

RIG WORKERS VOICE



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Death and Corruption in Mexican Oil Industry

To mark the opening of a major oil and gas industry conference in Mexico City on October 30 2009 the International Transport Workers Federation (ITF) will release a hard-hitting report that alleges that Mexico's offshore industry is riddled with repression, corruption and cover-up that is costing workers' lives.

The two day cross-industry conference on safety and industrial relations in the Mexican offshore oil and gas industry has been organised with the assistance of members of the Mexican Senate by the ITF and Mexican Trade Unions

To coincide with the event, the ITF is releasing *Campeche Basin, paradigm of labour exploitation*, a human rights report authored by campaigning journalist Ana Lilia Pérez, who had to go into hiding last year when a warrant for her arrest was issued, her editor arrested and the offices of Contralínea magazine raided following publication of her articles into corruption involving Mexico's state-owned Pemex oil company.

Her investigation details a catalogue of unsafe practices, daily rip-offs and intimidation of those who challenge them. The report puts forward evidence claiming that many workers are being sent onto rigs, tugs and support vessels without any safety gear or training, that those who are injured are receiving derisory pensions and that people are dying and their deaths being covered up.

ITF Americas Regional Secretary, Antonio Fritz commented: "Thanks to Ana Lilia Perez's bravery and continuing investigations we now have a clinical examination of how lives are being degraded, endangered and even lost in this richest of industries."

"This conference marks the second anniversary of the collapse of the Usumacinta rig, just one of a series of deadly events, and which cost the lives of 28 workers and the wounding of 68 others. It revealed a rottenness at the core of the industry that we are gathering to address - and it seems to go deep, from violations of human rights to the multiplicity of **'yellow' company unions** set up, with government support, to make sure that Pemex and the companies can carry on unfettered by considerations of decent safety and decent pay, and that workers' aspirations and complaints are normally never heard."

A 'yellow' union is a 'bogus' organisation set up by an employer or industry to undermine the efforts of legitimate trade unions to protect workers.

He continued: "There are up to 44,000 workers employed in gas and oil extraction in the Campeche Basin, many of them in scandalous conditions. Safety and the lack of it is the burning priority that this conference will address. Along the way we hope to be able to persuade these workers that there are free and independent alternatives to those 'yellow' unions. It's heartening that our concerns are shared by some of the firms subcontracted by Pemex. Enterprises like StatoilHydro and Prosafe, also the Academy OPITO are as worried as we are at the awful conditions that are being allowed to exist, and actively

support the raising of safety standards. We look forward to seeing them and others with the same ambitions at this conference.”

In the introduction to *Campeche Basin, paradigm of labour exploitation*, Ana Lilia Pérez explains what the report sets out to investigate:

“In Mexico, the gas and oil industry is controlled by the state-owned company *Petróleos Mexicanos* (Pemex), the country’s biggest company and main source of revenue. Its wealth makes it number eleven in the world. The Cantarell Complex, in the Bay of Campeche is the main oilfield and the second most productive oilfield found in the world, after the Ghawar Complex in Saudi Arabia.

However, there is a major contradiction between its great wealth and importance to Mexico and working conditions in the industry. Safety standards in the industry, which is inherently a high risk activity, are intolerably bad, resulting in frequent serious accidents, for which responsibility is never attributed.

Although in theory Pemex is 100 per cent owned by the Mexican government, the company has been partly privatised in recent years. Currently, 80 per cent of Pemex work is carried out by workers employed by national or international private companies (contractors and subcontractors), most of which outsource the work to avoid their duties as employers. Working conditions are so bad that workers are often unaware of who employs them and cannot even be certain they will get paid.

These deplorable conditions are also a product of the violation of workers’ right to the freedom of association. Workers do not have representatives that fight for their rights or an organisation that protects them from exploitation, ill-treatment and the many human rights violations that are the daily bread of workers in the Campeche Basin.

In recent months, isolated groups of workers, with no representatives to speak on their behalf, have organised “mutinies” and sit-down strikes and have even resorted to halting operations on their ships. This puts them in a high risk situation and has legal implications, because the Campeche Basin is a national security zone under the control of the armed forces and any ‘disruption’ is considered to be a serious federal crime.

In the following pages, we will assess the situation in the Mexican offshore industry. We will show how the government fails to comply with international labour agreements, even though such agreements are included in the country’s constitution and are also covered by local laws. The most questionable aspect of the situation is that although Pemex, the main employer, is a state owned company, it does not compel its contractors and subcontractors to comply with their employment obligations.”

Under the banner of the Offshore Alliance both the AWU and the MUA as active members of the ITF play an integral role in representing the interests of workers in the oil and gas industry in the Asia Pacific region. The role of the Offshore Alliance in the region ensures that the situation that exists in the Gulf of Mexico isn’t allowed in the oil and gas industry in this region.

The Offshore Alliance represented by MUA Deputy National Secretary Mick Doleman as the Deputy Chair of the ITF Offshore Task Force Group of Unions has been heavily involved in the development of relationships and Alliances between unions in the oil and gas industry across the Asia Pacific Region.

Workers in the Offshore Oil and Gas industry in Australia and surrounding regions have an obligation to defend the safe conditions they enjoy by ensuring their unions are well represented on all rigs, platforms, support vessels and production facilities.

The MUA-AWU Offshore Alliance is YOUR voice!!

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