Public Report of Review: NAO Submission No. 9601

Abstract
[Excerpt] U.S. NAO Submission No. 9601 was filed on June 13, 1996, by Human Rights Watch/Americas (HRW), the International Labor Rights Fund (ILRF), and the National Association of Democratic Lawyers (Asociacion Nacional de Abogados Democraticos, hereinafter ANAD). The submission arose from a dispute over the representation of employees of the federal government at the Ministry of the Environment, Natural Resources, and Fishing (Secretaria de Medio Ambiente, Recursos Naturales y Pesca, hereinafter SEMARNAP or the Ministry) between the Single Trade Union of Workers of the Fishing Ministry (Sindicato Unico de Trabajadores de la Secretaria de Pesca, hereinafter SUTSP) and the National Union of Workers of the Ministry of the Environment, Natural Resources and Fishing (Sindicato Nacional de Trabajadores de la Secretaria de Medio Ambiente, Recursos Naturales y Pesca, hereinafter SNTSMARNAP). The submission raises issues of freedom of association, procedural guarantees of the NAALC that require the Parties to maintain impartial labor tribunals, and compliance by Mexico with international conventions to which it is a signatory.

Keywords
North American Agreement on Labor Cooperation, NAALC, Mexico, Canada, United States, labor law, working conditions, worker rights

Comments
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NAO SUBMISSION NO. 9601

Public Report of Review

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U.S. National Administrative Office
Bureau of International Labor Affairs
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# Glossary of Spanish Acronyms

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<td>ANAD</td>
<td>National Association of Democratic Lawyers (<em>Asociación Nacional de Abogados Democráticos</em>)</td>
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<td>FCAT</td>
<td>Federal Conciliation and Arbitration Tribunal (<em>Tribunal Federal de Conciliación y Arbitraje</em>)</td>
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<td>FSTSE</td>
<td>Federation of Unions of Workers in the Service of the State (<em>Federación de Sindicatos de Trabajadores al Servicio del Estado</em>)</td>
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<td>LFTSE</td>
<td>Federal Law of Workers in the Service of the State (<em>Ley Federal de Trabajadores al Servicio del Estado</em>)</td>
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<td>PRI</td>
<td>Institutional Revolutionary Party (<em>Partido Revolucionario Institucional</em>)</td>
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<td>SEMARNAP</td>
<td>Ministry of the Environment, Natural Resources, and Fishing (<em>Secretaría de Medio Ambiente, Recursos Naturales y Pesca</em>)</td>
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<td>SNTSMARNAP</td>
<td>National Union of the Ministry of the Environment, Natural Resources and Fishing (<em>Sindicato Nacional de la Secretaría de Medio Ambiente, Recursos Naturales y Pesca</em>)</td>
</tr>
<tr>
<td>SUTSP</td>
<td>Single Trade Union of Workers of the Ministry of Fishing (<em>Sindicato Único de Trabajadores de la Secretaría de Pesca</em>)</td>
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I. INTRODUCTION

The U.S. National Administrative Office (NAO) was established under the North American Agreement on Labor Cooperation (NAALC). The NAALC, the labor supplemental agreement to the North American Free Trade Agreement (NAFTA), provides for the review of submissions concerning labor law matters arising in Canada or Mexico by the U.S. NAO. Article 16 (3) of the NAALC specifically provides that:

> [e]ach NAO shall provide for the submission and receipt, and periodically publish a list, of public communications on labor law matters arising in the territory of another Party. Each NAO shall review such matters, as appropriate, in accordance with its domestic procedures.

"Labor law" is defined in Article 49 of the NAALC, as follows:

> laws and regulations, or provisions thereof, that are directly related to: (a) freedom of association and protection of the right to organize; (b) the right to bargain collectively; (c) the right to strike; (d) prohibition of forced labor; (e) labor protections for children and young persons; (f) minimum employment standards, such as minimum wages and overtime pay, covering wage earners, including those not covered by collective agreements; (g) elimination of employment discrimination on the basis of grounds such as race, religion, age, sex, or other grounds as determined by each Party's domestic laws; (h) equal pay for men and women; (i) prevention of occupational injuries and illnesses; (j) compensation in cases of occupational injuries and illnesses; (k) protection of migrant workers.

Procedural guidelines governing the receipt, acceptance for review, and conduct of review of submissions filed with the U.S. NAO were issued pursuant to Article 16 (3) of the NAALC. The U.S. NAO's procedural guidelines were published and became effective on April 7, 1994, in a Revised Notice of Establishment of the U.S. National Administrative
Office and Procedural Guidelines. Pursuant to these guidelines, once a determination is made to accept a submission for review, the NAO shall conduct such further examination of the submission as may be appropriate to assist the NAO to better understand and publicly report on the issues raised therein. The Secretary of the NAO shall issue a public report that includes a summary of the review proceedings and findings and recommendations. The review must be completed and the public report issued within 120 days of acceptance of a submission for review, unless circumstances require an extension of time of up to 60 additional days.

II. SUMMARY OF SUBMISSION

U.S. NAO Submission No. 9601 was filed on June 13, 1996, by Human Rights Watch/Americas (HRW), the International Labor Rights Fund (ILRF), and the National Association of Democratic Lawyers (Asociación Nacional de Abogados Democráticos, hereinafter ANAD). The submission arose from a dispute over the representation of employees of the federal government at the Ministry of the Environment, Natural Resources, and Fishing (Secretaría de Medio Ambiente, Recursos Naturales y Pesca, hereinafter SEMARNAP or the Ministry) between the Single Trade Union of Workers of the Fishing Ministry (Sindicato Unico de Trabajadores de la Secretaría de Pesca, hereinafter SUTSP) and the National Union of Workers of the Ministry of the Environment, Natural Resources and Fishing (Sindicato Nacional de Trabajadores de la Secretaría de Medio Ambiente, Recursos Naturales y Pesca, hereinafter SNTSMARNAP). The submission raises issues of freedom of association, procedural guarantees of the NAALC that require the Parties to maintain impartial labor tribunals, and compliance by Mexico with international conventions to which it is a signatory.

