VON WOBESER

MEXICAN LEGAL NEWS

New minimum wages as of January 1, 2021

Today the resolution of the Board of Representatives of the National Minimum Wage Commission (CONASAMI) that establishes the general minimum and professional wages that will be in force beginning on January 1, 2021, was published in the Official Federal Gazette.

As we had indicated in our prior bulletin (click here to read it), the new minimum wages are:

- General minimum wage: \$141.70 pesos daily.
- Minimum wage for the Northern Border Free Zone: \$213.39 pesos daily.

As in previous years, to determine the above indicated amounts the CONASAMI agreed an increase of \$10.46 pesos daily for the so-called Independent Recovery Amount (MIR for its initials in Spanish) plus an increase of 6%, resulting in \$141.70 pesos daily (*current minimum wage* (\$123.22 pesos) + *MIR* (\$10.46 pesos) + 6% = \$141.70). For the Northern Border Free Zone, a MIR was determined of 15.75 pesos daily plus the same increase of 6% (current minimum wage (\$185.56 pesos) + *MIR* (\$15.75 pesos) + 6% = \$213.39).

It is important to note that the MIR should not be used as a reference to set increases in the other wages in effect in the labor market.

In addition, two professions are included in the list of professional minimum wages: (i) domestic workers, with an increase of 25% with respect to the current general minimum wage, which results in \$154.03 pesos daily; and (ii) day laborers, with an increase of 30% with respect to the current general minimum wage, which results in \$160.19 pesos daily.

For more specific information and to see the professional minimum wages, you may consult the websites of the Official Federal Gazette and the CONASAMI, at these links: <u>DOF 23/12/2020</u>, y <u>GOB CONASAMI</u>, respectively.

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