

# Workers Struggles: The Americas

16 July 2003

## Retirees battle police in Bolivia

Over 1,000 workers marching from Oruro and Cochabamba to La Paz to demand their pensions vowed to return after being turned back by the police. In Caracola, workers battled police during the protest. Two workers were injured in the clashes.

The so-called sandwich generation is composed of 25,000 workers who are being denied benefits as a result of pension reforms instituted in the 1990s that left them out. The government has repeatedly ignored promises to resolve the matter.

Under the previous system, workers were required to have contributed to the plan for 15 years and had to be 60 years of age to receive a pension. The new system requires workers to contribute a minimum of 25 years and be 65 years old.

Most of the affected workers had contributed 20 years and more. The marchers are demanding that those workers be given a full pension. Those that were short of the 15-year requirement should get their money back, say the protesters.

The age limit is also being contested. Critics point out that life expectancy for Bolivian males is 57 years, well short of the 65-year minimum retirement age.

## Volkswagen-Mexico to lay off 2,000 workers

VW management at the Puebla assembly plant in central Mexico rejected a union wage-cut offer and plan to lay off 2,000 workers. On July 12, Puebla workers and their families demonstrated against the layoffs, though it appears that neither the local nor national unions will fight the sacking.

At the July 12 event the president of the National Workers Union (UNT), Francisco Hernandez, denounced management for “choosing to lower production costs at the expense of the workers.” He and local union leaders will appeal to the Fox administration. While not rejecting the possibility of strike action against the auto giant, Hernandez declared that the UNT would maintain the same position as local labor leaders, to continue talking.

The layoff would cause the loss of 6,000 jobs from industries that supply VW.

Mexico has lost 600,000 jobs since June of last year, leading to a 4.2 percent jump in unemployment.

## Brazilian government workers reject pension reforms

Nine hundred thousand government workers went on an indefinite strike in Brazil on July 8 to demand the government of Luis Inacio “Lula” da Silva cancel a draft pension reform law.

While government pensions currently provide workers with an amount equal to their salaries at the time of retirement, most other Brazilian workers receive meager benefits, currently \$83 a month. Some 40 million workers receive no benefits at all.

Under the new plan, retirement age for government workers

would be increased by seven years for men (from 53 to 65) and workers would need to work for more years to qualify. In addition the pensions would be reduced to 70 percent of the last salary and an 11 percent tax would be imposed on those pensions over \$352 a month.

The proposed reform is strongly backed by the country’s financial elite. Rumors that the government would abandon its hard line on pensions led to a fall in share values at the Sao Paulo stock market and a depreciation of the Brazilian real. Lula, a former leader of the metalworkers union and head of the reformist Workers Party, has dutifully carried out the demands of Brazilian capital and the international banks.

## Wisconsin Corrections Department supplying Tyson Foods strikebreakers

The union representing 470 strikers at Tyson Foods sausage and pepperoni plant in Jefferson, Wisconsin charged that the state’s Department of Corrections has provided strikebreakers to the nation’s largest chicken processor during the nearly five-month strike. United Food and Commercial Workers Local 538 president Michael Rice has called on Governor Jim Doyle to launch an investigation into the affair, charging, “These strikebreakers ... are still under the control of the government.”

Among those working at the plant are a number of parolees who are staying at a halfway house in Rock Country. QPS Staffing, an employment agency, ferrets out work for the parolees. Wages are paid directly by Tyson.

Tyson workers went on strike February 28 against a host of concession demands: a four-year wage freeze, cut in starting pay from \$11 to \$9 an hour, a cut in base pay from \$13 to \$11 an hour and a cut in vacation time for highest seniority workers from 6 weeks to 4 weeks. In addition, Tyson is seeking the gutting of the health care plan, an increase in workers’ portion of health care premiums, a freeze on pensions and implementation of a 401(k) plan.

## Verizon telephone negotiations continue

The Communication Workers of America (CWA) and the International Brotherhood of Electrical Workers (IBEW) are continuing negotiations with Verizon as the August 2 deadline approaches for the expiration of the current contract covering 75,000 union employees.

The telecommunications giant—which formed as a result of the merger of Bell Atlantic, GTE and NYNEX—is using the economic downturn, the deregulation of the industry and the pro-business administration in the White House to demand the expanded use of subcontractors, further downsizing and unlimited forced overtime and other concessions. This week the company also outlined proposed cutbacks in the medical coverage and prescription drug

plan that would dramatically cut benefits for workers and retirees.

