Workers Struggles: The Americas

8 January 2002

Ecuador: Protests over fuel prices

President Gustavo Noboa's decision to raise the price of diesel fuel by 15.4 percent (from $US.78 to .90) and by 12 percent for regular gasoline (from $US1 to 1.12 for a gallon of regular gasoline) unleashed a wave of popular protest in the cities of Quito and Cuenca.

There are reports that the protests will expand to other cities as leaders of Ecuador's Popular Front (FP), a reformist organization that includes workers, students and Indian organizations, called for an extension of the protests. FP President Luis Villacis indicated his organization was convening a national assembly to prepare a "national strike."

The 112,000-member National Educators Union (UNE) also said that it was supporting the mobilizations. The UNE has been threatening to launch a teachers' strike to force the Noboa government to pay back wages for November and December.

Avibras workers strike in Sao Paulo

Two thousand workers at the Avibras weapons plant in Sao Jose dos Campos went on strike on January 7 to demand back pay. Avibras produces tanks and missiles that are sold to armies worldwide. The Metal Workers Union that represents the workers said that employees had not received paychecks since November.

Many workers stated that it was common for the company to be up to two weeks behind. However, this time it is nearly two months in arrears. Workers that earn 1,000 Reales are only getting 300, according to one worker. "They now say that another 300 R$ will be paid after February 15. That is absurd!" At the same time Avibras has been urging workers to work overtime and on Sundays.

Oregon nurses strike in fourth week

The 1,500 nurses at the Oregon Health & Science University (OHSU) hospitals have completed their third week on strike over working conditions, staffing levels and wage issues. Over two-thirds of the nurses who voted on the hospital's final offer rejected it and union members walked out December 17 after negotiations failed to resolve outstanding issues.

OHSU offered to raise wages by around 14 percent during the course of a 27-month contract, with an additional 4.75 percent for nurses at the low and high ends of the pay scale. The Oregon Nurses Association was striving for a raise of 20 percent over a 24-month period. The union points out that increases in the nurses' share of health insurance costs amount to a seven percent salary reduction. OHSU nurses are paid between $18 and $28 an hour, which is about $2 to $3 an hour less than nurses at the highest-paying hospitals in Oregon.

A resolution of the strike is not expected to come easily. Many nurses indicated they have been working extra hours for months in order to save for a long strike. For their part, OHSU has hired an additional 50 security guards while contracting with Healthcare Consulting and Staffing Services for replacement nurses. The hospital pays $54 an hour for straight time and $81 an hour for overtime for each of the 250 nurses brought in from out of state.

The trend among hospitals has been to use expensive professional strikebreaking agencies in an effort to suppress the growing struggles of nurses nationwide. In a 2000 nurses' strike Stanford University spent $30 million for such services. Washington Hospital Center in the District of Columbia shelled out $500,000 a week in the same year to withstand a 41-day walkout by nurses.

Bush overturns ban on federal contracts for labor law violators

The Bush administration repealed a rule that would have allowed government agencies to refuse federal contracts to companies that do not comply with labor, environmental and consumer-protection laws. President Clinton signed the lawbreaking contractor rule in 2000, a few months after a computer analysis by Associated Press found hundreds of contractors remained eligible for new federal business despite convictions or lawsuits for defrauding the government.

The Bush administration had suspended enforcement of the rule in March and repealed it for good last week. The House of Representatives voted this summer not to pay for enforcing the rule. Business groups praised repeal, contending the regulation went too far and unfairly “blacklisted” companies.

Rent-A-Center charged with sex discrimination

A US District Judge gave class-action status to more than 4,800 women to level sex-discrimination claims against Rent-A-Center Inc., the largest rental agency in the United States. Using a deposition testimony from more than 300 company officials and employees across the country, Judge David Herndon cited quotes attributed to Rent-A-Center’s CEO J. Ernest Talley. Among them: “A woman’s place is not in my stores;” “Women don’t belong in rent-to-own;” “Get rid of women any way you can;” “Women should be home taking care of their husbands and children, chained to a stove, not working in my stores;” “You were fired because you are a woman.”

One woman plaintiff from Virginia reported that when Rent-A-Center purchased the rental store at which she worked in 1997, she watched as employees, including herself, were fired and replaced almost entirely by men. The company now owns 2,200 stores nationwide. According to the Equal Employment Opportunity Commission, 98 percent of the company’s employees are male.

Rent-A-Center was hit with a previous $16.25 million class-action lawsuit in 1999 in Wisconsin for charging 20,000 consumers interest rates as high as 100 percent for products they purchased. The rent to own racket pursued by Rent-A-Center has been criticized for targeting and victimizing the poor who do not have sufficient credit or money to acquire products except through rental agreements.

Allstate sued for age discrimination

The Equal Employment Opportunity Commission filed an age discrimination suit December 27 against Allstate, the nation’s second biggest car and home insurer. The suit brings together two groups of current and former employees seeking class-action status concerning a restructuring Allstate began in November of 1999. The objective of the plan was to get out from under health care obligations to employees.

The company terminated the contracts for 40 percent of its workforce, or 6,400 agents, and compelled them to sign freelance contracts under which they gave up pension and health care benefits. Under the contracts, employees also gave up the right to sue Allstate.

Some 90 percent of the employees were over 40 and all but 19 of them eventually signed. Some 4,000 agents remained with Allstate under the new terms while 2,400 left, receiving a severance package that was also part of the bargain.

Harris seeking to strip public service professionals of right to strike

The Canadian federal government is seeking to remove thousands of middle managers from public service unions and strip them of the right to strike. Exploiting the dissatisfaction of many professional workers with their existing unions, the government is pushing a proposal to set up professional associations to further separate white-collar employees from the mass of public sector workers.

The move would weaken the public service unions, which could lose up to the 40,000 dues-paying members. Alarmed by such a threat the labor bureaucracy responded by pleading with the Harris government to establish closer relations with the unions. “Why wave a red flag like this and engage the unions in a real battle ... when the government is supposedly trying to establish co-development with unions and labour peace in the public service?” said John Gordon, vice-president of the 150,000-member Public Service Alliance of Canada, which represents the majority of middle managers in government.