

# Workers Struggles: The Americas

23 July 2002

## Health workers strike in Ecuador

More than 1,400 health workers have been on a national strike over back pay for two weeks, with union and government sources saying an agreement is impending. Under a proposed deal, the government will pay back wages from 2000, 2001 and 2002 in three installments at the end of July, August and September.

The possible agreement came as a surprise, since on July 17 Health Minister Patricio Jamriska declared that the government's coffers were empty. The day before, President Gustavo Noboa denounced the strikes as "politically motivated." The workers had threatened to disrupt a summit meeting of Latin American presidents scheduled to take place in the coastal city of Guayaquil on July 23.

Two thousand doctors employed by the Social Security administration are also on strike over the same issue. No agreement has been negotiated with them. The doctors, members of the National Medical Federation, will demonstrate in Ecuador's main cities on July 23.

## One-day Peruvian transit strike

The Peruvian Drivers' Federation (FCP) organized a national transit strike against the imposition of mandatory accident insurance on the drivers. The work stoppage on July 17 resulted in confrontations between striking and non-striking bus drivers in important Peruvian cities, including Lima, where the police attacked workers' barricades with tear gas.

## Metalworkers union calls off planned strike, agrees to job cuts at Brazil GM plant

General Motors has reached an agreement with the Metalworkers union for the elimination of 108 temporary workers as well as layoffs with partial pay, reduced hours and voluntary resignations to cut a total of 800 jobs at its Sao Caetano de Sul plant near Sao Paulo. The agreement paves the way for the elimination of the second shift at the plant, which employs more than 1,600 workers. Following the agreement the union called off a strike that was to begin on July 22. GM also plans to temporarily close the plant between July 29 and August 7.

GM President Jose Carlos Nieto declared on July 20 that while the company would seek to minimize the impact of the job cuts, it needed to adapt production levels to what the market demanded. Nieto complained that the Brazilian car market is fiercely competitive.

Union Vice President Agamenon Alves said that although he was not in full agreement with the arrangement with the company, other issues could be resolved through collective bargaining. He said GM is considering transferring production to its plants in Argentina, where labor costs are low—due to the collapse of the Argentine currency—and suggested the union was willing to make concessions to retain production in Brazil.

## Bolivian hunger strike

Twelve laid-off employees of the National Road Service reached the fifth day of their hunger strike on July 21 in a protest to demand the rehiring of 140 laid-off workers. The protest is taking place in the headquarters of the Bolivian Labor Central (COB).

Roland Penafiel, a spokesperson for the hunger strikers, indicated that the action would continue until the government addresses their demands. The workers, all with many years of experience, were sacked on June 28. Penafiel denounced the government for violating an agreement that

guarantees job security for the highway maintenance workers. That agreement was signed in April of this year. The job security provision was part of a pact that allowed the government to reorganize the company.

## Tentative agreement at UPS

The Teamsters union and UPS arrived at a tentative agreement July 15, well ahead of the August 1 contract expiration date of the previous five-year agreement, which covers some 230,000 package delivery workers. The early settlement is attributed to the company's concern over corporate customers transferring business to FedEx and other competitors out of fear of a strike. During the 15-day strike by Teamsters in 1997, UPS is reputed to have lost \$750 million in profits and some corporate customers abandoned the company for its competitors.

Teamsters President James Hoffa declared the contract "sets a new standard for American workers." Full-time workers are to receive a \$5-an-hour wage increase and part-timers a \$6-an-hour raise paid over the life of the six-year agreement. Currently, average wages are \$23.11 an hour for full-time workers and \$10.72 for part-time.

Some 10,000 workers will become Teamsters members as a result of the elimination of subcontractors and through reclassifying current positions that are now nonunion. The Teamsters originally demanded that 3,000 workers be added to the union bargaining unit for each year of a proposed three-year contract. During the last four years of the agreement, UPS will create another 10,000 jobs by combining part-time positions. The Teamsters had asked for 15,000. These numbers pale in significance when compared to the number of UPS part-time employees, who make up 57 percent of UPS workforce. The last UPS contract, negotiated by Teamsters President Ron Carey, was also touted as a great victory for part-timers. Yet during the course of the five-year agreement, a mere 3 percent of the workforce moved from part-time to full-time.

