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THE LABOUR MARKET AND THE ROLE OF INFORMALITY IN URBAN MEXICO

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The aim of this paper is to analyze, during the last decade, the restructuring of the urban labor market in Mexico as a result of the uneven impact of economic recession and a more recent neoliberal policy. Special emphasis is paid to the trends of the formal and informal sectors of the economy where three main aspects are to be argued: (i) the formal sector has lost dynamism to absorb labor force, which is particularly clear in the case of industry; (ii) the informal and less productive sector has experienced a very rapid increase more notably in the tertiary sector and; (iii) the occupational structure has suffered a marked polarization between the higher and the least qualified occupations.

Naturally, the economic recovery or restructuring has not been shared equally in all parts of the country. The most fundamental disparities in the geography of the urban labor market are examined comparing big and small urban areas, and the most depressed and the already affluent regions in the country. It is sustained that the most marked differences in the labor market restructuring are present in those cities and regions that before the economic crisis concentrated most of the job gains.

Key Words: Labour Market, Urban Informality, Occupational Structure, Regional Differences

I. Economic restructuring and the Urban Labour Market in Mexico.

The period 1970-1990 was a very important transitional phase in the country's history since there was a change in the development strategy, passing from an economic growth based on an "import substitution industrialization" (ISI) model, to a strategy to promote exports. The adjustment process that was applied in the early 1980s after the crisis period, obviously affected among other fields, the employment structure and the functioning of the labor market.

The economic development of Mexico from 1940 to 1980 was a result of a policy of import substitution industrialization. With this industrial model the Mexican economy experienced one of the highest rates of economic growth in Latin America. In the period 1940-70 the GDP grew at an annual rate of more than six percent while the average growth of the population was 3.1 percent (REYNOLDS 1970: 22).

With the first signs of exhaustion of the development model in the early 1970s, the effects of economic instability began to be felt later in the decade, only interrupted by the oil boom that took place between 1978 and 1981. By 1982 the economic crisis became evident: subsequent devaluation, 100 percent inflation, a current account deficit of 2,685 million dollars, a public sector deficit equivalent to 17 percent of the GDP and an external debt of approximately 85 thousand million dollars (BRAVO AGUILERA 1993: 319).

During the first half of the 1980s, Mexico adopted an adjustment program through the International Monetary Fund (IMF), receiving also support from the World Bank to apply structural changes that included emphasis in exports as a widely recommended measure. In fact, Mexico's entrance to the GATT in 1986 represented the elimination of trade barriers and a means to ensure the commitment to liberalize the national economy. Thus the transition from the old ISI or inward-growth model toward a different "outward integrated" or "exporting" model, took place in accordance with the demands of the new international division of labour.

The stagnation of the economy during the crisis had negative impacts in the integration of the labour market. The crisis provoked the increase in the unemployment level which at the beginning of the economic instability was of 6-7 percent in the main urban areas. Large sectors of the labour force had to find a modality within the informal activities, those who did not remain employed as a wage workers in the formal sector were willing to work for lower salaries in the informal sector as non-remunerated family labour. The informal labour market was very diverse and dynamic during the crisis period and the proliferation of these activities can be seen as an opposite phenomenon to the integration of the labour market (ALBA 1993: 187-191).

As LUSTIG (1992: 75) points out, in a country like Mexico with no unemployment insurance benefits, it is no surprising that people will accept working at lower quality jobs rather than be unemployed. To be unemployed is a luxury that most Mexicans cannot afford.

1. The absorption of labour force by the formal sector

The employment growth rate of industry has a big impact on the growth pace of the sector since more than 90 percent of its workers receive a salary. This situation is different to that in Commerce and Services where there is a great proportion of unpaid workers. In the last decade the manufacturing industry experienced a drastic fall in the rate to absorb labour force which was reflected in the performance of the whole formal sector.

In fact, the slow growth in the manufacturing industry during the period reveals a differential growth by industrial sectors. In some of this sectors, there was even a fall in the total number of firms which might be related to the effect of the crisis and the consequent bankruptcy of some firms (RENDON and SALAS 1992: 20). An example of sectors that experienced a decrease in their total number of firms is the textile and garment industry.

