# Workers struggles around the world: 17 October 1998

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#### The Americas

# Kaiser Aluminum strike talks stall

The United Steelworkers union said its bargainers have reached an impasse with Kaiser Aluminum management on reopening talks to end the three-week strike by 3,000 workers. Both USWA and Kaiser officials are calling for intervention by a federal mediator.

The company is taking a hard line and has sought to keep its plants operating with temporary replacement workers, salaried employees, retirees and other strikebreakers. Management has claimed its plants are rapidly increasing to normal output levels, and that it could operate them at full capacity if it chose to. The company is preparing to restart 70,000 tons of aluminum smelter capacity in the state of Washington, and will do so, it says, if market conditions demand it.

The aluminum workers walked out September 30 at five plants in Washington, Gramercy, Louisiana and Newark, Ohio. They are opposing company plans to eliminate 400 jobs, increase outsourcing, undermine

pensions, maintain wage levels below the industry average, lengthen work hours and add two years to the contract.

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#### Strike vote at America West

Flight attendants at America West will vote for strike authorization this week after four years of failed negotiations to reach an agreement with company officials.

America West flight attendants voted to join the Association of Flight Attendants (AFL-CIO) in 1994 in an effort to counteract the worst pay in the industry. A tentative agreement reached in October 1997 was rejected by workers, and bargaining since March 1998 under a federal mediator has produced no results.

The outcome of the strike vote will be announced November 2. If no progress is made in negotiations, the AFA can ask to be released from mediation, which would start a 30-day cooling-off period. According to reports, AFA will not announce a strike. Instead it is threatening to utilize random work stoppages without advanced warning. The action operates under the acronym CHAOS, which stands for Creating Havoc Around Our System.

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# Fedders workers strike Illinois plant

Some 1,100 members of the Stove, Furnace, Energy and Appliance Workers of North America struck the Effingham, Illinois plant owned by Fedders North America, Inc. after extended contract negotiations failed to produce an agreement with acceptable salary increases and a guarantee that the company would not move operations to another location.

Company Vice President Judy Katz declared the strike would not prevent the company from maintaining production. "We have production capabilities elsewhere," she said, referring to the company's operations in Tennessee and Southeast Asia. No further talks between union and management have been scheduled.

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# **Continental Tire workers continue strike**

Fifteen hundred workers at the Continental General tire plant in Charlotte, North Carolina are continuing the walkout they began September 20. The workers are demanding improved wages and are opposing concessions on work schedules, mandatory overtime, vacations, health insurance, drug testing and seniority.

Continental General is the fourth-largest tire producer in the world. In recent negotiations the company offered a wage and pension package well below the levels of other tire manufacturers in the US and Canada. Management has brought in the union-busting firm, Vance Security, and is advertising for strikebreakers.

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#### Two workers killed in separate industrial accidents

On October 13 searchers recovered the body of 45-year-old Michael Sanzere, a quality control chemist, who was buried under tons of limestone and metal at Dravo Lime Company's Black River plant in Carntown, Kentucky. Rescue workers believe the 22-year employee was

on the ground floor of a building underneath a limestone storage silo when the bottom of the 60-foot-high silo collapsed and discharged an estimated 600 tons of material into the building where he was working.

The accident was the latest in a series at the company over the past 14 months. In July 1997 a mine worker was electrocuted and killed at Dravo's nearby mine. Earlier this year another worker was burned on the lower half of his body as he worked in an area that contained limestone and water, which causes burns when mixed. The Black River plant has been cited for 133 safety violations in the past 24 months. Dravo, the largest publicly-owned lime producer in the US, has recently expanded production at its Carntown facility by 700,000 tons per year to meet increased demand.

In a separate accident, a worker at a Dow Chemical plant in Midland, Michigan died October 12 after being exposed to a raw material used in the production of herbicides. James Keeley, 29, the head operator of the company's AgroSciences phenoxy herbicide plant, went into cardiac arrest while being decontaminated after being exposed to a chemical that causes severe burns and affects internal organs if absorbed into the skin.

