

# Workers Struggles: The Americas

6 September 2000

## Strike by Argentine public employees

On August 29 the Association of Government Employees (ATE) carried out a one-day work stoppage against the 12 percent wage cut imposed by the central government. The strikers marched through downtown Buenos Aires and rallied at May Square, across from the presidential palace.

On September 15, Congress plans to begin discussion on draft legislation to cut wages as part of a multimillion-dollar budget cutting plan.

In addition to the wage reduction, the budget cut will affect technical and scientific research at the University of Buenos Aires, according to ATE Secretary Pablo Michelli.

## Popular outcry against unemployment in Argentina

On September 2, pickets surrounded the headquarters of Repsol-YPF, a major Argentine oil company. The pickets reportedly set fire to three structures in protest over the lack of jobs. The protest took place in Las Heras, a southern city of 12,000 in oil-rich Santa Cruz province. A provincial representative who tried to mediate the dispute was met by a shower of rocks.

"Having no work has broken our families. We cannot continue like this," said Luis Guineo, an unemployed oil worker living on a subsidy of \$200 a month. "The situation had created a social crisis that includes divorces and suicides." Twenty-two unemployed people between the ages of 15 and 30 have committed suicide in the recent period.

Tensions broke out last Thursday after the unemployed handed in a petition to the company. Workers are demanding the creation of 1,000 new jobs. In the absence of any response, workers decided on a mobilization.

Over 4,000 workers in Las Heras were sacked in 1997, supposedly due to a fall in international oil prices. Even though oil prices have recovered, many of these workers are still unemployed in this desert region where there are few other jobs.

## Brazilian railroad workers on strike

Railroad workers from Natal, in Rio Grande do Norte, assembled on August 29 and decided to continue their strike indefinitely. The leaders of the Rio Grande Railroad Union declared that management of the Brazilian Urban Trains Company (CBTU) has not made any proposals that would end the walkout. The strike has won widespread support from the workforce, although management personnel are running some trains.

Railroad workers in five other cities—Belo Horizonte, Contagem, Recife, Porto Alegre and João Pessoa—are also striking against the CBTU. The workers are demanding a 4.5 percent wage increase plus 13.2 percent to compensate for losses since 1997. The workers rejected a one-time bonus of R\$1.200 (US\$650). The CBTU is demanding that Brazil's labor court act to end the strike.

## Chilean truck owner-operators convoy

A convoy of over 500 truck owner-operators entered Santiago on Saturday, September 2 as part of a national campaign for government measures to reduce their costs.

The convoy began five days earlier in the southern city of Ancud, 1,200 kilometers (720 miles) south of the Chilean capital. Among other demands, the truckers are asking for debt relief and subsidies for diesel fuel.

## Artists march in Mexico

Mexican artists marched on Sunday, September 3 against censorship, rallying in Mexico City's main square, the Zocalo, where a "Freedom Festival" took place. The artists oppose decisions by government authorities in Mexico City and in the States of Jalisco, Guanajato, Aguascalientes to censor works of art, restrict abortion and deny democratic rights to homosexuals.

In some areas where it rules, the PAN, in alliance with the Catholic Church, has imposed restrictions on women wearing short skirts. It has also closed public establishments where homosexual men and women congregate, and has censored art shows that "oppose Catholic teachings."

## Uruguayan workers demand an end to unemployment

Labor unions in Uruguay are demanding that the government of Jorge Batlle take steps to reduce unemployment, such as higher government investments, support for the construction industry and higher wages for public employees. Uruguay has an unemployment rate of 17 percent and underemployment estimated at 50 percent.

Among the workers' demands are an end to privatizations, that funds be made available for training in new skills, and decent pay during training.

## Tentative agreement averts strike at Firestone

Negotiators for Bridgestone/Firestone Corporation, plagued by a recall of 6.5 million faulty tires, and the United Steelworkers (USW) reached a tentative agreement in the early hours of September 4.

The contract temporarily averts a strike pending the approval by 8,000 tire workers at nine Firestone plants throughout the United States. No details of contract provisions are available, but the two sides were locked in discussions over the weekend over issues such as overtime, mandatory holiday work, seniority, job security, medical benefits, pensions, the hiring of temporary workers and a so-called "incentive" system whereby wages would be based on productivity, making the worker responsible for tire quality. Wages for Firestone workers today range from \$8 to \$18 an hour.

The August 9 tire recall was sparked by allegations that tires manufactured for Sport Utility Vehicles (SUV's) and light pickups are susceptible to tread separation and have been linked to 88 deaths and more than 250 injuries. Adding to the company's woes was another warning by the federal government that an additional 1.4 million tires may be faulty.

Some of the problem tires are alleged to have been made by strikebreakers during a 1994-96 strike at the company's Decatur, Illinois plant. The company waged a ferocious campaign against tire workers, then organized under the United Rubber Workers union, firing 2,000 workers and replacing them with strikebreakers. Former employees have charged the company with shoddy quality control practices during this period that allowed poorly manufactured tires to pass inspection.

