

Mexico: Mid-october Minimum Wage Increase Third This Year

by John Neagle

Category/Department: General

Published: Thursday, October 2, 1986

The Mexican government announced Sept. 23 that unskilled workers will receive increased minimum wages in mid-October. In recent years, workers have managed to obtain minimum wage increases two times per year. October wage hike will be the third for 1986. The minimum wage was raised by 33.1% in January, and 25.1% in June. At present, the minimum wage is 2,065 pesos per day (\$2.75). Aggregate consumer price inflation thus far in 1986 comes to 59.4%, compared to 63.7% for the same period last year. Private economic analysts predict that inflation will exceed 100% by year-end, surpassing the predicted maximum of 98.8%. Sugar prices were increased 70% on Sept. 23 from 17 centavos to 29 centavos for a 996 gram bag. Prices on non-refined sugar rose by 40%, from 15 centavos to 21 centavos for the same quantity. The price increase is the most recent in a series of price hikes for basic goods and services, such as corn tortillas, milk, gasoline and metro transport fees.

-- End --