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# NBA owners cancel beginning of basketball regular season

The National Basketball Association has cancelled the first two weeks of the regular season, the first time regular season games have been scrubbed since the founding of the league 52 years ago. The action follows the cancellation of the entire pre-season.

NBA owners locked out the 300 players on July 1, demanding changes in compensation rules that would reduce the proportion of league revenues going to salaries. A major factor in the owners' hard line appears to be a recently signed four-year, \$2.64 billion television contract with NBC and TNT. The league will be paid by the networks even if not a single game is played this year.

The main issue in the dispute is the so-called Larry Bird Exception. The rule, introduced by the owners 15 years ago, allows teams to exceed the existing salary cap in order to retain star players. Because of the rule 23 of the league's 29 teams exceeded the \$26.9 million salary cap.

The owners have demanded the rule be eliminated and replaced with a "hard cap." The players have offered a compromise whereby teams that exceed the salary cap would pay a penalty to the league which would be used to subsidize teams which are more financially pressed. The union is also demanding that the minimum salary for players with one to five years experience be increased to \$500,000.

A ruling is expected soon by an arbitrator on the union's demand that 200 players with guaranteed contracts be paid during the lockout.

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# Quebec court upholds draconian anti-strike law

Quebec's Court of Appeal has upheld the constitutionality of a Quebec law that effectively outlaws job actions by healthcare workers and places severe limits on work stoppages by other public sector workers who provide services deemed "essential."

The Appeal Court ruling reversed a lower court decision striking down a section of Bill 160 that stipulates that health care workers can be stripped of one year's seniority for every day they participate in an illegal work stoppage. While the lower court held the penalty was disproportionate, the Appeal Court said it was justified because of the need to ensure the provision of health care and "the overall context." The latter phrase expressed the court's concern at the subversive character of mass worker defiance of the law.

Bill 160's severe legal sanctions were first applied on a mass scale in 1989 in the aftermath of a week-long strike by 200,000 healthcare workers, teachers and other provincial public sector workers. The mass defiance of Bill 160 and a battery of other antiunion laws threw the very existence of the Bourassa Liberal government into question. But the government was able to retake the offensive and apply the draconian

sanctions of Bill 160, after the union leadership, in the name of "preserving social peace," torpedoed the strike movement.

Both Liberal and PQ governments have upheld Bill 160 in the name of ensuring the safety of the public. The real threat to essential services, however, comes from the systematic slashing of federal and provincial government funding for heath care and other basic public services.

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## Ontario hospital workers threaten strike

The Ontario Council of Hospital Unions, an inter-union coalition representing 50,000 workers at 160 hospitals, has threatened to strike in defiance of reactionary labor legislation that outlaws work stoppages by healthcare workers. "Our members are fed up, overextended and exhausted," Ken Brown of the Service Employees International Union told a press conference.

Union leaders say they will not bow to demands by the Ontario Hospital Association for wage and benefit cuts, nor will they accept a settlement imposed by binding arbitration, as called for under Ontario labor law. "The government has rigged the entire collective bargaining dispute resolution system," declared Michael Hurley of the Canadian Union of Public Employees.

The hospital workers have been without a contract since 1995 and have had their wages frozen since 1992.

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#### Montreal symphony musicians strike

The Montreal Symphony Orchestra's 98 musicians are beginning their fourth week of strike action. The musicians, who have been without a contract since 1996 and have had their wages frozen since 1992, are seeking pay increases totaling 27 percent over a five-year contact. Management has offered increases of just 9 percent, none of them retroactive. The MSO is Canada's most internationally-acclaimed orchestra, but the musicians' base annual salary of \$50,600 ranks thirtieth among North American orchestras.

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#### Australia

# Rolling stock companies announce sackings

Two of Australia's major railway rolling stock engineering companies, Goninans and ADtranz, will downsize their work forces next year at the cost of hundreds of jobs.

