

Workers Struggles: The Americas

27 July 1999

1,500 Brazilian auto workers strike Ford

Brazilian autoworkers in the Sao Paulo industrial suburb of Ipiranga struck Friday after a newspaper reported that Ford Motor Co. planned to move light truck production from their plant to a new one in the northeastern state of Bahia, a poorer region where wages have traditionally been lower.

Ford immediately denied the news, claiming that it had plans to direct its investments out of the Sao Paulo area to "less densely populated regions in the same state." Autoworkers are very sensitive to the possibility of further layoffs in the area, the center of the country's auto industry, because unemployment levels already exceed 20 percent.

The plans for the Bahia plant were revealed last week when the government indicated that it will ask congress to reduce Value Added Taxes by 32 percent to all those auto companies that agree to invest in the region. Ford will reportedly receive a package of government incentives worth \$100 million a year. Originally, the plant, which will produce 250,000 vehicles a year and employ 5,000 workers, was to be built in the state of Rio Grande do Sul, on the southern border with Uruguay and Argentina. Officials there, however, apparently could not match the incentives offered in Bahia.

The Ipiranga workers have stated that they will continue to strike until they receive written guarantees from Ford that their jobs will be spared. Ford has only guaranteed the jobs through December 31 and has said it reserves the right to move workers to wherever the new factory is built. Workers plan to initiate public protests against Ford.

Peruvian workers march against government policies

Construction workers and retirees marched on the government palace July 20 to demand jobs and increases in retirement benefits. Each of the more than 2,000 marchers held up an empty plate to symbolize the poverty-stricken conditions they confront under the Fujimori government. The march was a preamble for a day of national protest scheduled for July 26. Fourteen million Peruvians live in poverty, out of a total population of twenty-three million.

Week of labor protests in El Salvador

Unions and consumer organizations organized several days of protests against the economic policies of President Francisco Flores last week. The Flores administration, which is only two months old, has already faced four large strike movements involving transport, health, education and custom workers. Last week, Social Security employees struck on Monday, Department of Commerce employees struck Tuesday and teachers struck for 48 hours on Wednesday. The Flores government has threatened to dock teachers' pay for the hours they did not work.

The Movement of Labor Organizations, that includes more than 15 labor associations and trade unions, announced that it is organizing a national strike for the middle of August. Flores intends to continue his policy of privatizations. Already the privatization of water services has led to increases in rates without corresponding wage increases. The Flores government is also shifting the burden of taxes on consumers, with a draconian Value Added Tax, that leaves the rich virtually untouched.

Bolivian workers continue protests

After a truce of one week, Bolivian workers renewed protests last Wednesday against government policies. A labor march through the

streets of La Paz was fiercely attacked by police. Protests are being led by the Bolivian Labor Confederation (COB). The unions are demanding a reduction in unemployment, and the restoration of social rights, including health and housing benefits, that have been unilaterally canceled by employers in the last few months. A COB spokesperson indicated that the police attacks will not stop the protests.

Tentative agreement in Newport News shipyard strike

Newport News Shipbuilding, Inc., the US Navy's sole manufacturer of nuclear-powered aircraft carriers, came to a tentative agreement July 23 with the United Steelworkers (USW) to end the nearly four-month strike by 8,000 workers at the company's shipyard in Virginia.

USW Local 8888 President Arnold Outlaw was booed and heckled by strikers when the 58-month proposal was presented to a membership meeting with a recommendation for passage from the union leaders. The contract offers an average \$3.10 an hour raise for all workers with an immediate \$1.14 an hour raise. Initially the USW asked for \$3.70 an hour in a 36-month proposal. When Newport News proposed a 47-month contract the USW raised the demand to an across-the-board \$3.95 increase over the life of the contract. The company divided the union's demand for a \$900 monthly pension for 30-year employees into two stages: an initial raise from \$506 a month to \$750; then an increase to \$900 in the year 2002. Local 8888 workers are expected to hold votes on the proposed contract on July 26 and 27.

Quentin Jones, with 26 years at Newport News, told the Associated Press, "I think five years is too long." The contract should have been limited to 3 years. Clarice Diggs, with 23 years seniority, said the contract "gives the shipyard enough time to finish all the work for the contracts they have," and then implement pay cuts and layoffs.

Al Little, vice president of human resources at Newport News said the agreement with the USW "keeps within the business framework that will allow us to win new work and return value to our shareholders."

During strike, which began April 5, the Navy directly aided Newport News management by assuring the company new work despite its having missed three major contract deadlines due to the strike. On the night the USW bureaucracy signed the agreement the union called off a demonstration that thousands of workers were planning to attend in Washington, DC, to protest the government strikebreaking.

Northwest Airlines flight attendants express distrust of Teamsters in ballot count

Protests by Northwest Airlines flight attendants have caused Teamsters President James Hoffa Jr. to comply with a request by Local 2000 leadership that mail ballots to ratify a tentative agreement not be counted at Teamsters International offices in Washington DC, but at a location in one of the base cities of Northwest Airlines. Ballots will now be mailed out July 27 to 11,000 Northwest Airlines flight attendants and counted in Detroit on August 26. The Hoffa leadership has hired what they call an independent election supervisor to tabulate votes. A message on Teamsters Local 2000's hotline indicates opposition elements among Northwest flight attendants will also have an observer on hand: "We are all committed to maintaining the integrity of the balloting procedure, including your right to be an observer during the ballot count."

