



MONOGRAPH SERIES: 24

**MEXICAN
INDUSTRIAL RELATIONS
FROM THE PERSPECTIVE
OF THE LABOR COURT**

by Frederic Meyers

INSTITUTE OF INDUSTRIAL RELATIONS
UNIVERSITY OF CALIFORNIA, LOS ANGELES

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Institute of Industrial Relations
PUBLICATIONS

University of California
Los Angeles, California 90024

Phone: (213) 825-9191

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FOREWORD

The Institute of Industrial Relations is pleased to offer *Mexican Industrial Relations from the Perspective of the Labor Court* as the twenty-fourth volume in its Monograph Series. Frederic Meyers, the author, is Professor of Industrial Relations, Graduate School of Management, and Director, Institute of Industrial Relations at the University of California, Los Angeles. He has had a longstanding interest in comparative industrial relations, a field in which he has made many contributions. He brings his interest and extensive knowledge to bear on the research described in this book.

This monograph was edited by Rosalind M. Schwartz. Marna McCormick designed the cover and prepared camera-ready copy for publication.

The viewpoint expressed is that of the author and is not necessarily that of the Institute of Industrial Relations or of the University of California.

Reginald Alleyne
Associate Director
Institute of Industrial Relations
University of California, Los Angeles

ACKNOWLEDGEMENTS

It will be apparent that this study would not have been possible without the willing help and cooperation of many people. I should particularly like to express my appreciation to Lic. Juan Francisco Rocha Bandala, President of the Mexican Labor Court, to Lic. Jose Fernando Franco G.S., its Executive Secretary, to the Presidents of the Sections of the Court and to their personnel. Professor Nestor de Buen was most helpful in discussions and suggestions. Gabriela Severino and Monica Ulloa led the group of five research assistants, then law students at the Universidad Ibero-Americana, who helped in the summaries of case files. I was most fortunate to have the assistance of Professor Baltasar Cavazos Flores in locating the extremely competent and helpful group of research assistants.

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INTRODUCTION

Article 123 of the Mexican Constitution is regarded by Mexicans as one of their major social and constitutional achievements. As a constitutional document it is undoubtedly today, and was much more so sixty years ago, a remarkable statement of social goals. It, and the Federal Labor Law of 1931, amended from time to time, have played a major role in the enunciation and implementation of Mexican social, economic, and labor policy. The Federal Labor Court, in turn, is largely responsible for implementation, given, of course, a climate in which workers and their unions avail themselves of the protections of the law. This exploratory

piece of research attempts to see what can be learned about the Mexican industrial relations system by an examination of the work of the Labor Court.

To provide the reader with a context for this research, the historical development of the Mexican industrial relations is briefly traced, followed by a description of the Mexican trade union movement and an explanation of the jurisdiction of the Federal Labor Court. The research method, a sampling of cases heard by the Labor Court, is then discussed and the results are analyzed in terms of kinds of complaints and their disposition. Among the conclusions reached is that the case files provide a rich source of data for understanding the industrial relations system. It is recommended that further research be undertaken using this source.

THE FOUNDATIONS OF
THE MEXICAN INDUSTRIAL RELATIONS SYSTEM

Prior to the Mexican Revolution of 1910-17, under the dictatorship of Porfiro Diaz, Mexican industrial relations had little place for worker organization, collective bargaining, or legislated minimum standards of employment. The dictatorship brutally suppressed strikes and other evidence of worker protest or effort to improve conditions of life. Apart from the fact that certain worker organizations, usually clandestine, preceded the revolution, and apart from certain State protective labor legislation passed in the period 1900 - 1907 there is little to be found in the history prior to 1910 which serves as precedent for the subsequent development.

On the success of the revolution, a constitutional convention was held in

Querétaro in 1917. There was presented to the convention a draft constitution by Provisional President Venustiano Carranza. That draft was essentially based on the Mexican Constitution of 1857, affirming the right of any person to work at any lawful occupation. It added an antipeonage provision, and would have limited contracts of employment to periods of less than one year. Further, it would have prohibited agreements renouncing the right to engage in any profession, industry, or commerce. Finally, it would have endowed the Federal Congress with the power to legislate in labor matters. There is general agreement that Carranza intended that such legislation giving workers undefined protections be subsequently enacted.