Firestone denies that a strike by the USW would have any impact on the company's efforts to boost production in order to meet the recall. The Wilderness AT tire, which it is using to replace the recalled tires, is made at two nonunion plants in North Carolina and South Carolina and a plant in Quebec, Canada which operates under a different union contract. Firestone is also bringing in tires from overseas competitors.

## Philadelphia teachers vote to strike

Thousands of members of the Philadelphia Federation of Teachers

(PFT) voted Monday at a mass meeting to authorize a strike if no agreement is reached on a new contract, covering the district's 21,000 teachers. PFT leaders, however, advised teachers to return to their classrooms Tuesday and work without a contract for the first time in the union's 35-year history. The teachers' previous contract expired August 31.

The two sides are reportedly far apart on district proposals to base salaries on performance rather than longevity, extend the workday and year, increase co-pay for medical benefits and reduce the role of seniority in teacher assignments. Teachers are also reportedly seeking 9 percent wage increases each year over five years, while the district is offering no raise in the first year and 3 percent increases tied to performance in each of the next four years.

Philadelphia's school district, the nation's sixth largest school district with 210,000 students, faces an \$80 million deficit in 2000-2001. Republican Gov. Thomas Ridge's administration announced last week that it would consider taking over the district if the teachers go on strike and schools are shut. If the teachers continue to strike under a state takeover the state could suspend their teaching certification.

#### **Eastern Michigan University professors strike**

More than 650 full-time faculty at Eastern Michigan University went on strike Tuesday after contract talks broke off, in the first walkout by EMU professors since 1978. The contract, covering tenured and tenure-track professors at the 23,000-student campus, expired September 1 but was extended until midnight September 4, according to the American Association of University Professors. The administration hopes to use lecturers not covered by the contract, who make up about 40 percent of the faculty, to conduct classes, which resumed last week. Key issues included replacement of full-time faculty members with part-time faculty, control over Internet courses, and salary and benefit increases, according to an AAUP spokesperson said.

#### **Raytheon cancels health benefits for strikers**

Raytheon Corporation, a US defense contractor and maker of the Patriot missile system, retaliated against the walkout that hit 10 of its plants in Massachusetts on August 27 by canceling health benefits for 2,700 union workers.

Apparently the company also withdrew its last offer to the International Brotherhood of Electrical Workers (IBEW) Local 1505 and has issued a call for workers to return to work under the old contract. "We're up and running, and employees who want to come to work can come to work," declared Raytheon spokesman David Polk.

Raytheon's contract proposal contained a 14.7 percent wage increase over the life of a four-year contract, along with a \$1,500 bonus and some improvements in the pension formula. But specific economic issues in the negotiations are overshadowed by job security.

Local 1505 has seen its membership plummet from 10,000 union workers in the early 1990s to less than 3,000 today. In 1995 the company leveled a threat that it could not maintain its costly operations in Massachusetts without concessions. The IBEW agreed to a wage freeze, work rule changes and the shrinking of job classifications from 420 to 40 in exchange for job security. The Massachusetts legislature, with support from the IBEW, also altered the tax rules affecting Raytheon, resulting in a \$21 million a year windfall for the company. Arthur Osborn, a top Local 1505 officer who helped engineer the changes, subsequently quit the IBEW and became a labor negotiator for Raytheon.

#### **Strike continues as machinists reject tentative agreement at Maine shipyard**

Members of the International Association of Machinists (IAM) Local S6 at the Bath Iron Works in Maine rejected an attempt by the company and union to end the week-old strike by voting down the latest contract proposal September 3.

The new agreement proposed yearly wage increases of 4, 3.5 and 4

percent over the life of a three-year contract. The base rate for a mechanic would have gone from the present \$15.75 to \$17.63 at the end of the proposed agreement. The company also increased its contribution to the 401(k) plan and increased the ratification bonus from \$500 to \$750.

The 4,800 striking workers, however, demanded more money and angrily rejected a reworking of a cross-training proposal that they believe threatens jobs. The IAM leadership accepted the proposal while claiming the company agreed to amend it so workers would not be forced to cross over into other classifications during periods of layoffs.

After the vote, hundreds of workers marched outside and started a bonfire composed of copies of the tentative proposal. Police were summoned to break up the spontaneous demonstration and firemen were called in to douse the blaze.

When asked for a breakdown of the vote in the contract rejection, union President Rock Grenier only replied, "A majority has rejected it. That's all I will say."

The tentative agreement was announced on the same day that 800 union draftsmen at the shipyard voted to launch a sympathy strike in support of the machinists.

The Bath Iron Works is one of only two shipyards that construct the Aegis-class destroyers for the US Navy. Five of the destroyers, which cost approximately \$900 million apiece, are in various stages of construction at the struck shipyard.

