The Mexican Federal Labour Code

by

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In April 1929 the National Congress of Mexico met to study and adopt a first draft for a Federal Labour Code, which had been prepared by the then President, Dr. Portes Gil. This draft had previously been examined by official bodies and by various authorities on social questions. It may be said to have been the work of the National Revolutionary Party, to which Dr. Gil and the former Presidents, Plutarco Elías Calles and General Obregón, belonged.

Dr. Portes Gil, whose term as President came to an end on 30 December 1929, had expressed a desire to see this Labour Code adopted, and the new President, Mr. Ortiz Rubio, elected on 17 November 1929, included as one of the most important points in his Presidential programme the approval of this draft, which became Federal law on 26 August 1931.

In view of the importance of the Code and its far-reaching effects, it is thought that a summary of its provisions, accompanied for purposes of comparison by references to analogous provisions in the legislation of other Latin America countries, will be of interest to readers of the Review.

Social Policy in Mexico before the Constitution of 1917

THE eminent Mexican sociologist, Mr. Enrique Martínez Sobral, in an article published in the Mexican journal *El Economista* for 16 September 1929, divided the Mexican movement for social reorganisation into three main periods, corresponding to the most important phases of the social development which began in Mexico with the revolution of 1910, and which culminated in the preparation by the Government in 1928 of a draft Federal Labour Code and its adoption in 1931.

According to Mr. Sobral, the first period in the " struggle to obtain a greater measure of justice in the relations between

capital and labour" was a period of chaos, which changed into a period of anarchy, succeeded in turn by a period of organisation. It is this last period which at present holds sway in Mexican social policy. Even during the first of these periods the working classes in Mexico had begun to have some idea of their social importance in the life of the nation. They realised that the period of oppression and tyranny had come to an end—oppression by the political and economic elements which had dominated the Republic since its independence, and tyranny which put down by force any attempt at collective action by the workers for their economic and social betterment.

During the first stage referred to above, the working class lacked sufficient consciousness of its position, and lacked also the cohesion and organisation necessary to have its aspirations translated into a legal and social system which would give the sanction of the law to their efforts for collective betterment. The first period of development and co-ordination of the social forces of the working classes ended with the adoption of the principles laid down in the Mexican Federal Constitution of 1917, which was a triumph for the workers and an unequivocal declaration of the recognition by the law of the rights of labour.

Principles of Social Policy contained in the Constitution of 1917

The Political Constitution of the United States of Mexico of 5 February 1917 devoted Part VI, entitled "Concerning Labour and Social Welfare", to a statement of the basic principles of social policy which were to be developed in the future.

Article 27 reserves for the nation the ownership of Mexican land and Mexican waters. Only Mexicans have capacity to acquire such property. According to Article 123, the Congress of the Union and the legislatures of the different States are to enact labour laws, taking account of the requirements of each district, but observing in every case the following principles, which are to govern the work of workers, day labourers, domestic employees, handicraftsmen, and, generally speaking, all work done under a contract of employment: the maximum working day is to be eight hours; the maximum duration of night work is to be seven hours; young persons over 12 years of age and under 16 may not work more than six hours a day; the employment of children under 12 years of age is not allowed. For

every six days of employment the workers must have at least one day of rest. During the three months preceding childbirth, women may not be employed on work requiring considerable physical effort ; for one month before confinement they are to have a compulsory rest with full pay, and their posts are to be kept open for them. The minimum wage paid to workers is to be enough to meet the normal needs of a worker in accordance with the customs of each district, the worker being considered as the head of a family. Equal wages are to be paid for equal work, irrespective of sex or financial needs. The minimum wage is exempt from taxation and deductions. The standard minimum wage and the methods of profit sharing are to be fixed by special Commissions ; wages must be paid in legal currency. The heads of agricultural, industrial, mining, and other undertakings must provide suitable and healthy dwellings for their workers.

Employers' liability is established for industrial accidents and occupational diseases, and heads of undertakings have to observe the legal regulations concerning health, cleanliness, and safety in the equipment of their factories.

Workers and employers are equally entitled to set up trade unions or occupational associations for the defence of their interests. The right to strike and to declare a lockout is recognised, and strikes are considered lawful when their purpose is to obtain a better balance between the various factors of production ; lockouts are lawful only when work has to be stopped on account of over-production, and only with the previous approval of the conciliation and arbitration boards. Any difficulties or disputes between capital and labour have to be submitted to a conciliation and arbitration board. If the employer refuses to submit a dispute to arbitration or to accept the board's award, the contract of employment is thereby terminated and the employer is obliged to pay three months' wages. If an employer dismisses a worker without valid reason, he must also pay three months' wages. Employment exchanges for workers may not charge any fees.

The Constitution declares that labour legislation is a national necessity if social life is to continue, and that the relations between workers and employers must at once be established on a definite basis founded on social justice—an idea which was later embodied in the Treaty of Versailles in 1919, Part XIII of which constitutes the International Labour Charter.

After the revolution of 1910-1911, various Mexican States began to draft social legislation. This effort, which at first suffered from a lack of co-ordination, method, and experience, gained strength after the proclamation of the Constitution of 1917.

History of the Federal Labour Act

The social legislation adopted by the separate States suffered from a lack of uniformity and co-ordination, which led to divergencies and difficulties in its application and in many cases to a great difference in the social conditions of the workers in the different States. This situation hindered the proper application of the principles laid down in the Constitution. The Government, which was then under the Presidency of General Obregón, accordingly decided that it was highly essential to enact a Federal Labour Code which should ensure the uniform application of Article 123 of the Constitution in the different States.

General Obregón succeeded in drafting the fundamental points of a Federal Labour Code. This work was faithfully carried on by Dr. Portes Gil, who later succeeded him as President of the Republic. As soon as Dr. Gil took office, he declared that a fundamental point in the programme of the Government would be the adoption of a Federal Labour Code based on the principles laid down in Article 123 of the Constitution.

In October 1928 the Government did in fact prepare a draft Labour Code, which, before being submitted to the Chamber, was placed before a large assembly of representatives of trade unions, employers, and technical officials of the State, convened by the President. This conference met on 15 November 1928 ; at that period the press was insisting on the urgency of adopting a Labour Code which should put an end to the anarchy then existing in the sphere of social legislation.

The sittings of this conference, which was opened by the President himself, were lengthy and not a little heated. The employers were strongly opposed to the regulations proposed by the Government. The workers, when dealing with the chapter on trade unions, expressed their discontent with the Government draft, and were strongly opposed to any official intervention in the internal management of the trade unions. As a result the workers' representatives belonging to the Mexican Confederation of Labour *(Confederación Regional Obrera Mejicana)* left the conference.

The chapter dealing with the individual contract of employment was also violently attacked by the workers, who wished at all costs to delete it, as they considered that the only acceptable form of contract was the collective agreement.

The chapter on social insurance met with so much opposition from both workers and employers that the Government finally decided to suppress it and submit a separate draft to Congress.

When the conference came to an end, the Government set to work to draft a fresh text, taking into consideration the various criticisms of the original draft made by both the workers' organisations and the employers' representatives. But the preparation of the new draft was delayed by a number of political events, and it was not until 9 July 1929 that the President convened an Extraordinary Session of Congress to examine it. At the first sitting it was pointed out that before examining the draft it would be necessary to amend the Federal Constitution by withdrawing the right granted to the separate States to legislate independently on social questions. The legislatures of the different States readily agreed to the necessary amendment, and the Act to amend Article 127 of the Constitution was passed on 31 August 1929.

When this difficulty had been got over, Congress was in a position to deal with the draft that had been submitted to it by the Government.

