifying the importance of each variable (CEPAL 2006).

This model can be used to examine the probability that domestic workers contribute to social security relative to other categories of workers either in the informal economy or in formal enterprises as well as differences between women and men.

According to this model, the probability of access to social security by domestic workers is 53 per cent less than for wage workers in a formal enterprise. A similar pattern is observed for other job categories in the informal economy, specifically wage workers in an informal enterprise or the self-employed, since the probability of domestic service workers having social security is lower than in the other two categories (7.4 per cent lower than for wage workers in an informal enterprise and 1.6 lower than the self-employed). This probability is the result of the structure or segmentation of the labour market (i.e. labour insertion) and the personal characteristics of domestic workers and is relative to the other occupational positions.

Table 7: Determinants of Domestic Workers’ Contributions to Social Security

<table>
<thead>
<tr>
<th>Independent variable</th>
<th>All workers</th>
<th>Women</th>
<th>Men</th>
</tr>
</thead>
<tbody>
<tr>
<td>Domestic worker</td>
<td>-0.366</td>
<td>-0.425</td>
<td>-0.186</td>
</tr>
<tr>
<td></td>
<td>(8.77)***</td>
<td>(14.08)***</td>
<td>(4.00)***</td>
</tr>
<tr>
<td>Informal enterprise worker</td>
<td>-0.292</td>
<td>-0.310</td>
<td>-0.279</td>
</tr>
<tr>
<td></td>
<td>(5.54)***</td>
<td>(7.86)***</td>
<td>(4.73)***</td>
</tr>
<tr>
<td>Self employed or family worker</td>
<td>-0.350</td>
<td>-0.417</td>
<td>-0.316</td>
</tr>
<tr>
<td></td>
<td>(3.22)***</td>
<td>(2.87)***</td>
<td>(3.46)***</td>
</tr>
<tr>
<td>Waged worker formal enterprise</td>
<td>0.166</td>
<td>0.176</td>
<td>0.152</td>
</tr>
<tr>
<td></td>
<td>(1.97)*</td>
<td>(1.66)</td>
<td>(2.06)*</td>
</tr>
</tbody>
</table>

Notes: Latin America, 16 countries included. The coefficients of the regressions estimate the probability of each group to contribute to social security. The coefficients are relative to the owner of an enterprise. *** means that the coefficient is significant at 1%, ** at 10% and no * is not significant.

Source: CEPAL (2009)

Women workers in domestic services are less likely to have social protection than men. The probability of women domestic workers having social protection is 23.9 per cent lower than men’s. This difference can be partly explained by differences in personal characteristics such as age and educational level and by
the different functions performed by men within domestic services. A discrimination component against
women can also contribute to explain part of the existing difference.

Both men and women in domestic work have lower probabilities of contributing to social security than
wage workers in a formal enterprise. However, when compared to all domestic workers, the differences for
women are larger and those for men smaller than for the total. Women working in domestic services have
a 60.1 per cent lower probability of having social protection while for men the probability is 33.8 per cent
lower. In other words, men in domestic service have almost twice the probability of being protected than
women in the same occupation.

The probability of women in domestic services having protection relative to wage workers in informal
enterprises is, as is the case for all domestic workers, still negative but higher – 11.5 per cent lower
instead of 7.4 per cent. Women in domestic services also have lower probabilities of being protected
than do self-employed women, but the difference is smaller. By contrast, for men domestic workers,
the probability of having coverage is significantly higher than it is for men working as wage workers in
informal enterprises or as self-employed workers – 9.3 per cent and 13 per cent higher respectively.

The model is useful to statistically confirm that access to social security protection for domestic services
workers is lower than for other types of jobs in formal enterprises or even in the informal economy. It also
confirms that women domestic workers are in a disadvantaged position relative to men and in comparison
to other occupations as wage workers in formal enterprises. However, domestic work still provides a more
protected job option for men than the alternative of working as a wage worker in an informal enterprise or
as an own account worker.

Domestic Workers and Migrant Women

Domestic service work is increasingly a source of employment for migrant women. This trend is
occurring in the more advanced countries in Latin American, particularly in those where internal
migrations to main urban centers from rural areas and small cities have diminished or even
disappeared.

Around 80 per cent of employed immigrants in Latin America work in agriculture, construction, commerce,
services and domestic work (Tokman 2008). There is also a clear segmentation between women and men.
Men have a more diverse employment structure while women tend to concentrate in the last three sectors
listed above. On average, between 75 to 80 per cent of women migrants who are employed are occupied in
these sectors; most are in domestic services.

