

Including more young women in education and the labor market would strenghthen

Mexico's City economic and social development.

- Women's economic participation in the city is the highest in the country, however job quality remains a challenge. The share of young women in informal employment reaches 71% in Xochimilco.
- Seven out of ten young women who don't participate in the labor market are exclusively engaged iin household and care work.
- In Mexico City, 27% of young women lack access to healthcare services.

Over the past three decades, one of the main advances for young women has been greater access to education. However, significant challenges persist, particularly for those who neither study nor participate in the labor market. In Mexico, one in four young women is in this situation, placing the country 77th out of 166, according to the World Bank. This reflects a loss of potential for development and highlights the urgency of promoting policies that foster young women's economic inclusion.

In this context, the Mexican Institute for Competitiveness (IMCO), with the support of the Hilton Foundation, analyzed the socioeconomic conditions of young women in Mexico City. The objective is to deepen the understanding of their participation in the local economy and generate evidence to inform public and business policy at the city level. This research is particularly relevant in the context of the demographic bonus, as it highlights the opportunity to integrate more young women into formal employment and strengthen the productive population of an aging city.









Mexico City is home to 1.05 million women aged 15 to 29, representing 22% of the women's population in the entity. Of this group, 37% are studying, 35% are part of the workforce, and 15% combine both activities. The remaining 12% neither study nor participate in the labor market. To better understand their situation, IMCO developed 20 indicators for each borough.

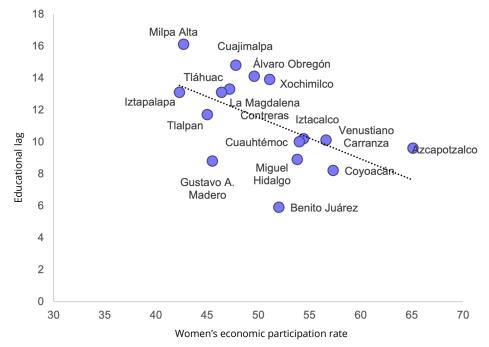
#### Borough results by indicator and category

	Best result	Worst result
Education (% of young women with an educational lag)	Benito Juarez (6%)	Milpa Alta (16%)
Health (% of young women without access to health services)	Cuajimalpa (22%)	<b>Tlalpan</b> (30%)
Safety (Sexual crime investigation cases per 100,000 women)	Cuajimalpa (170)	Cuauhtémoc (371)
Working conditions (% of women in formal employment)	Azcapotzalco (28%)	Xochimilco (71%)
Economic autonomy (Financial inclusion gap)	Cuauhtémoc (2.1%)	Xochimilco (58%)

#### **Education improves economic opportunities for women**

- The city has the highest share of educated women in the country: seven out of ten women aged 18 and older have completed at least upper secondary education.
- Boroughs with lower educational lag among young women tend to show higher economic participation. In Coyoacán, 8% of young women did not complete compulsory education at the expected age, while 57% participate in the labor market, r anking the borough second in both indicators.

# Educational lag vs. labor force participation rate of young women by borough



Source: Compiled by IMCO using data from INEGI's National Survey of Occupation and Employment (ENOE), 3Q 2024.







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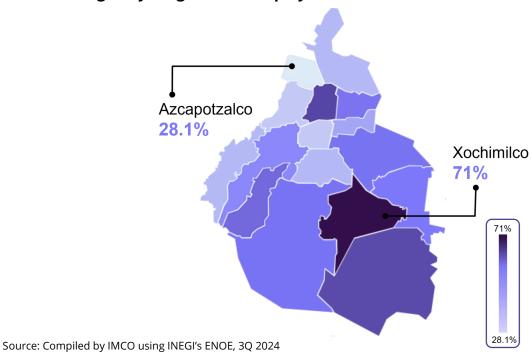
WOMEN IN ECONOMY

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## Job quality remains a challenge

- Working conditions shape women's condition to remain in the paid economy. A key
  indicator of this is informality, which reflects whether employment provides higher
  income, access to social security, and legal certainty.
- In Xochimilco, **71% of young women work under informal conditions, compared with 33% in Cuajimalpa.**
- Job quality is closely linked to the economic sectors in which women are employed. In Xochimilco, most young women work in restaurants and retail, sectors with high levels of informality. In contrast, in Cuajimalpa, professional services are more prevalent, a sector associated with lower informality rates.

#### Percentage of young women employed in the informal sector



# Limited access to healthcare services persists

- **Job quality is a decisive factor in access to healthcare services**, as access to healthcare in Mexico is closely linked to the type of employment.
- In Mexico City, 27% of young women lack access to public or private healthcare services, slightly above than the national level (25%). This share varies across boroughs, reaching 22% in Cuajimalpa, 24% in Tláhuac, and 30% in Iztapalapa and Tlalpan.

## **Insecurity limits economic participation**

Access to public transportation enables better job opportunities; however, in the southern region of the city (La Magdalena Contreras, Coyoacán, Benito Juárez, and Tlalpan), 27% of women stopped using it due to fear of becoming victims of a crime. This proportion declines slightly to 24% in the eastern region, which includes Iztapalapa, Milpa Alta, Tláhuac, and Xochimilco.







#### The cost of caregiving also impacts young women

- In Mexico City, six out of ten young people who are neither studying nor working are women. This group represents 12% of young women, although the proportion rises to 22% in Milpa Alta, the borough with the highest prevalence.
- Seven out of ten young women in Mexico City aged 15 to 29 who do not participate in the labor market are exclusively engaged in unpaid care work.
- On average, young women who are neither studying nor participating in the labor market spend 58 hours per week on unpaid work, compared with 36 hours among men. In contrast, among young people who both study and have paid employment, time spent on these activities is reduced by half for both women and men.

As a result of the gender gaps that persist in Mexico City, 35% of young women lack their own income, excluding those who are exclusively studying. This scenario underscores the opportunity to promote more sustainable and inclusive economic growth by creating for greater economic autonomy among young women.

# **IMCO** proposes



To raise women's economic participation in Mexico City from 55% to the OECD average of 67%, the city would need to incorporate 850,000 additional women into the labor market. If this incorporation was accelerated, Mexico City's GDP could grow by 60 billion pesos over the next decade, equivalent to a 1.4% increase. Young women are key to achievng this goal; therefore, IMCO proposes:



**Formal employment.** Boroughs should implement progressive programs, such as training aligned with job openings and pathways to first employment, while **companies collaborate with youth networks** to facilitate connections to quality jobs.



**Care system.** The **Head of Government**, in coordination with the boroughs, should slign policies and programs to address local care needs. In addition, the **Mexico City Congress** still needs to advance in legislation that guarantees the right to care.

IMCO is a nonpartisan, nonprofit research center dedicated to strengthening public decision-making through evidence, in order to advance toward a fair and inclusive Mexico.

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