COVID-19: a shock to Latin American labour markets

COVID-19 has been a profound shock to labour markets across Latin America. The predictions are worrying: '[t]he COVID-19 pandemic will cause the most severe economic crisis that Latin America and the Caribbean will have experienced in its entire history...'.[1]

The economic downturn can be expected to upend the region’s labour markets, destroying jobs, increasing unemployment, undermining job quality, and disrupting progress towards UN Sustainable Development Goal No. 8 (decent work and economic growth).

Domestic work in COVID-19

Domestic work is a vital source of female employment – 80% of the global labour force is female. It also illustrates the value – and precariousness – of essential workers in the pandemic.[2]

The COVID-19 crisis is engulfing domestic work in Latin America and across the world. The pandemic is threatening domestic workers’ safety and security. In Mexico, many are being dismissed without compensation, being required to work with reduced wages, or taking leave without pay. [3] For those required to remain in their own homes, sustaining livelihoods has become an urgent challenge.[4] Prominent voices in the sector have called for a ‘right to stay home’.[5] Gains are being lost. According to government data, in early April 2020, 395 domestic workers lost social protection coverage because their employers could not cover the monthly payment.[6]
COVID-19: a threat to progress on domestic workers’ rights

Domestic work is also a site of regulatory experimentation towards effective labour rights.[7]

Mexico is a key illustration of these advances. In the last few years, Mexico has made rapid progress towards recognising legal rights for domestic workers. A domestic workers’ union - the National Union of Household Workers (SINACTRAHO) – was recognised in 2015. In December 2018, the Mexican Supreme Court ruled that the exclusion of domestic workers from the social security regime was discriminatory and unconstitutional. A pilot programme for registration of domestic workers was launched in April 2019. In May 2019, legislation was enacted to equalise domestic workers’ labour rights. On 3rd July 2020, Mexico ratified the international treaty on domestic work, the ILO Domestic Workers Convention, 2011 (No.189).

COVID-19 is therefore an urgent threat in Mexico – and other countries – to recent progress in extending legal rights to domestic workers. By jeopardising decent work, COVID-19 impedes progress towards the Sustainable Development Goals. Labour rights remain vital. Yet novel strategies are needed.

The particular needs of domestic workers need to be considered separately when designing social and labour responses to the crisis.[8] These responses must reignite progress towards effective protection of domestic workers.

References

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