While the parliaments of the different States were ratifying the proposed amendment to the Constitution, the "National Revolutionary Bloc", which represents the present Government, decided to consult the workers and the employers again about the new draft.

In view of what had happened when the first draft for a Labour Code was submitted to the conference of employers and workers in 1928, it was decided on this occasion to consult the workers and the employers separately.

When Mr. Ortiz Rubio was elected President of the Republic on 17 November 1929, he declared that one of the main items on his programme was the approval of a draft Federal Labour Code which should give definite form to the principles laid down in Article 123 of the Mexican Constitution, and put an end to the social anarchy reigning in the matter of labour legislation, which was due to the differences in the legislations of the various States of Mexico.

With a view to carrying out this plan, the President of the

Republic appointed a Committee which drew up a third draft for a Labour Code.

It is interesting to note that the Mexican Federation of Chambers of Industry, which is the most powerful body representing employers in the country, publicly stated that it considered it necessary and urgent that the social principles laid down in Article 123 of the Constitution should be translated into facts and given the sanction of definite legislation. The Federation continued :

> It is urgent for capital to know on what basis it can work in Mexico. It is urgent to put an end to the unrest caused in the workers' minds by unfulfilled promises. It is urgent, lastly, that social justice should cease to be merely on the fringe of the law, and should become an integral part of it, and that the settlement of disputes should pass from the period of violence to the inherent equilibrium of the law, from the public streets to the law courts.

The National Revolutionary Bloc, which is the most powerful Party in the Mexican Congress, gave its full support to the idea of securing the rapid approval of the Federal Labour Code.

As soon as the President, Mr. Ortiz Rubio, received the draft, he submitted it to the Cabinet, which, after discussing, amending, and supplementing it, passed it on to Congress on 12 March 1931.

While various committees of Congress were discussing the draft, two main trends of opinion took shape among the workers. One, frankly hostile, was represented by the Mexican Confederation of Labour, which argued that, far from granting rights to the workers and improving their existing conditions, the draft was likely to make their situation worse. The other opinion was expressed by a group of workers' organisations which had been specially formed for the purpose under the title " Workers' United Front " ; it included the Federation of Transport and Road Workers, the Federation of Trade Unions of the Graphic Arts, the National Federation of Electrical Workers, the Federation of Workers of the Federal District, and the Union of Newspaper Workers and Journalists' Trade Unions. This group did not accept the proposals made by the Executive because it favoured the adoption of another Labour Act ; it had prepared a draft of its own which differed considerably from that submitted to Congress by the President. When it proved impossible to have this draft approved, the group decided to submit to Congress a memorandum containing a list of its objections on specific points.

An Extraordinary Session of Congress was convened to deal with the Federal Labour Code. On 20 July 1931 the Chamber of Deputies gave its general approval to the draft and immediately proceeded to the detailed discussion, in the course of which important changes were made. The draft was finally approved by the Chamber on 4 August 1931, and sent on to the Senate, which adopted it as a whole on 13 August ; and as the Federal Labour Act [1] it was promulgated by the President of the Republic on 28 August 1931. [2]

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[1] For the text of the Act, cf. INTERNATIONAL LABOUR OFFICE : *Legislative Series*, 1931, Mex. 1.

[2] It is interesting to note that practically all the countries of Latin America have taken steps towards codifying their labour legislation, and may thereby claim to have given legal sanction to the rights of labour in a systematic and harmonious body of principles of social justice which will help to solve the labour problem.

In Argentina a draft Labour Code was submitted in 1914, and a second draft in 1921. In 1927 a Committee appointed by ex-President Alvear, under the chairmanship of Mr. Carlos Saavedra Lamas, prepared a draft Labour Code after mature study, and submitted it to technical sections of the International Labour Office for examination. In 1928, lastly, a new draft was submitted to Congress by Senator Diego Luis Molinari. This draft was simpler but less complete than the one prepared by Dr. Alvear's Committee. None of these proposals has gained the approval of the Argentine Congress. *(Boletin Mensual del Departamento Nacional del Trabajo*, No. 187 ; Buenos Aires, 1929.)

In Chile, ex-President Alessandri submitted a complete draft Labour Code to the National Congress in 1921 ; it was partly approved in 1924, and later consolidated in Legislative Decree No. 178 of 13 May 1931.

In 1918, the Congress of Brazil considered a draft Labour Code, which was passed by the Chamber, but held up by the Senate. The Head of the Provisional Government, Dr. Jetulio Vargas, has stated that he is prepared to have a Labour Code passed. A number of important social laws have been enacted between 1930 and 1932, which will form the basis of this Code.

The Government of Colombia in 1930 submitted to the National Congress, through the Ministry of Industry, a draft Labour Code, which is now under consideration by the Chambers.

The former Ministry of Social Welfare and Labour of Ecuador, on 31 October 1927, submitted an outline of proposals for a Labour Code for consideration by the Government.

In 1931 the Government of Guatemala prepared draft labour legislation which is practically equivalent to a Code.

The Government of Honduras in 1932 submitted to the Legislative Assembly a Labour Bill which came up for discussion in that year.

The Codification Committee of Cuba, appointed by the Government in 1927, prepared a draft Labour Code in 1928.

The Peruvian Government appointed a Committee for the same purpose in June 1931.

In Panama Deputy Turner submitted a draft Labour Code to Congress on 22 November 1926, and the Government has given it its support.

The Supreme Administrative Council of Uruguay has also received an important draft Labour Code prepared by the Director of the National Labour Office, Dr. César Charlons ; this was submitted to the Chamber of Representatives on 17 November 1927, but has not yet been discussed.

The Government of Salvador is also preparing draft social legislation through the Institute for Social Reform.

The importance of Mexican social legislation can be suitably appreciated in the light of the great economic development of that country in recent years. The mineral wealth of Mexico is now one of its most important activities. It has gold, silver, copper, lead, zinc, mercury, and arsenic deposits ; the country's output of silver represents 50 per cent. of the world output. Petroleum is also produced in large quantities.

Agriculture has also developed rapidly, the chief products being maize, sugar cane, cotton, rice, coffee, etc.

In recent years there has been an enormous growth of industrial activity.

In 1928 there were in Mexico 92 sugar factories, 583 boot and shoe factories, 12 cardboard factories, 5 for cement, 14 for matches, 13 for preserves, 64 tanneries, 163 cotton spinning and weaving mills, 226 soap factories, 223 flour mills, 6 paper factories, 21 for chemical products, 26 for hats, 127 for tobacco, and 7 glass works. According to the statistics of Mexican industry for 1930, there were then 8,440 industrial establishments in the country. The capital invested in industry amounted to more than 224,000,000 pesos, and the most highly developed industries included 358 flour mills, 41 rice-flour factories, 3,478 bakeries and biscuit factories, 51 meat canning factories, 30 for starch, 31 for fruit and vegetables, 146 lime works, 73 brick and building-stone works, 48 marble works, 274 salt works, 1,355 weaving mills, 242 rope works, 16 match factories, 138 cigar and cigarette factories, and other industries of less importance.

The number of workers employed in agriculture and fishing was 3,470,000, in mines and quarries 279,000, in manufacturing industries 632,000, and in commerce 270,000.[1]

As regards the labour movement, it may be said that it is more important and more highly organised in Mexico than in any other country in Latin America. The great majority of workers employed in industry are organised in trade unions, which have in turn formed large federations. Among these, special mention should be made of the Mexican Confederation of Labour, as being the largest and most important ; in 1925 it had 1,500,000 members, but it subsequently lost a certain number when other separate federations were set up. In 1911 the Printers' Federation was formed, which was changed later into the

[1] *Statistical Year Book of the League of Nations, 1930-1931.* Geneva.

