



20 YEARS OF

**Business & Human Rights
Resource Centre**



Berry industry blues

LABOUR RIGHTS IN MEXICO'S SUPPLY CHAINS

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Executive summary

On the frontline of the multi-million-dollar berry industry, Mexican agricultural workers endure squalid living conditions and consistent work insecurity as they undertake back-breaking work to line the pockets of multinational companies. This, coupled with a lack of access to effective worker representation to challenge conditions, has created a climate of exploitation which is crying out for more effective labour rights regulations.

Agricultural workers travel from different states including Oaxaca, Guerrero, Chiapas and Michoacán in search of work in the berry fields of the country's northern and central regions to power the production of Mexico's [primary agricultural export](#). The fruit they plant, pick and transport, which ends up on kitchen tables in [the United States and 37 other countries](#), contributes to a highly lucrative agricultural industry.

Despite the sector's reliance on informal labour and the dominance of a handful of major companies with significant resources, our research shows companies are currently failing to adequately respect the rights of berry workers. Supply chains are characterised by a severe lack of transparency and human rights due diligence (HRDD); while both are increasingly referenced in company policies, they remain lacking in practice. Only **24 of the 60 companies** included in our analysis publish basic information such as location and contact details on their websites, and just **two of 24 companies** responded to our outreach on human rights due diligence.

Interviews conducted as part of our research show workers experience precarious working situations during high-intensity physical labour due to irregular contracting conditions, leaving them in insecure jobs. As Enrique, a berry picker from Michoacán, told us:

“...Sometimes we are hired for one or two months; in other instances, we can be hired for five months. They can also offer you extra hours, but those do not appear in the contract... Even if you work in the same field during various seasons, this work has no career [progression]. Every time you sign a new contract.”

Enrique's testimony, reinforced by interviews with other workers, indicates the denial of the right to organise, limited power of independent workers' organisations, and poor access workers have to information about their rights.

This briefing demonstrates the urgent need for action by companies and the Mexican Government to ensure respect for workers' rights in agricultural supply chains. Workers' testimonies and companies' failure to engage with questions on their human rights due diligence processes show poor supply chain transparency and a clear need for companies to implement human rights due diligence in order to address issues faced by workers in the berry sector.

Key recommendations:

- ➔ **Companies** should implement human rights due diligence to identify, prevent, mitigate and remedy abuse throughout their entire supply chains, with special attention paid to medium and small-sized companies, to ensure responsible recruitment and transparent contractual practices, freedom of association and sufficient healthcare provisions for workers.
- ➔ The **Mexican Government** should create a regulatory environment conducive to protecting itinerant agricultural workers' rights through mandatory human rights due diligence measures, which prioritise meaningful stakeholder engagement, including with workers.
- ➔ The **Mexican Government** should guarantee itinerant agricultural workers and their representatives have access to the [USMCA Rapid Response Mechanism](#), by ensuring formal employment in berry export companies.



Introduction

The briefing analyses the current human rights situation in the berry sector – Mexico's key export-oriented agricultural sector – paying particular attention to exporting companies' implementation, or lack of, human rights due diligence in their supply chains, and consequent impacts on the labour rights of agricultural workers.

It explores the context of agricultural workers, the typical structure of company supply chains, and the shortcomings and examples of better practices evidenced by our research. Alongside information on company policies and practices revealed by desk research and outreach to companies, we present direct testimonies from agricultural workers interviewed in three major berry-producing states: Baja California, Jalisco, and Michoacán. These workers' testimonies form the basis for our analysis of key labour rights issues for the sector.

The findings we present are the result of three phases of research: a mapping exercise to identify relevant berry companies in Mexico and publicly available information about their location, production area and products; a survey to evaluate corporate policies and practices, including human rights due diligence (HRDD), their sourcing practices and supply chains; and fieldwork to document the human rights situation on the ground through interviews with company representatives and itinerant agricultural workers.



