Mexico City; on December 16th, 2024

Senate Approves Amendment Regulating Digital Platform Work

On Thursday, December 12th, 2024; the Senate unanimously approved the bill amending the Federal Labor Law ("FLL") to establish a special labor regime for employees who work through digital platforms. The amendment was approved and sent to the Federal Executive for enactment in Mexico's Official Gazette.

The amendment defines digital platform work, establishes the mechanisms used in this scheme, and details the nature of the employment relationship, specifying the rights and obligations of both employers and employees.

This amendment foresees provisions regarding:

- Rights and obligations of workers.
- Employment agreements requirements and registration, collective rights, and cases of severance payments.
- Profit-sharing and special sanctions for digital platforms that violate labor regulations.
- Wages based on tasks, services, projects, or completed work.
- Resting days, vacations, vacation bonuses, and year-end bonuses.
- Recording of hours worked and issuance of payment receipts.
- Registration in the **Mandatory Social Security System**, ensuring access to social security and housing credits.

Additionally, digital platforms are prohibited from:

- Charging any fee to employees for registration, use, or termination related to the employment relationship.
- Employing minors.
- Withholding other concept and amount to employees from what is allowed by the FLL.
- Concealing or simulating an employment relationship through civil, commercial, or similar contracts.
- Manipulating employees' income to avoid recognizing them as subordinate employees.
- Flexibility in scheduling is also regulated, allowing employees to be work for one or multiple platforms.
- Provisions regarding occupational health and safety are also established.

Likewise, the amendment establishes special economic sanctions ranging from 1,000 to 25,000 Units of Measurement and Update ("UMA") (\$108,570 MXP and \$2,714,250 MXP.) for employers that fail to register employment agreements or do not inform employees about changes to the algorithms used to assign tasks.

In the labor, employment and social security practice of ECIJA Mexico, we remain at your disposal for any questions or comments.

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