When we look at the data about employment growth by economic sectors, there is a great contrast between the manufacturing industry and the commerce and services sectors. In Table 1 data show that in the period 1980-89 whereas manufacturing only explains 25 percent of the employment generated in those years, commerce and services explain 39 and 36 percent respectively of the employment in the same

Table 1 MEXICO: Participation of number of establishments and workers in the economic sectoral change by city size, 1980-1989 (%)

Rank - size	Total	Manufac.	Commerce	Services
Total				
Establishments	100.00	4.43	56.30	39.26
Workers	100.00	25.33	39.03	35.64
1,000,000 and more				
Establishments	100.00	-0.48	58.21	42.27
Workers	100.00	-0.49	53.66	46.83
500,000 - 999,999				
Establishments	100.00	6.06	57.79	36.15
Workers	100.00	48.13	26.99	24.88
250,000 - 499,999				
Establishments	100.00	6.54	54.35	39.11
Workers	100.00	32.65	34.47	32.88
100,000 - 249,999				
Establishments	100.00	5.44	54.73	39.83
Workers	100.00	21.96	38.77	39.27
50,000 - 99,999				
Establishments	100.00	6.82	56.94	36.24
Workers	100.00	33.52	34.50	31.98
15,000 - 49,999				
Establishments	100.00	8.75	54.21	37.04
Workers	100.00	29.20	37.89	32.91

Source: Calculated from INEGI (1981 and 1989), Economic Census. Industry, Commerce and Services.

period. Thus industry lost importance to absorb labour force, and the tertiary sector was responsible of generating about 75 percent of the jobs, which also shows how the process of tertiarization became more relevant in the whole economy. In the case of the number of firms the situation is clearer, manufacturing industry only had a 4 percent of increment, while only commerce explained more than 50 percent (56 %) of the total increase in the number of firms.

If we examine this employment sectoral change by city size, it stands out that manufacturing activities had a dramatic decline in big cities with negative growth rates either in salary workers or in the number of firms, while middle-size and small cities gained employment in the three economic sectors.

In the particular case of industry, it is possible to identify two complementary processes: a deconcentration of manufacturing activities from big to secondary cities; and a slight tendency of industrial employment to concentrate in cities between 250,000 and less than one million inhabitants, where 67 percent of the total employment in the period was located. In a context of very slow growth of manufacturing activities the urban centres in those rank-sizes (250-499,999 and 500-999,999 inhabitants) were the "winners" in terms of jobs gains. However, it is worth to emphasize that analyzing the number of firms there is no correspondence with employment in the location of gains; the higher gains by number of firms are in the rank-size of 15,000 to 49,000 inhabitants in the first place with 32 percent of the total increment; and in second place the rank-size of 250,000 to 499,999 with 26 percent. Data tends to demonstrate that in the smallest cities there was a proliferation of very small firms without generating a lot of waged employment, probably family business; and in the intermediate cities the tendency was the location of big firms which although reduced in number offered much more employment, as in the case of the rank-size of 500,000 to 999,9999 inhabitants.

With reference to the commerce and services sectors the pattern is very similar. On the contrary to industry, these sectors registered the main increases in employment and number of firms in those urban centres bigger than one million inhabitants, confirming so the tertiarization of the urban economy (AGUILAR 1993); and in the second place, in those cities in the rank-size of 250,000-499,999 inhabitants. In general, the tertiary sector was the main generator of employment in all the cities across the urban hierarchy; commercial activities were the most important in all the rank-sizes, with more than 50 percent of all the number of economic units, and from the point of view of employment it was also the principal sector, with the exception of the rank-size of 500-999,999 inhabitants where manufacturing registered the highest employment gain (48 percent) (Table 1).

