2020 – 4 Labor

Elimination of outsourcing is announced

On, October, 27th, 2020, in a morning conference, President Andrés Manuel López Obrador announced that he will send a bill to the Congress of the Union, by means of which **the figure of outsourcing or labor subcontracting would be eliminated**.

The President emphasized that the practice of outsourcing affects employees, the Public Treasury and the development of the country, recalling that, while the reforms that were previously approved to allow outsourcing were intended to help companies, the latter abused of such hiring structure. In particular, he referred to the case of a person who allegedly issued false invoices and was operating through the outsourcing of 200,000 employees, under a simulated employment relationship to undermine employees' benefits.

We will be attentive to the initiative that may be presented on this matter and we will keep you updated on it and its progress.

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Mexico City
October 2020

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Support Information

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