Domestic Workers

Legal Framework and Methodological Aspects
Regulatory Framework

- Executive Order 326/1956
  - The decree regulated the labour traits of the activity
  - It specified the relationships governed by this legal frame.
  - It defined the labour rights
  - It classified this type of work into five different categories.
  - The regulation included another purpose: to provide these workers with the social security benefits
Regulatory Framework

• Law 25.239

In April/2000 a new legal regulation was born: it was known as the Special Social Security Regulation for the people working in domestic environments.

Main ideas:

• A person that hires another one to do household chores is not considered a common employer. It’s called “Job Giver” (Dador de trabajo)

• **Simplified way to pay** the social security obligations: a fixed amount according to the number of weekly hours worked

• Benefits for the employee:
  - Retirement
  - Health Care System
Regulatory Framework

• **Law 26.063 - Year 2005**
  The news is the possibility for the “job givers” to use the amount to be deducted from income tax. At the same time, the law established the Special Regulation as the only framework for this activity.

• **Law 26.844- Year 2013 – Special Regime on working contract to hire people for domestic issues**
  - A new special register is created, to enter the relationship between the employer and the employee
  - These employees are protected by The Labor Risk law
The figures

Evolution of the labour relations in domestic work

Benefits for the employer

Benefits for the employee
Hiring a Domestic Employee
Steps to follow at the beginning

1) Register the employment relationship

2) Inform about the recruitment terms and conditions:
   - The weekly hour brackets
   - The amount of salary agreed
   - The location where the person is going to do the job
   - The union health care system chosen

3) Take out an insurance policy according to the Labor Risk law
Monthly tasks

- Pay the salary
- Pay the social security

<table>
<thead>
<tr>
<th>Weekly Hours Worked</th>
<th>Total Amount</th>
<th>For Health System</th>
<th>For Retirement</th>
<th>For the Work Insurance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 12 hours</td>
<td>$176 / $11</td>
<td>$34 / $2.13</td>
<td>$12 / $0.75</td>
<td>$130 / $8.15</td>
</tr>
<tr>
<td>Between 12 and 15 hours</td>
<td>$252 / $15.81</td>
<td>$63 / $3.95</td>
<td>$24 / $1.50</td>
<td>$165 / $10.35</td>
</tr>
<tr>
<td>More than 16 hours</td>
<td>$684 / $42.92</td>
<td>$419 / $26.29</td>
<td>$35 / $2.19</td>
<td>$230 / $14.43</td>
</tr>
</tbody>
</table>

Amount expressed in $ and u$s
<table>
<thead>
<tr>
<th>Benefit</th>
<th>Amount u$</th>
<th>Amount $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minimum retirement</td>
<td>399</td>
<td>6,394</td>
</tr>
<tr>
<td>Minimum Wages</td>
<td>503</td>
<td>8,060</td>
</tr>
<tr>
<td>Social Security in the Special Regimen</td>
<td>2</td>
<td>35</td>
</tr>
<tr>
<td>Health Care System in the Special Regimen</td>
<td>26</td>
<td>419</td>
</tr>
<tr>
<td></td>
<td>For each member of the family</td>
<td></td>
</tr>
</tbody>
</table>
Baits to Succeed in the Inclusion of Domestic Workers Into The Social Security

- Give a tax break
- Make the process easy
Baits to Succeed in the Inclusion of Domestic Workers Into The Social Security

- **Employer**
  - Give a tax break
  - Make the process easy

- **Employee**
  - Benefits – Social Security
  - Benefits in other areas: public transport
Baits to Succeed in the Inclusion of Domestic Workers Into The Social Security

- Give a tax break
- Make the process easy

The same app

- Benefits – Social Security
- Benefits in other areas: public transport
Baits to Succeed in the Inclusion of Domestic Workers Into The Social Security

Social Organization’s commitment

Employer
- Give a tax break
- Make the process easy

Employee
- Benefits – Social Security
- Benefits in other areas: public transport

State Control

Social Education

The same app
Things that attempt against the registration

- Misinformation
- Hindrances to access the benefits
- Hindrances to make the registration
- Insecurity Feelings: declaring a relationship is worse than having an employee under the table
- Lack of control: it’s necessary to create a new mechanism to gain control
Thanks for your attention