In regional terms, data demonstrates that the northern part of the country was the most benefited in receiving employment growth and new firms (Table 2). Just in the North Region the employment gains represented 40 percent of the total, here we have to remember that most of those new jobs are related to the *maquiladora* industry (assembly plants). Anyway, if we consider the proportion of new jobs in the two northern regions (North and Center-North/West) there was a clear preference of the economic activities to locate in those areas, with 65 percent of the total employment. Looking at the participation by economic sectors the picture seems consistent with the recent trends of industrial deconcentration and tertiarization of the economy. Table 2 shows that manufacturing registered a very small participation of the growth in employment and the number of firms, and the most went to the North Region. But the significant process was the decline of this activity in the Central Region that presented negative rates in the period. In the case of Commerce it represents the sector with the highest participation in the number of firms (more than 50 percent in all the regions), and employment (with the exception of the North

Table 2 MEXICO: Participation of number of establishments and workers in the economic sectoral change by region, 1980-1989 (%)

Region	Total	Manufac.	Commerce	Services
Total				
Establishments	100.0	4.4	56.3	39.3
Workers	100.0	25.3	39.0	35.6
North				
Establishments	100.0	5.7	56.7	37.6
Workers	100.0	41.2	30.2	28.6
Center / North / West				
Establishments	100.0	7.9	53.3	38.9
Workers	100.0	32.9	36.1	31.0
Center				
Establishments	100.0	-3.4	59.3	44.1
Workers	100.0	-16.4	61.0	55.4
South				
Establishments	100.0	7.3	56.3	36.4
Workers	100.0	19.8	41.5	38.8

Source: Calculated from INEGI (1981 and 1989), Economic Census. Industry, Commerce and Services.

Region); although the Central Region lost industrial dynamism its tertiary activities, Commerce and Services, presented the highest rise in the country.

In other words, whereas the industrial modern sector mainly moved and located to the northern part of the country where it generated more employment, domestic and foreign capital preferred to invest in tertiary activities in big metropolis, looking for more profitability away from industry, provoking a process of higher urban concentration as in the Central Region.

2. The characteristics of the informal and less productive occupations

During the 1980s the absorption of labour force in the urban modern sectors suffered a setback and the expansion of the tertiary sector in particular was highly associated to informal and less productive activities.

One of the more recent studies to characterize the informal sector in Mexico was based on the 1988 National Survey on Employment, and the following proportions of these activities were obtained, with respect to the total occupied population: 33.6

percent following the minimum salary criterion; 38.5 percent according to the size of the firm; 26.1 percent taking into account occupational categories; 37.9 percent combing the criteria of firm size and occupational categories. In total numbers these estimations vary between 7.3 and 10.7 million workers in some sort of informal working condition (see Secretaria del Trabajo y Prevision Social 1993: 81)[1].

In the following section data about the magnitude and recent growth of the informal sector are presented, with particular reference to the main urban areas in the country.

The size of establishments. - The increasing importance of the informal activities during the 1980s can be confirmed by the proliferation of small businesses that to a great extent were the cause of the economic expansion in the tertiary activities. There was a notable increase of firms with less than two persons where most of the non-salary workers are to be found.

Table 3 shows some data about the marked contrasts of economic activity in Mexico with respect to size of firms and occupied population. The size of 87 percent of the firms is of less than 5 workers; and 73 percent of these firms only give occupation to two workers. However, this last category of firms only represents about 24 percent of the total employment, even so, from 1986 to 1989 the proportion of workers in the small firms (less than 5 persons) increased its importance in three percental points, from 23 to 26 percent. On the other side, the biggest firms (more than 50 workers) that only represent about one percent of the total number of firms, in terms of employment are quite relevant with about 50 percent of the total employment, though from 1986 to 1989 its weight in these terms decreased in 5 percental points, from 53 to 48 percent (see Table 3).

Table 3 MEXICO: Total number of establishments and workers by size of establishments, 1986-1989

	Percentual Participation			
Size of establishment	Establishments 1986	Workers 1989	Establishments 1986	Workers 1989
1 to 2 persons	73.1	70.1	15.0	15.7
3 to 5 persons	14.0	17.2	7.5	10.0
6 to 50 persons	11.3	11.1	24.8	25.7
more than 50 persons	1.6	1.4	52.8	48.4

Source: INEGI (1986: Table 5); INEGI (1989: Table 3)

Looking at Table 4 there are clear differences of salary and non-salary workers by firms size. Those firms with the highest proportion of salary workers are the biggest (more than 50 workers) with about 60 percent of them, nonetheless, between 1986 and 1989, there was a decreasing tendency of its proportion. On the contrary, the small businesses with less than 5 workers, present the highest number of non-wage workers, in fact, its proportion increased in the period 1986-1989, from 81 to 83 percent (see Table 4); these small firms contain most of the self-employed and the unpaid family workers and their rise is consistent with the idea that during the adjustment process informal employment rose.

