

## New minimum wage beginning January 1, 2019 and creation of a Border General Minimum Wage

By ruling of the National Minimum Wage Commission (CONASAMI), beginning January 1, 2019, the new general minimum wage will be \$102.68 pesos, an amount that was obtained, like last year, by adding to the current general minimum wage (\$88.36 pesos), the so-called "Independent Amount of Recovery" (MIR) which the CONASAMI determined would be \$9.43 pesos daily, plus an increase equivalent to 5% (current minimum wage (\$88.36 pesos) + MIR (\$9.43 pesos) + 5% = \$102.68).

Furthermore, pursuant to the policy of the new government, it was determined to create a new "Economic Salary Zone" in the municipalities located within 25 kilometers from the northern border and some adjacent to them, establishing for them a "Border General Minimum Wage", which beginning January 1, 2019 will be \$176.72 pesos daily; this amount was obtained by adding to the current general minimum wage an increase of \$79.94 pesos daily for MIR, plus an increase of 5%, which comes to the amount of \$176.72 pesos daily.

These increases are intended to ensure, for the first time since 1995, that the workers reach the "Personal Wellbeing Line" determined by the National Council of Social Development Policy Evaluation (CONEVAL), which is to say that the minimum wage can satisfy their basic needs (food and non-food) in urban and rural zones.

We will inform you once these changes are published in the Official Federal Gazette; please let us know if you have any additional questions regarding this matter.

To obtain additional information contact our experts:

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Sincerely,

Von Wobeser & Sierra, S.C.

Mexico City, December 19, 2018.