A. Case Summary

According to the submitters, on December 28, 1994, the Fishing Ministry (Secretaría de Pesca) was consolidated with parts of the Ministry of Agriculture and Water Resources (Secretaría de Agricultura y Recursos Hidráulicos) and the Ministry of Development (Secretaría del Desarrollo). This consolidation took place following the enactment of an amendment to Mexico’s Organic Law of Federal Public Administration that reorganized the structure of the country’s federal ministries. The consolidated Ministry was designated the Ministry of Environment, Natural Resources, and Fishing (SEMARNAP). The new Ministry received approximately 2,300 workers from the Fishing Ministry, who were represented by SUTSP, approximately 20,000 workers from the Ministry of Agriculture, and approximately 3,000 workers from the Ministry of Development.

On January 12, 1995, SUTSP petitioned the Federal Conciliation and Arbitration Tribunal (Tribunal Federal de Conciliación y Arbitraje, hereinafter FCAT) for a name change to reflect the name of the newly consolidated Ministry. The FCAT denied the request on the basis that the Fishing Ministry had ceased to exist as an entity; the FCAT ruled that applicable law negated the existence of the union. The applicable law is the Federal Law of Workers in the Service of the State (Ley Federal de Trabajadores al Servicio del Estado, hereinafter LFTSE). SUTSP appealed this decision, but the appeal was denied by a federal court and the name change did not take place. Nevertheless, SUTSP remained registered and continued to operate as a union.

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3 In Mexico, registration by the administrative authorities grants unions in the public and private sectors the means by which they conduct their affairs. Without registration, a union cannot hold or dispose of property, represent itself or its members, or otherwise conduct business. This is distinct from, and considerably more restrictive
On January 27, 1995, the Federation of Unions of Workers in the Service of the State (Federación de Sindicatos de Trabajadores al Servicio del Estado, hereinafter FSTSE), the only legally recognized union federation in the federal sector, called for a constituent assembly of the union members of the three ministries in order to organize a new union (SNTSMARNAP) and to elect officers. Before the election, SNTSMARNAP and SUTSP held talks to seek a resolution to the problem of apportioning leadership positions in the consolidated organization and setting up the structure and objectives of the new union. According to the submitters, the two sides were unable to come to an agreement.

The FSTSE assembly and election were conducted on March 2 and 3, 1995, and the new union was registered with the FCAT on March 20, 1995. In granting the registration, the FCAT noted that no other union existed in the workplace as the tribunal had already determined that SUTSP had ceased to exist along with its employer. SEMARNAP then notified the FCAT that two unions were, in fact, registered to represent employees at the Ministry, in violation of the law. SNTSMARNAP then filed a brief with the FCAT on June 22, 1995, seeking the de-registration of SUTSP and the FCAT subsequently canceled the registration of SUTSP on June 27, 1995. SUTSP appealed this decision and on January 12, 1996, the Seventh Collegiate Labor Court of the First District ruled that the FCAT erred in canceling the registration of SUTSP without affording it a hearing. On January 22, 1996, in accordance with the court’s order, the FCAT restored the registration of SUTSP. The submitters assert that following the restoration of the registration, the FCAT delayed informing SEMARNAP of its decision, effectively precluding the union from engaging in union representation functions with the Ministry.

than the U.S. practice of exclusive bargaining representation, which grants bargaining rights to a single, majority, union. Without registration a union in Mexico cannot contest an election.

*This is the only federation permitted by the LFTSE to affiliate unions of federal workers (LFTSE Article 78). While not all federal unions are required to affiliate to it, there is no other legally recognized federation to which federal unions may affiliate.
Based on its restored registration, SUTSP petitioned the FCAT to recognize the union's executive committee, which had been elected on June 30, 1995. The FCAT granted a restricted recognition, however, which limited the executive committee to representing SUTSP before the FCAT and the courts in its dispute with SNTSMARNAP, but not for the purpose of union representation. The SUTSP appealed this decision and on April 30, 1996, the Second District Labor Court found in favor of SUTSP and ruled that the FCAT had unlawfully restricted its registration. An appeal by SNTSMARNAP against this decision was denied by the Second Collegiate Labor Tribunal.

In a separate, but related, suit on April 18, 1995, SUTSP appealed the decision of the FCAT that recognized SNTSMARNAP. The first appeal was denied, but on March 29, 1996, the Second Collegiate Labor Tribunal found the FCAT to be at fault for recognizing SNTSMARNAP without affording SUTSP a hearing and ordered the FCAT to cancel the registration it had issued to SNTSMARNAP. On May 15, 1996, the FCAT duly canceled SNTSMARNAP's registration. The submitters maintain that even though the registration was canceled, the Ministry continued to work with SNTSMARNAP as if it were the registered union.

On September 24, 1996, the FCAT called for elections within SEMARNAP between the two contending unions. The election was held on October 4, 1996, and SNTSMARNAP won. On November 15, 1996, the FCAT registered SNTSMARNAP,

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5 Article 72 of the LFTSE requires a union requesting registration to submit (1) the minutes of the constituent assembly, (2) the by-laws of the union, (3) the minutes of the meeting in which the union officers were designated, and (4) a list of the names of the members with their civil status, occupation, salary, and an itemized employment history. The Article does not specify that the union officers must be approved by the FCAT, though this appears to be the practice if the officers are to be entitled to legally represent their members.

6 The results, according to the FCAT and SUTSP, were as follows: eligible to vote-27,969; total ballots cast-22,033; votes in favor of SNTSMARNAP-18,486; votes in
recognized its by-laws and executive committee, canceled the registration of SUTSP, and notified the appropriate federal courts of this action. In doing so, the FCAT rejected the submitters' arguments that the conduct of the election was unfair to SUTSP in that preferential treatment regarding access to government facilities, paid time off for union business, and control of union finances was granted to SNTSMARNAP by the Ministry prior to and during the election campaign.

SUTSP did not appeal this ruling. At the time of the writing of this report, SNTSMARNAP is the registered and recognized union at the Ministry.

B. Issues

The submitters allege (1) infringement of freedom of association and the right to organize in violation of the obligation of Mexico to enforce its labor laws, including its obligations related to international conventions, under Article 3 (1) of the NAALC and (2) failure to ensure impartial labor tribunals in violation of Article 5 (4) of the NAALC.

In support of the first allegation, the Submitters assert that the FCAT violated federal labor laws in arbitrarily de-registering SUTSP and in its refusal to reinstate full recognition of SUTSP and Mexico's failure to revise its law of federal employees (LFTSE) limiting the number of unions in the federal sector to reflect its obligations under several international treaties to which it is a signatory. These include Convention 87 of the International Labor Organization (ILO), the International Covenant on Civil and Political Rights, the American Convention on Human Rights and the International Covenant on Economic, Social and Cultural Rights. The submitters argue that Mexico's Constitution gives the status of supreme law of the land to international treaties, making them part of domestic law and, therefore, Mexico should revise its domestic law to put it in compliance with the
requirements of those treaties.