For their part, the CWA and IBEW leaders have offered to increase their collaboration with management if the labor bureaucracy is granted the right to collect union dues from Verizon's wireless employees, who are currently nonunion. CWA District 2 Vice President Pete Catucci said the union deserves access to the company's subsidiaries. "Our members will make those subsidiaries successful," he said.

Meanwhile, 150 technicians, members of CWA Local 3673 in western North Carolina, continue their walkout against excessive forced overtime and Verizon's demands for give-backs in family and sick benefits. The workers have been on strike since May 19.

#### **Transit workers strike in western Massachusetts**

Bus drivers and mechanics for Berkshire Regional Transit Authority (BRTA) in western Massachusetts went on strike July 5 after the 32 members of Teamsters Local 404 voted down the contract proposal made by ATC/Vancom, which operates the transit system.

Management had proposed a one-year contract that included a 2 percent pay hike, increased contributions to health and pension programs and a \$250 signing bonus. The wage increase would raise the hourly rate from \$14.92 to \$15.22. But workers want a three-year agreement and more significant increases in wages and health benefits, as well as a better pension.

The state transportation office in Boston reacted to the strike by informing BRTA that it will cut \$190,000 in federal rural transportation spending for the Berkshire county system, which services some 23 communities. The BRTA saw its ridership fall from 4,500 in 1984 to the present 1,800. However, the latter figure represents an increase over the last few years due to the ongoing recession and the greater reliance on public transit on the part of workers and the elderly.

#### **Sugar refinery workers strike California plant**

Workers struck C&H's sugar refinery plant in Crockett, California on July 6, closing down the only plant of its kind in the western United States. The 380 members of Sugar Workers Union No. 1 rejected the company's offer of an 8 percent wage increase across a three-year agreement.

C&H complains that a glut of sugar in the United States is depressing prices. Union trustee Greg Lindke told the *Contra Costa Times*, "They're the ones putting out the sugar and making all this money, and now they're not going to pay a decent wage?" Workers also complain that the slashing of 170 jobs after the last strike in 1995 has led to excessive overtime.

The contract between C&H and the sugar workers expired last May and was extended until June while bargaining continued. However, the previous week's impasse led the union to call a strike.

#### **Connecticut Democrats advocate concessions by state workers to close budget gap**

Connecticut's Democratic legislative leaders offered an outline of wage and benefit concessions to be pressed on state workers in an effort to close an estimated \$100 million to \$200 million budget gap.

State Democrats, Senate President Pro Tem Kevin Sullivan and Speaker of the House Moira Lyons, met with the State Employees

Bargaining Agent Coalition's chief negotiator to demand the concessions. Republican Governor John Rowland's office declared the concession demands were "not a silver bullet" and is insisting on even greater sacrifices from state workers.

#### **Striking community service workers arrested**

In Toronto, 150 community service workers have struck their employer, Central Neighbourhood House, in the first strike in the service's 90-year history. Four of the workers, along with an anti-poverty activist and union staff representative, were arrested for attempting to occupy the Metropolitan United Church Shelter in downtown Toronto on July 9. Management has kept the shelter open by paying homeless people to cross the picket line and perform the duties of the striking workers.

Local 4308 of the Canadian Union of Public Employees (CUPE) represents the workers, who are paid \$12 per hour and have seen no wage increase in a decade. Eighty percent of the workers have no benefits. The Metropolitan United Church Shelter receives \$45 per night per person from the City of Toronto.

#### **Art Gallery workers protest layoffs**

Workers at Toronto's Art Gallery of Ontario staged a lunchtime rally July 9 to protest the gallery's announcement of layoffs and program cuts. The AGO is laying off 17 full-time clerical, plant operations and facility services workers, as well as 12 part-time workers mostly involved with educational work. The gallery is closing multiple exhibitions and programs, including its program of conducted visits by school groups, and reducing operating hours. The gallery's management has given the usual string of pretexts to justify the cut, including the impact of the SARS outbreak, the Iraq conflict and the 9/11 attacks.

#### **Canada Post workers set to strike**

Forty-eight thousand Canada Post workers, represented by the Canadian Union of Postal Workers (CUPW), have set a strike deadline of Friday, July 18. The outstanding issues include wages and cost-of-living allowance (COLA), workload and safety, and cutbacks demanded by Canada Post to benefits and severance pay. The workers have been without a contract since February and in June voted 92 percent in favor of a strike mandate.



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