

# Workers Struggles: The Americas

11 June 2002

## Sao Paulo university employees announce strike

Employees at three public universities in the Brazilian state of Sao Paulo are set to strike on June 10. The educators are demanding 16 percent wage increases, including 9.68 percent retroactive to May 1. So far, university authorities have only offered eight percent.

## Transit strikes in Brazil

Transit workers rallied on June 6 in Sao Paulo to mark the beginning of their strike over the nonpayment of back wages by eight urban bus lines. The strike is paralyzing about 1,500 buses. Bus drivers and fare collectors blocked streets and rallied in front of their work locations.

In the city of Guarulhos in the Sao Paulo metropolitan area, 6,000 transit workers went out June 4 on an indefinite strike. They are demanding a 9.5 percent wage increase to make up for inflation, plus a five percent increase in real wages.

## Senate suspends privatization plan amid protests in Paraguay

Paraguay's senate, meeting in an extraordinary session on June 5, suspended the government's privatization laws in an attempt to prevent a march by 5,000 workers and peasants in Asuncion and to get the unions to cut short a 30-day general strike that began June 5. President Luis Gonzales Macchi had previously announced the postponement of plans to privatize the publicly owned telephone company.

The protesters are demanding an end to the privatization measures and the impeachment of President Macchi. A peasants march on Asuncion was interrupted 140 kilometers away from the city after a confrontation with police that resulted in the death of a 35-year-old peasant, Sixto Cabral, and the wounding of six others. Interior Ministry reports suggest that Cabral died due to a blow to the head. Eyewitnesses insist that the police shot him.

Paraguay's National Workers' Central (CNT) organized the general strike in response to Cabral's death.

The Macchi government is blaming former General Lino Cesar Oviedo for the unrest. There are concerns that a section of the Paraguayan military establishment is planning a *coup d'etat*. In 1998 Brazil and Argentina actively intervened to head off a coup against then President Juan Carlos Wasmosy.

CNT leader Eduardo Ojeda declared that the purpose of the strike was to "redirect our nation's course, to reject the IMF and World Bank prescriptions and to defend our sovereignty."

## Colombian municipal workers on hunger strike

Water, sewer and sanitation workers at the city of Sincelejo on Colombia's Caribbean coast blockaded management's headquarters on June 8. A group of workers is on hunger strike to protest the nonpayment of back wages and to oppose the contracting out of the work.

William Paternina, president of the sanitation union, said workers are owed two months' wages and last year's bonus. He also charged the private company, EMPAS, with not making the necessary payments to keep health benefits current. Mortgage and credit payments directly deducted from workers' pay are not being made on time to financial institutions, negatively affecting their credit standing, he said. Paternina also denounced plans for subcontracting work. EMPAS management claims the alternative to subcontracting is a state takeover of the utility with even worse consequences for the employees.

## Mexican copper miners strike

On June 5, 280 copper miners employed by Industrial Minera Mexico put up picket lines in Rosita, Coahuila State to press for a 16 percent wage increase. At the same time the miners launched an appeal to all Mexican miners to strengthen their resistance fund. Simultaneously, copper miners at the giant Cananea mine in the State of Sonora also went on strike over wages.

The Minera miners are represented by the Mexican Miners and Metalworkers Union (TMMSRM). Union leader Isidro Torres Garcia said that the union had not had a strike in 29 years. "The company left us no alternative. The company claims that it is broke, but our wages are too low." Minera miners earn between \$8-10 a day. Workers report that the company owes them a 10.5 percent raise since last year and another 5.5 percent since the beginning of this year.

The 1,200 Cananea miners walked off the job on June 5. They report that they have not had an increase in wages for more than a year and that they have been stripped of their productivity bonus. The workers are demanding the reinstatement of their bonus plus a 10 percent wage increase.

## Contract ratification ends Hershey strike

Workers voted by a large margin to end their six-week-old strike against Hershey Foods in Pennsylvania, according to union officials. The 2,700 members of Chocolate Workers Local 464 struck April 26 in opposition to the company's attempt to double—from six percent to twelve percent—the amount that workers pay toward health care costs.