Context:

Agricultural workers in Mexico

Informal agricultural workers are vital to Mexico's economy. They form the backbone of a booming export sector and generate remittance flows to their families, providing economic support for their home communities. Agricultural workers tend to migrate collectively as families or groups from the same village, building a rich local knowledge of workplaces and supporting networks. They work in fields (*ranchos*) owned by Mexican production companies of varying sizes, forming work crews (*cuadrillas*) made up of roles as recruiters, crew leaders (*mayordomos*), bookkeepers (*apuntadores*), harvesters (*pizcadores*), pruners (*podadores*), waterers (*regadores*) and collectors (*recolectores*).

Itinerant agricultural workers [mainly come from villages](#) in the states of Oaxaca, Guerrero, Chiapas and Michoacán. They often work in different locations throughout the year, following the agricultural seasons across Mexico. The itinerant nature of their work means workers usually travel with their families, pay for their trip, and have no choice but to travel in irregular transportation, for example, in the back of trucks. Their travel conditions and routes remain out of the scope of authorities and companies, which poses various human rights challenges.

As Francisco, a berry picker, told us:

“ All the grown women and men of the family work in the fields. In a year, we can change from tomato and chilli fields, to berries, and sometimes even limes. There is no standard payment fee, you agree a rate with the rancho leader. Most of the time, we are paid only for the buckets we produce. Sometimes I make \$31 USD (\$500 MXN) a day, sometimes \$10 USD (\$200 MXN), it all depends on how much work is done. When the payment is not enough to support the family, then we take our things and travel to another field... We try to travel by bus but sometimes we arrange with a truck, and we travel in the back with other families.”

A lack of publicly available information creates challenges in sourcing reliable data about the risks and threats workers face during their journeys. Civil society-organised efforts are the only sources of information, such as the work of [Tlachinollan](#), a human rights organisation based in Guerrero, which provides important contextual information on Montaña region workers' routes of travel and general profile.

Living conditions and workers' proximity to their workplaces vary. In San Quintín, Baja California, many workers settle close to their workplace; in Zamora, Tangancícuaro, Lagunillas and Los Reyes, Michoacán, most workers travel every day from their home communities to their workplaces. Despite the long journeys, many workers prefer to reside in their home communities in order to maintain access to a strong support network. However, companies consider these workers as locals, concealing the itinerant nature of their work. This local categorisation means workers often do not have proper living conditions, healthcare access or adequate recruitment conditions.

Whether itinerant agricultural workers travel from one *rancho* to another during the year, settle permanently in their workplaces or travel every day from their origin communities, labour rights concerns abound. Some of these relate to labour issues around irregular working hours, inconsistent payment, and freedom of association, while others relate to the guarantee of their security, health and decent living conditions.



Mapping Mexico's berry sector

“Berries” refers to strawberries, raspberries, blackberries and blueberries. Combined, berries have become Mexico's [primary agri-food export product](#). The export supply chain is dominated by one Mexican company and three US-based companies, and the main production takes place in Baja California, Michoacán and Jalisco states. Almost half (41%) of production goes to the international market. Mexican [exports](#) account for a significant percentage of berry imports in Chile (50%), the United States (40%) and Canada (23%).

Berries account for 2% of Mexico's national agricultural gross domestic product and 2% of the total national production of fruits. Berry production has [tripled](#) from 257,000 metric tons in 2011 to 754,000 metric tons in 2020, and the current area of berry plantation in Mexico is [55,000 hectares](#). Global [imports](#) have more than doubled (an increase of 118%) in the last decade, which has generated an increase in Mexican exports. The main destinations for Mexican berries are the United States (US), Canada and the Netherlands, with the majority of exports (95%) going to the US market.

The predominance of berries in agribusiness and the trade agreement between Mexico, Canada and the US (USMCA), could mean itinerant agricultural workers cease to be [subcontracted](#) by berries exportation companies.

