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General information

The Costa Rican social protection system has a set of social programmes, which have managed to consolidate a social protection floor. The system is composed of contributory and non-contributory programs as is shown in the following table.

Contributory and non-contributory programmes in Costa Rica

Contributory programmes	Social Protection Floor				
National health insurance (CCSS)	Centro de Atención Infantil (CEN-CINAI): early childhood care	Indigent population coverage with health care services.	Employment-generation programmes of the Ministry of Labour	Subsidies, IMAS	PANI
Contributory pensions schemes (CCSS and others)	Comedores Escolares: school meals programme	Support to capability enhancement.	Emergencias, IMAS	National Network of Care	INAMU
Employment injury (INS)	Avancemos: conditional cash transfers to reduce high school dropout		National Emergency Commission	National Emergency Commission	National Political Council for Young People
					CONAI
					Handicapped people
					Elderly people

Source: Durán y Pacheco, 2010.

IMAS: Instituto Mixto de Ayuda Social (Joint Social Welfare Institute)

PANI: Patronato Nacional de la Infancia (National foundation for children)

INAMU: Instituto Nacional de las Mujeres (National Institute of Women)

CONAI: Comisión Nacional de Asuntos Indígenas (National Commission of Indian Affairs)

The contributory programs are grouped according to the management and coordination of the Costa Rican Social Insurance Fund (CCSS) established in 1943. Progressively, the Institution has incorporated a significant amount of workers and their dependents; including domestic workers. The institution still requires strategies to effectively extend the coverage to domestic workers, such as the incorporation of workers with multiple employers and workers who work for hours.

Basic information of domestic workers

Indicators for 2013 INEC (2013); National Household Survey:

- Number of domestic workers: 131,197
- Domestic workers as % of EAP (employed): 6.5
- % of women domestic workers: 91.7
- % of urban domestic workers: 63.7
- % of foreign domestic workers: 23.0
- Average monthly income of domestic workers: 147,447 colones (US\$ 267).
- Minimum wage (legal) for domestic workers: 165,016 colones per month (US\$ 297). (MTSS, 2013)
- Number of times the average labor income of domestic workers represent the average labor income of the labour force: 3.0

Legislation

- Labour Code and reforms (original text: 1943). (Law 2)
- Constitutive Law of the Costa Rican Social Insurance Fund (1943). (Law 17)
- ILO Convention 102 (1972, in force).
- Code of Children and Adolescents (1998). (Law 7.739).
- Worker's Protection Law (2001) (Law 7.983).

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- General Law of Immigration and Foreigners (2009). (Law 8.764).
- Regulation of health insurance (CCSS)
- ILO Convention 189 (20 Jan 2014, in force starting Jan 2015)

National definition of domestic work

Definition:

Labour Code (Law No.2) article 101: “Las personas trabajadoras domésticas son las que brindan asistencia y bienestar a una familia o persona, en forma remunerada; se dedican, en forma habitual y sistemática, a labores de limpieza, cocina, lavado, planchado y demás labores propias de un hogar, residencia o habitación particular, que no generan lucro para las personas empleadoras; también pueden asumir labores relativas al cuidado de personas, cuando así se acuerde entre las partes y estas se desarrollen en la casa de la persona atendida.”.

In Costa Rica, the labour legislation has assimilated domestic work to common salaried work, so all the insurances that the salaried worker has are automatically extended to domestic workers.

Note: According to the legislation, domestic workers cannot be considered independent workers, in any circumstances.

Relation with C.189 definition of domestic work:

The definition of the Costa Rican Labour Code does not comply with C.189 of ILO because it excludes gardeners, guardians, drivers and pet guardians.

Other benefits included in the Labour Code for domestic workers:

- Vacations
- Days off
- Annual bonus (thirteenth month)
- Weekly rest
- Extra hours
- Notice periods and unemployment
- Social Security
- Risk work Social insurance.

(Labour Code. Title three: The Work Week, Vacations, and Wage)

Excluded population according Labour Code:

People who are younger than 15 years (Labour Code. Art 89 and 90).

