Workers Struggles: The Americas

17 July 2001

"Black Week" in Argentina

On Wednesday, July 11 the Argentine government, facing imminent default on its government debt, announced that it would begin slashing wages to government workers and social security recipients. July wages and retirement checks will be cut by about 13 percent. After that, wage cuts will be determined on a month-to-month basis.

The wage cuts amount to a de facto declaration of bankruptcy designed to protect Wall Street banks and other foreign bond holders. Only after they are paid will wages and retirement checks be issued. Very low-paid workers and members of Congress are exempt.

Two days later, over 100 unemployed workers cut roads to the main airport in Trelew, Chubut province, impacting busy tourist traffic at the only airport that unites the Southern Patagonia region with the north.

The Association of Government Workers (ATE) also announced plans for a national 24-hour protest strike against the government's deflationary wage cuts. The call was endorsed by the Argentine Workers (CTA), one of Argentina's three labor federations, by the National Antipoverty Front (FNCP) and the unemployed movement. The strike will be part of a series of mobilizations scheduled to take place throughout the rest of this year.

Sao Paulo bus drivers strike

Nine hundred bus drivers and conductors of Viacao Victoria transit company (VV), which services east Sao Paulo, Brazil, completed the third day of their strike on Saturday, July 14. They are demanding to be paid their June wages, and protesting a delay in severance pay to five laid-off workers.

The VV drivers join 720 drivers of the Viacao Georgia company, who have been on strike since July 8 also demanding their back pay for June.

The strike is expected to continue this week, even though VV insists that the back pay has been deposited in strikers' accounts.

Iberia workers continue their strike in Brazil

Striking pilots have interrupted Iberia flights between Brazil and Europe. The strike over wages its in its second week.

Xabier de Irala, Iberia's president, declared that the suspension of flights was a result of the firing of 99 of the 208 striking pilots.

Chilean railroad workers set up barricade

On July 13, striking railroad workers set up barricades across tracks near Santiago, Chile, blocking commuter train traffic. The State Railroad Company (EFE) denounced the strikers for inconveniencing the riders. It had earlier announced that agreement had been reached with most of its other unions.

Guayaquil health workers strike in third week

July 16 will mark the beginning of the third week of a health workers strike in Guayaquil, Ecuador's major port city. Doctors and health professionals are only available for emergencies.

The government of Gustavo Noboa says it is negotiating with the health workers. It refuses, however, to raise wages, claiming to have offered the strikers a $32 a month bonus. The strikers deny that any negotiations are taking place.

Steelworkers bureaucracy gets part ownership in LTV deal

Last week's settlement between LTV Steel Corporation and the United Steelworkers (USW) union gave the union bureaucracy a 20 percent share of the bankrupt company and two seats on LTV's board of directors in exchange for concessions by the workers.

The USW agreed to LTV's axing of 1,300 full-time jobs and the surrender of this year's wage increase and an overall freeze on wages. The union and company are still working out details and the agreement needs to be finalized by the US Bankruptcy Court. Judge William Bodah, who is presiding over the case, has agreed to keep other details secret during the case's finalization. The contract, which covers 9,000 workers, is slated to take effect August 1 and continue through February 1, 2006.

The company originally wanted to reduce retirees' benefits and cut fewer jobs, but the USW pressed for maintaining benefits while increasing job reductions. "This deal is equitable. It's the kind of shared sacrifice we were looking for," asserted Mike Rubicz, president of Steelworkers Local 1375.

LTV sought $260 million in concessions from the USW through the bankruptcy court proceeding. It is not clear yet the final amount in concessions agreed to by the USW.

Pilots union rejects arbitration at Air Wisconsin

Pilots union officials at Air Wisconsin rejected arbitration on behalf of 600 airline pilots paving the way for a 30-day cooling-off period followed by a possible strike. The Air Line Pilots Association (ALPA) and company management have been engaged in talks for two years but still have not resolved issues involving compensation, retirement and job security.

The ALPA executive committee representing Air Wisconsin pilots voted unanimously to reject arbitration. Air Wisconsin pilots voted by a 96.6 percent margin last month to strike if the union proved unable to resolve critical contract issues. It is anticipated that the company and union will hold further talks during the cooling-off period.

Air Wisconsin, a privately owned commuter airline based in Appleton, Wisconsin, operates under the name United Express and serves 44 cities in 20 states.

Jury awards record amount to workers cheated out of overtime

A California jury agreed that Farmers Insurance Exchange cheated 2,400 of its insurance claims adjusters out of years of overtime pay and awarded the employees a record-setting $90 million. Farmers had been claiming its adjusters as exempt white-collar workers and refused to pay them for one, two or three hours of overtime on a consistent daily basis, as well as hours worked on weekends.

