

Labor Market Report & Political Perspectives in

Latin America

Q2 - 2025

Executive Summary

The Latin American labor market continues to show signs of recovery, with a steady increase in job openings and a decline in unemployment rates. The manufacturing and services sectors are leading the growth, while the construction sector remains a key driver of economic activity. The political environment is generally stable, with most countries maintaining a focus on economic development and social welfare.



Country Labor Market Outlook

Brazil: The Brazilian labor market is expected to continue its upward trend, driven by strong growth in the manufacturing and services sectors. The government's focus on infrastructure development is also expected to create new job opportunities.

Mexico: Mexico's labor market is projected to remain stable, with a steady increase in job openings and a decline in unemployment rates. The manufacturing sector is expected to continue its growth.

Colombia: Colombia's labor market is expected to show continued growth, with a steady increase in job openings and a decline in unemployment rates. The services sector is expected to continue its growth.

Argentina: Argentina's labor market is expected to remain stable, with a steady increase in job openings and a decline in unemployment rates. The manufacturing sector is expected to continue its growth.

Chile: Chile's labor market is expected to show continued growth, with a steady increase in job openings and a decline in unemployment rates. The services sector is expected to continue its growth.

Venezuela: Venezuela's labor market is expected to remain stable, with a steady increase in job openings and a decline in unemployment rates. The manufacturing sector is expected to continue its growth.

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Panama: Panama's labor market is expected to remain stable, with a steady increase in job openings and a decline in unemployment rates. The manufacturing sector is expected to continue its growth.

Guatemala: Guatemala's labor market is expected to show continued growth, with a steady increase in job openings and a decline in unemployment rates. The services sector is expected to continue its growth.

Honduras: Honduras's labor market is expected to remain stable, with a steady increase in job openings and a decline in unemployment rates. The manufacturing sector is expected to continue its growth.

Nicaragua: Nicaragua's labor market is expected to show continued growth, with a steady increase in job openings and a decline in unemployment rates. The services sector is expected to continue its growth.

Paraguay: Paraguay's labor market is expected to remain stable, with a steady increase in job openings and a decline in unemployment rates. The manufacturing sector is expected to continue its growth.

Uruguay: Uruguay's labor market is expected to show continued growth, with a steady increase in job openings and a decline in unemployment rates. The services sector is expected to continue its growth.

Bolivia: Bolivia's labor market is expected to remain stable, with a steady increase in job openings and a decline in unemployment rates. The manufacturing sector is expected to continue its growth.

The overall Latin American labor market is expected to continue its upward trend, with a steady increase in job openings and a decline in unemployment rates. The manufacturing and services sectors are leading the growth, while the construction sector remains a key driver of economic activity.

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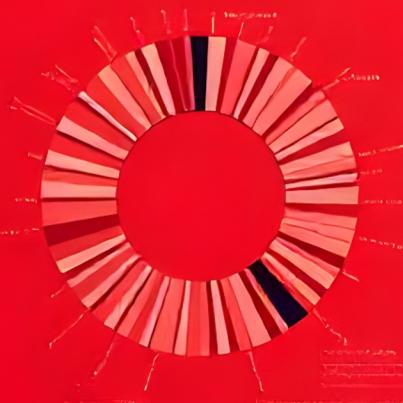
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RAÚL GIMENEZ
SVP ADECCO LATAM

The second quarter of 2025 shows how political, social and economic transformations continue to redefine the labor landscape in Latin America. Recent decisions in different countries highlight the need to be informed and prepared to act with agility in the face of changing and complex contexts.

This period has been marked by events that directly impact institutional trust, public policies and employment dynamics. From changes in business and political leadership to structural reforms and exceptional security measures, the region faces a decisive moment that requires strategic reflection.

Our objective with this report is to offer a clear and updated vision of the most relevant events of the quarter and their potential impact on the world of work. Argentina's departure from the WHO, for example, raises questions about the future health approach; while the dismissal of the president of Petrobras in Brazil shows tensions between economic and political interests. In Mexico, the first 100 days of the new government show high citizen approval, reflecting a solid start with institutional continuity.

We also observe sustained reform processes in Chile, attempts to maintain stability in Colombia after the resignation of its chancellor, and the urgent response of the Peruvian government to a wave of violence that affects daily life. All these elements configure a scenario where organizations must rely on reliable information and contextualized analysis to make well-informed decisions.

