



LABOR OBSERVATORY OF THE AMERICAS



Country Profile México

2021



Total Area:

1'964.375 km²



Population (2017 Census):

126'014.024 people¹



Population estimated as of June 2021:

127'772.520 people

Population composition:

2020 Census

51,2% **48,9%**

(64'540.634)
women

(61'473.390)
men



Economically active population:

(3rd Quarter 2021)

58,307,446 people, representing 59.4% of the working age population.



Gross Domestic Product (GDP) in 2020:

1.09 trillion US dollars²



GDP in 2021:

GDP registered a 4.7% increase in the third quarter of 2021, compared to the same period of the previous year.

6.1%

7,364,645 people speak an indigenous language

2%

of the total population (2,576,213 people) identify as Afro-Mexican or Afro-descendent.

¹ The statistics presented here were obtained from the National Institute for Statistics and Geography (INEGI for its acronym in Spanish) of Mexico, from its more recent quarterly reports.

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

Analysis of socio-economic situation

Empleo.

The employment rate in the third quarter of 2021 stood at 59.4%, with 55,836,230 people employed, of which 39.1% (21,835,400) are women and 60.9% (34,000,830) are men. The employment rate shows a growth of 0.9 percentage points (5 million new employees) compared to the same period of the previous year. While the rate has grown, it does not exceed the 2019 rate (96.6%).

Informal employment.

The rate of informal employment in the third quarter of 2021 stood at 56.3%³, representing 31,434,243 people. There was an increase of 2.1 percentage points (3.9 million people) in a year-on-year comparison (the rate of informal employment stood at 54.2% in 2020). Although Mexico has recovered in terms of employment, it has done so mainly under informal employment conditions.

Unemployment.

The unemployment rate in the third quarter of 2021 stood at 4.2%, with 2,471,216 people unemployed, of which 40.9% (1,009,356) are women and 59.1% (1,461,860) are men. The unemployment rate was 0.9 percentage points lower than in the same period in 2020.

Economically Inactive population.

(Third quarter 2021)

39,810,925 people, representing 40.6% of the working age population.

Poverty (2020).

There were 55.7 million people living in poverty in 2020, representing 43.9% of the population, of which 10.8 million people were in extreme poverty, equivalent to 8.5% of the population.⁴

³ Encuesta Nacional de Ocupación y Empleo. Nueva edición. ENOE N Tercer trimestre de 2021.

Principales indicadores laborales de las ciudades. (inegi.org.mx)

⁴ <https://www.coneval.org.mx/Medicion/Paginas/PobrezaInicio.aspx>



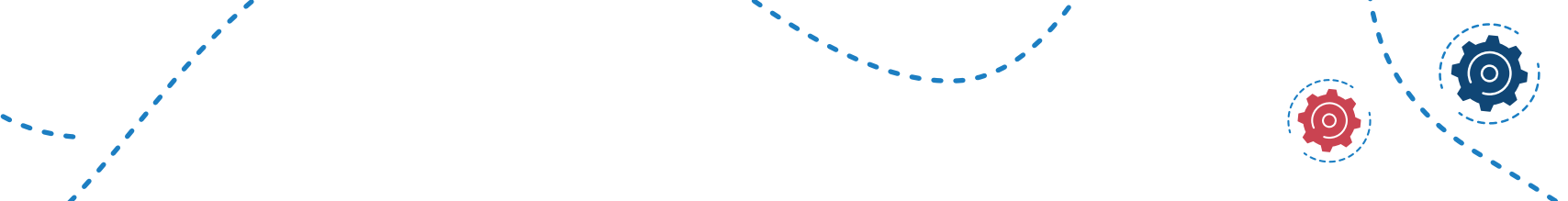
Context Highlights 2021

In June, 95 million voters went to the polls to renew the Chamber of Deputies, and to elect 15 governors and 30 local mayors. The ruling National Regeneration Movement (MORENA for its acronym in Spanish) party won 11 out of 15 states, although it lost strength in Mexico City, where it will govern 7 of the capital's 16 mayoralties. Furthermore, the party of President Andrés Manuel López Obrador maintained its majority in the Chamber of Deputies, which ensures the budget allocations to continue its social programs.

The president has an approval rating of approximately 65%, a favorable outlook for the debate towards the 2024 presidential elections, where two MORENA successors are emerging as candidates.

On the other hand, in October, President López Obrador sent the constitutional reform on electricity to Congress, seeking to give greater prominence to the Federal Electricity Commission (CFE for its acronym in Spanish) with a minimum market share of 56%. These measures do not represent a nationalization process, but they seek to reverse the rules of the Mexican electricity market that place energy generation in public plants at a disadvantage compared to the private sector, in terms of sales.

