



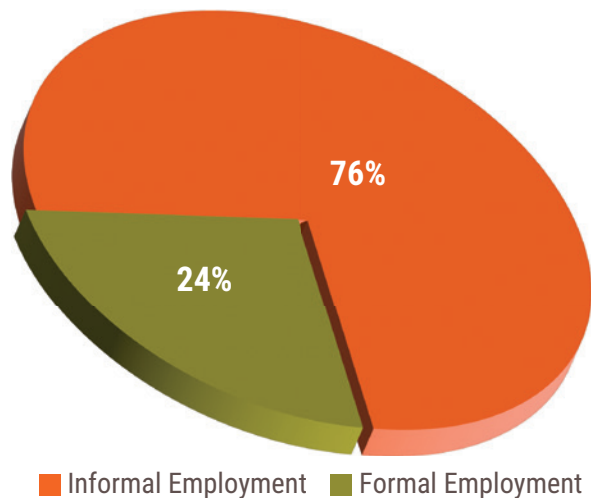
Women in Informal Employment:
Globalizing and Organizing

COVID-19 Impacts on Employment in Mexico: A Statistical Snapshot of 2020-2023

This flyer examines data that reveal the COVID-19 pandemic's effects on employment in Mexico. It focuses on six worker groups: domestic workers, home-based workers, market traders, street vendors, informal construction workers and informal transport workers.

The COVID-19 crisis had a major impact on employment. Between the first quarters of 2020 and 2021, 2.1 million jobs were lost in Mexico, of which most were informal: 76% nationally, 61% in the country's urban areas, and 62% in Mexico City (**figure 1**).

Figure 1: Between Q1 2020 and Q1 2021, 2.1 million jobs were lost in Mexico. Most were informal.



More women than men lost their jobs, especially in informal employment. But by 2022, for both women and men, employment had recovered (**figure 2**). Women led the recovery with much greater gains than men in informal employment through 2023. For example, nationally the increases in informal employment for women (910,000) almost tripled those for men (322,000).

Before the pandemic, in the first quarter of 2020, domestic work, home-based work, market trade, street vending, informal construction and informal transport together comprised 24% of total employment nationally, (13.1 million employed workers), 23% (5.4 million) in urban areas and 26% (2.3 million) in Mexico City. Taken together, these groups were a greater source of employment nationally for women than men, 27% for women and 22% for men.

In the first year of COVID-19 (between the first quarters of 2020 and 2021), women experienced far greater job losses than men in the six groups



A street vendor in Mexico City. Photo by César Parra

About the Data

Data from the first quarters of 2020, 2021, 2022 and 2023, taken from Mexico's National Occupation and Employment Survey conducted quarterly by the National Institute of Statistics and Geography, are used here. The first quarter of 2020 is taken as the base for comparisons on COVID-19's impact on employment. Since restrictions were put in place at the end of this quarter, the impact would not be reflected in the data until the first quarter of 2021; and while the statistics will show the effect after a year, the initial impact on jobs may well have been greater.

of workers. Among women, the greatest losses were in domestic work and among men in informal transport work.

By 2023, employment in the aggregate of the six worker groups had recovered and exceeded the pre-pandemic 2020 levels. Contributing to this pattern was the growth of home-based work throughout the period, with COVID-19 restrictions leading to work moving from offices to homes for both women and men.

Informal Employment

Before the pandemic, 56% of all workers in Mexico were in informal employment (figure 3). A year later, in the first quarter of 2021, the share had dropped by a percentage point and by early 2023 it was still at that level. The share of informal employment in total employment is generally higher for women than for men. Nationally, 30.8 million people worked in informal employment in early 2020. This number

dropped to 29.2 million in 2021, and by the first quarter of 2023 had risen to 32.2 million.

Job Changes/Losses

Voluntary change – quitting – was the major reason for losing jobs before the pandemic. In the first quarter of 2020, 3.2 million workers in Mexico held a different job than in the previous year, with men more likely than women to have changed or lost jobs: 2.2 million men and 1.0 million women nationally; 899,000 men and 453,000 women in urban areas; and 333,000 men and 157,000 women in Mexico City. This shifted in the pandemic and in 2021 firing or layoffs was the main reason for changing/losing jobs. There was more change/loss in informal than formal jobs.