National Federation of Graphic Arts. There is also a Federation of Labour for the Federal District. Railway workers are organised in the Mexican Railwaymen's Alliance, which is independent of the Mexican Confederation of Labour.

In all the States of Mexico there are a number of trade unions, some of which have organised regional federations, while others belong to the Confederation of Labour.

In 1930, according to the statistics compiled by the Mexican Department of Statistics, there were in Mexico 2,435 trade unions, 211 mutual benefit societies, and 154 employers' organisations.

Fundamental Provisions of the Code

The Mexican Labour Act is a systematic body of social laws embodying advanced ideas of social justice. The general plan of the Act is good, although a certain confusion may be noted in the arrangement of some subjects, such as the provisions concerning the employment of women and young persons, the minimum wage, and conciliation and arbitration boards.

The Act is divided into eleven parts, preceded by an interesting preamble which explains the general principles on which it is based.

Scope

The scope of the Act is defined in section 1, which states that it is to be observed throughout the whole Republic and is to be enforced by the Federal and local authorities. This provision, in line with the corresponding constitutional reform, is of great importance and might serve as an example for other federal States where legislation is rendered difficult by the autonomy of the separate States.

The Act does not apply to relations between the State and its servants, which will be regulated by Civil Service laws to be enacted later.

The Act defines a worker as any person who performs for another any material or intellectual service, or both, under a contract of employment. An employer is defined as any person or body corporate employing another for the performance of services under a contract of employment. Freedom to work is fully guaranteed and protection is given to all who wish to engage in any lawful occupation, industry, or trade.

With a view to protecting its own nationals, the Act provides that employers must employ 90 per cent. of Mexicans or naturalised foreigners of white race. [1]

In order to guarantee freedom of commerce and prevent a monopoly of articles of prime necessity, the Act establishes the right to engage freely in commerce at places of employment, and the right to travel freely and transport goods for sale. It sets up free employment exchanges, as has already been done successfully in Argentina and Chile.

For the purpose of protecting the race against alcoholism it is provided that no place for the sale of intoxicating drinks or establishment for games of chance may be set up within a radius of 4 kilometres from any place of employment.

The Contract of Employment

Special chapters of the Act deal with the contract of employment. Since the triumph of the Mexican Revolution, which was carried through largely with the support of the Confederation of Labour, the aim of the workers' organisations in Mexico has been to substitute collective agreements for individual contracts wherever possible ; this tendency is clearly reflected in the Act.

The Individual Contract of Employment.

The provisions of the Act concerning the individual contract are very similar to those of the French Labour Code. In the first place, in order to protect the workers and guarantee the faithful observance of the contract, it is provided that all contracts must be in writing ; their period of validity is limited to one year, since conditions of life and of employment may change profoundly within a comparatively short period.

As an exception to the general rule that contracts must be in writing, oral contracts are permitted for agricultural work, domestic service, casual or seasonal employment for not more than 60 days, and specific jobs of a value not exceeding 100 pesos.

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[1] In this connection it may be noted that the Brazilian Act of 1930 lays down that 75 per cent. of the workers employed in any undertaking or industry must be Brazilians. In Chile, the Act of 13 May 1931 provides that 85 per cent. of the persons employed by any one employer must be of Chilian nationality. In Salvador the Act for the protection of commercial employees states that 80 per cent. of the staff of all commercial undertakings must be nationals of Salvador.

The Act provides that persons of both sexes over the age of 16 shall be capable of concluding contracts of employment. In the case of persons under that age the contract must be concluded by the father or legal representative ; in their absence it must have the approval of the trade union to which the worker belongs, or failing that of the local conciliation and arbitration board or the competent administrative authority. This shows the genuine desire to safeguard the interests of minors, who are given full legal capacity in matters of employment at the age of 16. A married woman does not require the consent of her husband to conclude a contract of employment or to exercise any rights arising therefrom.

Certain provisions of the Act aim at protecting Mexican workers who go abroad to work for an employer or for a specified undertaking. The contracting parties, whether individuals or undertakings, must draw up the contract in writing and have it attested by the competent authorities ; a sum to cover the travelling expenses and cost of food of the worker and his family for the double journey must be deposited by the employer with the Mexican authorities.

The details of the written contract are the same as in all special legislation concerning the contract of employment, such as the French Labour Code, the Chilian Labour Act of 13 May 1931 (sections 3 et seq.), the Ecuador Act of 6 October 1928, and the Guatemalan Act of 1926. The contract must state the nationality, full name and address of each of the contracting parties, the nature of the services to be rendered, the duration of the contract, the daily hours of work, the wages or salary to be paid, and the place in which the services are to be performed.

Any provision of the contract which is contrary to the Labour Act is considered null and void. So also is the assignment of wages in advance to third parties, except in the case of trade union contributions. In particular, any clause is null and void which provides for : (*a*) a longer working day than that permitted by the Act ; (*b*) the performance of dangerous or unhealthy work or night work by young persons under 16 ; (*c*) the employment of children under 12 years of age ; (*d*) differences in wages on account of age, sex, or nationality ; (*e*) overtime for young persons under 16 years of age ; (*f*) a wage lower than the minimum wage ; (*g*) an interval of more than one week between successive pay-days ; (*h*) the payment of wages in places of amusement, public-houses, etc. ; (*i*) compulsion for the worker

to make his purchases in any given place ; (*j*) the deduction of fines from wages by the employer.

The Act indirectly prohibits the employment of children under 12 years of age by stating that any clause of a contract providing for their employment is null and void.

With regard to the suspension or denunciation of contracts of employment, the Act follows in general the classical principles of the Civil Law concerning the termination of contracts, with certain special provisions due to the social and economic nature of contracts of employment.

Collective Contracts of Employment.

Chapter II of Part II deals with collective contracts of employment, which may be concluded by one or more employers with one or more trade unions.

Every employer employing workers belonging to a trade union must conclude a collective contract with the union if asked to do so.

The trade unions must prove their legal capacity to enter into a collective contract by production of their rules of association. Every collective contract must be drawn up in writing and in triplicate, one copy being kept by each party and the third being filed with the appropriate conciliation and arbitration board, or in default of such board with the municipal authority.

Every collective contract must contain provisions more or less similar to those of the individual contract : the amount of the wages, the hours of work, the rest periods and annual holidays, and the quantity and quality of the work.

Collective contracts may include a clause binding the employer to employ only members of a trade union.

A collective contract may be concluded for an indefinite period, for a fixed period, or for specified work.

If a collective contract has been concluded between two-thirds of the employers and two-thirds of the trade unionists in any specified branch of industry in a specified district, it will become binding on all employers and workers in that branch of industry and district if this is prescribed by Decree.

A collective contract may be subject to revision in whole or in part every two years.

In the matter of collective contracts of employment it may be said that the Mexican legislation is one of the most advanced in

the world and is the logical result of the influence the trade unions exert in that progressive country.[1] The trade union movement in Mexico, in spite of the divisions which still exist, is the most highly organised and has the most clearly defined policy of any in Latin America.

Hours of Work and Statutory Holidays

In accordance with the Constitution, the Act prescribes a maximum working day of 8 hours, falling between 6 a.m. and 8 p.m. Night work means work performed between 8 p.m. and 6 a.m. and must never exceed 7 hours.

The principle of the 8-hour day is one of the fundamental points of Part XIII of the Treaty of Versailles, and was accepted by the first International Labour Conference held at Washington in 1919.

The working day for persons between the ages of 12 and 16 years may not exceed 6 hours.