Mexico is also seeking to increase berry [exports to China](#) to the tune of US\$100 million annually as part of a new commercial agreement between the two countries. To this end, producers from the states of Jalisco, Michoacán, Guanajuato and Baja California aim to grow a total of 465,000 tons of berries for export. The production of berries in the country has generated [720,000 jobs](#).

From this mapping process, we selected 24 companies ([Appendix A](#)) for which we could identify basic public information such as location and contact details. Between April and June 2022, we invited these 24 companies to respond to a survey on their HRDD processes, which was adapted from the [methodology of KnowTheChain](#). Of the 24 companies approached, two responded: **Agrana Fruit Mexico SA de CV** and **Driscoll's Operaciones SA de CV**.

Berry export companies supply chain overview

PRODUCERS

<p>Small private producers, as well as producers within communal landholdings, or <i>ejidos</i>:</p> <ul style="list-style-type: none"> ➔ Rancho Los Pinos ➔ El Capricho de Baja California ➔ Rancho El Molino <p>Medium and large Mexican companies:</p> <ul style="list-style-type: none"> ➔ Berrymex ➔ Rancho San Vicente Camalú ➔ Don Juanito ➔ Los Olmos ➔ Rancho Agrícola Santa Mónica 	<p>Many small and medium-sized companies supply to large companies for export. They have policies on labour rights, recruitment and workers' transportation.</p> <p>Some small companies supply to the Mexican market. There is little or no information about their location and general information. We found materials which show many berry workers do not have appropriate working permits and so lack effective rights protections.</p> <p>Small, medium and large producers are the direct employers of itinerant agricultural workers.</p> <p>In many cases, agricultural workers are recruited by labour contractors (<i>enganchadores</i>), with the same itinerant background.</p> <p>Most workers' payment is piece-rate when the workload exceeds the terms in the contract. Payday usually is every Saturday.</p>
<p>Large international companies:</p> <ul style="list-style-type: none"> ➔ Driscoll's ➔ California Giant Berries Farms ➔ Andrew & Williamson 	<p>These companies are focused on the export market; they generally have policies on labour rights, recruitment and workers' transportation.</p> <p>Production is centred on outsourcing, and companies do not have direct links to agricultural workers in their supply chains.</p> <p>Companies have a particular interest in plant patent development and in technical advice for Mexican producers.</p> <p>Driscoll's is the largest producer and is the only company that provided evidence of HRDD policies and practices in its subsidiary companies, but failed to provide evidence of implementation in its supply chains.</p> <p>Although they are subsidiaries of international companies, companies are registered nationally, hence they are subject to Mexican regulations.</p>

WAREHOUSES, TRANSPORTATION AND VENDORS

<p>Large international companies:</p> <ul style="list-style-type: none"> ➔ Driscoll's ➔ California Giant Berries Farms ➔ Andrew & Williamson 	<p>These companies oversee the branding of most berry exports.</p> <p>They concentrate on small and medium productions and handle their transportation in special trucks with a cooling mechanism.</p>
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DISTRIBUTION

<p>Large international company:</p> <ul style="list-style-type: none"> ➔ Reiter Affiliated Companies (RAC) 	<p>Reiter Affiliated Companies controls most of the international distribution processes. Productions enter the United States via California.</p> <p>Special berry packaging is distributed to small producers and small and medium Mexican companies.</p>
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RETAILERS

<p>Large international companies:</p> <ul style="list-style-type: none"> ➔ Walmart ➔ Costco ➔ Kroger ➔ Ahold Delhaize ➔ Amazon 	<p>The price is fixed at this stage of the supply chain.</p> <p>These companies have indirect relations with agricultural workers.</p>
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Human rights due diligence: Paper commitments fail to materialise

The lack of engagement by the majority of companies we approached highlights poor transparency within the sector, which has a significant way to go to demonstrate effective implementation of HRDD. This shortfall was also apparent during interviews with company representatives and industry associations: it became clear that the majority require guidance to implement human rights due diligence according to international standards.

