

# Workers struggles around the world -- 24 October 1998

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## The Americas

### Volvo workers occupy Nova Scotia plant

Some thirty workers are occupying Volvo's soon-to-be closed Halifax, Nova Scotia assembly plant. The occupation began early on the morning of October 14 with workers using dozens of cars waiting for shipment to block all entrances to the plant. Soon after more than 100 other Volvo workers, who had not been privy to the plans to occupy the plant, gathered outside and staged a boisterous demonstration in support of the occupation. The sit-in continued Thursday and Friday, despite a Nova Scotia Labour Relations Board ruling that it constitutes an illegal work stoppage.

In September, Volvo announced it was closing its thirty-five year-old Halifax plant where final assembly is carried out on Volvos for the North American market. Soon after the closure announcement, the Swedish-based car maker completed a deal to buy a Mexican bus plant which it intends to convert to car production. The Halifax closure, which is to take effect December 18, will eliminate 223 production, management and administrative jobs.

Members of Canadian Auto Workers Local 720, the sit-down strikers are demanding a better severance package. The car maker is only providing a maximum of 40 weeks' severance pay or \$35,000, and has

refused to offer older workers early retirement.

Volvo has roundly condemned the occupation, claiming it is the action "of a few, irresponsible individuals" and that it will "only harm" negotiations. These threats, however, have made no impression on the workers.

The CAW says it hopes the sit-down will tarnish Volvo's public image. In other words, it hopes to induce the clientele for Volvo's luxury cars--which sell for more \$40,000--to pressure the company to give the workers a better compensation package before throwing them on the streets. Earlier CAW officials and executives of Mackie Automotive Systems traveled to Stockholm to propose a joint venture under which the plant could have remained open, with Mackie performing sub-assembly to reduce bottlenecks in the Volvo plant. But the car maker refused the offer.

CAW President Buzz Hargrove claims the CAW-Mackie scheme would have enabled Volvo to double production and build more models. "But they wouldn't give us the time of day. They made up their minds on a worldwide strategy and nothing is going to change it."

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### NDP government strips power workers of their right to strike

Saskatchewan's New Democratic Party government introduced legislation October 19 suspending Saskatchewan Power Corporation workers' right to strike. The International Brotherhood of Electrical Workers had set October 26 as a strike deadline for 1,100 workers at the government-owned utility company. At a demonstration of more than 500 workers outside the Saskatchewan Legislature Oct. 19, union officials vowed they would punish the trade union-financed NDP.

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### Anheuser Busch brewery shut down by maintenance workers strike

Hundreds of Anheuser-Busch Inc. workers refused to cross the picket line and return to their jobs after 65 Teamsters boil operators and other maintenance workers went on strike at the St. Louis brewery because of stalled contract negotiations.

Members of Teamsters Local 367 went on strike October 22, the first strike at an Anheuser-Busch plant since 1976. While no other unions are striking, the other 1,800 Teamsters at the plant honored the picket lines and left the plant. Also, workers from other unions - electricians, plumbers, carpenters and others - walked off the job.

Teamsters national officials, however, blocked the strike from affecting production at Anheuser-Busch's 11 other domestic plants. The brewing company employs about 8,000 Teamsters nationwide. However, striking workers in St. Louis appealed to union members around the country to spread the strike to other breweries. "We're hoping to have a domino effect," said striker Clay Fisk.

Contract talks began more than a year ago, mostly over concerns over job security issues. Last month, the brewery broke off any further talks and implemented its final contract offer, but the union has refused to call a nationwide strike.

Teamsters at Anheuser-Busch brew the beer, bottle it, maintain the plant, and drive the trucks that carry the product. The St. Louis-based

company is the world's largest beer-maker. Its products include the largest selling US beer, Budweiser.

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### **Los Angeles nurses call second one-day strike**

Over 275 registered nurses in the San Fernando Valley section of Los Angeles voted by an overwhelming margin to launch their second one-day strike, slated for October 23, to protest the failure of Tarzana Medical Center to agree to fair wage and safety issues.

The nurses, members of the Federation of Nurses, Service Employees International Union (SEIU) Local 535, have been without a contract since September 15. For five years they have worked under a wage freeze. Tenet Healthcare Corporation, which owns Tarzana, has offered 2 percent yearly wage increases and a 4 percent increase in the second year for selected senior employees.

"We are being forced on strike again by Tenet," declared union president Anne Clark. "They made \$402 million so far this year, yet they continue to short staff the hospital, won't spend the money to protect the workers, and want takeaways from us."

The union is also upset that Tenet refuses to accept contract language that would require the use of safer medical devices to protect workers from contracting bloodborne diseases such as HIV and hepatitis.

