

2022. A year of opportunities

The year 2021 is nearing ending and, in Mexico, it was a year of important regulatory changes: the entry into force of teleworking standards; the prohibition of outsourcing and the appearance of specialized services; the cap on the payment of the workers' profit sharing, among others. Additionally, the second stage of the labor justice reform was implemented, and the Federal Center for Conciliation and Labor Registration assumed the registry function nationwide.

Notwithstanding the foregoing, 2022 will also have important challenges in labor matters, which will take place within the framework of two fundamental aspects: (i) a new variant of the SARS-CoV-2 virus that currently produces a massive wave of infections in Europe and the United States, which threatens to spread to other parts of the world, and (ii) an economic scenario that does not seem encouraging.

At Farell & Yañez, S.C. we consider that the main labor issues in 2022 will be the following:

- The entry into force at the national level of the labor justice reform, so at a national level, either local or federal, Labor Courts will function for labor matters, which represents an important change for companies in the administration of their labor and employment contingencies.

Through a quick procedure and with more limited defenses for companies, precise strategies must be generated to avoid labor contingencies.

- In the field of labor law, the legitimation of current collective bargaining agreements and the revisions of such agreements will generate significant challenges for companies, since workers must express their acceptance, either of the agreement or of the revision agreements, to achieve approval and validity.

Guaranteeing freedom of association and the right to collective bargaining will be an important aspect for all employers, especially those with international operations.

- Compliance with the obligations assumed by Mexico in the USMCA will continue to be monitored by national and international entities. During 2021, significant vigilance was observed by the Government of the United States of America and the beginning of the processes established in the USMCA to achieve compliance with labor obligations.

Cases such as General Motors in Silao, Guanajuato, were widely monitored by national and foreign authorities, which reflects a new stage of labor law in Mexico, a situation that will be observed to a greater extent in subsequent years.

- Surveillance by the Ministry of Labor and Social Welfare, together with tax authorities, in order to monitor compliance with the obligations arising from the outsourcing reform.



- The application of the cap established for profit sharing for the payment that must be made no later than on May 30th, 2022, in case such profits are generated.
- More labor and employment inspections to verify compliance with labor obligations contained in Mexican laws and Mexican Official Standards, including teleworking and psychosocial risk factors.

Although these are important challenges, there will also be opportunities, so it is necessary to be prepared to face them properly, with the intention of avoiding contingencies or legal risks.

Farell y Yañez, S.C. remains at your orders to answer your questions and doubts regarding the aforementioned, then, should you require further information about these matters and/or any other labor, employment, social security and immigration legal services, please contact Arsenio Farell Martínez and/or Mario Alberto yañez Cariño at contacto@fyabogados.mx

This document and its content cannot be distributed, copied, duplicated, recreated, or sold, not for personal use neither commercial. This content is Farell y Yañez, S.C.'s property and any kind of total or partial reproduction of it is strictly prohibited, unless expressly authorization is requested and granted by written by Farell y Yañez, S.C. This document and its content only has informative purposes and, therefore, it is not a partial or comprehensive legal opinion, and it cannot be used as an alternative for legal advice which, in all cases, must be obtained directly by experts. The legal application and its impact may substantially vary depending on the circumstances of each case. Due to the changing nature of the law and facts, the opportunity of this content may be limited. From the information expressed in this document it cannot be implied that its authors assume a commitment to provide legal services or any other type of legal advice or professional service.

