

Congress of the United States
Washington, DC 20515

July 23, 2020

The Honorable Eugene Scalia
Secretary of Labor
U.S. Department of Labor
200 Constitution Ave, NW
Washington, DC 20210

The Honorable Robert Lighthizer
United States Trade Representative
Office of the U.S. Trade Representative
600 17th Street, NW
Washington, DC 20508

Dear Secretary Scalia and Ambassador Lighthizer:

We write to express our deep concern that the resources provided to the Department of Labor's (DOL's) Bureau of International Labor Affairs (ILAB) by Congress in the United States-Mexico-Canada Agreement (USMCA) Implementing Act are not being used as intended by Congress to support desperately needed worker-focused capacity building activities in Mexico.

In approving the USMCA Implementation Act, Congress appropriated significant financial resources to support and ensure the implementation and enforcement of required labor law reforms in Mexico. Notably, the USMCA Implementation Act provides \$180 million which "shall be used to support reforms of the labor justice system in Mexico, including grants to support worker focused capacity building,"¹ and related efforts through the DOL. Nearly six months after the USMCA Implementation Act was signed into law and after the USMCA has entered into force, we are concerned that those substantial resources will not be deployed where they are most needed to enable the long-awaited labor reforms – which is to support worker organizing and worker-driven initiatives to defend basic rights and strengthen authentic representation.

USMCA overcame skepticism about the Mexican government's capacity to implement labor reform and garnered broad political support, in part, because it included substantial financial resources to support implementation of the ambitious reform intended to dismantle Mexico's entrenched and corrupted labor system. The current labor system is characterized by widespread suppression of authentic and democratic worker voice by employers, by protection unions paid by employers to control their workforce and by government officials who systematically resist workers' attempts to create independent and democratic labor organizations.

¹ USMCA Implementation Act (P.L. 116-113), Title IX.

Even though Mexico has now passed labor law reform, these problems persist. Employers continue to sign new protection contracts with employer-dominated unions that workers have not voted on or even seen, and workers who speak up and attempt to improve labor conditions continue to face intimidation and harassment. Even more troublesome, in several recently documented cases workers have suffered physical violence, disappearances and deaths as a result their activism, including one death in May.²

As you know, authorities in Mexico recently jailed union organizer and attorney Susana Prieto in what U.S. Trade Representative Robert Lighthizer called a “bad indicator” for Mexico’s labor reform in his testimony before the Ways and Means Committee on June 17.³ Over the years, these practices and similar policies at the local, state and federal levels have served to entice foreign investment, keep labor conditions precarious, and maintain wages lower than any other Organisation for Economic Co-operation and Development (OECD) country, hurting workers on both sides of the border.

Bringing basic workplace democracy to Mexico will require several critical coordinated efforts, including building the government’s administrative and technical capacity to implement the recent labor reform that guarantees workers the right to prompt, secure and democratic votes on union representation, ratification of collective bargaining agreements, and election of union officers – none of which have yet been put into place. This includes proactively facilitating and monitoring the collective bargaining agreement (CBA) legitimation process, since experts estimate at least 76 percent of union collective bargaining agreements in Mexico are in fact protection contracts.

However, these efforts will not be successful without direct, robust and proactive worker capacity building. Workers need to learn their rights under the new law and they need training on how to exercise those rights, bolstered by legal support and industrial research. This kind of direct worker engagement will require strategic interventions to publicly demonstrate that independent and authentic worker voice is possible even in a historically hostile climate. Labor experts recently estimated these programs should cost *at least* \$30 million annually to be effective. Congress allocated substantial funding for this resource-intensive work because it is absolutely necessary for the effective implementation of Mexico’s labor reform. It is also necessary to the success of USMCA’s correction of the North American Free Trade Agreement’s basic flaws. As Tom Conway, International President of the United Steelworkers has said, “if Mexico fails to relentlessly enforce the USMCA, the new trade agreement will be as big a failure as the old.”

We urge you to allocate funding to effective worker focused capacity building activities in Mexico, consistent with the language and spirit of the USMCA implementing bill. And we ask that you provide a response, in writing, that details how the USMCA funds are being used consistent with the USMCA appropriations made by Congress.

