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ARGENTINA

SENATE BILL THREATENS PENSIONS FOR OLDER PEOPLE

The Senate will soon vote on "Ley de Bases," a bill to eliminate pension moratoriums. This proposal threatens the retirement rights of older people, especially women and informal workers. If passed, 90% of women and 70% of men of retirement age will receive a money transfer below the poverty line instead of a pension. Women aged 60 to 64 without 30 years of contributions, who currently have guaranteed pensions, will lose protection until they turn 65. We urge the rejection of this bill to protect equal access to pensions and ensure dignified lives for older people.

Write to the Senators listed below urging them to:

- Desist from the elimination of pension moratoriums due to the risks that it represents for guaranteeing the right to social security and an adequate standard of living for older people.
- Ensure that any reform on pensions meets Argentina's international obligations on the matter.

Write to:

Senator Martín Lousteau: martin.lousteau@senado.gob.ar

Senator José Miguel Angel Mayans: mayans@senado.gob.ar

Senator Luis Alfredo Juez: fpro@senado.gob.ar

Senator Juliana Di Tullio: juliana.ditullio@senado.gob.ar

Senator Eduardo Alejandro Vischi: bloqueUCR@senado.gob.ar

Senator Juan Romero: juan.romero@senado.gob.ar

Senator José Carambia: jose.carambia@senado.gob.ar

Senator Carlos Espinola: Carlos.espinola@senado.gob.ar

Senator Bartolome Abdala: bartolome.abdala@senado.gob.ar

Senator Lucila Crexell: lucila.crexell@senado.gob.ar

Senator Carlos Arce: carlos.arce@senado.gob.ar

Senator Mónica Silva: monica.silva@senado.gob.ar

Salutation: Dear Senators,

And copy:

Her Excellency Maria Josefina Martinez Gramuglia

Ambassador

Embassy of the Argentine Republic

81 Metcalfe Street, 7th Floor

Ottawa, ON K1P 6K7Canada

Tel: (613) 236-2351 Fax: (613) 235-2659

Email: ecana@cancilleria.gov.ar

ADDITIONAL INFORMATION

On April 30, the National Lower House gave preliminary approval to the "Ley de Bases" proposal. This bill includes several economic and fiscal reforms and introduces changes to the Argentine pension system. The Senate is now discussing it, and if approved, it will become law.

The draft bill proposes abolishing the pension moratorium and introducing the Proportional Retirement Benefit. This new benefit is for those aged 65 who do not have the 30 years of contributions needed for the minimum retirement pension. If this bill passes, 9 out of 10 women and 7 out of 10 men will not be able to retire at 60 or 65. They will have to choose alternatives that do not cover basic needs. Currently, 8 out of 10 people who retired in 2023 did so through a moratorium plan.

Pension moratoriums ensure access to retirement for those without 30 years of contributions, addressing inequalities due to informal labor. In Argentina, over 47% of the labor market lacks contributions or registration. If the moratorium ends, those who don't meet retirement requirements will only get the Universal Pension for Older People (PUAM), which is 80% of the minimum pension. In March, PUAM was \$107, and the minimum pension was \$134, far below the \$250 needed to avoid poverty. This will disproportionately affect women, who have higher rates of informal work. Nearly 4 out of 10 women worked informally in care-related jobs in 2022.

Argentina has been in an economic and social crisis for years. The country has borrowed from the IMF, which requires a "zero deficit" and has led to strong fiscal adjustments. The IMF noted the cost of the pension moratorium in its latest report, while emphasizing the need to protect the most vulnerable. The current government's fiscal adjustment heavily impacted pensions. The Argentine Institute of Fiscal Analysis reported a 33% reduction in pension expenditure in the first two months of 2024 compared to the same period in 2023. region.

Please take action as soon as possible until June 15, 2024! The UA will be duly updated should there be the need for further action.