This report offers a strategic reading of job prospects in **Argentina, Brazil, Chile, Colombia, Mexico** and **Peru**, in order to provide practical and actionable tools for those who lead teams and plan the organizational future.

At Adecco we reaffirm our commitment to accompany you with reports adapted to the specific reality of your company. We encourage you to explore this analysis as a compass to navigate the challenges and opportunities that lie ahead in the second half of the year.

Thank you for trusting us as your strategic partner. We wish you a quarter full of learning, proactive leadership and positive results.

KEY POLITICAL EVENTS

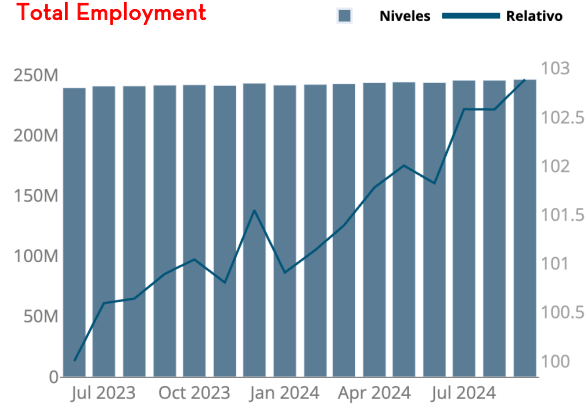
- **Argentina** – President Javier Milei presented the inflation data for June, which stood at 1.6% according to the INDEC. The inflation number is a positive fact for the government, after the Senate approved bills promoted by the opposition and friction with the vice president, Victoria Villarruel. Core inflation was 1.6%, the lowest since May 2020. If the particular effect on the CPI in the first months of the pandemic is excluded, it was the lowest since January 2018.
- **Brazil** – Nothing changes in Brazil, except – in regards to the image of the government and President Lula – public opinion, although in this case it is for the worse. If in May 40 percent of those surveyed supported the government, now the figure has dropped to 26 percent. It is Lula's worst approval since he emerged on the Brazilian political scene, in a now distant 1978.
- **Chile** – The presidential candidate of the Communist Party, Jeannette Jara, has won the presidential primaries of the Unity for Chile pact, which brings together the parties that support the left-wing Administration of President Gabriel Boric. The former Minister of Labor has surpassed the representative of Democratic Socialism, Carolina Tohá; the candidate Gonzalo Winter, from the Frente Amplio; and Jaime Mulet, from the Social Green Regionalist Federation. These primaries have been carried out with voluntary voting and suffrage abroad, with a low participation of a little more than 1,400,000 voters, which is equivalent to 9% of the total electoral roll.
- **Colombia** – Political violence in Colombia has been on the rise since 2022, but has been largely contained at the local level. The brazen attack on a prominent politician in the capital suggests that the perpetrators no longer fear repercussions. On June 10, violence broke out again. At least eight people were killed in a wave of explosions and gun attacks in the southwest of the country. In Cali, the country's third largest city, bombs were placed in police stations and three officers were killed.
- **Mexico** – The Mexico-US relationship changed with Q4. Mexico doesn't like tariffs being imposed and the United States doesn't like limits on its investigative agents. Therefore, there are issues on which there is not complete agreement, but there are many other things on which there is a lot of coordination, collaboration and, above all, open dialogue between the presidents.
- **Peru** – The president of Peru, Dina Boluarte, issued a decree doubling her salary, amid a wave of high unpopularity for the president and her government. Boluarte will now earn 35,500 soles per month (about US\$10,000), when before he earned about 16,000 soles (US\$4,500). According to a Datum International survey, his approval rating is at a historically low level of 3%.

