

# Workers struggles around the world: 19 September 1998

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## The Americas

- UAW strike at Peterbilt collapsing
- New Jersey judge breaks teachers strike
- No talks in Titan Tire strike
- Connecticut phone strike ends
- Teamsters election scheduled for November
- More US layoffs
- Canadian paper workers bow to Abitibi's demand for local negotiations
- Air Canada pilots' leader repudiates strike
- Austerity program unveiled in Ecuador

## Asia-Pacific

- Philippine government to slash jobs
- Manila garbage workers form union
- Mass layoffs at Indonesian companies

## Africa and the Middle East

- Ivory Coast taxi drivers strike over shooting
- Palestinian UN workers carry out one-day strike

## Australia

- Firefighters threaten strike over safety
- Retrenched Cobar miners finally get compensation
- Power workers oppose award cuts

## Europe and Russia

- Romanian miners strike for overdue pay
- French transport unions warn of future blockades
- British Medical Association calls for pay increase for doctors
- Russian teachers protest unpaid wages
- Russian defense workers hold protests
- Italian dubbers strike reportedly near settlement
- Job losses in Britain

## The Americas

### UAW strike at Peterbilt collapsing

The four-month strike by the 1,200 members of the United Auto Workers (UAW) at Peterbilt Motors Company in Nashville, Tennessee is collapsing. Citing financial hardship, UAW Local 1832 voted to recess the strike and offer an unconditional return to work. Peterbilt responded with an offer that the UAW rejected. All talks between the two sides have broken down.

The UAW struck Peterbilt May 3, after the company demanded a new contract with concessions from the union on health care, cost-of-living protection and paid holidays. PACCAR, Peterbilt's parent company, is a \$6.5 billion company and leader in the design, development and manufacture of high-quality, light, medium and heavy-duty trucks under the Kenworth, Peterbilt, DAF, Leyland and Foden nameplates.

The company, which recorded a 242 percent increase in profits over the last four years, has taken an uncompromising line in negotiations. Scabs were hired, Vance Security guards brought in and the plant perimeter was

ringed with video cameras. During the course of the strike PACCAR has gone to court seeking charges against 34 strikers for alleged picket line misconduct.

[back to top](#)

### New Jersey judge breaks teachers strike

Eight hundred striking Middletown teachers of the New Jersey Education Association voted to return to work September 10, under threats of jail and firings. A Monmouth County judge declared the week-old strike illegal and terminated a handful of nontenured teachers while issuing his threat to expand the attack against the strikers.

The Middletown schoolteachers struck after two years of fruitless negotiations came to a head when the school district imposed a contract calling for increased contributions by teachers on health care. The strike polarized the community with lawn signs appearing in support of either the teachers or the school board.

[back to top](#)

### No talks in Titan Tire strike

Talks between Titan Tire and striking members of the United Steelworkers Union in Des Moines, Iowa, broke off with both sides admitting an immediate agreement over formal negotiations is not within reach. More than 650 workers struck Titan on May 1.

[back to top](#)

### Connecticut phone strike ends

The strike by 6,300 members of the Communication Workers of America ended September 24 when workers voted to accept a tentative agreement reached by the union and Southern New England Telecommunications Corp (SNET). SNET CEO Dan Miglio declared the contract "addresses the union's major issues and it satisfies the company's financial and operational needs.... This agreement is now in the union leadership's hands. It is up to them to explain the details so each member can cast an informed vote."

The strike by operators, customer service representatives and technicians began August 23, after rank-and-file opposition to the initial agreement between the CWA and SNET. The backdrop to the settlement was approval September 2 by state regulators of a \$4 billion merger of SNET of Connecticut with SBC Communications Inc., based in San Antonio, Texas. SBC is the dominant local carrier in the Southwest and West Coast. The acquisition of SNET establishes a foothold for SBC in the Northeast, where the market is presently dominated by Bell Atlantic Corp.

[back to top](#)

### Teamsters election scheduled for November

A federal judge in New York pushed back a scheduled Teamsters election two months and ordered that ballots be mailed out on November 2 and returned by December 3. The decision was made by Judge David Edelstein who oversees the Teamsters union under a 1989 consent decree. New elections were ordered after revelations that President Ron Carey was involved in an illegal scheme to funnel union money into his reelection campaign. Carey has since been expelled from the union. The

election has been delayed by a funding deadlock in which both Congress and the union have refused to pay an estimated \$8 million for the rerun of the vote. Edelstein also temporarily suspended all Teamsters publications beginning October 12, to prevent Carey's supporters from influencing the elections. James P. Hoffa Jr. is widely expected to win the vote.

