

# Workers Struggles: The Americas

28 March 2000

## Protests in Costa Rica against privatization of utilities

Thousands of students and public employees took to the streets in mass demonstrations last week after the Costa Rican legislature approved the privatization of the state-owned telephone and energy companies. The protesters, who rallied near the Assembly building in downtown San Jose, confronted hundreds of police.

President Miguel Angel Rodriguez is pressing ahead with the privatization law that will split the state electricity company into two private companies, one for telecommunications and the other to provide electric service. Costa Rican unions say privatization will damage both services, result in tariffs and lead to mass layoffs.

## Chilean dockworkers strike

On March 24 Chilean dockworkers launched a surprise strike that paralyzed Valparaiso, Chile's principal port. The workers are demanding that the new president, Ricardo Lagos, honor agreements made by the previous government. The strikers say that retirement benefits have been delayed for nearly 600 workers who accepted an early retirement package as part of the agreement resulting from the privatization of the ports. The agreement also included a government commitment to organize "micro enterprises" to provide jobs. The dockworkers union also declared that other ports would join the strike this week. By noon on March 24 the port of San Antonio had also joined the strike.

## Ecuadoran protests hit dollarization of economy

On March 21 unions and Indian organizations protested against President Gustavo Noboa's plan to dollarize the economy. Last week the Ecuador Central Bank set new rules for the financial system. As of now, checks issued in sucres must be paid in dollars. Also paid in dollars will be savings accounts, and in June checking accounts will be denominated in dollars. In April state workers will receive their checks in dollars. Private industry is being instructed to follow suit.

## Honduran maquiladora signs contract

The management of Yoo Yang, a maquiladora in Honduras, agreed on March 10 to sign an agreement with the SITRAIMASH union that includes collective bargaining rights and grievance negotiations. Yoo Yang manufactures shirts for Phillips-Van Heusen (PVH). PVH had threatened to withdraw production from the plant, alleging abuses against workers. Union leaders doubted that this was the real reason, since PVH continues to operate through maquiladora sweatshops where worse conditions exist, and suspect that the real reason was to avoid dealing with the union.

Earlier the Honduran Labor Ministry had expelled the union from Continental Park, a maquiladora zone. The Labor Ministry operates with a "pro-company bias," according to the Campaign for Labor Rights. SITRAIMASH has over 450 members out of the approximately 625 workers at Yoo Yang. It has survived illegal firings of the union leadership, harassment and suspension by the Labor Ministry.

The executive committee of SITRAIMASH was fired illegally in August 1999. This led to a strike at Yoo Yang. A few days later after the workers were reinstated, Yoo Yang again fired the committee members after another union, SITRAKIMIH, shut down the entire Industrial Park. During this strike riot police used tear gas and violence without provocation.

## Mexican government intervenes against strike at Siemens

On March 24 the Conciliation Board of Puebla, Mexico intervened against a strike organized by the Revolutionary Federation of Workers and Peasants (CROC). The government claims that another union, the Independent Union of Siemens Workers (SITS), represents the workers.

The Conciliation Board acted at Siemen's request. The suspension of recognition for CROC comes at an opportune time for Siemens, which has been having trouble supplying nearby Volkswagen with parts for its Beetle models.

## Boeing executives cash in after professional workers' strike ends

Boeing executives will be cashing in on salaries, bonuses and stock options worth millions in the wake of the 40-day strike by the company's 20,000 engineers and technical workers.

According to Boeing's annual proxy statement, Chief Financial Officer Debby Hopkins garnered a total compensation package of \$7 million for 1999. Boeing CEO Phil Condit raked in \$4.5 million and President Harry Stonecipher received \$3.65 million.

Bonuses for Hopkins, Condit and Stonecipher were \$633,600, \$1.9 million, \$1.42 million, respectively. Boeing's compensation committee, which sets bonuses, justified the hefty outlays to executives because the company's "financial performance exceeded expected levels." By contrast, the striking professional workers got bonuses of \$2,500 each, spread out over the coming year.

Despite the strike, Boeing is expected to meet its financial goals for 2000 that are estimated to be \$2.5 billion in earnings based on \$50 billion in revenues. Although the company made a tactical retreat on its demands for increased workers' contributions towards health care costs, the Society of Professional Engineering Employees in Aerospace (SPEEA) agreed to increases in productivity and Boeing's plans for further downsizing.

## Teamsters call off bakery drivers' strike

The Teamsters union called off an eight-day strike by 1,400 bakery drivers and other transport workers in Maine against Interstate Bakery Corporation March 24 without settling the grievances that led to the work stoppage.

The strike led to a virtual paralysis of Interstate's delivery operations from Maine to Ohio as the company's products, under such popular brands as Hostess, Drakes, Wonder Bread and J.J. Nissen, disappeared from shelves in stores. The strike led to the closing of the company's only bakery in New England, which employs 400 workers. By the middle of last week four other bakeries in New York City, Buffalo, Philadelphia and Wayne, New Jersey shut down, affecting another 2,200 workers.

The strike was sparked by Interstate's refusal to abide by an arbitration ruling. The company has required drivers to deliver more than one product at a time. The union says the new practice violates work rules that have been structured to protect drivers who are paid different amounts for each brand.

The decision to end the strike was described as a good-will gesture on the part of the union. "We decided to pull the pickets down and to have a cooling-off period and put people back to work," said Dennis Raymond, chairman of the Teamsters New England Bakery Drivers Council. The union surrendered the workers' strong position on promises that the company would reopen talks next week over the disputed work rules. But

there is little doubt that the Teamsters bureaucracy was alarmed over the swift support that the strike was receiving outside of the New England region. Workers at the New Jersey Bakery refused to work upon learning of the strike.