The delegates found these proposed constitutional provisions to be inadequate, and finally wrote into the Constitution

more extensive constitutional protection for workers. The substantive provisions of the labor article of the 1917 Constitution, Article 123, contained detailed minimum standards of hours and conditions of work, and procedures for setting minimum wages. Article 123 protected the right to organize and to strike; it imposed on certain employers an obligation to provide housing and educational facilities for workers and their families; it regulated child labor and required compensation for industrial accidents and disease. These are only examples of the protections written into the Constitution. For its time it was a quite remarkable statement of social goals and standards concerning work. Unlike the Carranza draft, however, the 1917 Constitution reserved to the Mexican states the right to legislate in labor matters.

The constitutional text made specific reference only to the establishment of state labor conciliation bodies, none to the federal labor courts. However, certain specific functions were assigned to "*La Junta Conciliación y Arbitraje*," a labor court composed of equal numbers of representatives of labor and management and one representative of government. Certain roles with respect to strikes and lockouts were defined, and the court was to determine whether individual contracts were invalid on the grounds that they provided for wages which were not "remunerative" (*remunerador*).

Shortly after the passage of the 1917 Constitution (and, indeed, in a few instances before) the Mexican states began to enact protective labor legislation and to establish labor courts

for their enforcement.¹ However, federal labor legislation, given the constitutional restrictions, was limited to that applicable to the Federal District and federal territories.

No federal labor court was established until 1927. In 1926, decrees had been published giving the Secretary of Industry, Commerce and Labor jurisdiction over conflicts in the railroad, mining and petroleum industries, based on the national importance of the railroad industry, and certain special constitutional provisions

¹ For a listing of this legislation before 1917 see J.F. Rocha Bandala and J.F. Franco G.S., *La Competencia en Materia Laboral* (México D. F.: Cárdenas, 1975). The best developed post-1917 state laws were those of Yucatan and Veracruz. For a summary see Nestor de Buen, *Derecho de Trabajo* (México, D. F.: Porrúa, 1974), vol. I.

concerning the mining and petroleum industries. In 1927, a presidential decree established the Federal Labor Court. The decree was based on federal legislation concerning railroads, electricity, petroleum and mining, on the authority of the federal government to legislate in federal zones, and on the constitutional articles previously mentioned endowing the courts with certain functions with respect to strikes and lockouts.²

After a series of proposals for amendments to constitutional Article 123, in September, 1929, amendments to Articles 73 and 123 gave the federal government the exclusive power to legislate in labor matters. Article 73 was

²For the text of the decree, see: Felipe Remolina Roqueñi, *Evolución de las Instituciones del Trabajo en México*, (México, D.F.: Junta Federal de Conciliación y Arbitraje, 1976), pp. 55-56.

amended by giving the federal government jurisdiction over the *application* of such laws in the railroad, mining, and hydrocarbon industries; in transport operated under federal concession; and in work at sea and in maritime zones; leaving to the states the application of such federal labor legislation as might be adopted in other industries. Substantive state labor legislation already existing became null, and the states could only enforce federal standards and rules in industries other than those enumerated in Article 73.

In 1931, the Federal Congress enacted the first comprehensive Federal Labor Code, providing specific legislation in pursuit of the goals enunciated in Article 123 of the 1917 Constitution. It provided for minimum wages, maximum hours, protection of wage payment against

payment in scrip, regulation of company stores, protection of women and children, worker compensation for industrial injury and disease, protection against arbitrary discharge, protection of the right to organize and to strike; it was in general, a most comprehensive substantive labor code.

It also provided for the establishment of a Federal Labor Court in Mexico City, with the function of resolving disputes under law or under individual or collective contract. In addition, the Court was given authority to decide disputes of interest, *when they were submitted by a labor organization*. That is, if a dispute existed over the terms of a new or renewed collective agreement, the labor organization involved was enabled either to strike upon impasse in negotiations and after certain procedural requirements were met, or to ask