

Economic Recovery Platform for Workers in Informal Employment in Mexico City

1. Introduction

The economic and health crisis caused by COVID-19 has profoundly affected the lives and livelihoods of workers in informal employment in Mexico City, particularly their income, health and care responsibilities. This is among the findings of the WIEGO-led global COVID-19 Crisis and the Informal Economy study.

While the Mexico City government has developed a plan for economic recovery, it aims to support only workers in formal employment. Yet, there is no economic recovery plan for workers in informal employment, who comprise 55.7 per cent of workers in the city, according to the National Institute of Statistics and Geography (INEGI).

On September 8, 2022, WIEGO organized a dialogue on economic recovery for the informal workforce, moderated by the Centre for Civic Collaboration and with the participation of 45 workers in informal employment. The workers were street vendors, *tianguistas*, metro vendors, domestic workers, waste pickers, and a range of non-salaried workers, including shoe shiners, troubadours, photographers, artisans, coffee sellers and organ grinders. Together, these workers developed a platform of common demands for economic recovery post COVID-19, grounded in basic needs for livelihood integrity and dignity.

2. Platform of demands for economic recovery

Developing a common platform of demands included work both in plenary and by the various occupational groups. The demands, which should be addressed in the government's economic recovery plan for workers in informal employment, are:

a. Immediate financial assistance and livelihood support

According to data for Mexico City from WIEGO's study, 73 per cent of respondents reported having to draw down on savings to cope with the crisis and 95 per cent of these respondents had not been able to replace their savings by mid-2021. Others had to consume their own merchandise or sell their work tools. By March 2021, only 22 per cent of workers interviewed reported having received any kind of government support. Workers in informal employment consider it a necessity for the government to guarantee the following:

- a.1** Access to low-interest or interest-free credit to buy raw materials, pay mortgages, pay off various debts resulting from the crisis or acquire new work tools.
 - a.2** Food vouchers or basic food basket access.
 - a.3** Discount coupons for public transportation.
 - a.4** Support from the government to cover basic expenses such as water, electricity and gas.
 - a.5** Support for the purchase of school supplies for the children of workers in informal employment.
 - a.6** 100 per cent government forgiveness of payments and penalties generated in the Public Street Commerce System (SISCOVIP) over the past three years for traders working on public roads.
-

- a.7 Reduce bureaucratic barriers to accessing support programmes, eliminating long and complicated procedures and providing sufficient information dissemination to facilitate access to workers in informal employment.
- a.8 Increase the minimum wage for domestic workers established by the National Minimum Wage Commission. It is currently MXN188, which is insufficient to meet basic needs.

b. Ensure that cash assistance is sustained beyond the crisis: Provide basic minimum income

- b.1 The city government and the legislature should initiate a participatory dialogue with workers in informal employment on *minimo vital* (basic minimum income) contained in the bill of rights of the Constitution of Mexico City. This dialogue should be oriented towards developing a budget for making the guarantee and implementation of this right viable in practice, especially in crisis situations, so that those who lose their income and are in a vulnerable economic situation can be automatically supported by this public policy for as long as necessary.

c. Facilitate access to decent housing

- c.1 Financial support for the construction of decent housing or improvement of housing in a precarious condition.
- c.2 Access to low-interest mortgage loans for the acquisition of decent housing.

d. Capacity building for livelihoods

- d.1 Strengthen and increase capabilities. This includes increasing informal workers' capacities in the work they already do, strengthening that enables them to engage in upgraded and high-quality work, as well as increasing their client numbers. Workers in informal employment consider these useful ways to improve their livelihoods: learning to use alternative payment methods (bank terminals and electronic banking), learning to use technology such as social networks and digital platforms for virtual meetings, improvement of their business image to increase sales, learning self-defense and first aid.
- d.2 Generate additional capabilities. To complement the activities detailed above, workers in informal employment require training to diversify their activities.
- d.3 It is important that training for workers in informal employment be made accessible to everyone. Registration should be easy for those without access to digital tools, the training should be low-cost, with ample time to attend, and relevant information should be disseminated widely.
- d.4 Training programmes should include older and more experienced workers as trainers, so that they can educate workers from their own occupational groups and earn additional income.
- d.5 Financial education should be provided, which would support workers in coping with future crises.

e. Access to social protection

- e.1 Guarantee access to social protection for workers in informal employment. At minimum, this should include access to adequate health services, including mental health services, insurance for disability due to illness or work-related accidents, pensions, child care, unemployment insurance, in-kind support such as school supplies for workers' children, and access to recreational and leisure activities.
 - e.2 Implement the care system established in the bill of rights of the Mexico City Constitution. In 2021, 51 per cent of those interviewed by WIEGO reported that their care responsibilities had increased. An improved care system should also allow for the accessing of care for people with disabilities and older adults who are family members of informal workers.
-

