

# Workers Struggles: The Americas

21 May 2002

## Teachers march on Mexico City

Tens of thousands of teachers, members of the National Coordinator of Education Workers (CNTE), marched on Mexico City on May 16 as part of a mobilization to repudiate the education policies of President Vicente Fox. The march represented teachers from 20 Mexican states, many of whom had traveled on seven separate caravans for more than a week. The protest demanded substantial increases in the budget for education and decent wages for education workers. The CNTE is a dissident faction of the national educators union SNTE.

Protesting teachers gave vivid accounts of the deteriorated state of public schools across Mexico. Many described schools with no window glass, collapsing desks and scarce teaching materials. The teachers also threatened to carry out a series of strikes in the next few days, culminating in a national teachers strike. CNTE leaders at the march also accused SNTE leader, Esther Gordillo, of illegally siphoning off union funds into the political coffers of the Revolutionary Institutional Party (PRI).

## Transit strikes in Brazil

Rail workers in Belo Horizonte went on a one-day strike on May 15. Transit union (SINDIMETRO-BH) leader Jose Geraldo Alves described the strike as a “warning” to the Brazilian Urban Trains Company (CBTU), the administrator of the rail line. “We expect a response, but more job actions could take place next week,” said Alves.

The workers want a new wage scale, a health benefit plan and an increase in their daily meal voucher. Sao Paulo subway workers rejected a management offer of a 6.4 percent wage increase and voted to go on strike. “The increase is the same as zero, because it involves giving back past gains,” declared Wagner Fajardo, the union’s press secretary.

Throughout this week the workers intend to reach out for public support by leafleting stations and rallying at government offices. Barring resolution of the conflict, they will vote on a strike date this Thursday.

Bus drivers and fare collectors in Sao Paulo are set to strike on May 22 for an indefinite period of time. A mass meeting of the transit workers voted on the walkout May 18. On May 15, the workers carried out a three-hour strike during the afternoon rush hour, but the workers demands have yet to be addressed.

Workers are demanding a wage increase of 9.26 percent and a 5 percent productivity increase, an increase in meal vouchers, and company paid medical insurance. The transit managers, pleading poverty, have asked that workers postpone negotiations until November.

## Uruguay’s workers protest government austerity

Hundreds of thousands of Uruguayans banged pots and turned off their lights on May 19 to protest austerity measures imposed by the government. This country’s major cities were left in the dark for 10 minutes, except for street lights, with an almost total blackout in the working class neighborhoods of Montevideo, Uruguay’s capital and largest city.

Uruguay’s Union Federation (PIT-CNT) organized the protest. The PIT-CNT had announced on May 14 a series of mobilizations against President Juan Batlle’s new austerity plan in Uruguay. In keeping with the corporatist character of the PIT-CNT, union leader Juan Castillo declared that the federation would propose joint protests with the employers associations.

Batlle announced last week a second wave of fiscal adjustments for this year. The first one cut the government budget by \$426 million. The current proposal is expected to cut the fiscal budget by \$230 million. The measures include higher income taxes, higher value added taxes, higher taxes on pension incomes, new taxes on transportation and on drinking water. Uruguay is on its fourth year of recession. Due to capital flight, it has lost 47 percent of its dollar reserves so far this year (\$1.4 billion). The mobilizations are to be followed by a 24- or 48-hour national strike in June.

## Argentine unions split on strike action

Truck drivers leader Hugo Moyano, also the head of the dissident wing of the General Workers Confederation, postponed a 15-hour general strike from May 14 to May 22. Moyano said the postponement was necessary due to “meteorological reasons”—heavy rain. This is the first strike in Argentine history postponed by the weather.

There has been speculation that the real cause of the postponement is that Moyano has been losing support from so-called “Duhalista” unions (taxi drivers, transit workers and agricultural workers). A more likely reason is that the Moyano feared that most Argentine workers would ignore the strike call. Moyano is rumored to have entered into negotiations with the government to avert a strike altogether.

