

**Testimony to the US National Administrative Office (NAO) – Public
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I'd first like to thank the NAO for the opportunity to testify at this hearing today on behalf of the Maquila Solidarity Network (MSN), a network of over 400 organizations and individuals across Canada. MSN was founded shortly after the signing of the North American Free Trade Agreement, and 2004 is our tenth year advocating for the rights of maquiladora workers. MSN is also the secretariat for the Ethical Trading Action Group, Canada's anti-sweatshop coalition that includes national faith, labour, teacher, and overseas development organizations.

Since 1994, MSN has been involved in a number of campaigns in support of Mexican maquila workers' rights. These include the ITAPSA case in 1997, Han Young in 1997-1998, Custom Trim/Auto Trim in 1999, Duro Bag in 2000-2001, Kuk Dong in 2001-2002, Alcoa in 2002, Matamoros Garment in 2003, and Tarrant in 2003-2004. Through our involvement in these solidarity campaigns, we have witnessed a systematic pattern of violations of Mexican workers' rights, particularly their right to freedom of association and to bargain collectively. We have also witnessed the failure of Mexican governmental institutions to enforce national labour legislation, and a pattern of improper and biased decisions by Mexican labour tribunals. As you know, many of these cases have come before the NAO. Yet despite serious concerns being raised in ministerial consultations, very little has changed in the past ten years.

The 2000 election of president Vicente Fox raised hopes that democratic federal elections would open the door to democratization of Mexican society, including democratization of the country's archaic industrial relations system. When the newly-elected president visited Canada in August of that year, *The Globe and Mail* published an Opinion piece by MSN Coordinator Lynda Yanz, entitled "Mr. Fox, does Mexican democracy include workers?" The article pointed to the Han Young, Custom Trim and Duro cases as examples of the failure of Mexican governmental institutions to enforce that country's labour legislation. The article concluded, "Whether Mexican democracy will include Mexican workers depends to a great extent on the willingness of Mr. Fox to challenge the mechanisms of social control created by the old ruling party, and the monopoly of power of the corrupt 'official' unions."

At that time, President Fox promised that the right of workers to be represented by the union of their choice, through secret-ballot votes in union representation elections, would be guaranteed in upcoming reforms to the Federal Labour Law. However, as many legal experts have pointed out, Mexican workers should not have to wait for new labour laws sometime in the indefinite future, legislation that may or may not provide improved protections for workers. Nothing prevents the Mexican government from acting today to

ensure fair and impartial rulings by labour tribunals; democratic, secret-ballot votes in union representation elections; and the publication of union registrations and collective bargaining agreements.

In 2001 and 2002, MSN and the Human and Labour Rights Commission of the Tehuacan Valley carried out joint research on the blue jean manufacturing industry in the Tehuacan region, and on working conditions and labour practices in jean assembly plants and laundries. Our visits to Tehuacan and other communities in the state of Puebla, and the worker interviews carried out by the Commission have convinced us that the events described in the testimonies and written submissions to this hearing are not isolated incidents. Protection contracts negotiated by “official” unions without worker knowledge or participation are the norm rather than the exception in Puebla’s garment industry. Workers do not have access to these agreements, and in many cases are not aware they are represented by a union. The role of the official unions in local and state Conciliation and Arbitration Boards is an institutionalized barrier to fair, equitable and transparent labour boards and processes. Nor are such practices isolated to the state of Puebla, as we have seen from other cases mentioned above.

In 2001, MSN also joined with the Worker Support Centre (CAT), USAS, and a number of other labour rights groups in the US and Europe in an international campaign in support of workers at the Kuk Dong factory in Atlixco, Puebla, now known as Mex Mode. After a long and difficult struggle, local organizing combined with international pressure on brand-name buyers won employer acceptance of the independent union. However, it is worth noting that the Puebla Conciliation and Arbitration Board initially rejected the workers’ application for union registration, and only approved a second application after the employer had recognized and accepted the independent union.

The precedent set at Kuk Dong/Mex Mode raised hopes that there would be a change in how the state authorities and conciliation and arbitration boards responded to worker applications for the registration of independent unions. Unfortunately, that proved not to be the case. The CAB’s responses to subsequent applications for the registration of independent unions at Matamoros Garment and Tarrant confirm that, despite this important precedent, very little has changed. The Conciliation and Arbitration Boards continue to block workers’ legitimate and legal attempts to be represented by the union of their choice, and the state and federal governments turn a blind eye to these practices. We will hear more about these recent cases later today.

Given the Maquila Solidarity Network’s ten-year history promoting respect for maquila workers’ rights, we are extremely concerned about recent violations of workers’ rights in Puebla’s garment industry, and the failure of the Mexican government to ensure that its labour laws are enforced. As a Canadian network, we are also concerned about how the lack of labour standards enforcement in Mexico impacts on workers in Canada. It is worth noting that Canadian apparel manufacturer, Peter Nygard, is a major shareholder in Tarrant. While Nygard employees in Canada have been able to make use of legal processes to gain recognition of their union, Tarrant workers in Mexico are denied that same right because of the lack of labour standards enforcement by our NAFTA partner.

In addition, the Canadian retailer La Senza and its CEO and President are major shareholders in Wet Seal, which has been sourcing from Tarrant's Puebla factories.

As you listen to the testimonies today, I would urge you to view them as part of a pattern of practices that are not isolated to one city, region or state of Mexico. While these testimonies focus on specific incidents that took place in three factories in the state of Puebla, they are symptomatic of a general failure of Mexican governmental institutions to ensure respect for workers' fundamental rights.

Thank you again for giving me the opportunity to discuss these important issues with you today. I urge you to take appropriate action to ensure that the Mexican government fulfills its obligations under the North American Agreement on Labour Cooperation.

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