

13th LPR Annual Seminar

Perspectives on Mexican leave policies

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Introduction

In recent years Mexico has carried out law changes to improve leave policy reforms due to factors such as: the international trend of maintaining and strengthening leave policies, recommendations of the International Labour Organization about the length of these policies and the need to develop policies for early childhood.

However, in Mexico there are significant challenges ahead:

- Employment discrimination against pregnant women
- Informal employment
- Emerging, complexity and disarticulation of Early Childhood Education and Care (ECEC) services
- Financing of leave policies

Each one of these challenges will be described in this presentation followed by the current bills and finally I will comment some concluding remarks.

About Mexico

- Mexico is a federal state
- **Population of 122 million** (INEGI, 2016)
- Annually, there are about **2.5 million births** (INEGI, 2015)
- **Total fertility rate: 2.2** (CONAPO,2015)
- **Labour force participation rate: men 87%, women 49%** (OECD, 2014)
- **29% of households are headed by women** (INEGI,2015)



Current situation of leave policies

a) Maternity leave

Length	Payment and funding	Flexibility in use	Eligibility	Take-up
12 compulsory weeks	100% of earnings , with no ceiling on payments for the standard period. Maternity leave is financed by social security .	Women can make a specific request in order to transfer up to four of the six weeks of Maternity leave after birth .	Employees must have contributed to social security for at least 30 weeks in the 12 months before the date on which the Maternity leave starts. Unfortunately, self-employed are excluded.	Maternity leave benefit covered about 20% of the 2.5 million births (2015) (author calculations based on data provided by IMSS, ISSSTE and INEGI).

Current situation of leave policies

b) Paternity leave

Length	Payment and funding	Eligibility	Take-up
5 days immediately after the childbirth. Paternity leave can be extended in cases of serious child illness or death of the mother.	100% of earnings, paid by the employer.	All fathers employed in the formal economy have the right to Paternity leave.	So far there is not national information about take-up of Paternity leave.

Challenges to leave policies



1. Employment discrimination against pregnant women



2. Informal employment



3. Emerging, complexity and disarticulation of ECEC



4. Financing of leave policies



Challenges to leave policies



1. Employment discrimination against pregnant women

In 2006, more than ninety nine thousand women had been laid off, had not had their contracts renewed, or had their wages lowered when they got pregnant.

Since 2012, it is illegal for employers to request a 'certificate of not being pregnant' as a condition of new employment, permanence or promotion.

Pregnancy is the most frequent cause of employment discrimination (NCPD, 2016), the majority not even being reported.

Challenges to leave policies



2. Informal employment

Some states have implemented practices that have reduced informality. A national employment formalization programme also has been launched (ILO, 2014).

Nevertheless, at the present time 57% of workers hold informal jobs, thus they are not eligible for leave policies (INEGI, 2015).

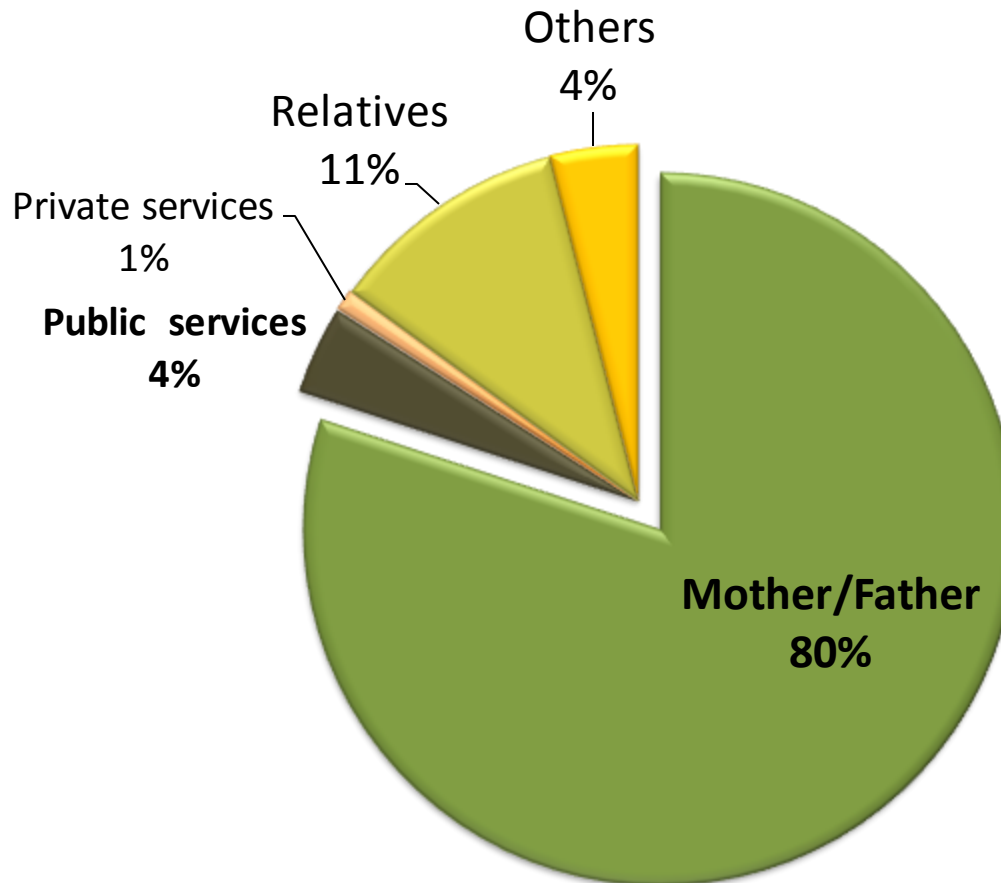
Informal employment is a persistent problem in Latin America and the Caribbean. There are still 130 million workers holding informal jobs, deprived of social protection and labor rights (ILO, 2014).

