

# Workers Struggles: The Americas

22 April 2003

## **Sao Paulo workers protest dismissal of transit workers**

On April 19, about 1,500 supporters of the Forca Sindical (FS) trade union federation mobilized across from the Sao Paulo municipality to protest the district attorney's (DA) decision to give a go-ahead to plans by nine bus companies to dismiss over 10,000 transit workers. The nine bus companies will cease to exist as part of a consolidation of Sao Paulo transit.

The workers also protested the manner in which the DA, Martha Suplicy, intervened against a two-day strike of transit workers. Ms. Suplicy had compared the transit workers to "bandits" using the methods of organized crime.

The two-day strike on April 10 and 11 failed to produce agreement over a plan to phase in the layoffs.

Forca Sindical plans to take the case to the International Labor Organization in Geneva. "Ten thousand eight hundred dismissals are a lot anywhere in the world," said an FS leader. The workers will receive their wages through April 25 while the city, FS and the management association (Transurb) decide on their future.

At most, some 5,000 transit workers will be absorbed by the consolidated system.

## **Unemployed on hunger strike in Bolivia**

About 100 unemployed workers went on a hunger strike in La Paz on April 16. One of them staged a simulated crucifixion in a major intersection of the city. The strikers are demanding permanent jobs at decent salaries. They came to La Paz after an eight-day march from Bolivia's interior.

The government of President Gonzalo Sanchez de Lozada intends to absorb some of the unemployment with a temporary jobs program, which the protesters find inadequate. Bolivia's unemployment rate shot up from 6 percent in 1999 to 11.6 percent in 2002. In addition, underemployment is officially estimated to be 12 percent of the economically active population.

## **Protest by Puerto Rican chicken processing workers**

More than 300 workers in Coamo near the southern city of Ponce refused to work on April 15 to protest cuts in benefits imposed by their employer, the Picu Company, which is currently being reorganized under the bankruptcy laws. The workers returned to work the following day after being promised by mediator Feliciano Santiago that he would make every effort to save their benefits, though he refused to provide the workers with any guarantees.

The rally at the gates occurred when it appeared that Picu would also impose layoffs, a misinterpretation of management remarks, according to a company spokesman.

The bankruptcy rules protect a company from its creditors for a period of time, during which it reorganizes to cut costs. Picu has been in that process for several months. A group of Venezuelan

investors is considering purchasing the firm, one of only two chicken processing firms in Puerto Rico.

## **Protesting high school students arrested in Chile**

On April 16, 87 high school students were arrested as a result of street protests against an increase in transit fares. Trucks with water cannons attacked the students in the vicinity of the Education Ministry.

## **Argentine workers, expelled from their plant, defy police**

On April 18, Argentine federal police forces expelled workers at the Brukman plant, who had occupied and operated their plant after it declared bankruptcy. On April 20 workers had the plant surrounded and threatened to occupy it again. Organizations of the unemployed and other union groups have threatened to block roads this week in support of the workers.

One hundred twenty workers occupied the plant last year when the owners abandoned it. They reactivated production with the support of the surrounding community. On April 18, 200 heavily armed federal police, enforcing a court order, expelled the workers from the plant, though there was no violence. However, the expelled workers imposed a siege on the plant and declared their intention to reoccupy the factory.

The workers have been expelled from the plant on two other occasions. Mass mobilizations are to take place this week to demand the legislature expropriate Brukman and hand it over to its workers.

## **New York building workers rally**

Five thousand building workers rallied April 15 demanding a new contract with higher pay and no concessions. The 3,000 building owners and managers, represented by the Realty Advisory Board on Labor Relations, are offering no wage increase for the first year and two lump-sum payments of \$500 for the second and third years. The board is also demanding the workers accept a reduction in their sick and vacation days, as well as an increase in their co-payments for medical visits.

The 28,000 workers, including doormen, superintendents, handymen and porters, are members of Local 32BJ of the Service Employees International Union. They are demanding pay increases to keep pace with inflation which is currently averaging 3 percent a year. According to the union, porters earn \$27,000 per year, and doormen have an annual wage of \$34,000. In addition, the workers are seeking improved health and pension benefits. The union is also asking for improved safety training when handling suspicious packages. This local represents workers in all the boroughs in the city except the Bronx, who work under a different contract.

