

Guide to Minimum Employment Standards, Pay Deductions and Severance Pay for Unjustified Firing

in Mexico

The Federal Labor Law sets minimum employment standards for the workplace in Mexico.

Employment standards determine minimum wages, overtime pay, legal wage deductions, severance pay, and time off from work for disability or other reasons.

Foreign workers, including workers without a valid work permit, have the same rights as Mexican workers.

How and when should my employer pay me in Mexico?

Your employer must pay you at least the minimum daily wage. The minimum daily wage is set by the Minimum Wage Commission (Comisión Nacional de Salarios Mínimos, Conasami) each year based on the cost of living. The minimum wage differs from region to region. To find out the minimum daily wage where you work, contact your local labor department office.

If you work, you are entitled to receive:

- at least the daily minimum wage as payment;
- your wages weekly, in cash, at the workplace if you engage in physical labor or biweekly if you engage in other kinds of work.

Is there a limit on the number of hours my employer can make me work each week?

Yes. Your employer can ask you to work only normal workday hours.



What is the workday?

- The workday is the number of hours you will have to work for your employer.
- The workday lasts eight hours.
- It lasts seven-and-a-half hours if you work part of the day and night (split shift).
- It lasts seven hours if you work at night.
- One day of rest is allowed for every six workdays.

What happens if I work longer hours than normal?

If your employer makes you work longer than the workday, you are entitled to overtime pay.

- You are entitled to be paid extra for any overtime you work.
- Any overtime you work must be paid at double the normal rate.
- If you work more than nine hours overtime a week, your employer must pay you triple for each extra hour as of the tenth.



Farm workers have the same rights as all other workers. In addition, they enjoy special rights under Federal Labor Law.

Get your working conditions in writing.

Under no circumstances can working conditions be inferior to those established by law. It is important to obtain these conditions in writing. When working conditions are written, they are called a contract, which must include:

- name, nationality, age, gender, marital status, address (yours and your employer's);
- whether you will be hired for a particular task, for a given period or indefinitely;
- the type of work you will do;
- the place or places where you will work;
- working hours (never more than eight hours a day);
- the amount and how you will be paid (never less than the minimum wage);
- the day and place where you will be paid;
- rest days;
- vacations;
- whether you will be trained or instructed within the terms of the plans and programs established or to be established by the company.

Can my employer take money out of my pay?

Your employer can take money out of your pay only for certain reasons. When your employer takes money out of your pay, the money taken out is called a deduction.

If you earn the minimum wage, deductions may be made only if:

- you are ordered to pay alimony by a judge;
- you have to make payments on an INFONAVIT loan. INFONAVIT is a workers' housing financing agency;
- you pay rent – no more than 10 percent of your wages;
- you have to make FONACOT payments. FONACOT is a workers' financing agency for purchasing goods and services.

If you earn the minimum wage, your employer must pay all your Mexican Institute of Social Security (Instituto Mexicano de Seguro Social, IMSS) contributions.

If you earn more than the minimum wage, all of the above apply, as well as:

- payment of any debts you have with your employer if you received an advance on your wages. The amount you owe must not be more than one month's wages;
- payment of savings fund contributions;
- payment of trade union dues;
- payment of Social Security contributions;
- taxes.

What do Social Security contributions pay for?

Social Security contributions to the Mexican Social Security Institute (IMSS) pay for benefits like disability insurance, health care and retirement. For more information about Social Security benefits you are paying for, see [Guide to Social Security and Retirement in Mexico](#) and [Guide to Disability and Health Care in Mexico](#). Working parents receive additional maternity and child-care benefits. For more information, see [Women's Guide to Work and Pregnancy in Mexico](#).

Do I have a right to a bonus every year?

Yes. Workers in Mexico have a right to a year-end bonus called *aguinaldo*. Your year-end bonus is money you receive in December.

Your employer must give you at least:

- 15 days' wages if you have worked a full year; or
- the proportional amount if you have worked less than a year.

Am I entitled to days off from work?

Yes. Workers in Mexico have a legal right to days off from work.

- For every six days you work, you are entitled to one rest day.
- If you work on your rest day, your employer must pay you double wages.
- The rest day is generally Sunday. If your rest day is not Sunday, your employer must pay you an extra 25 percent of your wages.

Do I have a right to vacation and paid holidays in Mexico?