GENERAL REGULATION OF THE LABOR MARKET

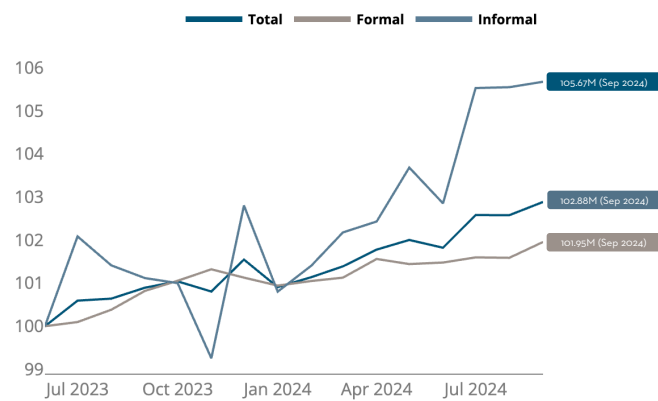
Country	Description	Status	More information
Argentina	Agreement between the government and the UIA on labor reform: In July 2025, the government of Javier Milei and the Argentine Industrial Union (UIA) agreed on the broad strokes of a labor reform. This includes the reduction of non-working holidays, limitations on union leave for delegates, and establishment of ranges of compensation amounts according to seniority.	Under discussion	Link
Brazil	Brazilian workers press for a reduction in working hours. About two months ago, a proposal to amend the Constitution was presented in the Chamber of Deputies that puts an end to the scheme and reduces the weekly working day from 44 to 36 hours. The text is authored by federal representative Érika Hilton, from the Socialism and Freedom Party (PSOL).	Under discussion	Link
Chile	Starting in August 2025, a progressive additional contribution of 7% paid by the employer for pensions will begin, with the aim of improving pensions. This contribution will be used to strengthen the worker's individual account and a solidarity fund that supports those with low or irregular income.	In Adoption	Link
Colombia	In June 2025, the Senate approved the labor reform, which establishes a daytime shift from 6 a.m. to 6 p.m. to 7 p.m. and nightly from 7 p.m. to 6 a.m. A 100% surcharge on mandatory rest days will be implemented from July 2025. The apprenticeship contract is recognized as a special fixed-term employment contract for three years, and the fixed-term contract is limited to a maximum of four years.	Under discussion	Link
Mexico	The federal government announced the gradual implementation of a maximum working day of 40 hours per week, with the goal of achieving it by January 2030. Although the legal reform is still under discussion, the STPS has begun to design actions, considering making annual reductions or progressive adjustments with the productive sector.	Under discussion	Link
Peru	Starting in 2025, the public sector has a new limit for its workers to remain in office. Since January of this year, a law that modifies working conditions within the State came into force. The law introduces an age limit for public servants and makes adjustments to other employment benefits.	In Adoption	Link

RELEVANT LABOR DATA AT REGIONAL LEVEL

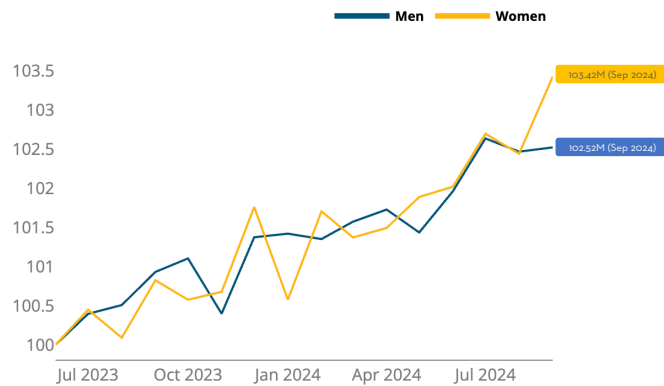
Total Employment



Evolution of formal employment by gender



Change in total employment by gender



ARGENTINA

LABOR MARKET

Extension of the Bridge to Employment program: The national government extended this program to reduce labor costs for private employers who hire people registered in official programs. The initiative provides benefits such as a 100% reduction in employer contributions for 12 months to encourage formal hiring, especially aimed at young people between 18 and 24 years old. Some 5,800 companies are projected to participate, hiring more than 34,000 people between 2025 and 2026.

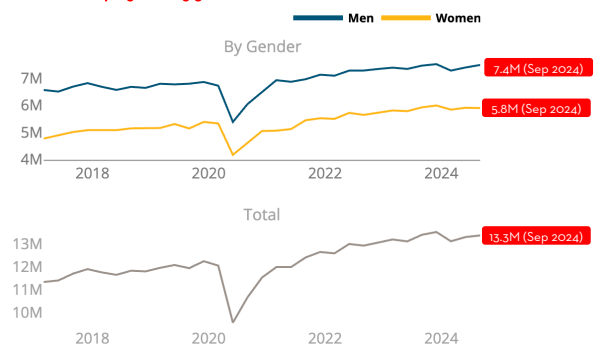
Continue reading [here](#)

