

USMCA/MEXICO PROGRAM EVALUATION: STRENGTHENING UNION DEMOCRACY, LABOR COURTS, AND THE LABOR CONCILIATION SYSTEM



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BACKGROUND

ILAB monitored Mexico's implementation of their labor commitments under the United States-Mexico-Canada Agreement (USMCA) and supported compliance through technical assistance projects provided for in the agreement's \$180 million implementation legislation. Since 2020, ILAB's implementing partners provided expertise to Mexican worker organizations to safeguard their labor rights, which are enshrined in the 2019 Mexican labor reform. ILAB projects also engaged the federal and 10 state labor inspectorates to expand their capacity to enforce labor rights, as well as worked closely with the Government of Mexico at the federal and state levels to support and strengthen new conciliation and justice institutions.

OUTCOMES AND ILAB CONTRIBUTIONS

The USMCA technical assistance program contributed to four main areas of institutional change under the labor reform: creating independent unions that promote union democracy, promoting the efficiency and effectiveness of labor inspections, strengthening the institutional capacity of the federal and state labor conciliation systems, and supporting the efficiency of state conciliation centers and labor courts.

Using the Most Significant Change (MSC) method, NORC captured how ILAB-funded technical assistance contributed to key outcomes. The examples below reflect select findings and do not represent the entire scope of the changes that occurred. Similar changes may have occurred elsewhere, while some states and communities may not have experienced the same results. The evaluation focused on contributions within ILAB's priority industries and communities.

Between 2020 and 2025, ILAB's implementing partners developed capacity building, coaching, and institutional development strategies to engage with worker organizations. These efforts strengthened workers' technical capacity and union infrastructure in the automotive, mining, rubber, and other export industries in key states, including Coahuila, Guanajuato, Puebla, Queretaro, and San Luis Potosi.

Several of these unionization campaigns were instrumental to end years-long efforts to create and register new democratic unions and prepare worker leaders to represent themselves, maintain independence, negotiate on behalf of their fellow workers, and file claims of labor rights violations.

"In each negotiation, in each signing of single agreements that we have obtained, we have always invited the Federal Center for Conciliation and Labor Registry (FCCLR) to be present as witness. The Solidarity Center and their legal team have accompanied us at each step of the journey, including support for us to travel for negotiations in Mexico City."

– Secretary General of a democratic union in the rubber sector

The Solidarity Center (SC) partnered with the University of California-Los Angeles (UCLA) Labor Center to organize a **worker exchange** that provided workers with first-hand knowledge about the structure, organization, and activities carried out by U.S. worker centers. Implementing partners supported the creation of the new **Frontera, Coahuila worker center** ("Casa Obrera"), expected to start operations in January 2025. This partner also helped create three **Labor Centers** in Mexico to inform project strategies, conduct worker outreach and union organizing in the mining, call centers, and aerospace sectors:

- Universidad Autónoma de Querétaro (UAQ) Labor Center, since August 2022.
- Universidad Autónoma Metropolitana (UAM) Labor Center, since December 2022.
- Universidad Nacional Autónoma de México (UNAM) Labor Center, since May 2024.

The USMCA's Rapid Response Labor Mechanism (RRLM) also acted as leverage for independent unions to achieve compliance with freedom of association (FOA) and collective bargaining (CB) rights under Mexican labor law. RRLM threatens sanctions on employers who do not remediate labor rights violations following a panel review involving the Mexican labor authorities; this has incentivized employers to recognize unions and negotiate in good faith. NORC captured the RRLM's role as a leverage for four democratic unions and worker organizations in the automotive, mining and rubber industries that filed a claim before the RRLM panel. The panel's resolution accelerated the employers' response to respect the workers' FOA and CB rights and recognize their unions.

NORC documented ILAB contributions to concrete changes in behavior, practices and policies of worker organizations and in the relationships with employers to promote their advocacy for labor rights. We present these outcomes and contributions as follows.

OUTCOME 1. WORKERS' INCREASED ADVOCACY FOR COLLECTIVE BARGAINING, FREEDOM OF ASSOCIATION RIGHTS AND THE RIGHT TO USE INSTITUTIONAL MECHANISMS – FCCLR AND USMCA'S RRLM – VIA INDEPENDENT AND DEMOCRATIC UNIONS

ILAB PROJECTS' CONTRIBUTIONS

SUB-OUTCOME

SC2. Worker education, training, coaching, one-on-one consultations, financial support to travel for negotiations, legal assistance to file claims.