Table 4 MEXICO: Total number of establishments and workers by wage and non - wage condition, 1986-1989

	Workers (%)			
	Waged		Non - Wage	
Size of establishment	1986	1989	1986	1989
Less than 5 workers	9.4	11.6	80.6	82.7
6 to 50 workers	28.0	29.0	10.9	12.3
more than 50 workers	62.6	59.2	8.5	5.0

Source: INEGI (1986: Graphic 4); INEGI (1989: Table 3)

Characteristics of the informal economic units. - In order to give a general view about informal activities in México in this section the analysis is based in the so called 1990 National Survey of Informal Economy which is representative of the most urbanized areas of the country. The total sample was of 3,459 small businesses.

First of all, data shows the great importance of the small businesses in the commercial sector with 45 percent, representing the highest proportion of the whole sample; in this case this proportion includes either formal (26 percent) or informal establishments (19 percent). These establishments comprise retail activities at very small scale that respond to the purchasing patterns of poor population sectors that normally buy basic goods in very small quantities, for example food and general supplies; these units proliferate in low income and working-class settlements and also include street vendors. The small units that sell food and beverages are second in importance (11 percent); they serve the low salary workers and the informal ones, particularly in urban sectors with important social concentrations such as industrial areas, markets, or public transport stations. This is one of those type of businesses that do not require a lot of capital and skills to be established. The small units for repairing services follow in importance (12 percent), and also respond to the low purchasing power of ample social sectors that require low cost services to repair and maintain their households and domestic equipment. Examples of this sort of repair services are: car workshops, carpentry, plumbing, domestic appliances, electric workshops, construction workers etc[2].

Examining the size of the economic units by economic branch some interesting conclusions can be derived (Table 5). It stands out that in average, most of the units (69 percent) function with one person, and 18 percent have one worker; this is to say that 87 percent of these businesses are of very small scale. In consequence, only 13 percent of the units have more than two workers. By economic sector the situation is more accentuated in the case of textiles and leather (77 percent), informal retail (84 percent) and repair services (70 percent) with units that have no workers; on the other side, particularly the food and beverages businesses tend to present one or two workers, an average of two persons in their units. In general, data tend to confirm that most of all these units are one person family businesses.

If we examine the type of premises of the businesses it is possible to identify two main groups: the mobile activities and those with a permanent establishment (Table 6). In the case of the mobile, the most important are those that are exercised in the customer house (24 percent), these activities are related to wood industry (especially carpentry works), repair services, construction-related works, and other cleaning services; following in importance are those itinerant activities that are carried on in vehicles in public areas (22 percent), through this modality most of the informal retail and food preparation is offered.

With reference to the permanent establishments, those activities that are exercised in the own house of informal workers are the most important with 21 percent. This modality is relevant for the majority of the economic sectors represented in Table 6, which registered high percentages in this type of premise; the most significant are particularly the manufacturing of products, that for textiles and leather reaches 83 percent; the elaboration of food products; and repairing services. This means that a lot of precarious occupations, without any social security, are exercise in households which means great difficulties to apply labor legislation. This also explains the low proportion of expenditures on administrative costs, such as rent, electricity, water, etc. The other important permanent establishment are shops (19 percent) where informal activities such as formal retail and elaboration of food products are carried on.

3. Changes in the occupational structure and qualification of labour force

Not only during the 1980s the modern sector lost dynamism to absorb labour force but those jobs that were generated turned to be of inferior quality, and with it, workers found themselves receiving lower incomes. Thus, the adjustment policies during the crisis resulted in a deterioration of the urban labour market that can bemeasured, among other aspects, through a loss of quality in the occupations (AGUILAR 1993).

