Workers struggles around the world - 1 August 1998

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WSWS : Workers Struggles : Around the World

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Over 400 workers at the Australian Submarine Corporation at the Osborne site near the Port of Adelaide went on strike July 29 over the company's refusal to grant a 13 percent pay increase over three years as part of a new work agreement. The workers, mainly members of the Australian Manufacturing Workers Union, walked off the job at about 8 a.m. after four of them were stood down for refusing to begin work when the management changed the normal starting time.

The company, nearing the end of a \$5 billion contract to build six submarines for the Royal Australian Navy, has claimed to be at a 'watershed," and offered only a 9 percent increase. The workers will attend report-back meetings on Monday.

Despite admitting its work practices were 'patently unsafe' to a magistrates court last week, labor hire company Skilled Engineering was fined a paltry \$30,000 for causing the death of a young worker in Melbourne on November 24, 1995. Brad Street, 30, died as a result of being thrown six meters from a cherry picker while attaching cables to power poles. Street was employed by Skilled Engineering, which was contracted by Optus Communications to carry out work on a cable TV roll-out.

The incident occurred when the vehicle unbalanced and started to roll down a hill. The boom arm of the cherry picker hit a power pole, catapulting Street out of the raised bucket. He was airlifted to the Alfred Hospital but died 14 hours later.

Skilled Engineering is Australia's largest labor hire organization, with more than 4,000 employees. Its rapid expansion has been bound up the deregulation of the labor market carried out under both Labor and Liberal governments. This has enabled companies to replace permanent workers with contract labor to cut costs and slash working conditions.

The trade union bureaucracy has allowed the destruction of permanent jobs in return for union coverage of the skilled work force. Hundreds of maintenance jobs in major companies such as Kraft and Kellogg have been axed as a result.

The national council of the main Australian mining union has threatened national strike action to oppose price-cutting by the major coal companies, which the union claims will lead to the destruction of thousands of jobs. Over 3,700 jobs have already been eliminated so far this year and anther 2,000 could go over the next six months.

Contract prices for steaming coal supplied to Japan have fallen by 8 percent and the spot price has plunged by 30 percent since May. A recent offer by FAI's Macquarie to sell coal at \$US15 per ton, more than 25 percent below the already historic low price of US\$ 21-22 a ton, is sure to send prices into another downward spiral.

If the strike goes ahead miners in both NSW and Queensland will stop work for 24 to 48 hours. A Construction Forestry Mining Energy Union spokesman said the strike was designed to put pressure on the Howard government to regulate the \$8 billion a year coal export industry

The union called national 24-hour strikes in 1994 against price-cutting. They were followed by another round of union-agreed restructuring in which thousands of jobs and hard-won conditions went to the wall.

The Federal Court this week ruled that the sacking of 66 miners by the Wallsend Coal Company, a subsidiary of Oakbridge, from its Gretley mine at the end of June and early July was 'void and had no effect.' The sacked miners had held a protest rally outside the court hearing earlier this month.

Prior to closing the mine, situated near Newcastle, the company circulated a retrenchment letter saying that if the miners voted to accept the restructuring agreement negotiated by the union they would keep their jobs. But within one week the management announced it would shut the mine and put it on a 'care and maintenance' basis.

The Federal Court said the dismissals were invalid because the first notice of the dismissals was 'ambiguous.' Despite the decision, none of the miners have been reinstated and the mine remains closed. Oakbridge is one of the coal operators with which the mining union has struck a 'framework agreement' that exempts it from national strike action.

Coal miners sacked by mining giant ARCO from its Gordonstone mine in Central Queensland are demanding reinstatement after the company last week advertised 50 mine workers' positions. Last October the company dismissed its entire work force and closed down the colliery, claiming it had 'failed financially' after miners refused to enter into individual work contracts. When pickets were mounted to oppose the sackings the company used a small army of security guards and used stand-over tactics to intimidate miners and their families, placing some under 24-hour surveillance. Despite this the CMFEU refused to call out other miners in the region in support and pushed the dispute into a court challenge that resulted in the company paying compensation to the sacked miners without reinstatement.

ARCO is seeking to reopen the mine on a 'greenfields' basis to eliminate past working conditions and impose greater work flexibility. A company spokesman said the 50 new workers, an initial intake, would be required to work in both production and maintenance, cutting across previous demarcation lines. The union has not initiated an industrial campaign to demand reinstatement and has taken the case back to the Industrial Relations Commission for decision.