In support of the second allegation, the Submitters assert that the FCAT system suffers from inherent bias and conflict of interest due to the structure of the tribunal's membership. They argue that the composition of the FCAT, with labor representation exclusively from FSTSE, makes it incapable of rendering an impartial decision in a case in which FSTSE has an interest.

C. Relief Requested

The submitters requested the NAO to:

1. hold public hearings on the matter;

2. take steps to ensure that members of the SUTSP are able to ensure all rights to which they are entitled under Mexican law;

3. engage the Government of Mexico in a process of public evaluation of the problems documented in the petition;

4. engage the Government of Mexico in a process designed to effect the elimination of the portions of the LFTSE that violate the right to freedom of association; and

5. initiate steps to compel Mexico to meet its obligations under the NAALC by eliminating the conflict of interest inherent in the FCAT system.
III. NAO REVIEW

The NAO procedural guidelines specify that following a determination by the NAO Secretary to accept a submission for review, the Secretary shall publish promptly in the Federal Register a notice of determination, a statement specifying why the review is warranted, and the terms of the review. Moreover, the NAO shall then conduct such further examination of the submission as may be appropriate to assist the NAO to better understand and publicly report on the issues raised.

A. Initiation of the Review

Submission No. 9601 was filed on June 13, 1996. It was accepted for review on July 29, 1996, within sixty days of its receipt, as required by the NAO's procedural guidelines. The NAO published its notice that Submission No. 9601 had been accepted for review on August 2, 1996.\(^7\)

Review of this submission was deemed appropriate because it satisfied the criteria for acceptance as stated in Section G.2 in the NAO procedural guidelines: (1) it raised issues related to labor law matters in Mexico and (2) a review would further the objectives of the NAALC as set out in Article 1. Article 1 provides that the objectives of the NAALC include improving working conditions and living standards in each Party's territory; promoting, to the maximum extent possible, the labor principles set out in Annex 1; promoting compliance with, and effective enforcement by each Party of, its labor law; and fostering transparency in the administration of labor law.

The NAO further stated that acceptance of the submission for review was not

intended to indicate any determination as to the validity or accuracy of the allegations contained in the submission.

B. Objective of the Review

Consistent with Section H.1 of the NAO guidelines, the stated objective of the review was to gather information to assist the NAO to better understand and publicly report on the Government of Mexico's promotion of compliance with, and effective enforcement of, its labor law through appropriate government action, as set out in Article 3 of the NAALC. In particular, the NAO notice of acceptance stated that the review would focus "on the issues concerning the right to organize and freedom of association raised in the submission, including the Government of Mexico's compliance with the obligations agreed to under Articles 3 and 5 of the NAALC."

In conducting its review, the NAO received information from a variety of sources, including the submitters, the National Administrative Office of Mexico, representatives of the unions involved in the case, and other individuals who elected to present testimony at a public hearing conducted on December 3, 1996. In addition, the NAO reviewed legal research material and information from experts on Mexican labor law.

The focus of the review was on the Government of Mexico's enforcement of its domestic labor law pursuant to Article 3 (1) of the NAALC with respect to freedom of association and on the compliance by Mexico's labor tribunals with the procedural guarantees specified in Article 5 (4) of the NAALC.8

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8 Article 3 (1) of the NAALC provides that "[e]ach Party shall promote compliance with and effectively enforce its labor law through appropriate government action, subject to Article 42, such as:
(a) appointing and training inspectors;
(b) monitoring compliance and investigating suspected violations, including
C. Information from the Submitters

Representatives of the submitters met with the NAO on July 3, 1996, to provide further factual information. In a fax dated August 22, 1996, the submitters provided the NAO a copy of a letter they sent to the Secretary of Natural Resources, Environment and Fishing expressing concern about continuing restrictions placed by the Ministry on the union activities of SUTSP. In a letter dated October 2, 1996 and a fax dated October 3, 1996, the submitters provided the NAO copies of a letter they sent to the Secretary of Government
defining the union election scheduled to be held at SEMARNAP on October 4, 1996. Additionally, on November 22, 1996, the submitters filed a request to testify, providing the names of the witnesses planning to present information at the hearing. On December 2, 1996, the submitters filed a brief together with twenty-four signed affidavits. Copies of documents provided to the NAO are on file with the NAO.

through on site inspections;
(c) seeking assurances of voluntary compliance;
(d) required record keeping and reporting;
(e) encouraging the establishment of worker-management committees to address labor regulation of the workplace;
(f) providing or encouraging mediation, conciliation and arbitration services; or
(g) initiating, in a timely manner, proceedings to seek appropriate sanctions or remedies for violations of its labor law."

Article 5 (4) of the NAALC provides that "[e]ach Party shall ensure that tribunals that conduct or review such [labor] proceedings are impartial and independent and do not have any substantial interest in the outcome of the matter."

"The Secretary of Government exercises oversight over the internal workings of the federal government."
D. Information from the Mexican NAO

In response to the filing of the submission, the Mexican NAO submitted a statement dated July 11, 1996, in which it stated that the submission was not appropriate for review by the U.S. NAO because Mexico had adequately enforced its laws in this case and that the scope of the NAALC was limited to monitoring the effective compliance with, and effective enforcement of, each Party’s labor law. The statement included information on the proceedings conducted in the case.

In gathering information for this review, the U.S. NAO consulted with its Mexican counterpart pursuant to Article 21 of the NAALC. The Secretary of the U.S. NAO forwarded a list of questions to the Mexican NAO pertaining to Mexican federal labor law and its enforcement in the federal government sector. The Mexican NAO provided answers to these questions in a document dated October 8, 1996.

On November 21, 1996, the Mexican NAO submitted a statement to be entered into the record of the Public Hearing conducted on December 3, 1996. The statement contained detailed information on the administrative and legal proceedings conducted in the case.

E. Information from Legal Experts

The NAO also relied upon attorneys with expertise in the field of Mexican labor law in the federal sector to research the legal questions presented for review in Submission No. 9601 and prepare a report of findings to assist the NAO in its review of the pertinent issues. The three general areas of inquiry were:

1. composition of the Federal Conciliation and Arbitration Tribunal (FCAT);
2. current laws and practices in Mexico on labor-management relations in the federal sector; and
3. the Mexican system of law.