Table 5 MEXICO: Size of Informal Establishment by Number of Workers and Economic Sector 1990 (%).

Number of Workers	Food Products	Textiles & Leather	Wood Industry	Other Manufac. Industries	Formal Retail	Informal Retail	Food Prepara-tion	Repair Services	Private housing construc.	Other Services	Total
none	43.9	77.3	66.6	64.5	56.8	84.4	53.0	70.3	62.9	86.0	68.8
1	31.0	11.6	14.1	19.5	24.4	8.6	26.1	18.6	29.8	9.4	18.3
2	14.4	6.3	15.4	9.0	13.2	4.3	10.1	6.3	5.2	4.1	8.2
3	10.1	3.8	3.3	2.4	4.0	1.4	8.4	3.1	0.3	-	3.1
4	0.6	1.0	0.6	1.3	1.0	0.9	1.4	1.3	1.6	0.1	1.0
5-7	-	-	-	3.3	0.6	0.4	1.0	0.4	0.2	0.4	0.6
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
% of the Total	1.9	6.0	2.1	5.3	26.2	18.9	9.1	12.0	6.6	11.9	100.0

Source: INEGI (1991: Table I.5)

Table 6 Type of Premises of Informal Economic Units by Economic Sector 1990 (%).

Economic Sector	Vehicle in public area	Stall in street	Customer House	Own House	Lunch Stall	Shop	Workshop	Total
Food Products	-	-	0.6	45.1	-	25.2	29.1	100.0
Textiles and Leather	-	-	1.0	83.1	-	-	15.9	100.0
Wood Industry	-	-	28.0	36.5	-	-	35.5	100.0
Other Manufac. Industries	-	-	8.5	50.7	-	-	40.8	100.0
Formal Retail	11.9	3.5	5.5	15.5	-	63.6	-	100.0
Informal Retail	68.1	1.2	19.7	10.2	-	0.8	-	100.0
Food Preparation	43.8	13.4	-	19.4	18.7	4.1	0.6	100.0
Repair Services	6.5	-	27.5	23.9	-	-	42.1	100.0
Private Housing Construc.	-	-	100.0	-	-	-	-	100.0
Other Services	7.8	1.0	65.3	12.2	-	12.3	1.4	100.0
Total	21.6	2.5	23.9	21.4	1.7	19.2	9.7	100.0

Source: INEGI (1990: Table I.8)

In order to sustain this aspect, Table 7 presents data of the Total Occupied Population (POT) by main occupation and economic sectors for all the metropolitan areas in the country, for the period 1970-90[3]. These data are very representative of the urban labour market since the total POT of these zones comprises 65 percent of all the urban POT in the country. It is argued that according to data, there is a double tendency. On one hand, a <u>polarization in the occupations</u> between the more and the less qualified population. On the other hand, a more numerous and <u>rapid growth of the lower qualified occupations</u> as a sign of a more precarious employment.

With respect to the dualism between highly paid workers and poorly paid workers it can be observed that, at one extreme, the most qualified occupations as Professionals and Executive Personnel significantly rose their weight passing from 13 percent in 1970 to 20 percent in 1990, growing at rates between 5 and 6 percent in the period. The growing of Professional occupations was more important in the tertiary activities, while the Executive positions registered the highest increments in the industrial sector. At the other end, less qualified occupations very much associated to retailers, wholesalers, administrative or service-related workers also registered an important rise. In the first place, commerce-related occupations passed from 11 percent in 1970 to 15 percent in 1990; and secondly, the administrative occupations from 13 to 14 percent in the same period, with growth rates of 5 and 4 percent respectively. In this occupations group it has to be remembered that particularly the Commercial sector is formed by a great number of very small businesses in the tertiary sector carried on by unskilled and self-employed population. Although the diverse occupations in Services did not increase their percentual participation in the two decades, they notably rose their total number, growing at a rate of 3.2 percent.