Over a thousand building workers on Melbourne's City Link project were stood down this week when negotiations broke down between subcontractor Baulderstone Hornibrook and a head contractor, Transfield Obaysahi. Baulderstone Hornibrook demanded \$200 million in extra payments and \$9 million for work it had already carried out.

The \$2.2 billion project is one of the biggest in the world, involving a 22-kilometer bypass of the Melbourne central business district and links to three existing suburban freeways. The roadway will be owned and operated by a private company, Transurban.

The feuding companies came to a hasty agreement after workers stayed on site and threatened statewide strike action if they lost their jobs.

Communication workers employed by Papua New Guinea Telikom and Post PNG will strike for 24 hours on Monday. The strike, scheduled for last Wednesday, was deferred in the wake of the Aitape tidal wave disaster. Almost 98 percent of the union's members voted to take industrial action in a ballot held three weeks ago.

The government has refused to pay its share to the workers' superannuation after the funds were transferred from the Public Superannuation Fund to the National Provision Fund over 20 months ago. The government share stands at 21 million Kina plus interest.

A union spokesman said there would be no disruption to communications links to the Aitape disaster area, but the strike would hit services to the business sector, government departments and official organizations.

Following 15 hours of all-night negotiations leaders of the Philippine Airlines Employees Association (PALEA), covering 9,000 ground staff, have called off a five-day strike and endorsed a proposal by Philippine Airlines PAL to sack 1,800 of its members. The strike erupted on July 22 when PAL sacked 5,000 workers in the course of a protracted strike by pilots.

The deal was the outcome of a series of marathon conciliation meetings under the auspices of the National Conciliation and Mediation Board (NCMB) and the Department of Labor and Employment (DOLE).

The union will lift all pickets and end the strike within 24 hours to enable PAL to fully normalize its operations. The sackings will be effective of August 16. To help the union sell the deal PAL has agreed to pay 30,000 pesos (US\$712) in two installments over six months, as a 'separation benefit.'

The agreement came after President Joseph Estrada personally intervened, fearing that if the dispute continued the Securities and Exchange Commission and the airline's creditors would reject a 'rehabilitation package' put together by the PAL.

The high-level negotiations included PAL chairman Lucio C. Tan and President Jose Antonio Garcia, union President Alex Barientos and other key officials. From the beginning Barientos has worked closely with management to end the strike and impose the cuts. Earlier he had appealed for talks saying 'hot heads could react and take rash action, what I fear is that by taking away peoples' jobs, trouble might occur.' A management spokesman said: 'The agreement was reached in the interests of industrial peace and harmony, hence both parties recognize the inevitability of work force reduction in the light of the current downturn in the economic environment and the travel industry.'

The agreement will pave the way for similar attacks on other PAL workers, particularly the flight attendants. Over 625 pilots, who initially took action on June 5 in defense of jobs, remain locked out after refusing to sign work agreements that treated them as new applicants.

The Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) last week demanded that the government of Prime Minister Sheikh Hasina put the army into the country's ports to impose labor discipline to boost productivity.

The key employer's body said a takeover of the ports would mean an end to industrial unrest and wharf workers participation in hartel (national strike) and blockades. It called on the government to deal with the labor unions 'with an iron hand.'

The FBCCI also urged the government to privatize all port facilities. The waterfront unions declared their opposition and condemned attempts by the government to set up a private handling facility in the port of Chittagong.

Miners in Russia have escalated their protests against the Yeltsin government in their campaign to force the payment of back wages due to them. Most of the miners have not been paid from six months to a year. Miners on Sakhalin Island, in the Russian Far East, began strike action on July 25. While they blocked the main railway lines and highways in and out of the city of Yuzhno-Sakhalinsk, miners in Ossinniki in the Kuzbass were continuing their own railway blockade.

On July 26 the Russian vice-governor, Ivan Malakhov, said they may bring charges against the miners for disrupting coal supplies to Yuzhno-Sakhalinsk. On July 27, 400 miners blockaded railway lines near Chelyabinsk, closing the Southern Urals section of the railway system. The latest reports state that miners have cut off all the main east-west rail links.

Earlier this month the government made promises to miners in the Kuzbass over unpaid wages, after the end of a two-week blockade of the Trans-Siberian railway. The government's claim that it has transferred the outstanding money to pay the wages is coming under fire from the miners.

In another dispute over unpaid wages, thousands of nuclear research staff stopped work for three hours on July 23. The strike took place in the closed city of Sarov, with 3,500 workers attending a rally in the town center. Ivan Nikitin, the head of the strike committee at the Institute of Experimental Physics, said, 'Some people have not been paid since October 1997, most people have not been paid for four months on average.' Gennady Smirnov, the institute's assistant director of finance, reported that the dispute was the fault of the government which 'owes us money and thus we are unable to pay their [workers'] salaries. The government has not paid half what they promised us.'