Among the six worker groups taken together, there was a rise in the number of workers who were employed in the first quarter of 2021 and

who had changed/lost a job during 2020 – from 795,000 to 1 million nationally. Men lost/changed jobs more than women: 367,000 women and 648,000 men nationally, 78,000 women and 116,000 men in Mexico City, and 175,000 women and 280,000 men in urban areas. With the gradual recovery of the economy, the number of job changes/losses dropped and, as in previous years, women were less likely to change/lose jobs. Among women, the greatest losses were in domestic work, and among men in informal transport work. Home-based work grew throughout the period for women and men.

Figure 2: Employment rates* by sex in Mexico (%)

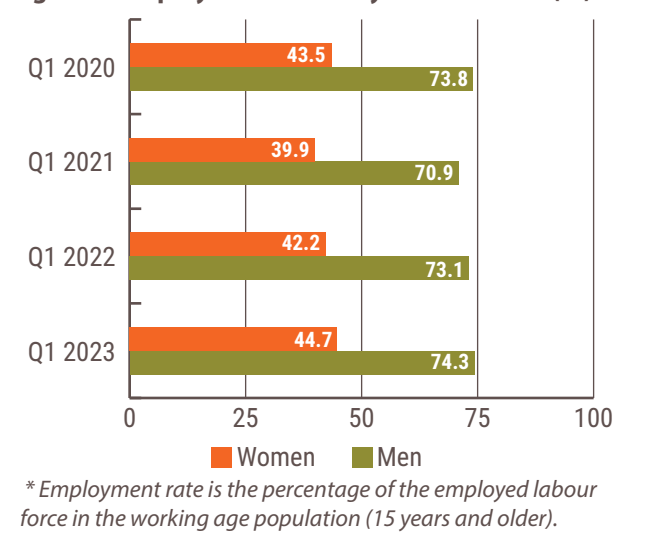
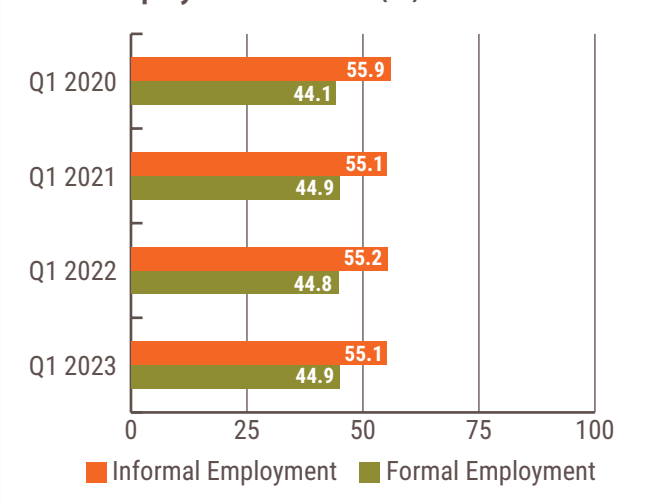


Figure 3: Informal and formal employment as a share of total employment in Mexico (%)



