

# RAPID RESPONSE LABOUR MECHANISM COMPLAINT

## COMPANY

VU Manufacturing

## INDUSTRY

Automotive soft trim production

## LOCATION

Piedras Negras, Coahuila State

## UNION & LABOUR ORGANIZATION

Mexican Workers' League  
(La Liga)

CTM-affiliated Coahuila Union of Maquila Workers of the National Industry of Accessories and Heavy Machinery and the Manufacture of Metal Furniture (STIMINANPMMMC)

**Request filed by US government:**

January 30, 2023

**Concluded:**

October 10, 2023

## VU MANUFACTURING | CASE 2



After the workers at VU Manufacturing, affiliated to the Mexican Workers' League (La Liga), were able to obtain the Certificate of Representativity, company representatives adopted a strategy of delaying collective bargaining, thus denying the workers their right to a collective bargaining agreement. In response to the employer's delay tactics, La Liga proceeded to file a second complaint under the Rapid Response Labour Mechanism (RRLM).

After investigations were carried out by both the US and Mexican governments, they determined that there had been a series of violations of freedom of association and the right to bargain collectively, which led them to issue a joint remediation plan that among other things, required the employer to restructure the Human Resources department in order to incorporate appropriate and neutral personnel who would refrain from interfering in union affairs in order to promote trust among the parties. VU Manufacturing was also required to assign a representative with decision-making power to oversee all the activities regarding the implementation of the remediation plan and the eventual negotiation of a CBA.

## TIMELINE

**November 6, 2022**

La Liga denounced the continuing attacks by the CTM against the independent union, including for slandering La Liga union leaders, threatening the closure of the factory, and making other threats against workers so that they would affiliate to the CTM union.

**November 18, 2022**

La Liga denounced the company's refusal to recognize the majority union and to negotiate a CBA without further delay.

**January 3, 2023**

After two months of negotiations for an initial collective bargaining agreement, the company continued to resist reaching an agreement with the union.

**January 4, 2023**

La Liga filed a second complaint under the Rapid Response Labour Mechanism (RRLM) against VU Manufacturing for continuing to violate the right to freedom of association and collective bargaining.

**January 30, 2023**

The US Government accepted the second complaint filed against VU Manufacturing.

**February 9, 2023**

The Mexican Government accepted the request for review submitted by the US Government under the RRLM regarding the alleged denial of rights at VU Manufacturing.

**February 16, 2023**

VU Manufacturing attempted to unilaterally impose economic clauses in the CBA, limiting the discussion exclusively to its proposal without considering other options presented by La Liga. In the face of the company's refusal to negotiate in good faith, La Liga requested that the local Labour Court call for a conciliation hearing, but that request was denied. The Court, on two occasions, requested that the union modify the date of the commencement of the strike. La Liga denounced the apparent collusion between VU Manufacturing, CTM leaders, and the local Labour Court.

**March 5, 2023**

The local Labour Court disavowed La Liga's Certificate of Representativity and denied the union the right to strike within the context of the CBA negotiations. The STPS regretted the Court's decision, considering that it was inconsistent with the democratic principles of the Labour Reform.

**March 30, 2023**

The Mexican and US governments agreed to a Course of Remediation that includes VU Manufacturing undertaking a series of actions and commitments aimed at ensuring full compliance with the rights to freedom of association and collective bargaining and creating conditions in the workplace that would allow for union activities to take place in a neutral and safe environment. Among other actions, VU Manufacturing must sanction any behaviour that violates union and collective bargaining rights, inform STPS of any suspicion of violations, allow training to take place during working hours, and take measures against Human Resources personnel implicated in the violations, including dismissals if necessary.

**July–August, 2023**

In early July 2023, VU Manufacturing began laying off staff. Although the company did not issue a public explanation, workers charged that the company had started the factory shutdown process. Finally, in August 2023, the company laid off the remaining workers, ending its operations without fulfilling the actions required by the Course of Remediation agreed upon by the governments of Mexico and the United States.

**October 10, 2023**

In a press release, the United States Government concluded the complaint against VU Manufacturing, without the course of remediation being fulfilled due to the company's decision to close its operations in Mexico. In connection with this, the Deputy Undersecretary for International Affairs, Thea Lee, stated: "We note VU's decision to close its facility without adhering to the agreed course of remediation and we urge the government of Mexico to seek remedies for the affected workers and strategies to prevent retaliation against former VU workers at other facilities."

November 2023