Workers under 18 years of age:

The legislation has restrictive measures like duration of working hours, the type of activity undertaken among others restrictions according to Childhood and Adolescent Code (Art. 94, Law 7.739).

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Regime of protection

Coverage through **general scheme** of social security managed by social security administration (CCSS) under the category of “Domestic Service”.

Covered population according to social security legislation:

- Domestic worker
- Housekeeper
- Babysitter
- Guardians (at homes)
- Gardeners
- Drivers

There is a different definition of domestic work between the Labour Code and the social security legislation. The definition of social security legislation is broader.

Scope of coverage, according to the C.189

Convention 189	Labour Code (Law 2)	Social security legislation
Cooking	Yes	Yes
Cleaning	Yes	Yes
Taking care of children, the elderly, others	Yes	Yes
Gardeners	No	Yes
Guardians	No	Yes
Family chauffeurs	No	Yes

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Contingencies covered

Covered Contingencies:

- Health care (CCSS)
- Sickness benefit, through social insurance institution (CCSS)
- Employment Injury Insurance (Employer-liability system) (National Insurance Institute)
- Maternity benefits, through social insurance institution (CCSS)
- Old-age benefits, through social insurance institution (CCSS)
- Invalidity benefits, through social insurance institution (CCSS)
- Survivors' benefits, through social insurance institution (CCSS)

The employment injury insurance affiliation is conditioned to the worker's coverage from social security (CCSS).

Are there provisions for maternity protection: pre, during and post natal care, income replacement during maternity leave? Yes, the benefits are granted for a period of 16 weeks; and if there is a no intentional abortion, the period is extended. (Art 81, 94-100, Labour Code; Art. 10, 40, 54. Regulation of health insurance (CCSS)).

Prescribed qualification procedure (maternity): Yes. For a domestic worker qualifies for cash subsidies for maternity leave, it is necessary that it has provided at least three consecutive instalments immediately preceding the license or birth, or six in the twelve months prior to the start of the license or birth (Art. 40 and 42. Regulation of health insurance (CCSS)).

Are the dependents of domestic workers covered? Yes. Persons under 22 years, and older than 22 to 25 if they are studying and are singles (Art. 12. Regulation of health insurance (CCSS))

Complementary protection:

Domestic workers also contribute to a complementary and compulsory individual savings scheme (individual accounts, ROPC) that manage a complementary pension scheme, and the Labour Capitalization Fund (FCL). Only salaried employees and their employers must contribute to the complementary protection. (Art. 3 and Art. 9. Worker's Protection Law (Law 7.983))

Administration

Costa Rican Social Insurance Fund (CCSS)

Employment injury: National Insurance Institute (INS). Council of Occupational Health provides general supervision.

Individual accounts (pensions): Pension fund administrators (AFP) manage the individual accounts, and Superintendent of Pensions regulates and supervises.

Social security coverage

Coverage of domestic workers as a % of employed domestic workers: 15.5 in 2013.

Type of coverage for domestic workers, 2013

Type of coverage	Total	Sex		Zone	
		Female	Male	Urban	Rural
Total	100.0	100.0	100.0	100.0	100.0
Salaried 1/	15.5	14.3	28.5	17.1	12.7
Volunteer	10.9	9.9	22.0	9.5	13.2

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insured 2/					
Family of insured	37.8	40.6	6.4	36.9	39.4
Other forms 3/	11.4	10.9	16.6	11.9	10.3
Not covered	24.5	24.3	26.4	24.6	24.4

Note: 1/ Within the social insurance, it is referred to the category of "domestic service".

2/ These include also domestic workers who pretend to be independent workers.

3/ These include domestic workers who have insurance funded by the State, or workers who are retired.

Source: National Household Survey. INEC. 2013.