Other issues in the contract included pension and health care benefit increases of \$3.75 an hour and the provision of health insurance for part-time retirees. Also included is a long-term disability plan.

## New York private bus strikers denounce union officials

A union meeting held by Queens bus strikers on July 14 to consider a proposed contractual settlement broke up almost as soon as it began when several hundred workers walked out chanting "We want job protection now." Workers from the different factions hurled insults at each other, and a fistfight took place. George Jennings, the vice president of the union in charge of the private lines on strike, led the walkout from the meeting.

Jennings is a member of the old leadership of the Transport Workers Union Local 100 that lost control of the union to the New Directions slate in January 2001. New Directions won the election, capturing 60 percent of the membership vote against the discredited old guard by promising to create a more democratic and militant union. The local represents about 35,000 transit workers throughout New York City, but only 1,500 members are on strike.

The New Directions leadership of the union, under Local 100 president Roger Toussaint, dropped the crucial issue of job security as a demand of the strike. The issue is significant because all the private lines operate as franchises with two-year contracts with the city. The workers have no guarantee they will keep their jobs if the franchise with the company they work for comes to an end.

It was the Queens borough president, Helen Marshall, who in order to end the walkout affecting about 115,000 commuters developed an offer that essentially demands productivity givebacks from the workers. Under her proposed settlement that the strikers met to consider, the city agreed to lend the companies \$2 million so that they can fund the original offer for health benefits. The companies would have to repay that money to the city by the end of the fiscal year with monetary savings achieved through work rule changes. The city would audit the companies to guarantee that they reduce their costs so they can pay off the loan. The city can exercise this kind of control because it financially subsidizes the private lines and controls their routes and other working conditions.

#### **West Coast dock workers contract talks cover technology issues**

Contract negotiations resumed over the weekend between the Pacific Maritime Association and the International Longshore and Warehouse Union (ILWU) after the union made a new proposal addressing technology issues raised by port management.

The ILWU, which represents 10,500 West Coast dock workers, agreed to allow management the right to integrate computer data and information from outside sources into the port's computer system. Previously, port workers would manually reenter data from shipping databases into port computers, a time-consuming operation that corporations worldwide have sought to change in an effort to reduce labor costs and institute layoffs.

In return, the ILWU is asking for jurisdiction over all port jobs that remain and any new jobs that will be created, including terminal control, pre-gate supervisor jobs and the work of planning ships, rails and container yards. Up until this time, the ILWU only controlled some 50 percent of these jobs. While management has said that not a single worker would lose his job as a result of a new information system, it is not clear that the ILWU made this demand concrete in their offer. The previous contract expired at the beginning of July and both sides continue to renew the old agreement on a day-by-day basis.

#### **Delta Dental workers strike in California**

Over 1,000 workers at Delta Dental, the nationwide private insurance provider, rejected the company's final contract offer and struck July 16. Workers on the picket line chanted, "Delta Dental, rich and rude, we don't like your attitude."

Workers, located at facilities in San Francisco and near Sacramento, oppose a longer workweek without additional compensation and, in particular, language that will take away time-and-a-half pay for Saturdays. The company is offering a 9 percent pay raise in return for increasing the workweek from 37.5 hours to 40 hours. The company is also seeking to implement a Tuesday through Saturday workweek for some of its employees.

Delta Dental is California's largest provider of dental benefits with 24 percent of the market. Despite this position it is asking for a cap of \$2,000 on annual dental benefits for workers who previously had no limits, and increased co-payments toward the plan. Workers presently earn between \$14 and \$16.70 an hour. At this stage, there are no plans for renewed talks.

#### **Whole Foods workers unionize**

Workers at Whole Foods in Madison, Wisconsin, became the first workers to successfully organize one of the nationwide chain's 130 grocery stores. Among the issues that concerned workers were wages, benefits, fairness and respect on the job.