#### **Mechanics at United vote to switch unions**

Over half of the 15,000 mechanics at United Airlines signed cards to dump the International Association of Machinists (IAM) and bring in the Aircraft Mechanics Fraternal Association (AMFA) to represent them in future contract negotiations.

If indeed at least 51 percent of IAM represented members have signed authorization cards, the federal government's National Mediation Board will step in to hold a recertification election in which all of United's mechanics will participate.

The mechanics comprise an IAM bargaining unit of 45,000 members that also includes ramp workers, cleaners and clerks. AMFA officials have sought to exploit the pent-up anger of mechanics over past sellout contracts engineered by the IAM and appeal to mechanics that by breaking away from other bargaining unit members they can obtain better agreements.

Two years ago AMFA won a similar election at Northwest Airlines after mechanics there rebelled against the IAM over a substandard tentative agreement that was soundly rejected. AMFA is still negotiating with Northwest for its first agreement.

#### **United Airlines pilot contract details revealed**

Some details of the United Airlines tentative agreement with the Air Line Pilots Association (ALPA) were released, revealing wage increases and an option allowing the union to reopen contract talks under conditions of a merger.

Raises for pilots will range as high as 45 percent. Hourly rates, which only involve actual cockpit flying time and not any preparation hours leading up to takeoff or after touchdown, would jump to \$222.12 an hour upon ratification of the contract and rise to \$264.89 by May of 2004. A senior United Pilot who works an average 960 hours a year would go from a yearly salary of \$210,000 after ratification to \$250,000 at the conclusion of the contract, a sum considered the highest compensation for pilots in the airline industry. Present hourly rates are \$181.48 at Delta, \$195.64 at American and \$193.70 at Northwest. Junior United pilots, however, will make a lower rate.

The new rates are aimed at mollifying pilots who have engaged in an overtime ban that has forced United to cancel thousands of flights since its contract became amendable. Pilots accepted pay cuts amounting to 15 percent in the 1994 concessionary contract aimed at salvaging United in return for a 25 percent share in the company. With the airline's return to

profitability the pilots were determined to recoup some of their losses.

The contract also purports to contain a clause that gives the union the option of reopening contract talks in the event of a merger with another airline, such as the \$4.3 billion takeover of US Airways by United. The claimed effect would be to allow the union to propose changes that would either influence the merger plan or block it.

The contract also offers increased retirement benefits, no furloughs, limits on United's ability to use foreign carriers to fulfill its flights and limits on the number of small regional jets flown by domestic feeders.

#### **Social workers vote in favor of tentative settlement**

A six-week strike has ended with social workers at the Catholic Children's Aid Society of Toronto voting 60 percent in favor of a tentative settlement. The 243 members of the Canadian Union of Public Employees Local 2190 had been on strike since July 14, primarily over the high number of caseloads they handle.

After having twice rejected tentative agreements, the workers finally voted to accept the tentative settlement after management had agreed to examine the problem once the caseload per worker exceeds a given number. While the new deal acknowledges the provincial benchmark of 17 cases per social worker, the actual limit of caseloads will now depend on the nature of work. The caps will vary anywhere from 20 to 29 caseloads. Until now protection workers have often handled 30 to 32 cases at a time.

The two-year deal also calls for a 2 percent pay raise retroactive to April 1, a 1 percent increase next April and another 1 percent increase in October 2001. The social workers earn between \$38,000 and \$53,000 Cdn per year.

#### **GM workers suspended for wildcat strike**

Thirteen workers at General Motors Canada in Oshawa have been suspended for up to two months without pay as punishment for having taken part in a wildcat strike that shut down two assembly plants in mid-August. Workers had walked off the job in protest over the suspension of CAW union official Doug Sanders, who had argued with a manager over safety issues.

The 13 workers were viewed by GM as the instigators of the illegal work stoppage that saw more than 750 members of Local 22 stage a wildcat strike, costing the company more than \$50 million in production losses. While some local CAW insiders felt the penalties were harsh and could possibly spearhead further unrest, Buzz Hargrove, national union president, said that the workers were lucky that they didn't lose their jobs. "The history of wildcat strikes in this industry is that some people get discharged," he said.

With an average loss of more than \$1,300 per week in gross pay with overtime, six workers got a 60-day suspension, five received a 30-day suspension and two will be off work for two weeks without pay.

#### **Falconbridge offer rejected by union**

The union representing 1,250 production and maintenance workers at Falconbridge Ltd.—who have been on strike since August 1—has rejected the latest offer by their employer, the world's third largest nickel miner.

Roy Gauthier, president of Local 598 of the Mine Mill/Canadian Auto Workers, said that the latest offer was discarded because the company has not budged on the contracting out of work. Some 300 to 400 workers are scheduled to retire next year and the union says the company wants these positions filled with nonunion workers.

Falconbridge spokesperson Craig Crosby said, "None of this is detrimental to the employee, but has everything to do with cost." The union has estimated that the strike is costing Falconbridge about \$1 million a day, not to mention lost revenues. Talks are expected to continue this week.



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