## Protest in Chile over death of two construction workers

On May 18 about 300 residents of Retiro and Longavi, 325 kilometers south of Santiago, protested the deaths of two construction workers and the slow recovery of their bodies. The workers were killed on May 16 in the course of the demolition of an old bridge. The protesters blockaded a national highway until the police dispersed them.

The victims, Juan de Dios Diaz (25) and Jorge Quevedo Quevedo (28), were crushed by tons of falling concrete. Six other workers were injured. Diaz’s body has been located; authorities continue looking for Quevedo’s remains.

Both workers were employed by the Jorge Erazo Company, a subcontractor under investigation for repeated violations of safety rules. Neither Diaz nor Quevedo had been wearing safety belts that would have saved their lives.

## Students take over schools in Colombia

Over 15,000 night high school students at seven schools in Bogota occupied their schools on May 18 and declared themselves on an indefinite strike in defense of their schools. The occupation was provoked by the school authorities’ decision to transfer teachers from night to day duty due to a shortage of teachers. While they are free to continue night instruction, they must do so as “extra hours.” Students, most of whom work during the day, countered that even if their teachers consent to work both shifts, they will be too tired to teach effectively.

## Mixed results from Peruvian general strike

A May 13 general strike against the government of Alejandro Toledo was partially successful in Lima, Peru’s capital city. The strike was observed much more fully in the Southern region of Peru. The southern cities of Arequipa, Cusco, Puno, Tacna, Huancavelica, Ayacucho and many others were paralyzed by strikes and protests. In Lima tens of thousands marched in support of the strike and to repudiate the government’s policies. Even though the government had declared the

strike illegal, no major confrontations were reported. President Toledo, however warned that he would continue privatization measures, as a means of stimulating foreign investments.

#### **Ohio amalgamated local split up**

Hourly workers at DMAX Ltd. in Dayton, Ohio voted by an overwhelming majority to separate from Local 801 of the International Union of Electronic Workers & Communications Workers of America. In a 527 to 126 tally, DMAX workers established a separate local union charter under the name Local 797 IUE & CWA.

DMAX, an Isuzu Motors Ltd.-General Motors joint venture, makes diesel engines for GM's heavy-duty pickup trucks and employs about 850 workers. Local 801, once the largest local in southwestern Ohio, claiming some 20,000 members, is now left with a mere 1,700 members at two Delphi Corp. plants and parts of the Harrison Thermal Systems division, which makes air-conditioning compressors and small engines.

DMAX was set up by GM as a low-wage producer of auto parts in 2000. The IUE and Local 801 did not oppose the cheap-labor setup as long as they were allowed to reap the benefits of collecting union dues. Workers at the Delphi Harrison Thermal plant told the *World Socialist Web Site* that hundreds of young workers, laid off from the Harrison plant, were forced to accept work at DMAX or lose benefits. Many of young workers were angry with Local 801 union officials for not defending their jobs at the Harrison plant.

While the split reflects deep hatred of the labor bureaucracy, union officials on both sides saw the division as a way to temporarily let off steam and further divide workers. In a recent handbill, DMAX Shop Chairman Merv Miller said he supported the split because the Delphi plants and DMAX have little in common. IUE International President Ed Fire stated, "DMAX members have spoken loud and clear that they want to control their destiny through their own local union."

The split is not the first. In 1999 the NLRB issued a complaint against the IUE and GM when Local 801 split to form IUE Local 798 without rank-and-file members getting a chance to vote. Petitions for the recent split were circulated April 7 and 8 and authorization was granted by Fire on April 10. During the three days the bureaucracy held no informational meetings for union members to discuss the separation.

#### **Negotiations in Hershey chocolate strike break off**

Negotiators for Chocolate Workers Local 464 and Hershey Foods broke off talks after one day of bargaining, May 16, as union representatives rejected the company's minor revisions.

Hershey is insisting that the 2,700 union workers accept incremental increases to their health care contributions from the present 6 percent to 12 percent in the fourth year of the contract. The *New York Times* cited one health care plan where a family of three or more would see its out of pocket payments rise by \$684 over the four-year period. In another plan, the premiums would skyrocket by \$1,495.

