

Workers Struggles: The Americas

8 July 2003

Volkswagen to cut Mexican workers' wages

The Mexican autoworkers union has backed a proposal by Volkswagen to reduce working hours and pay by 20 percent in exchange for a promise of no layoffs. Management earlier announced plans to sack 2,000 workers at its plant in the city of Puebla due to low sales. Union leaders reported that over 90 percent of the workers approved the measure.

Factories that supply the VW plant indicated the retrenchment will result in 6,000 additional layoffs at parts plants in the area.

Volkswagen produced the Beetle in Puebla for worldwide distribution. Reporting a 1.8-month surplus, the company claims the layoffs are needed to reduce excess inventories. Other Mexican auto plants reporting excessive inventories are Nissan (2.5 months), Chrysler (5.1 months), General Motors (4.2 months) and Ford (4 months).

Panamanian workers demand wage increases

Trade union leaders in Panama have rejected a \$12 raise in the monthly minimum wage and are threatening to mobilize their membership to protest. The government proposal was announced on July 2 as a way of resolving deadlocked negotiations.

The government announcement coincided with the end of a 10-day walkout by social security employees over wages. The increase is being financed by dipping into funds dedicated to medical purchases, a move that pits workers against social security recipients.

Dominican workers confront police in anti-IMF protest

The police confronted workers on July 1 in Santo Domingo as demonstrators marched toward the Presidential Palace to demand the repudiation of a two-year austerity agreement between the International Monetary Fund and the Dominican government. Demonstrators rode bicycles and pack animals to dramatize the impact of high fuel prices.

The march, organized by the United National Transport Union, also opposed sharp increases in food costs. As the march got under way police attacked protesters with tear gas. Forty workers were arrested and some of the protesters were injured.

Brazilian metal workers demand shorter workweek

The National Confederation of Metalworkers (CNM) was to begin a campaign July 7 to demand a reduction in the workweek, from 44 to 36 hours. Workers are also pressing for wage increases to make up for the loss of purchasing power due to inflation.

The "Land, Work and Social Rights Campaign," which involves 90 trade unions affiliated to the (CNM) and the United Workers Central (CUT), is scheduled to last until March 2004. It will consist of demonstrations. So far no strikes are planned.

The workers are confronting Brazilian President Luis Inacio da Silva (Lula), a former leader of the metalworkers union. Since

coming to power at the beginning of the year Lula has carried out austerity policies dictated by the international banks.

Verizon takes hard line in talks with telephone workers

Tens of thousands of workers face an August 2 contract expiration date and a possible strike against telephone giant Verizon's eastern and mid-Atlantic divisions. Talks got under way in late June with the company demanding increased medical cost payments by workers, unlimited subcontracting and transfer of work, according to representatives of the Communications Workers of America (CWA).

In several local negotiations Verizon went even further. CWA officials called the company's demands "the largest concessionary agenda ... we have ever seen." The demands included attacks on overtime pay and forced overtime caps, arbitration rights, bumping rights, differentials, sickness absence, use of term employees, force adjustment language, meal allowances and many other items affecting job titles, work scheduling and even wage payments.

Verizon's top nine executives made more than \$366 million in salaries, stock options and bonuses for 2002. The company, which arose out of the merger of Bell Atlantic and GTE, has slashed tens of thousands of jobs while expanding its highly profitable and nonunion wireless operations. For its part the CWA, which represents 60,000 Verizon workers whose contracts expire August 2, has offered to establish a closer "partnership" with the company and assist in further cost-cutting if Verizon agrees to allow the CWA to organize workers in its wireless division.

Meanwhile 150 workers remain on strike at Verizon-Western North Carolina. The walkout began May 19 after the company continued to demand excessive levels of forced overtime, as well as the elimination of the emergency family leave provision and cuts in sick leave.

Tentative agreement in Washington State carpenters strike

Union negotiators and officials representing the Associated General Contractors in Washington State reached a tentative agreement July 5 ending a strike by 8,000 carpenters that affected some of the state's biggest construction projects.

No details are available concerning the settlement of the 10-day walkout, chiefly launched over health care issues. "Labor and management made a commitment to continue to seek economical and efficient health care for the future," said Dean Running, negotiator for the Pacific Northwest Regional Council of Carpenters. Workers returned to work July 7 and will vote on the agreement in the coming week.

As carpenters took their picket lines down, Seattle janitors voted strike authorization as did hotel workers at the Double Tree and SeaTac Hilton. Janitors could walk out by the end of this week unless demands for improved health care benefits are met.

