



IN THE DRIVER'S SEAT

REFLECTIONS ON STRENGTHENING THE CAPACITY OF SYSTEM ACTORS IN THE AUTOMOTIVE SECTOR IN MEXICO

The Bureau of International Labor Affairs (ILAB) actively engages in empowering diverse system actors within Mexico's labor landscape and focuses on enhancing understanding and compliance with labor laws through technical assistance initiatives. ILAB's technical assistance has played a pivotal role in cultivating a more knowledgeable and engaged workforce. Furthermore, ILAB's support has facilitated the development of democratic unions, fostering transparency and representation within these organizations. ILAB's dedication to enhancing the capacity of Mexico's labor force and employers to effectively participate in labor reforms underscores its commitment to fostering a fairer labor environment.

The following projects illustrate ILAB's commitment to supporting a diverse set of system actors in effectively enforcing labor laws, meeting labor requirements, and ultimately safeguarding and advancing workers' rights within the Mexican automotive industry.

- The [Compliance in Auto Parts through Labor Law Enforcement \(CALLE\)](#) project strengthened the Government of Mexico's ability to protect workers' rights in the automotive parts sector.
- The [Engaging Mexico's Auto Sector Employers in Labor Law Reform Implementation](#) project focuses on empowering employers, particularly small and medium-sized manufacturers, to comply with the new labor requirements and enhance working conditions.
- The [Engaging Workers and Civil Society to Strengthen Labor Law Enforcement](#) project aims to bolster workers' and civil society organizations' effective engagement with employers and the government to improve the enforcement of labor laws.
- The [Mexico Awareness Raising Project \(MAP\)](#) builds the capacity of government staff to conduct outreach regarding labor rights.

This learning brief captures key insights, lessons learned, and emerging good practices garnered during an evaluation conducted by DevTech Systems, Inc. between 2023 and 2024. ILAB commissioned the evaluation to enhance its own, as well as other key system actors', understanding of how its technical assistance is advancing Mexico's labor standards through a systems-based approach. Drawing upon the evaluation's mixed-methods approach, these key insights, lessons learned, and emerging good practices seek to amplify various system actors' voices and their contributions to Mexico's automotive sector, including ILAB's technical assistance.

PROJECT SPOTLIGHT

Casas Obreras' Impact on Worker Organization and Representation: The Engaging Workers and Civil Society to Strengthen Labor Law Enforcement project, implemented by the Solidarity Center, highlights the significant role that worker centers, such as Casas Obreras, play in empowering laborers within the Mexican automotive sector. In the state of San Luis Potosí, the Casas Obreras, or worker centers, have become pivotal spaces where workers gain legal knowledge and orientation, crucial for fostering worker's awareness of labor rights. Through ILAB's technical assistance, these worker centers have become accessible public hubs where crucial information is disseminated, making them foundational for guiding legal processes and organizing efforts.

WORKER CENTER ACHIEVEMENTS:

- **Independent Union Formation:** Casas Obreras have been instrumental in legitimizing labor contracts and providing guidance on organizing an independent union by helping workers effectively navigate the legal landscape. Workers, empowered by the labor reforms and the information provided by organizations like Casa Obreras, now feel supported in joining organizations and negotiating with employers.
- **Knowledge Dissemination:** Casas Obreras have been critical for workers to learn about their rights confidently and without fear. These centers have been transformed into beacons of empowerment and education.

ADAPTIVE SUSTAINABILITY:

- **Potential for Growth:** Casas Obreras' success in fostering worker trust and providing legal guidance has raised the potential for expanding this model. Systems actors view the initiative as a valuable asset for labor rights advocacy and are considering establishing new centers in various states to reinforce the support network for workers' rights.
- **Education and Empowerment:** Described as educational havens, current Casas Obreras have played a significant role in empowering workers. This model's capacity to adapt to the specific needs of workers in different locations has been a key factor in its success. System actors see the replication of this model as a strategic move to amplify its impact and facilitate worker organization and education in labor rights, reinforcing the sustainable growth of the labor movement.

