
The Chamber of Deputies passes bill reforming Federal Labor Law

Yesterday, the Chamber of Deputies passed a bill reforming various provisions of the Federal Labor Law, as well as other secondary laws.

This reform adjusts the secondary labor legislation to the provisions of the constitutional reform published on February 24, 2017, which changes the labor justice system and establishes the principles of freedom of association and collective bargaining negotiation, among other matters.

As we reported earlier, the most relevant aspects of the reform are:

- A single-instance ordinary labor proceeding is established under the Federal and Local Judicial Power. In this new procedure, the parties must include their evidence with the claim and answer briefs.
- The conciliatory function is established as a pre-judicial requirement.
- The Federal Conciliation and Arbitration Center (Center) is created, which will be responsible for the registration of the collective bargaining agreements and the unions, as well as the conciliatory function at the federal level.
- The use of information technology for notification and processing of official actions is regulated.
- It is established that, in the judicial proceeding, the strategy of the employer to offer the job to the employee will not reverse the burden of proof.
- It is indicated that the failure to deliver the notice of rescission to the worker or its filing before the Court will only result in the presumption that the dismissal was unjustified.
- The employment termination agreements may be ratified before the Center or the Labor Court.
- A mandatory requirement is established that for the execution of the collective bargaining agreements the union must obtain the "Record of Representation", which will be obtained through a personal, free and secret vote of the workers of the company.
- Similarly, having the "Record of Representation" is established as a requirement to call a strike.

- It is established that the existing collective bargaining agreements must be reviewed at least once during the four years after the entrance into force of the law, in order to verify that such agreements represent the interests of the workers of the company and are in line with the guidelines of the reform.
- Regarding the matter of union leadership, it is established that they will be elected through a personal, free and secret vote; that there will be no lifetime leadership positions; and that their members will be held accountable to the workers for their management.

It is important to emphasize that this reform bill which was passed by the Chamber of Deputies does not address matters such as subcontracting (outsourcing), or the voluntary resignation of a worker as a cause of termination of employment, among others.

The passed bill will now be sent to the Senate for its analysis and discussion and that body is expected to approve it before April 30.

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Sincerely,

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Mexico City, April 12, 2019.