Goninans has announced that it will retrench up to 600 workers and 70 engineers from its Broadmeadow plant in Newcastle in New South Wales by March 1999. ADtranz, a German multinational, will retrench workers from its Dandenong plant in Victoria after December following the termination of its current contracts. To date the company has not disclosed the extent of the job losses.

Spokesmen for both companies say they are restructuring ahead of government plans to privatize much of Australia's national railway system, which they are predicting will result in a lower demand for railway rolling stock. ADtranz has also announced that it will cut its German work force from 7,400 to 6,000 by the year 2000.

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#### Qantas pilots fight longer hours

Qantas airline pilots this week threatened to take industrial action if management persists in imposing changes to work schedules that will increase fatigue and undermine safety. Pilots are angry at new proposals that will reduce rest breaks and cut turnaround times from 36 hours to 21 hours on flights between Perth in Western Australia and Johannesburg, in South Africa.

A spokesman for the Australian and International Pilots Association (AIPA), which represents Qantas pilots, said the new rosters are being introduced on a "cost-saving basis, despite serious concerns over their safety". The company rejected alternate proposals by the union on the grounds they were too costly.

Professor Drew Dawson, a sleep deprivation expert and a consultant to Qantas on rostering for ground crew, advised the AIPA that the new pilot flight times were the worst patterns he had ever seen. He said pilots flying the proposed hours would appear as if they were drunk after the shift. It would be "like flying with a blood alcohol reading of 0.05."

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#### Asia

#### Korean unions accept mass bank sackings

Mass layoffs have begun at nine South Korean banks after banking unions called off industrial action last week and struck an agreement that will see up to 9,000 jobs destroyed.

The unions accepted the downsizing on the basis that the banks would shed jobs first on voluntary redundancies, and that they would avoid forced retrenchments as long as possible. Under the agreement forced retrenchments would start at the top and work down, and the sackings would be based on "individual performance records."

The job shedding is in line with demands by the government's Financial Supervisory Commission that banks slash their work forces or face shutdown. The nine banks affected are Chohung, Hanil, Peace, Kangwon, Chungbuk, Korea Exchange, Seoul, Korea First and Commercial Bank of Korea.

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# Korean paper workers strike

Workers employed by South Korea's Sampoong Paper Manufacturers have been on strike since October 7 against attempts by the company to cut wages by 10 percent. The company claimed that it would compensate for the cut by increasing the bonus component of workers' take-home pay from 300 percent to 400 percent. But workers are complaining that the company has not yet paid them the money owed from the previous bonus agreement. The call for strike action was supported by 92.5 percent of the workers.

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# Hong Kong communication workers face pay cut

Hongkong Telcom announced this week that it would suspend its plan to slash wages by 10 percent following protests from workers and unions. The pay cut--which would deliver the company over \$300 million in savings--will be put off for 12 months. A company spokesman claimed that the cut was necessary because of "economic difficulties" and "heavy competition" despite having registered a 52 percent increase in profits.

Hong Kong's Financial Secretary Sir Donald Tsang Yam-kuen criticized the company's handling of the pay cut when it failed to consult the unions beforehand. "By all means cut your wage if you want to survive, but talk to your employees," he said.

Hongkong Telcom is majority owned by Cable and Wireless of Britain, which made a \$17 billion profit this year compared to \$11 billion last year.

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#### Africa

# Industrial unrest flares in platinum industry

Workers at the Impala Platinum Holdings refinery in South Africa have been on strike for two weeks demanding a wage increase while another 400 platinum workers at Implats are seeking an 8.5 percent wage rise, backdated to July 1. A dispute at Implats over the company's attempt to victimize workers involved in a recent strike has only just been settled.

Meanwhile a four-day strike at Lonrho's West platinum mine ended last week after the company agreed to consider an appeal against its disciplining of 10 local union delegates, whom it claimed were involved in a hostage-taking incident at the mine.

The strike involved 6,000 workers and cost 2.5 million rand in lost production. Workers warned that the strike might resume if the company refused to exonerate the accused union officials.