Key Insight and Lesson Learned 1: Advancing independent unions' organization and representation capabilities amplifies their negotiating power and subsequently champions workers' rights.

ILAB's allocation of resources towards capacity-building initiatives within independent unions strengthens their organizational capacity and effectiveness in representing workers' interests.

"Workers have managed to form a union without negotiating a new Collective Bargaining Agreement, and that has only happened where workers have organized themselves. So, that's why I think that organization and strengthening their capacity is key in these processes."
(Worker Organization)

ILAB's technical assistance and expertise empowered independent unions in collective bargaining efforts, leading to tangible improvements in wages and benefits for workers. Through training and material development on negotiation skills and labor laws, ILAB equipped union leaders to effectively advocate for workers' rights and achieve meaningful outcomes through collective bargaining.

Key Insight and Lesson Learned 2: Encouraging active participation in collective bargaining practices empowers system actors and increases the opportunity for success in achieving enhanced benefits for workers.

Investing in training programs for both employers and union representatives, as ILAB has done, builds capacity for genuine collective bargaining and social dialogue, fostering a culture of collaboration and mutual respect. Engaging with industry associations, business leaders, middle management, and human resources departments as part of this effort promotes a more inclusive approach to collective bargaining, facilitating constructive engagement and positive outcomes for both employers and workers. Moreover, establishing platforms for open communication and dispute resolution enhances trust and transparency in collective bargaining processes, encourages active participation and cooperation from all system actors.

Key Insight and Lesson Learned 3: Adopting democratic practices faces persistent roadblocks but can be nurtured through alliance-building and education and training activities with key system actors.

Donor resources for education and awareness campaigns provide the necessary capacity for local system actors to tackle resistance to change, promoting democratic practices in unions, among employers, and for workers. Additionally, when donors partner with vibrant civil societies, they enhance local efforts to strengthen advocacy for union democratization, leveraging external pressure to overcome internal resistance. ILAB's leadership training and organizational development initiatives are a key example of this. Through its technical assistance ILAB builds momentum for change, dismantling cultural, historical, and mental barriers to a more democratic union structure.

Key Insight and Lesson Learned 4: Providing legal representation and outlining labor laws during union organization protects workers from undo harm.

Investment in legal assistance and advocacy strengthens worker protections during union formation and membership. Notably, this safeguards their rights against employer retaliation. Moreover, collaboration with legal experts and human rights organizations further bolsters advocacy efforts, enhancing protections for workers exercising their right to organize. Initiatives that enforce existing labor laws and international conventions also deter employers from engaging in retaliatory actions against workers involved in union activities, ensuring their right to freedom of association and collective bargaining.

EMERGING GOOD PRACTICES 1: Providing Tailored Services to Empower Small and Medium-Sized Enterprises

The Engaging Mexico's Auto Sector Employers in Labor Law Reform Implementation project was designed to empower small and medium-sized enterprises (SMEs) through tailored educational and support services aimed at their specific needs. While the full impact of these efforts is yet to be realized, the initiative represents a proactive approach to enhancing the human capacity of employers in the automotive and auto parts sectors.

EMERGING GOOD PRACTICES 2: Supply Chain Accountability in Labor Practices

Utilizing the influence of large assemblers to enforce labor standards among suppliers exemplifies a strategic approach to leveraging supply chain dynamics for labor compliance. This initiative, spearheaded by the Solidarity Center, promotes a culture of compliance and improved labor practices industry-wide. It illustrates the importance of targeted interventions that encourage large corporations to play a pivotal role in upholding labor rights throughout their supply chains, setting a precedent for accountability and ethical business practices in the sector.



Please refer to the [evaluation report](#) for additional information and insights on how ILAB's technical assistance is supporting sustainable change in Mexico's automotive sector's labor relations system.