Challenges to leave policies



3. Emerging, complexity and disarticulation of Early Childhood Education and Care (ECEC)

ECEC (children 0-4 years old) is provided by:

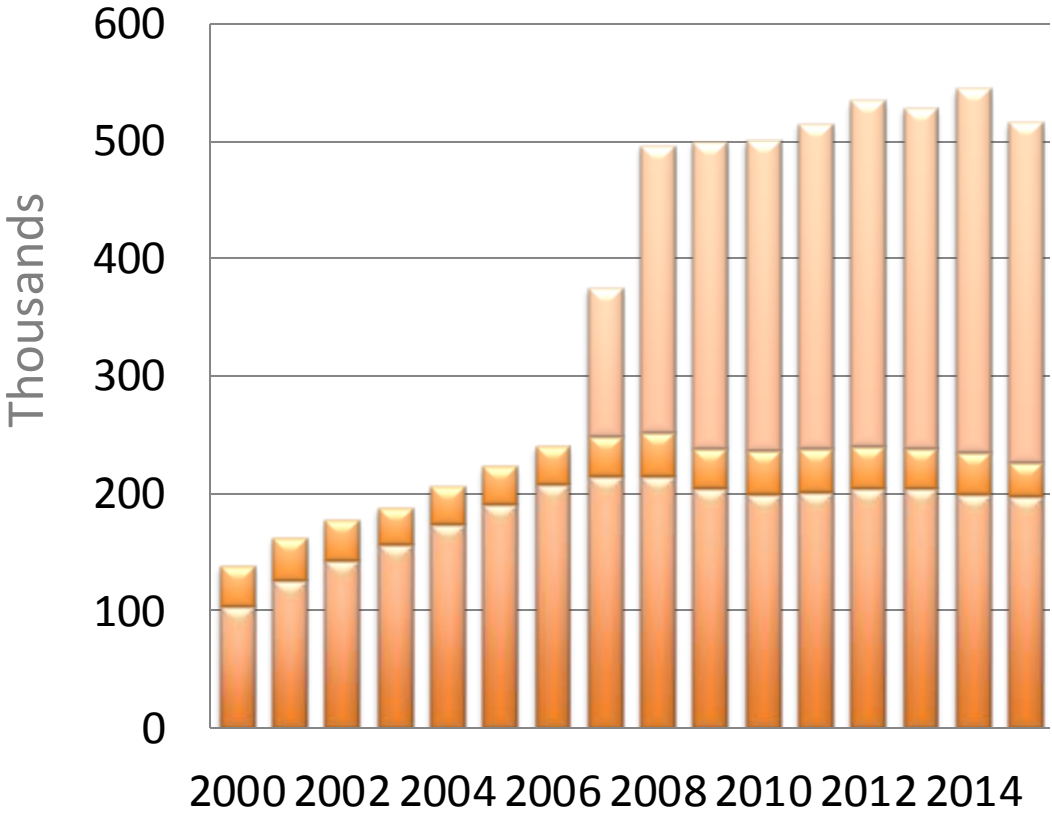


Source: IMSS, 2012

Challenges to leave policies

a) Emerging

Increase about 400% of children attended by ECEC services from 2000 to 2015



ECEC services cover about 4% (more than 500 thousand children) of the total population (10.5 million) from 0-4 years old (INEGI, 2015)

