

# Workers Struggles: The Americas

9 October 2001

## Mexican government accused of intimidating oil workers

The Mexican attorney general is being accused of intimidating dissident workers who have occupied the offices of Section 22 of the Mexican Oil Workers Union (STPRM). One hundred oil workers took over the union offices after it was exposed that union General Secretary Jaciel Avendano refused to account for 21 million pesos (\$2.4 million) in union funds.

After the occupation began, the attorney general turned against the workers, demanding that they return the offices to the union bureaucracy. The workers claim the support of 700 of the local's 2,000 members. Oil workers insist that this is an internal dispute.

## Natural gas strike in Venezuela

Employees of the gas subsidiary of the state-owned Venezuelan Oil Company (PTVSA) began a strike on October 8 against government plans to split the gas division as a first step towards privatizing the company. A spokesperson for the oil workers union (FEDEPETROL) announced that all processing plants and gas liquefying facilities were shut down and as of October 5 tank trucks were no longer transporting gas because of truck drivers' solidarity.

## Guatemalan maquiladora workers face victimization

The US Committee for Labor Rights reports that workers fighting for an independent union at the Cimtextiles and Choishin factories in Guatemala are facing accusations of criminal charges as the latest tactic in an ongoing anti-union campaign by local management. Both of these factories produce for Liz Claiborne, among others designers.

The workers are also reportedly facing threats of blacklisting, demands they resign, and closure of the factories. Also, those who participated in the mob attacks against union supporters have enjoyed immunity and have not faced disciplinary action agreed to by the company and the Guatemalan government.

On September 10, men who identified themselves as Public Ministry investigators interrogated two union leaders, with no prior notification of any charges against them. They falsely accused them of stealing, just days after the union went public with its organizing campaign.

## Unemployed to march in Panama

About 100,000 unemployed workers are expected to mobilize on the streets of Panama City this week to protest delays in payment of a subsidy to the unemployed. The subsidies were to be distributed over three months ago.

Pable Zapata, president of the Rescue Committee for Former Public Employees (COPRESEP), said there is a mood of desperation among many who have lost homes and family. Last week unemployed public employees protested across from the University of Panama. In addition to an October 10 mass assembly, COPRESEP plans a march on the City of Colon where many of the jobless public employees live.

## Mexican wages have dropped by nearly half since 1994 crisis

Since the "tequila crisis" devaluation of 1994, real wages for Mexican workers have dropped by 47 percent, according to a report released October 5 by Raul Lescas of the Mexican Workers University.

"Wages have not stopped falling since December 1994," said Lescas. He pointed out that the government's policy is to limit wage increases in the interests of foreign investors. Even though this August's wage revisions meant a 10.2 percent raise for workers, 9.9 percent of that was

eaten up by inflation, adding only 0.3 percent to wages. Projected future inflation is 6.5 percent. This has led the Fox government to try to limit wage increases to below that level.

Lescas also reported that there have been 23 strikes so far this year, as workers have increased their wage demands to try to make up for lost income. Among these strikes was the lengthy work stoppage at the VW plant in Puebla, near Mexico City.

## Brazilian union under investigation for business ties

According to the Rio de Janeiro Daily *O Globo*, Sindical Force (FS), one of the largest labor federations in Brazil, is being investigated by the Public Ministry for financial connections to big business. The report indicates that FS founder and first president, Luiz Antonio de Medeiros, a congressman, has been accused of embezzling more than \$2 million. In addition, there is evidence of a very close relationship between Medeiros and 15 of Brazil's largest corporations. According to allegations, these firms financed the creation of FS in 1991 by giving Medeiros \$5 million.

Former President Fernando Collor de Mello, forced to resign in 1992, appears to have participated in the creation of FS as well. Present FS President Paulo Pereira da Silva declared the federation does not currently receive money from Brazilian corporations. Sixteen hundred unions are affiliated with FS.

## Record unemployment in Bogota

The latest figures show record unemployment in Bogota, Colombia's capital city. Officially, 19 percent of the labor force is unemployed. Approximately 1 million workers entered the labor force between 1993 and 2000, but only 235,000 jobs were created. At the same time real wages have plummeted. Eleven out of every twenty workers in Bogota now earn less than \$248 a month. Figures on the so-called underground economy are equally alarming. The percentage of Bogota citizens who are unregistered street vendors or hold similar occupations jumped from 53 percent in 1996 to 60 percent last year.

## "Popcorn" strikes begin in Sao Paulo

An October 7 general assembly of 12,000 metalworkers in Sao Paulo, Brazil approved initiating a series of quick, short strikes designed to disrupt production in area factories. The first to be affected by these "popcorn" stoppages will be the Volkswagen, Mercedes Benz and Scania auto and truck plants in the Sao Paulo area.

The metalworkers union rejected an employers' offer of a partial cost-of-living adjustment that would only compensate workers for 70 percent of inflation's effects. The union is asking for a two-year contract that provides a 7 percent wage increase above inflation. The objective of the popcorn strikes will be to disrupt the "just in time" production system, alternating strikes against assembly and parts plants.

## Trash haulers rebel against union and employers in California strike

A federal mediator is attempting to get negotiators together after 800 trash haulers defied the pleas of the Teamsters Local 396 leadership and struck four companies that haul trash in Orange County and part of San Bernardino, California on October 1.

Workers rejected an offer that would have raised wages from the present \$12.90 to \$16 an hour over five years with a \$1-an-hour increase in the first year. Union members are refusing to settle for a less than \$6-an-hour

raise in the first year with additional increases thereafter. Strikers are stopping trucks of replacement drivers and altercations between management and pickets have taken place.