Some examples of better policies and practices were disclosed by **Agrana Fruit Mexico SA de CV**, and **Driscoll's Operaciones SA de CV (Driscoll's)**, including: commitment to HRDD on their Codes of Conduct, clear responsibilities to address HRDD in their supply chain, recruitment processes that avoid workers paying recruitment fees as well as policies focused on preventing discrimination, and on grievance mechanisms.

Nevertheless, none of the companies described how they trace their supply chains, how workers are consulted on the content of policies, or other key HRDD processes such as the provision of remedy to workers. As the OECD points out in its [Due Diligence Guidance for Responsible Business Conduct](#), failure to consult workers and relevant stakeholders, such as their legitimate representatives, throughout due diligence processes constitute a failure to meet international standards and expectations on HRDD.

Allegations of human rights abuse have been reported by itinerant [agricultural workers](#) and [communities](#). For example, [protest and mobilisation](#) organised by workers in San Quintín across several Mexican states in 2017 brought to light labour rights violations including unequal salaries, long working hours (15 hour days), and child labour. In their responses to the allegations, **Driscoll's** and **Berrymex** stated that measures had been taken to ensure workers' rights; nevertheless, their responses did not include worker participation in multistakeholder spaces. **Rancho Los Pinos** did not respond.

Jesús and other workers interviewed told us about companies that do not provide contracts, access to healthcare or training on the use of agrochemicals. Their testimonies also revealed issues related to contractual relationships and under-representation of women in senior roles, restriction on the right to freedom of association, and health issues.



Contractual relationships and under-representation of women

The contractual terms under which itinerant agricultural workers are employed are varied. Some have a permanent job, while others work seasonally. Risks faced by seasonal workers include poor induction processes by the company, assignment of the most dangerous jobs or unhealthy conditions, overcrowded housing and denial of paid sick leave. In most documented cases, wages depend on variable contributions at the production stage. Five of the six companies we interviewed stated that the quota specified in contracts is based on applicable law; however, during the interviews, workers in the *ranchos* and their origin communities told us that, in contrast with the law, when workload is high, the extra work is paid according to [piece rate](#): pay happens when workers are paid by the unit, rather than the job. Some of the risks related to piece rate pay include pressure to undertake extended hours, creating occupational health and safety issues. In Michoacán, some workers told us that piece rate is the only kind of payment they receive.

While there are examples of women who acquire more responsibilities as *apuntadoras* or ranch leaders, men dominate the senior positions in small, medium and large companies alike.¹ Women we interviewed who were employed in more senior positions were all locals and had some level of education. María, a *ranch* leader, was born in San Quintín and finished high school before she started working as a cutter at the *ranch*. María's circumstances differ to the majority of women workers in the sector, who come from Indigenous communities and have no formal education.

¹ Interview with agricultural migrant workers specialist, Margarita Nemesio Nemesio, May 2022.



Restriction on the right to freedom association

Although company responses to the survey and interviews with company representatives show companies make commitments to guarantee the right to [freedom of association](#), the evidence we collected indicates workers are automatically affiliated to a union from the moment they sign a contract, with no introduction or explanation of what their rights are or the benefits of unionisation. Furthermore, major unions such as the Confederation of Mexican Workers (Confederación de Trabajadores de México or CTM) the Revolutionary Confederation of Workers and Peasants (Confederación Revolucionaria de Obreros y Campesinos or CROC) and the Regional Confederation of Mexican Workers (Confederación Regional de Obreros Mexicanos or CROM) seem to have close ties with governments and employers, contravening [ILO Convention 98](#) on the right to organise and collective bargaining.

In Michoacán and Jalisco, we documented intermittent internal migration processes where agricultural workers maintain strong ties to their Indigenous origin communities. Here, workers are able to organise through collective local practices, but there is a lack of broad workers' initiatives to address human rights, and some workers report negative reactions from employers to organising efforts, as Enrique told us:

“ ... bosses (*patrones*) get mad at us because we do not leave anyone behind, when one is going to receive a benefit, he warns the others [*workers*]... We organise from our communities. There, we have an agreement to look after each other to ensure that no one is left behind by the bosses...”