Yes. For every year you work, you are entitled to six days of vacation. Your employer must pay your wages in full.

During the following years, your vacation increases by two days a year until you have 12 days of vacation.

For every five additional years you spend with the same employer, you are entitled to two more days of vacation.

Calculation of vacation days you are entitled to

1 year	6 days
2 years	8 days
3 years	10 days
4 years	12 days
5 to 9 years	14 days
10 to 14 years	16 days
15 to 19 years	18 days
20 to 24 years	20 days
25 to 29 years	22 days

You are also entitled to a vacation premium. In addition to your full wage, your employer must give you an extra 25 percent during your vacation time. This extra money is called the vacation premium.

You are also entitled to be paid wages for each official holiday. These holidays are:

- New Year's Day - January 1
- Constitution Day - February 5
- Benito Juarez Day - March 21
- Labor Day - May 1
- Independence Day - September 16
- Revolution Day - November 20

- President of the Republic Inauguration Day - December 1, every six years
- Christmas - December 25



Do I have a right to higher pay the longer I stay with the same employer?

Yes. You are entitled to what is called a seniority premium.

- This is extra money you receive based on the length of time you have worked for the same employer.
- You are entitled to receive a seniority premium if you are on the payroll and you have worked for the same employer 15 years or longer.
- This consists of 12 days' wages for every year you have worked.
- You are entitled to your seniority premium even if you stop working, either because you resigned after 15 years or more of seniority or you were fired, whether justifiably or unjustifiably. Your family can also claim this money after you die.

Farm workers who work continually for the same employer for three months or more are considered as being on the payroll.

Do I have a right to receive part of my employer's earnings if my employer makes a profit?

Yes. Under the Federal Labor Law, you are entitled to what is called profit-sharing.

If you worked more than 60 days for the same employer during the previous year, you are entitled to part of your employer's earnings.

What other minimum standards should I know about?

- Every company is obliged to provide its employees with comfortable, clean accommodations. In order to fulfill this obligation, companies must contribute 5 percent of their employees' salaries to the National Housing Fund.
- You are entitled to receive classes to help you do your job more efficiently. This is called training.

- You need training, especially if you are going to work with pesticides or other dangerous chemicals.

For more information on pesticide training, see the [Guide to Pesticide Safety in Mexico](#).

Is it legal for my employer to treat me badly?

No. You deserve proper treatment at work. Neither your employer nor his or her family should harass you or make you feel bad.

For more information, see the [Women's Guide to Work and Pregnancy in Mexico](#) and [Guide to Employment Discrimination Laws in Mexico](#).

Do I have to pay for my own work tools?

No. When your tools are no longer useful, your employer must replace or repair them free of charge.

If I live far away from the workplace, do I have to pay for my transportation?

No. If the place where you work is 100 kilometers (60 miles) or more from the place where you live, your employer must pay for your transportation to work in the event you have been hired to provide services someplace other than your place of residence, with the intention that you transfer there permanently.

The same applies when, for any reason, your contract ends and you have to return home.

What other benefits must my employer provide?

Your employer must register you with the Mexican Social Security Institute (IMSS), so that you can receive the benefits it offers. These include:

- needed medical attention, medicines and hospitalization for you, your husband or wife, children and parents;

- medical attention and medicines, free of charge, if you have an accident at work;
- child-care centers for your children.

If an on-the-job injury prevents you from working, you will receive your full wages until you recover.

For more information about insurance for on-the-job injury, see [Guide to On-the-Job Injuries in Mexico](#).

Does the law protect me if my employer fires me from my job?

Yes. Your employer can fire you only for certain reasons.

If your employer fires you unjustifiably, you are entitled, if you wish, to be reinstated in your former position or to be compensated with three months' salary, including the corresponding premium for seniority. Your employer can refuse to reinstate you if you worked for less than a year, if you are in direct and permanent contact with your employer, if you have no contract, if you are a domestic employee or if you worked freelance. In such cases your employer must provide you with the following compensation.

- Three months' wages and all back pay. You may be entitled to more, depending on how long you worked for your employer.
- If your contract is for a predetermined period and you worked for less than a year, compensation is equal to half the time worked.
- If your contract is for a predetermined period and you worked more than a year, your compensation is equal to six months' wages for the first year and 20 days' wages for each additional year.
- If your job was for an unlimited time, your compensation is 20 days' wages for each year worked.



Commission for Labor Cooperation