

Agenda

Introduction: Occupational Health in Mexico Occupational Health & Safety Regulatory Framework **Workplace Requirements Occupational Health Challenges Best Practices** Q&A





Occupational Health in Mexico

Preferred Business Destination

 Many opportunities for foreign and national organizations across the automotive, manufacturing, oil & gas, telecommunications and tourism industries.

Dynamic Business Environment

• Complicated and increasingly unpredictable health, medical and security risk ecosystem combined with political uncertainty.

Occupational Health Regulations

Complex and highly regulated

Healthcare Trends

- Infectious diseases prevalent in non-urban areas
- Numerous incidents associated with occupational diseases
- Inconsistent access to quality healthcare

Customized Approach

 To prevent incidents and financial penalties, organizations need to adapt to the complex occupational health standards and regulations.

Leading by Example

 All employers should know the laws and regulations and build and sustain programs that demonstrate their commitment to a health, safe and productive workforce.









Legal Framework in Mexico

Occupational Health and Safety Regulatory Sources

- Compulsory Occupational Health requirements are established in:
 - Laws issued by the Congress of the Union
 - Regulations issued by the President
 - Official Mexican Standards (Normas Oficiales Mexicanas –NOMs) issued by the relevant Secretariats
- > Purpose of the Law: provide the general requirement
- Purpose of the Regulation and the Standards: further explanation and implementation of the legal requirement established in the law
- Principal enforcing authority: the Secretariat of Labor and Social Security (STPS) which can also work in cooperation with the Secretariat of Health or other Secretariats





Legal Framework in Mexico

Occupational Health and Safety Regulatory Sources

- **→ Federal Political Constitution Worker protection rights**
 - Employers are required to comply with the occupational health and safety regulatory requirements and implement measures to prevent accidents and preserve the health and life of employees
 - Employers are responsible for any work-related accident or disease and therefore responsible for paying restitution
- → Federal Labor Law Establishes further requirements concerning work relationships and health and safety
 - The employer must comply with the applicable occupational health and safety NOMs
 - The employer has to establish and participate in the committees (ie. Health and Safety Committee)





Legal Framework in Mexico

Occupational Health and Safety Regulatory Sources

→ General Health Law

- The Secretariat of Health is entitled to issue criteria for handling substances, machinery and equipment to prevent and reduce any risks
- The Secretariat of Health is entitled to also determine the maximum permissible limits of exposure of occupationally exposed personnel

Civil Protection Law

 Employers must collaborate by implementing the necessary measures to safeguard the life, health, and integrity of the population





Preventive Services on Health and Safety

Appoint a person responsible for the health and safety and has the responsibility to prevent accidents and work-related diseases

Conduct an integral assessment per work area of the health and safety conditions

Create an occupational health and safety program based on the results of the integral assessment

Communicate the integral assessment per work area and the details of the program to employees and the health and safety committee

Maintain the reports documenting the advancement of implementing the safety and health program





Preventive Services on Health and Safety

Companies with <100 employees



The employer can assume the role



List of preventive and corrective actions (instead of the occupational health and safety program)



List of preventive and corrective actions to be updated once a year







Preventive Services of Occupational Medicine

Internal or external (public institutions)

> 100 employees - have a nursing facility with one physician in charge

> 300 employees – have a hospital





Health and Safety Committee

Constitute a health and safety committee

Committee includes an employer and employee representative

Verification tours conducted every quarter

Provide training for employees





Medical Examinations





Medical Examinations Regarding Exposure

Employer

Updated assessment of the contaminant agents present in the workplace



Employer or laboratory

Recognition of chemical pollutants in the workplace



Laboratory

Assessment of concentration levels of chemical agents (report issued by the lab must be kept for 5 years)



Employer

Implement the technical control measures or administrative measures



Employer

Develop a medical surveillance program (including specific medical tests and the index of biological exposure)





