CREEL GARCÍA-CUÉLLAR AIZA Y ENRÍQUEZ

INITIATIVE TO REDUCE THE WORKING HOURS AND MINIMUM WAGE INCREASE FOR 2026

Today, during her morning press conference, the President of Mexico announced that the following relevant labor changes have been agreed upon by the business sector, the labor sector, and the government:

1. Reduction of the working week to 40 hours:

i. The working week will be reduced from the current maximum of 48 hours to 40 hours. This will require reforming the Political Constitution of the United Mexican States and the Federal Labor Law;

ii. The reduction in working hours will be implemented gradually, at a rate of 2 hours per year, until reaching 40 hours in 2030. The first reduction will begin in 2027, and will continue in accordance with the following schedule:

YEAR	WORKING WEEK
2026	Entry into force and transition period
2027	46 hours
2028	44 hours
2029	42 hours
2030	40 hours

iii. The provisions regulating *overtime* will be amended, introducing the possibility of working up to 12 hours of overtime per week (with a limit of 4 hours per day), unlike the current regulation, which allows a maximum of 9 hours per week; and overtime work for minors will be prohibited;

iv. An obligation to keep an electronic record to monitor compliance with working hours will be established, for which the Ministry of Labor and Social Welfare will issue specific regulations;

v. The reduction in working hours will not entail a reduction in wages or benefits.

The Executive Branch is expected to submit this initiative to Congress in the coming days to initiate the corresponding legislative process, which is anticipated to be completed until the next regular congressional period beginning in February 2026. Once the amendment has been presented, we will inform you of its detailed content and follow its legislative process until its approval and enactment.

It is important to mention that the reform of working hours may require a comprehensive reconfiguration of working time management and operational organization, including the redefinition of shifts, overtime, and rest schedules, as well as the redistribution of workloads and productivity among personnel to ensure its implementation and compliance. On the collective labor front, it will be necessary to anticipate dialogue and negotiation processes with unions to adjust to the new requirements.

2. Increase in the minimum wage for 2026:

i. The general minimum wage will amount to **$315.04** pesos per day (Three hundred fifteen pesos 04/100), which represents a total increase of **13%** compared to 2025.

ii. The minimum wage on the Northern Cross Border will amount to **$440.87** pesos per day (Four hundred and forty pesos 87/100), which represents a total increase of **5%** compared to 2025.

It is important to note that these increases must be considered for employees who earn the minimum wage, as well as in the salary reviews of the Collective Bargaining Agreements and in other obligations linked to the minimum wage. However, we recommend reviewing each case individually.

For more information, please feel free to contact:

Francisco Peniche
francisco.peniche@creel.mx

Julio Álvarez
julio.alvarez@creel.mx