

Amid mass protests, Mexican deputies approve labor counter-reform

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Thousands of workers and students have marched in Mexico City and other cities since September 21, denouncing a new law that, if passed, will degrade wages and working conditions for the mass of workers. On Sunday, Mexico City demonstrators called for a national strike in repudiation of the labor reform.

The demonstrators have also condemned the corporatist trade unions, which have thrown their support behind this measure, because it protects the bureaucracy's interests and income.

This is the most controversial piece of legislation in President Felipe Calderón's six-year mandate. President-elect Enrique Peña Nieto of the PRI (Institutional Revolutionary Party) has promised to make labor reform and the reform of the energy sector the keystones of his own administration.

On September 29, the federal House of Deputies approved the new labor law—a product of negotiations between the ruling PAN (National Action Party), the PRI and the unions. This measure virtually completes the dismantling of historical rights conquered by the working class in bitter struggles.

The debate and vote that began on Friday had been repeatedly delayed as demonstrators and PRD (Party of the Democratic Revolution) lawmakers attempted to take over the podium of the Chamber of Deputies. The Mexican Senate now has one month to discuss and vote on the reform law.

The mammoth measure excised from existing labor legislation 42 provisions that protect workers and replaced them with 135 clauses that protect transnational corporations and Mexican big business. PAN officials insist that the existing provisions are “unsustainable” given global realities. In a typical remark, PAN deputy Juan Bueno Toro said that the legislation would benefit young workers, by

eliminating the abuses of the underground economy.

Making the dubious claim that more workers could be hired if it were easier to fire them, the Calderón administration has tried to convince Mexicans that this reactionary law will scale back the underground economy, the so-called informal sector, and create new jobs.

Behind closed doors, both Calderón and Peña Nieto, like President Barack Obama in the United States and their counterparts across the world, are committed to the defense of capitalist profits by abolishing the rights of the working class to decent jobs and living standards.

In accordance with the capitalist mantra of labor flexibility, the new law allows free rein for bosses to sack workers at will. Three new types of contracts are established: “on trial,” “in training” and “temporary.” The purpose of these contracts is to give employers greater leeway in hiring and firing. No severance pay will be required for these workers. The law also adds to the list of causes for which a worker may be fired.

In the case of agricultural workers, the law establishes new norms for migrant workers that grant agricultural businesses virtually total control over the conditions and terms of their labor, including the elimination of many health and safety rules. Nothing will stand in the way of the slave-like conditions that sparked numerous rebellions of the peasantry and plantation workers in the nineteenth and twentieth centuries.

It will be no different for miners and oil workers, who are already forced to work alongside contract laborers. Wherever it appears, subcontracting—now ubiquitous across Latin America (where it is known as *tercerización*)—creates what amounts to legalized fraud. Under the guise of being self-employed, workers are denied pensions and other benefits. Youth are hired as

interns, while employees are forced to hand in blank and signed letters of resignation.

Wages, salaries, and job descriptions are left entirely up to the employer, as are bonuses, commissions and other incentives. Job descriptions, days off, and working hours can be changed as required by the needs of the bosses. Those workers that resist, or reach the point of exhaustion, can be easily replaced at no cost to the mining, energy and industrial corporations.

The minimum daily wage of 59.80 pesos, a starvation wage, is to be partitioned into hourly amounts, 7.47 pesos an hour (about US\$0.60). Existing disability rules and health and safety are weakened in favor of the bosses.

The original draft of the measure sought to impose greater transparency from Mexican unions. They would have been required to reveal their finances and the income of the bureaucracy to their members. The draft also called for greater internal democracy. These points were dropped when the PRI signaled that it would not support any changes to the “charro” system—the corporatist relationship between the unions, big business and the state.

Following the September 18 explosion at a Petroleos Mexicanos (PEMEX) gas plant in Reynosa, in which 30 contract workers died and 40 more were injured, Oil Workers Union leader Carlos Romero Deschamps came out in defense of the oil company PEMEX and its safety record. “We have no reason to maximize an incident that does not merit exaggeration,” declared Deschamps.

A 2008 article in the Mexican journal *Emeequis* revealed that Deschamps receives US\$3,000 per hour for his services to PEMEX and to the Mexican State. Deschamps, who was appointed to his post by President Salinas nearly two decades ago, is typical of the corporatist labor relations.

The Oil Workers Union supports the new law, as does the CTM, the Federation of Mexican Unions, whose leaders participated in the negotiations “to a create a new culture of labor,” with the PRI and PAN, that led to this piece of reactionary legislation.

On the other hand, verbal denunciations of this law by left bourgeois parties, the Party of the Democratic Revolution (PRD) and the Party of Labor (PT), as well as those of the pseudo-left and of the YoSoy#132 *indignados*, including the theatrics of taking over the

podium of the Chamber of Deputies, are consciously designed to divert workers from the practical revolutionary consequences of this new law and into innocuous protests.

What is required is the mass mobilization of the Mexican and North American working classes in a political struggle to end this bankrupt social system and replace it with a system that puts human needs ahead of corporate profits. Despite their protestations, the left parties have been complicit for many years in the sweatshops of Northern Mexico.

It has been 48 years since the first *maquiladora* assembly plants were established along the US-Mexico border—opening the door to the globalized economy. In the intervening 48 years, the Mexican state has guaranteed sweatshop labor to transnational capital at a fraction of the wages of US workers. Safety conditions and job security rules exist at the bosses’ discretion, as does the eight-hour day. Labor discipline is enforced by the trade unions. A permanent work force of super-exploited workers toils under conditions and with wages that are only marginally higher than those in South Asia and China.

If approved by the Senate, this labor reform promises to extend the *maquila* system to all of Mexico.



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