The current contract expired midnight April 20, but the union leaders agreed to postpone the deadline until midnight April 22, asserting that this will ensure that the 1 million affected building

residents, as well as the negotiators, can enjoy their Easter and Passover holidays. The workers had already authorized a strike for April 21 if no settlement was reached.

The union and management have expressed very different opinions about the health of the real estate industry. The Reality Board has claimed that the economy is weak, especially since the 9/11 terrorist attack, and as a result vacancy rates are high, while rents and building values are falling. They are also complaining about the 18.5 percent increase in local property taxes recently enacted by Mayor Bloomberg and the city council. The realtors also point to the increase in insurance costs and fuel bills. The union is maintaining that despite the current financial difficulties, building prices and rents are higher than they were in the 1990s.

Both sides are reporting they are very far apart in negotiations. The last strike took place in 1991 and lasted for 12 days. The outcome of this struggle will undoubtedly set the pattern for more than 60,000 building workers in 15 other cities whose contracts expire later this year.

#### **Machinists strike Lockheed Martin Texas plant**

Some 4,000 machinists struck Lockheed Martin's aeronautics plant in Fort Worth, Texas April 14 after the company continued its insistence that workers increase their contribution towards the costs of prescription drugs. These costs have increased by 107 percent per worker over the course of the last three years. Workers charge that Lockheed's medical increases would wipe out the company's wage offers of 4 percent in the first year and 3 percent in the second and third years of the proposed agreement.

The International Association of Machinists Lodge 776 is asking for wage increases of 8 percent, 6 percent and 6 percent; a \$1,500 bonus; and pension payments of \$70 a month per year of service. Workers voted by 2,835 to 426 to reject the company's terms and a second vote to strike passed by 2,380 to 432.

Lockheed is the largest US defense contractor. The company's first-quarter net profits climbed to \$218 million based on sales of \$6 billion with a 56 percent increase in profits for the aeronautics division. The Fort Worth plant manufactures the F-16 fighter, which is sold to Israel and Greece, and the F-2 fighter jet, which goes to Japan. New production began last year on the F/A-22 fighter, which will be used by the US military.

#### **National steelworkers threaten strike should court tear up contract**

The United Steelworkers union at National Steel Corporation threatened a strike should a Chicago bankruptcy court allow the steelmaker to tear up its existing union contracts. Both US Steel Corporation and AK Steel are presently seeking to buy National's assets.

AK Steel issued a request that National press the court for permission to void the company's contract in order to facilitate AK's attempt to acquire the company. AK Steel believes it can only operate the company at a profit if the pensions and retiree health benefits for National steelworkers are taken away.

#### **Settlement in Sunrise School Division**

Workers at Manitoba's Sunrise School Division have ratified a new contract, to be in effect only until the end of 2003, ending a one-week strike. The workers include bus drivers, custodial, maintenance, secretarial, library and computer technology workers

and are represented by Locals 1618 and 4456 of the Canadian Union of Public Employees (CUPE).

The workers' main demand had been for wage harmonization following the recent formation of the Sunrise School Division from the amalgamation of the old Agassiz school division with the rural part of the Transcona-Springfield school division. The settlement includes a 3 percent increase in wages, with wage standardization to be phased in over three years.

#### **B.C. Health unions make massive concessions**

The unions representing British Columbia's 46,000 hospital support workers have announced a tentative settlement that makes major concessions to the Liberal provincial government. The workers will vote on the settlement's ratification from April 28 through May 15. The main unions involved are the Health Employees Union, the B.C. Government and Service Employees Union, and the International Union of Operating Engineers.

The concessions announced in the tentative settlement, expected to amount to a reduction of \$560 million in labor costs over three years, include:

- \* The cancellation of a 4.4 percent wage increase set to take effect as of April 2003;
- \* A \$1 per hour cut to the wages of laundry, housekeeping, security, food services and maintenance workers;
- \* All other workers would take a wage cut of \$0.35 per hour;
- \* A reduction of five days vacation time;
- \* The withdrawal of 1.5 hours per week "free time," amounting to an extension of the workweek by 1.5 hours per week without any increase in pay;
- \* Pay equity adjustments of 1 percent in 2004 and 2005 will be cancelled.

In exchange for these concessions, and for the extension of all present contracts until March 31, 2006, the government will privatize 5,250 positions—down from the 20,400 positions originally slated for privatization. The settlement also provides token increases to severance pay and retraining provisions.



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