The experts completed their report and submitted it to the NAO on December 18, 1996.¹⁰

F. Public Hearing

Section H.1(3) of the NAO guidelines states: "[t]he Secretary shall hold promptly a hearing on the submission, unless the Secretary determines that a hearing would not be a suitable method for carrying out the Office's responsibilities under Paragraph 1." Consistent with this guideline, a public hearing was held in Washington, D.C. on December 3, 1996. Notice of this hearing was published in the Federal Register on October 30, 1996.¹¹

Six individuals appeared as witnesses on behalf of the submitters. Mr. Joel Solomon represented Human Rights Watch and provided a recapitulation of the position of the submitters and supplemental information. Mr. Terry Collingsworth represented the International Labor Rights Fund. He reiterated the submitters' request for relief and specified measures that they would like the NAO to undertake. Mr. Eugenio Narcia Teobar, counsel for SUTSP and a member of ANAD, spoke on behalf of both organizations. He provided additional information on the legal efforts of SUTSP to maintain its registration. Mr. Roberto Tooms, General Secretary of SUTSP, spoke on behalf of that union and addressed the problems his union confronted in its legal efforts and the election


campaign. Mr. Jonathan Rosenblum, of the law firm Gassier, Hughes & Socol, and a former legal officer of the ILO, spoke on ILO jurisprudence on this and similar cases. Mark M. Hager, Professor of Law, Washington College of Law, The American University, argued that the scope of the NAALC did not preclude the NAO from underscoring fundamental deficiencies in Mexico’s labor laws on freedom of association. He also spoke of the implications that two Mexican Supreme Court decisions could have on the Mexican laws involved in this case.

Mr. Alfonso Almendariz Durán spoke on behalf of SNTSMARNAP and argued that his union had won a fair election.

Dr. Luis Miguel Díaz, General Coordinator of International Affairs, Secretariat of Labor and Social Welfare, Mexico, spoke on behalf of the Government of Mexico and reiterated the position of the Mexican Government that it had enforced compliance with its laws and was therefore in conformance with the NAALC.

Mr. Stephen Herzenberg, of the Keystone Research Center, spoke on his own behalf and urged the NAO to take a more aggressive stance in supervising the NAALC.

G. Additional Information

The Industrial Relations Committee of the U.S. Council for International Business (the Council) submitted statements on September 18 and December 9, 1996. In its statements, the Council argued that the submission was not appropriate for review as it involved issues beyond the jurisdiction of the NAO. Specifically, the Council wrote that the NAALC’s scope is limited to promoting labor principles subject to each Party’s labor law and, therefore, the only issue the NAO could consider was whether there had been adequate enforcement of Mexico’s labor law. Further, the Council argued that the petitioners’ request to change Mexican law with respect to exclusive bargaining
representation of workers would be contrary to long-standing law and practice in the United States. The Council also asserted that reports and conclusions of the Committee on Freedom of Association of the ILO were not an appropriate measure by which to review this submission.

IV. NAALC OBLIGATIONS AND MEXICAN LABOR LAW

A. NAALC Obligations

Part Two of the NAALC sets out the obligations that the Parties to the Agreement undertake. Three NAALC articles are pertinent to this submission. These are the obligations relating to levels of protection (Article 2), government enforcement action (Article 3), and procedural guarantees (Article 5). Articles 2 and 3 are relevant to the Government of Mexico’s enforcement of its labor laws protecting freedom of association. Article 5 is relevant to the issue of compliance by Mexico with the NAALC procedural guarantees as regards the composition of the FCAT.

B. Relevant Mexican Law

Under Mexico’s legal system, every law must trace its origin to a constitutional mandate, which gives validity to secondary, tertiary and other laws and rules. The laws relevant to the review of this submission include the Political Constitution of the United Mexican States (hereinafter the Mexican Constitution or the Constitution), Federal Law (the LFTSE), and international treaties.

The Mexican Constitution specifically protects the right of freedom of association. Article 19 states that “[t]he right to association or to hold meetings for any legal purpose

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12 Curtis and Kirchner, p. 7.
cannot be curbed."  

Also relevant is Article 123 of the Constitution, which is considered the cornerstone of labor rights and is divided into Subparagraph A that governs the private sector and Subparagraph B that governs the federal sector. State and local workers are covered by state legislation that often mirrors the laws in the federal sector. Reiterating the right of freedom of association, Subsection (X) of Article 123 (B) reads, in relevant part: "[w]orkers shall have the right to associate together for the protection of their common interests."

The LFTSE is the federal regulatory law implementing Article 123 (B). Article 68 of the LFTSE places a limit of one union per workplace in the federal sector. It states: "[e]ach agency shall have only one union. In the event that there are various groups of workers who desire to form a union, the Federal Labor Conciliation and Arbitration Tribunal will grant recognition to the majority union."

Other Articles of the LFTSE also regulate union representation in the federal government. Article 71 states that twenty or more workers may form a union provided that another union within the same agency does not have a greater number of workers. Article 72 grants the FCAT the authority to determine if a union has the majority of workers in the agency and if another union is in existence. Article 73 provides for the dissolution of a union if another union gains a majority. The LFTSE does not specifically address how and by what means a registered union can be dis-established other than by the election of a new union.

Article 78 of the LFTSE addresses the affiliation of federal workers’ unions to a federation. It provides that "[u]nions can join the Federation of Unions of Federal Employees, the only federation recognized by the state."

\[13\] Political Constitution of the United Mexican States, Article 19.
The legal status of international treaties duly ratified by Mexico is also raised by this submission. Article 133 of the Constitution states that treaties ratified in accordance with the Constitution shall become the supreme law of the land.\(^\text{14}\) Mexico has ratified a number of international treaties that protect the principle of freedom of association. The most significant of these is Convention 87 of the ILO, which protects the right of workers and employers to form organizations of their own choosing without restriction.

