

# Workers Struggles: The Americas

28 August 2001

## VW strike in Mexico continues

Workers at the Volkswagen plant in Mexico, on strike for a week, marched through the streets of Puebla on August 24 to press for increased pay. Last Thursday, the union lowered its wage demand from 25 percent to 18 percent and hinted that it might go as low as 10 percent. The company's latest offer is a 7 percent raise.

Union President Jose Luis Rodriguez declared that there would be a march on Mexico City if there is no resolution to the dispute this week. Negotiations were to take place on Monday. The conflict takes place as slumps in the Mexican and US economies are sharply reducing car sales. At current levels of production, VW makes 1,530 Jettas, New Beetles, Golfs and Classic Beetles a day.

## Rolling strikes against VW Brazil

On August 23, 2,500 Volkswagen tool and die, assembly, stamping and plant workers at Volkswagen's Sao Bernardo Do Campo plant in Sao Paulo walked out for two hours. The following day another 2,500 workers from the final assembly department also struck for two hours. The strikes are the beginning of week-long job actions to demand raises in productivity bonuses.

## Argentine workers reject economic policies

Over 20,000 public employees rallied in La Plata, the capital city of Buenos Aires Province, on August 23 to protest the austerity policies of the provincial and national governments. Buenos Aires is Argentina's most populated and prosperous province.

Doctors, teachers, court employees and other provincial employees demanded that the national government cancel the 13 percent wage cuts imposed in July and that the province stop paying workers with specially issued bonds.

The austerity measures were imposed as part of a "zero deficit" law to guarantee timely payment of a \$128 billion national debt to foreign creditors. Argentina's economy has been in a deep economic recession since 1998. So far the De la Rúa administration seems to be tolerating the current wave of protests as a way of releasing social tensions and to avoid an all-out social explosion.

## Argentine teachers strike

On August 24, the Federation of Buenos Aires Educators (FEB), one of Buenos Aires' two teachers unions, decided to continue its three-week strike in response to Governor Carlos Ruckauf's decision not to pay the teachers during their strike. The other union, the Union of Buenos Aires Education Workers (SUTEBA), postponed a decision until August 27.

The main issue in the strike is the government's numerous delays in paying the teachers. The unions are demanding back pay for July wages and that payment be in the national currency, pesos, instead of provincial bonds.

The Ruckauf government is optimistic, however, that the strike will end on August 28. Officials point out that many teachers have already accepted a portion of their salaries in bonds. They also insist that most of the back pay has been paid, in pesos. Crucial to the success of the

strike is the attitude of 150,000 nonunion teachers who had earlier supported the strike but are now returning to their classrooms.

## Mexico unions' "phantom contracts"

Jesus Campos Linas, president of Mexico City's Local Conciliation and Mediation Service (JLCyA), considers that 90 percent of Mexico's collective bargaining agreements registered with his agency are "phantom contracts." Five million workers are affected by 100,000 contracts that have no "trade union life," said Campos. They are agreements between "bad managers and worse union leaders."

Campos made his comments on August 25 following a ceremony in which the JCLyA granted legal recognition to the Trade Union Association of Metro Workers, one of the unions competing to represent Mexico City's subway workers. In addition to acknowledging the widespread existence of gangster contracts, Campos noted an increase in layoffs in Mexico City, which have been directly responsible for an increase in prostitution, crime and drug use.

## Dominican police kill protesting youth

A 14-year-old was shot to death by police during a protest against blackouts on August 24. The shooting took place in a township 130 kilometers north of Santo Domingo, capital of the Dominican Republic. Enraged by the killing, residents mobilized all day August 24, blocking streets and bringing traffic to a standstill.

So far the police have shot and killed eight people in the current wave of protests against electrical blackouts in Santo Domingo. Typically, the blackouts last 18 hours at a time. The police have also entered other working class townships to violently repress popular protests.

## Venezuelan president slanders oil workers

Last week on "Alo Presidente," a call-in radio show, Venezuelan President Hugo Chavez attacked oil workers, saying, "Just because the current price of oil is high, you have no conscience" by demanding higher wages. An annoyed Chavez continued, "You are saying that oil only belongs to the workers, while children starve and have no schools. Burn the oil fields if you like, but I will not give in to extortion."

## Autoworkers strike Illinois Mitsubishi plant

Some 2,800 members of the United Auto Workers Local 2488 struck Mitsubishi Motor Manufacturing of America's plant in Normal, Illinois on August 24. Neither side in the negotiations had been able to come to agreement over wages, benefits and health and safety issues.

In 1998 the UAW and Mitsubishi reached an agreement that raised wages from about \$19.96 an hour to \$22.35 an hour in the course of a three-year contract that also saw 500 workers laid off.

