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INFORMATIONAL BULLETIN | LABOR REFORM 2026

REDUCTION OF WORKING HOURS

Art. 123 Constitutional | Federal Labor Law Amendment

A Decree amending sections IV and XI of Part A of Article 123 of the **Political Constitution of the United Mexican States** was recently published in the Official Gazette of the Federation (DOF). As a follow-up, Articles 59, 61, 66, 68, 69, and 71 were amended and Section XXXIV was added to Article 132 and Section IV Bis to Article 994 of the **Federal Labor Law**.

What Does the Reform Establish?

The reform reduces the maximum statutory workweek from 48 to 40 hours, to be implemented through a graduated annual schedule.

Key Provisions

- **Maximum Workweek**: 40 hours per week, effective January 1, 2030.
- **Graduated Implementation**: Reduction of 2 hours per year beginning January 1, 2027.
- **Weekly Rest Period**: At least one full paid day of rest for every six days worked.
- **Overtime Limit**: Maximum of 12 overtime hours per week, distributed in up to 4 hours per day and no more than 4 days per week.
- **Overtime Pay**: 100% premium over the regular wage; if the overtime limit is exceeded, the employer shall pay an additional 200% premium.
- **Wage Protection**: The reduction in working hours may not result in a decrease in wages, salaries, or employee benefits.
- **Minor Workers**: Overtime hours are expressly prohibited for employees who are minors.
- **Electronic Time Record**: Employers must implement an electronic timekeeping system to monitor compliance with the new working hours.
- **Penalties**: Fines ranging from 250 to 5,000 UMA ($29,327 – $586,550 MXN, approximately USD $1,688 – $33,749, based on the 2026 UMA value of $117.31 MXN | Exchange rate: $17.38 MXN/USD) for non-compliance with the electronic timekeeping obligation.

Graduated Reduction Schedule

Year	Working Hours
2026	48 hours
2027	46 hours
2028	44 hours
2029	42 hours
2030	40 hours

Recommendations for Employers

- **Workweek Audit**: Review all current working-hour schedules to identify which employees already comply with the 40-hour week and which require adjustment.
- **Contract Updates**: Amend individual and collective employment agreements to reflect the new working hours in accordance with the graduated schedule.
- **Payroll Review**: Ensure that no employee's wages are reduced as a consequence of the reduction in working hours.
- **Overtime Controls**: Establish clear operational and contractual controls to prevent the hours weekly overtime cap from being exceeded.

Next Steps

1. Conduct an internal audit of working hours and workforce composition by department and region (recommended: before November 30, 2026).
2. Update internal work regulations and human resources policies.
3. Implement an electronic attendance record system in accordance with the guidelines to be published in due course by the Ministry of Labor and Social Welfare (STPS).
4. Prepare for the first operational reduction: 46 hours effective January 1, 2027.
5. Establish an internal labor compliance committee to conduct quarterly progress reviews.

We will continue to monitor this reform closely and keep you informed of any developments, interpretative guidance, or regulatory provisions that may be issued in connection with its implementation.

Do You Have Questions or Need Legal Counsel?

Contact us — we are ready to assist you with the diagnosis and implementation of the necessary actions to ensure compliance with the Federal Labor Law.

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