Mexico is also a signatory to the International Covenant on Civil and Political Rights and the American Convention on Human Rights. Both treaties provide assurances that freedom of association for a variety of purposes will be protected. Both treaties contain language specific to labor unions. Article 22 of the International Covenant on Civil and Political Rights provides:

\[
\text{everyone shall have the right to freedom of association with others, including the right to form and join trade unions for the protection of his interests. Nothing in this article shall authorize States Parties to the International Labour Organization Convention of 1948 concerning Freedom of Association and Protection of the Right to Organize to take legislative measures which would prejudice, or to apply the law in such a manner as to prejudice the guarantees provided for in that Convention.}
\]

Article 16 of the American Convention on Human Rights provides that "\text{everyone has the right to associate freely for ideological, religious, political, labor, social, cultural, sports, or other purposes.}"

Mexico has also ratified the International Covenant on Economic, Social and

\(^\text{14}\) Article 133 provides that "\text{[t]he Constitution, the laws of the Congress of the Union which emanate therefrom, and all treaties made, or which shall be made in accordance therewith by the President of the Republic, with the approval of the Senate, shall be the Supreme Law throughout the Union. The judges of every State shall be bound to the said Constitution, the laws and treaties, notwithstanding any contradictory provisions that may appear in the Constitution or laws of the States.}"
Cultural Rights, but did so with a reservation on Article 8 (1) which relates to unions. In its reservation, Mexico indicated that the covenant would be applied in accordance with its Constitution and related laws.

The administrative authority for enforcing labor law and adjudicating labor disputes and conflicts in the federal government is the FCAT. The FCAT is a body of ten members that works as a committee of the whole to adjudicate collective conflicts such as strikes, problems between unions, registration of agreements, and the recognition and dissolution of unions. It meets in panels of three members each to hear individual complaints and grievances. The Chairperson, a government appointee, presides over the FCAT when it works as a committee of the whole, but does not sit on any individual panel. Each panel is composed of three magistrates (magistrados), one designated by the federal government, one by FSTSE, and a third designated by the first two who shall act as Chairperson. The FCAT functioned as a committee of the whole in most of the proceedings of this case.

The Federal District Court on Labor Matters (Juzgado de Distrito en Materia de Trabajo) is the court of first appeal for decisions made by the FCAT. This court is a panel of the Federal District Court. The Collegiate Labor Tribunal (Tribunal Colegiado en Materia de Trabajo) is the court of second appeal for decisions made by the FCAT. This tribunal is a panel of the Collegiate Circuit Tribunal, which approximately corresponds to a U.S. Federal Circuit Court.

The amparo lawsuit is the mechanism by which the constitutionality of certain acts of government can be challenged. It is by this means that decisions of the FCAT can be appealed to the courts. It is the principal procedural vehicle used to protect individuals.
from infringement of their rights under the Constitution.\textsuperscript{15} Under Mexican jurisprudence, decisions on \textit{amparos} apply only to the parties to the suit.\textsuperscript{16}

C. \textbf{Government Action and the Allegations in Submission No. 9601 on Freedom of Association}

This section of the report will review the enforcement of the relevant Mexican laws by the appropriate government institutions. The relevant laws are LFTSE Article 68, which permits one union per workplace, and LFTSE Articles 72 and 73 empowering the FCAT to determine the majority union in a workplace and to certify that union. The government institutions directly involved here are the FCAT, the Courts, and SEMARNAP. For the most part, the facts are not in dispute in this case.

SUTSP filed four petitions with the FCAT. In the first petition, SUTSP attempted to change its name. The petition was filed on January 12, 1995. The FCAT turned down this request on the grounds that the case involved the establishment of a new Ministry and not simply a name change. The FCAT went on to find that SUTSP ceased to exist when the Fishing Ministry was consolidated with the other ministries. An \textit{amparo} appeal by SUTSP was denied by the Federal Courts.

The second case reviewed by the FCAT arose as a result of its certification of SNTSMARNAP on March 20, 1995. SUTSP appealed this decision to the Federal Courts on due process and freedom of association grounds. This appeal was upheld by the

\textsuperscript{15} Unions and other organizations that acquire legal personality in Mexico are entitled to many of the same rights and protections as individuals.

\textsuperscript{16} Curtis and Kirchner, pp. 12-14. See also Anna Torriente, National Law Center for Inter-American Free Trade, Tucson, Arizona, "Study of Mexican Supreme Court Decisions Concerning the Rights of State Employees to Organize in the States of Jalisco and Oaxaca" (November, 1996).
Second Collegiate Labor Tribunal, which ordered the FCAT to cancel the registration of SNTSMARNAP. The FCAT complied with this order.

The third FCAT case arose when SEMARNAP informed the FCAT of the existence of two unions at the Ministry in violation of LFTSE Article 68 and SNTSMARNAP petitioned for the dissolution of SUTSP. The FCAT canceled the certification of SUTSP on the grounds that the Fishing Ministry had ceased to exist and that a majority union (SNTSMARNAP) existed at the consolidated Ministry. SUTSP appealed this decision and its *amparo* was upheld by the Seventh Collegiate Labor Tribunal. The Tribunal ordered the FCAT to restore the registration of SUTSP and allow it to argue its case. The FCAT restored the registration of SUTSP on January 22, 1996.

The fourth case arose when SUTSP petitioned the FCAT to recognize the union's executive committee on January 25, 1996. The submitters maintain that the FCAT granted limited recognition for the purpose of representing the union in its dispute with SNTSMARNAP. SUTSP appealed this decision and obtained a favorable decision by the Second District Labor Court, which found that the FCAT had unduly restricted its recognition of the SUTSP executive committee. An appeal against this decision filed by SNTSMARNAP was turned down by the Second Collegiate Labor Tribunal.

In summary, of the four petitions filed by SUTSP, the FCAT issued four rulings that were unfavorable to that union. Three of these rulings, however, were overturned by the Federal Courts upon the filing of *amparo* appeals and another ruling favorable to SUTSP occurred when the Court rejected the appeal by SNTSMARNAP against the lower court decision restoring full recognition to the SUTSP executive committee.

The final involvement of the FCAT in this submission occurred in its supervision of the election to determine the majority union. This is in accordance with Articles 68, 72, and 73 of the LFTSE. A secret ballot election was held on October 4, 1996. SNTSMARNAP
won the election. There is some dispute over the election campaign. SUTSP maintained before the FCAT that the election was unfair in that preferential access to government facilities, paid time off for union business, and control of union finances was granted to SNTSMARNAP. The FCAT acknowledged that the SUTSP complaint had some validity, but that the irregularities would have affected only about 1% of the ballots, which would not have substantially altered the outcome of the election. Therefore, the FCAT rejected the SUTSP complaint and approved the registration of SNTSMARNAP as the majority union.

