

# The low quality of employment places Mexico in 13<sup>th</sup> place on the index



MEXICO

## What is the Better Jobs Index?

The Better Jobs Index measures jobs in countries based on two dimensions: quantity and quality. The quantity dimension is composed of two indicators: the **labor participation** rate and the **employment** rate. Quality, on the other hand, consists of the **formality** rate and **living wage sufficient to overcome poverty**. Thus, the index is the weighted average of these four indicators\*, and their scores range from 0 to 100. For a country to get 100 points, all people who participate in the labor force must be employed with a formal job that provides them with a living wage.

\* Indicators are calculated using the population aged 15-64, excluding those who are studying and who, therefore, are not working or looking for work. If you want to know more, consult the methodology document.

Mexico obtains a score below the regional average in both dimensions: quantity (participation and employment rates) and quality (living wage and formality rates)

The country has an important gender gap. Only three countries show greater inequalities between men and women

However, the gap between Mexican adults and young people is the third lowest on the Better Jobs Index

Mexico (with 50.3 points) is 13<sup>th</sup> on the Better Jobs Index, below the Latin American average (57.1). The country obtains this position after being placed 12<sup>th</sup> and 13<sup>th</sup> for the dimensions of quantity and quality, respectively.

### Better Jobs Index: 13<sup>th</sup> out of 17

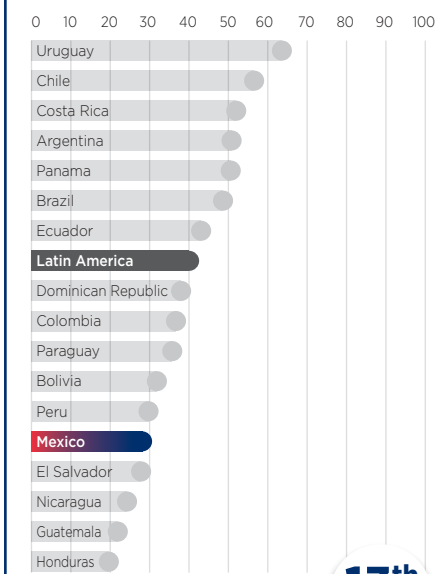
Labor participation rate	14 <sup>th</sup>
Employment rate	10 <sup>th</sup>
Formality rate	10 <sup>th</sup>
Living wage rate	14 <sup>th</sup>

### Country information<sup>1</sup>

Working age population	77,600,000
Labor force	51,600,000
Employed population	49,200,000

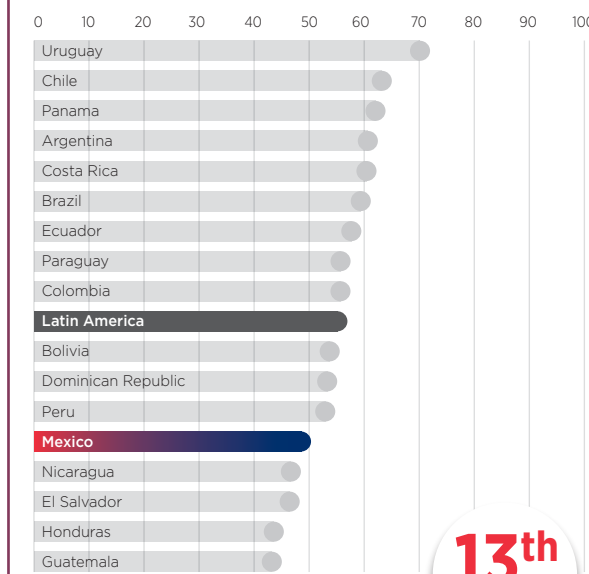
<sup>1</sup>Source: Labor Markets and Social Security Information System (SIMS), with data published by Instituto Nacional de Estadística y Geografía (INEGI). Last year available: 2014.