Photos top to bottom: Waste pickers and musicians in Mexico City. By César Parra

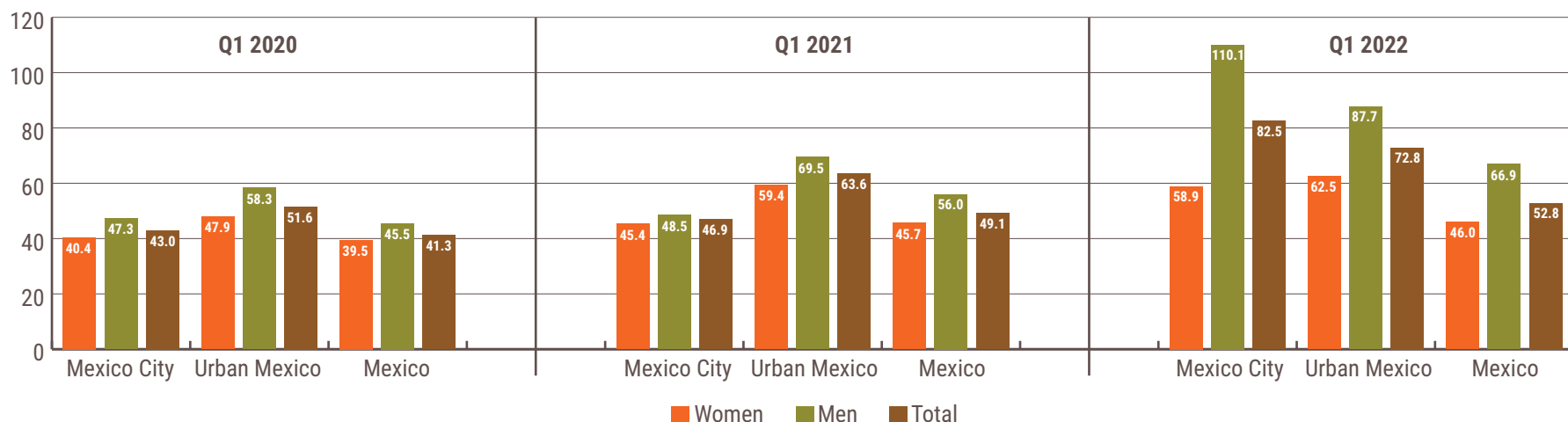
What We Know About Domestic Workers, Home-Based Workers, Market Traders, Street Vendors, Informal Construction Workers and Informal Transport Workers in Mexico, Urban Areas, and Mexico City

- 80% or more are in **informal employment** – a rate far higher than the percentage of informality in total employment – with more women in informal employment than men.
- Nearly half are **own-account workers** and more than 40% **employees**. Own-account workers predominated among home-based workers, street vendors and market traders, while employees were the vast majority among domestic workers, informal construction and informal transport workers.
- Before the pandemic, in the first quarter of 2020, slightly more than 70% of men were employed for 40 or more hours a week compared to around one-third of women. In 2021, the **weekly working hours** tended to be shorter. When household support work is added to employment, women worked 6 to 8 more hours a week than men.
- Home-based workers had the highest **hourly earnings**, but also generally the biggest gender gap in earnings with men earning substantially more than women (**figure 4**). Among street vendors, women generally earned more than men.
- Women had less schooling than men and the highest levels of **education** were among workers in Mexico City. Home-based workers had the most schooling (probably due to



An artesanos in Mexico City. Photo by César Parra

Figure 4: Hourly earnings (pesos) of home-based workers. The earnings of home-based workers – a diverse group including both low and high earners – increased throughout the period as highly paid office jobs moved to the home.





the new entrants in the pandemic) but also a significant share who had not completed primary school (most likely due to the traditional home-based workers).

- Around 82% of women and 79% of men were in the prime employment **ages** of 25 to 64 years.
- The proportion with a **second job** was higher than among total workers. Generally, women were more likely than men to have a second job.



What Counts as Informal Employment

Informal employment includes persons who work in unregistered economic units or the informal sector and other similar modalities, such as those employed in paid domestic service without social security, employed by own account in subsistence agriculture, unpaid workers, as well as subordinate and paid workers who work without the protection of social security and whose services are used by nationally registered economic units.



Photos top to bottom: A domestic worker, waste pickers and street vendors in Mexico City. By César Parra

About WIEGO

Women in Informal Employment: Globalizing and Organizing (WIEGO) is a global network focused on empowering the working poor, especially women, in the informal economy to secure their livelihoods. We believe all workers should have equal economic opportunities, rights, protection and voice. WIEGO promotes change by improving statistics and expanding knowledge on the informal economy, building networks and capacity among informal worker organizations and, jointly with the networks and organizations, influencing local, national and international policies. Visit www.wiego.org

About this Data

Data in this document are derived from *The Impact of COVID-19 on Employment in Mexico, 2020-2023* by Tomás Ramírez and Joann Vanek. 2023. WIEGO Statistical Brief No. 37. Available at <https://www.wiego.org/publications/impact-covid-19-employment-mexico-2020-2023>