Whole Foods founder and CEO John Mackey has attempted to peddle the image of a socially progressive corporation, while exploiting grocery workers in the same manner as other grocery chains.

A United Food and Commercial Workers union press release quoted Mackey, who declared in an unguarded moment that having a union was like "having herpes. It doesn't kill you, but it's unpleasant and inconvenient and it stops a lot of people from becoming your lover."

At an employee meeting shortly before the certification vote Mackey

refused to respond to statements by workers, provoking half the workforce to get up and walk out.

#### **Conoco refinery workers reject contract**

Refinery workers at Conoco's Westlake plant in Louisiana voted to reject the company's most recent offer, possibly opening the door to a strike by more than 500 members of the Paper, Allied-Industrial, Chemical and Energy Workers International Union (PACE).

Union and company negotiators had agreed on most economic issues. But PACE called on workers to reject the agreement over the company's insistence on contract language over drug policy. One section gives the company the right to unilaterally alter drug policy during the life of the contract. Another section bans union members from filing grievances over company actions taken in relation to drug issues.

#### **Lockout ends at Vancouver newspapers**

A lockout at two British Columbia daily newspapers, the *Vancouver Sun* and the *Province*, came to an end after the unions reached a contract settlement over the weekend. Neither paper had published since closing their doors on July 2.

Nearly 1,000 members of the Communications, Energy and Paperworkers Union (CEP) voted on the proposed contract despite some union negotiators' reluctance to recommend the three-year deal. The agreement provides wage increases totaling 7 percent over the term of the contract and improvements in dental and health benefits which had been a major issue in the dispute. The union had been seeking an 8 percent raise and the company had offered 6 percent.

Both papers are owned by CanWest Global Communications Corp., which has been losing money in recent months largely due to the heavy-handed management of the Asper family of Winnipeg. During the course of the dispute the union had sought to picket the nonunion *National Post* in Vancouver because the paper, which is also owned by the Aspers, was using nonunion columnists from the *Sun* and *Province*. CanWest owns most of the community papers in BC, as well as the largest television station in the province.

#### **Ontario Tories appoint mediator after ending Toronto strike**

Following the passage of legislation last week to end the strike by 25,000 municipal workers, the provincial government has appointed Tim Armstrong to mediate contract talks between the city and the Canadian Union of Public Employees (CUPE), which represents city workers.

The two sides were unable to agree a mediator to be chosen from a list of three names arrived at in an agreement worked out by the three parliamentary parties—the Tories, Liberals and New Democratic Party (NDP)—which allowed speedy passage of the back-to-work bill. As a result, the province was free to appoint its own pick from the list, a labor lawyer who is most closely aligned with the government's policies. Armstrong was a deputy minister of labor under the provincial Tory government in the 1980s.

The strike was the largest municipal action in Canadian history, but was hampered from the outset by the tactics of the union leadership, which weakened both its scope and impact. At the final rally before CUPE officials capitulated to the back-to-work legislation, the union leadership promoted the NDP as the savior of the workers. The NDP then voted for the back-to-work legislation, saying it included a proviso enabling the union to have a say-so in the selection of a mediator. The main issue in the dispute was job security provisions, which the city and provincial governments have been seeking to eliminate in their campaign to privatize public services.

#### **Quebec hotel workers to walk out**

Four thousand workers at 23 hotels across the province will stage a one-day walk out on July 26 amidst failing negotiations at 33 unionized hotels. There are currently 5,200 hotel workers in Quebec who are either on strike or locked out and thousands more are set to join them in the coming days. The workers are represented by various unions that are negotiating

separate contracts at each hotel.

Workers involved in the disputes include doormen, front-desk clerks, laundry workers, waiters and kitchen workers, most receiving less than \$14 an hour including tips. They are seeking a 5 percent annual wage increase in a three-year contract as well as improvements in working conditions and job security. Pay increases over the last several years have generally not exceeded 2 percent and management has refused to negotiate guarantees for work hours or jobs.



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