Labor Department move will obscure ergonomic injuries

A little publicized change by the Bush administration on Labor Department forms for reporting musculoskeletal injuries no longer requires corporations to indicate the number of their workers affected by carpal tunnel syndrome and neck and back injuries. Formerly, employers were required to fill in a box on injury report forms to indicate the numbers of workers affected by musculoskeletal injuries. That box has now been removed from Labor Department forms.

Communications Workers of America Safety and Health Director Dave LeGrande was quoted on the union's web site, saying, "Not having a box to check means they can make the problem look far smaller than it is." LeGrande points out that Verizon Communications reports to the Labor Department indicated that only one percent of its workers are affected by musculoskeletal injuries.

But in a pre-bargaining news release complaining about absenteeism, Verizon's own statistics indicate 25 percent of its bargaining unit workers have been affected by these injuries. The new practice will allow the government to utilize the lack of significant statistics to either under-fund research of the problem or ignore it altogether.

Catholic lay workers protest Church union-busting

Unionized lay workers at five churches along the Rio Grande Valley in Texas have launched protests against the Catholic hierarchy's firing of union members. On June 18, Reverend Ruben Delgado fired four workers, including an administrative staffer with 22 years and a young secretary who is pregnant and who helped organize lay workers into the United Farm Workers (UFW) union.

Workers unionized in 2000 when Peña abolished a 20-year-old pension plan that covered 1,100 paid lay workers. Peña defends his drive to break the union contracts by saying they are "invalid in church law." He also complains that the lay workers' minimum wage of \$7 an hour is significantly above prevailing wages in the impoverished Rio Grande Valley.

California auto mechanics strike

Workers at 10 auto dealerships in California's Contra Costa County region near San Francisco went on strike July 2 to oppose the decision of 10 auto dealers to hike workers' contributions toward health and dental benefits. "They aren't going to take away from us," said Vern Dutton, a representative of Automobile Machinists Union Local 1173.

The strike involves about 250 mechanics, service and parts workers from Local 1173 and another 50 detail workers represented by the Teamsters union. Contract talks are set to resume July 8. The strike is the first labor stoppage by auto mechanics since the mid-1980s.

Dell halts use of prison labor

Dell Computer Corporation announced it would no longer use prison labor to dismantle and recycle computers. Under pressure from the Silicon Valley Toxics Coalition, the computer maker ended its contract with UNICOR, a governmental corporation that contracts prison labor for its profit-making operations.

The Silicon Valley Toxics Coalition charged that Dell operated a "primitive" recycling system that resulted in exposure of workers

to dangerous chemicals as they dismantled computers. The most dangerous among these chemicals is lead from cathode ray tubes and solder used on motherboards. Dell claims that it has hired two new companies to do the recycling work and will implement new workplace-safety guidelines.

Historic concessions for Air Canada pilots

A new six-year contract signed between pilots and Air Canada, the largest air carrier in the country, will impose an unprecedented 15 percent wage cut and job losses for 317 pilots at the insolvent airline. Captain Don Johnson, president of the Air Canada Pilots Association (ACPA), which represents the airline's 3,200 pilots, hailed the ratification of the agreement, saying, "We are pleased to report that our pilots have accepted the deal."

In restructuring under bankruptcy protection, the airline has set out to cut \$1.1 billion in labor costs. The new contract with pilots will bring a total annual savings of \$257 million. Air Canada's economy subsidiary, Jazz, also announced last week that its unions covering pilots, flight attendants, maintenance and dispatch workers had agreed to concessions contracts giving a total of \$110 million back to the company.

In addition to job losses and pay cuts, the new contracts will grant the company sweeping controls over work hours and staffing. The company plans to use these concessions to extract more favorable deals from debt holders and suppliers in order to restore the company to profitability.

Toronto nurse dies from SARS

Nelia Laroza, a nurse at North York General Hospital, became the 39th victim of Severe Acute Respiratory Syndrome (SARS) in Canada when she died on June 29. Her death was the first among health care workers, who have been hard hit by the disease, and occasioned an outpouring of public sympathy at her funeral in Toronto last Friday.

While the World Health Organization has since declared Toronto to be SARS-free, 21 people remain in hospital stricken by the disease, 11 of whom are in critical condition. Across the province there were still 257 probable and 122 suspected cases of SARS as of last week but no figures are available on how many of these are health workers. Health care professionals have been on the front lines in the fight against the illness and have had to battle the government to attain proper protection and compensation during the two major outbreaks in Canada in recent months.

Laroza, a registered nurse with 20 years experience and a member of the Ontario Nurses' Association (ONA), was 51 years old. She worked at more than one hospital, as many nurses have been forced to do, as a result of government cuts to health care funding, a factor which contributed greatly to the extent of the outbreak.



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