

Economic Analysis

Data of IMSS of June indicates that formal employment keeps on increasing

Fco. Javier Morales

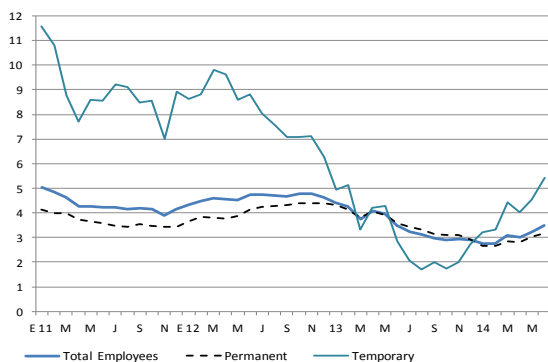
In June 2014 formal employment, as given by the number of workers that are members of the Mexican Social Security Institute (IMSS), increased in 43 thousand positions, and in the last 12 months the increase of this type of formal employment was of 571 thousand persons.

The category of permanent workers affiliated to IMSS was the source of total formal employment growth in June

IMSS informed that in June 2014 the monthly increase of workers that belong to that institute increased in 43,295 persons. This increase means an annual rate of growth of 3.5% for total workers that are affiliated to IMSS. Note also that in June the number of permanent workers increase by 54,467 persons and the number of temporary workers decrease by 11,172 persons. On the other hand, in the second quarter of 2014 the amount of persons that were affiliated to IMSS was 42.6% lower than the one registered in the first quarter of 2014. Note also that from April to June the monthly average of new working positions corresponded to 49 thousand persons.

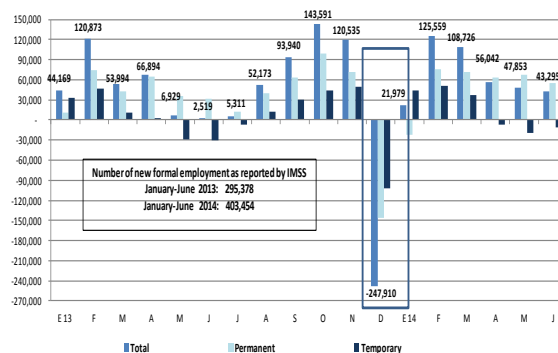
On the other hand, from January to June 2014 the total number of new working positions created en those months was of 403 thousand persons. Under the assumption that employment in IMSS increases on a monthly average of 70 thousand from July to November (the observed monthly average of this data from 2005 to 2013 was 74 thousand) and also assuming that the seasonally decrease of formal workers in December amounts to 240 thousand persons (on average from 2005 to 2013 this decrease in total formal employment was of 244 thousand persons), then by the end of 2014 total formal employment in IMSS would be increasing by a little more than 500 thousand persons. This figure, if the above mentioned assumptions are accomplished, implies a greater new formal employment creation in 2014 than the one of 2013, which amounted to 463 thousand persons.

Graph 1
Workers that are members of IMSS
Annual growth rate, %



Source: BBVA Research with data of IMSS and of STPS

Graph 2
Workers that are members of IMSS
Monthly increase by category, persons



Source: BBVA Research with data of IMSS and STPS

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