

# Mexican Nissan workers in two-day strike

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Mexican Nissan workers in the industrial City of the Valley of Cuernavaca (Civac) struck for two days beginning April 1. The plant, located in the state of Morelos, employs 5,183 workers and produces the Tilda and Tsuru models, which are popular in Mexico and South America, pickup trucks and new models of taxis that operate in New York City.

The workers voted to take industrial action following meetings between management and the Independent Nissan Mexicana Workers Union over several weeks that failed to produce an agreement.

The walkout followed reports that Nissan planned to cut production because of declining exports of its Sentra model to the US. The union had proposed a wage increase of 5 percent and the addition of 800 workers—currently under individual contracts—to permanent unionized positions. The company had countered with a 4 percent offer and made no commitment to add positions.

The walkout ended with the union accepting Nissan's offer of a 4 percent raise and the conversion of 500 jobs to full time positions. Nissan management said it could not meet the workers demands without greatly increasing per unit labor costs.

Following the end of the walkout on Saturday, the union at the Cuernavaca plant agreed to call the work stoppage a “paro técnico” (technical work stoppage) instead of a “paro labor” (labor stoppage) in deference to the Morelos State Labor Ministry insistence that there be no strikes in Morelos state this year.

In 2006, the union imposed a two-tier wage structure for new-hires behind the backs of workers. Currently, 200 workers are in that second tier.

Nissan Mexico reported record production in 2015, 822,948 vehicles, an increase of 2.1 percent over 2014. The carmaker operates three plants in Mexico, the Morelos facility and two plants in Aguascalientes. The two vehicles with the highest production totals were the

Sentra with 281,067 units and the Versa with 158,715 units.

The facility in Civac was the first Nissan plant ever constructed outside Japan and opened in 1966.

Nissan recently built a new facility in Aguascalientes at a cost of \$2 billion, the second in the city. It was expected to produce 20,000 jobs directly and indirectly.

Total production of cars and trucks in Mexico fell 4.1 percent in February from one year ago, as exports declined outside of North America. Production for the first two months of 2016 was down 2 percent from the same period last year. Exports were up 1.3 percent due to a 6 percent increase in US sales. Mexico exports 83 percent of the vehicles it builds.

Mexico is the world's ninth-largest producer of automobiles and the sixth-largest car exporter. It now out produces every European country with the exception of Germany. In many cases, US automakers produce the same cars on both sides of the border, making it relatively easy to shift production if workers show signs of militancy.

The strike by Mexican Nissan workers comes in the midst of a virulent chauvinist campaign on the part of US employers, the United Auto Workers and presidential candidates from both major political parties aimed at pitting American workers against their brother autoworkers south of the border.

Nissan operates two assembly plants in the United States, both nonunion, with workers earning an average of \$42 an hour in wages and benefits. That is about \$5 an hour less than they earned in 2011.

Mexican autoworkers suffer from some of the lowest wages in the world, with total average hourly compensation of around \$8 including wages and benefits. That is still higher than a typical Mexican worker earns. Mexican autoworkers earn even less than workers in China, where a series of strikes in 2010 led to a rise in wages.

In addition, Mexican communities have offered land and tax breaks in competition for auto factories. In one case, the state of Guanajuato offered to pay half the employees' salaries for six months.

Strikes are difficult in Mexico, where federal regulations limit workers' right to strike, and the notoriously corrupt, officially-recognized unions sign sweetheart agreements with management.

Despite that, in April 2013, 2,000 Mexican Honda workers at the El Salto, Jalisco plant struck over profit-sharing awards. The three-day walkout ended with workers receiving a \$1,383 profit-sharing payment, far higher than the \$25 originally offered. Some 13,000 workers at the Volkswagen plant in Puebla, near Mexico City, struck in 2001, 2006 and 2009.

Fearing that Mexican auto workers may break free from the corrupt official unions in recent years, a coalition of American and European unions have been promoting "independent" unions based on the corporatist model of labor management cooperation pioneered by the United Auto Workers. Needless to say, such unions have nothing to offer Mexican workers.

Mexico, like the United States, suffers from extremely high levels of social inequality. According to a report in *Business Insider*, at the end of 2014, Mexico's 16 billionaires were worth an average of nearly \$9 billion each. Just 2,540 individuals hold 43 percent of Mexico's total individual wealth.

At the same time, the bottom 20 percent of the population, nearly 25 million people, had average net worth of \$80. More than half lived in poverty in 2012.

Mexico is the most unequal of OECD countries, with the top 10 percent earning about 30 times what the poorest 10 percent make. In 2014 Mexican workers were on the job for 2,327 hours on average. That compares to 1,796 hours in the United States.

According to a report from the news site *Animal Politico*, one in four Mexican communities have living conditions comparable to sub-Saharan Africa. That includes access to health care, illiteracy and homes without toilets or floors.

The struggle by Mexican Nissan workers underscores the necessity for an international strategy by autoworkers against the giant transnational auto companies. Workers must not allow themselves to be pitted against each other in a fratricidal competition

over jobs. Workers of all countries must wage a common struggle. This requires throwing off the dead weight of the corporatist trade unions and building a new revolutionary leadership based on a socialist and internationalist program.



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