

## iGlobal Law 2024 Annual Alert : Mexico

Legal Change	Effective Date	Action required
<p><b>Bill to Reduce the Maximum Working Schedule</b></p> <p>The Congress is discussing a Bill to modify Article 123 of the Mexican Political Constitution, to reduce the maximum working schedule from 6 working days to 5 days and 2 for resting. This would mean the maximum permitted weekly working hours would change from 48 to 40 hours.</p> <p>Since it is a constitutional reform, it requires a qualified majority of two-thirds of the individuals present in each of the Chambers of the Congress in a plenary session and ratification by an absolute majority (half plus one) of the legislatures of the States.</p> <p>After a public forum, it seems employers, unions, and government officers expect to approve such reform in the House of Representatives before December 15th, 2023, and then they will send it to the Senate and the local legislatures for approval in 2024.</p> <p>The project may include modifications to the Mexican Federal Labor Law to include a transition period for such a change as it has been carried out by other Latin American countries.</p>	<p>No date yet but anticipated to be approved in the first quarter of 2024.</p>	<p>If (or when) passed, this Bill will have a significant impact on employers, because they will have to pay the same salary for fewer hours of work.</p> <p>Strategic planning concerning working shifts must be addressed by employers in advance, to understand the cost of paying extraordinary hours above the maximum limit or even hiring more people to cover the gap that the reduction will create.</p>
<p><b>Inspections on Teleworking Obligations</b></p> <p>On June 8th, 2023, the Mexican Official Standard regarding health and safety conditions on the Teleworking modality (Home Office, applicable when employees work more than 40% of their working schedule outside the employer's facilities, i.e. more than 2 days in a week), was published.</p> <p>This document complements the provisions in the Mexican Federal Labor Law regarding Home Office, and describes additional employer obligations, such as:</p> <ul style="list-style-type: none"> <li>• having a list of teleworkers that: <ul style="list-style-type: none"> <li>- contains the name of the employee;</li> <li>- job activities;</li> </ul> </li> </ul>	<p>The Official Standard will come into effect on December 5th, 2023, and the Labor and Social Welfare Ministry is already training its officers to start inspections in 2024.</p>	<p>Analyze if the employees are deemed as teleworkers when they exceed 40% of their working schedule and if so, all related obligations should be followed before December 5th, 2023.</p>

<ul style="list-style-type: none"> <li>- contact telephone number; address of the teleworker;</li> <li>- and the place or places of work from where the Telecommuting activities will be carried out;</li> <li>• having a Teleworking Policy that includes:             <ul style="list-style-type: none"> <li>- the prevention of work-related risks, participation mechanisms in order to avoid social isolation;</li> <li>- contact and supervision rules that guarantee people's right to privacy right to disconnect;</li> <li>- equal treatment and decent work; -</li> <li>- right to reversibility and return mechanisms;</li> <li>- evidence that an ergonomic or other type of chair is provided, as well as good health and safety conditions at work, which must be verified on-site (employees domiciles) by the Safety and Hygiene Mixed Committee or through a checklist that applicants must fill out, validated remotely through video.</li> </ul> </li> </ul>		
<p><b>Inspections on companies registered as specialized services providers</b></p> <p>Employers that make their employees available to a third party (in a subordinated manner or by placing them in the facilities of the client on a permanent, indefinite, or periodic basis) must have obtained a registration as a specialized service provider (REPSE for its acronym in Spanish) which shall be renewed every 3 years.</p> <p>The outsourcing reform that created such an obligation came into effect on April 24th, 2021, but the rules that formalized the REPSE registration came into effect on May 25th, 2021, and employers had a 90-day period after this last date, to obtain such registration.</p> <p>Therefore, the companies that operate under such registration or that have subcontractors that need it to provide the service may have to renew it in 2024 to continue the service, since otherwise, they could face the imposition of fines and non-deductibility or crediting of taxes.</p>	<p>REPSE must be renewed after 3 years from its obtainment.</p>	<p>Analyze if the REPSE registration of the company and all the specialized subcontractors is still valid in 2024 and renew it if applicable.</p>

<p><b>Other pending bills</b></p> <ul style="list-style-type: none"> <li>• Digital platform workers regulation to recognize their relations as employment related.</li> <li>• Increase of the Christmas Bonus, from 15 days of salary to 30 or up to 40 days.</li> <li>• Employer’s obligation to hire between 1-5% of disabled people as part of their workforce when surpassing a threshold between 20 to 100 employees on their payroll.</li> <li>• Employer’s obligation to hire between 1-5% of old age people (60+) as part of their workforce when surpassing a threshold of 20 employees in its payroll.</li> </ul>	<p>No date yet but anticipated to be discussed in 2024.</p>	<p>Keep an eye out for developments.</p>
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