The only change in the company's bargaining position was to require a co-payment for medical visits in place of the monthly fee that nonunion Hershey workers currently pay. Management negotiators rejected a union counterproposal for strikers to return to work while the two sides resolve the issue. Robert Oakley, lead negotiator for Local 464, told the *Associated Press*, "The company is deliberately trying to prolong this [strike] to try to break the workers' spirits and get them in a position where they're vulnerable."

Workers' opposition to the contract provisions is further fueled by Hershey's CEO Richard Lenny, who has laid off 700 workers while shutting down three plants and a warehouse. Lenny made a \$4.7 million salary last year and his stock options could some day amount to more than \$10 million.

#### **Overwhelming strike authorization by Las Vegas casino workers**

Las Vegas casino workers voted by 95 percent to authorize the Culinary Workers Union to call a strike unless a satisfactory contract is reached

with the gambling industry before the current agreement expires on May 31. More than 18,000 of the 50,000-member union took part in afternoon and morning meetings on May 16 to cast their ballots for a strike.

Casino workers are bitter that they are carrying the burden of a 50 percent decline in revenues for the gambling houses in the post-September 11 period. During this same interval, executives have raked in bonuses totaling millions of dollars. Some 5,000 workers still remain idled while others are facing increased workloads. The *Associated Press* quoted one worker, "We are the ones making them the money." *Reuters* quoted a waitress, who is now required to wait on twice the number of tables, saying, "I think a strike is absolutely necessary."

Besides working conditions, negotiators are also finding it difficult to overcome the company's demand that workers pay a share of health care costs, which were previously free. The contract covers maids, bellmen, cocktail waitresses and food service workers.

#### **US Airways calls for concessions**

US Airways issued a call to its labor unions to grant the airline some \$950 million in concessions each year for a seven-year period. The airline, ranked sixth among US carriers, lost almost \$2 billion last year and has watched its cash reserves go from \$1.1 billion to \$561 million in the first quarter of 2002. One analyst has predicted that the airline could run out of cash in four months.

The *Philadelphia Inquirer* quoted Roy Freundlich of the US Airways unit of the Air Line Pilots Association as saying, "It's probably the largest concession request in the history of the airline industry."

US Airways will be seeking \$1 billion in federally backed loan guarantees in the coming week, which must be repaid over a seven-year period. And the deal is contingent on workers shouldering the sacrifices. The airline is also weighing the possibility of selling off one of its two fleets of wide-body planes. At the same time it wants to increase the number of its smaller 30-90 passenger regional jets from 140 to 400, a proposal which could be accompanied by the demand for lower pay from any pilots who presently fly one of the larger aircraft at a higher pay rates, should they be reassigned.

US Airways spokesman David Glass revealed, "We're not going to propose an across-the-board pay cut that treats everybody the same." According to Association of Flight Attendants President Karen Lascoli, "They have a figure in mind for each labor group, but they haven't told us what it is."

#### **UPS workers vote for strike authorization**

Some 230,000 Teamsters at UPS voted over the weekend by a 93 percent margin to grant strike authorization to their bargaining committee. The contract between the Teamsters and UPS expires July 31. The Teamsters have increased dues to finance their strike fund, and have taken out a \$100 million line of credit.

Since the two-week strike in 1997, which was led at the time by the leadership under union president Ron Carey, the Teamsters have added 45,000 to their membership base at UPS. The strike, which was hailed as a victory by the union, did little to relieve the substandard conditions for part-time workers, who make up the bulk of the labor force at the multibillion-dollar package delivery company. The two sides have been negotiating since the beginning of the year.

#### **Strike by New York office workers at health care provider ends**

A strike by 1,200 workers against the health insurance provider Group Health Inc. (G.H.I.) was settled May 13. Ironically, the major disagreement that provoked the walkout, which lasted 26 days, was the issue of health insurance for its employees.

The company was demanding co-payments from its employees for each doctor's visit and requiring payment for prescriptions of brand name drugs. In addition, management demanded that all workers with dependants pay a premium towards their health insurance.