[back to top](#)

#### **More US layoffs**

Citigroup, the huge financial services company being formed by the \$50 billion merger of Citicorp and Travelers Group, will eliminate 8,000 jobs or 5 percent of its work force by the end of the year. Company insiders and analysts say this year's reductions are only the beginning. Steeper cuts are expected in 1999, particularly in consumer and corporate banking in emerging markets, as well as bonds and securities trading.

The Citigroup layoffs were the largest of the late week announcements of job cuts which included: CBS (250), American Greetings Corporation (120-240) and General Motors, which announced that 1,400 workers would be laid off at its Lake Orion, Michigan assembly plant due to the elimination of two mid-size car models.

[back to top](#)

#### **Canadian paper workers bow to Abitibi's demand for local negotiations**

The 4,000 paper workers who have been striking 10 Abitibi-Consolidated paper mills since June 15 have voted to allow mill-by-mill negotiations on work rules and other contract language. The workers had been fighting to maintain a single master agreement for all Abitibi workers in Eastern Canada.

The Canadian, Energy and Paperworkers Union ordered a vote on whether to cede to the company's demand for local negotiations after workers at an eleventh Abitibi mill, in Trois-Rivieres, Quebec, had returned to work. The vote also followed favorable rulings from various provincial labor tribunals that the workers' insistence on a master agreement constituted an "unfair labor practice." Local union officials at Abitibi's Trois-Rivieres mill broke ranks with the strike and engineered a return to work after the company, the world's largest newsprint producer, threatened to permanently close the mill.

Under an agreement worked out with the assistance of the federal, Ontario, Quebec and Newfoundland labor departments, the CEP and Abitibi will negotiate a company-wide agreement on wages and benefits and local agreements on working conditions.

[back to top](#)

#### **Air Canada pilots' leader repudiates strike**

Jean-Marc Blanger, chairman of the Air Canada Pilots Association, has repudiated the 13-day strike by 2,100 Air Canada pilots mounted earlier this month. Blanger decried the strike's impact on Air Canada's financial position at a press conference called to report that the pilots had voted 83 percent in favor of a new two-year contract with Canada's largest airline. "The strike cost too much money, way too much money," said Blanger. "We should not have gone on strike."

While the ACPA chairman insisted the pilots' leadership "didn't cave in," the new contract calls for the pilots to receive a pay raise of just 9 percent over two years--the same amount Air Canada proposed in its final pre-strike offer.

Blanger says the ACPA looks forward to a closer relationship with management, which Air Canada has interpreted to mean that the pilots will continue working in the event of any future strike involving Air Canada's mechanics, ticket agents, or flight attendants. In the wake of the strike, Air Canada spokesmen have sought to reassure investors, by declaring that "only a pilots' strike" can shut down the airline. Over the next 18 months, Air Canada will renegotiate contracts with unions representing the bulk of its employees.

[back to top](#)

#### **Austerity program unveiled in Ecuador**

Ecuadorian President Jamil Mahuad announced an emergency economic rescue package September 14 that devalued Ecuador's currency, the sucre, ended subsidies on electricity, cooking gas and diesel oil, and promised to slash the country's public payroll. The move came on the heels of the announcement by Moody's Investors Service to downgrade the country's ceiling for foreign currency bonds, notes and the ceiling for long-term foreign currency bank deposits.

The new policy is expected to increase the price of cooking gas by 400 percent, more than double electricity rates and increase the price of diesel fuel by 39 percent. Labor unions have vowed to oppose the new measures. "The workers are going to fill the streets and protest," declared Jose Chavez, leader of Ecuador's largest labor federation, the United Workers Front. "We've toppled other governments for much less than this."

[back to top](#)

[Asia-Pacific](#)

#### **Philippine government to slash jobs**

The Quezon City government will sack some 6,000 contractual workers, casual workers and consultants by September 30 due to the economic crisis gripping the region. Mayor Ismael Mathay Jr. announced the job losses on September 10. The workers, whose pay was delayed by a week, have been told not to report to work after the end of the month.

Sources said the city government can no longer afford to pay casual and contractual workers, who make up more than half the city's 9,600 employees. The city currently employs 3,535 casuals, 1,954 contractual workers and 294 consultants.