The role of the Ministry (SEMARNAP) in this case consisted of notifying the FCAT of the existence of two registered unions at the consolidated Ministry. It is also asserted by SUTSP that the Ministry implicitly recognized SNTSMARNAP, as demonstrated by its alleged willingness to deal with that union and its alleged partisan support of that union in the election campaign. The allegations of partisanship in the election campaign were disputed by SNTSMARNAP.

D. Composition of the Federal Conciliation and Arbitration Tribunal (FCAT)

The submitters assert that Mexico is in violation of its obligations under NAALC Article 5 (4) to ensure that its labor tribunals are impartial and independent and do not have any substantial interest in the outcome of the matter being adjudicated. The submitters argue that the FCAT, composed of three panels, each with a government member, a FSTSE member, and a third member chosen by the first two, is inherently biased and had a substantial institutional interest in the outcome of the proceedings in question, involving, as it did, the FSTSE and its affiliates. The submitters further maintain that the by-laws of SNTSMARNAP contain language calling for its members to support the political work of FSTSE, which supports the Institutional Revolutionary Party (Partido
Revolucionario Institucional, hereinafter PRI.\(^7\) The Submitters argue that, under these circumstances, none of the FCAT members can be considered independent of the PRI. However, in the instant submission, both of the contending unions were affiliated to FSTSE. Nevertheless, the submitters argue that SNTSMARNAP had the institutional support of the federation and the Ministry and that SUTSP had never been properly supported by the federation.

Articles 118 through 123 of the LFTSE specify the requirements to be a member of the FCAT. Article 118 provides that the labor representative on each panel of the FCAT shall be designated by FSTSE. The Article also states that the federal government shall designate a representative to each panel and that the two shall elect the third member. Article 120 provides for the free removal of the government and labor representatives by the organizations that designate them. The other articles designate the responsibilities of the Presidents of the Tribunal and the panels and specify age, professional, and employment requirements to qualify as a member of the FCAT.

The law provides a procedure for recusal in case of conflict of interest.\(^8\) This procedure applies in cases of personal, family or financial interest in the outcome of a case, or if an institutional interest is involved. In the case of an institutional interest, the FCAT member is expected to abstain from any act or omission that would be a failure to comply with any legal provision relating to public service.\(^9\) There is no provision for recusal based on conflict of interest deriving from union membership or affiliation. Interested parties can avail themselves of procedures within each government agency to

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\(^7\) The PRI is the largest political party in Mexico and has been dominant in Mexican politics for the last sixty years. Presently, the Presidency, both houses of Congress, and the majority of state governments, are controlled by the PRI.

\(^8\) Federal Law of Responsibilities of Public Servants, Article 47 (XIII) and (XXII).

\(^9\) Curtis and Kirchner, p. 3.
object to conflicts of interest. It is not clear how often this procedure is exercised or how a conflict between that law and the LFTSE would be resolved. SUTSP filed a complaint under these procedures, but the administrative oversight bodies ruled that the matter was properly before the FCAT.

V. RELEVANT MEXICAN LABOR LAW AND ILO CONVENTION 87

The submitters cite a number of international agreements to which Mexico is a signatory and allege that they are binding on Mexico and that Mexico is not in compliance. These agreements include: (1) Convention 87 of the International Labor Organization (ILO); (2) the International Covenant on Civil and Political Rights; (3) the American Convention on Human Rights; and (4) the International Covenant on Economic, Social and Cultural Rights. The submitters further argue that, under the Mexican Constitution, international treaties are the supreme law of the land and are therefore considered part of Mexico's labor law.

There are conflicting opinions among legal scholars on the position of international treaties and federal laws within the hierarchy of Mexican law. One school of thought is that international treaties are superior to federal law, provided that the treaty was ratified in accordance with Mexico's constitutional requirements. This is the prevailing view. Another view places federal law above treaties. A third view is that international treaties and federal law appear to enjoy equal status within the Mexican legal hierarchy.

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20 Ibid.
21 Torriente, pp. 21-24.
22 Curtis and Kirchner, pp. 8-9.
Convention 87 of the ILO has figured prominently in the submission, briefs, and oral statements presented at the public hearing. This convention has been the subject of a number of interpretive reports and decisions, relevant to the instant submission, by ILO bodies over a period of years. Three key issues which are related to this submission have been addressed by the ILO in terms of their comparability with internationally recognized labor principles on freedom of association. These are (1) the requirement that federal union's obtain prior registration from the FCAT before engaging in any activities; (2) the limitation of one union per workplace in the federal government; and (3) the exclusive legal recognition granted FSTSE as the only union federation permitted to exist in the federal sector. These issues have been the subject of reports by the ILO Committee on Freedom of Association and the Committee of Experts on the Application of Conventions and Recommendations. A number of these are cited below.

A. Report of the ILO Committee on Freedom of Association on SUTSP

Case No. 1844 was filed against the Government of Mexico by SUTSP on May 31, and July 17, 1995 before the Committee on Freedom of Association (CFA) of the ILO and involves precisely the issues raised in Submission 9601. In its report the CFA addressed the three key issues related to this submission. Following are a number of the conclusions from the report on the case.23

On the issue of registration of a union by the authorities, the CFA sought to differentiate between registration and exclusive bargaining rights, by stating that "recognizing the possibility of trade union pluralism does not preclude granting certain rights and advantages to the most representative organizations. However, the determination of the most representative organization must be based on objective, pre-

established and precise criteria so as to avoid any possibility of bias or abuse ... (and) the distinction should generally be limited to the recognition of certain preferential rights - for example for such purposes as collective bargaining, consultations by the authorities or the designation of delegates to international organizations' [see General Survey, Freedom of Association and Collective Bargaining, 1994, para. 97]."24

The CFA found the provision of the LFTSE allowing only one union per workplace to be a problem. It noted "that the major problem lies in the fact that there cannot be more than one trade union within one department, as laid down in Sections 68, 71, 72, and 73 of the Federal Act pertaining to Public Service Workers. These provisions have given rise to observations by the Committee of Experts for a number of years."25 On the dissolution of SUTSP and the limitation of one union per workplace in the federal sector, the CFA "draws the Government's attention to the fact that Article 2 of Convention 87, ratified by Mexico, stipulates that workers and employers are entitled to establish, and subject only to the rules of the organization concerned, to join organizations of their own choosing. Furthermore, Paragraph 2 of Article 3 stipulates that public authorities should refrain from any interference which would restrict this right or impede the lawful exercise thereof."26