Total Population	47,068,000
Employed Population	21,842,876
Formal Workers	13,264,000
Informal Workers	8,489,603
Unemployment rate	7.9%
Informality Rate	42%
Minimum wage	\$308,200.00

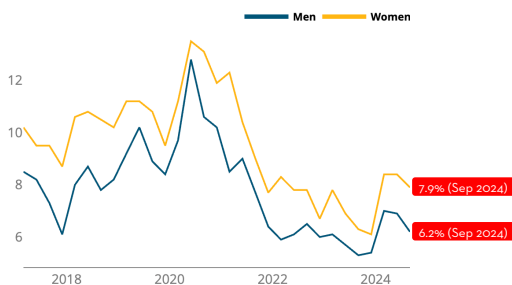
Evolution of formal employment



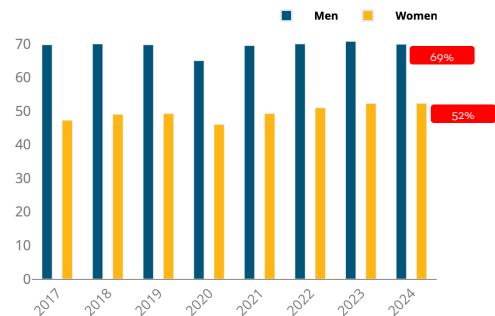
Total employment by gender



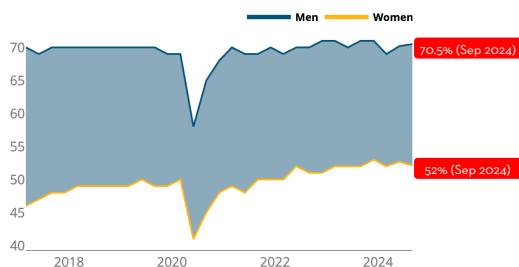
Unemployment rate by gender (%)



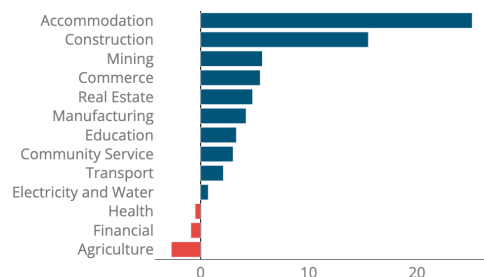
Labor participation by gender (%)



Gender gap in labor participation rate (%)



Year-on-year employment growth by economic sector (%)



Note: People with registered salaried employment in the private sector, according to branch of main occupation activity

BRAZIL

LABOR MARKET

Progress in the integration of generative artificial intelligence (AI) in the Human Resources sector**: In 2025, the use of AI was consolidated to optimize selective processes, reduce costs and improve the candidate experience with personalized interactions. The sector faces the challenge of balancing technological agility with humanization, highlighting that human skills such as empathy remain essential.

Continue reading [here](#)

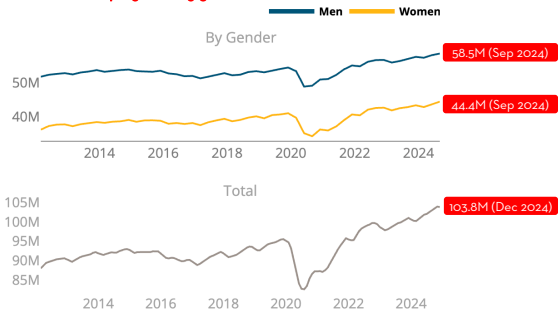
Total Population	212,081,000
Employed Population	103,087,000
Formal Workers	48,200,000
Informal Workers	38,900,000
Unemployment rate	6.2%
Informality Rate	37.9%
Minimum wage	R\$1,518.00