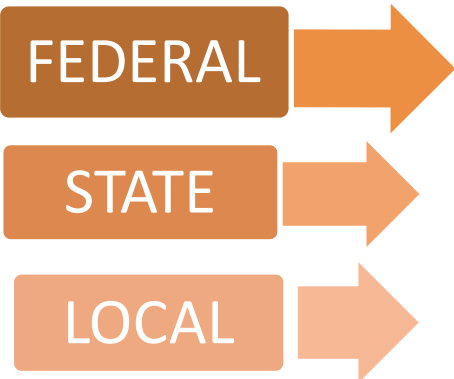
- SEDESOL
- ISSSTE
- IMSS

Source: CESOP, 2016

Challenges to leave policies

b) Complexity

Providers



Ministries



ECEC services reflect a fragmented social security system where each institution has different requirements, beneficiaries, goals, budget and rules.

Challenges to leave policies

b) Complexity

Main institutions who provide ECEC services

Mexican Social Security Institute (IMSS)	State's Employees' Social Security and Social Services Institute (ISSSTE)	Ministry for Social Development (SEDESOL)
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BENEFICIARIES

- Mothers with social security (formal work)	- Mothers (government employees)	- Working/studying (or looking for a job) mothers - Low socio-economic status - No access to other ECEC services
- Widowed or divorced fathers with custody of children with social security	- Widowed or divorced fathers with custody of children (government employees)	- Single fathers with custody of children - Low socio-economic status - No social security
- Children from 45 days to 4 years old	- Children from 2 months to 6 years old	- Children from 1 to 4 years old

ECEC services are maternalist. Although fathers contribute as much as the mothers to social security, they regularly do not have access to ECEC services.

Challenges to leave policies

c) Disarticulation between ECEC and leave policies

POST-NATAL LEAVE



ECEC ENTITLEMENT



ECEC services are considered as a
labour benefit not as a childhood
entitlement

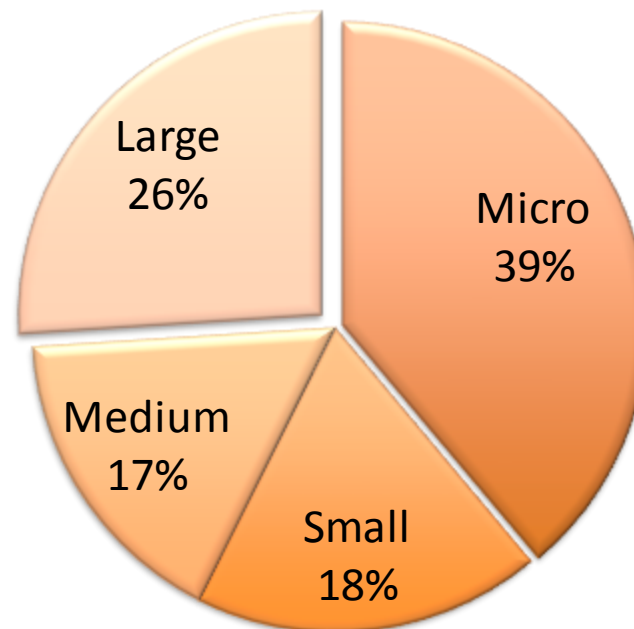
Challenges to leave policies



4. Financing

Financing leave policies would be a crucial issue specially for micro, small and medium enterprises that employ 74% of all workers.

Employment by enterprise size class (INEGI, 2014)



Current proposals about leave policies

- ❖ **Five proposals in Congress**, both the House of Deputies and the Senate.
- ❖ **Mainly, those proposals extend Maternity leave to fourteen weeks and Paternity leave to ten days.**
- ❖ **The proposals are not considering to modify financing of Paternity leave in order to be paid by social security.**
- ❖ **Additionally, some government agencies have implemented extra Paternity leave.**

Concluding remarks

- Pregnant discrimination needs to be tackled in order to preserve women's maternity leave entitlement.
- Informal economy could encourage mayor differences between children and parents access to ECEC services and leave policies.
- Current legislative proposals respond partially to the challenges.
- Until now, there are no evaluations about leave policies neither experts related to this particular field. Although, there is academic interest in fatherhood policy and ECEC policy, it is difficult to obtain relevant data related to LP.
- ECEC services will continue increasing due to emerging fathering, increasing number of households headed by women and Latin America's focus on early childhood. At the same time ECEC growing could pull leave policies.