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## Minimum Wage Increase in Mexico for 2026

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In Mexico, the minimum wage serves as the economic benchmark that every individual performing personal, subordinated work must receive on a daily basis in order to satisfy their essential needs and those of their family, material, social, and cultural, as well as to provide mandatory education for their children, as established in Article 123 of the Mexican Constitution, Section A, Subsection VI.

On December 3, the Council of Representatives of the National Minimum Wage Commission ("CONASAMI") unanimously approved a 13% increase to the general minimum wage in Mexico, effective January 1st, 2026. With this adjustment, the general minimum wage will increase from MXN \$278.80 to MXN \$315.04 per day. With respect to the Northern Border Free Zone ("ZLFN"), the increase will be 5%, raising the minimum wage from MXN \$419.88 to MXN \$440.87 per day.

This wage increase also entails legal obligations for employers. Pursuant to the Federal Labor Law, paying less than the established minimum wage may result in severe penalties, including fines and, in extreme cases, imprisonment, as provided under Article 1004 of said law.

As a result of these changes, companies must implement concrete actions to ensure compliance with the new wage framework. First, it is essential that they review and adjust their salary structures not only for employees earning minimum wage, but also for those whose compensation is indexed to it.

The labor and employment team at Cacheaux, Cavazos & Newton remains at the full disposal of its clients to address any questions or needs arising from the minimum wage increase announced on December 3.