Striking workers complained that the cost of the premiums alone would

amount to more than 1 percent of their salary. The company said the increases were necessitated by the skyrocketing cost of health care.

Under the agreement all newly hired employees will have to make co-payments for doctors' visits and prescription drugs. New employees with dependants will have to pay premiums for their health benefits while current workers will continue to receive free health coverage. Michael Goodwin, president of the Office and Professional Employees, conceded that many union members are very upset over the two-tier agreement.

#### **Lockout of Ohio Steelworkers**

A union local of the United Steelworkers (USW) in Ohio has charged Minster Machine Company with a lockout after one month on the picket line. The dispute emerged out of an attempt to extend for a second time the old contract, which expired on March 25, while the two sides tried to reach a tentative agreement.

After the first two-week extension ran out on April 7, the company offered a second extension but refused to collect union dues. USW Local 3210 immediately called a strike, charging the company with altering the terms of the old contract agreement by refusing to continue the dues check-off. When the 130 striking members applied for unemployment benefits, the Ohio Department of Job and Family Services agreed with the union's contention that Minster had altered the contract. Steve Kill, vice-president of Minster Machine, said the company would appeal the decision. Kill declared, "If it's that important, they [the USW] could collect it themselves."

While the USW bureaucracy is fighting the company's refusal to collect union dues, it has been more than willing to discuss Minster's demand for a 15 percent cut in wages and benefits. The company is also seeking changes in the seniority system.

#### **Minnesota construction workers continue strike**

Federally mediated talks between the Minnesota Mechanical Contractors Association and union locals representing 2,500 pipefitters in Minneapolis and St. Paul will continue this week following the failure of last week's talks.

According to a union representative of Pipefitters Local 455 in St. Paul, the negotiations involved an attempt to understand how growing health care costs will impact on both retired and active union members. Union members of both Local 455 in St. Paul and Local 539 in Minneapolis have completed two weeks on strike.

Meanwhile, 1,000 members of Roofers Local 39 continue their strike. Negotiations between the Twin City Roofing Contractor Association and Roofers Local 39 broke off May 16 without any progress.

#### **Workers locked out at Videotron in Montreal**

Over 2,000 workers at the cable company Videotron Ltd. were locked out and then went on strike May 8 in a contract dispute involving the sale of a division affecting the jobs of 646 workers. From the outset of the dispute, unionized workers have been pitted against nonunion employees brought in as replacements to do technical and call center work and over 400 managers who are doing installation work.

Videotron is a division of the corporate giant Quebecor and serves nearly 2 million high-speed Internet subscribers in Quebec. Quebecor has announced its intention to sell off its installation and line maintenance services to Entourage, a company that was initially union-owned but which was sold three years ago. Workers involved in the dispute are represented by the Canadian Union of Public Employees (CUPE). They overwhelmingly rejected the company's last contract offer, voting 99 percent against. In addition to job losses, workers are battling a wage freeze and other contract concessions as the company seeks to trim \$30 million from its operating costs.

Last week one picketer was fired by the company for allegedly uttering death threats. The company has leveled charges of sabotage and vandalism against the union, a claim CUPE strenuously denies. Management has brought in a private security company to police the

picket lines during the job action. It also obtained a court injunction to limit picket areas and numbers. Over 20,000 customers have already experienced service interruptions in what the union predicts could be a lengthy standoff.

#### **British Columbia: Health workers occupy hospital**

Fifteen health care workers from across the province occupied the BC Children's and Women's Hospital in Vancouver last week to protest the privatization drive of the provincial Liberal government. The protest, which lasted two days, involved laundry, housekeeping and clerical workers. Over the last two weeks it became known that a company contracted to do those services at the occupied hospital intends to blacklist union members and drive wages to minimum levels.

The 15 female workers, who are members of the Hospital Employees Union (HEU), are fighting for an end to contracting out of services and the further privatization measures now under way in the province. The Liberal government of Gordon Campbell has spearheaded an assault on the public health care system, announcing plans to privatize services now performed by more than 20,000 health care workers in British Columbia.



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