Some sectors have criticized this measure arguing that it will concentrate market power in the CFE, and there has been a permanent siege in the media against the initiative. However, the government emphasizes that the reform will respect the rights acquired prior to the proposed law, that there will be no expropriations, and that



it will seek to guarantee the country's energy security and fair prices for the Mexican population. The reform also proposes that the State – and not transnational corporations – be responsible for mining lithium, even if prior acquired rights are respected.

Also of national significance were the armed attacks by paramilitary groups on indigenous organizations and communities in Chiapas. It is estimated that in November alone, there were 50 attacks that left several people wounded and dead, and that displaced 3,000 people. These acts of violence are the result of a territorial and agrarian conflict that dates back to the 1970s, and of a historical institutional absence that has hindered an effective resolution.

Regarding migration, in 2021, Mexico had a record number of more than 116,000 asylum applications and more than 400,000 migrants. People arrive in the country seeking refuge or wanting to cross the border into the United States. There was no adequate planning in order to provide a timely response, resulting in violations of migrants' rights. This led the government to propose the Sembrando Vida ("Seeding Life") program, an initiative that will be supported by the United States and that seeks to provide economic and social support for the Central American population.



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

In 2021, several Mexican and international social organizations denounced the advance of the mining-energy and agro-industrial development model as one of the main causes of dispossession and violence against human rights defenders and social activists. Already in 2020, the organization Global Witness documented violence against defenders with 30 killings [in Mexico]; a situation that was repeated in 2021 with 25 cases in which social fighters lost their lives due to their defense of territory and human rights.

In relation to workers' rights violations, the Union of Telephone Workers in the Mexican Republic (STRM for its acronym in Spanish) gave notice of two strikes due to violations of the collective bargaining agreement and Telmex's failure to implement the agree-

ment on vacancies as set in wage and contract reviews. Among other issues, Telmex requested the elimination of clause 149 of the collective bargaining agreement, which relates to retirement contributions for newly hired workers, who would only have the option of a Retirement Fund Administrator (AFORE for its acronym in Spanish); this is a different and discriminatory treatment with respect to the scheme currently available to active workers. In the recent ratification of the collective bargaining agreement, 97.2% of active workers and the same percentage of retired workers fully endorsed the agreement, in a historic demonstration of defense of acquired labor rights.



Mexican labor unions denounced the actions taken by Grupo Aero-mexico to eliminate the collective bargaining agreements with the Mexican Airline Pilots' Association (ASPA for its acronym in Spanish) and the Flight Attendants' Association (ASSA for its acronym in Spanish). The statements made clear that there was no legal or juridical basis for such a measure, and expressed their solidarity with the trade union organizations that suffer threats to the safeguarding of their labor rights.

In another highly significant case, the trade union movement denounced political persecution by the general management of the Mexican State News Agency (NOTIMEX for its acronym in Spanish) against the general secretary of the Union of Sutimex Workers (SUTNOTIMEX for its acronym in Spanish), Adriana Urrea. The actions were an attempt to divert attention from the strike that

broke out on 21 February 2020 due to the refusal of NOTIMEX management to resolve the labor dispute. The Public Prosecutor's Office recently charged Urrea with the unlawful exercise of public service, for allegedly stealing information from the news agency. However, Judge Alejandro Villar decided that there was no evidence to prove the crime and ruled in favor of the SUTNOTIMEX general secretary. This revealed that the accusations were used to target the leader and her work in defense of labor and human rights as well as to attack the union, thereby criminalizing and attempting to discredit the labor movement.





Trade union proposals and initiatives

In December, Mexican labor movement organizations made a proposal for the country to ratify International Labor Organization (ILO) Convention 190, an international instrument that includes specific measures to address gender-based violence that can occur in the workplace, as well as psychosocial and economic violence in the workplace. During the development of the proposal, the results from the National Survey on the Dynamics of Household Relationships (ENDRH for its acronym in Spanish) conducted by the National Institute of Statistics and Geography (INEGI for its acronym in Spanish) were released: 27% of the women interviewed reported having been subjected to some form of abuse in the workplace,

and 22.5% reported having been victims of workplace violence in 2021. The construction of the road map by the trade union movement in alliance with the feminist sector and other social sectors is therefore fundamental to confront the resistance of employers and management, and to achieve the ratification of the Convention and the development of protocols to address violence against women.



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