



Mexicans will start 2022 with unemployment and inflation

Unemployment and inflation hit the lives of many families in 2021, and unfortunately, we might not be able to see the light in 2022.

OAXACA, OAX., JANUARY 2022.

For the second year in a row, the history of the country was framed by the pandemic and the effects it has caused in the economy, especially among people in poverty. We currently face a context where the recovery process seems to be slow and long.

It seemed that we would gradually come back to the lifestyle we had before the pandemic, but Omicron appeared in the world and it has been responsible for bringing back uncertainty and a sanitary emergency that seems endless.

Sectors of the economically active population based on its economic activity in Mexico

Sector	Percentage of the population
Services	43%
Commerce	16.8%
Manufacturing	16.8%
Agricultural activities	11.7%
Construction	7.5%
Other kinds of economic activities*	0.7%
Unspecified activities	0.7%

*Activities such as mining; supply of electricity, water or gas.

What is the economically active population?



It consists of all the people over the age of 12 who performed any economic activity (employed population) or who attempted to find one, according to the Center for Public Finance Studies, part of the Chamber of Deputies.

Unemployment in Mexico

The main characteristic of the pandemic in Mexico is undoubtedly the obliteration of jobs. By the end of the year, Mexico had a number of 3.7% of its economically active

population being unemployed, according to data provided by the National Institute of Statistics and Geography (INEGI).

México and its numbers

Unemployed people were estimated at 2.1 million people, which implies 3.7% of the economically active population in the country.



Although the records in 2021 looked more positive and much better than the ones we had in 2020, the fact is that the variation was only one percentage point. That is to say, the unemployment rate in the economically active population decreased from 4.4% in 2020 to 3.7% in 2021, which represents a decrease of 0.7%.

The current numbers provided by INEGI show that the percentage of people over the age of 15 who might be able to work is 58.6%.

On the other hand, there was an alarming increase in people with informal jobs as 31.4 million people in the country belong to that sector. We have to remember that people with informal jobs have no access to employment benefits or public services like health-care.

Inflation is another big problem in Mexico

Inflation as we know it, consists of a general increase in the prices of products and services; which unexpectedly hit the economy of many Mexican families. In addition to that, the experts in analytics are impressed by the increase of inflation as on its way up, the annual rate reached 7.45% during the first fortnight of December 2021, which became the highest number we have had over the last two decades.

In the current context people struggle to find a job or they lose jobs constantly, people also face the increase in the prices of products; and all that causes severe affectations on the conditions of life of Mexican people, and as a consequence the gap on deprivation and inequalities causes even more problems in the country.



What does inflation consist of?

In accordance with the Bank of Mexico (Banxico), inflation is a phenomenon observed in the economy of countries and it is related to the uncontrolled increase in the prices of most products and services in the market for long periods of time.

How can we fight these big problems?

Undoubtedly it will not be something that we will do easily, however, the way out relates to the implementation of public policy and actions to be developed by the government and civil societies in order to emphasize the labor conditions and to improve the conditions that Mexican families currently face.

Congregación Mariana Trinitaria has been working for almost 25 years, and nowadays the CMT Welfare Ecosystem Model is a

reality, as well as the 11 Networks of Welfare and different models based on civic co-responsibility. Collaborations with authorities in the 3 levels of the government were also important as they had positive impacts on every single location where they were implemented since they made special emphasis on the development of better conditions for all the people in the area.

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