MAP. Content creation for FCCLR, social media and radio campaigns for workers

SC3. Worker centers applied research to inform collective action, legal support.

RRLM. Hotline and channels for workers to file claims of FOA/CB right violations, expert panel review and engagement with labor authorities.

2020 – 2023: Workers at five companies in Coahuila, San Luis Potosí, and Morelos in the automotive, industrial manufacturing, rubber, and mining industries, created independent unions and democratically elected their union representatives after years-long efforts struggling to exercise their labor rights.

2022 – 2024: As brand-new entities, four independent unions in San Luis Potosí, Morelos and Coahuila received certificates of representativeness from the FCCLR with at least 30% of facility workers' votes. Through direct consultation, workers of two of these new independent unions legitimized their collective bargaining contracts (CBAs), maintaining both unions' legal authority to represent facility workers exclusively in CBA negotiations.

May 2021 – July 2023: Three unions and a labor organization in the automotive, mining, and rubber industries gained employer recognition and respect for FOA and collective bargaining rights in a range of one to nine months, influenced by the intervention of the USMCA's Rapid Response Labor Mechanism (RRLM).

"When others tried to do this over the years, they were fired for silly reasons—sometimes just a week later, they were out of a job. The old union also keeps track of outspoken workers in what's basically a blacklist. Here in San Luis Potosí, the old union still runs 90% of the companies, and with that info, employers won't hire you. There's still fear—of losing jobs, getting threatened, or being pressured by the old union reps—but that fear is slowly fading as more workers start standing up together."

– Union leader at industrial manufacturing facility

OUTCOME 2. TRANSPARENCY IN CBA AND UNION ELECTIONS: IMPROVED TRANSPARENCY OF UNION DUES USAGE

ILAB PROJECTS' CONTRIBUTIONS

SUB-OUTCOME

SC2. Education of worker leaders, coaching on reporting and transparent dues handling.

2022-2024: Shortly after registering with the FCCLR, four new independent unions in the mining and automotive sectors in San Luis Potosí, Morelos, and Coahuila adopted transparent practices for managing union fees. New unions broke with old union corrupt practices such as diverting union funds to the leadership, improving relationships between union leaders and members.

Unions' ability to collect member dues is essential to their institutional strength and sustainability. Project-supported unions used those funds to implement their plans, bargain, support laid off workers, obtain legal assistance, and other actions. Attaining Outcome 2 emphasizes the pathway towards union sustainability and a culture of accountability in the labor movement.

“In contrast with the old union, today colleagues have voice and vote, and everything is transparent regarding of what we do with the member dues. In the monthly town halls, our colleague Treasurer makes public how we use them, comparing revenue and expenditure. There is workers’ trust.”

– *Secretary General of mining democratic union*

ILAB-funded technological support to develop software solutions and capacity building strategies were central to strengthening the Mexican Government’s capacity to implement the 2019 labor reform. As follows, we describe the contributions of ILAB-funded technical assistance to three important outcomes in labor inspection and enforcement, as well as in the labor conciliation and justice system: Increased efficiency and effectiveness of labor inspections, improved capacity of federal and state conciliation centers, and higher resolution rate of conciliation and labor cases within a short timeframe.

OUTCOME 3. INCREASED EFFICIENCY AND EFFECTIVENESS OF FEDERAL AND STATE-LEVEL LABOR INSPECTIONS

ILAB PROJECTS’ CONTRIBUTIONS	SUB-OUTCOME	
CALLE. Development of a Data Intelligence System for Labor Inspections (SIDIL) to promote the efficiency of federal labor inspections.	2019-2024: The Federal Labor Inspectorate at the Ministry of Labor increased its collaboration with its General Direction of Statistics to promote inspection visit efficiency through the development of machine learning tools).	“Before working with AIR, picking inspection sites was mostly random—like drawing names from a hat. Now, thanks to a new machine learning model, we focus about 80 percent of visits on high-risk centers, using strong data from labor authorities, social security, tax, and housing benefit agencies to respond to accidents, complaints, and operations.” – <i>Federal labor inspectorate official</i>
Senderos. Support in drafting a protocol for inspections with clear processes and steps to inspect and remedy child labor.	2023-2024. Labor inspectors in Querétaro and other target states have made their inspections of workplaces more efficient, thorough, and collaborative, improving relationships with employers.	
CAMINOS. Helped 10 state labor inspectorates reorganize their work and streamline procedures.		

