Fujikura workers outmaneuver official union, forcing an increase in company's wage offer

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When the nearly 1000 workers at Fujikura Automotive Mexico (FAMX) in Piedras Negras got fed up of their union representatives' unresponsiveness to the workers' demands for a wage increase, they made a surprising move and forced both the company and the union to renegotiate an already settled wage offer, increasing it from 3.5 to 4.5 percent.

To achieve this victory, the workers disregarded ipso facto their union reps and pushed the top CTM leader in the city to call for a strike. A workers' committee from the rank and file replaced the dismissed representatives and immediately started negotiating with the company. The CTM leaders in the city have always being on the side of the maquiladora companies.

In December of last year, CTM leader Leocadio Hernández, together with members of FAMX's management negotiated a wage increase of 3.5 percent without consulting the workers. The average wage of a FAMX operator is between $600 and $800 pesos a week ($55 to $75 USD), not enough to sustain a family's basic needs.

Last February, and because they joined in solidarity and knew their labor rights, the workers asked Fujikura's management to allow employees from the first shift to leave an hour earlier, and to also let workers from the second shift to start working an hour late so they could all have a general membership meeting.

During the meeting that took place on February 20, the workers rejected the wage agreement between the CTM and Fujikura and also asked for a 10 percent wage increase. When the workers threatened to go on strike, Fujikura warned them with moving the company to Querétaro, where it has another maquiladora factory.

CTM and Fujikura, a bad agreement instead of a contract

Fujikura Automotive Mexico (FAMX) was known as the "Subaru Plant" of Macoelmex (Maquiladora de Componentes Eléctricos de Mexico), a wholly-owned subsidiary of Alcoa. FAMX now belongs to Fujikura Ltd., a Japanese corporation. That plant has always manufactured electrical wiring systems (harnesses) for Subaru automobiles, but now also makes production for Toyota Camry and others. (Read more at Fujikura and its workers in Mexico).

Fujikura purchased the company from Alcoa when the joint venture Alcoa Fujikura Ltd., or AFL ended. When the transition took place, the workers had a valid, collective bargaining agreement with Alcoa.

What followed was that the CTM union, instead of negotiating with Fujikura to respect the contract at least until its expiration in January 2007, accepted a new agreement between the two companies that established that Fujikura was becoming the "substitute employer" starting February 1st, 2006. In the agreement, Fujikura affirms it "accepts responsibility and will respect all of the obligations and labor rights that you [the worker] generated for Macoelmex... Fujikura accepts and ratify your start date, category, wages, schedule and other labor benefits."

There was a group of 20 female and male workers that did not want to sign the form acknowledging the new agreement. These workers understood that Fujikura would soon establish new working conditions and ignore the previous collective bargaining agreement. The workers would have preferred to be terminated by Alcoa in January 2006 and then to decide if they wanted to be hired by Fujikura.

The workers soon confirmed their suspicions. At the beginning of May workers asked for their annual profit sharing, a right under the Mexican labor law. But the union representatives, always defending the company's interests responded that Fujikura would not have any money to give out. Some workers decided to speak out in the TV local news. Because of this action, in early June 2006, the union and the company fired Carmen Luria, and excellent worker who had been working for Alcoa for five years before staying with Fujikura for six more months.

From the beginning Fujikura tried to eliminate workers' benefits they had with Macoelmex. For instance, in February 2006 it turned off the radio music that most maquiladoras air through their PA systems most of the time. The workers protested, especially those in the night shift because the music helps them to stay awake at night. The company responded that music distracted the workers and contributed to their errors.

Something new is the presence of two Japanese managers at the factory (one of them speaks Spanish). The workers also complain about the bad treatment and harassment they receive from other supervisors. For example, in March 2006 at least one supervisor met with workers to ask them if Carmen Luria was trying to organize the workers, and also to warn them not to do anything.

The rank and file takes control of the negotiation

One of the main problems is Fujikura's violation of the law when firing workers without considering their seniority. For instance, at the beginning of January, 2007 the company fired about 30 workers without providing them with the entire compensation package as required by law and that Alcoa used to give. The missing amount was an extra 20 days per year.

Aside from only agreeing to raise workers' wages by 3.5 percent, Fujikura also wanted to eliminate the possibility of evaluating the workers' performance to find out if they could qualify for promotions, as well as to take away the savings plan.

Those problems were the immediate reason that the workers decided to pressure the CTM to call for a strike on March 12 and to review the 3.5 percent increase. The workers presented four main issues:

- To stop the firing of workers with seniority.
- If workers are fired, they should receive their 20 days per year.
- A fair wage increase negotiated by the workers, and not by Leocadio Hernández, CTM's top representative and the people he appoints.
- Replacement of the union's plant reps because of their indifference to the workers' concerns.

"I better stay out of it"
CTM's Leocadio Hernández accused the Comité Fronterizo de Obrer@s (CFO) of destabilizing Fujikura. He told the media that within the workers' movement existed "bad influences because people from the CFO are ill-advising the workers. The CTM supports [the workers] in everything legal, but it would never recommend them to go on a wildcat strike. If that's the case I better stay out of it."

CFO's Julia Quiñonez responded to the false accusation speaking to the media and also accepting an invitation to meet with the mayor of Piedras Negras, Jesús Mario Flores. Julia told him: "It is important to have job opportunities in the city, but the wages that the workers receive are not enough for them to survive. The workers at Fujikura have not received a wage increase during the past two years. It is the CTM who is not taking its responsibility of defending the workers. We do know the workers and they look for our advice. We don't want the workers to get in risky situations such as a work stoppage. What the workers don't want to do is to put up with abuses, neither to pay union dues to people who don't support them."

Julia added: "If the union ignores the workers, they look for alternative venues so the company would listen to them. What the CTM is doing now is to use a woman as a shield to justify their lost of credibility with the workers."

A victory of the new union committee of the rank and file

A new agreement between Fujikura and the new workers' committee was made public on March 12, 2007. The company approved a 4.5 percent wage hike. It also agreed to compensate the workers as stipulated by the law, including respecting their seniority and giving the 20 days per year. In turn, the management asked the workers to maintain a good record and quality.

The new workers' committee, in spite of the contract still being under the legal control of the CTM, helped the rank and file to achieve a real negotiation with the company. On March 13, during a radio interview, Julia Quiñonez said: "I congratulate the Fujikura workers who demonstrated their courage and maturity." [Read the interview "Labor peace, but a just one.”] A worker remarked later: "the new union committee gave us lots of support and we trust the new reps. We hope things will continue this way. If they sell out, we will change them again. We already did it and, if necessary, we'll do it again; we want a union who defends our interests, not one that attack us."