Conclusions

Scattered requirements

Concurrent competences

Delay in updated regulations

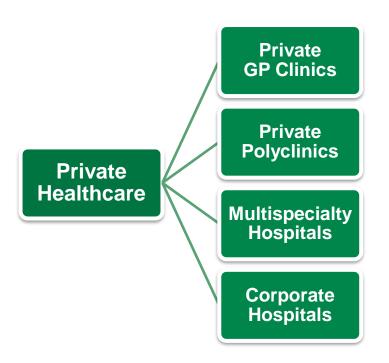
Important amendment to the Federal Labor Law creates labor tribunals for the first time in Mexico







Health Structure in Mexico



Primary Health Center Level II Secondary Health Center Level III Tertiary Health Center National-Level Center (IMSS)

Level I -

Metro cities

Range of very good private medical facilities, providing a high level of care. (e.g. Mexico City)

Peripheral cities

Medical care can be limited and language barriers can be an issue. (e.g. semi-urban and rural areas)





Health Trends in Mexico

Occupational Occupational Communicable Non Communicable **Accident Trends** Disease Trends Malaria **Diabetes Fatalities** Hearing loss **Chemical Bronchitis** Zika Virus Cardiovascular Diseases Hand Injuries Obesity **Dermatitis** Rabies Stress Chikungunya Back pain Cumulative trauma Cancer Yellow Fever Injuries Ankle and foot Chronic respiratory Dengue Fever diseases Hepatitis West Nile Virus **Chagas Disease**





Typhoid Fever



Health Trends in Mexico

Total expenditure in healthcare is 6.3% of GDP

Number of physicians per 1,000: 2.0

Number of nurses per 1,000: 2.5

Distribution disparity and variable standards in healthcare across Mexico

Vaccinations and prevention planning are critical to mitigate risks

Diseases spread by food and/or water are the most common issues affecting expatriates and travelers

Mexico is a country of origin, destination and transit for a significant number of migrant workers, therefore the health and welfare of migrants is a concern.

Organized programs to prevent Obesity, Hypertension and CV diseases

Develop better diagnosis of biomechanical and ergonomic issues

Start defining the real impact of psychosocial factors in industries and corporations.



Best Practices for Mitigating Occupational Heath & Safety Risks

Identify the laws that are applicable to your operations

Develop clear, plainlanguage summaries and guides on the requirements for employees

Carry out periodic compliance reviews and/or assessments, based on the level of risk

Analyze and assess the local and industry-specific hazards

Conduct health, security and safety training programs to raise employee awareness

Integrate Federal and IMSS Health Programs into policies and procedures





Mitigating Risks Can Save Your Organization:



Direct costs such as compensation, lengthy hospitalization costs and post-incident medical costs



Indirect costs such as salary and administrative costs, productivity losses



Human costs impacting talent retention and attraction



Minimize the IMSS (Mexico Social Security Institute) premium which can rise to 166% of the compensation fees.





Protecting Your Mobile Workforce

Up-to-date information and advice on health and security risks

Real-time tracking and communication platform to locate and communicate with your employees

24/7 advice and assistance to cover any routine or crisis situations should they arise

Assessment of medical facilities and infrastructure where your travelers and assignees work

Digital learning tools covering health and safety while working in Mexico

Incident Management / Crisis management plans and testing of those plans







Case Study

Non-compliance with health and safety measures

Mining Company

Situation

Consequence

Result

- Non-compliant health & safety measures resulted in the death of five employees.
- Operations were restricted until facilities were corrected.
- Fines totaled over \$13 million Mexican Pesos.
- Company immediately needed to adopt eleven new health and safety measures directly related to their employees.
- After the Company contested the fine, the fine was reduced after an agreement was established to protect the workers health and correct production practices under the surveillance of the Labor Secretariat.





Case Study

Lack of integration among safety, hygiene and health committees

Manufacturing Company

Situation

Consequence

Result

- After an inspection conducted by the Secretariat of Labor, they found multiple federal violations against the Occupational Health & Safety and the Official Mexican Standards.
- Lack of integration of the committees on safety, hygiene, health at work, and training.

- Fines totaled \$2 million Mexican Pesos.
- The Labor Secretariat required training and proper integration of the related committees.
- A posterior evaluation of the Labor Secretariat, shows the total compliance with the regulations in OH.
- The total amount of accidents and diseases decreased, the Insurance Premiums and social security maintenance reduced significantly





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