Domestic work is a significant source of employment for migrants, particularly in Costa Rica, Chile
and Argentina where between 16 to 21 per cent of immigrants are domestic workers. Employment
in domestic work is especially important for women immigrants. In Argentina, 78 percent of women
immigrants are employed in domestic services, while in Costa Rica and Chile, the percentage
reached 47 and 37 per cent. In some of the less developed countries in Latin America, the
percentage is lower but still significant; for example, 19 per cent of women immigrants in Paraguay
and 10 per cent of women migrants in the Dominican Republic are employed in the domestic
services. In several countries, most of the women in domestic work are immigrants. In Argentina,
Chile, Brazil and Paraguay, between 90 and 96 per cent are migrants. Even in smaller countries
such as Costa Rica, Honduras and Dominican Republic, most of the women in domestic service are
migrants (70 to 74 per cent).
### Table 8: Immigrants in Domestic Work

<table>
<thead>
<tr>
<th>Countries</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Argentina</td>
<td>15.6</td>
<td>39.3</td>
<td>95.8</td>
<td>95.4</td>
<td>96.0</td>
</tr>
<tr>
<td>Brazil</td>
<td>1.9</td>
<td>6.3</td>
<td>88.9</td>
<td>53.0</td>
<td>56.0</td>
</tr>
<tr>
<td>Chile</td>
<td>17.5</td>
<td>37.1</td>
<td>92.1</td>
<td>91.2</td>
<td>94.0</td>
</tr>
<tr>
<td>Costa Rica</td>
<td>20.5</td>
<td>47.1</td>
<td>73.9</td>
<td>80.1</td>
<td>86.2</td>
</tr>
<tr>
<td>Ecuador</td>
<td>14.5</td>
<td>22.9</td>
<td>49.8</td>
<td>55.9</td>
<td>60.4</td>
</tr>
<tr>
<td>Honduras</td>
<td>2.6</td>
<td>6.2</td>
<td>73.6</td>
<td>79.5</td>
<td>87.9</td>
</tr>
<tr>
<td>Mexico</td>
<td>4.8</td>
<td>5.4</td>
<td>35.0</td>
<td>53.8</td>
<td>58.3</td>
</tr>
<tr>
<td>Paraguay</td>
<td>5.6</td>
<td>18.9</td>
<td>94.1</td>
<td>98.7</td>
<td>97.6</td>
</tr>
<tr>
<td>Dominican R.</td>
<td>7.1</td>
<td>20.4</td>
<td>70.8</td>
<td>94.4</td>
<td>88.6</td>
</tr>
</tbody>
</table>

Note: As percentages of
(1) immigrants in domestic work to total immigrants
(2) women immigrants in domestic work to all women immigrants
(3) women immigrants in domestic work to all immigrants in domestic work
(4) immigrants in domestic work from neighbor countries
(5) women immigrant in domestic work from neighbor countries.

Source: Tokman (2008)

The place of origin of domestic service workers who migrate internationally in Latin America, women in particular, is from a neighboring or closely located country. On average, for the six countries where immigrants are a large proportion of employment in domestic services, 89 per cent of workers are from neighboring countries; for women migrants, the percentage is 92. In Paraguay and Argentina, the percentages are around 99 and 96 per cent, respectively. This pattern is similar for all Latin American migrants working in domestic service because of the lower cost and ease of adaptation. In addition, these incentives are reinforced by less strict border controls and the existence of international agreements among countries that allow for travel without passports or entry visas. On average, around 90 per cent of the intra-regional migrants move from nearby countries.

Two additional issues are useful for policy purposes. The first concerns the potential competition for jobs as domestic workers between natives and immigrants. In Argentina, close to 40 per cent of domestic workers are immigrants. In Chile, the number is 61 per cent, and the per cent is also high in Costa Rica. In addition, in most countries, there is a high concentration of immigrants from one country of origin. In Chile, domestic workers are increasingly from Peru; in Costa Rica, they are mainly from Nicaragua, in Paraguay from Brazil, and in the Dominican Republic from Haiti.

In Chile, 44 per cent of all of the immigrants from Peru are domestic workers, and 72 per cent of these are women immigrants. If the category is extended to include other services, it includes around 80 per cent of the Peruvian women migrants. Studies have been done on the concentration of Peruvians “nanas” in domestic services in Chile, and its effects on the competition for and the earnings of Chileans in these jobs (J. Martinez 2003, A. Solimano and V.E. Tokman 2006). This research shows that there is segmentation within domestic work so that Peruvians and Chileans do not compete for the same jobs: Peruvians are younger, have more years of schooling, are concentrated in domestic services full-time, and live at the home of the families for whom they work (inside doors); fourty per cent of the Peruvian domestic workers are between 20 to 29 years of age in comparison to less than 20 per cent of Chileans; three-quarters of the Peruvians in domestic services have ten or more years of schooling in comparison to only one-third...
of Chileans; 60 per cent of Peruvians work “inside doors,” versus only 18 per cent of Chileans; and the majority of Chileans in domestic service are “outside doors.” In the past, domestic services were usually performed by women from rural areas or from low income families. The supply of both types of workers decreased due to the rapid urbanization of the country and to decreasing levels of poverty. As a result, migrants and Chileans are not competing for the same jobs.