The new agreement reportedly retains the six percent figure. According to a union spokesperson the Local 464 bargaining committee accepted a lower wage increase to obtain the freeze on health care increases. Union lead negotiator Robert Oakley admitted that workers were "adamant" about any increase in health care. Originally the company proposed a series of yearly wage increases of 2.78, 2.6, 2.65 and 2.75 percent that would bring the average \$18 an hour wage to about \$20 an hour. After the ratification vote the union revealed that wages at the end of the four-year agreement would average about \$19.75 an hour.

Throughout the strike Hershey management maintained a provocative posture. This continued into the last week of negotiations as the company announced one plant was already on line and ready for staffing by strikebreakers and the second plant would be prepared for production by the following week. On June 4, Hershey's vice president of operations and technology, Ray Brace, announced, "This cannot continue. We've now reached the point where important decisions are being made about the future of our business." On June 6, even while both sides moved toward an agreement, the company brought in a busload of replacement workers.

According to several press reports, Wall Street analysts had become concerned that Hershey would not be able to meet its production targets for the latter part of the year including the critical Halloween, Thanksgiving and Christmas holidays.

Early in the week, Romitha Mally of Goldman Sachs told Reuters, "Clearly from Hershey's point of view, they need to get these plants running at typical levels for this period of time in order to meet customer demand in the back half of the year. I think the (replacement) workers

aren't going to be as efficient initially. There's going to be a period where they need to learn the ropes."

#### **Bush strips air-traffic controllers of job security**

President Bush signed an executive order stripping air-traffic controllers of their job security as the administration considers hiring a private company to administer the air traffic control system. The order states that air-traffic control is no longer an "inherently governmental function," paving the way for privatization of the system.

The National Air Traffic Controllers Association (NATCA) came into being to represent workers who replaced members of the Professional Air Traffic Controllers Organization (PATCO) who were fired by the Reagan administration in 1981 for going on strike. NATCA called the action a "slap in the face" to their membership.

Michael Fanfalone, president of the Professional Airways Systems Specialists, commented, "If the safety and security of the skies over our heads is not a function for the government to directly control, then it's hard to see what would qualify." Fanfalone indicated that the Bush administration intends to privatize several sectors of air safety.

The decision to privatize the air-traffic control system runs counter to the logic of the airline security bill that passed Congress when it was determined private security firms paying low wages were inferior to well-trained and well-paid federal employees.

#### **UPS workers rally**

UPS workers rallied on May 4 at locations across the US as negotiators continue to bargain in advance of a July 31 contract expiration. Last month UPS workers voted by a 93 percent margin to strike if an agreement was not concluded by then.

In the last two years wage hikes have been 2.8 percent and 3.1 percent, which workers feel was insufficient given profits for those same two years of \$2.9 billion and \$2.4 billion, respectively. Full-time UPS workers receive an average \$23.11 an hour. Part-time workers, who make up the bulk of the company's workforce, have long made substandard wages under the two-tier pay system.

International Brotherhood of Teamsters (Teamsters) President James Hoffa has raised union dues and secured a \$100 million line of credit in the event of a strike. But UPS spokesman Norman Black has played down Hoffa's posturing, claiming that negotiations are not stalemated. "We're absolutely more convinced than ever that we're going to negotiate a contract without any disruption of service to our customers."

The contract covering the 230,000 Teamsters at UPS amounts to the largest collective bargaining agreement in the United States. UPS union members account for one out of seven Teamster union member. The Teamsters bureaucracy is concerned with shoring up its financial situation, and at the same time countering the disgust felt by many rank-and-file workers towards the Hoffa leadership, which has cultivated close ties with the Bush administration, in addition to big business.

#### **Pilots union grants concessions at US Airways**

Union officials for 6,000 pilots at financially troubled US Airways agreed to surrender to about half of the concessions the airline is attempting to extract. The Air Line Pilots Association (ALPA) offered givebacks of \$328 million each year for the next seven years while airline management is demanding \$595 million yearly.

Among the concessions ALPA made is the doubling of the number of regional jets in its network. According to reports, this could translate into yearly revenues of \$500 million as the company could assign the smaller and more efficient jets to less demanding routes and also pay pilots less money to fly them.