With reference to the second aspect, the net occupations increases in the period naturally benefited the lower level occupations. Whereas the Professional and Executive occupations registered a net rise of 1,334,720 jobs (25 percent of the total increment), those related to Commerce and Services had a higher participation with 1,798,945 jobs (34 percent); additionally, the blue-collar occupations also registered a very important participation in the net increase with 1,366,038 jobs (25 percent), however, in this case it has to be emphasized that manual workers had a much higher increases in tertiary activities than in industry. In other words, about 60 percent of the total increment in occupations was related to low qualified activities. Data confirms the present importance of sectors like Commerce and Services to absorb labour force (tertiarization of the economy), though in many cases in precarious situations; and the increasing importance and absorption of manual workers (blue-collars) in the tertiary sector.

Table 7 Mexico: Metropolitan Zones by Main Occupation and Economic Sector, 1970 - 1990

Main occupation	Total	Agriculture	Oil Industry	Extractive Industry	Manufact. Industry	Construct.	Electric Energy	Commerce	Transport	Services	Govern-ment	Not specified
% 1970	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**
Professionals and technicians	8.7	0.6	11.3	8.6	4.5	5.8	12.0	2.2	2.4	21.7	10.3	2.6
Executive pers. & top officials	4.2	1.2	2.9	4.9	4.9	2.8	4.3	6.1	3.2	3.8	6.8	3.3
Administrative personnel	13.2	0.9	18.8	9.2	12.6	4.4	28.7	16.0	12.6	13.3	38.8	14.3
Commerce workers	10.6	0.5	1.0	2.9	4.9	0.8	1.4	59.1	1.1	3.8	0.4	2.7
Services workers	18.8	1.9	9.6	8.3	5.7	3.6	7.8	6.3	60.1	42.1	29.9	10.5
Agriculture workers	8.7	89.7	0.4	1.6	0.5	1.0	0.5	0.9	0.3	0.6	1.8	0.7
Blue-collars	31.5	2.5	52.7	61.9	64.9	80.6	41.2	7.9	18.1	13.3	9.2	19.1
Not specified	4.3	1.8	3.4	2.9	2.1	1.0	4.2	1.6	2.2	1.5	3.0	46.9
% 1990	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**
Professionals and technicians	13.7	2.1	13.8	8.3	5.7	5.9	12.2	3.2	4.0	31.0	13.8	10.8
Executive pers. & top officials	6.0	1.5	9.1	10.7	9.6	7.2	8.1	4.7	3.3	4.6	3.9	6.0
Administrative personnel	13.6	1.2	20.9	10.5	8.6	3.7	28.4	11.4	20.1	14.2	42.8	27.2
Commerce workers	14.7	1.5	1.2	1.1	6.5	0.2	1.1	66.9	1.3	4.8	0.6	1.9
Services workers	17.8	4.4	12.7	15.2	6.5	3.4	9.3	7.5	63.0	26.8	32.2	15.9
Agriculture workers	3.3	87.5	0.0	0.8	0.2	0.1	0.1	0.1	0.1	0.1	0.3	0.2
Blue-collars	29.3	1.3	40.7	52.7	62.0	79.3	39.2	5.8	7.7	17.9	5.3	8.1
Not specified	1.6	0.5	1.6	0.8	1.0	0.3	1.6	0.3	0.6	0.5	1.1	29.9
Growth rates 1970-1990	**3.47**	**-1.13**	**2.61**	**-0.37**	**2.91**	**3.72**	**4.80**	**4.67**	**5.17**	**4.30**	**3.76**	**1.22**
Professionals and technicians	5.81	5.14	3.63	-0.56	4.10	3.84	4.87	6.64	7.85	6.17	5.30	8.72
Executive pers. & top officials	5.27	-0.08	8.67	3.54	6.38	8.63	8.21	3.36	5.29	5.37	0.92	4.32
Administrative personnel	3.63	0.47	3.17	0.30	0.95	2.78	4.75	2.91	7.67	4.66	4.27	4.54
Commerce workers	5.16	4.56	3.48	-5.14	4.42	-3.21	3.73	5.32	6.05	5.60	6.04	-064
Services workers	3.20	3.06	4.06	2.70	3.61	3.43	5.72	5.66	5.41	1.98	4.15	3.33
Agriculture workers	-1.42	-1.26	-9.75	-3.73	-2.26	-8.25	-3.22	-4.67	-3.44	-4.62	-4.81	-4.39
Blue-collars	3.10	-4.34	1.30	-1.17	2.68	3.63	4.53	3.02	0.77	5.87	0.95	-3.05
Not specified	-1.36	-7.75	-1.28	-6.26	-1.03	-2.35	-0.04	-3.48	-1.78	-1.45	-1.35	-1.02
Net Increases 1970-1990	**5,041,070**	**-94,615**	**34,599**	**-1,650**	**1,126,690**	**348,701**	**49,700**	**1,026,954**	**384,371**	**1,811,100**	**278,541**	**76,679**
Professionals and technicians	944,294	4,837	6,044	-212	80,952	21,017	6,111	39,826	18,839	688,276	47,477	31,127
Executive pers. & top officials	390,426	-94	6,361	1,147	175,562	39,105	5,252	39,373	12,910	95,090	3,487	12,233
Administrative personnel	707,892	406	8,369	132	38,190	10,487	14,019	85,466	93,955	270,772	29,318	56,778
Commerce workers	948,818	3,259	498	-431	97,045	-1,265	477	740,383	5,469	102,060	2,238	-915
Services workers	850,127	7,427	5,973	1,345	84,961	11,109	5,091	86,445	248,344	276,638	95,636	27,158
Agriculture workers	-111,297	-93,027	-190	-191	-2,425	-2,737	-72	-3,736	-340	-4,655	-2,803	-1,121
Blue-collars	1,366,083	-6,793	7,944	-3,010	657,837	272,061	18,821	44,439	6,594	387,841	4,893	-24,589
Not specified	-52,944	-6,736	-402	-481	-5,739	-1,244	-11	-5,440	-1,481	-5,372	-1,798	-24,240