With information from 2013, the above table allows us to conclude the following:

- 15.5 per cent of domestic workers contributed to social insurance under the category of "domestic service" and a further 60.1 per cent was covered from other types of insurance, such as voluntary and independent insurance (10.9) , family of insured (37.8), among other forms (11.4).
- A quarter of domestic workers do not have any social security coverage, which can be caused, among other things, of the inability or unwillingness of the employer to pay the insurance, or the lack of effective inspection mechanisms of social insurance (Roman and Morales, 2014).
- 10.9 per cent of domestic workers were contributing as independent or volunteer workers, simulating these occupational categories. The employer, rather than pay the insurance, transfers the money to the workers, for workers to contribute themselves under the category of self-employed, which has a lower cost. In practice, according to the income of the worker, it is possible that the contribution amount is less if it contributes to social security under the category of independent worker.
- Domestic workers who were under the category of "family of insured" were not contributing to social security, but they had social security protection as dependents of an active contributor.
- The category of "other forms" includes workers who have insurance funded by the state, which is aimed at the population in poverty and retired people.
- By gender, men coverage is superior in all types of coverage that domestic workers are protected, except in the category of "family insured" where usually the spouse (man) ensures, the female domestic worker as his dependent.

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Financing issues

Is the contribution rate differentiated? Yes, domestic workers and their employers do not contribute to some social sector institutions that do not represent direct benefits for workers. In particular, domestic workers do not contribute to institutions such as the IMAS (social welfare institute) and INA (vocational training institute).

Reference wage for contribution payments: Gross wage of the worker. Including in-kind salary (There are included: housing, meals, clothing and other articles intended for personal consumption. Art. 166. Labour Code).

Are there state subsidies for contributions? Yes, the State subsidies are applied to total wages reported.

Total contribution rate: 34 per cent of gross salary.

Social Contributions for domestic workers in Costa Rica

Detail	Total	Employer	Worker	State
Total	34.0	24.17	9.17	0.66
CCSS	23.0	14.7	8.17	0.66
Health	15.0	9.25	5.5	0.25
Pensions	8.0	4.92	2.67	0.41
Other institutions	11	10	1.0	0.0
FCL 1/	3.0	3.0	-	-
ROPC	1.5	1.5	-	-
Banco Popular	1.5	0.5	1.0	-
FODESAF	5.0	5.0	-	-

Note: 1/ According to Worker's Protection Law (Law 7.983), the Pension Fund Administrators must annually transfer 50% of the resources of Labour Capitalization Fund (1.5%) to the accounts of ROPC.

2/ These contributions do not include employment Injury Insurance.

Source: CCSS.

Domestic workers have an employment injury insurance, which is administered by the National Insurance Institute (INS). The contribution rate is not related with the worker salary, and it has a cost of 43,113 colones (US\$ 77.5).

Are there tax incentives for employers to pay contributions? No.

Registration practices

Is the affiliation mandatory? Yes for all contingencies described above (Art, 37. Constitutive Law of CCSS and Art. 104 of the Labour Code).

Registration procedure: The employer must enrol the employee no later than 8 business days after the beginning of the employment relationship (Art. 44 Constitutive Law of CCSS and Art. 104 of the Labour Code).

Who is accountable of registering the worker? The employer.

Which institutions are involved? CCSS and INS.

Registration of domestic workers: The same as to the other employees.

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Is there a unique system of registration? Yes, except employment injury, which the INS is responsible for managing.

Is there portability in the contributions between the schemes? Yes, when domestic workers change their occupational category, they are still protected under the same social protection scheme.

Are there complaint mechanisms available (in case of non-compliance with social security legislation)? Yes, the worker can complain to the Costa Rican Social Insurance Fund, the Labour Inspection Office of the Labour and Social Security Ministry, Constitutional Court or the Ombudsman's Office (according to Constitutive Law of the Costa Rican Social Insurance Fund).

Are there inspection mechanisms to enforce the compulsory coverage? Yes, under the inspection system of social security (Art. 20. Constitutive Law of the Costa Rican Social Insurance Fund). In 2013, there were about 5,908 private households with domestic workers, of which 8.9% (66,694) were the subject of an intervention (CCSS, 2013).