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### **Pennsylvania teachers strike**

County teachers in Homer City, Pennsylvania walked out October 19 when the school board rejected their request for binding arbitration. The 77 teachers have been working without a contract for the past year. Strikes are also threatened in two Allegheny County (Pittsburgh area) districts. Hampton teachers have given strike authorization to their negotiation committee while Woodland Hills teachers plan informational picketing when the school board meets November 11.

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### **FedEx pilots vote to refuse overtime**

Federal Express pilots overwhelmingly voted to refuse to work overtime during the Christmas season to protest stall negotiations for a new contract. Pilots currently have ballots from the Fedex Pilots Association (FPA) asking for authorization to strike. Results of that vote are expected next month. The union represents about 3,200 pilots.

Contract negotiations broke off after the call for strike authorization, are scheduled to resume.

The holiday season is the busiest time of the year for Federal Express, with the company handling up to 4 million packages a day. During that time, the pilots often are called upon to take extra flights.

FPA leaders worked out a tentative contract with the company but the rank-and-file rejected it in March and replaced its negotiators. FedEx pilots, with an average salary of \$130,000 a year, say they are unhappy with company changes in flight schedules and are worried about job security. The pilots earn between \$45,000 a year and \$200,000 a year. The fliers want a 24 percent pay raise over three years, while the company has offered 18 percent over five years.

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### **At least 10 die in Mexico fireworks explosion**

An explosion in a house that doubled as a fireworks factory killed at least 10 workers and trapped dozens under layers of concrete and rubble October 13 in Tultepec, a city of 50,000 people about 20 miles north of Mexico City. The blast injured at least 27 people and damaged or destroyed more than 150 homes. As far as a half-mile from the site dirt roads were littered with shards of glass from broken windows and shreds of fireworks casings.

Many residents in Tultepec, known as the pyrotechnics capital of Mexico, tried to stop police and rescue officials from entering their homes to inspect the damage because they were fearful the authorities would destroy their jobs. The homes sometimes serve as illegal storehouses for

gunpowder and sulfur used in fireworks. Mexico's defense department, which sells gunpowder to the factories, is in charge of regulating the fireworks industry but does little to assure safety. Army troops were deployed to the area to restore order and investigate.

As competition in the industry has intensified over the last several years, officials acknowledge that scores of illegal and hazardous workshops have sprouted in many of Tultepec's residential neighborhoods. In June 1997, another fireworks-related blast in one home here killed three people. A 1988 blast spread from a Mexico City marketplace selling illegal fireworks, killing 65 people.

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### **Africa**

#### **Three week Dairybelle strike ends in South Africa**

A three week long strike at the Dairybelle Epping processing plant in South Africa ended last week after the union accepted a wage settlement below the nine percent demanded by the more than 1,000 workers involved.

The agreement, brokered by the Food and Allied Workers Union, delivered only a six percent wage increase with a further one percent to be paid in April next year. A further two percent was promised after March only if the workers exceeded productivity targets set by the company.

In the course of the dispute a striking dairy truck driver was wounded and his assistant shot dead as they stopped at an intersection. Another striker was wounded in a separate drive-by shooting.

While management was able keep the plant operating at 50 percent capacity during the strike it is believed that the company still lost R6 million.

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#### **South African bank workers fight restructuring**

Members of the South African State Bank Organisation employed at Land Bank went on strike for 24 hours last week demanding a pay increase to bring their pay in line with pay levels in other financial institutions.

The strikers were also protesting against the African National Congress government's restructuring plans that are designed to make the bank's services more cost effective by reducing job numbers. However leading union officials have denied that the strike is against restructuring.

The workers are demanding a 10 percent wage rise but Land Bank is refusing to budge from its 6.5 percent offer. A management spokesman said that bank wished to restructure pay to be "market related" and tied to a performance-based bonus scheme.

The dispute has been referred to the Commission for Conciliation Mediation and Arbitration and the union is planning to meet management in an attempt to settle the dispute.

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#### **South African police attack university strikers**

On Monday police used tear gas, rubber bullets and attack dogs to disperse workers and students demonstrating at the University of Western Cape [UWC] in South Africa. The demonstration was in support of a wage claim by university workers and against the destruction of 329 non-academic jobs.

The protestors erected barricades and set fire to rubber tyres in an attempt to oppose the police attack. One student was bitten by a police dog and several others were injured after being struck by rubber bullets.

The workers went on strike three weeks ago after negotiations for a 12 percent wage increase broke down. A spokesman for the National Education Health and Allied Workers Union, representing the strikers, said the clashes were unnecessary because the union had already decided to back down on the wage claim and accept the five percent offer by the university management. Two months ago 41 academics lost their jobs at UWC.

