

# Workers Struggles: The Americas

21 August 2002

## Brazilian truckers to strike August 25

Independent truckers in Brazil have voted to strike on August 25. The truckers are demanding rate increases, lower tolls on roads, expedited road repairs and protection against truck hijackings. Representatives of the 350,000 independent truckers meeting in Sao Paulo decided that instead of blocking major roads, like they did in 1999, this time truckers would stay home during the strike day.

## Sao Paulo professors end 90-day strike

Members of the Faculty of Philosophy, Letters and Humanities (FFLCH) at the University of Sao Paulo returned to their classes August 12, ending a strike that began last May over the demand for hiring more instructors. The university agreed to hire 92 more professors.

The same week, FFLCH students voted to continue their own strike, demanding the hiring of more than 250 professors. The students also demanded that professors be automatically hired whenever vacancies occur, something that university authorities reject. A week later the students agreed to suspend their strike and return to their classes on August 19.

## Chilean Unions to protest unemployment and the IMF

Chile's United Workers' Central (CUT) is calling for a work national work slowdown to protest the high rates of unemployment and recent recommendations from the International Monetary Fund. CUT President Arturo Martinez declared the purpose of the mobilization is to show disagreement with workers' conditions. The union federation has 560,000 members.

On August 21, workers are urged to arrive late to work. Once at work, the CUT calls on workers to make as much noise as possible, banging pots and blowing whistles.

The issues behind the CUT protest are the high rate of unemployment in Chile—9.5 percent—and IMF demands for another round of privatizations of public enterprises and changes in labor legislation that would lower the minimum wage for young workers.

## Mexican VW workers postpone strike for two weeks

A strike by workers at the giant Puebla plant in Mexico that was set for August 19 has been put off until September 3. The workers approved the change on August 18 in three assemblies under heavy pressure from Volkswagen, which threatened to cancel new investments in Mexico and close the plant. The workers are demanding a 10.2 percent wage increase. The company's latest offer is 3.5 percent.

José Rodríguez Salazar, president of the Independent Union of Volkswagen Workers, reported that the workers continue to reject management's offer of 3.5 percent but accepted the proposal to postpone strike action. Volkswagen workers have engaged in

strikes for the past two years. In 2000 workers won an 18 percent raise, plus added benefits. Last year's strike lasted 19 days, with VW reporting daily losses of \$30 million.

This year, the plant's production of vehicles dropped 11.25 percent—to 88,000 cars compared to nearly 100,000 a year ago. Given the drop in demand, VW management had asked the union for concessions amounting to 4 percent of their wages and benefits.

Management is insisting that unless workers accept the 3.5 percent offer, it may shift production to VW plants elsewhere in Latin America.

In addition to a reduced wage increase, the company is demanding concessions in productivity and the right to impose a five-day-on, five-day-off work schedule. More than 10,000 workers assemble cars at the Puebla plant.

## Unions agree to consider concessions after United threatens bankruptcy

Unions at United Airlines have agreed to hold discussions with the financially strapped carrier in the wake of its threat to declare bankruptcy sometime this fall unless the labor groups agree to grant concessions in the next 30 days.

"The world has changed," declared UAL chairman and CEO Jack Creighton. "Unless we lower our costs dramatically, filing for bankruptcy protection will be the only way we can ensure the company's future and the continued operation of our airline."

The International Association of Machinists said last week it is prepared to talk. The union had already agreed to defer \$500 million in retroactive wages to help the airline line up a \$1.8 billion loan backed by the federal government, an effort considered insufficient by management.

The Air Line Pilots Association had agreed, subject to a vote by rank-and-file pilots, to make \$520 million in concessions over the next three years as its contribution toward backing a federal loan. It has now indicated it will hold discussions to offer more concessions. A union spokesman said, "It's time for everybody to start pulling on the same end of the rope."

The Association of Flight Attendants, having earlier said it would not make concessions, indicated it was also willing to listen to a new proposal by the company, provided it was understood it could not contribute in line with the machinists and pilots groups. The union has documented examples of some of its members who qualify for food stamps due to low wages.

Since September 11, the company has laid off one-fifth of its workforce. Some 86,000 workers could be potentially affected by the bankruptcy.

## Dominion Resources power workers return to work

The International Brotherhood of Electrical Workers issued a

return to work to the 3,700 workers striking Dominion Resources in Virginia, North Carolina and West Virginia after the union and management negotiators came to an agreement.