When, on account of special circumstances, an agreement is made to work for more than 8 hours a day, all work in excess of that figure is considered as overtime, which may not exceed 3 hours a day on 3 consecutive days in any one week, thus making a possible total of 57 hours in the week. It will be remembered that the Washington Conference fixes a maximum of 56 hours for this case.[2] The rate of pay for overtime is double the normal rate.

The Mexican Act prohibits overtime, night work, and employment in unhealthy or dangerous occupations, for women and for young persons under the age of 16.[3]

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[1] It should be noted that the Chilian Labour Act (sections 17 to 23) and the Brazilian Decree No. 19,770 of 19 March 1931 lay down the general principles of the conclusion of collective agreements, but not in such complete detail as the Mexican legislation.

[2] On the question of the 8-hour day Latin America has shown a definitely progressive spirit which is worthy of attention. Uruguay, for example, was the second country in the world (after New Zealand) to adopt the 8-hour day by the Act of 13 February 1915; Ecuador did the same by the Acts of 4 September 1916 and 6 October 1928; Chile by the Acts of 8 September 1924 and 13 May 1931; Brazil by Act No. 21,367 of 4 May 1932; Argentina by Act No. 11,547 of 12 September 1929; Costa Rica by the Decree of 6 August 1920; Cuba (for State workers and employees) by the Act of 26 January 1909; Peru (for State workshops, railways, agricultural and industrial undertakings) by the Act of 15 January 1919; and Guatemala by the Act of 30 April 1926.

[3] See below under the heading "Protection of Women and Young Persons".

The Act gives the workers the right to at least the following holidays with pay: four working days after one year's service, and six working days after two years' service. The employer is entitled to reduce the number of days' leave if the worker has been absent without sufficient reason. [1]

The Act also provides that the worker must have one day's rest for every six days' work.

Wages

As wages constitute the most important item in the contract of employment, the Act is careful to safeguard them in great detail. In the first place, the wage may be freely fixed by the parties, but may in no case be less than the minimum wage. Equal wages must be paid for equal work, irrespective of sex or nationality.

In order to prevent the worker from having to resort to credit because of too long an interval between successive pay-days, it is provided that this interval shall not be more than a week for industrial and agricultural workers and fifteen days for domestic servants and other employees.

Wages must be paid at the workplace and in legal currency, and not in goods, vouchers, or tokens. They must be paid directly to the worker or to some person appointed by him. Payment may not be made in places of amusement, inns, cafés, canteens, or public-houses. No deductions may be made from wages by way of fines.

An important provision of the Act is that dealing with the minimum wage, i.e. the wage deemed sufficient to satisfy the normal needs of the worker, considered as the head of a family, for subsistence, education, and reasonable amusements, allowing for the fact that he must have the necessary means of subsistence during the weekly rest days when he receives no wages. Special boards are set up to fix the minimum wage, consisting of representatives of employers and workers and of the local municipal

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[1] Here again the legislation of some other Latin American countries may be mentioned. In Brazil, Act No. 4,982 of 24 December 1926 grants 15 days' annual holiday with pay to all salaried employees and workers in commercial, industrial and banking undertakings. In Chile the Act of 13 May 1931 provides that workers who have worked for 220 days in a year in an undertaking or office shall be entitled to 7 days' annual leave with full pay (section 98), and that employees who have served for more than one year shall be granted 15 working days with full pay (section 158).

authority. The minimum wage is not liable to seizure, set-off, or deductions.

The provisions of the Mexican Act on the protection of wages are similar to those of the social legislation of all the other countries of Latin America without exception ; they aim essentially at preventing the truck system, which is so common in those countries.

Rules of Employment

The Act recognises rules of employment determining the conditions under which the work is to be performed in the undertaking. These rules must be submitted for approval to a joint committee of employers and workers unless they are drawn up in accordance with a collective contract. On this point, as on many others, the provisions of the Federal Labour Act are amongst the most advanced and the most complete that there are. [1]

Protection of Women and Young Persons

Age of Admission to Employment.

We have already seen that the part of the Act dealing with the contract of employment fixes the minimum age for the admission of children to employment at 12 years. This age was presumably selected on account of Article 123 of the Constitution which contains this figure. It will be remembered that the Washington Convention fixes 14 years as the minimum age.

On this point it is to be regretted that the Mexican Act is not very advanced from the social point of view, and that it is behind the legislation of several other countries of Latin America, which have fixed the minimum age for admission to industrial employment at 14 years. [2]

For maritime work, too, the Mexican legislation is not in harmony with the International Labour Conventions. In fact, the Convention adopted at the Genoa Conference in 1920 fixed

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[1] The Chilian Act of 13 May 1931 (section 92), deals with these rules, but provides that they have to be approved by the General Labour Inspectorate only, without the intervention of the workers.

[2] In the following countries the minimum age for the admission of children to industrial employment is fixed at 14 years : Argentina (Act of 30 September 1924, section 2) ; Chile (Act of 13 May 1931, section 47) ; Ecuador (Act of 6 October 1928) ; Venezuela (Act of 23 July 1928, section 129) ; and Brazil (the Juvenile Welfare Code, with certain exceptions). In Guatemala the Labour Act of 30 April 1926 (section 23) fixes the minimum age at 15 years.

the minimum age for admission to employment at sea at 14 years, and the only provision on the matter in the Mexican Act is a clause in the chapter dealing with apprenticeship which states that " apprentices under 16 years of age shall not be admitted to maritime employment ". Further, the Mexican Act makes no distinction between the different types of employment on board ship, so that young persons 16 years of age may be employed as trimmers or stokers. It will be remembered that the International Labour Conference held at Geneva in 1921 fixed a minimum age of 18 for this work.[1]

For agricultural work, the minimum age of admission is fixed in Mexico at 12 years for all kinds of work, without regard to the hours of school attendance. The Convention adopted by the International Labour Conference held at Geneva in 1921 provides that children under 14 years of age may not be employed in agricultural work " save outside the hours fixed for school attendance ". This principle is respected in almost all the legislations of Latin America.

Dangerous and Unhealthy Work.

Chapter VII of Part II prohibits the employment of young persons under 16 years of age in places for the sale of intoxicating drinks and on dangerous or unhealthy work.[2] The same rule applies to women.

Work is considered dangerous when it involves the greasing, cleaning, inspection, or repair of machinery, underground or submarine work, or the manufacture of explosives or other inflammable substances. Work is considered unhealthy when it involves the handling of poisonous substances, or the presence of harmful gases, fumes, or dust.

Night Work of Women and Young Persons.

The Act prohibits the employment of women and young persons under 16 years of age during the night.

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[1] The Chilian Act of 13 May 1931 fixes 18 years as the age of admission to employment at sea.

[2] In the following countries of Latin America the corresponding age is 18 years: Argentina (Act No. 11,317 of 30 September 1924, section 9); Chile (Act of 13 May 1931, section 46); Guatemala (Labour Act of 30 April 1926, section 28); Peru (Act of 23 November 1918, section 2); Venezuela (Labour Act of 23 July 1928). In Colombia (Act No. 48 of 29 March 1924, section 4) the corresponding age is 14 years, and in Ecuador (Act of 6 October 1928, section 8) it is 16 years.

It will be remembered that the International Labour Conference held at Washington in 1919 adopted two Conventions prohibiting the employment of women and young persons under 18 years of age during the night, in accordance with the principles laid down in the Treaty of Versailles.

A comparison of Mexican legislation with that of the other countries of Latin America leads to the conclusion that on this point the Federal Labour Act has not reached the same stage of progress as have these other countries, and that it is not in harmony with the International Labour Conventions.[1]

Maternity Protection.