The conditions of the remaining work force, classified as regular employees, are also under attack. Outstanding nationally mandated bonus payments of 7, 200 pesos for each worker, due last December, may be canceled altogether. The city government claims this is due to cash flow problems.

Meanwhile, bankrupt Philippines Airlines will officially close down September 23, according to its owner Lucio Tan. President Estrada is involved in negotiations with the unions to save the 57-year-old airline, which is losing 40 million pesos (US\$913,000) a day. The largest PAL union has already agreed to suspend its contract for a decade in exchange for partial stock ownership in the airline.

[back to top](#)

#### **Manila garbage workers form union**

Manila's hard-worked and poorly paid garbage workers are fighting to form their first ever union. They have filed a petition with the Department of Labor and Employment (DOLE) for a "certificate of election." DOLE has to approve the petition before the 800 truck drivers, collectors and sweepers can establish the union and elect officials. The workers have also registered a log of claims, including wage increases.

The workers are employed by Leonal Waste Management Corp, which holds an exclusive multimillion peso contract with the Manila City government to remove garbage. The company is paid at least 1 million pesos a day for services. The Leonal management has filed a counter petition with DOLE to dismiss the workers' petition.

Several workers interviewed said they worked 12 hours a day, seven days a week and were paid only slightly more than minimum wages. Leonal drivers are paid 300 pesos (about US\$7.50) a day, collectors 200 pesos a day, sweepers 198 pesos a day and helpers 150 pesos a day. They are denied basic award benefits due them under the country's labor code, including overtime, holiday pay, incentive pay and night loading. Leonal owner Nathaniel Velasco said the wages now paid "are enough."

Working conditions are shocking. There are no days off or holiday leave. Workers are continually exposed to rotting garbage but they receive no medical benefits or regular medical checkups and the company does not provide protective gear. According to workers these conditions have existed for the last six years.

Garbage workers have attempted on several occasions to form a union.

On August 24 they went on strike in opposition to management's attempts to block them and its continual harassment. Fearing the strike could spread to involve all the city's garbage workers, Manila's Mayor Lito Artienz intervened to convince the strikers to return to work.

[back to top](#)

### **Mass layoffs at Indonesian companies**

Astra International, the Indonesian car manufacturer, announced it would lay off 25,000 workers. The company, run by one of former president Suharto's sons, has been hit by an 84.2 percent drop in auto sales since last year. It posted a loss of 7.36 trillion rupiah (US\$634.5 million) in the first half of the year and virtually halted output in June and July.

Meanwhile, Garuda Indonesia, the state-owned Indonesian airline, announced a restructuring program that would eliminate up to 5,000 of the current 13,650 employees' jobs. The five-year \$285 million restructuring plan also includes the selling of seven of Garuda's ten international routes, as well as some of its airplane fleet to private domestic and international companies. This week the government also submitted a draft law to dismantle the state-owned oil, mining and gas company Pertamina, a move that is expected to eliminate thousands more jobs.

[back to top](#)

[Africa and the Middle East](#)

### **Ivory Coast taxi drivers strike over shooting**

Taxi drivers in the Ivory Coast capital city of Abidjan went on strike last week to protest the police shooting of one of their colleagues. The killing is the fourth of its kind this year and is part of regular harassment by police.

The day of action was widely supported and severely disrupted traffic in the capital. While taxi drivers say their strike is indefinite, union leader Mamadou Kone said they would be seeking talks with the authorities over the shootings to seek an early end to the strike.

Transport drivers from other sections of industry are preparing to take broader industrial action against the police. They are angry because the police are continuing to set up roadblocks throughout the country, extorting payments from truck drivers before they are allowed to pass through. Drivers took national strike action in 1997 to oppose this and blocked cargo shipments to neighboring countries.

[back to top](#)

### **Palestinian UN workers carry out one-day strike**

About 6,100 employees of the UN Relief and Works Agency in Jordan walked off the job September 15 to demand pay raises and other benefits they say have been delayed for years by financial cutbacks. Besides Jordan, UNRWA workers were on strike in the Gaza Strip, the West Bank, Lebanon and Syria, closing down schools, clinics and aid offices.

For the past 18 months, the UNRWA's management has warned its growing budget shortfall was forcing cutbacks in the agency that serves 3.5 million Palestinian refugees in the region. UNRWA Commissioner-General Peter Hansen said in March that donor nations had given the agency \$237 million to meet a budget of \$314 million this year.

