Macroelmx 2006: Alcoa cuts back; attacks collective bargaining agreement with new temporary contracts

In its obsessive drive to reduce costs, Alcoa has significantly cut back its presence in its Piedras Negras, Coahuila location, where its Electric Components Maquiladora de Mexico (Macoelmex) is based. This maquiladora, which belongs to AFL Automotive, the division of Alcoa that makes automotive wire harnesses, went from three plants to one at the end of 2005, with a reduction in the workforce from 4,500 to 1,200.

Alcoa has transferred production lines to Monterrey and Honduras, and new orders that it has obtained were sent not to Macoelmex but to these plants. In addition, Macoelmex workers have been detailed to these plants to train new workers.

Since 2003, Alcoa has continually used the threat of relocating to Honduras to intimidate its workers and weaken the collective bargaining agreement at Macoelmex.

Illegal temporary contracts

The drastic restructuring of Macoelmex at the end of 2005 included the sale of AFL’s Subaru plant to the Japanese company Fujiura Resource Mexico. This plant continues to produce wire harnesses for Subaru vehicles, and many of the Macoelmex workers have gone to work for the new company.

As part of these changes, Macoelmex made severance payments to hundreds of workers, then offered to hire them back - but on temporary contracts, renewable every two months. They have no legal right to organize because they are now permanent temporary workers with no seniority rights. This is a giant step backwards for labor conditions at Macoelmex. Alcoa is following the example of other large corporations like Jabil in Reynosa where the workers are always temporary.

No authentic union representation in the plant

Taking advantage of the disorganization provoked by the restructuring of the Macoelmex plants, the company along with the CTM corporate union have left the workers without union representation in plant #1, the only one that continues to operate. In 2002, these workers had an authentic union representation through an independent local union committee supported by CFO. The union office in Macoelmex was empty for several months, until recently when the company imposed their “union reps” a male worker in the first shift and a woman in the second shift. At the same time, all job applications to work at Alcoa must be approved by the same CTM leaders who have betrayed the workers time and time again. They are the ones who decide who gets to work for the company.

Increasing pressure on the job

Alcoa has become more and more intolerant, demanding more production with zero defects or rejects, restricting permission to use the bathrooms, verbally harassing workers and writing them up for petty motives. All this in exchange for reduced benefits and a declining real wage.

But similarly to what happened in Feb. 2005 when the Macoelmex workers staged a work stoppage of several hours to stop an offensive against their real wages, the workers in early 2006 challenged again a similar proposal made by Alcoa. The rank and file keeps refusing to grant concessions that would eliminate or cut bonuses. Such cost-cutting measures would further affect their already meager wages.

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