² <https://www.business-humanrights.org/en/mexico-torex-gold-responds-to-4-cases-of-killings-and-the-one-disappearance-of-labour-rights-defenders-and-workers-in-the-media-luna-mine-in-guerrero-over-the-past-3-years>

³ Testimony of U.S. Trade Representative Robert E. Lighthizer in response to questioning by Rep. Danny K. Davis at the Hearing on “The 2020 Trade Policy Agenda” before the Committee on Ways and Means of the House of Representatives, June 17, 2020

Sincerely,



The Honorable Richard E. Neal
Chairman
Committee on Ways and Means



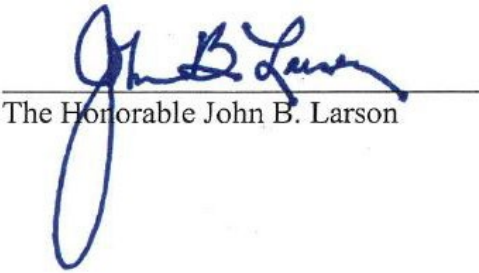
The Honorable Earl Blumenauer
Chairman, Subcommittee on Trade
Committee on Ways and Means



The Honorable Lloyd Doggett



The Honorable Mike Thompson



The Honorable John B. Larson




The Honorable Ron Kind



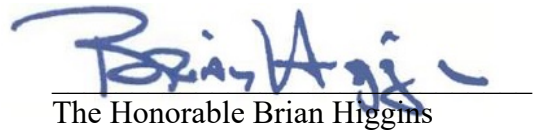
The Honorable Bill Pascrell, Jr.



The Honorable Danny K. Davis



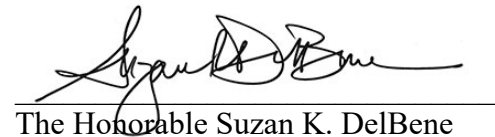
The Honorable Linda T. Sánchez



The Honorable Brian Higgins



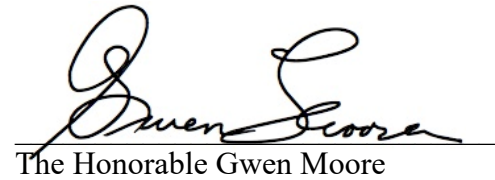
The Honorable Terri A. Sewell



The Honorable Suzan K. DelBene



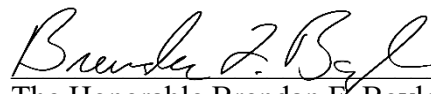
The Honorable Judy Chu



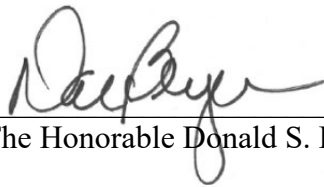
The Honorable Gwen Moore



The Honorable Daniel T. Kildee



The Honorable Brendan F. Boyle



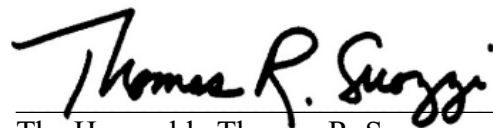
The Honorable Donald S. Beyer Jr.



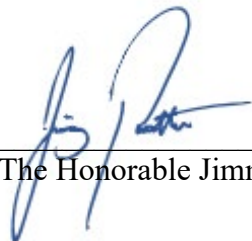
The Honorable Dwight Evans



The Honorable Bradley S. Schneider



The Honorable Thomas R. Suozzi



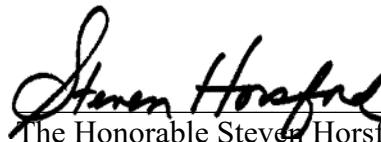
The Honorable Jimmy Panetta



The Honorable Stephanie Murphy



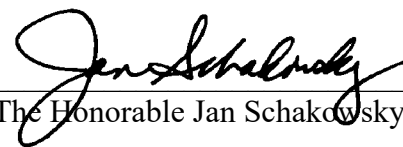
The Honorable Jimmy Gomez



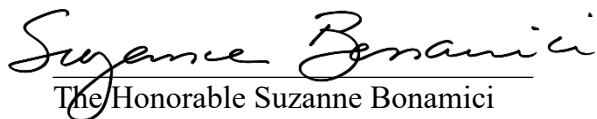
The Honorable Steven Horsford



The Honorable Rosa L. DeLauro



The Honorable Jan Schakowsky



The Honorable Suzanne Bonamici