Workers from six South County cities who work for another trash hauler, Solag Disposal Inc., voted to join the strike, but Teamsters officials moved to isolate the strike by signing an agreement with the company. Solag workers will continue to work and will receive the same contract as the striking workers.

The pent-up anger over wages that have failed to keep pace with the cost of living is not limited to Orange County's trash haulers. One day after they struck, 27 of 123 workers for Waste Management in several South County cities called in sick against their union's advice. The following day another 47 workers failed to report to work.

#### **Pennsylvania nuclear power workers issue resounding strike vote**

Workers at a Pennsylvania nuclear plant voted overwhelmingly to authorize the International Brotherhood of Electrical Workers union to call a strike if contract negotiations do not prove fruitful. The vote was 411-2 out of a possible 460 union members who work at the Beaver Valley Nuclear Power Station near Pittsburgh.

The plant is under the ownership of FirstEnergy Corporation, which acquired the plant from Duquesne Light Company in 1999. The IBEW negotiated a five-year contract with Duquesne in 1994 and then extended it for another two years when FirstEnergy took over.

#### **Boeing issues layoff notices**

Boeing, the aerospace and defense manufacturer, told the International Association of Machinists (IAM) that it will issue between 3,300 and 3,600 layoff notices this week, to be effective December 14. This reduction comes on top of the 1,800-1,900 positions already slated to be cut. The company announced three weeks ago that it would be slashing 20,000 to 30,000 jobs from its commercial airplane unit, which employs 93,700 workers overall. The layoffs will affect workers in the Pacific Northwest, including Canada.

The IAM has not opposed the layoffs. Instead it has launched a chauvinist appeal to get the company to first bring back outsourced work from other countries, while urging Boeing to provide incentives for workers to take early retirement. Meanwhile the union is training 250 union stewards to provide counseling and help in directing laid-off workers to aid agencies.

#### **California grocery chains sue to get mail ballot**

Two Northern California grocery chains filed suit against the United Food and Commercial Workers (UFCW) union claiming irregularities and charging "intimidation" tactics in the vote by 28,000 grocery workers on a new contract. The company is insisting that the UFCW conduct a mail-in ballot. The union countered with its own complaint to the National Labor Relations Board, claiming the suit was frivolous.

Safeway and Shop Rite stores have mounted a concerted effort to get what they call their "last, best and final offer" passed. The company has forced union members to view a video that claims the contract will "not be improved, even in the event of a prolonged strike." The present contract puts top scale at about \$11.00 an hour. The UFCW claims that the benefits proposal advanced by the company will be financed by raiding workers' pension funds for \$1 million.

Mail-in ballots have been the preferred method of both companies and the trade union bureaucracy, as they isolate workers and undermine feelings of solidarity and collective strength at contract decision time.

#### **Teamsters file for union election at AirTran Airways**

The Teamsters union petitioned the National Mediation Board for an election to represent 1,600 ramp workers and customer service and reservation agents who work for AirTran Airways. After a six-month campaign the Teamsters claim to have signatures from 65 percent of the potential bargaining unit members.

While other airlines have implemented extensive layoffs, AirTran has

instead obtained wage concessions from both the pilots and mechanics, who are already represented by the Teamsters, in return for so-called short-term job security. The company already had laid off 86 workers over the summer from other employee groups.

#### **Polaroid warns of underfunded pension fund**

A leaked internal memo by Polaroid Corporation to its employees warned that the company's pension plan is underfunded as a result of declining values on the stock market, corporate debt and layoffs. As of October 1, the plan had \$900 million in assets, only 90 percent of obligations to employees' pensions. The memo, signed by the company's executive committee, says it has hired "specialists" to map out a plan to resolve the issue.

During September the company warned employees that health insurance co-payments for both retirees and present employees would more than double due to rising medical costs and because the company could no longer afford to pay its contribution to health care. Polaroid is presently operating under \$950 million in debt and is looking to auction off all or parts of its operations.

#### **BC Liberals provoke confrontation with teachers**

Teachers in British Columbia could be in a strike position as early as this week following the announcement by the provincial government last week that education and health care spending will be frozen at current levels for the next three years. The freeze breaks the Liberals' election promise, which brought them to power last May. At the time, the Liberals pledged to make health and education spending a priority.

Teachers in the province have been without a contract since June. In August the Liberal government of Gordon Campbell passed legislation allowing teaching to be declared an "essential service" upon application by an employer. Last week such an application was made and, if accepted by the Labour Relations Board, could begin a process of eliminating the right to strike for each teaching function.

Prior to last week's announcement, the British Columbia Teachers' Federation (BCTF) had been seeking significant wage improvements, citing a real decline in wages over the last nine years. Demands included increases of 8 percent a year over three years, and increased funding to attract new teachers to alleviate the growing shortage. Finance Minister Gary Collins has called the proposal "completely unrealistic in any way, shape or form." Employers have countered with further demands to eliminate limits on class size and guaranteed levels in special teaching services such as English as a second language and librarians. The strike vote, which will take place on October 9 and 10, will be the first province-wide vote of its kind. Over 70 percent of respondents to a poll last year expressed strong support for increased funding to public education.

#### **Nova Scotia health care workers face imposed contract**

Negotiations between 35 hospitals in Nova Scotia and the Canadian Union of Public Employees (CUPE), which represents 3,000 health care workers, have collapsed and the union has applied for government mediation. CUPE leaders have written off strike action, saying a walkout is prevented by new measures brought in by the provincial government.

Hospitals are taking advantage of what is called the "final offer selection" process, which can be used in the event of an impasse in negotiations. The process, which was introduced last summer to replace new anti-strike legislation under pressure of massive opposition, would mean that the position of one side or other in the dispute would be imposed by a conciliator in a contract without further negotiation.



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