Workers Struggles: The Americas

26 July 2000

Venezuelan petroleum workers strike

About 20,000 Venezuelan oil workers carried out "preventive" one-hour strikes last Tuesday in protest against the new collective bargaining agreement proposed by the state-owned Petroleos de Venezuela.

Carlos Ortega, president of FEDEPRETROL, the largest union of oil workers, explained that the proposed contract "threatens workers' stability" by making layoffs easier. Petroleos management insists that the proposals target inflexibility and inefficiency, and has recommended that union leaders accept the reforms in exchange for improvements in other areas of the contract.

The brief strike by oil workers was in addition to strikes by public health workers. Doctors employed by the Health and Social Development Ministry will only attend to emergency cases. The government of Hugo Chavez insists that there will be no money for raises of any kind this year.

Peruvian workers to march against Fujimori

The Peruvian Labor Federation CGTP is preparing to participate in three days of struggle July 26-28.

Marchers from major Peruvian cities such as Arequipa, Cusco, Trujillo and Huaraz will join their brothers and sisters in Lima to demand that President Alberto Fujimori step down. On July 19, health, transportation, and telephone workers carried out preliminary protests in Lima.

More sackings in Argentina

On July 21 General Motors announced that due to lack of demand it will lay off 900 workers for two days a week at a plant in Alvear, near Rosario, Argentina. This accounts for half the workers in the factory. Similar moves had taken place at Fiat and Renault plants in Cordoba.

The company also warned that unless demand for its automobiles increases it will extend the measure to the remaining workers in its Alvear Chevrolet Complex. Due to the virtual collapse of the Argentine market, GM is banking on the Mexican market for production of sedan and pickup models that are made in Alvear.

According to GM, at this point workers will not lose any pay due to an agreement with the union in which workers "bank their hours." Under this plan, any wages advanced by GM will have to be paid back within the year as unpaid hours.

Unemployment in Argentina now stands at more than 25 percent.

Panamanian unions cancel general strike

Panamanian workers were set to strike July 26 against a 13 percent wage increase decreed by President Mireya Moscoso, which workers saw as inadequate. On July 23 union leaders announced that the general strike would not take place, saying instead that workers would "conserve their strength" until a later date. A protest march is planned for Wednesday in Panama City.

Moscoso intervened when negotiations between workers and employers were at an impasse. While the workers demanded a 100 percent raise to compensate for the high cost of living, the employers had only offered 11 percent. Currently the Panamanian minimum wage is US\$224 a month. The monthly cost of a basic bundle of necessities is estimated at \$500.

Lawsuit against pilots dropped in deal with American Airlines

The Allied Pilots Association (APA) approved a tentative agreement that makes certain concessions to American Airlines in exchange for the corporation's offer to drop a \$45.5 million lawsuit stemming from last year's sick-out.

Not all details are known, but the July 21 agreement would extend the current agreement, which expires August 31, 2001, by one year. If the APA's 10,500 pilots affirm the agreement they would receive a 3 percent across-the-board raise at the time of the present contract's expiration.

In return, the union has agreed to do away with a cap in the present contract that limits the number of regional jets that American can purchase. The present agreement links the acquisition of regional jets to a proportional increase in the number of large jetliners.

The issue is important as regional air travel is considered the most rapidly expanding portion of air service and airlines are using the smaller and cheaper regional jets to link major airline hubs to smaller cities that cannot profitably support the larger carriers. American Airlines' parent company AMR Corporation utilizes regional jets through its subsidiary American Eagle and compensates these pilots at a lower rate than its pilots at American Airlines. Under the tentative agreement, American pilots will be allowed to fly regional

jets with more than 50 seats.

Last year's sick-out by the APA at American Airlines was bound up with the issue of regional carriers. American bought Reno Air, a West Coast regional carrier, in 1998 and attempted to merge the new acquisition under a long drawn-out pay scale below that of American pilots. But the contract between the APA and American stipulated that this procedure could only be carried out in consultation with the union, something that American neglected to do.

Little more than a month later American pilots launched a sick-out against the company's unilateral actions. The 10-day action by the pilots caused the cancellation of some 6,700 flights and supposedly cost American \$225 million in profits. A federal judge rushed to American's defense by issuing an injunction and brought down the \$45.5 million lawsuit against the union, while ignoring the company's contract violations.

Fired baseball umpires pawns in new contract negotiations

Ten of the twenty-two umpires fired by Major League Baseball in last year's failed mass-resignations by both National League and American League umpires are to be reinstated in exchange for acceptance of a new contract.

Six of the fired umpires who are over 55 years of age will be allowed to retire under the proposal. The other six would receive buyouts from the league in the form of either a lump sum or annuity.

The firings came after umpires attempted to get around a no-strike clause in their contract by handing in resignations. But a dissident group in the Major League Umpires Association (MLUA) withdrew their resignations, causing a general stampede by the majority of umpires to follow suit. When the remaining umpires who followed the union's chief Richie Phillips finally capitulated, management refused to allow them to withdraw their resignations and fired them.

The dissident group went on to win a union recertification election and formed the World Umpires Association that is presently bargaining with the Major Leagues for a new contract.

Government will use military shuttle if pilots strike

The federal government has indicated it will deploy a military aircraft to transport members of parliament back to Ottawa to pass back-to-work legislation in the event of a strike by pilots at Air Canada. That such a plan would be implemented is unlikely since the dispute between Air Canada and the pilots has gone to federal mediation, but it nevertheless represents an ominous development in the government's role and the role of the military in labor disputes.

Both sides agreed to mediation last week after federal Labour Minister Claudette Bradshaw threatened to otherwise impose a settlement that neither side would favor. Talks had broken off a week earlier when pilots left the bargaining table and the airline withdrew their most recent offer. Conditions for mediated talks, which the Air Canada Pilots Association (ACAP) have agreed to, stipulate they cannot strike. Air Canada has agreed they will not lock out pilots during negotiations.

The pilots are fighting for wage parity with their US counterparts, as well as reduced hours for international flights, increased pension benefits and job security, which is threatened with the ongoing reorganization of Air Canada. They have been in a legal strike position since June 26.

Vancouver hotel strike widens

At least 500 hotel workers, members of the Canadian Auto Workers (CAW), went on strike last week joining 2,000 members of the Hotel Restaurant Culinary Employees & Bartenders' Union (Local 40) who have been on strike since July 3 in the Vancouver area of British Columbia. While the strike still only affects around 25 percent of the hotels in the region, they are among the most popular and the action is regarded as a formidable threat to the tourist industry in the province.

The strike at 12 hotels includes cleaners, cooks, doormen, bartenders and dishwashers who are fighting for improvements in wages and benefits. Both unions are asking for a 12 percent wage increase over four years. Local 40 has rejected an offer for 8 percent and the CAW has to date only been offered 5 percent. Wages in the hotel industry are already at least 30 percent below the provincial average.

The strike at what are dubbed the "big seven" hotels had already grown bitter, with violent confrontations and the use of scab labor, before being joined by workers at six others. Workers in Local 40 sent a clear message to their leadership at the beginning of July when they initiated the strike action without the sanction of their union. While the strike has broken out at the height of the tourist season, talks had been on and off since last February and union members were frustrated with the irresolute attitude of union negotiators. Conditions have now emerged for workers to mount an industrial action and this will put added pressure on their unions to either scuttle the strike or take a decisive stand.



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