

Workers Struggles: The Americas

29 July 2003

Workers clash with police in Brasilia during pension protest

Brazilian police clashed with civil servants who tried to enter the Congress July 23 to protest cuts to their pension benefits sought by President Luiz Inacio "Lula" da Silva. Riot police, carrying shields, batons and wearing helmets, surrounded the entrance to Brasilia's Congress building and attacked civil servants as they tried to enter the lower house chamber.

"This is a public house, I have every right to enter," shouted Mario do Carmo, a civil servant who came from Rio de Janeiro. "If this reform passes, I will have to work seven years more," he told Reuters news agency.

Since coming to power in January, Lula—a former metalworkers union leader and head of the reformist Workers Party—has sought to overhaul the public pension system for civil servants, as part of the IMF-dictated plan to refinance Brazil's \$240 billion debt burden. The measures include raising retirement ages, imposing a levy on the pensions of retired workers and capping pensions at \$845 per month.

Civil servants have responded with a series of strikes and protests, including a walkout July 22 by Central Bank employees. Next week federal and state judges have promised to walk out, the first time in Brazil's history the group will have taken such action.

Union calls off threatened strike at Brazilian GM plant

The union representing 8,500 auto workers at GM's factory in Sao Jose dos Campos in Sao Paulo state called off a threatened strike last week after reaching an agreement with the US automaker over job reductions. Earlier in the week GM officials announced plans to cut 450 jobs at the plant. In a deal worked out with the Sao Jose dos Campos Metalworkers Union, the 450 employees will instead be given a five-month "holiday," during which they will receive 90 percent of their gross salary the first month and 80 percent the remaining four months.

According to the union, GM also promised to ensure job stability at the plant during the five months. Afterwards, however, the company will be free to carry out the layoffs, providing no more than three months of wages to each worker.

GM's announcement came one day after German automaker Volkswagen said it planned to slash 4,000 jobs in Brazil, where auto sales have plunged due to the country's high interest rates and slow-growing economy. Workers at the VW plant have also threatened to strike if VW does not abide by contracts that ensure jobs until 2004 and 2006 for some of its employees.

One-day strike by Costa Rican public employees

Public employees in Costa Rica carried out a one-day strike July 22 to demand an increase in the 3.5 percent wage hike offered by the government in the third quarter of the year.

Thousands of workers protested outside the Finance Ministry

chanting slogans against the government of President Abel Pacheco. The head of the public employees association charged the government with manipulating its budget figures to deny workers the 6.5 percent raise they are demanding. The 3.5 percent wage increase went into effect July 1.

Verizon demands further concessions as contract expiration looms

Telecom giant Verizon continues to demand drastic concessions as the August 2 contract expiration deadline approaches for 75,000 workers in New York, New England and the Mid-Atlantic states. Negotiations are continuing between Verizon and the Communications Workers of America (CWA) and the International Brotherhood of Electrical Workers (IBEW).

Despite its \$4.1 billion in profits, the company, which formed as a result of the merger of Bell Atlantic, GTE and NYNEX, is demanding reductions in medical coverage and greater latitude to impose mandatory overtime and subcontract work. One hundred fifty Verizon workers have been on strike against similar demands in North Carolina since May 19.

The company is currently recruiting potential striker-breakers, directly and through contractors, in preparation for a walkout on the East Coast.

Between 1997 and 2001 Verizon's two top executives, Ivan Seidenberg and Larry Babbio, have pocketed \$134 million in various forms of compensation. Meanwhile Verizon lost half a billion dollars last spring and wrote off two-and-a-half billion in bad investments. Company officials have responded to the bursting of the telecom bubble by laying off thousands of workers and subcontracting work to lower-paid employees.

The CWA and IBEW bureaucracies have collaborated in the company's downsizing and cost-cutting efforts. Union officials have offered to continue to do so, in exchange for an agreement with Verizon that the company will allow them to organize its nonunion wireless sector.

Wisconsin engine plant strike ends

Members of the International Association of Machinists Local 1377 voted 248-144 to accept a three-year concessions contract after two bitter months on strike at Waukesha Engine's two plants near Milwaukee. "I don't know how I'm going to go home and explain to my family that we used up all our savings and came back with a substandard contract," said striker Dennis Schuhmacher to *GM Today*.