Evolution of formal employment

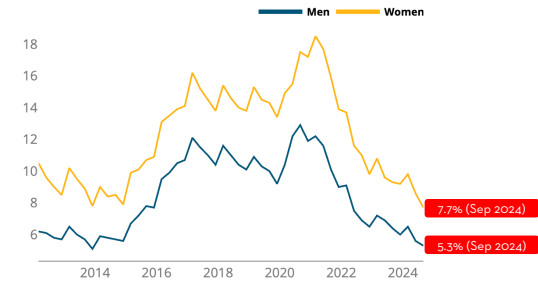


Note: Since 2016, employers and self-employed workers with CNPJ were included

Total employment by gender



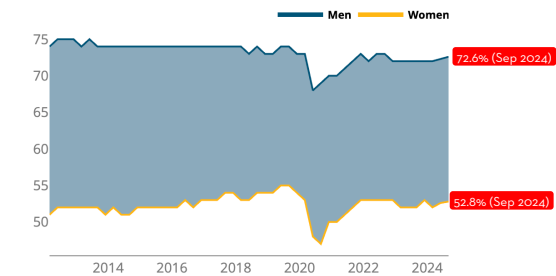
Unemployment rate by gender (%)



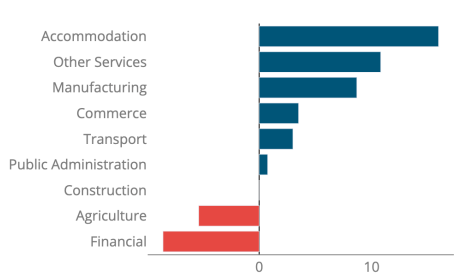
Labor participation by gender (%)



Gender gap in labor participation rate (%)



Year-on-year employment growth by economic sector (%)



LABOR MARKET

Investment in Job Training: The implementation of scholarships and certification programs suggests a significant investment in job training, which is essential to improve competitiveness and economic development in Chile. This reflects a commitment to strengthening human capital in the country.

Continue reading [here](#)

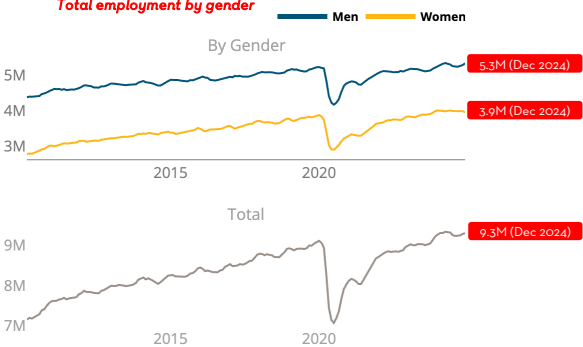
Total Population	19,860,734
Employed Population	9,346,212
Formal Workers	6,049,100
Informal Workers	2,494,520
Unemployment rate	8.9%
Informality Rate	25.8%
Minimum wage	\$529,000

Evolution of formal employment

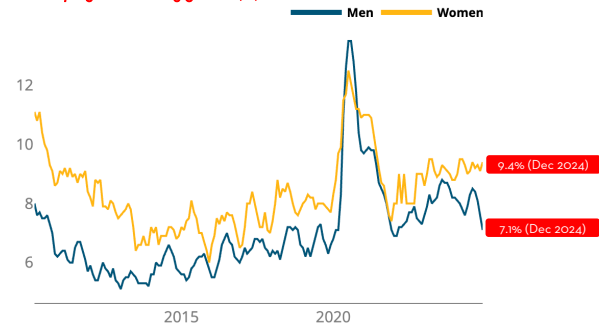


Nota: Desde 2016 se incluyeron empleadores y trabajadores por cuenta propia con CNPJ

Total employment by gender



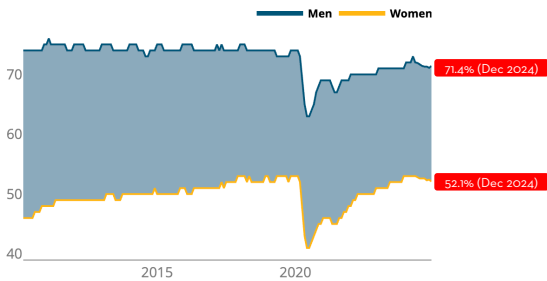
Unemployment rate by gender (%)



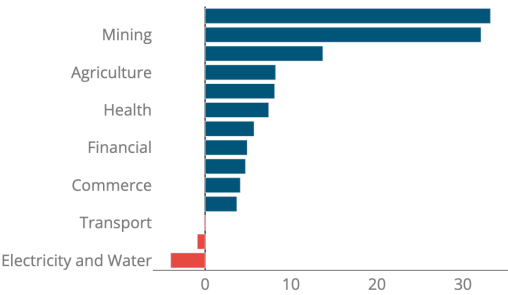
Labor participation by gender (%)