After 13 days on strike the union bargaining unit agreed to a revised proposal August 15, and workers returned to work the following day. The five-year tentative agreement calls for a 14.8 percent wage increase. This was down from an original company offer of 16.5 percent. Instead the company agreed to raise monthly retirement pay by \$450 for high seniority workers who agree to retire between the ages of 55 and 62. Those who work past age 62 will not get the benefit. The company also took \$5 million from a pay-incentive program and shifted that to a fund that will help pay medical insurance premiums for retirees, so they continue to receive medical insurance without cost.

The proposal will be forwarded to the rank and file without a recommendation from union officials. Workers will vote by mail ballot some time next month.

#### **Animal disease workers on strike**

Seventy-six workers at the Plum Island Animal Disease Center went out on strike August 14. The laboratory, located near Long Island, New York, employs a total of 200 people, including scientists and researchers. The striking members of Local 30 of the International Union of Operating Engineers, who do mostly technical work, are employed by government subcontractor LB&B Associates. The workers' contract expired last September.

A spokesman for the disease center has asserted that they will keep the facility open, and a spokesman for LB&B has indicated that the company will employ replacement workers.

The strike is over wages and benefits, however much larger issues are involved in the dispute. President Bush has proposed incorporating the center into the planned Department of Homeland Security. He has also proposed eliminating all civil service and collective bargaining rights for employees of the new department. Workers are concerned that LB&B is refusing to negotiate a new contract, anticipating the opportunity to employ only nonunion workers as part of the new federal agency.

#### **Workers sue New York sweatshop**

Three workers at a New York sweatshop filed a lawsuit with the New York State Supreme Court charging Linens of Europe paid them and other workers at their Bronx factory less than the minimum wage and no overtime pay.

Workers received \$4 an hour, which is less than the state's \$5.15 an hour minimum wage. They also regularly worked 10 hours a day and continually logged more than 40 hours a week. Linens of Europe, a Texas-based company, is denying the charges leveled by workers.

The suit also charges that the company fired two workers for campaigning to unionize the shop under the textile union UNITE.

#### **Toronto hotel workers vote to strike**

After over two months in a legal strike position, 1,600 workers at three major Toronto hotels chose overwhelmingly to take strike action when a strike vote was finally held August 15. The vote, which resulted in 89 percent in favor of a strike, was taken only after negotiations broke down the previous week amidst extraordinary pressure from management negotiators.

The main issues in the dispute—which involves mostly low-wage

immigrant workers represented by the Hotel and Restaurant Employees Union (HERE)—are wages, benefits and job security. The three hotels affected are the Delta Chelsea, Sheraton Centre and the Toronto Hilton, comprising the Central Hotel Group, among the city's most prestigious. While there has been no strike or lock-out to date, the union has held a number of one-day study sessions in recent weeks which amounted to one-day walkouts. Management has said that if any further action is taken by workers they would be locked out.

Contract negotiations broke off nearly two weeks ago when The Central Hotel Group made an improved offer contingent on its recommendation by the union negotiating committee to the membership. The union leadership flatly rejected both the offer and this maneuver, saying, "This was a blatant attempt by the managers of the hotels to try and muzzle the negotiating committee while trying to confuse the membership." Following the vote, the union would not say when a strike might be called.

#### **Latest offer rejected in Vidéotron dispute**

Locked-out workers in Montreal voted by an almost unanimous majority last week to reject the latest offer from Quebec's largest cable service provider, Vidéotron, which has kept workers off the job since May 8 and has used its own nonunion workers to continue operations.

Two thousand two hundred members of the Canadian Union of Public Employees (CUPE) are affected by the dispute. Of the 1,519 workers who took part in the vote, 99.8 percent voted against the latest contract offer. The central issue for workers is the company's plan to contract out its installation and repair division, which would drastically cut the wages of at least 650 technicians. In addition, the company is asking for over \$30 million in concessions.

The dispute has grown increasingly bitter in recent weeks as the union has been compelled to defend itself against renewed charges of vandalism brought by the company. Vidéotron has cited over 18 instances of cable disruption, affecting service to as many as 800,000 customers. The company has offered a \$50,000 reward for information on acts of vandalism and has launched a \$15 million lawsuit against the union. One employee responded to the charges, which have played widely in the media, saying, "We're not terrorists, for God's sake. We're just fighting for our rights and our jobs."



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