An important provision of the Act grants women the right to leave their work three months before childbirth if their work requires any considerable physical effort. Apart from this, the provisions of the Act concerning the rest period for women before and after childbirth do not go very far : only eight days are granted before childbirth and one month afterwards, with wages for that period. It is to be regretted that the Mexican Act

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[1] Recent legislation in Latin America has been in conformity with the Washington Conventions in prohibiting night work for women and for young persons under the age of 18.

For example, in Argentina the Act of 30 September 1924 for the protection of women and young persons (section 6) prescribes that no woman or young person under 18 years of age may be employed on night work, which is taken to mean work done between 8 p.m. and 7 a.m. except in hospitals and domestic service.

In Chile the Labour Act of 13 May 1931 (section 48) provides that all night work —i.e. work done between 8 p.m. and 7 a.m.—in industrial undertakings shall be prohibited for women and young persons under 18, except in undertakings in which only members of the same family work under the authority of one of them.

In Brazil the Decree of 19 May 1932 on the conditions of work for women in industrial and commercial undertakings prohibits their employment between 10 p.m. and 5 a.m. ; and the Juvenile Welfare Code of 13 October 1927 (section 109) provides that young persons under 18 shall not be employed on night work, which is defined as work done between 7 p.m. and 5 a.m.

In Ecuador the Act of 7 December 1928 on the employment of women and young persons (section 6) contains a provision similar to that of the Mexican Code prohibiting night work for women and young persons under 16.

In Guatemala the Labour Act of 30 April 1926 (section 25) prohibits the employment of young persons under 18 on night work, which is defined as work done between 7 p.m. and 7 a.m.

In Peru the Act of 23 November 1918 on the employment of women and young persons prohibits the employment at night of women and of young men who have not completed their 21st year, except when they have shown themselves to be physically fit at the age of 18. It may therefore be said that the Peruvian legislation is the most advanced in this matter.

In Venezuela the Labour Act of 23 July 1928 (section 13) prohibits night work for young persons under 18.

is here less advanced than certain other systems of legislation in Latin America which are in accordance with the Washington Convention. [1]

Duties of Employers

The Act then goes on to deal with the employers' duties, which include the provision of healthy dwellings for their workers at a rent not exceeding one-half per cent. per month of their value. A variety of hygiene and safety measures are prescribed, and elementary schools must be provided for the workers' children in rural centres which are more than 3 kilometres from a village.

It then specifies the workers' duties. Subsequently it deals with methods of altering contracts of employment and the grounds on which they may be suspended, cancelled, and terminated.

Domestic Service

A special chapter is devoted to the protection of domestic servants. The term covers workers of either sex who as a rule perform the work of cleaning and attendance and other tasks connected with the interior work of a house or other dwelling or place of sojourn. The provisions of this part of the Act do not apply to domestic servants employed in hotels, inns, hospitals, and other similar commercial establishments, who are governed by the provisions respecting contracts of employment in general.

Among the employer's duties are to treat his domestic servants with proper consideration, provide them with board and lodging, and, in case of sickness which is not chronic, to pay their wages for a period not exceeding one month even although they are not working, and to provide medical attendance until they are cured or taken in charge by a public or private cha-

[1] A compulsory rest period of six weeks before and six weeks after childbirth (with 50 per cent. of wages in Argentina and Chile) is prescribed in Argentina, by the Act of 30 September 1927 ; Chile, by the Act of 13 May 1931 ; and Brazil, by the Act of 19 May 1932. In Ecuador the Act of 6 October 1928 grants a rest of three weeks before and three weeks after ; in Guatemala the Act of 30 April 1926 grants four weeks before and five weeks after ; and in Peru the Act of 23 November 1918 grants twenty days before and forty days after childbirth.

ritable institution. In case of death he must pay the funeral expenses.[1] The employer must also give his servants facilities for attending evening classes.

Employment at Sea

A special chapter deals with regulations for employment on board ship at sea and on navigable waterways. The articles of agreement must be drawn up in quadruplicate, one copy being sent to the harbour authority or the consul, as the case may be. The agreement may be for a definite or indefinite period or for a voyage. The owner of one or more vessels, as the employer, must sign an agreement with the crew or with the trade union to which a majority of the crew belongs. An agreement is also compulsory and the same rules must be observed in the case of vessels of foreign nationality which have a Mexican crew. An agreement may not be cancelled when the vessel is abroad or in an uninhabited place.

Employers are liable under the general provisions of the Act in respect of any accidents occurring on board. There are special regulations for the inspection of vessels with a view to ensuring their safety.

The Act also contains provisions concerning agreements for employment on vessels engaged in inland or river traffic.

By assigning a special chapter to employment at sea the Mexican Code represents a great advance in dealing with the subject. In the other countries of Latin America, the Chilian Act of 13 May 1931 is the only one that has a special section dealing with maritime work.

Employment on Railways

Another chapter of the Act deals with employment on railways. It provides that railway undertakings must employ only Mexican workers, except for managerial or technical posts, and then only when no Mexicans are available.

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[1] Domestic servants are a class which has been very much neglected in the social legislation of Latin America. In addition to the provisions of the Mexican legislation summarised above, the Chilian Labour Act of 13 May 1931 devotes a special section to this class of workers, which is very similar to that of the Mexican Labour Code. In Brazil, Act No. 16,107 of 30 July 1923 contains detailed regulations for the conditions of employment of domestic servants. Apart from these, there are only isolated provisions in various laws referring to domestic servants.

The Act states that the working day for railwaymen shall be adjusted to the needs of the service. Subject to agreement between the parties, time worked in excess of 48 hours a week by day, 45 hours partly by day and partly by night, and 42 hours by night may be considered as overtime.

Agricultural Work

A novel feature of the Mexican Code is the Chapter containing regulations for the employment of agricultural workers *(peones de campo),* i.e. persons of either sex who perform by the day or by the job the work proper to and customary in an agricultural, stock-raising or forestry undertaking. The owners, tenant farmers, or produce-sharing tenants who enter into contracts for their services are deemed to be the employers.

It is provided that part of the payment in respect of an industrial accident or occupational disease incurred by a worker employed by a tenant farmer or produce-sharing farmer shall be made by the agricultural employer, in proportion to his share in the division of the harvest in the case of a produce-sharing tenant, and to the rent in the case of a tenant farmer.

The Act then defines the obligations of the agricultural employer. These include the supply free of charge of a dwelling satisfying the necessary conditions as to hygiene, the provision of medical attendance, medicaments, and curative appliances where this is possible, and in other cases of the most indispensable medicaments, which must be provided free of charge in case of accident, tropical diseases, or other diseases peculiar to the district in question ; in such cases he must also pay half the wage. On farms of more than 50 hectares the employer must also provide certain categories of workers with a plot of land for their own sowing, the area of the plot being fixed by agreement or by custom.

The employer must allow his workers to cut free of charge the firewood indispensable for domestic use and timber for the repair and enlargement of their dwellings ; hunting, fishing, and sufficient grazing for three head of cattle must also be allowed.

The employer must allow a market to be held on his estate on one day in each week, and he must allow all vendors free access thereto.

The Mexican Code may be considered the most advanced in

the matter of regulations for the employment of agricultural workers.

Since their colonisation agriculture has been one of the chief activities of the countries of Latin America. Even before the Conquest agriculture had attained considerable development, and it has grown still more since that time. It now provides occupation for a large proportion of the population of these countries, which may be estimated at about 90 per cent. of the working-class population in most of them, and between 60 and 70 per cent. in semi-industrial countries. In spite of these circumstances agricultural workers have generally been left on the verge of social legislation, and, with few exceptions, protective provisions for them are found only in isolated laws. [1]

Small Undertakings

Another chapter of the Act deals with small-scale undertakings, family workshops, and homework.