The workers at Sarov are representative of many of the 800,000 workers in the nuclear industry in Russia, who are not paid on time. One commentator raised the possibility of nuclear accidents arising from the dispute. Igor Kudrik, a researcher at the Bellona Foundation in Oslo, said, 'It shows that people instead of thinking about their work in laboratories on research nuclear facilities, they are thinking about their families to feed, so of course it contributes very much to the possibility of different kinds of incidents and accidents.'

Beach workers throughout Italy are to strike for one day on July 31 against a new tourism bill going through the Italian parliament. The strike will involve around 200,000 workers at 20,000 locations along the Italian coastline.

The beach workers union president, Riccardo Scarselli, commenting on the bill, said, 'According to this new law, we have to exist, invest, produce more and more, but without certainties or security.' The bill is expected to lead to a cut in subsidies for beach and holiday resorts.

On July 21, the Portuguese Socialist Party government threatened to use force against striking harbor pilots on strike for better pay. Joao Cravinho, the Planning and Public Works Minister, said, 'Only in a banana republic can 80 individuals seek to impose their will on a country," and that the government 'would use all possible measures allowed by law to resolve [the strike] ... in accordance with the national interest." Under the law the government can intervene in industrial disputes that are deemed vital to sectors of the economy. Officials met on July 21 to discuss ending the strike in collaboration with port authorities.

The striking pilots are demanding a wage increase of at least 5 percent and have rejected a government public sector wage rise of 2.75 percent. The strike coincided with a tanker drivers' dispute. A spokesman for the state oil company Petrogal, Antonio Mocho, spoke for the government and big business who fear a joint struggle by transport workers. 'The port pilots strike has not affected Petrogal yet, but the situation may get worse if the Portuguese tanker drivers' stoppage is not called off soon," he said.

The strike of tanker drivers ended July 22, when drivers voted to end the dispute. The action began on July 20 after a disagreement over money that the drivers sought for carrying hazardous material, and a plan to introduce a harder test for dangerous material drivers. The strike affected more than half of Portugal's petrol stations by the second day of the strike.

The drivers unions, the Federation of Road and Urban Transport (FESTRU), claimed that the government had agreed to their demand to end proposals for a tougher examination for drivers who transport dangerous materials.

An estimated 10,000 railway maintenance workers in Britain held their third strike of the summer over the weekend of July 24-27. The dispute has arisen over maintenance workers' demands for better pay and conditions. On July 27, the Rail, Maritime and Transport union (RMT), which represents 6,500 of the workers, suspended further strikes in order to continue negotiations with the nine companies involved in the dispute.

Earlier the general secretary of the RMT, Jimmy Knapp, announced that the union was close to securing an agreement with one of the companies involved, Centrac.

The 620 workers employed at Abitibi-Consolidated's Trois-Rivieres, Quebec paper mill returned to work July 27, after voting to break ranks with a seven-week-old strike that has shut all of Abitibi's eastern Canadian operations. The world's largest newsprint maker, Abitibi had said it would close its Trois-Rivieres mill if the strike were not immediately terminated.

Two weeks earlier, the Trois Rivieres workers defeated an attempt by local leaders of the Canadian and Energy and Paperworkers Union to force an end to the strike. But with the company issuing daily closure threats and the national union leadership simply dismissing the threat to their jobs, the workers ultimately voted massively to return to work.

A rotating strike by 14,000 community health care workers was suspended by the British Columbia Government and Service Employees' Union July 30, just hours after it began. Union officials toured job sites in the Vancouver area, the first city to be targeted by the strike, to tell picketers that the strike had been suspended because the association that represents the province's regional health boards had tabled a new offer.

The principal issue in dispute is the health board's refusal to give the community healthcare workers the seniority rights and vacation and other benefits they received from their former employers. In April, responsibility for community health care was transferred from the BC and municipal governments to the newly-established regional health boards.

Some 6,200 pilots at Northwest Airlines could begin strike action in late August, after the National Mediation Board declared an impasse July 29 in negotiations between the Air Line Pilots Association and the airline. The impasse declaration starts the clock on a 30-day 'cooling-off period,' the latest in a long series of delays imposed on industrial action by the pilots. ALPA and Northwest have been in contract talks for two years, deadlocked over demands by the pilots for restoration of the massive concessions made in 1993 when the airline was near bankruptcy. The pilots want a pay raise of 15 percent over two years and guarantees of job security.