OUTCOME 4. STRENGTHENING THE SUPPLY OF LABOR CONCILIATION AND REGISTRATION SERVICES

ILAB PROJECTS’ CONTRIBUTIONS	SUB-OUTCOME	
SGLLE. Development of digital tools, digitalization, cataloging, knowledge transfer to FCCLR staff.	2023-2025: FCCLR launched the Labor Registry Information Repository (RIRL), a repository of over 600,000 digital labor documents (collective contracts, union records, and workplace internal rules) available to the public. This resource was accessed by 4,500 users per month on average.	
ENLACE. Support desk, adaptation, monitoring and knowledge transfer of SINACOL and SIGNO platforms in 16 LCCs. Review/evaluation of LCC systems, procedures and civil service manuals.	2022 - 2024: Labor Conciliation Center (LCC) of Nuevo León increased its rate of completed cases, relying on adapted SINACOL and SIGNO platforms, up to 81 percent.	
	2022 - 2024: LCC of Chihuahua, through its renovated conciliation processes, resolved 88 percent of local jurisdictional cases within 45 days, compared to less than 80 percent in federal jurisdiction.	

“SINACOL and SIGNO systems improve the efficiency of the conciliation work, in Nuevo León almost 300 conciliations are carried out daily with just 34 conciliators. AIR helped us adapt the SIGNO platform, so it assigned LCC notification agents in predetermined geographic areas rather than randomly, increasing efficiency and reducing transportation time and costs.”

– *LCC Nuevo Leon General Manager*

TECLAB worked closely with the labor courts in 10 target states to build their capacity to enforce the labor rights enshrined in the labor reform and discharge justice in coordination with the new labor conciliation system. These efforts faced contextual challenges as Congress reformed the judiciary, having judges being selected by popular vote starting in 2025.

In 2023-2024, the TECLAB project allocated ILAB funds to develop a **Bench Book on Collective Labor Law**, a milestone in the field of collective labor law designed to provide additional resources to federal and state judges on implementing the new procedures in collective labor law. The Bench Book offers accessible, expert-led guidance on Collective Labor Law procedures related to union disputes and strikes. It covers incidental and trial hearings, recount evidence, demand submission, legal standing, judicial-led conciliation, and procedures for initiating and qualifying a strike, serving as a practical resource for labor law practitioners.

OUTCOME 5. SUPPORT TO THE PROFESSIONAL PRACTICE OF LABOR JUDGES AND IMPLEMENTATION OF CAREER PROFILES FOR LABOR COURT STAFF

ILAB PROJECTS' CONTRIBUTIONS

SUB-OUTCOME

TECLAB. Operational assessment of State of Mexico's labor justice systems, improvement to job profiles for recruitment.

2023-2025: The labor courts in the State of Mexico increased their rate of jurisdictional cases resolved in an average of seven months or less rather than in one or more years to 52 percent.

"Labor courts in other Mexican states do not have such a developed management model as the State of Mexico and therefore, trials last longer. Expediting the case resolutions has contributed to supporting a stronger labor market and preventing more violence."

– Member of the Judiciary, Labor Practice – State of Mexico

LESSONS LEARNED

Workers' remaining information gaps on labor rights. While industrial workers continue increasing awareness about the labor reform and labor rights, many of them still lack information and have little to no incentive to demand better working conditions.

Increased Demand for Labor Justice Services Driven by Worker Organization Progress. Progress in worker organizations supported by technical assistance may drive increased demand for labor conciliation and justice services. As reflected in ILAB-funded projects, coordinated monitoring and cross-reporting would enable comprehensive insights into service supply, demand, quality, satisfaction, and impact.

Adapting Outreach Strategies to Female Workers' Needs. The logistics strategy should remain flexible and responsive, as many female workers balance multiple responsibilities, including caregiving, living in multigenerational or mixed-status households, and engaging in activities outside the home after their shifts.

Overlapping labor rights. Labor rights often overlap and interact within workplaces and worker organizations. Strengthening institutions to protect and promote these rights is more effective through integrated approaches.

Relevance of Program Maturity and Resources on Outcomes. Greater resources and longer project durations lead to more substantial and sustainable outcomes, including new independent democratic unions and a successful transfer of technological and institutional development solutions to federal and state labor authorities.

EVALUATION METHODOLOGY

The evaluation triangulated extensive qualitative sources using the Most Significant Change (MSC) method with project monitoring data and official secondary sources. Through robust narratives, the evaluation detailed who/what changed, how, when and where, as well as the significance of the change. The SC stories also documented the change's impact on populations most at-risk of labor exploitation and evidence of sustainability and ripple effects of these changes.

For access to the Evaluation Report and a selection of SC stories, visit [NORC's evaluation website](#).