Workers in Jalisco and Michoacán said they were asked to sign contracts and union papers when they arrived to work, but they do not know which union they are affiliated with. When asked if they got to keep a copy of their contracts, they said the companies keep them. Enrique, a worker from Michoacán, told us:

“ ...sometimes we are hired for one or two months, others can be hired for five months. They [*the companies*] can also offer you extra hours but those do not appear in the contract... Even if you work in the same fields during various seasons, this work has no career. You have to sign a new contract every time.”

Trade unions in Mexico

Unions like CTM, CROC and CROM, which establish collective contracts that seem to protect employers from independent workers' organisations, are sometimes called *charros*. They dominate a large portion of Mexico's trade union space and control most of the *ranchos* we visited. Nevertheless, some independent worker organisations do exist, for example in San Quintín where rural [agricultural workers took part in strikes in 2015](#) to demand respect for their human rights.

Two worker-led initiatives operate in San Quintín: the Independent National Democratic Union of Agricultural Day Labourers (Sindicato Independiente Nacional Democrático de Jornaleros Agrícolas or SINDJA) and United Women in Defence of Day Labourers and Indigenous Women (Mujeres Unidas en Defensa de las Jornaleras e Indígenas or MUDJI). With regard to freedom of association, representatives of SINDJA told us:

“ ... many bosses (*patrones*) are not interested in recognising workers' rights... for example, on dividend distribution. They will not give every worker what is fair, nor would they let us organise independently because they are associated with the *charro* unions. These kinds of unions are in their interest.”

Recent [advances towards independent worker-led unions](#) in Mexico mean it is more urgent than ever for companies to address barriers to organising and ensure respect for freedom of association throughout their supply chains.

Health issues

Agricultural workers in San Quintín and Los Reyes told us about concerns regarding the health implications of contamination from production areas, plastics dumps and agrochemical preparation zones close to their homes. When we spoke to workers in San Quintín, it was apparent they did not have access to drinking water or drainage systems, while some of their houses were made from materials such as sheet, plywood and repurposed disposable plastic from berry production sites.

Access to healthcare is an area of serious concern. A lack of available clinics, health equipment and medicines forces agricultural workers to pay for private healthcare. Many of the workers we interviewed criticised a public policy which encourages citizens to sign on to public social security (Instituto Mexicano del Seguro Social or IMSS) but does not provide adequate healthcare or support.

Workers told us about health issues caused by exposure to agrochemicals, as well as specific gender-related impacts on women workers, exacerbated by heavy physical labour and care duties. This reflects workers' testimonies published by [Avina Foundation's Periplo Project in 2022](#): in one interview, berry collector Ermelinda [explained](#) the gender-specific health issues faced by women workers:

“ *I hope one day there will be childcare... that there will be a health centre to receive attention, because many of us end up giving birth in the fields...the labour pains begin, and we have to spend money to get back, we shouldn't have to pay but the boss is irresponsible and doesn't put those services within our reach.”*



Conclusion and recommendations

Despite propping up Mexico's export economy, itinerant agricultural workers in Mexico's berry supply chains face precarious conditions, barriers to freedom of association, and inadequate access to information and healthcare.

To improve the situation, a concerted effort from companies and government is needed to ensure agricultural workers' rights are respected, and their cultural diversity is recognised. Companies' lack of willingness to engage on questions about human rights due diligence, along with scarce publicly available supply chain information, reveals a strong case for the introduction of mandatory human rights due diligence measures in Mexico.