Small-scale undertakings are those employing not more than ten workers if power-driven machinery is used and not more than twenty workers if power is not used.

Homework means work performed by a person to whom articles or raw materials are delivered to be made up in his own home or at any other place not under the immediate supervision or management of the person who supplied the materials.

Family workshops are those in which the workers are exclusively the husband or wife, relatives in the descending line, and wards of the employer. [2]

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[1] Besides the Mexican Code, the Chilian Labour Act is the only one which has a special chapter (sections 75 to 82) regulating the employment of agricultural workers. Uruguay has fixed a minimum wage for agricultural workers by the Act of 15 February 1923. The Labour Act of Vera Cruz of 12 July 1928 applies also to agricultural undertakings.

A large number of Acts concerning compensation for industrial accidents apply also to agricultural workers; for instance, the Chilian Act of 13 May 1931, the Argentine Act of 11 October 1915, the Bolivian Act of 19 January 1924, and the Brazilian Act of 15 January 1919.

In certain countries of Central America the position of the native workers, almost all of whom are employed on agricultural estates, is not far removed from slavery, and protective legislation has had to be enacted for them, as, for instance, in Guatemala and Nicaragua.

[2] A number of laws on homework have been enacted in Latin America. The chief of these, apart from the provisions of the Mexican Act, is the Argentine Act of 8 October 1918. The Chilian Labour Act of 13 May 1931 also contains a chapter dealing with homework. This legislation, which is similar in its fundamental principles, aims at preventing the exploitation of workers employed in their own homes, which is very general and has given rise to the sweating system.

Employers in small-scale undertakings have the same obligations under the Act as employers in general. Nevertheless, with regard to liability for occupational injuries, the conciliation and arbitration board which deals with the claim is entitled to fix the amount of the compensation and the time limit for its payment, taking into account the injury incurred and the financial ability of the employer, provided that the compensation may not be less than 20 per cent. of the figure fixed by the Act for industry in general. Compensation for occupational injuries does not apply in family workshops.

Small-scale undertakings, family workshops, and homework are all subject to the supervision of the labour inspectors, and all the provisions relating to sanitation and hygiene must be observed in them. The inspectors are responsible for special supervision to ensure that the remuneration received by homeworkers is not less than is paid in a workshop for an equal output.

Contract of Apprenticeship

Another chapter of the Act deals with the contract of apprenticeship. This means a contract under which one of the parties binds himself to perform personal services for the other in return for instruction in a craft or occupation.

Employers and workers are bound to admit into every undertaking a number of apprentices amounting to not less than 5 per cent. of the total number of workers in each occupation or craft working in the undertaking. If there are less than 20 workers in the undertaking, one apprentice may nevertheless be employed.

Apprentices under 16 years of age are not admitted to maritime and railway employment.

In the matter of the regulations for the contract of apprenticeship, the Mexican Labour Act is undoubtedly very advanced, and constitutes the only legislation in Latin America dealing with this important subject.

Industrial Associations

In accordance with the principle laid down in Article 127 of the Constitution, the Act recognises the right of employers and workers to complete freedom of association for the defence of their interests. The definition of industrial associations given

in the Act is similar to that in French legislation : " An industrial association is an association of workers or employers engaged in the same occupation, trade, or craft, or in similar or related occupations, trades, or crafts, constituted for the study, advancement, and defence of their common interests. "

The Act recognises three classes of associations : craft unions, consisting of persons of the same occupation, trade, or craft ; works unions, consisting of persons of different occupations, trades, or crafts engaged in the preparation, working up, or exploitation of the same product in the same undertaking ; and industrial unions, consisting of persons of different occupations, trades, or crafts engaged in the preparation, working up, or exploitation of one or more products in two or more undertakings.

Neither employers nor workers require any previous authorisation in order to form industrial associations. Freedom of association implies also the right not to belong to an association : the Act prescribes that no one may be forced to become a member of an association.

Industrial associations must be composed of not less than 20 workers in the case of trade unions, and 3 employers in the same branch of industry in the case of employers' organisations.

A married woman exercising an occupation or trade may become a member of an industrial association and take part in its management and direction without the authorisation of her husband.

Although the principle of freedom of association is so fully guaranteed by the Act, certain conditions must be fulfilled before an association can be considered legally constituted. It must first be registered with the competent conciliation and arbitration board, to which it must submit in duplicate the minutes of the meeting at which the association was formed, the rules, the minutes of the meeting at which the committee of management was elected, and the number of members composing the association.

When these requirements have been fulfilled, no authority may refuse to register the association. Any instruments executed by an association which has not complied with these requirements are null and void.

The rules of an association must state its name, its address, its objects, the rights and duties of the members, the method of appointing the committee of management, the conditions for

the admission of members, the grounds and procedure for expulsion, the methods of paying and managing contributions, the dates of the general meetings, the date for submitting the accounts, and the rules for the winding up of the association.

The Act provides that legally registered associations shall be bodies corporate, and legally capable of acquiring movable property. With regard to real property, they are entitled to acquire only buildings intended immediately and directly for the purposes of the association.

The Act then states the duties of industrial associations, which include giving the information requested by the labour authorities and notifying the authorities, within ten days of each election, of any changes in the committee of management.

Industrial associations may not interfere in religious or political matters, engage in commerce for purposes of gain, employ coercion against workers who are not members in order to compel them to become members of the association, or encourage offences against persons or property.

Industrial associations may form federations and confederations.

The importance of the trade union movement in Mexico is clearly reflected in the above regulations. There is probably no legislation in Latin America which is more complete than the Mexican Act on the subject of freedom of association. This may safely be said, in spite of the criticisms directed by Mexican trade unions against the Act as setting up a rather excessive degree of intervention by the State in the affairs of industrial associations. [1]

The chief and most important function assigned to industrial

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[1] It is true that the political Constitutions of most of the Latin American countries recognise freedom of association; this is the case, for example, in the Constitutions of Argentina, Brazil, Chile, etc. But there are few of these countries which have adopted regulations for the application of the principle, or which, in doing so, have really given complete freedom of association.

Among the laws on industrial associations there should be mentioned the Chilian Labour Act of 13 May 1931, Part III of which deals with the subject, but by making the legal existence of the industrial associations subject to the approval of the President of the Republic it gives an exaggerated degree of control to the Executive.

In Brazil freedom of association is regulated by the Act of 19 March 1931, which enforces strict control by the State of any industrial associations set up, which must be recognised by the Ministry of Labour. The Brazilian Act also prohibits the Trade Union Federation from becoming affiliated to foreign trade union organisations, and lays down strict rules for federations of trade unions, prescribing the form in which they must be constituted.

associations by the Act is that of concluding collective agreements, which have reached a higher stage of development in Mexico than in any other country of Latin America.

Combinations, Strikes, and Lockouts

The Act recognises the right of combination and the right to strike, a strike being defined as a temporary suspension of work by the workers.

The purpose of a strike must be: (1) to obtain equilibrium between the different factors of production, bringing the rights of labour into harmony with those of capital; (2) to obtain from the employer the conclusion of or compliance with a collective contract of employment; (3) to exact the revision of a collective contract upon the expiration of its period of operation; (4) to support a strike for any of the above purposes.

The Act considers strikes as unlawful if a majority of the strikers commit acts of violence against persons or property, and, in wartime, if the workers belong to establishments or services under the Government.

According to the Act, a strike may not be declared unless its sole purpose is one of those specified above, and unless it is declared by a majority of the workers of the undertaking concerned.

