Priority policies for reducing socioeconomic inequality

Key public policies to reduce socioeconomic gaps

It is possible to identify public policies crucial for narrowing socioeconomic gaps in areas such as:

- Income and employment
- Social protection
- Health and nutrition

Policies that promote labour and productive inclusion

Policies that promote labour and productive inclusion are focused on creating opportunities for independent forms of income generating employment for the more vulnerable young people and adults of working age.

In addition, many countries in the region are implementing policies such as technical and vocational training and remedial education policies and others to help fill job demand such as support for independent work involving components such as microcredits, self-employment and entrepreneurship and both direct and indirect job creation.

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Lastly, there exists a third category consisting of job placement services.

Labour market policies and institutions, such as minimum wages, collective bargaining mechanisms, labour inspections and social dialogue mechanisms are of crucial importance since a majority of the population relies on labour income.

Social protection policies

Social protection also plays a fundamental role in the most vulnerable people’s exercise of rights.

Conditional cash transfer programmes can make especially significant contributions to improving the situation of lower income families and promote their inclusion. These transfers are important for assuring at least a basic level of consumption.

Countries in which application of conditional cash transfer programmes is extensive and the disbursements to each recipient are substantial provide clear evidence of just how positive of an impact they can have.
But it is generally the case that such transfers involve small sums, thereby limiting their socioeconomic inequality reduction effects.

Another issue of fundamental importance for closing socioeconomic inequality gaps is the search for universal health service coverage and access as well as the elimination of malnutrition, which are currently segmented in the region as a result of inequality despite evidence that universal systems have a significantly positive effect on productivity, employment and incomes.

For that reason, policies geared toward achieving universal health service coverage and the elimination of malnutrition from a human-rights approach are needed along with targeted, selective or affirmative action mechanisms to benefit the most vulnerable and excluded population groups and those subject to discrimination.
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