Recommendations for companies:

- ➔ Commit to and implement human rights due diligence throughout all supply chain tiers, with special attention to medium and small-sized suppliers to ensure workers' responsible recruitment, freedom of association, adequate healthcare, and transparent contractual practices.
- ➔ Take steps to identify, acknowledge, and remedy abuses and impacts on human rights occurring in supply chains.
- ➔ Participate in multi-stakeholder initiatives focused on human rights and dialogue with workers, labour rights organisations and academics to identify and address human rights issues facing agricultural workers.

Recommendations for Mexican authorities:

- ➔ Seek to implement mandatory human rights due diligence measures for companies in Mexico, prioritising meaningful stakeholder engagement, including with workers.
- ➔ Conduct a census of agricultural workers in Mexico considering their migration routes in order to provide reliable and accessible data on this workforce.
- ➔ Guarantee adequate healthcare services for agricultural workers.
- ➔ Carry out labour inspections to berry work fields to ensure companies respect agricultural workers' rights.
- ➔ Guarantee itinerant agricultural workers and their representatives have access to the USMCA Rapid Response Mechanism, by ensuring formal employment in berry export companies.

Appendix A.

List of companies surveyed by the Resource Centre

✓ Answered the survey: ● Yes ● No

- Agrana Fruit México S.A. de C.V.
- Agrícola Chumas, S. de R.L de C.V.
- Agronacer Fruit and Berries, S.P.R. de R.L. de C.V.
- Alpasa Farms S. de R.L. de C.V.
- Alpe Fresh S.A de C.V.
- BQ Fruits S. de R.L. de C.V.
- Berrymex S. de R.L. de C.V.
- Bluedrop Berries, S.A.P.I. de C.V.
- Congelados de Tecomán S.A. de C.V.
- Corporativo Agrícola Vema S. de R.L. de C.V
- Corporativo Agroindustrial Altex, S.A. DE C.V.
- Del Campo y Asociados S.A. de C.V.
- Driscoll's Operaciones SA de CV
- Fruits-Giddings S.A. de C.V.
- Frunatural S. de R.L. de C.V.
- Hill De Baja California, S. De R. L. De C. V.
- Hortifrut ABA S.A. de C.V.
- Meridian Fruits S.P.R. DE R.L. DE C.V
- Naturberry S.A. de C.V.
- Optimal Brightness Solutions S De R.L de C.V
- Plantas de Navarra, S.A.
- Rancho Don Juanito, S. de R.L. de C.V.
- Rancho Nuevo Produce S.A de C.V
- Splendor Produce S. de R. L. de C.V.

Appendix B. Methodology

Phase	Objective	Actions and outcomes
Mapping	Identify relevant berry companies in Mexico and publicly available information about their location, production area and products.	<ul style="list-style-type: none"> → Mapping of the typical structure of supply chains in the sector. → 60 exporting companies mapped. → 37 companies publish information on their supply chains. 30 companies specify production locations; seven do not.
Survey	Evaluate corporate policies and practices, including HRDD, their sourcing practices and supply chains.	<ul style="list-style-type: none"> → 24 exporting companies invited to respond. → Two company survey responses analysed.
Fieldwork	Document human rights situation on the ground through interviews with company representatives and itinerant agricultural workers.	<ul style="list-style-type: none"> → Field visits to San Quintín in Baja California, Ciudad Guzman in Jalisco, and Zamora, Tangancicuaro, Los Reyes and Lagunillas in Michoacán. → Five production sites visited: one in San Quintín, producing for Berrymex; one in Ciudad Guzmán, producing for Rancho Los Cerritos; two in Tangancicuaro and Zamora, Michoacán, producing for Black Venture Farms; and one in Zamora, Michoacán, producing for LG Frutas. → 15 interviews with itinerant agricultural workers conducted. → Nine interviews with company representatives and with the Director of Aneberries, Mexico's National Association of Berry Exporters.



Business & Human Rights Resource Centre

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Business & Human Rights Resource Centre is an international NGO which tracks the human rights impacts of over 10,000 companies in over 180 countries, making information available on our 10-language website.

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