Emergency phone operators protest inaction by union

Emergency 911 operators, members of American Federation of State, County and Municipal Employees Local 1549 in New York City, held a rally July 26 to protest the inaction of their parent union, District Council 37, in relieving poor working conditions. Workers complained of understaffing and long work hours. The operators, who are responsible for quick and accurate responses to save lives, sometimes work up to 16 hours a day. While the city claims it will take time to train new workers, the operators have said their union is not helping them. DC 37 has been under administrative takeover by the AFSCME since its top bureaucrat, Stanley Hill, was ousted in the face of corruption charges against union officials.

Contract ratified at TWA

Members of the International Association of Machinists (IAM) have ratified an 18-month agreement with Trans World Airlines covering 16,000 mechanics, ramp workers, clerks and flight attendants. IAM officials refused to reveal the vote tally that led to an acceptance of pay raises which they claim will bring TWA workers up to 90 percent of the projected industry standard by the summer of 2001. The passage averted a strike that TWA claimed might send the company into its third bankruptcy proceeding.

Labor negotiations resume at Kaiser Aluminum

Kaiser Aluminum and the United Steelworkers will hold three negotiating sessions starting August 2 to settle the 10-month strike by 3,000 workers at company's plants in Washington state, Louisiana and Ohio. Kaiser requested new negotiations after the company posted a second-quarter loss of \$15.7 million, following previous losses of \$38.9 million and \$38.2 million. Kaiser has attempted to keep its operations running with replacement workers and supervisory personnel. In January the USW offered to return to work while continuing negotiations but Kaiser refused and imposed a lockout. The strike at Kaiser was sparked by the company's demand for job reductions in last year's negotiations.

National Steel and United Steelworkers reach tentative settlement

The United Steelworkers (USW) union and National Steel have agreed on a tentative pact for 6,900 workers at facilities in Indiana, Illinois, Michigan and Minnesota. The agreement is similar to the US Steel and Bethlehem pact, currently being voted on by union members, that provides for a \$2 wage increase over the five-year contract. Negotiations between the USW and LTV Steel as well as Ispat Inland are still ongoing.

Machinists authorize strike at Boeing

Members of the International Association of Machinists voted by 98 percent to authorize a strike against Boeing Co. if the aircraft manufacturer does not produce an acceptable contract offer. Rank and file workers are demanding improvements in health insurance, pensions and job security clauses. The present contract expires September 2. A strike would idle some 46,000 IAM members out of a workforce of over 200,000.

Boeing plans on axing 20,000 jobs by the end of the year 2000. This would come on the heels of a recent slashing of 27,000 jobs, primarily due to outsourcing. The company is also pressing for changes in health insurance that would force IAM members to pay co-payments for the first time and work schedules to eliminate paying overtime.

Montreal mechanics on strike

About 850 unionized mechanics, bodyshop workers, parts department and service employees in Montreal, Laval and the South Shore went on strike last week over wages, job security and overtime requirements.

The mechanics, members of Local 4511 of the Canadian Auto Workers (CAW) union, voted a week ago Saturday to walk off the job to protest stalled negotiations with the Automotive Industry Employers' Association, which represents 30 of the 205 car dealerships in greater Montreal.

The union also wants to put an end to managers taking over the work previously done by unionized employees in the parts departments of numerous dealerships. In addition, car washing and body work is often contracted out to private firms, which has lead to 200 unionized

employees being laid off in the past three years. The union is demanding a wage increase of six percent over three years, while employers have offered five percent over three years.

The biggest issue for workers, however, is the plan to extend working hours into the evening and night. Mechanics now put in eight-hour shifts from 8 a.m. to 5 p.m. But the dealers are planning to stay open for repairs from 7 a.m. through 2 a.m.

Canadian Pacific layoffs imperil railway workers and passengers

Canadian Pacific Ltd.'s decision to cut 1,900 employees, or 10 percent of its workforce, leaves the company one step closer to a train wreck, union officials said July 21. Lou Schillaci, general chairman of the Canadian Council of Railway Operating Unions, commented: "A broken rail because they've cut back on inspections on track can mean a train wreck. That can mean a train wreck in a community when we are hauling dangerous commodities."

Ken Deptuck, a vice-president with the Brotherhood of the Maintenance Of Way Employees, which represents workers who maintain the tracks, said: "It's my opinion this is like Russian roulette, if one hits the ditch due to broken rail . . . well maybe it's cheaper for them to pay for a derailment than keep staff on." He added that the load on railway workers will become more burdensome, creating more danger.

The layoffs at Calgary-based Canadian Pacific Railway Co.(CPR) will take place over the next year and a half and come nine months after rival Canadian National Railway Co.(CN) cut 3,000 jobs in the name of efficiency. More than one-third of the layoffs will occur in administration, 40 to 45 percent in maintenance and another 25 to 30 percent in train operations.

The downsizing at CPR is the latest in a decade of job cuts in the rail industry which has seen the number of rail companies shrink from twenty-six, to six, through mergers and takeovers. While union officials have issued periodic complaints about the layoffs they have done nothing to stop the downsizing. Instead union leaders have appealed to management to lay off a greater proportion of supervisory personnel.



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