Schumacher said the new agreement forces retirees to contribute to their health care, institutes a two-tier wage and subjects workers to a two-week layoff period at management's whim. During the strike Waukesha Engine, owned by Dallas-based Dresser Inc., contracted for 290 temporary workers to serve as strikebreakers for

the duration of the walkout. The company will recall workers over a three-week period and has indicated it has altered the old job structure on the factory floor.

Striking nurses victimized at Pennsylvania hospital

Management of the Canonsburg Hospital in Pennsylvania fired one nurse and suspended another July 21 after the two returned to work from a five-day strike. Holly McElhaney, a member of the Service Employees International Union (SEIU) District 1199P bargaining committee, was fired for not staying at least six feet from hospital property during the strike of July 9-14. The union local's president, Vicki Lennox, who works in the radiology department, was given a five-day suspension.

"We believe this is a tactic, because the folks the hospital picked were leaders of the union and very vocal against the hospital," said an SEIU spokesperson. The union has filed an unfair labor practice charge against the hospital.

A Washington County judge established the six-foot perimeter around the hospital after a request from management during a three-day work stoppage in June. No talks are scheduled despite the appointment of a mediator.

Maryland transit protesters face prison sentence

The American Federation of State, County and Municipal Employees Local 67 has issued an appeal to workers to lodge protests with the mayor of Baltimore and Maryland's state's attorney over the arrest of nine people at a June 27 demonstration and bus boycott in Baltimore against transit cuts and fare hikes.

AFSCME Local 92 union organizer Jeff Bigelow, who was using a bullhorn at the rally, was handcuffed and charged with assaulting the police, failure to obey an order and violation of a sound ordinance. He faces a September 15 trial that given a conviction could result in a 10-year prison sentence. Another eight protesters, including community activists and the supporters of the Transit Riders League, were given citations for the use of a sound system and face a total of \$4,000 in fines.

Baltimore transit faces fare increases from \$1.35 to \$1.60 due to a shift of \$350 million away from transportation by Maryland Governor Ehrlich. Officials have responded to protests with scores of city, state and transit police, along with special SWAT teams and a helicopter.

California sugar refinery strike concluded

Workers at the C&H sugar plant in Crockett, California began returning to work July 21 after ratifying a new three-year contract by a 149-99 margin. The 290 members of Sugar Workers Local 1 struck the company on July 6, rejecting an 8 percent offer and opposing a policy of excessive overtime.

The new contract provides a 9 percent wage increase for plant workers whose wages range from \$14 to \$21 an hour. It also implements a rise in monthly medical premiums from \$16 to \$40.

Lockout at Tennessee flour mill

Management at Knoxville, Tennessee's White Lily mill locked out 68 members of the Bakery, Confectionary, Tobacco and Grain Millers union July 25 after contract negotiations failed to produce an agreement. The old contract expired May 31.

White Lily's parent company, C.H. Guenther & Son Inc., is demanding a rise in employees' share of medical costs from 10 percent to 20 percent and wants to limit workers to a 25-cent

hourly raise in each year during the course of a proposed three-year agreement. The company is also insisting on mandatory overtime during peak production periods and refuses to consider the union's request for an increase in pension benefits for the workforce that has a significant number of older workers.

White Lily is a privately held company that makes flour and bakery mixes for the retail market as well as supplying major restaurant chains such as Hardee's and Waffle House.

Tentative agreement reached at Canada Post

On July 27 a tentative agreement was reached between Canada Post and the Canadian Union of Postal Workers (CUPW), the union representing the crown corporation's 48,000 workers, who have been without a contract since the beginning of the year. The union leadership postponed the strike deadline three times. The present agreement has yet to be ratified and a series of votes will be held in late August.

The tentative four-year contract includes wage increases of 3 percent in each year and provides for the extension of the pension plan to part-time and temporary employees. In addition, 6,000 rural and suburban mail workers will join the union—a measure hitherto denied to these workers, technically classified as subcontractors rather than employees.

Strike ends at Central Neighbourhood House

A four-week strike by 150 community service workers at Toronto's Central Neighbourhood House ended July 18. The new three-year contract includes annual wage increases of 2 percent and reportedly includes some improvements to benefits. The workers had previously been paid \$12 per hour and had seen no wage increase in a decade.

During the strike, management paid homeless people to cross picket lines and perform the duties of the striking workers. At one point, four workers, an anti-poverty activist and a union staff representative were arrested for occupying a shelter operated by the employer.



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