The National Union of Mineworkers is also seeking a wage increase for

30,000 workers employed by Amplats, the world's biggest platinum producer. Negotiations have been in progress since the end of June. Tensions sharpened last week after unknown assailants killed a NUM official near the Amplats Rustenburg mine.

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## Air Algerie workers strike

Over 9,000 aircrew workers at the state-owned Air Algerie voted to continue a week-long strike against job cuts after negotiations between the company and the union failed. The strike erupted against the airline's plan to cut a third of its work force as part of restructuring measures.

The union had earlier agreed to limit the effects of the strike to allow negotiations to proceed. But a union spokesman said that when the talks broke down "workers voted to continue the stoppage".

The company will only be able to provide 13 percent of its normally scheduled flights, allowing only three planes to take off each day from the country's dozen airports. The airline flies to Paris, Marseilles, Brussels and London, as well as operating an extensive domestic service.

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#### Europe

# Turkish copper-zinc miners take strike action

Copper-zinc miners at the Cayeli mine in Turkey began strike action October 8 following a breakdown in contract negotiations. The 276 workers are employed by the Inment Mining Corporation, which has a 49 percent stake in Cayeli. The dispute began after a failure to agree over "economic" issues, according to the Inmet Mining Corporation.

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#### Hundreds laid off at Turkish auto plant

On October 9 the Turkish trade union, Birlesik Metal-Is, announced that 300 workers had been laid off at the automaker Tofas, after the workers changed their trade union.

Thousands of workers have left the Turk Metal union since it agreed to a deal which imposes pay cuts for nearly 40,000 workers at 22 companies. The agreement was signed for the next two years with the employers' organization MESS in October. Many workers then joined the Birlesik Metal-Is union, which is part of the labor confederation DISK. The DISK federation is seen as more radical than Turk Metal.

The chairman of Birlesik Metal-Is, Kamil Kinkir, reported, "The number of workers sacked has reached 300 by October 8, an average of 30 per day, because they joined our union."

A Tofas spokesman admitted that 198 workers had been made redundant between August 26 and October 8, but blamed this on falling exports due to the economic crisis. The Tofas assistant general manager, Nezih Olcay, said that the redundancies had nothing to do with workers changing their trade union. The company had suffered a cancelled order from Poland and a fall in demand from Russia. He warned that there could be further redundancies if the company continued to lose its market share.

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#### Levi-Strauss Europe maintains factory closure plans

The European subsidiary of jeans manufacturer Levi-Strauss & Co announced October 14 that it had rejected trade union proposals to stop the closure of three of its plants in Belgium. At the end of September Levi-Strauss Europe announced plans to close three plants in Belgium and one in France, with the loss of 1,500 jobs.

The unions, which called a series of protest strikes at the Belgian plants, then submitted proposals for the company to reduce its outside contractor base, spread production across all of its European factories and move production in Belgium from denim to non-denim products.

Levi-Strauss Europe said that the proposals would lead to an increase in the cost of production. Its statement said, "Thorough analysis reveals the measures proposed by the employee representatives, while addressing the overcapacity, will significantly increase the production cost of Levi Strauss in Europe. The company has made it clear counter-proposals must address both overcapacity and be cost-neutral." The company was due to meet the trade unions for further discussions October 15.

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#### German employers' organizations reject IG Metall pay claim

The German trade union IG Metall announced October 13 that it will demand a 6.5 percent pay increase for 1999. The union represents 2.7 million members in many industries, including auto, metallurgical and engineering workers.

The pay claim was immediately rejected by the employers' organization Gesamtmetall. Werner Stumpfe, the head of Gesamtmetall, said, "there is no reflection of the realities in the IG Metall demands." IG Metall made clear that its pay claim was being made on the basis that there would be a corresponding increase in productivity from its members. The leader of the union, Klaus Zwickel, said, "For the coming year we can expect a productivity increase in the metal industry of 5.5 percent. That means the metalworking industry, with its clearly better economic position, can afford to pay IG Metall's demands."