Gender gap in labor participation rate (%)



Year-on-year employment growth by economic sector (%)



COLOMBIA

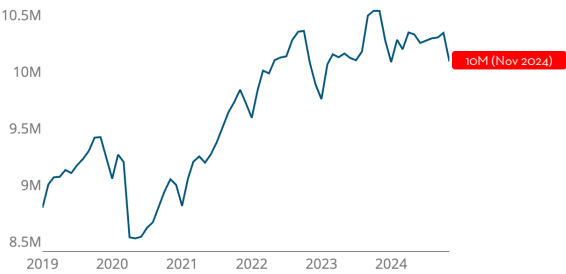
LABOR MARKET

Create Employment Program: This program, part of the labor reform, is designed to subsidize the payroll of companies that hire vulnerable populations such as young people, women and people over 50 years of age. Although it was implemented after April, its planning and announcement began earlier.

Continue reading [here](#)

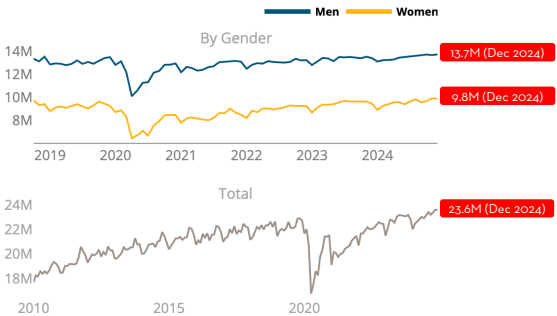
Total Population	53,111, 000
Employed Population	23,620,000
Formal Workers	10,020,000
Informal Workers	13,600,000
Unemployment rate	9%
Informality Rate	55.9%
Minimum wage	\$1,623,500

Evolution of formal employment

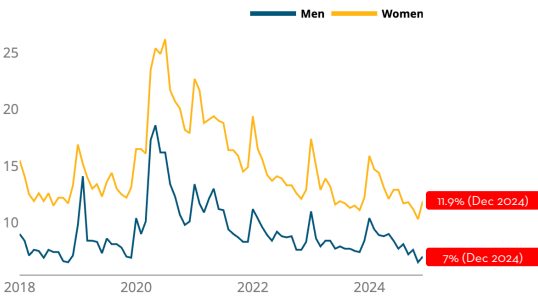


Note: Since 2016, employers and self-employed workers with CNPJ were included

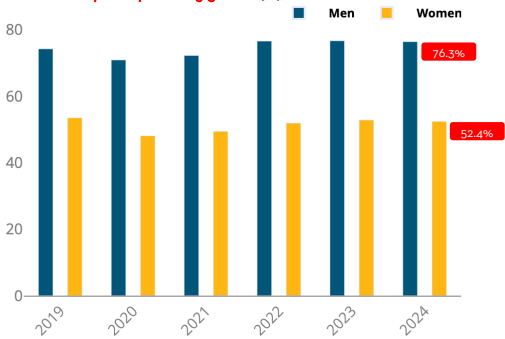
Total employment by gender



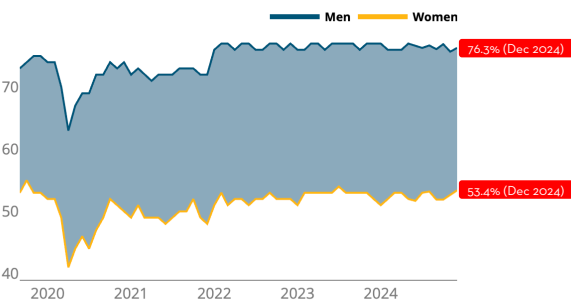
Unemployment rate by gender (%)



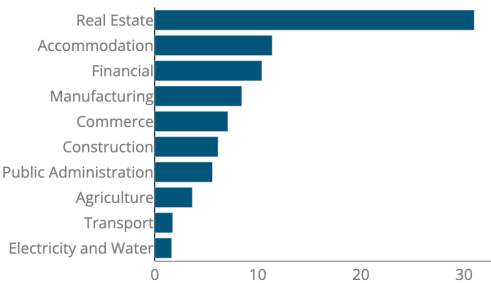
Labor participation by gender (%)



Gender gap in labor participation rate (%)



Year-on-year employment growth by economic sector (%)