Are there rules for affiliation and payment of specific contributions to domestic workers working on a part time and/or multiple employers bases? No, CCSS and the INS do not have regulated this type of affiliation and payment of contributions.

Contributory minimum wage: Yes, it was equivalent to 131,760 colones (US\$ 239) in 2013. The employer must contribute on the contributory minimum wage established, but the employee must pay contributions just on wages reported on social insurance.

What is the process for registering domestic workers? The registration is under employer responsibility, at the social security offices or online.

What are the specific requirements for registering?

- Fill out an application form, which must be signed by the employer.
- Identification of the employer.
- Identification of the worker.
- Electricity bill corresponding to the house of the employer.

Note: For information on migrant domestic workers, see below.

Are there any mechanisms in place to facilitate registration for domestic workers?

- Access to local social security branches in all the “cantons”
- Online administration:
The web platform link is available in: <https://sfa.ccss.sa.cr/afiliacion/> and <http://www.ins-cr.com/apps/web/servicios/frmCompreEnLinea.aspx>

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Collection of contributions

Is there a single national system for the collection of contributions? Yes, except for the employment injury programme, whose contributions are collected by the INS.

Are there mechanisms to facilitate the payment of contributions? Yes.

- A web platform (E-services).
The web platform link is available in: <https://sfa.ccss.sa.cr/afiliacion/> and <http://www.ins-cr.com/apps/web/servicios/frmCompreEnLinea.aspx>
- Some commercial establishments such as pharmacies and supermarkets.
- Through the financial system.

Are there sanction for employers? Yes. Sanction (punishment) for omission of information or late submission of documents (same applicable for the rest of employers) security (Art. 44, 46-47. Constitutive Law of the Costa Rican Social Insurance Fund). Specifically, the sanctions for not registering a worker or misrepresentation or omission of information shall be at least 5 minimum wages (defined by the Ministry of Labour). In addition, the employee who reports a lower wage to social security will suffer a sanction of 3 minimum wages.

Coverage of women domestic workers

Are there special provisions in the law for women domestic workers? No.

Does the state subsidize contributions of (women) domestic workers? Same subsidies as men.

Are there problems of discrimination against women? What are these problems? No documentation / no evidence.

Good practices

- Rate of contribution reduced to domestic workers without affecting their benefits of the social security programmes.
- The contributions of domestic workers are subsidized by the state.
- The institutions develop different campaigns in the media, which are aimed to raise awareness among workers and employers.
- Single national and centralized system for the collection of contributions.
- E-services through a web platform for the registration, affiliation and payment of contributions.
- The inspection of social insurance in households with domestic workers.
- Sanction for the employers when they omitted information, when contributions are evaded and in case of late submission of documentation.
- The domestic worker pays contributions according to wages reported, in case of the real salary being less than the contributory minimum wage.
- The employer pays the difference in contributions from workers between the contributory minimum wage and the reported wage.

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Barriers

- Domestic workers working on an hourly basis are not covered, because there are no administrative mechanisms to enforce their coverage.
- It is necessary to incorporate mechanisms for affiliation and contributory control for domestic workers who are not registered.
- There is not a link between the Ministry of Finance and social security institution to control evasion of employers of domestic workers.
- Elevated contributions to social sector institutions (additional tax), which do not provide direct benefits to domestic workers. For example, 5 percentage points of the employer's contributions are directed to a non-contributory program fund. The existence of these contributions can lead to disincentives for the affiliation on the part of the employer especially.

Challenges

- Increase the coverage rate of social insurance (still very low).
- Sensitize domestic workers about their rights in social security.
- Improving articulation between the inspection service of the social security and the Ministry of Labour and ministry of finance
- Designing an insurance system for employees working for hours.
- Create a system of multi-employer insurance.

ILO standards ratification and application

- List of ratified ILO conventions related to domestic work/social security:
- Social Security (Minimum Standards) Convention, 1952 (No. 102)
 - Medical Care and Sickness Benefits Convention, 1969 (No. 130)
 - Domestic Workers Convention, 2011 (No. 189). 20 January 2014, but the Convention will enter into force on 20 January 2015.

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