Workers Struggles: The Americas

31 August 1999

Colombian workers to strike

Colombian workers are set to strike August 31 to demand an end to human rights abuses and a moratorium on foreign debt payments. A spokesperson for the National Strike Command (CNP) declared that since Andres Pastrana took over the presidency a year ago, living standards have dropped and the country's civil war has taken a turn for the worse.

Wilson Borjas, president of the National Federation of State Service Workers, explained that the possibility of a negotiated settlement ended last Monday when Pastrana sent the army into the oil installations. A strike on Tuesday will involve public sector workers, as well as bank employees, oil workers and truck drivers.

Ecuadorian health workers strike continues

Most of Ecuador's health workers have been on strike for more than 50 days, closing down all hospitals and health centers, except for emergencies. On August 31, health workers from the province of Guayas are scheduled to join the national strike. They are demanding free healthcare for all Ecuadorians and the reinstatement of demoted health workers. The latter refers to workers who have been reclassified to positions that pay less than \$100 a month.

The protest began when the government, as part of an austerity plan, increased hospital charges and created new fees for the sick. Ecuador is in default of its debts and is on the verge of bankruptcy. As part of a rescue package, the International Monetary Fund is demanding the imposition of higher taxes and greater austerity measures on the population.

Workers march for jobs in Uruguay

Employed and unemployed workers, retirees, students and small merchants marched through the city of Pando, near the Uruguayan capital of Montevideo, last week to demand that the government resolve the region's jobs crisis. The march was the second in that area in the last 60 days. Demonstrators demanded aggressive policies to stimulate production. Pando was once known as the "industrial city" of Uruguay. Currently the official unemployment rate is 15 percent. Uruguay has been hit hard by the crisis of the real in Brazil, which has now made Brazilian exports cheaper, crowding out many Uruguayan products in the *Mercosur* trading block.

Chilean dockworkers suspend strike in Iquique

Workers in the northern port of Iquique suspended their 34-day strike after last week's agreement with port management. Iquique workers had refused to end their strike initially and denounced union officials at meetings. The agreement provides for a \$29-a-day wage. Even though other benefits and working conditions are still being negotiated, the workers agreed to suspend their strike for seven days.

The strike, which began at Iquique around the issue of wages, became a national strike in defense of jobs and against the privatization of the ports. On August 12 the government of President Eduardo Free sold the ports of Valparaiso, San Antonio and San Vicente to private investors for almost \$300 million.

Mass protest in Brazil

Tens of thousands marched in Brasilia, Brazil's capital city, against the economic policies of the Cardozo government last Thursday. According to the Brazilian newspaper *O Estado de S. Paulo*, 100,000 participated, including large contingents of workers, students and peasants, as well as representatives from native groups. Protesters carried slogans demanding, "Out with the IMF, out with FHC [Cardozo]." Other signs denounced the lack of direction of Cardozo's government, alluding to the president's declaration a few days ago that the protests came from those "without direction."

Five opposition parties, the Movement of the Landless, and several major trade unions organized the march. Among its demands were salary increases, agrarian reform, health care for all, and the suspension of the country's foreign debt. Cardozo is carrying out an IMF-imposed program of privatizations and austerity that includes measures to reduce the government deficit, which is now 8 percent of gross domestic product (GDP), in exchange for a \$41.5 million loan.

Mexican workers protest privatization of electrical industry

Tens of thousands of Mexicans marched Saturday through downtown Mexico City to demand that President Ernesto Zedillo stop his plans to privatize electrical service.

Electricians, students and social organizations marched through the streets of the city and pledged to defend jobs. The protest was led by the United Trade Union of Electrical Workers of Mexico (SUTERM).

Northwest flight attendants reject contract offer

Flight attendants at Northwest Airlines soundly rejected a tentative agreement brought back by the Teamsters, by a 6,108 to 2,727 margin. Both Teamsters President James Hoffa and Local 2000 President Billie Davenport had endorsed the proposal, calling it a "victory for all working Americans." They had predicted that the vote would be "close."

But the 69 percent rejection and the highest vote turnout in the local's history led Hoffa to concede, "Clearly, Northwest Airlines did not meet our members' needs and will have to do better."

The agreement, under negotiation since 1996, called for a five-year pact with an average 14 percent wage increase. Flight attendants with less than six years seniority, some of whom make as little as \$15,000 annually and qualify for food stamps in New York and California, received as much as 25 percent pay hikes. Further, a lump-sum payment equal to 3.5 percent of annual pay, called retro-pay, was to have been awarded upon ratification.

But in the eyes of workers the increases failed to compensate for the concessions made in the early 90s that allowed Northwest to draw back from the precipice of bankruptcy. Since that time flight attendants have seen their wages increase by a mere 3 percent. Furthermore, many attendants who came to Northwest through the merger with Republic Airlines in the 80s suffered from lump-sum settlements on their pensions that will not allow them to retire with any substantial security.

Work rules were another issue that led to the contract's defeat. Flight attendants are required to arrive an hour early for flights but are not compensated for this time. Many complain there is not enough extra pay for short-staffed flights.