MEXICO

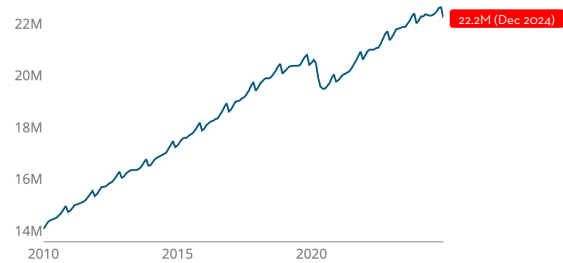
LABOR MARKET

The labor turnover rate in Mexico is 17%, according to AMEDIRH, which poses a challenge for companies, since replacing an employee can cost between 50% and 200% of their annual salary. This situation highlights the importance of implementing effective talent retention strategies in today's work environment.

Continue reading [here](#)

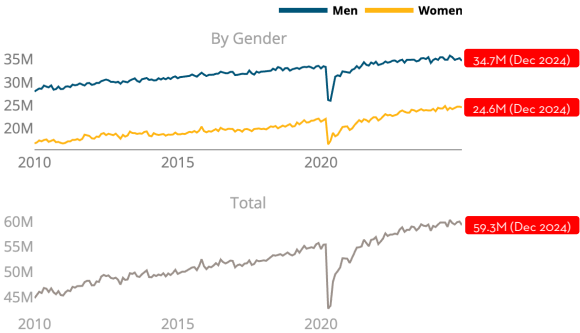
Total Population	133,400,215
Employed Population	61,713,197
Formal Workers	22,400,000
Informal Workers	32,500,000
Unemployment rate	2.5%
Informality Rate	54.3%
Minimum wage	\$8,364.00

Evolution of formal employment

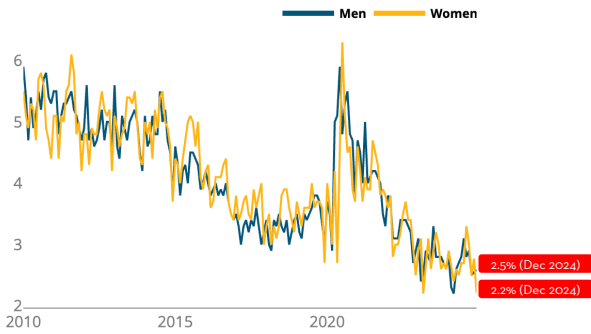


Nota: Desde 2016 se incluyeron empleadores y trabajadores por cuenta propia con CNPJ

Total employment by gender



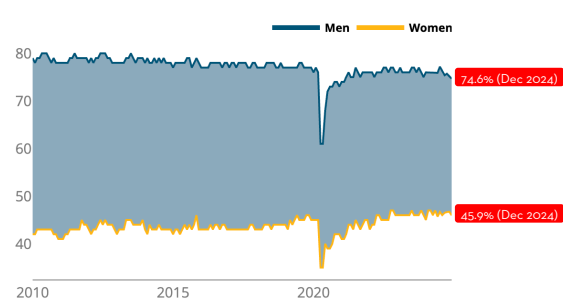
Unemployment rate by gender (%)



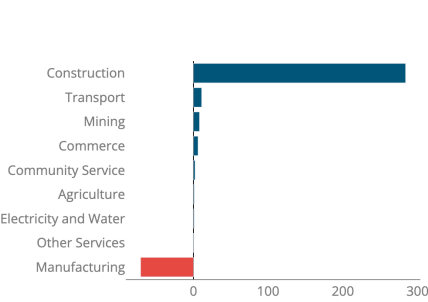
Labor participation by gender (%)



Gender gap in labor participation rate (%)



Year-on-year employment growth by economic sector (%)



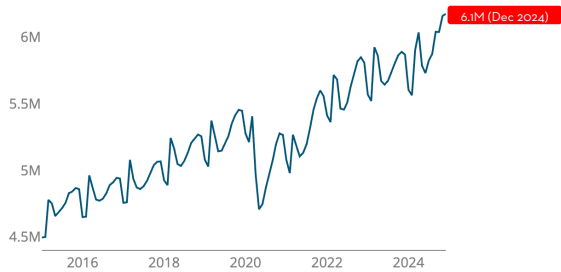
LABOR MARKET

Employers in La Libertad, Lambayeque and Lima show growing optimism towards hiring in the coming months. Sectors such as Life Sciences and Health, Finance, Real Estate, and Manufacturing and Industry stand out for their intentions to increase hiring, showing significant increases.

