

The Peña Nieto-Meade Labor Initiative in 10 Points

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Translation by Ben Davis

The initiative to reform the Federal Labor Law presented in December by PRI Senators Isaías González Cuevas (CROC) and Tereso Medina (CTM), evidently on behalf of the current Federal Executive and its presidential candidate, José Antonio Meade, has provoked widespread criticism. To date, not a single voice has been raised in support of this proposal – indeed it is important point out that both have been abandoned by their own labor organizations because of this action – yet despite this they are moving at full steam to have it approved.

Now it has been announced that the proposal will be presented again in February, at the beginning of the next session of Congress, using the excuse that the reform of the labor provisions of the Constitution must be implemented in secondary legislation within one year.

In accordance with its content, the initiative sets out a new and highly regressive labor model which includes points that the business sector has tried to introduce in the past without success. For this reason it is urgent that its content, impact and effects be widely and publicly debated. The initiative can be summarized in 10 points:

1. It dissolves fundamental labor rights by unleashing subcontracting (*outsourcing*) and allowing employers to transfer their responsibility freely to a third party (a contractor) with the objective of reducing labor costs. This capacity creates a destructive effect throughout the entire labor structure, leaving workers completely defenseless.
2. It facilitates unjust dismissals by eliminating the legal obligation of the employer to inform the employee in writing of the reasons for the dismissal.
3. It promotes unjustified mass layoffs and dismissals of workers by relieving the employer of the existing obligation to justify its reason to the authorities, when it alleges among other things unsustainability, bankruptcy or the decision of creditors to close a workplace. To finish things off, the initiative reduces the compensation in case of a workforce reduction or collective separation, replacing the obligation to pay according to the current salary with an amount that is less than the minimum wage. The new articles 436 and 439 are a real invitation to dismiss workers at a very low cost.
4. It reduces the benefits in case of an occupational injury, including death and incapacity, replacing the current obligation to pay on the basis of the worker's salary with a unit of measurement less than the minimum wage.
5. It hinders freedom of association and collective bargaining, violating the text of the Constitution and the Conventions of the International Labor Organization (ILO), imposing a series of legal and practical obstacles that cannot be overcome by a union that is

autonomous and independent of employer control and thereby strengthening employer protection contracts. It ignores the democratic rules established in the recent constitutional reform, including the requirement for a secret ballot to sign a collective bargaining agreement. It also makes impossible the exercise of collective labor rights in small and medium enterprises, since the nature of the new requirements links them to larger companies. It clearly addresses the demand of the aviation industry that craft unions of flight attendants and pilots not be able to exercise their rights.

6. It makes it impossible for workers to change their unions through the procedure of a demand for control of the collective bargaining agreement by imposing insurmountable procedural and evidentiary requirements – which must be satisfied through a tortuous administrative process even before a hearing – designed to facilitate the repression of the workers.
7. It impedes the exercise of the right to strike by imposing requirements that cannot be met by an authentic union. There is a clear intention to close the door to legitimate access to collective bargaining in order to allow negotiations controlled by the boss, which is the basis of the protection contract system.
8. It nullifies the autonomous nature of the Federal Institute of Conciliation and Registration, which is responsible for the registration of unions and collective bargaining agreements, by imposing a governing body controlled by the representatives of employers and employer-dominated unions, returning to a corporatist system that is more rigid and discretionary than the current Conciliation and Arbitration Boards. This issue is particularly important because it makes the entire administration of worker organization, collective bargaining and strikes dependent on this institution and the conciliation centers in the states, turning them into regulators of administrative judges and invading the domain of the labor judges who are relegated to a marginal role, to the detriment of the rule of law.
9. It suppresses advances in union transparency, contravening the new General Law of Transparency and Public Information that requires the online publication of the complete text of documents in possession of the authorities, as well as providing a copy to anyone who requests it. The initiative reduces this right, using the figures of public declarations and indexes, with the clear intent of withholding information and maintaining the current system of control and corruption.
10. In procedural matters there would be little to say if a labor law framework that is hollow, regressive and in violation of human rights is imposed. If there is no substance, procedure is of little consequence.

A proposal of this nature is totally harmful not only for workers, but also for society as a whole, including employers, because it eliminates the legal path for the exercise of rights and the resolution of disputes, an action that is not advisable in a situation of crisis like the one in which we live.