Congress of the United States House of Representatives

Washington, DC 20515

November 28, 2018

The Honorable R. Alexander Acosta Secretary U.S. Department of Labor 200 Constitution Avenue N.W. Washington, D.C. 20210

Ambassador Robert E. Lighthizer United States Trade Representative The Office of the U.S. Trade Representative 600 17th Street N.W. Washington, D.C. 20508

Dear Secretary Acosta and Ambassador Lighthizer:

We write as strong advocates for raising working standards in Mexico and using the NAFTA renegotiation to effectively address these issues. With this in mind, we would like to express our interest that the Mexican labor authorities guarantee a free and fair election for the 2,741 workers at the Arneses y Accesorios de México plants in Ciudad Acuña, Coahuila, who will vote on union representation on November 29. The plants are owned by PKC Group, a subsidiary of the Samvardhana Motherson Group, and supply wiring harnesses to major U.S. automotive manufacturers.

We understand that PKC workers have been fighting to establish a democratic union for more than a decade. On October 18, 2012, the National Mine, Metal and Steelworkers union ("Los Mineros") narrowly lost a representation election to the employer-supported Confederation of Workers of Mexico, or CTM. The Worker Rights Consortium, an independent monitoring group, found that "PKC…thwarted its employees' efforts to choose their own union to negotiate a collective bargaining agreement by, among other actions, colluding with a local affiliate of…CTM, a labor organization that has a history of acting as a 'protection union' by assisting employers in blocking independent unionization efforts; interfering with union elections; and terminating employee union activists in retaliation for their union activities."

On December 14, 2012, the company fired the Los Mineros leaders, including the workers who had acted as union observers during the election. Ten union leaders filed legal demands for unjust dismissal with the Federal Conciliation and Arbitration Board. On March 8, 2015, the Board ordered the reinstatement of four of the leaders. However, PKC has refused to reinstate them despite this and subsequent orders, and the Board has taken no action to enforce its decision in the courts.

Los Mineros filed a legal demand for a new election on November 5, 2012. The Board has delayed the workers' right to choose their representative election for more than six years.

¹ Report available here:

 $[\]frac{http://workersrights.org/Freports/WRC\%20Findings\%20 and \%20Recommendations\%20 re\%20Arneses\%20y\%20Accesorios\%20de\%20Mexico\%2006.18.13.pdf.$

² See http://www.industriall-union.org/mexico-important-legal-victory-for-autoworkers.

Meanwhile, we understand that PKC has continued an aggressive anti-union campaign, including the diffusion of anti-union propaganda during working hours, threats to close the plants if Los Mineros wins the election, and offers of economic incentives to workers who oppose Los Mineros, in violation of Mexican labor law.

This case is emblematic of Mexico's longstanding failure to afford workers the democratic right to choose their representatives, as raised during the negotiations on overhauling the current NAFTA. Effective enforcement is the key to ensuring the objectives for labor reform in the renegotiated NAFTA or USMCA lead to real change on the ground in Mexico, including in specific cases like PKC. Without it, the collusion of employers, company-established unions, and government officials is likely to continue unabated. The PKC case provides the Mexican government with an opportunity to demonstrate its commitment to reform and the spirit of the terms of the USMCA. It is a critical opportunity for Mexico to show that it is serious about guaranteeing the right of Mexican workers to participate in free and fair elections beyond agreeing to or changing words on a page.

We ask that you work with the Mexican labor authorities to underscore the importance of this particular election and highlight the critical importance of effectively enforcing workers' rights to the success of a renegotiated NAFTA.

Sincerely,

Bill Pascrell, Jr.

Member of Congress

Sander M. Levin

Member of Congress