The union also agreed to changes in the code-sharing agreement that will allow US Airways to cross-market routes and tickets with other air carriers and honor frequent flyer awards from other airlines. The net affect will be to reduce the job security of pilots as rival carriers share passengers.

In the aftermath of the September 11 attacks, in addition to millions in outright grants, Congress offered federal backing to private sector loans to bailout the airlines. It set a June 28 deadline for applications. However, these loans are predicated upon concessions from airline unions. Regardless of their periodic posturing, airline labor bureaucrats are conscious that the maintenance of their privileged existence depends on the profitability of the airlines. US Airways had a \$2.1 billion loss in 2001 and announced a \$269 million loss for the first quarter of 2002.

#### **Byline strike at the *Washington Post***

*Washington Post* journalists called a byline strike last week to protest the paper's stance in contract talks with the Newspaper Guild. Names of Guild members were withheld from articles, photographs and artwork for two days last week and there is the possibility that the union may repeat the effort this week.

Talks between the Guild and *Post* management broke down two days before the expiration of the contract on May 18. The two sides failed to agree on wages, vacations and rules about Guild members withdrawing from the union.

Covering a three-year period, management offered a \$1,100 lump sum for the first year and raises of one to 3.7 percent in the following two years. The company is also insisting that vacation time be used during the year it is accrued as opposed to the preference of some workers to bank their vacation for future use.

The *Post* is pressing for contract language that will allow Guild members to resign from the union at any time whereas the present language allows withdrawal only during one period during the year. Some 1,450 editorial and commercial workers are affected by the contract negotiations.

#### **Pepsi drivers ratify agreement**

Chicago drivers for soft-drink bottler PepsiAmericas approved a five-year contract by a 133 to 37 tally, ending a three-week strike. Officials for Teamsters Local 744 said the controversy over the company's demand to restructure sales and distribution of soft drinks was not incorporated into the final contract language. PepsiAmericas had wanted to do away with the past practice of having drivers directly sell soft-drink products to vendors, thus eliminating drivers' commissions from beverage sales.

Instead the contract contains language that allows the Teamsters to negotiate the restructuring during the course of the next five-year agreement. It is not clear whether workers will be allowed a vote to ratify any dealings between the union and company during this period.

#### **Southwest Airlines mechanics vote down contract**

Mechanics at Southwest Airlines overwhelmingly rejected a final offer according to the Teamsters. No details about the nature of discussions between the union and company have been released.

Southwest, the Dallas based low-cost carrier, is one of the few airlines that emerged out of the past period in the black. Negotiations have dragged on for a year, since the expiration of the old agreement. The two sides will try one more time to bridge the gap. Should that fail, talks would proceed under the National Mediation Board.

#### **Strike continues at Shaw conference centre in Edmonton**

Two hundred and seventy-five workers at Edmonton's Shaw Conference Centre have been on strike since May 3. The workers' union, United Food and Commercial Workers Local 401, has been recognized for almost a year and a half, but is still without a first contract. The workers principal demands are for seniority provisions and the addressing of persistent complaints over racial and sexual harassment.

The workers are employed by Economic Development Edmonton (EDE)—a body associated with the City of Edmonton. EDE is refusing to bargain in good faith with the union and trying to bust it by preventing a first contract. EDE has also employed scabs.

#### **Weyerhaeuser employees stage one-day walkout**

Weyerhaeuser employees on British Columbia's Queen Charlotte Islands

staged a one-day walkout and attended a day of celebration with the native Haida people. The 135 workers are demanding that the present harvest level on the islands be halved, and that some areas of the island be protected from logging as proposed by the Haida. Last February, the Haida people won a court ruling indicating that both the province and Weyerhaeuser must consult with the Haida over logging issues.

The loggers also announced that they are seeking to be employed by the Haida instead of Weyerhaeuser. In the words of logger Bernie Lepage: "This is a step to tell Weyerhaeuser that we are sick and tired of what they are doing on the islands, what they are doing to the people and to the communities.... We are making this statement to the provincial government as much as to Weyerhaeuser. We are saying we have had it with you. We know our friends and neighbours, the Haida, are more about communities than are big governments, big corporations and even big unions."



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