

# Workers Struggles: The Americas

7 May 2002

## *Round up of May Day protest*

### **Brazil: 150,000 demonstrate in Sao Paulo**

With one worker out of every five unemployed, Sao Paulo workers found little to celebrate on this workers' holiday. Those who are working have seen their purchasing power drop by 10.6 percent since the 1999 devaluation of the real. Prospects for the rest of 2002 are not any better. The most optimistic economic forecasts predict no change in the rate of unemployment and a fall in average real wages by another 1 percent before they stabilize next year.

This year the Brazilian Trade Union Federation (CUT—Sao Paulo) abandoned its traditional rally in downtown Sao Paulo. Instead, 10 separate events attracted 150,000 workers.

### **Argentina: Traditional celebrations canceled in Buenos Aires**

The Argentine Labor Confederation (CGT) canceled the traditional Labor Day rally. The biggest rally, held by a coalition of left-wing parties, drew 15,000 workers. Almost as many workers attended a rally held by the Confederation of Argentine Workers (CTA) and the Combative Class Current at the Congress Plaza.

Workers occupying the Bruckman textile plant held another rally at the Zanon Ceramics plant. Speakers remembered the Chicago anarchists who were hung in 1887 and the struggle for the eight-hour day in the US, which gave rise to the international workers holiday.

Argentine workers are confronting unprecedented levels of unemployment, poverty and loss of social benefits. According to official unemployment statistics, at least 23 percent of the labor force is unemployed. Economists estimate that every month another 1 percent becomes unemployed.

In the Buenos Aires metropolitan area, home to 12 million, last month 60,000 more jobs were lost. Membership in the CGT dropped from 5 million in the 1970s to less than 1.5 million workers today. The trade unions are split into three factions, as bureaucrats fight over the spoils of a shrinking membership.

Forty-four percent of Argentine workers are now working for substandard wages with no health or retirement benefits. Forty-nine percent of households live under the poverty line (US\$165 per month for a family of four). Many retirees' checks amount to less than \$66 a month. The gap between the rich and poor is now among the worst in Latin America, with the top households earning 28 times that of the poorest.

### **Chile: Thousands rally in Santiago**

At a Santiago rally, workers protested joblessness in Chile, where the official unemployment rate is 10 percent. United Workers Central (CUT) President Arturo Martinez called on the government not to cancel a jobs program. Even with the program, unemployment is not expected to fall much below 9 percent by September. Chile will end this year with "more poverty" than during the Pinochet regime, said Martinez.

Martinez and the union maintain the economic emergency is the result of private companies refusing to invest in Chile. He also blamed the free trade policies of the Lagos government, which, he says, continues even as the United States imposes tariffs on steel imports from Latin America and other countries.

According to a report by the Catholic relief organization, Christ's Home, unlike in the past, today's unemployed workers in Chile typically

are between 45 and 55 years of age with little prospect of finding work. Most were previously employed at textile plants, in the printing industry and other bankrupt sectors. Hardest hit were single, female heads of households who can count on no social welfare or retraining benefits.

### **Colombia: Rallies denounce unemployment, death squads**

Colombian workers rallied in Bogota and Medellin to protest government policies responsible for three million unemployed, about 20 percent of the labor force. Workers carried signs denouncing the assassination of more than 300 union militants since 1999 by right-wing death squads linked to the military.

The high rates of unemployment accompany alarmingly high rates of child labor. In the department that includes Bogota, 27 percent of children between the ages of 10 and 17 are forced to work. Many of them perform backbreaking labor at area brick-making plants. In the country as whole, 1.4 million minors are employed as domestic servants, brick makers and miners.

### **Mexico: Workers repudiate labor reform and regressive taxes**

At a mass rally in Mexico City organized by the Workers Congress (CT), workers denounced a draft labor law that, in the name of flexibility, would make it easier for Mexican employers to fire workers and eliminate jobs. They also denounced increases to the country's value-added tax.

CT President Rodriguez Alcaine said the increasing unemployment was due to economic stagnation. He ridiculed those who praised Mexico's economy, saying, "We have no growth. Workers cannot accept a fiction in which unemployment is ever on the increase and real wages are continuously falling."