Continue reading [here](#)

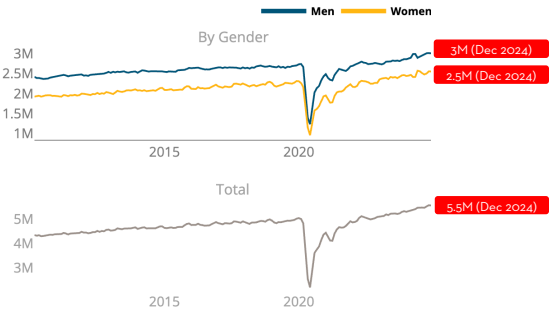
Total Population	34,350,244
Employed Population	17,300,000
Formal Workers	5,748,360
Informal Workers	12,400,000
Unemployment rate	5.5%
Informality Rate	73.4%
Minimum wage	1.025 soles

Evolution of formal employment



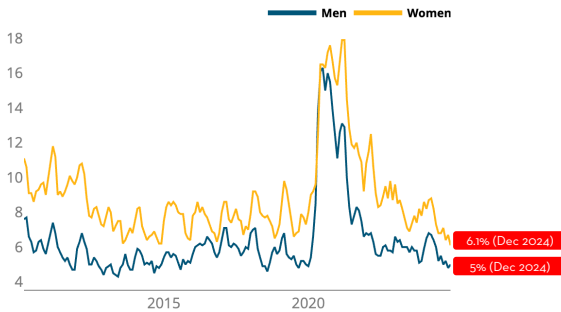
Note: Since 2016, employers and self-employed workers with CNPJ were included

Total employment by gender



Note: These data correspond to the Metropolitan Lima area

Unemployment rate by gender (%)



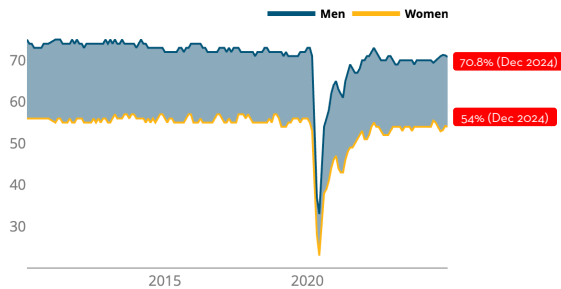
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Labor participation by gender (%)



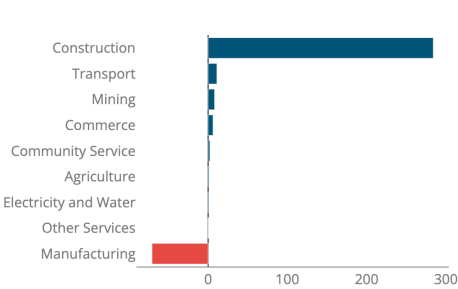
Note: These data correspond to the Metropolitan Lima area

Gender gap in labor participation rate (%)



Note: These data correspond to the Metropolitan Lima area

Year-on-year employment growth by economic sector (%)



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Adecco

Labor Market Report & Political Perspectives in Latin America

Report del Mercado Laboral & Perspectivas Políticas en Latinoamérica

Este documento describe el estado del mercado laboral y las perspectivas políticas en los países de América Latina donde el Grupo Adecco tiene presencia. El informe se basa en datos recopilados de fuentes confiables y en el análisis de expertos del sector.

El índice de desempleo en América Latina es de **08% 05**.

País	Indicador	Valor
Brasil	Indicador A	12.5%
Chile	Indicador B	8.2%
Colombia	Indicador C	9.1%
Costa Rica	Indicador D	7.8%
Ecuador	Indicador E	10.3%
El Salvador	Indicador F	6.5%
Guatemala	Indicador G	11.7%
Honduras	Indicador H	13.2%
Paraguay	Indicador I	9.4%
Perú	Indicador J	8.9%
Puerto Rico	Indicador K	7.6%
Uruguay	Indicador L	6.1%
Venezuela	Indicador M	14.8%

SWIRE

Este informe es una publicación de Swire, una empresa líder en el sector de aviación. El contenido se basa en datos recopilados de fuentes confiables y en el análisis de expertos del sector.

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