

# MEXICO VS. CHINA

## THE HEALTH AND WELFARE OF WORKERS

By Doreen Huro Michelini, C.P.M.

**E**nvironmental and safety issues have been an integral part of daily operations in U.S. plants for several decades. It is not unusual for most companies to have teams in place to monitor and educate the workforce on these very important aspects of business administration. Most large corporations have dedicated departments run by ergonomic and HAZMAT specialists committed to ensure compliance to outside agency rules and regulations.

It is logical to assume those U.S. companies would carry these requirements over to their satellite plants in Mexico and China. But in spite of the fact that in most cases US companies do follow strict environmental and safety regulations in their foreign plants, China and Mexico have an unfortunate reputation for turning a blind eye to the environment and worker safety. These misconceptions can be attributed to ignorance, rumor, media-frenzy, and anti-free trade arguments.

Both Mexico and China have stringent laws in place governing the environment. In China a company must register the products they plan to produce, along with the processes used during manufacture to secure a registration license from the government. Before this license is approved and issued, an inspector will be sent out to perform an on-site audit and an inspection schedule will be set up to assure compliance. It is imperative for any company operating in China to adhere to these environmental

laws. It is also in their best interest to develop a good relationship with the Environmental Office, since this agency has the power to shut down any site deemed hazardous in a matter of hours.

Although China first started enacting environmental laws in

1979 covering water, air and soil conservation, it wasn't until 1993 that its people started paying more attention to the issues. In the last ten years, they have passed laws governing desertification, flood prevention, chemical management, marine and fisheries, forest, grassland water and soil, atmosphere, solid waste and wildlife. Although China openly admits to a lackadaisical attitude toward the environment in the past, government funding and public

education have slowly brought up their standards. It is safe to assume that as manufacturing grows in China, more environmental laws, and the means to enforce them, will be ratified.

Mexico, like China, has very strict environmental laws in place, which protect the land, water, and air. Evidence of the government's on-going environmental campaign can be seen in anti-dumping signs along the country's roads and highways, and in new border policies that search for materials that maybe entering Mexico for disposal. Numerous permits are required when starting up a company or initiating a new process. Areas covered by these stipulations include ground usage (soil and

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**Failure to comply can result in fines, suspension or revocation of operational licenses and permits. In extreme cases, managers can face criminal charges.**

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subsoil), air, hazard analysis, hazardous waste disposal, importation of chemicals, water discharge, open combustion emissions, noise and non-hazardous waste generation. These regulations are audited regularly by local and federal government agencies. Failure to comply can result in fines, suspension or revocation of operational licenses and permits. In extreme cases, managers can face criminal charges.

It is imperative for manufacturing plants to keep good records and have controls in place on any identified hazardous materials used in production. Inventory records on oils, paints and chemicals (including cleaning solutions) used during manufacturing should be carefully monitored for compliance. All contaminated scrap generated during manufacture must be quarantined, according to type, in a clearly marked area. This also includes any rags used in clean up, contaminated clothes, and water that may have been exposed to hazardous materials during cleaning operations. This hazardous waste area must be built in an area away from the main facility and have safeguards in place to avoid such occurrences as soil and air contamination, fire, and theft. Only a licensed waste removal company, which can properly document



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- Industrial Park:** PARQUE INDUSTRIAL PLEX MEX
- Address:** BLVD. FLORIDA #2512
- City:** REYNOSA
- State:** AMALLIPOS
- C.P.:** 18745
- Year Started:** N/A
- R.F.C.:** JGG-870854-TG4
- Phone 1:** (0115200) 25-86-81
- Phone 2:** (0115200) 25-86-82
- Fax:** (0115200) 25-00-88
- E-Mail:** info@plexmex.com.mx
- Employees:** 290
- SIC Code:** 3000
- NAICS Code:** 32029
- Sector:** AUTOMOTIVE
- Product:** BUSHINGS, AUTOMOTIVE
- General Manager:** GEORGE GRISHAM
- H.R. Mgr.:** ROBERTO ALBA
- Purchasing Mgr.:** JOSE ALCANTARA
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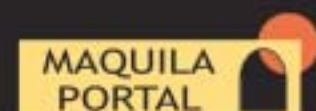
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and dispose of these materials as dictated by Mexican law, should remove contaminated waste.

Ethics warrant that the health and welfare of all workers, whether in the U.S., Mexico or China, should be the number one concern of all companies. In an age when lawsuits are filed for even the slightest mistake, real or perceived, most U.S. factories have safety procedures in place and make sure they are followed. However, in Mexico and China, where lawsuits and workers' compensation claims are virtually unheard of, it takes a lot of due diligence by plant managers to enforce safety education, and compliance to safety measures.

China's strict adherence to environmental laws is offset by its dangerously apathetic attitude toward worker safety. Laws are in place governing the safety of workers, but they are rarely enforced. Many times these laws are not used until an accident occurs and then only to assign responsibility for the mishap. Although rare, workers have been compensated for their inju-



ries when companies acted with extreme negligence. China's safety laws were used as a guideline for assigning financial obligation to the guilty employer. It is not uncommon to visit manufacturing facilities and witness workers using lathes and operating presses without eye and ear protection. In addition, workers have been known to handle metal coils without protective gloves or safety shoes, and use equipment that is outdated and not up to standard. Some may blame workers for their ignorance of safety procedures, but management must be held accountable for providing workers with a safe and secure environment, and an education regarding safety issues.

Foreign companies that choose to operate in China are morally obligated to provide a safe work environment for their employees. This obligation begins with educating the worker and then imposing regulations, which assure his/her compliance to safety procedures.

Mexico in contrast requires companies to have a safety team in place to represent the workers. Compliance to these procedures is documented by meeting notes that must be available during unannounced annual visits. Safety glasses and earplugs are commonly used in factories and machine shops. Safety issues and education are routinely part of weekly meetings. Plant evacuation routes are posted and annual evacuation drills are performed. The safety and protection of the Mexican worker are the number one priorities of the plant management team. Surprisingly, even with on-going education, it is still hard in some cases to get workers to see the importance of these procedures and constant monitoring must take place to assure compliance. This in part may be attributed to the "machismo" culture, but is still the responsibility of management to guarantee a safe environment.

In conclusion, both Mexico and China seem to adhere to environmental laws. Both countries have made great strides over the past decade in their quest to preserve and protect the environment. Government involvement as well as public education has been an important part of this journey. Mexico has been diligent in its efforts to create a safe working environment for it's workers and strives to enforce safety regulations. However, the Chinese worker health and welfare are issues that need to be carefully monitored. It is only ethical those doing business in China, whether manufacturing or sourcing, to be diligent about safe working conditions in their factories. **MN**

**Doreen Huro Michelini, C.P.M.** is currently the Vice President, Global Operations for Dial Tool Industries, Inc. She is responsible for manufacturing facilities in Chihuahua, Mexico; Dongguan City, China and warehousing in Penang, Malaysia. Doreen is a past president of NAPM-Chicago and currently co-chair's the board of the economic publication "Chicago Report on Business". Doreen holds a Bachelors degree in Marketing and travels around the world as a guest speaker and seminar presenter on international business topics.

She may be contacted at:  
[dhuro@mexico-now.com](mailto:dhuro@mexico-now.com)