## Tentative contract in two-year-long California food processing strike

Workers at an onion and garlic dehydration plant in King City, California will finally vote on a tentative contract after a two-year bitter strike that polarized the local community. The 750 members of

Teamsters Local 890, a largely Latino workforce, originally walked out over Basic Vegetable Products' demand for a two-tier wage system, cuts in health and pension benefits and job elimination.

The family that owned Basic responded by hiring replacement workers, which ignited anger and resulted in violence on and off the picket lines. The Teamsters allowed the company to reopen the plant while advocating a boycott by schools of the company's products. In November of 2000, Con Agra bought the plant and new negotiations led to a five-year contract that retains the old health and welfare package and drops the two-tier wage plan.

Workers have been critical of the 3 percent wage increase, which does little to make up for the devastation caused to their lives by lost wages, and the loss of homes and vehicles.

#### **Tourist industry backlash against Santa Monica living wage law**

Luxury hotel, restaurant and department store interests in the upscale coastal city of Santa Monica are seeking to overturn a "living wage" law that will force management to nearly double wages of the industry's low-wage workers.

The law, passed 5-2 by the city council, will override the federal minimum wage rate of \$5.15 and require a new \$10.50 standard. It will affect some 2,000 workers in 40 businesses that gross more than \$5 million. Previous living wage laws have been applied to companies with financial links to government. The city council argues that these large concerns have profited from the \$183 million invested by the city in area improvements.

The industry has financed a \$250,000 petition campaign to have a repeal of the law placed on the city ballot.

#### **DaimlerChrysler fined in autoworker's death**

DaimlerChrysler agreed to pay a \$153,000 fine for safety violations recorded in the wake of the May 2000 death of a maintenance worker at the company's Toledo, Ohio Jeep plant. Lazaro Fuentes Sr. was repairing a robot when a conveyor line started pulling him into the assembly system where he was crushed.

The Occupational Safety and Health Administration (OSHA) found faulty wiring and poor implementation of the machinery shutdown procedures responsible for the killing of Fuentes. Since Chrysler's 1987 buyout of American Motors, which owned the Toledo Jeep plant, OSHA has issued 130 citations for safety violations at the plant.

#### **Striking St. Louis auto mechanics to vote on proposal**

Officials of the International Association of Machinists organized a weekend vote by 1,700 auto mechanics on a mediator's proposal aimed at ending a three-week strike. Workers at 69 auto dealerships in the St. Louis area struck on August 1 in opposition to a three-year contract, charging it did not adequately address pension contributions, wages, working conditions and contract language governing job training.

#### **Steel union halts talks, citing government pullout**

Negotiations between manufacturing giant Algoma Steel and the United Steelworkers of America (USWA) were called off by the union when it learned last week that the Ontario Tory government would not participate in a "restructuring" process to bail out the bankrupt company.

With progress being made in contract talks, Algoma had been granted an extension on bankruptcy protection, but the union coordinator issued a statement withdrawing from negotiations saying, in part, "The framework supporting the union's proposal was contingent on government involvement in restructuring." The union represents 3,900 workers at Algoma Steel Inc. at the company's operation in Sault Ste. Marie in northern Ontario. The company has

posted a shortfall of \$625 million in the employee pension fund, which the provincial government may be responsible for if the company folds.

The USWA holds a 25 percent share in Algoma which has become financially troubled since borrowing more than \$500 million to build a new steel mill, which began construction in 1997. In addition to its debt burden, the company has faced a slump in the steel market, losing over \$200 million in the first six months of this year.

#### **One-day strikes by federal workers continue**

The second of three, one-day pickets was held last week by the Public Service Alliance of Canada (PSAC), which represents 40,000 federal civil servants across the country. The campaign is intended as a protest against the slow pace of contract negotiations that have dragged on for over a year.

The strikes affect a broad range of government services including employment insurance, pensions and passports. The union is seeking a 5 percent increase in each year of a three-year contract, and the government has offered only 2.5 percent. To date, the actions have been modestly attended but have been marked by a number of confrontations involving the strikers which have led to some arrests.

#### **Ontario realtors get union contract**

In an extraordinary campaign, the Brewery General and Professional Workers' Union (BGPWU) recently signed 17 agents at a realty office in Bowmanville, outside Toronto. The union organization of typically self-employed small business people marks a shift in the direction unions are now taking to expand their dues base faced with a shrinking manufacturing economy.

The contract between the giant real estate broker Re/Max and the BGPWU is believed to be the first of its kind in Canada and is the first in a drive by the union to organize all 4,000 real estate agents in the province. The contract includes provisions for minimum commissions of 6 percent as well as health and dental benefits. The move has been vehemently denounced by brokerage owners, who point to commissions of over \$500,000 by some agents. The average income for a salesman, however, is around \$30,000.



To contact the WSWs and the Socialist Equality Party visit:

**[wsws.org/contact](http://wsws.org/contact)**