The CFA also noted that the establishment of the FSTSE as the only recognized union federation in the federal sector "makes it impossible for public service workers, to set up trade union organizations of their choice outside the established trade union structure."27 The Committee called upon the Government of Mexico to take the necessary measures to ensure that public service workers "may freely establish independent trade

24 Ibid., Paragraph 241.
25 Ibid., Paragraph 238.
26 Ibid., Paragraph 239.
27 Ibid., Paragraph 242.
unions of their own choosing and belong to these organizations, irrespective of whether they are grass roots organizations or federations, outside any existing trade union structure" and to "eliminate as quickly as possible, all the legal and practical obstacles so that the complainant organization may acquire legal personality and carry out the trade union activities provided in Convention No. 87. The Committee requests the Government to keep it informed in this respect."28 The Mexican Government informed the CFA of subsequent developments in the case, including the restoration of the registration of SUTSP and the partial recognition granted to the executive committee of SUTSP.

B. ILO Reports on Union Registration Requirements

Article 2 of ILO Convention 87 guarantees the right of workers and employers to establish organizations without previous authorization from the public authorities. Article 3 protects the right of workers and employers to draw up their own rules and elect their own representatives free from intervention of public authorities. Article 4 protects workers' and employers' organizations from dissolution by the administrative authorities. Article 7 of Convention 87 provides that “[t]he acquisition of legal personality by workers' and employers' organizations, federations, and confederations shall not be made subject to conditions of such character as to restrict the application of the provisions of Articles 2, 3 and 4 thereof.”

The ILO has addressed the issue of union registration and recognition in a number of reports. In considering the protections of Convention 87, the CFA, in its 1994 General Survey, recognized that private employers and government agencies will generally prefer to deal with, only one trade union organization per workplace and recognized that the proliferation of trade unions may weaken the trade union movement and ultimately prejudice the interests of workers. Therefore, the CFA found that legislation that

28 Ibid., Paragraph 244.
establishes the concept of the most representative trade union and granting to that union certain rights and advantages is not, in itself, "contrary to the principle of freedom of association provided that certain conditions are met."29 The CFA went on to state that "the workers' freedom of choice would be jeopardized if the distinction between most representative and minority unions results, in law or in practice, in the prohibition of other trade unions which workers would like to join, or in the granting of privileges such as to influence unduly the choice of organization by workers. Therefore, the distinction should not have the effect of depriving those trade unions that are not recognized as being amongst the most representative of the essential means for defending the occupational interests of their members (for instance, making representations on their behalf, including representing them in case of individual grievances), for organizing their administration and activities, and formulating their programmes, as provided for in Convention No. 87."30

The CFA further elaborated on multiple unions in the workplace and stated that industrial relations systems where only one bargaining agent may be certified to represent the workers of any given bargaining unit, which gives it the exclusive right to negotiate the collective agreement and to monitor its implementation, "does not raise difficulties under the Convention, provided that legislation or practice impose on the exclusive bargaining agent an obligation to represent fairly and equally all workers in the bargaining unit, whether or not they are members of the trade union."31


30 Ibid., p. 45.

31 Ibid.
C. **ILO Reports on Trade Union Monopolies**

Government efforts to impose unitary labor organizations (often referred to as trade union monopolies), usually in association with the political party in power, have been addressed by the ILO on numerous occasions. The ILO recognizes that, while it is usually to the advantage of workers to avoid a proliferation of competing organizations, it is important to distinguish between voluntary groupings of workers or unions as distinct from unity imposed by law or government pressure.\(^{32}\) The ILO has consistently found efforts by governments to place limits on freedom of association by establishing and/or supporting trade union monopolies, at the first level or the secondary and tertiary levels, to be incompatible with Convention 87.

The ILO Committee of Experts on the Application of Conventions and Recommendations (hereinafter the Committee) has reported on federal sector workers in Mexico in 1981, 1983, 1985, 1987, 1989, 1991, 1993 and 1995. The Committee pointed out, in all of these reports, that LFTSE Articles 68, 71, 72, 73 and 84\(^{78}\), among others, are not in conformity with Convention 87.\(^{33}\) In its Report to the 71st Session of the International Labor Conference in 1985, the Committee noted that the Government of Mexico had failed to respond to its request in 1983 that it bring its law on federal employees into conformity with Convention 87. The Committee went on to “express once more the hope that the Government will re-examine its legislation in the light of the principles of freedom of association and that it will communicate information on any measures taken or under consideration to bring the Federal Act on State Employees into

\(^{32}\) Ibid., pp. 42-43.

\(^{33}\) The Submission refers to LFTSE Article 78 as restricting affiliation of federal unions to FSTSE. The ILO reports refer to an earlier version the LFTSE in which Article 84 permits affiliation only to FSTSE.
conformity with the Convention. This request was repeated in the subsequent reports.

In its Report to the 73rd Session of the International Labour Conference in 1987, the Committee pointed out that the recognition of FSTSE as the only central organization recognized by the government to represent federal employees is "incompatible with the right of workers' organizations to establish federations and confederations (Article 5 of the Convention) . . . ."36

The 1991 Report of the Committee stated, in relevant part concerning the LFTSE, "that although for the workers it is in general advantageous to avoid a multiplicity of conflicting organizations, the imposition by law of a system of trade union unity at the level of federations is incompatible with the right of workers' organizations to establish federations and confederations (Article 5). However, the Committee points out that it is not necessarily incompatible with the Convention for the legislation to establish a distinction between the most representative organization and other organizations, provided that this distinction is confined to the recognition of certain rights for the most representative organization (particularly as regards representation for collective bargaining purposes or consultation by governments)."37


In its *General Survey*, presented at the 81st Session of the International Labour Conference in 1994, the Committee on Freedom of Association made a number of observations that relate to the issues raised in Submission No. 9601. The report addressed problems of both a single union monopoly created by law and the practice of permitting only one union per workplace. The report states, with regard to the single union per workplace rule, that “[t]hese organizations in turn may or must join a single national confederation or central organization which is sometimes specifically designated in the law.” 

The Committee concluded on the issue of trade union monopoly and trade union diversity that “trade union unity directly or indirectly imposed by law runs counter to the standards expressly laid in the Convention.” Articles 58, 71, 72, and 73 of Mexico’s LFTSE are explicitly cited as illustrative of this kind of law in the public sector.