- e.3 Vaccination and other social protection should be made available for all workers in informal employment, with priority given to those who perform essential services or those with high health risks.
- e.4 In the case of contributory social protection, there should be quotas that make it accessible and no onerous bureaucratic procedures.

f. Favourable environment for informal work in public spaces

- f.1 The Mexico City government should implement a programme aimed at regularizing permit payments, as workers in public spaces are frequently victims of extortion by municipal officials or by organized crime.
- f.2 Train and sensitize all public servants on the right to work of workers in informal employment in public space.
- f.3 Maintain public space, which is also workspace. Some workers in informal employment in public space have assumed the payment and maintenance of various services such as street lighting, cleaning of drains, security, covering of potholes and garbage collection. The government should assume its responsibilities for maintenance of public space and public services.
- f.4 Working hours in public spaces should be more flexible. There are municipalities that establish very restricted working hours, and this reduces income.
- f.5 Permits to work in public space should not be used for political purposes by the authorities. Likewise, those who have a traffic permit to access their workplaces and buy their merchandise have reported that these permits can turn them into victims of extortion.
- f.6 Permits that derive from the legal framework should be respected by all authorities. This includes that the SISCOVIP payment receipt be recognized as a permit.
- f.7 Security in the workplace should be guaranteed. This is necessary to avoid assaults, violence and extortion.
- f.8 Necessary regulatory modifications should be made so that there is no doubt that public space is a valid workspace, which would allow an end to persecution, criminalization and extortion by the authorities.

g. Active measures by the government to avoid harming workers in informal employment

- g.1 Workers in informal employment should be allowed to work without harassment, extortion, or theft of their goods by the authorities.
- g.2 The right to due process should be respected in the case of any administrative offence of which informal workers are accused. And the offence of which they are accused should exist in the Civic Culture Law; not simply be applied as a comparable sanction.
- g.3 Workers in informal employment should not be the victims of fabricated evidence, which happens as a result of the criminalization suffered by many workers in informal employment.
- g.4 Improve conditions for informal workers' physical and mental safety to perform their jobs.
- g.5 Create training and awareness programmes for police and authorities on respectful treatment of informal workers in order to reduce abuse of authority.

h. Policies for the recognition and legitimacy of workers in informal employment

- h.1 The occupations of workers in informal employment should be recognized by the legal framework as valid work activities, and their social function should be recognized.
 - h.2 The regulatory framework should recognize the same labour rights for workers in informal employment as for any other workers.
 - h.3 Permission processes should be simplified (licences, operating permits, payment of fees for the use of public space for work).
-

- h.4** A dissemination campaign should be promoted by the government in which the public is made aware of the work performed by workers in informal employment and the economic, cultural, social, and environmental relevance of their different occupations. The principles of non-discrimination (including non-stigmatization) should be an integral part of the campaign.
- h.5** The government should promote the workplaces of workers in informal employment, especially when they have tourist and cultural value.
- h.6** In the case of domestic workers, the government should promote the obligatory nature of employment contracts that clearly stipulate working conditions and benefits. This should be accompanied by a dissemination campaign by the government emphasizing the needs and obligations of employers and domestic workers.
- h.7** Integrate domestic workers into job fairs organized by the government.
- h.8** Implementation of ILO Convention 190 by the government. Since C190 has already been ratified by Mexico, Mexico should guarantee its application.
- h.9** Workers in informal employment within public services, such as waste pickers in the city's public sanitation service, should be provided with their work tools by the government, instead of having to pay for these themselves, as is currently the case.
- h.10** There should be a registry of workers in informal employment at the national and city levels. This would allow better understanding of the composition of the different occupational groups, identification of potential beneficiaries of social programmes, designing of public policy and the recognition of different unions. This would also make it possible to generate statistical data to know how many people work in each informal occupation. Also, these registers or censuses will help in the organization of workers.
- h.11** Those regulations that cover occupational groups are required to be updated and included in the Secondary Legislation on Non-Salaried Work in the Congress of Mexico City. These updates should be done with the participation and voice of informal workers.
- h.12** Workers in informal employment should have a central role in any decision making or public policy that affects their livelihoods.
- h.13** Create training and awareness programmes for police and other authorities on the dignified and respectful treatment of workers in informal employment to reduce abuse of authority.

3. Conclusion

The basis of a recovery agenda for workers in informal employment must be **the recognition of their positive contributions to the city – economic, social, cultural, and environmental. Organizations of workers in informal employment must actively participate** in developing the strategy for the recovery and reconstruction of Mexico City's economy, to make it stronger and more inclusive.

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.