Before declaring a strike, the workers must forward their application in writing to the employer, and fix in it a time limit of not less than six days for compliance, except in the case of public services, in which notice must be given ten days in advance. In addition, a copy of this application must be sent to the competent conciliation and arbitration board, and the workers must wait and see whether the employer or his representatives reply within the time limit laid down.

Various regulations deal with cases in which strikes are unlawful and the procedure to be adopted by the conciliation and arbitration board.

If the board decides that a strike is unlawful or is not declared for one of the purposes specified in the Act, it may then declare that the contracts of employment are terminated, without prejudice to the civil and penal liabilities incurred by the strikers for failing to fulfil their contracts.

Severe penalties are prescribed when a strike is not declared by the majority required by the Act. In this case the conciliation

and arbitration board which has to deal with the dispute, before beginning its investigations, must declare that a state of strike does not exist, and must fix a time limit of 24 hours for the workers to return to their work, warn them that their contracts will be terminated by the mere fact of their not returning to work, and that they themselves will incur civil liability for not fulfilling their contracts. The employer, on his side, incurs no liability, and is free to conclude contracts with other workers.

If a strike is declared and any of the formalities laid down in the Act are omitted, the workers are paid no wages for the days they are on strike, even if the conciliation and arbitration board decides that the strike has a lawful purpose—i.e. one of those specified above— and that the employer is at fault.

On the other hand, in all cases when the board declares that a strike is lawful and that the employer is at fault, it must expressly order the employer to pay the wages due for the whole period of the strike.

Strikes may be settled not only by the intervention of the conciliation and arbitration board, but also by direct negotiations between the employers and workers, or by an arbitration award of some person or persons freely chosen by the parties.

In order to safeguard the right to strike and prevent the employer from breaking the strike by engaging workers to replace the strikers, the Act prohibits employers from concluding new contracts of employment, either with strikers or with any other persons, except in cases where the strike is considered unlawful.

Without prejudice to this provision, the employer is authorised to retain such workers as are indispensable in order to prevent the loss or damage resulting from a total stoppage of the undertaking.

The Act also deals with lockouts, which are permitted only when there is over-production and a suspension of work is necessary to maintain prices within reasonable limits. Permission must first be obtained from a central conciliation and arbitration board, which may only give it after hearing the parties concerned. When work is resumed, the employer is obliged to engage the same workers as before. If a lockout is declared without satisfying these conditions, or by the voluntary creation by the employer of a state of emergency in an industry, the employer is subject to the penalties provided by the Penal Code and by the Labour Act itself. In such cases the employer is

obliged to pay his workers the wages they should have received during the whole of the stoppage of work. When the lockout is accepted by the board, the employer is not obliged to pay any wages.

Occupational Injuries

The Act considers as an occupational injury any accident or disease to which a worker is exposed in the course of or in consequence of his employment, and which may cause his death or incapacity of any kind.

The occupational injuries dealt with by the Act are industrial accidents and occupational diseases, which are enumerated in a supplementary schedule. Full liability for occupational injuries is prescribed.

The question of social insurance has been left to be dealt with in later legislation.

There is no need to go into details on this question, as it is of a general order, and is moreover dealt with in all the social legislations of Latin America.

A first-aid outfit must be kept in all factories and workshops, and an ambulance room in charge of a surgeon must be established in factories employing from 100 to 300 workers. Every employer who has more than 300 workers in his employment must maintain at least one sick-room or hospital under the supervision of a doctor. These services must in every case be provided with the necessary technical material. In order to prevent the engagement of foreign doctors in industrial undertakings financed by foreign capital, the law makes it compulsory for the doctor to be a Mexican, who has passed his examinations at the National University and speaks Spanish.

The compensation due must be paid in full. The Act provides for optional insurance by employers against industrial injuries. Employers must provide insured workers with the necessary medicaments, curative requisites, and medical attendance. [1]

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[1] It was in this matter of industrial accidents that the first measures for the protection of workers were adopted in almost all the countries of Latin America, with some slight differences of principle : in Argentina by the Act of 11 October 1915, supplemented by several later Decrees ; in Bolivia by the Act of 19 January 1924 ; in Brazil by the Act of 15 January 1919 ; in Chile by Acts of various dates from 30 December 1916 to 13 May 1931, the last also covering occupational diseases

Labour Authorities

Part VIII of the Act deals with the labour authorities responsible for the administration of the Act. These are :

(1) the municipal conciliation boards ;

(2) the central conciliation and arbitration boards ;

(3) the Federal conciliation boards ;

(4) the Federal Conciliation and Arbitration Board ;

(5) the labour inspectors ;

(6) the special minimum wage boards.

The original draft proposed the setting up of joint works committees to settle labour disputes within a factory before they became general. This proposal was rejected by the Chamber and the committees have become merely optional : the employers and workers may by mutual agreement provide in collective contracts for the organisation of joint boards having such economic and social duties as they may think fit to give them.

The Conciliation and Arbitration Boards

The conciliation boards must carry out the decisions of the joint boards in those cases in which the parties declare them to be binding.

A municipal conciliation board must be set up in the capital of each district. These boards consist of one representative appointed by the municipal council, who acts as chairman of the board, one representative of the employers concerned, and one representative of the workers. They have the following rights and duties : (1) to deal with differences and disputes arising within the area of their jurisdiction between employers and workers connected with a contract of employment, whether indi-

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as well as accidents, as do the Mexican Act and the Argentine Act mentioned above.

Colombia established the principle of employers' liability for accidents, except those due to the fault of the worker, by the Act of 15 November 1915 ; Cuba by a similar Act of 12 July 1916 ; Costa Rica by the Act of 31 January 1925, supplemented by later Acts ; Ecuador by the Act of 6 October 1928 ; Guatemala by the Act of 21 November 1906 ; Nicaragua by the Act of 13 May 1930 ; Panama by the Act of 30 December 1916 ; Paraguay by the Act of 7 December 1927 ; Peru by the Act of 20 October 1926 ; Salvador by the Act of 12 May 1911 ; and Uruguay by the Act of 26 November 1920. Cuba and Uruguay have each set up a National Insurance Bank.

vidual or collective, provided that the matter does not come within the competence of the Federal boards ; (2) to refer to the competent central board all disputes which fall within its exclusive competence and any disputes in which the parties have failed to come to an agreement ; (3) to approve the agreements concluded in their presence between the parties ; (4) to carry out the formalities ordered by the central board.

The central conciliation and arbitration boards deal with differences and disputes between capital and labour occurring within their jurisdiction which do not fall within the competence of the Federal boards. The central boards are to sit permanently in the capitals of the States, the Federal District, and the Federal Territories. They consist of a representative of the Governor of the State or Territory or the Head of the Federal District, and one workers' representative and one employers' representative for each branch of industry or group of different occupations. When the matter before the board concerns only one branch of industry or group of occupations, the board consists of the appropriate representatives of the employers and workers and one representative of the Government. When the dispute affects two or more industries or groups of occupations, the board consists of the chairman of the central board and the appropriate representatives of the employers and workers.

The rights and duties of the central conciliation and arbitration boards are : (1) to apply conciliation procedure to all collective differences and disputes between employers and workers arising out of a contract of employment or matters closely connected therewith ; (2) to settle by arbitration any differences and disputes of this kind if the parties fail to reach an agreement ; (3) to declare the lawfulness or otherwise of lockouts when they affect all the industries of the Federal District or the State or Territory in question ; (4) to decide questions of competence ; (5) to review the decisions of the minimum wage boards ; (6) to ensure that the municipal conciliation boards are duly constituted and operate in a proper manner ; (7) to communicate orders and instructions to the members of these boards with a view to the proper performance of their duties ; (8) to approve or disallow rules of employment submitted for their consideration by the special boards. If a dispute does not affect all the industries in the State or districts in question, the special boards for the branches affected by the dispute have to deal with it, and apply both conciliation and arbitration procedure.