Zwickel said that profits in the metal sector had risen by 20.9 percent between 1993 and 1997, but that employees' incomes had fallen by 7.1 percent in that same period.

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# Portuguese government to hold public sector pay increase at 2 percent

The Portuguese government says 639,000 public sector workers will receive a 1999 pay increase of only 2 percent, in line with its inflation rate target. Talks between the government and public sector unions began October 13. The government presented its budget proposals on October 15. A government representative, Fausto Correia, said that the 2 percent target was "a starting point. We are in a negotiating process that will evolve."

Some of the trade unions involved in the negotiations reported that their pay claims were higher than those proposed by the government. One of the unions, Frente Commum, has presented a proposal for an increase of 6.5 percent, while the Union of Technical Staff has submitted a 4.7 percent proposal, and the Federation of Public Service Unions proposes a 4.4 percent hike.

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# Bitter strike at Czech school for mentally disabled

A bitter strike started on September 1 at a special school for mentally disabled children in Vrapice, a small village close to Kladno in the Czech Republic. It was provoked when the education ministry dismissed without cause the director and founder of the school.

Forty-three out of forty-five employees at the school walked out in protest, suspecting that the dismissal was the first step in abolishing the school. They feel that the ministry may want to close the school because the high cost of caring for the mentally disabled is considered "uneconomical." The newly appointed director (known for previously shutting down a secondary school) fired all the strikers. He brought in 10 strikebreakers without qualifications to care for disabled children and took back only a handful of teachers who signed a statement of capitulation. Seventeen workers remain fired. The official trade union declared the strike illegal and gave the workers no support.

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# Scottish Direct Labour Organisation reaches agreement detrimental to council workers

East Ayrshire Council Direct Labour Organisations, responsible for running public services, has come to an agreement with Labour's Scottish Secretary Donald Dewar allowing for savage attacks on workers. The DLO has agreed not to bid for a third of revenue maintenance work and two-thirds of capital works. "In house" provision of other services will be at a private sector price to be "determined independently." The DLO was confident that having already lost 95 workers and slashed conditions, it

could continue to operate on those terms. East Ayrshire workers initially rejected the terms demanded by Dewar and the Council. In response the Council threatened to put all services out to private tender. After appeals by the Transport and General Workers Union, the workers were reballoted and accepted the Council's terms. Joint staff convenor Matt McGlauchlin hailed the deal, saying, "Credit must be given where it is due. The work force have shown their commitment to the people of East Ayrshire, and a level of responsibility that is to be applauded by all." He praised the new terms as "innovative." North Lanarkshire is expected to lose 600 workers as part of a similar package.

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#### Tayside workers strike against surveillance

Tayside Contract workers in Dundee struck unofficially on Monday over the installation of tracking devices on two winter road clearing vehicles. There are plans to install tracking devices in 40 vehicles, which would enable far closer monitoring of drivers' positions. Dundee Council is worried that the dispute could eventually involve 400 manual staff. One councillor demanded that "those in charge [of public sector workers] have a responsibility to ensure services vital to the public are maintained."

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#### Job losses in Britain

On October 10, Rank Xerox announced the loss of 500 jobs at its Mitcheldean, Gloucestershire photocopier plant in England. The company said that some jobs could be moved to another of its facilities in Scotland.

Robert H. Lowe, the clothing manufacturer specializing in replica football kits, announced 380 job losses on October 10. The firm said that it will shut its factories at Congleton, Cheshire, and Langley Moor, near Durham, England. It cited high interest rates as the main reason for the closures

Merrill Lynch, the American investment bank, is to cut 5 percent of its world work force as a result of profit losses stemming from the global financial crisis. The company has said that 400 jobs are to be lost in Europe, with the bulk of these in London.

Guardian Royal Exchange, the insurance company, announced this week that it will eliminate 300 jobs following its takeover of health insurer PPP. The company is to close its offices in Folkestone and Eastbourne and maintain most of its operations in Tunbridge Wells.



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