Meanwhile officials of the International Association of Machinists said the 27,000 members working as mechanics and ground service personnel at Northwest had rejected a proposed four-year contract. Results of the vote will not be released officially until August 4, but a union spokesman said 'preliminary indications' were that the agreement had been defeated. Union officials were booed and physically assaulted at ratification meetings held recently in the Twin Cities area.

With two key issues still unresolved, members of Transport Workers Union Local 234 in Philadelphia voted by a three-to-one margin July 24 to ratify a verbal agreement between the Southeast Pennsylvania Transportation Agency (SEPTA), and the union leadership.

Although the vote was held at key work locations, only 3,431 workers out of 5,500 members eligible to vote actually cast their ballots. In other words, more than 50 percent of the membership declined to vote for the deal. This reflected a feeling of dissatisfaction among the rank and file, including those who voted to accept. Many workers felt that, with their bills mounting up during the 40-day strike that ended July 10, they had no choice but to vote for the agreement. Some felt that they ended up with the same deal that management offered before the strike.

With no memorandum of understanding actually in writing, workers correctly felt that they were signing a blank check. The 15-member SEPTA board of directors, on the other hand, will not be asked to vote on the new agreement until a written memorandum of agreement is actually signed by both sides. Until then, the handshake deal is not legally binding. The two issues with which both the union and management have stated remain unresolved involve the hiring of part-timers, and the limitations of health benefits for workers on compensation.

Customer service and ramp workers for Mesaba Airlines rejected union representation by the International Association of Machinists in a lopsided 589-191 vote July 6. Under the procedure employed for the ballot, all those who failed to vote were counted as voting 'no.' Even allowing for this handicap, however, the IAM campaign was a dismal failure. At one meeting held by the union for Mesaba workers, only four showed up.

Mesaba workers wages begin at \$7.80 and top out at \$11.25 an hour after 10 years. 'It takes a long time to get anywhere,' said a grounds worker. 'I voted for the union and am upset we didn't get it. But I admit that the problems at Northwest affected the vote.' IAM Local 1833, which took part in the organization drive, is currently under sharp attack by its membership for selling out in the negotiations with Northwest Airlines. Northwest Airlines controls 30 percent of Mesaba, a commuter airlink unit which serves 91 cities in 19 states and Canada from two hubs in the Twin Cities and Detroit.

The strike by 6,400 telephone workers ended July 28 after 41 days on strike and a two-day general strike and mass protests failed to stop the privatization of the state-owned Puerto Rican Telephone Company. Controlling interest in the phone company was sold for \$2 billion to a consortium led by US-based GTE.

The agreement ending the strike was announced at a joint press conference by company officials and officials from the office and bluecollar unions. Annie Cruz, from the HIETEL union, declared that the agreement should lead to labor peace, and Jose Juan Hernandez, of UIET, said that the conclusion of the strike would make all Puerto Ricans winners. None of the parties would divulge any content of the agreement despite a barrage of questions from the press.

Initially, the agreement was to have protected workers from any victimizations by the government of Pedro Rosello. The final agreement is to have removed an illegal labor practices complaint filed by the government against the two unions. However, while not taking action against the unions, the government does intend to pursue criminal cases against individual workers alleged to have tampered with phone lines during the strike. Workers will also receive a letter of reprimand that will be placed in their personnel files and later removed in six months.

GTE's original offer of \$1.9 billion, which included only a one-year moratorium on job cutting, was challenged by Spain's Telifonica corporation, which offered \$2 billion and a three-year job security clause. GTE is said to have agreed to the proposal to wait three years before slashing the work force.

It is believed that there was major pressure from the US government and military to accept the offer from the American company. GTE is the communications provider for the Southern Command of the US armed forces, which is being moved from Panama to Puerto Rico next year.

Peasants in the arid wasteland of northeast Brazil, driven by drought and hunger, continue to loot supermarkets, food warehouses and trucks. Peasant leaders in the Landless Workers Movement (MST) have defended the theft of food, pointing to the landlords' attempts to use their control of emergency food supplies to politically dominate the region.

The images of cadavorous children involved in food riots have sparked widespread solidarity from the working class and urban middle classes in Brazil. In many cases food warehouse managers and truck drivers have tacitly assisted the looters.

President Fernando Enrique Cardoso, whose reelection campaign is being conducted in alliance with the landlords, has announced a bandaid emergency program to provide \$500 million for food and temporary jobs.



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