### Quality dimension



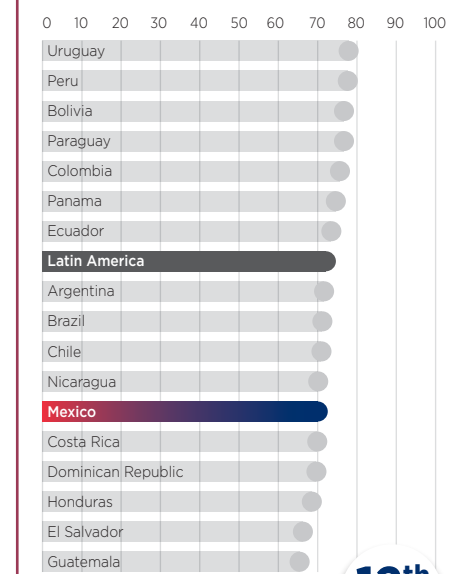
13<sup>th</sup> place

### BETTER JOBS Index



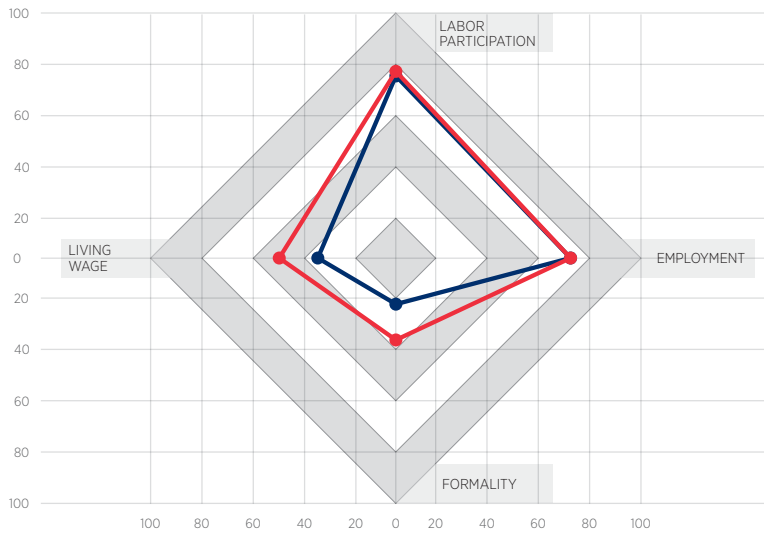
13<sup>th</sup> place

### Quantity dimension



12<sup>th</sup> place

# At a glance - Mexico and Latin America



Mexico's score on the Better Jobs Index is lower than the regional average for both dimensions, quantity and quality. In the quantity dimension, the country is below the regional average for both the participation rate (74.2 vs 77) and the employment rate (70.7 vs 71.3). For the dimension of quality, Mexico obtains the tenth position for the formality rate (23 vs. 33.5) and the 14<sup>th</sup> position for the indicator of jobs with a living wage sufficient to overcome poverty (33.2 vs. 46.7).

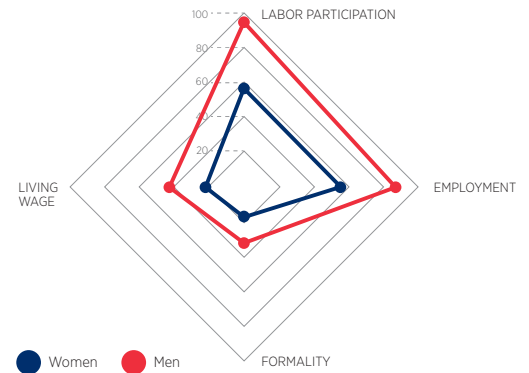
● Mexico ● Latin America

## Is there a gender gap?

Indicators by gender

Mexico is the fourth country with the widest gender gap on the Better Jobs Index. The difference between genders is 26.9 points: The male index gets 64.3 points (12<sup>th</sup> highest score) and the female gets 37.4 (13<sup>th</sup> place). This difference is greater for Mexico than the regional average, which reaches 22.5 points.

The gender gap is wider for the quantity dimension (the male score exceeds the female by 36.5 points, 91.4 vs 54.9) than for the quality dimension (the male score is 17.4 points higher, 37.2 vs 19.8).



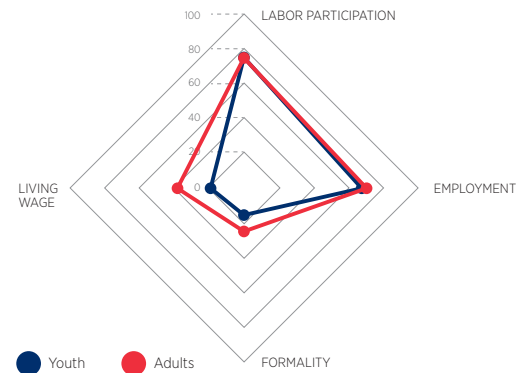
● Women ● Men

## Does age make a difference?

Indicators by age

The gap between adults and young people in Mexico on the Better Jobs Index is the third narrowest in the region, with 8 points (51.9 vs 43.9), a lower difference than the regional average (10.2). For the quantity dimension, in fact, the gap between the two age groups is the narrowest of all on the index.

In Mexico, this difference is smaller for quantity (72.6 vs. 71.2 points) than for quality, where it exceeds 10 points (31.1 vs. 16.6).

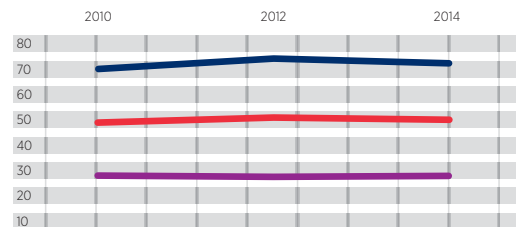


● Youth ● Adults

## Performance over the years

The evolution of Mexico's score on the Better Jobs Index has been slightly positive in recent years, going from 49.1 points in 2010 to 50.3 points in 2014, the last available year. The largest increase occurred in the quantity dimension, where it improved by 2.3 points (from 70.1 to 72.4). In the quality dimension, there were no changes in this period, obtaining 28.1 points in both 2010 and 2015.

● Quantity ● Quality ● Better Jobs Index



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