A second issue refers to access to social protection and the potential for discrimination between natives and migrants. Illegal migrants work by definition without protection and generally have low remunerations and poor working conditions except those that are involved in illegal activities. Personal characteristics, human capital and the structure of the labour market determine whether immigrants receive higher earnings than natives in most Latin American countries. Research generally suggests that there are significant differences between natives and immigrants in social protection. Native-born workers have more access to formal jobs while migrants tend to concentrate in informal jobs including domestic work, resulting in lower protection. These differences are also reflected in the availability of labour contracts and the type of contracts. Even under the same contractual situation, nationals are more likely to have social protection coverage than immigrants, and the distance is more significant when working under permanent labour contracts (Tokman 2008).

Migrants, including a significant proportion of women in domestic work, also move to developed countries where job opportunities are more attractive; eighty-seven per cent of Latin American emigrants move to developed countries while only 13 per cent move intra-region. In 2005, the United States, the main receiver of Latin American emigrants, had 19 million migrants from the Region (including those from the Caribbean). If undocumented migrants are included, the total emigrants from the region are estimated at 23 million, with 68 per cent among them of Mexican origin. Proximity is an incentive, but migration to Europe, particularly to Spain, the second main receiver of the Region’s immigrants, is also significant. Emigrants from the Region in Spain were estimated to be 1.7 million and as in the US, Latin-Americans constituted more than half of the foreigners living in the country.

Immigrants from Latin American play an important role in domestic services. According to the United States Population Census of 2000, 58 per cent of workers in personal and similar services (including domestic) were migrants from the Region. Mexico was the main country of origin, contributing around 35 per cent of the total and together with El Salvador, Guatemala, Cuba, Haiti and Dominican Republic accounts for 50 per cent of the immigrants in domestic work.

**Final Remarks**

The information provided in this paper highlights some of the main issues involved in domestic service work. It provides an important basis for the design of adequate national and international regulatory frameworks to advance the application of and compliance with fundamental principles of workers’ rights to domestic work.

Domestic work is an important activity involving a significant proportion of employment in Latin American countries. It is mostly, but not exclusively, an activity performed by women and increasingly involves immigrants. In addition, it is performed in a home and is generally not covered by labour legislation or by a regulatory framework.

Earnings in domestic services are among the lowest of all jobs. They are below the level of that for wage workers in informal enterprises and are also below other informal activities although differences here are smaller. A significant proportion of domestic workers is below the poverty line. Women are in a worse position than men, partly because of the different types of jobs they perform in domestic service. Men’s earnings in this activity are higher than those of women and are even higher than the earnings of men working as own account workers and as workers in informal enterprises.
The proportion of workers in domestic services performing under a labour contract is smaller than in other jobs, even in the informal economy. The existence and type of a contract affects access to labour and social protection. However, domestic workers with a permanent contract are less likely to have social protection than those working under an atypical contract. This is the case for men in domestic services, where the fixed term contract prevails, while women are usually regulated under a permanent contract that in practice becomes a fixed term contract because of the absence of indemnities in case of firing. Partly due to the lack of a contract or to the type of contract, contributions to labour and social protection are low, particularly to old age pensions. Wider access is observed in health protection because greater compliance is involved due to higher health risks during the working life and the lower costs. The absence of labour standards that could be introduced universally adds obstacles to compliance. In addition, labour inspection confronts greater difficulties because the work takes place in private households.

The important role of migrants in performing domestic services in Latin America and in other regions, including the developed world, calls for new national and international policies and actions. National policies relating to immigrants that move between countries in search of better job opportunities should incorporate formal requirements of labour regulation, including a labour contract linked to the legal residence in the country. In addition, discrimination should be forbidden, and the application of national labour laws should be ensured. Access to a job constitutes a requirement for illegal immigrants to regularize their residence situation in the country.

Other issues require international agreements, including bilateral or multilateral labour migration agreements to facilitate mobility, including access to jobs, protection, and equal treatment with national workers as well as the possibility of transferring contributions and receiving the benefits in the country chosen for retirement. There are substantive initiatives that have taken place during recent years that could contribute to protected mobility in the benefit of the migrants and their families.
References


About WIEGO: Women in Informal Employment: Globalizing and Organizing is a global research-policy-action network that seeks to improve the status of the working poor, especially women, in the informal economy. WIEGO builds alliances with, and draws its membership from, three constituencies: membership-based organizations of informal workers, researchers and statisticians working on the informal economy, and professionals from development agencies interested in the informal economy. WIEGO pursues its objectives by helping to build and strengthen networks of informal worker organizations; undertaking policy analysis, statistical research and data analysis on the informal economy; providing policy advice and convening policy dialogues on the informal economy; and documenting and disseminating good practice in support of the informal workforce. For more information see www.wiego.org.