The Federal conciliation boards are appointed solely for the purpose of bringing about an agreement, and their intervention in matters within their competence is limited to helping the parties to arrive at an understanding. Their jurisdiction is exercised within the same territorial limits as those laid down for the Federal Conciliation and Arbitration Board. The composition of the boards is the same as that of the municipal conciliation boards, the chairman being a labour inspector.

The Federal Conciliation and Arbitration Board has to deal with and settle differences and disputes between employers and workers in undertakings or industries operated under a Federal concession, or carried on wholly or in part in the Federal zones.

It is its duty to deal with disputes relating to : (1) transport undertakings in general operating under a contract or Federal concession ; (2) undertakings engaged in the extraction of minerals which are the direct property of the nation ; (3) Federal undertakings for the generation and transmission of power (including lighting, electricity, wireless, heat).

The members of the central and Federal boards receive the remuneration allocated to them in the local or Federal estimates, as the case may be. The secretaries of the central boards and of the Federal Conciliation and Arbitration Board must be jurists.

The Act prescribes in great detail the procedure for the election of the employers' and workers' representatives. The latter must always be members of a trade union where such exists.

The system of conciliation and arbitration boards instituted by the Mexican Labour Act, while somewhat complex, is the most complete which exists in Latin America. Special attention should be drawn to the provision that no industry or undertaking may be closed, even on account of trade depression resulting from over-production, lack of markets, etc., without the consent of the competent conciliation and arbitration board. [1]

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[1] Conciliation and arbitration boards for the settlement of collective disputes have been established in other countries of Latin America. An instance of general legislation covering all disputes is the Chilian Labour Act of 13 May 1931, Book IV of which sets up machinery for dealing with labour disputes in the form of permanent conciliation and arbitration boards. In Brazil an Act on the same subject was recently passed setting up joint conciliation and arbitration boards (Act of 12 May 1932).

In Colombia the Act of 4 October 1921 set up labour councils which act as conciliation and arbitration boards.

In Guatemala collective disputes are dealt with by the Labour Act of 30 April 1926, which instituted conciliation committees and arbitration courts.

Peru set up an arbitration court to settle collective disputes by the Decree of 14 September 1920.

In other countries of Latin America there are only special laws dealing with

The Labour Inspectorate

The Act next sets up the labour inspectorate. The inspectors are of two kinds, local and Federal ; the former are appointed by the Governors of the States, the latter by the Ministry of Industry, Commerce, and Labour. The inspectors must ensure that the provisions respecting hygiene and safety in workshops are observed in all places of employment, and likewise those prescribing the rights and duties of employers and workers, for which purpose the appropriate penalties may be imposed. They must see that the provisions concerning night work for young persons and women are complied with, and carry out any instructions they receive in connection with the performance of their duties. They may visit undertakings at any hour of the day or night, question the staff, and require the production of any documents. They must compile a report on any contraventions, and forward it to the authority to which they are subordinate, and this authority imposes the corresponding penalties and orders the necessary measures to be taken. The labour inspectors must observe professional secrecy. [1]

Solicitor's Office for the Protection of Labour

In order to safeguard the interests of workers, the Act sets up a solicitor's office for the protection of labour. For this purpose the Federal Executive and the Governors of the States must appoint as many labour solicitors as they consider necessary. Their services are free of charge. [2]

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certain specified labour disputes. In Argentina, for example, disputes affecting the railways are dealt with by an arbitration court set up by the Decree of 12 December 1922, while in Cuba conciliation committees *(comisiones de inteligencia)* for maritime disputes were set up by the Act of 9 June 1921.

[1] Most of the countries of Latin America have administrative bodies which act as labour inspectorates, and on which the success of social legislation is largely dependent.

Argentina has had a National Department of Labour since 1912 and Bolivia since 1926. In Brazil the Department of Labour was set up in December 1930. Chile has a General Labour Inspectorate which dates back to 1908. Colombia has a National Labour Office ; Ecuador, a General Labour Inspectorate ; Panama, a Labour Office ; Peru, a Labour Office ; and Uruguay, a National Labour Department. There are no special technical departments in Costa Rica, Cuba, the Dominican Republic, Haiti, Honduras, Nicaragua, Paraguay, Salvador, or Venezuela.

[2] A similar institution has been in existence for several years in Argentina, where a system of free legal assistance was instituted by the Decree of 31 June 1912 and attached to the National Labour Office. Its original purpose was to advise

Minimum Wage Boards

Special minimum wage boards are set up to fix a minimum wage for different industries, in accordance with section 99 of the Act. The minimum wage boards are allowed a period of thirty days in which to study the economic situation of the district for which the minimum wage rate is to be fixed, and in particular the cost of living, family expenditure, the conditions of the retail market, etc. When these data have been collected, they proceed to fix the minimum wage.

Employers and workers may submit their views to the boards. An appeal against a decision of a minimum wage board may be made to a central conciliation and arbitration board. [1]

Procedure

The Act describes in great detail the competence of the conciliation and arbitration boards and the procedure to be followed by the boards for the hearing of disputes and the execution of awards.

Since this Act may be said in reality to create labour law, which differs from classical principles of civil law and could not observe the ordinary procedure without causing difficulties in its application, several chapters of the Act are devoted to procedure, which is entirely different from the ordinary procedure and is intended to facilitate the application of the Act. An attempt to examine these regulations in detail would take us too far. It must suffice to say that they are very complete. The Act accentuates the tendency, which is especially manifest in Latin American countries, to make social legislation effective and not to

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the workers in their claims for the recovery of wages, but it now also protects and defends workers who are victims of industrial accidents (Decree of 12 November 1917). In Chile a similar service is attached to the General Labour Inspectorate, though it was established not by a law of the Republic but by a Decree regulating the Inspectorate.

[1] Various countries in Latin America have instituted minimum wage-fixing committees, but not in such a general way as the Mexican legislation. In Argentina, the Act of 8 October 1918 concerning homework instituted minimum wage boards for this kind of employment. The Chilian Act of 13 May 1931 (section 44) set up joint committees of employers and workers to fix minimum wages. In Uruguay a minimum wage for agricultural workers was fixed by the Act of 15 February 1923, while in Peru the Act of 16 October 1916 established a minimum wage for native workers, to be fixed, according to a Decree of 11 May 1923, by the municipal councils.

leave it as a mere expression of good intentions, often inspired —in certain countries at least—by covert political motives. The aim is to realise the ideal of social justice as fully as possible by the strict, rapid, and easy application of labour law. The same principle has been clearly shown in recent years in the legislation of both Chile and Ecuador.

Penalties

A special chapter of the Act deals with penalties, which are very numerous and severe. A few examples may be given. Employers who oblige their workers to work more than the legal hours are liable to a fine of 100 pesos. The same penalty is imposed for any infringement of the regulations concerning the weekly rest. For offences against certain provisions for the protection of women workers the penalty is 500 pesos. Failure to observe the hygiene and safety provisions is punishable by a fine of 1,000 pesos.

The product of all these fines is intended to be used for the constitution of a social insurance fund, and will be deposited for that purpose with the Bank of Mexico.

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Such, in brief, are the main features of this important Labour Act. In spite of the criticisms directed against it by employers and workers alike, it must be admitted that the Act constitutes an important body of provisions which will give full protection to the workers, and it already represents one of the most remarkable efforts so far made in the world for the codification of social legislation.

No doubt the Act, like every human achievement, is far from perfect ; but in any case it can and will be gradually improved as omissions and imperfections come to light.