The distrust of the Teamsters union by flight attendants was also expressed in relationship to the counting of mail-in ballots. Hoffa was compelled to back down to pressure and allow the tabulation to be moved from the Washington, DC headquarters to Detroit, Northwest's largest hub, where a crowd of flight attendants watched an independent party supervise the vote tallying. When the vote was announced union members cried out, "We won, we won!" and "Stop corporate greed."

But the contract rejection will not result in automatic strike action. The Teamsters union plans on a long period of preparation and review before continuing discussions. In the straitjacket of negotiations in the airline industry the National Mediation Board must also decide whether any future negotiations have reached an impasse, and only after a 30-day cooling off period can a strike be called. It is also not clear whether Northwest will push flight attendant negotiations back and begin negotiations with the only other bargaining unit without a contract—the Aircraft Mechanics Fraternal Association (AMFA). AMFA won bargaining rights for some 9,000 machinists and cleaners after a rebellion by workers against years of sellouts by the International Association of Machinists led to a recertification election.

Tentative proposal at Boeing

The International Association of Machinists (IAM) recommended the last-minute tentative offer by Boeing Co. Saturday paving the way for a rank-and-file vote before the contract expires September 2. The three-year agreement, covering 44,000 workers in Washington state, Oregon and Kansas, proposes an 11 percent wage increase over the life of the agreement, along with a 10 percent of annual salary signing bonus. The company also offered a 25 percent increase in its basic pension and a 15 percent increase in shift differential pay.

Boeing dropped a highly unpopular proposal that would have forced employees to work on the weekend without overtime payments, by scheduling new shifts. The company will continue to pay the full cost of health insurance premiums for both employees and their families instead of their earlier proposal of shifting these costs to workers.

The union also claims to have obtained their objectives in the area of job security, but complete details are unavailable. Boeing, while not agreeing to ban subcontracting of work, is claiming that no workers will be laid off as a result of the practice. The company presently has a target plan of reducing the workforce from last year's 238,000 to between 185,000 to 195,000 by the end of next year, due to the expected decline in commercial airplane sales. Last week Boeing lost a \$1 billion contract with Chile's largest airline to its European rival, Airbus Industrie.

Ford workers authorize strike

Autoworkers at Ford Motor Co. authorized the United Auto Workers union to call a strike as the September 14 contract expiration at Ford, General Motors and DaimlerChrysler approaches. Approximately 96.4 percent of the 101,000 UAW members voted for the measure.

Auto workers are angered over the lack of job security, working conditions and the lag in wages and benefits behind Ford's record profits and compensation to corporate executives. Workers also are concerned that Ford's spin-off of its Visteon parts unit will lead to further attacks on wages and jobs. The UAW has for the past two decades allowed each of the US Big Three automakers to slash costs through outsourcing parts production to lower-wage sweatshops in the US and internationally. The Visteon spin-off will affect 23,500 UAW dues-paying members. While seeking to accommodate Ford's business interests, the UAW bureaucracy is at the same time mindful of the further loss of its dues income. Richard Hilgert, business analyst at Fahnestock & Co., pointed out, "There is some friction over the potential divestiture of Visteon and that's why you're seeing this happen. It doesn't signify that there's a rift."

Thirty-day countdown to strike at US Airways

The Machinists union at US Airways announced August 27 that it will strike in 30 days unless a new labor agreement can be reached with management. The decision came after the International Association of Machinists (IAM) asked and received from the National Mediation Board a declaration of an impasse in the four-yearold negotiations with the nation's sixth-largest airline.

In July the company's 7,000 mechanics and cleaners rejected a tentative agreement by a 75 percent margin. Since then Bill Freiberger, assistant general chairman for District 141M of the IAM, admitted "there was hardly any movement at all on any of the big issues" in subsequent negotiations.

Airline management is insisting on two proposals that clearly aim to destroy jobs. One is to allow its fleet service workers to perform some 1,500 jobs currently performed by mechanics and cleaners. The second is to hire part-time cleaners.

The IAM demands are for an immediate 4 percent wage increase upon contract ratification with 4 percent in each subsequent year of the new agreement. Also sought is a 10 percent increase in shift differentials for evening and night shifts and a retroactive lump-sum payment of 4 percent of annual wages going back to September 1997.

US Airways machinists, like other bargaining groups in the airline industry, gave concessions under the demand of both the union and management to bail out the company earlier in the decade. Workers are now insisting on more substantial wage and benefit improvements. US Airways reported a net income of \$363 million for the first six months of 1999.

Wildcat ends at West Virginia aluminum plant

Century Aluminum workers returned to work August 25 at the company's Ravenswood, West Virginia plant after discontent over the victimization of a plant worker exploded in a wildcat strike two days earlier. Management officials claim 200 workers damaged company signs and vehicles to protest the dismissal of an employee alleged to have damaged equipment in the reduction plant while the balance of the 1,600-member union workforce stayed off the job.

The action brought the rolling mill operations to a halt while the reduction plant was kept running at a slower pace by 130 salaried workers. The United Steelworkers union, which did not support the wildcat strike, worked with management to get workers back on the job. Conditions for the resolution of the wildcat are not known. The Ravenswood plant was the sight of a bitter 20-month strike during 1990-92.



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