[back to top](#)

[Australia](#)

### **Firefighters threaten strike over safety**

Firefighters at Australia's main airports have threatened national strike action to oppose government plans to privatize the service and fight the continuing downsizing of airport fire and rescue services.

A union spokesman said private services would simply be run for profit with little concern for public safety. "Firefighters believe that private companies providing those services will do so at the risk of reduced safety," he said.

According to the union the strikes will take the form of rolling stoppages "called at a time of the greatest number of international flights" and will affect up to 16 airports.

[back to top](#)

### **Retrenched Cobar miners finally get compensation**

After a delay of eight months Ashanti Goldfields has finally agreed to pay part of the leave and redundancy entitlements it owes to 267 copper miners it retrenched after closing its mine in the New South Wales town of Cobar earlier this year.

The Ghana-based transnational closed its operations, owing workers \$10.5 million and a further \$6 million to small businesses and contractors. The company has offered to pay only 80 cents on the dollar to the workers, making available just \$7 million.

Despite this the Rural Workers Union (a breakaway from the Australian Workers Union) claims the result is a victory. The union did not organize a fight to defend jobs or halt the mine closure. It restricted the workers to protests demanding government intervention to force the company to make a pay-out.

Part of the mine may be reopened employing just 100 workers. Labor state Premier Bob Carr is due to announce a financial package to assist start-up operations of the new owners, Mt. Lyell Mines and Glencor International.

One miner said: "This is little comfort to the hundreds of miners who for the last 18 months have been living in poverty." Over 140 families have been forced to leave the town to seek alternative work. The miners are yet to vote on Ashanti's offer.

[back to top](#)

### **Power workers oppose award cuts**

Over 5,000 power workers employed in power stations in Victoria will go on strike this week for 24 hours to protest the moves by the federal Liberal government to cut work conditions. The strike was called after Workplace Relations Minister Peter Reith ordered the Industrial Relations Commission to re-hear an employers' application to slash 35 job conditions from work agreements.

Hundreds of workers from the Latrobe Valley, the state's main power generating area, traveled to Melbourne by bus to join other workers in protests outside the IRC headquarters and Liberal Party offices. Workers are threatening to take further industrial action on September 30.

[back to top](#)

[Europe and Russia](#)

### **Romanian miners strike for overdue pay**

Fifteen thousand miners from the Jiu Valley in Romania, northwest of the capital Bucharest, ended their strike to demand unpaid wages on September 14 after the Romanian Trade Bank agreed to lend the government 25 billion lei (1.6 million) to pay their miners. The Romanian miners' union leader Miron Cozma said that miners still had outstanding wage arrears of 5 billion lei and that the government loan was a "temporary measure."

[back to top](#)

### **French transport unions warn of future blockades**

Following the cross border demonstrations by truck drivers on September 8, which partially blocked roads in countries bordering France, transport unions have said that road blockades could be established in future actions. One of the main grievances of the French drivers is that long hours cause them fatigue. They are demanding the introduction of a maximum 48-hour week.

The European Commission is presently negotiating with transport unions to implement a deal by September 30. Under the draft proposals the target of a 48-hour week will be worked out based on a driver's weekly average over a four-month period. Drivers point out that this could still mean them working up to 60 hours on some weeks. The EC and transport unions are due to meet September 18 to carry on negotiations.

The general secretary of the French FST transport unions' federation, Romolo Vivarelli, said that the federation did not call for any blockades or disruption of traffic on September 8, but that some individual unions were considering blockades "if that is the only thing to do to resolve the

problem."

back to top

### **British Medical Association calls for pay increase for doctors**

The British Medical Association has called for a pay increase of around 10 percent for doctors and a flat-rate bonus of 100 for junior doctors who are forced to work weekends. The BMA has called for the increase in its annual submission to the Review Body of Doctors' and Dentists' Remuneration. On average General Practitioners (doctors) earn 47,500 a year while young doctors in their first jobs starts at 15,800.

The submission said that doctors' pay was continuously below that of other comparable professions and that a five-year program was required to restore parity. A "substantial step in this direction should be taken in 1999 with increases of no less than 10 percent," the report states. Doctor's pay is estimated to have fallen back by 20 to 50 percent in comparison to similar jobs.

The government has cynically claimed that pay increases for doctors would take money and resources away from patient care and had decided that future submissions of the BMA would have to take "affordability" into account.

