



## Coronavirus V. ii: Telework after the pandemic outbreak

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### Executive Summary

1. Far from being marginal, remote and technology-assisted jobs may cover as much as 57% of micro, small, medium and medium-large companies by the end of 2020.
2. As much as 6% of these companies were able set up home office for all their staff: some 60,000 firms and 220,000 jobs. In 51% of the firms with up to 800 employees, between 800,000 and 1,000,000 formal workers might be already teleworking.
3. Hence, debating telework legislation will be essential and it include clauses to favor international competitiveness.
4. However, despite the urgency imposed by the COVID-19 crisis, only 15% of service firms, 9% of firms in the Metropolitan Area of Buenos Aires and 12% of micro enterprises, particularly the more flexible independent professionals and sophisticated services, are in condition to switch entirely to telework before the end of the year.
5. This is out of the question in the short term for the 43% of firms with up to 800 employees. A total of 280,000 firms with up to 1,500,000 workers. Most are micro-enterprises, firms unrelated to services and those located far from the Metropolitan Area of Buenos Aires.
6. Hence, two very distinct groups of firms with less than 800 employees arise according to whether they can or cannot adopt teleworking. The former will be in condition to make a leap in competitiveness in the very near future which the latter will not.
7. Although not watertight compartments, these categories will increase the gap between territories, activities and firm size unless public policy regulates an appropriate set of incentives.
8. The pandemic has accelerated the debate on telework legislation. A debate which should be backed up with evidence and discussion of facts about companies. Legislation not only for telework but also for MSMEs and knowledge economics must be passed to overcome the productive gap that generates increasing poverty in Argentina.

9. These three laws must provide incentives for the convergence of productivities, the creation of jobs to eliminate poverty and must foster international competitiveness so that foreign exchange may be generated in order to sustain the growth of the Argentine economy.