#### **Michigan HMO doctors vote to unionize**

Medical doctors under a Michigan health maintenance organization voted to unionize under a bargaining unit established by the American Medical Association. In a 27-8 vote with 3 abstentions held on March 9, a group of doctors under the Wellness Plan will become the first group in the United States to establish themselves as a bargaining unit with the Physicians for Responsible Negotiations (PRN).

PRN's bylaws prohibit strikes and will merely aid doctors in negotiations with employers. The doctors have been motivated to organize because of the constant pressure hospitals and HMO's exert on hospital staffs to maximize profits. Some 110,000 out of 650,000 doctors across the nation who are employees of hospitals are eligible to follow suit. Federal antitrust laws bar the remaining doctors who are self-employed from joining unions.

#### **Locked-out steelworkers demonstrate in Ohio**

About 5,000 union demonstrators gathered in Mansfield, Ohio to protest the seven-month lockout of 620 members of United Steelworkers Local 169 by AK Steel. The conflict began when the previous owner, Armco Steel, locked out workers after their contract expired. The company had sought unlimited overtime from its workforce. AK Steel purchased Armco a month after the lockout began.

The rally raised \$50,000 for the strikers and their families. United Steel Workers International President George Becker denounced the company as an "evil empire" and "renegade." AFL-CIO Secretary-Treasurer Richard Trumka also spoke. But beyond empty phrases no strategy to defeat the company was advanced.

Talks between the union and management broke off in February. AK Steel is using strikebreakers to operate the plant that makes steel for auto emission systems.

#### **Temporary contract between Major League Baseball and umpires**

Negotiators for Major League Baseball and the new union representing umpires reached an interim agreement March 20 that guarantee owners that the upcoming season will not be interrupted by a work stoppage.

The World Umpires Association agreed to consolidate its members into one unit. Previously, the umpires were separated into American and National League groups and operated under different guidelines that determined strike zones, etc. But the new formation will be placed under the management of the offices of Major League Commissioner, Bud Selig.

Under the temporary agreement umpires agree not to strike through June 14 while owners agree to forego a lockout during the same period until a new contract can be reached. Once that is accomplished, umpires will be eligible for retroactive pay increases. If no agreement emerges, both sides can launch a strike or lockout after 14 days notice.

The World Umpires Association was certified by the National Labor Relations Board February 24 in an election that saw the demise of the Major League Umpires Association that had been headed by Richie Phillips for the previous 21 years.

#### **Strike vote at California newspaper**

Members of the Media Guild at the Long Beach *Press Telegram* voted by an 81 percent margin to strike against the parent company MediaNews. MediaNews took over the newspaper two years ago from Knight-Ridder and has slashed wages by as much as 47 percent. The new company also eliminated many work rules, reduced sick pay and medical leave, cut vacations and laid off over 200 workers.

During recent negotiations, management has proposed to cut 401(k) pension plans and has refused to continue contributing to the Guild pension plan. The Guild is calling for a boycott and asking the local city councils and advertisers and subscribers to boycott the paper.

#### **Supreme Court challenge to closed shop in Quebec construction industry**

A coalition of anti-union organizations succeeded in bringing their case against compulsory union membership before the Supreme Court of Canada in a hearing last week. The challenge, which could have far reaching consequences, centers on a case brought by a Quebec construction company which has been fighting against a Quebec law that requires all construction workers in the province to be unionized.

Advance Cutting and Coring Ltd. is contesting the 29-year-old Quebec labor law that requires construction workers to belong to one of five state-sanctioned unions in order to work in the province's construction industry. The company has lost two Quebec court appeals and faces huge fines for repeated infractions. Supporting legal briefs have been submitted by the Canadian Coalition of Open Shop Contracting, and the Association pour le Droit au Travail. The Quebec trade union federation, the Confederation des Syndicats Nationaux (CSN), has submitted opposing arguments.

The Quebec law has been at the center of a political battle between the governments of Ontario and Quebec, particularly in the Ottawa-Hull region where Ontario companies want to shift production across the river in search of lower labor costs in Quebec. Last year the Ontario government threatened to retaliate against Quebec unless it opens up its industry to outside investment. If the law is overturned it will not only be used to fuel the separatist cause, but could set a precedent for the challenge of union contracting across the country.

While this case represents a right-wing attack on trade union rights, the interests of workers will not be defended by the CSN, which is an important ally of the anti-working class Parti Quebecois government.

#### **Montreal stage technicians continue walkout**

The International Alliance of Theatrical Stage Employees (IATSE) Local 56, representing technicians at the Place des Arts in Montreal, is continuing its nine-month-long strike at the largest cultural complex in Canada.

The strike, which began last June when contract negotiations broke down, has become increasingly bitter since Place de Arts declared its intention to do away with the union contract altogether. The performance complex is the principal venue for four major companies including the Montreal Symphony Orchestra. Despite the hiring of strikebreakers, many scheduled performances have been forced to cancel or move to other theatres.

In a ruling handed down last week by a Quebec court judge, the arts center will face fines to be set next month for illegally hiring two replacement workers last November in contravention of the labor code. The fine could amount to as much as \$1,000 for every day the labor code was broken.

IATSE has based its fight on legal complaints to the courts. This is the first decision in its favor, but the company has said it will launch an appeal. The striking workers, which include stagehands, carpenters and sound and light technicians, have been fighting for higher wages and have been without a contract since February of last year.



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