R 172119Z AUG 04
FM AMEMBASSY MEXICO
TO SECSTATE WASHDC 9365
INFO ALL US CONSULATES IN MEXICO COLLECTIVE
DEPT OF LABOR WASHDC
DEPT OF COMMERCE WASHDC

UNCLAS MEXICO 006353

STATE FOR WHA/MEX, WHA/EPSC, EB/CBA
DOL FOR ILAB

E.O. 12958: N/A
TAGS: ECON, MK, PGOV, PHUM, PREL
SUBJECT: MAQUILAS, SECURITY, AND CORPORATE SOCIAL RESPONSIBILITY

REF: A. GUADALAJARA 1054
B. MONTERREY 0974
C. RITCHIE-CAMPBELL EMAIL 08 JULY
D. RENNER-CAMPBELL EMAIL 22 JULY
E. STEWART-CAMPBELL EMAIL 21 JULY
F. WEISBART-CAMPBELL EMAIL 14 JULY

1. Summary: With the spate of murders in Ciudad Juarez, Corporate Social Responsibility (CSR) and security in maquilas is growing concern throughout Mexico. Maquilas in other parts of Mexico do not share the security concerns faced in Ciudad Juarez. Parent companies that run the maquilas are becoming more sensitive to the need to educate their employees about personal security as a part of CSR. End summary.

2. The murders of women in Ciudad Juarez has focused attention on the safety of maquila workers. Many maquilas are located in the Ciudad Juarez area and many of its workers are young women who have come from other parts of Mexico. Unfortunately, some of these women have been victims in the
UNCLASSIFIED

Rash of murders that have taken place in Ciudad Juarez. However, Ciudad Juarez appears to have a significantly higher threat to the personal security of maquila workers than other locations in Mexico. Tijuana has security issues, but targeted threats to maquila workers is not one of them (Ref: B).

3. Ref: B is indicative of increasing CSR awareness. There are programs on health and occupational safety, family support, and how to handle emergencies that could arise in the plant. The maquilas are also taking steps to increase security, such as offering transportation to and from the maquilas (Ref: A). Although this does not address security between the drop-off point and where the person actually lives (Ref: C), it has helped. The consulates in Mexico, as well as the Embassy's economic section have reported a heightened security awareness among both associations representing maquila employees and the maquilas themselves. Other examples of heightened security awareness include making salary payments via direct deposit, doing background checks for the drivers that take the employees to and from work, providing security awareness classes, and anonymous suggestion boxes to register complaints (Ref: F). The latter two examples have been reported to be effective in the Ciudad Juarez maquilas and they show that personal security is becoming a part of CSR culture among the maquilas.

4. Most problems reported by the maquilas in other parts of Mexico are economic. Primarily, they concern the loss of jobs in the industry due to foreign competition (Ref: A) and problems with worker retention (Ref: D). However, security is not one of the problems that maquila associations complain of outside of Ciudad Juarez.

5. The maquilas generally have better all-around CSR programs largely due to their foreign ownership. In order to remain eligible for worldwide umbrella insurance programs covering their operations around the world they must comply with certain minimum security standards. For this reason, they are integrating security and job-safety programs as part of their CSR effort.

6. Comment: No other area of Mexico has reported the security problems plaguing Ciudad Juarez's maquila workers, perhaps (Ref: B) because the maquila worker force in Ciudad Juarez is largely migrant whereas in other areas the workers can draw on family support to keep them out of bad situations (Embassy's economic section reports, through interviews, that 75% of the maquila work force is female with an average age of 24 years). However, other border towns with high migrant
populations, such as Tijuana, do not face the same situation as Ciudad Juárez. This indicates that the personal security problems faced by women maquila workers in Ciudad Juárez go beyond workplace issues. The increased emphasis on CSR and security amongst maquila associations is encouraging, especially in Ciudad Juárez. Overall, the majority of the problems facing the maquila industry and maquila workers in Mexico are economic, not security.

Visit Mexico City's Classified Web Site at http://www.state.sgov.gov/p/wha/mexicocity

Garza

NNNN