The chairman of the BMA, Dr. Ian Bogle, said, "I deplore this blackmail. At one end of the scale, entrants are queuing up to get into medicine. But the attrition rates among students and young doctors is absolutely frightening." Junior doctors work notoriously long hours, sometimes staying awake for 48 hours or more, while working 60- to 70-hour weeks.

Bogle criticized new guidelines for trainee doctors that had led to the "splitting of weekends between several doctors on the roster. Purely paying for the hours on duty does not acknowledge the disruption caused by weekend working. We propose a flat-rate supplement for each weekend disrupted by work."

back to top

### **Russian teachers protest unpaid wages**

More than 80,000 teachers and other school staff struck September 15 in an all-Russian day of action in education. The action follows a series of indefinite strikes by 22,500 school and primary (infant) schoolteachers in 27 regions in Russia during the last two weeks.

The strike was to protest against unpaid wages due to teachers and to demand the indexing of pay. More than 1,800 schools were affected. Fifteen thousand teachers in Primorye (Maritime Territory) took part in the strike with many classes being suspended for one to two hours. Teachers and other staff in Primorye are owed some 250 million rubles in unpaid salaries. Twenty-four-hour strikes took place at schools and other educational facilities in the Kavalerovo and Partizansk areas. In the town of Seltso, in the Bryansk region of western Russia, eight teachers at one school are on hunger strike in protest at unpaid wages.

Vladimir Pavlikhin, the deputy leader of the Russian Education Workers Union, said that wage arrears owed to teachers totaled 13.8 billion rubles (US\$1.6 billion). He said, "If our demands are not met, we will appeal to all school workers to strike for two weeks from October 20 to November 4." Teachers have not had a pay increase in Russia since 1995 and the proposed budget for the coming year makes no provision for one.

Further joint protests between teachers and pupils are planned for October 1 and 5. The latter will include a demonstration and picket of the federal government in Moscow.

back to top

### **Russian defense workers hold protests**

On September 15, 1,500 defense workers at the Ulyanovsk Mechanical Factory in Russia held a demonstration outside the plant gates to protest eight months of unpaid wages. The action follows another protest and a blockade of the main highway in the city on September 11.

The city authorities are blaming the delays in wage payments on the Russian Defense Ministry, which is the factory's main customer. The

Defense Ministry owes the firm over 100 million rubles. Despite government agreement to pay off the debt, it has yet to take place.

back to top

### **Italian dubbers strike reportedly near settlement**

A two-month strike by Italy's TV and film dubbers appears to be near a settlement. The dubbers are demanding more money and royalties. The walkout has delayed Italian release of Hollywood films such as "Saving Private Ryan," and forced TV to use subtitles or voice-overs.

back to top

### **Job losses in Britain**

A new wave of job losses has been announced in Britain. Vickers, the defense contractor, will eliminate 600 jobs at its Newcastle and West Yorkshire factories in the north of England. The job losses are a result of fewer orders for the company, which manufactures the Challenger II tank. Earlier this week two of Vickers' rival tank makers, GKN and Alvis, merged in a 78 million deal.

The British Tourist Authority (BTA) has reported that more than 30,000 jobs in the industry were lost last year as a result of the high value of Sterling. Despite a record 25.5 million tourists visiting Britain last year, their total spending remained the same as in 1996, at just over 12 billion. Another factor is that the high value of the British pound caused many British holidaymakers to go abroad to take advantage of the exchange rates.

The chairman of the BTA, David Quarmby, said, "The continuing strong pound, coupled with the financial crisis in Asia, means 1998 is unlikely to be any easier. The 16 percent rise in the value of the pound against European currencies will have cost Britain over 850 million in revenue from European visitors in 1997 and 30,000 tourism jobs in this country."

The Arts Council of England is to cut its work force from 322 to 150, making savings totaling 2 million a year. The job losses are a result of the Council merging its two functions--distributing its 185 million annual grant and administering the Arts Lottery Board. The latter receives some 200 million a year in grants from the National Lottery. As part of the Art Council's restructuring a number of arts companies are set to lose their grants for the year 1999-2000.

The BPB building materials group is to close its unlined chipboard mill in Radcliffe, Manchester, northwest England, with the loss of 285 jobs. The closure is part of BPB's restructuring program, which has seen the closure of its factories in the Midlands and Cheshire over the last months.



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