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### **Algerian lecturers on strike**

University lecturers at Bab Ezzouar, Algiers's main university campus, went out on strike last week demanding higher wages. Lecturers are currently paid only about 29,000 dinars per month [US\$508]. The strikers are also demanding the government provide increased funding for books and for maintenance and repairs to university buildings.

Some strikes occurred in other universities in support of the action at Bab Ezzouar. Algeria has 370,000 university students and 25,000 lecturers nationally. The National Council of Higher Education, the union representing the lecturers, stated that strike action would continue until their claims are met.

Meanwhile the 13-day strike by Air Algerie staff over the threatened destruction of 9,000 jobs ended on Monday following an agreement between the airlines management and the union. The union has not released details of the settlement.

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### **Australia**

#### **Ansett airline workers push for wages**

Workers at Ansett Australia are demanding a three percent wage rise to bring them in line with pay rates at Qantas, Australia's other major airline. The union tabled the claim after it was endorsed by a meeting of 100 union shop stewards in Melbourne October 15. The union's claim offers to tie any pay rise to productivity increases.

Earlier this year the union backed away from a more substantial claim after the company informed the Australian Council of Trade Unions that it was facing grave financial problems and did not have the capacity to pay.

At the same time the company foreshadowed major restructuring including the withdrawal of its performance-linked bonus scheme and the contracting out of all non-core airline operations including catering and express freight.

The plan threatens up to 2,000 jobs. This is on top of the 40 jobs axed when services to Korea were cancelled in February in response to the Asia economic downturn. Ansett employs 16,000 workers throughout Australia.

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#### **Government moves to slash meat workers wages**

The Howard Liberal government has foreshadowed its intention to attack the conditions of meat workers in the next stage of its industrial relations reform agenda.

Speaking at recent rural meat industry convention Industrial Relations Minister Peter Reith said that the government will apply to the Industrial Relations Commission to strip tally provisions from meat workers federal awards.

The tally system ties meat workers wages to the killing and processing of a set number of animals per shift, allowing workers to end the work day once the quota is reached. Attempts to smash the tally system in the past have led to prolonged and bitter disputes.

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#### **Mining union will not fight job cuts**

Over 115 coal miners employed at Rio Tinto's Hunter Valley No. 1 Mine open cut mine near Singleton in New South Wales will be forcibly retrenched this month. The company has indicated that it will ignore seniority in selecting those to be sacked and will carry out dismissals on the basis of "merit."

The seniority clause in the work agreement covering miners was scrapped earlier this year after mining companies lodged claims with the Industrial Relations Court for its removal under the provisions of the Howard government's Work Place Relations Act. The Act allows awards to be stripped back to twenty allowable items.

Another 60 jobs were axed through voluntary redundancies at the mine earlier this year. The union has indicated that it will not take any industrial action to defend the jobs.

Instead the issue will be buried in a series of court actions. A union spokesman said that the legal action would argue that the selection process in determining the retrenchments was "unfair" and that the sackings should have taken place in accordance with the seniority rules that were still in place in February.

Hunter Valley No. 1 was the site of a protracted dispute last year over the company's attempt to introduce individual contracts and to eliminate a whole raft of working conditions. The strike and pickets were called off when the company dropped its push for individual contracts and agreed to negotiate the cuts through the union.

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### **Asia**

#### **Wage cut for Korean bank workers**

The union covering workers employed by the Korea Long Term Credit Bank [KLTCB] has agreed to a 30 percent wage cut for its members and not to seek any increase in pay for at least five years. The cut is designed to match pay levels at South Korea's Kookmin Bank in preparation for a merger of the two banks later this year.

A union spokesman said that the union fully understands the need for restructuring and decided on the wage cuts "to create a truly leading bank." He also indicated that the union was willing to accept layoffs.

The only stipulation demanded by the union for its collaboration was that KLTCB President Oh Sei-jong resign, with the charge that he was not "sufficiently concerned about restructuring." The union leadership have demanded that "outside specialists" be brought in to drive through changes.

The \$74 million merger will create the country's largest bank. The merged banks will command total assets of 1000.6 trillion won, operate 556 domestic branches and employ a workforce of 13,722.

The merger and cost-cutting are being carried out in line with the demands of the International Monetary Fund and the World Bank. The International Finance Corp, an investment arm of the World Bank, has already invested \$25 million by purchasing KLTCB's subordinated convertible bonds earlier this year.

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#### **Leading Korean union official seized**

South Korean police arrested Dan Byung-ho, the president of the Metal Workers Federation, on the afternoon of October 19. The arrest was made at 1 p.m. outside a union office in Seoul, on charges of "conspiring to obstruct business through general strike" and inciting "illegal strike action."