**VI. DECISIONS OF THE SUPREME COURT OF MEXICO**

The submitters reference a decision by the Supreme Court of Mexico that found a state law, similar to the LFTSE, unconstitutional in its limitation of one union per workplace in the state government of Jalisco. The NAO has reviewed this decision and another related decision in the state of Oaxaca and reported on their content and implications in a previous review.

On May 21, 1996, the Supreme Court of Mexico, in two unanimous decisions, found provisions of two state statutes that prohibited employees from forming more than one union per workplace unconstitutional. The NAO has reviewed this decision and another related decision in the state of Oaxaca and reported on their content and implications in a previous review.

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39 Ibid., pp. 42-43.


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union per workplace to be unconstitutional. Both decisions arose from and apply to state laws, as opposed to the federal law at issue in the instant submission. Nevertheless, both state laws are considered to have been modeled on the federal law. One of the cases involved employees of the University of Guadalajara in the state of Jalisco and the other involved public employees in the state of Oaxaca. In both cases, requests for registration of their union by workers were denied because of the prior existence of an established union in the workplace.

The Supreme Court found that the law of Jalisco was unconstitutional in that, by limiting the number of unions that may be formed in a government workplace in the state, the state interfered with the petitioners' right of freedom of association. The court stated that the spirit of Article 123 of the Constitution was to uphold freedom of association in the universal sense and that state laws issued by state legislatures must conform to this principle. The Court cited Mexico's ratification of ILO Convention 87 in support of its decision.

In the case of the state of Oaxaca, the Supreme Court found that the state law did not explicitly prohibit the formation of more than one union in each state government workplace and, therefore, the state authority was incorrect in denying the registration requested by the petitioner. The Court went on to state, however, that its reasoning with regard to the limitation on the number of unions in the workplace in the Jalisco case would also apply in this case.

These decisions do not constitute stare decisis. Under Mexican jurisprudence, stare decisis is created when the Supreme Court, sitting en banc, issues five consecutive decisions on the same point, or by one decision resolving conflicting opinions of the Collegiate Circuit Tribunals.\footnote{Torriente, pp. 11-14; Curtis, pp. 12-14.}
VII. **FINDINGS**

The NAO review of this submission focused specifically on (1) the enforcement by Mexico of its labor laws in accordance with Article 3(1) of the NAALC, and (2) the compliance by Mexico with the procedural guarantees of the NAALC in accordance with Article 5(4). In so doing, the NAO attempted to ascertain the role of international treaties, specifically ILO Convention 87 on freedom of association, in Mexican legal doctrine, as well as the implications of the related Supreme Court decisions. Based on its review of the information available in this submission, the NAO makes the following findings.

A. **Enforcement of Labor Laws**

The facts are not in dispute. The FCAT reviewed four petitions filed by SUTSP. Although the FCAT ruled against SUTSP, all four cases were accepted for review by the appellate courts. Three of these appeals were decided in favor of SUTSP. While delays in receiving these favorable outcomes may have caused some harm to SUTSP, delays are inherent in any administrative process that attempts to afford the parties a degree of due process. As a result of appellate review, SUTSP obtained its registration, obtained unlimited recognition of its executive committee, and succeeded in having SNTSMARNAP de-registered through the courts. Moreover, a secret ballot election decided the union representative. Although SUTSP alleges that the election was not a fair one, the FCAT found that, while some irregularities may have occurred, they were insufficient, even if proven, to materially alter the outcome of the election. The election was won by the union that enjoyed a significant numerical advantage in the consolidated Ministry.

The submitters cited the decision of the Mexican Supreme Court in the case involving workers at the University of Guadalajara in support of their argument that the provisions of the LFTSE that restrict unions to one per workplace in the federal government may be unconstitutional. The NAO reviewed the two Supreme Court cases that were
issued simultaneously regarding union restrictions at state institutions. The state laws in question, while distinct from the LFTSE, are nevertheless modeled on federal law.\textsuperscript{42}

Clearly, the fundamental freedom of association issues raised in the submission and specific provisions of the LFTSE have been the subject of ongoing review and interpretation by the ILO. Moreover, recent Supreme Court decisions, together with various legal opinions on the standing of ILO Convention 87 under the Mexican Constitution, raise questions not subject to a clear interpretation by the NAO. Consequently, further consultations could contribute to a better understanding of the legal doctrines at issue.

\textbf{B. Actions by the Federal Conciliation and Arbitration Tribunal (FCAT)}

The composition of the FCAT is explicitly spelled out in the law and is not disputed in the submission. The labor representation on the FCAT is reserved exclusively for FSTSE and this composition creates the appearance of lack of impartiality if a FSTSE union were to engage in a dispute with a non-FSTSE union.

Disputes between FSTSE and non-FSTSE affiliates rarely occur, but this does not diminish the importance of the FCAT’s ability to render an impartial decision. However, in the instant submission, both of the contending unions were affiliated to FSTSE. Moreover, there is a procedure in place to address allegations of conflict of interest, and this procedure was used. Finally, SUTSP gained relief from the appellate courts in three of its four appeals. Given these circumstances, it does not appear that the final outcome of the union representation case was affected by the composition of the FCAT.

\footnote{\textsuperscript{42} Torriente, p. 49.}
VIII. RECOMMENDATIONS

Further consultation on the matters raised in this submission would enable a full examination of the relevant legal doctrines in Mexico, including the effects on Mexican labor law of constitutional provisions assuring freedom of association. This is of particular importance in view of the NAALC's recognition of the fundamental principle of freedom of association and the right to organize. It is also relevant in view of the conflicting views concerning the legal status of international treaties under Mexican law and has been underscored by the recent Mexican Supreme Court decisions finding state laws patterned after the LFTSE to be unconstitutional, with reference to ILO Convention 87.

Pursuant to Article 22 of the NAALC "[a]ny Party may request consultations with another Party at the ministerial level regarding any matter within the scope of this Agreement." The NAO therefore recommends that the Secretary of Labor request Ministerial Consultations with the Secretary of Labor and Social Welfare of Mexico for the purpose of examining the relationship between and the effect of international treaties, such as ILO Convention 87, and constitutional provisions on freedom of association on the national labor laws of Mexico.
Respectfully Submitted:

Irasema Garza
Secretary
U.S. National Administrative Office

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