So-called exempt workers must spend more than half their time on work tasks that are intellectual, managerial or creative, something Farmers was unable to uphold in the trial. Farmers adjusters put in about 50 hours a week and made an average yearly salary of $30,000.

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The award amounts to about $37,000 per plaintiff. An official with the Los Angeles-based Employers group called the amount “shocking.” The final settlement could balloon to $130 million after interest and lawyers’ fees are tacked on.

Previously, overtime litigation with companies like Rite Aid Corporation, U-Haul and Taco Bell were settled out of court for amounts of $25 million, $7.5 million and $13 million. While it is expected that Farmers will work to overturn the settlement, companies now fear the precedent set by the trial will undermine further attempts to get workers to settle out of court for a relative pittance. Presently, hundreds of California companies are resisting class-action lawsuits dealing with overtime.

Flight attendants reach tentative agreement with American Airlines

Union leaders for 23,000 American Airlines flight attendants unanimously approved a tentative agreement after two-and-a-half years of negotiations with the Fort Worth, Texas-based company. The agreement came only hours before the end of a 30-day cooling off period which would have led to either a strike or an intervention by the Bush administration.

According to the Association of Professional Flight Attendants (APFA), the agreement provides for a 25 percent pay raise over six years with 9 percent applied immediately. It also contains an 8 percent retroactive lump sum payment for the period November 1, 1998 to December 31, 1999.

While APFA said the agreement set a new industry standard, the wage increases were partly undermined by a reduction in the profit sharing agreement for the years 2002 and 2003 from 8 percent of annual base pay to 3.25 percent. It will return in 2004 to its 8 percent level with no cap. The agreement also provides for full retirement benefits at age 60 as opposed to age 62.

Defense contractor must rehire workers fired for union organizing

A National Labor Relations Board (NLRB) judge ordered Northrop Grumman to reinstate 22 workers who were fired during the period 1994 to 1997 for attempting to unionize a New Orleans shipyard. The company must also compensate the workers for lost pay and benefits while repaying $5.4 million in legal fees billed to the Navy that resulted from litigating the case.

Northrup Grumman said it would appeal the 275-page decision. At the time of the victimization of the shipyard workers the plant was owned by Avondale. In August 1999, Litton Industries bought the facility. The giant defense contractor Northrup Grumman acquired the shipyard when it purchased Litton in April of this year.

Lockport, New York nurses strike

Negotiations are set to resume under the auspices of a federal mediator in a strike by 127 members of the United Professional Nurses Association against Lockport Memorial Hospital. The registered nursing staff struck on July 5 over unsafe working conditions, short staffing and pensions.

Clare A. Harr, a wealthy businesswoman, bought the hospital two years ago. Since taking over the facility she has angered staff by instituting steep job cuts. Nurses complain of being forced to work mandatory 16-hour shifts. Part-time workers are reportedly forced to work full-time with no benefits. Management’s final contract offer contained a wage increase of just nine cents.

Memorial Hospital has hired Pinkerton security guards to harass and intimidate strikers. Haar recently announced that many of the 320 nonstriking staff are being laid off, without any guarantee that they will be rehired once the strike is over.

Strike ends at National Gallery

A two-month-old strike by 200 workers at the prestigious National Gallery of Canada and the Canadian Museum of Contemporary Photography is over following the ratification of a new contract last Friday.

The strike affected workers in the Public Service Alliance of Canada (PSAC), including technicians, installers and administrative staff at the two galleries. It was timed to coincide with an exhibition of the works of Austrian artist Gustav Klimt, and received the support of the public as well as prominent Canadian artists such as Michael Snow. At one point the steps of the gallery were covered in red shoes which had become a symbol of the strike.

The contract calls for a wage increase of 2 to 3 percent and contains a signing bonus of $500. While the union did not win all the wage provisions it was seeking, they did limit the term of the contract to three years, while the employer had been asking for five.

Cherry pickers strike in British Columbia

Over 100 nonunion workers walked off the job last week to protest low wages and intolerable working conditions in the Okanagan fruit belt of southern British Columbia. Their action comes in the middle of the cherry picking season and has forced growers into the orchards to harvest their own crop.

Most of the striking laborers are young people from Quebec and other provinces who come for the fruit picking season. In the majority of cases, however, especially on the smaller farms, they are being paid below the legal minimum and work under unsanitary and unsafe conditions. In general the labor is piece work, which pays up to $4 a bucket, only a dollar more than was paid 30 years ago. This means an average income of less than $40 a day, according to strike organizer Guillaume Boutin.

The strike has left a labor shortfall estimated at over 150 pickers, with cherries ripening on the trees. The organizers say they hope that this will force a settlement of their demands, and have sent a petition with a list of grievances to the provincial Ministry of Agriculture and the Employment Standards Branch.

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