The charges arise out of the national industrial action called by the union in May and July this year in opposition to mass layoffs. Even though the union bureaucracy scuttled the strike movement to allow the sackings to proceed, union officials and hundreds of activists are either still in jail or are on wanted lists following a crackdown on strike activity by the government of President Kim Dae Jung earlier this year.

The union has demanded that the government release Dan Byung-ho and immediately drop all charges. However it has not issued any call for industry action to oppose the arrest, only hinting at a "united struggle in November".

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#### **Indonesia workers demand wage hikes, job security**

At least five workers were injured and 35 others were detained after a clash between police and protesting workers at a glove factory in northern Sumatra, a human rights group said October 23. The clash in Medan occurred at PT Latex Indotoba Perkasa plant where 700 workers had been on strike for higher pay and better benefits. The workers were attacked as they attempted to return to work after calling off their walkout. However, dozens of policemen who were guarding the factory pushed the workers away, said Ridwan, a lawyer at the local Legal Aid Foundation.

One of the workers was struck by a bayonet, while four others were

struck and injured by rubber bullets. Another was beaten after being taken to a police station, according to Ridwan. Police refused to comment. The clash was the first in the Indonesia's third-largest city since May, when thousands took to the streets to protest price hikes in the bankrupt country. At least five people were killed by gunfire.

Meanwhile, 4,000 workers from the rayon and pulp firm Iti Inoraton Utama [IIU] held rallies outside the provisional governor's office in Medan. The workers have protested for five days to demand job security after they were informed that the government had ordered the company to move its plants from the North Sumatran Porsea area because of environmental concerns.

Around 1,500 workers from PT Matahari Sentosa Jaya in Bandung (West Java) have been on strike since October 14. Their demands include an increase in wages, as well as a hike in food allowances from seven cents to 15 cents per day and transportation money. The workers also demanding a written wage receipt, pay for involuntary leave and the end to unauthorized wage cuts. They are also demanding 12 holidays, a one hour rest period after eight hours of labor, and maternity leave.

Management has said they would not grant any wage increases unless the economy improves.

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## **Europe**

### **Air France strike paralyzes travel**

A surprise strike October 23 by ground personnel at the Marseilles-Provence airport forced cancellation of all Air France domestic flights. Officials said the cancellations included the Marseilles-Paris shuttle. Long-haul Air France flights were delayed, along with flights by other companies. According to Air France-Europe unions, strikers were protesting work conditions.

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### **BBC workers stage three-hour strike**

British Broadcasting Corp. programs were disrupted October 20 as 10,000 journalists and technicians across the country staged a three-hour strike over pay. Members of three unions walked out at noon to protest their 4 percent pay raise, compared with a 9 percent increase for BBC executives. Rallies were held in England, Scotland, Wales and Northern Ireland to mark the walkout.

"Members out on outside broadcasts, drama shoots, news stories and those based in BBC buildings around the country demonstrated by their actions today how angry they are that the senior management can ask them to show wage restraint while exercising no pay restraint when it comes to their own salaries," said Gerry Morrissey, assistant general secretary of the technicians' union.

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### **Mass layoffs in UK car industry**

Rover, and its parent company, BMW, have announced plans to cut 2,400 jobs, mainly at Rover's Longbridge plant in Birmingham. The company blamed poor productivity at the plant for the job cuts. At the same time Ford Motor Co. has announced that it will cut back production at its Dagenham plant, outside of London, because of falling export demand.

In addition to the job losses Rover's management has told the auto workers union that it must attain other concessions, including a possible wage freeze and changes to working practices or it will close the factory. According to the unions, such a move would jeopardise up to 14,000 jobs at Rover and 50,000 with suppliers.

Before meeting the unions, a company spokesman said: "The shareholders of BMW can't be prepared to spend money in a business that hasn't a viable output and therefore the productivity gap has to be closed."

The Labour government has ruled out any state intervention to reduce the job losses and made it clear that it is up to the company to "sharpen up its act." Peter Mandelson, the Trade Secretary, told the House of

Commons, "Ultimately it is for the company to rise to the challenge and to ensure that Rover continues to thrive in the global marketplace."

For their part, the auto workers union leaders have indicated their willingness to accept the company's demands. Tony Woodley, chief negotiator of the Transport & General Workers Union and Chairman of the Joint Unions Committee at Rover, stressed that nobody doubted the seriousness of Rover's situation.

Meanwhile Ford announced further production cutbacks at its biggest UK plant. Its plant at Dagenham in Essex, which is already on a four-day week, will not produce cars on eight extra days in November and December.



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