



LABOR OBSERVATORY OF THE AMERICAS



Country Profile El Salvador



2021



Total Area:

21,040 km²



Population (2007 Census):

5,744,113 people¹



Population estimated in 2021:

6,839,632 people



Economically active population:

(June 2020)

2,496,445 people²



Gross Domestic Product (GDP) in 2020:

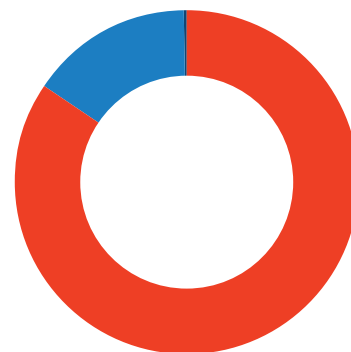
24.64 billion US dollars³



GDP in first quarter 2021:

A growth of 9% is projected by end of year⁴

Population composition



83%

Mixed Indigenous and European descent (mestizo)

15%

White

0,2%

Indigenous

¹ Unfortunately, the General Directorate of Statistics and Census (DIGESTYC for its acronym in Spanish) of El Salvador does not have updated data available since 2019, so this section gathers various sources cited below.

² <https://data.worldbank.org/indicator/SL.TLF.TOTL.IN?locations=SV>

³ <https://statistics.cepal.org/portal/cepalstat/national-profile.html?theme=2&country=slv&lang=en>

⁴ <https://www.bcr.gob.sv/2021/10/01/economia-salvadorena-crecio-24-5-en-el-segundo-trimestre-de-2021/> [Spanish only]



Analysis of socio-economic situation

Employment.

With the pandemic, 71,706 formal private jobs were lost between January and June 2020. Between December 2020 and July 2021, 65,131 private jobs were recovered, but 9,264 remain to be recovered in comparison to November 2019. ⁵

Unemployment.

The unemployment rate in El Salvador at the close of 2020 was 6.98% (ILO), and it is projected to reach 9.5% in 2021, according to the Sixth State of the Region Report. ⁶

Poverty.

According projections from the 2018 and 2019 Multipurpose Household Survey (EHPM for its acronym in Spanish), 32.2% of the population (2,180,000 people) lived in poverty in 2020, and was expected to increase to 33.3% (2,280,000 people) in 2021. Of these people, around 476,000 (7% of the total population) lived in extreme poverty at serious risk of malnutrition. ⁷

⁵ <http://comunicaciones.ufg.edu.sv/observatorios/investigaciones/ufg-3-er-informe-situacion-de-pais-2021-26jul2021> [Spanish only]

⁶ https://estadonacion.or.cr/wp-content/uploads/2021/07/presentacion_erca2021.pdf [Spanish only]

⁷ <https://comunicaciones.ufg.edu.sv/storage/observatorios/July2021/Lunv9pxbg5NvSIWr9e8H.pdf>



Context Highlights 2021

In 2021, the issues that stand out in El Salvador under the government of Nayib Bukele are broad and serious. Although there have been important social achievements in recent years, progress in building a democratic society has been difficult.

The Attorney General of the Republic and the Constitutional Chamber were removed on 1 May 2021. They were immediately replaced by people from within the president's close circle, ignoring the legal procedures established for this type of action. In later sessions, judges over 60 years of age began to be removed, which is a third of the judges, and judges from the government's party were named. A statement issued by 25 Salvadoran civil society organizations, among them business associations⁸, categorically condemned what they call a coup d'état endorsed by President Bukele and implemented by legislators of the Nuevas Ideas, Gana, PCN, and PDC parties.

The mission of the Constitutional Chamber is to strictly oversee compliance with the Political Constitution, and it had confronted presidential measures related to the pandemic framed within the definitions of the State of Emergency that it viewed as unconstitutional, measures that the Chamber considered counterproductive to the liberties of the Salvadoran population.

Later, the Constitutional Chamber imposed by Bukele decreed that the president has the right to re-election, despite the clear prohibition stated in the Constitution of El Salvador. His Nuevas Ideas party has already nominated him for presidential re-election in 2024.

Faced with these and other measures that in previous years have included the militarization of the Salvadoran parliament, the country finds itself without structural changes that could address socio-political violence, and with increasing inequality, poverty, and militarization, with the aggravating factor of restricted access to statistical information that the government controls with confidentiality clauses.

A massive march was held on 15 September against what the Salvadoran social movement names as the authoritarianism of Nayib Bukele. Students, feminists, environmentalists, and ex-combatants of the civil war took part in the mobilization, with an estimated participation of around 15,000 people. Among the main messages were the rejection of bitcoin and the militarization of civilian life, as well as the defense of freedoms and human rights.