Workers at a demonstration organized by the teachers union (CNTE) and other organizations independent of the Revolutionary Institutional Party (PRI) in Mexico City's Constitution square paraded giant cardboard figures representing President Vicente Fox as the devil, the president of the Central Bank as a gladiator and Foreign Minister Jorge Castaneda as his bulldog. The figures were burned in front of the National Palace. The protesters also repudiated changes in the labor law; denounced increasing unemployment and rising electric bills. Among the protesters were 800 teachers from 10 Mexican states campaigning for meals for students, more and better school buildings and an end of repression against union dissidents.

### **Uruguay: Corporatist unions hold rally**

Uruguay's union federation (PIT-CNT) led a festive celebration at Montevideo's Chicago Martyrs Plaza. Union leaders made blustering speeches warning that the class struggle is still alive in Uruguay. The PIT-CNT is being criticized for establishing a corporatist alliance with the nation's chambers of commerce to decide on national economic policies. The festive character of the celebration undoubtedly was aimed at distracting attention from the bureaucracy's alliance with business. PIT-CNT speakers indicated that despite the alliance with business, the 250,000 unemployed would not be forgotten.

### **Venezuela: Competing celebrations in Caracas**

Massive marches by opponents and supporters of Venezuelan President Hugo Chavez took place on May first in Caracas. According to the *Miami Herald*, 400,000 marched under the banners of the Bolivarian Workers Force (FBT, pro-Chavez) through the streets of Caracas while the

Venezuelan Labor Confederation (CTV), which played a key role in the US-backed coup, led a march of 100,000. Both groups crossed each other's paths in the downtown district, but no incidents were reported.

Neither march addressed the dismal social crisis currently affecting Venezuela. Unemployment is now at the 18 percent. Currently there are 2,600,000 unemployed workers unemployed, up from 1.8 million last year. Economic activity is expected to contract by more than 2 percent this year, compared to a 2.7 percent growth in 2001.

Forty-one percent of Venezuelan families presently live in extreme poverty, with a monthly income of less than US\$227, less than half of the US\$520 considered necessary for a family of five to meet its basic needs. According to the National Institute of Statistics, that proportion will reach 45 percent by 2003.

#### **Connecticut carpenters strike**

The New England Regional Council of Carpenters struck construction sites across the state of Connecticut May 1 after its 3,000 members strongly rejected a tentative agreement by the state's contractors. Much anger is directed towards the pay gap accepted by the unions whereby carpenters working on highway construction projects make less than those on building sites.

The union asked for pay increases of 23.8 percent for building workers and 34.8 percent for highway carpenters. But negotiators for contractors offered pay hikes of only 17.5 percent and 27.9 percent. The average yearly income for carpenters is \$35,000.

The two sides are also in disagreement over union representation by stewards on the job, random drug testing, pre-employment screening physicals and contractor contributions to benefit funds.

#### **Strike by Hershey's chocolate workers continues**

The strike by 2,700 workers at two chocolate factories in Pennsylvania is continuing against company demands to undermine health-care benefits. The walkout, the first in 22 years, began at the East Chocolate Avenue and Old West Chocolate Avenue plants in Hershey, after the company attempted to reduce retiree health insurance benefits and boost co-payments for health-care benefits from 6 percent to 12 percent for unionized employees, as it had done to salaried and nonunion employees last January. Management is also refusing to pay wage and benefit increases retroactively to November, when the union's contract expired.

Last February workers, members of Chocolate Workers Local 464, an affiliate of the Confectionery, Tobacco Workers and Grain Millers International Union, voted overwhelmingly to reject the union's recommendation that they approve the offer. In March workers voted by 86 percent to reject another company offer, which, this time, union officials opposed.

Strikers are carrying picket signs attacking Rick Lenny, Hershey's \$1.6 million-a-year CEO who was brought in after carrying through major downsizing and cost-cutting at Kraft Foods. Since his arrival at the giant candy maker in March 2001, Lenny has slashed 800 jobs, eliminated several divisions including cocoa processing and shut down plants. Last week scores of strikers jeered Lenny as he addressed a shareholders meeting. Before Lenny could finish answering a question about his compensation he was interrupted by shouts of "Too much! You're not worth it!"