Source: INEGI (1981 and 1989), Population Census.

II Conclusions

The 1980s economic recession and the subsequent productive recovery or restructuring in Mexico has had an uneven territorial impact and has not been shared equally by the main regions and cities in the country. Data about restructuring of the labour market show a more heterogeneous and dualistic structure between the formal and informal sectors, and between the highly paid and skillful workers, and the poorly paid and unskilled workers.

The tertiarization of the economy presents a very marked growth tendency, and the anatomy of jobs creation demonstrate a clear shift from Manufacturing to Commerce and Services employment. The recent neoliberal policy has only privileged the growth of very few industrial branches, such as the *maquiladora* plants, and has lost dynamism to absorb labour force showing so a decline as the engine of the development strategy. The benefit of new jobs in the formal sector, particularly from manufacturing, has gone from big cities to middle-size cities like those in the rank-size of 500-999,999 inhabitants, and to the northern regions of the country widely oriented to the USA economy. In the tertiary sector, the big metropolis have received a good proportion of new jobs mainly in wholesale and high-level services linked to recent foreign investments, that require highly qualified workers and in some situations give support to productive processes.

In territorial terms, main metropolitan zones in the country constitute an expression of the most marked contrasts in the recent location of economic activities, and presence of qualified labour force. These urban areas present a large concentration of producer services given its high specialization and advanced technology; and at the same time, the largest proportion of the self-employed and the less qualified occupations proliferate in them. The tertiarization of the economy in Mexico has also meant a multiplication of informal microenterprises and other itinerant economic activities that maintain the precarious situation of important segments of the urban labour force given the scarce opportunities in the formal sector. Occupation with very low salaries, self-employed people, and a lack of labour stability tends to be predominant for the majority of less qualified and unskilled labour force.

NOTES

1. To measure the informal sector special calculations were made from this sample. It is acknowledged that the methodology used in this sample highly likely resulted in high estimations of employment in the country.
2. Following in importance, the industrial units in the textile and leather sector can be mentioned with 6 percent. In the study of ELIZONDO (1992: 59) about informal enterprises in Mexico, he gave more weight in his survey to those units in the industry sector, which contradicts the great importance that has been sustained here for the businesses related to the commercial activities. Perhaps this is due to the very small sample used in such studies (22 units).
3. These data refer to the 26 metropolitan areas that were delimited in the mid 1980s by NEGRETE and SALAZAR (1986).

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