

Summary Report: Election Observation Team

Trade Union Election (Recuento) to Determine Collective Bargaining Rights at the Mine "El Coronel", Owned by the Company Minera Frisco SAB de C.V.

The election (recuento) was held on February 21 at the site of the El Coronel mine, located in the municipality of Ojo Caliente, Zacatecas, Mexico.

Under the election order issued by the Federal Labor Board on February 14, 776 workers were eligible to vote. Three unions were on the ballot:

- The National Union of Mine, Metal, Steel and Related Workers of the Mexican Republic (SNTMMSSRM)
- The National Mine and Metal Union "Don Napoleón Gómez Sada" (SNMMDNGS)
- The Union of Workers of the Mining and Related Industries of the Mexican Republic

The vote totals reported by the Labor Board were as follows:

- National Union of Mine, Metal, Steel and Related Workers of the Mexican Republic – 425 votes
- National Mine and Metal Union "Don Napoleón Gómez Sada" – 309 votes
- Union of Workers of the Mining and Related Industries of the Mexican Republic – 0 votes
- Null votes - 7
- Total votes – 741
- Unused ballots – 35
- Total eligible to vote – 776

The international observer team was present outside the mine from before the opening of the poll until closing.

During the course of the day the team was able to interview more than 100 workers, both individually and in groups. Workers were interviewed exclusively as they left the polling station, having already placed their vote.

At the opening of the voting, the observer team was allowed on the mine property, but at approximately 7:30 the company requested that the team leave the property so we relocated to private property adjacent to the mine. Representatives of the three unions were allowed to remain in the parking area. The observer team was able to operate and conduct interviews with workers freely throughout the day. We requested but were not able to obtain an interview with the mine director.

All workers interviewed reported that the voting process was carried out fairly and without incident. Workers provided one of the forms of identification stipulated in the election agreement, before receiving a paper ballot. They then marked in a booth behind a curtain and deposited in a plastic ballot box. The voting was monitored by representatives of the Junta, the company, and the three participating unions.

There were no reported incidents of violence or confrontation. Throughout the day there was a heavy presence of security forces outside the mine, including approximately 100 state police and

a large number of private security guards. In addition, the Army, the Federal Preventive Police, and the Municipal Police all patrolled the mine area and the access road. No workers reported any problems with the security forces.

On the evening of February 20, Sub-Secretary of Labor Manuel Cadena informed the SNTMMSSRM Labor Secretary, Javier Zuñiga García, that if he was present at the mine on Feb. 21 the election would be immediately suspended. As a result, Zuñiga was not present.

Workers interviewed by the observer team reported the following issues:

- Workers who finished the day shift at 3 p.m. on Feb. 20 were offered 16 hours of overtime pay (without having to work) if they wanted to remain in the mine until the polls opened at 7 a.m. on Feb. 21. Most workers interviewed reported that this offer was made to everyone on the day shift, and as many as 60 workers accepted the offer. While it is possible that the company intended to offer an incentive for workers to not participate in union rallies before the election, it is clear that the company's offer was made to all workers in a non-discriminatory manner and no workers suggested that their votes were affected.
- Some workers reported that on Feb. 21, the buses that bring workers from remote areas of the mine to the parking area were held until 16:45 to prevent workers from attending an assembly that the SNTMMSSRM held at 16:00 in a nearby community.
- Several workers reported that in days prior to the election, workers who supported the CROC and the SNMMDNGS distributed flyers on mine property in the presence of supervisors who did nothing to deter them. No worker reported any direct threat, pressure or inducement from supervisors or managers to support a particular union.
- Many workers reported being approached outside the plant or in their homes by workers supporting the SNMMDNGS who offered them amounts ranging from 1,500 to 3,500 pesos to vote for the SNMMDNGS. In some cases workers were asked to take a picture of their marked ballot in order to receive payment. On election day, there were reports of pro-SNMMDNGS workers offering other workers money to not vote.

We conclude that the voting on Feb. 21 was conducted in a substantively fair and transparent manner, free of interference from the employer or government officials.

The multidisciplinary Observation Team was composed of lawyers, industrial relations experts, rural and community development specialists, and a social worker.