#### **Large no vote as Lockheed workers ratify contract**

Workers at Lockheed Martin's Marietta, Georgia plant ended their seven-week walkout against the nation's largest defense contractor after an April 28 ratification vote that registered widespread opposition to the agreement brought back by the International Association of Machinists. Nearly 37 percent of the 2,700 members of IAM Local 709 voted against the new three-year deal, which lacks firm job security guarantees to prevent Lockheed from outsourcing work at Marietta. During mediated talks last week, the company agreed to consult with the IAM bureaucracy on future outsourcing decisions.

On April 29, the union's web site proclaimed: "The vote is in! The strike is over! Report to work on your normal shift."

#### **Arrests at University of Massachusetts labor sit-in**

Thirty-four newly unionized resident assistants (RAs) and their supporters were arrested at the University of Massachusetts at Amherst in response to a sit-in to call attention to the administration's refusal to negotiate a contract.

Fifteen students occupied the vice chancellor's office chanting "union power, union power." Campus police removed them on stretchers to a nearby bus. When the bus attempted to leave, another group sat down in the road locking arms, leading to another 19 arrests. The protesters are expected to be charged with trespassing and resisting arrest.

About 360 students voted to unionize last March as a last-ditch attempt to pressure the administration over low pay and working conditions. But the university has refused to open the door to bargaining. Some 13 unfair labor practice charges have been filed against the UMass administration over the last two months.

#### **Labor Department tardy in enforcing payment of overtime by sweatshop**

The Department of Labor sued sweatshop garment maker Danmar Finishing in Brooklyn, New York for hundreds of thousands of dollars over failure to pay overtime to 175 current and former workers. The company is accused of having workers punch out after accumulating a weekly total of 40 hours and then forcing them to work additional time off the clock. Workers charge that the department's enforcement only came after community and celebrity protests.

According to the *New York Times*, workers were angered when the Labor Department wrote last fall to one worker, sewing machine operator Maria Arriaga, telling her while Danmar owed her \$4,276 in unpaid overtime, it was not authorized to compel the company to pay. Arriaga was ultimately fired, a move that company critics charge was aimed at intimidating other workers.

#### **Public sector strike ends in Ontario**

Following a ratification vote on May 5, 30,000 striking government workers began a return to work on Monday, ending a strike that lasted 52 days. The decisive turn in negotiations came last Thursday when the newly installed Premier of Ontario, Ernie Eves, intervened and telephoned Leah Casselman, president of striking Ontario Public Service Employees Union (OPSEU), and offered an improved deal.

The timing of the deal has been widely noted as taking place on the same day that a by-election was being held in which Eves faced stiff competition against his Liberal opponent. Despite this, Casselman along with other union leaders readily credited Eves for his role in ending the dispute. Casselman had previously made a public appeal for the new premier to take a direct hand in negotiations. She nevertheless assumed a militant posture in a press conference Thursday saying "We are Ontario's front line of defense, even when the attackers are the elected officials who currently call themselves the government of Ontario."

The terms of the new contract will give workers wage increases totaling 8.45 percent over the term of a three-year contract, with an additional 5 percent for provincial prison guards. The government backed off on its contentious attempt to gain control over employee pension surpluses. The union hailed the agreement as a major victory despite the fact that from the outset they had been demanding wage increases of 15 percent over three years. The was severely weakened by the union's agreement to allow one third of its members, an additional 15,000 workers, to continue working, a policy that angered and frustrated many workers.

#### **Bombardier strike ends with token gains**

Seven thousand five hundred striking workers at the giant aircraft manufacturer in Montreal voted to return to work last Friday after a raucous meeting in which angry strikers denounced the deal recommended by an arbitrator. The workers had been on strike for over two weeks,

shutting three area plants, but obtained only minimal wage improvements.

A main reason for the 70 percent acceptance vote was the financial hardship faced by strikers, who received only \$115 a week strike pay. From the outset, workers expressed little confidence in the union leadership. The strike was only called after a week of wildcat walkouts in defiance of the leadership.

The International Association of Machinists and Aerospace Workers (IAMAW), which represents the strikers, had been seeking wage increases of 5 percent a year, but the terms of the arbitrator's recommendations were very close to the 3.25 percent the company originally insisted on. Workers will get the 3.25 percent only in the first two years of a four-year contract. In the last two years of the contract wages will rise a mere one quarter of 1 percent. The union refused to make any recommendation on the offer.



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