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Newsletter

## Labor, Social Security and Immigration Practice Group

### Increase in minimum wage for 2024

On December 01st, 2023, it was announced that the employer and worker sectors of the National Minimum Wage Commission ("CONASAMI") had reached an agreement for a 20% increase to the minimum wage. This information was confirmed by the Ministry of Labor.

As of January 01st, 2024, minimum wages will be as follows:

- Free Zone of the Northern Border: from \$312.41 pesos to \$374.89 pesos per day (6% increase and an Independent Recovery Amount ("IRA"), of \$41.26 pesos).
- General: from \$207.44 pesos to \$248.93 pesos per day (6% increase and an Independent IRA of \$27.40 pesos).

Although the increase in minimum wages should not serve as basis to increase wages that are already higher than the minimum wage in individual employment relationships or in collective bargaining agreements, we anticipate that it will put significant pressure on companies, as employees and unions will seek increases higher than the inflation registered by the country at the end of the year. Companies shall have to work on strategy and communication processes to control unions' and workers' expectations.

It is worth mentioning that although the announcement has already been made by the President of Mexico and the Ministry of Labor, the increase has not yet been published in the Official Federation Gazette.

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## Labor, Social Security and Immigration Practice Group

This practice advises clients on compliance with labor and social security laws, and in the design and implementation of labor structures to avoid risk. We assist in processing immigration documentation for top-level executives and their families, with employment agreements, terminations, and fringe benefit planning, and represent clients in employment litigation.

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