Social discontent is increasing while different multilateral institutions and even the United States government denounce the violation of the constitutional order and freedoms taking place in the Central American country.

⁸ <https://www.dw.com/es/el-salvador-se-encienden-alarmas-sobre-autoritarismo-de-bukele/a-57406954> [Spanish only]



Actions/Denunciations (national and international) by Trade Unions and other social sectors

Salvadoran organizations denounce a crisis of power in the country, aggravated by the authoritarianism expressed in the presidential reelection process and the executive office's control of all branches of power. The trade union movement denounces the difficulties it faces in exercising trade union autonomy, since the Ministry of Labor is attacking non-aligned trade unions and is seeking the dissolution of workers' organizations that fight for social justice.

Additionally, alert is raised over the gradual loss of formal jobs as a result of the pandemic, without a strategy to recover these jobs and fight against unemployment in the country.

Trade unions that do not align themselves with the Ministry of Labor's instructions are subject to the dismissal of their affiliates. The trade union movement has taken a significant number of cases to court, but they have been victorious in only a few occasions; and although the courts have issued reinstatement orders, these are not complied with as required by law and the protection of workers' rights. The de facto policy of layoffs has spread throughout the country and under the current political conditions, there are not many options left for workers to confront these measures. More than 80 cases in the municipal sector have been filed, and although judges have ordered reinstatement, municipal leaders do not comply with the courts' decisions. The trade union movement believes there is non-compliance with national and international laws, conventions, and treaties.

The working class denounces that although the image of the country is that of a democratic environment, within the country, the experience is of authoritarian measures that are detrimental to the quality of life of the popular classes and the guarantee of the rights of the working class. Given President Bukele's high level of popularity due to his control over internal and mass media, an opposition cannot count on constitutional and legal guarantees for taking necessary democratic action.

Social movements in general, and trade unions in particular, denounce the fact that any attempt to oppose the government leads to finger-pointing and stigmatization, being branded as being part of the ARENA or FMLN parties, as if being part of a political group in itself were a criminal act.

The dismissal of pregnant or breastfeeding women has been denounced, and there is no room for maneuver with a Ministry of Labor that does not respond to requests or to social dialogue as a necessary condition for guaranteeing rights. Credentials are not processed and the assets of some trade union accounts and workers' contributions were frozen between January and September. This means that union actions had to be carried out using workers' own economic contributions.



Collective Bargaining and the Freedom to Form Unions

One of the trade union movement's major concerns has to do with the financial difficulties that affiliated organizations are currently experiencing, which leads to enormous complications in advancing their demands through collective bargaining agreements.

At present, leaders are required to be registered with the Ministry of Labor in order to act on behalf of workers.

They believe these are pressure mechanisms that are being imposed to disappear the trade

union movement opposed to the government's directives, or to force the movement to fit in a political framework that is functional to the government. Under these conditions, trade union organizations are faced with the dilemma of aligning themselves or disappearing in the face of a governmental structure and a governing party that has adapted the Constitution, the laws, and all the powers of the State so that civil society, organizations, and popular movements fall under its totalitarian model.

Collective Bargaining and the Freedom to Form Unions

The trade union movement in El Salvador believes international solidarity is necessary to confront the moment they describe and suffer in their daily lives as workers. They propose to continue to move forward despite the difficulties, and have told public administration officials that they will not give up defending the rights they have historically won.

They have been part of the peaceful demonstrations that are taking place in the country, and are raising their voices against measures such as the imposition of bitcoin, which they see as an unnecessary measure that will aggravate the social crisis of unemployment, informal employment, and poverty.

They believe it is necessary to create a citizen's convergence that can urge legislators to govern for the people who elected them, for the majorities, and to consult the citizenry in order to learn about the needs that must be satisfied.

An alliance of trade unions with diverse organizations and social movements is proposed in order to articulate the defense of the Constitu-

tion, and to prevent further setbacks to the rights that were won in recent periods, during which there were even significant improvements regarding environmental issues and the progress of society as a whole. Although the modernization of the country requires modifications to the law in a democratic and pluralistic manner, it is not possible to move forward on the current path, granting all powers to one party and one president.

Finally, we are working on an alternative reform proposal – in alliance with sectors of environmentalists, war veterans, the agricultural cooperative sector, among others – that is based on the Platform for Change (Plataforma para el Cambio) and has a deep trade union and popular perspective.



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