

Workers Struggles: The Americas

27 January 2004

Airline workers strike in Mexico

Employees of Allegro Airlines went on strike January 24 over back wages. The Guadalajara-based company owes its 500 workers wages for December and January, and the traditional year-end bonus. Allegro serves Guadalajara, Mexico City, Tijuana, Cancun, and Bajio-Leon.

Company officials claim the firm is insolvent. Pegasus Aviation, a company that leases airplanes to Allegro, has frozen its bank accounts. The airline says it is making efforts to have the funds unfrozen.

General strike threat in the Dominican Republic

Unions in the Dominican Republic have scheduled a 48-hour national strike for January 28 to protest the signing of an austerity agreement between the government of President Hipolito Mejia and the International Monetary Fund (IMF). In return for a US\$600 million loan, the Mejia administration has agreed to severe budgetary restrictions.

On January 23, Ray Guevara, the labor minister, denounced the threatened strike call, saying it would be “destabilizing” in view of the fact presidential elections are set for May 16, only a few months away. Guevara noted that some political groups supporting the strike are also calling for Mejia’s resignation.

The economic crisis affecting the Dominican Republic has caused the value of the peso to plummet since January, falling from 38 to 52 per dollar. Inflation for 2003 was 43 percent. The country has also been hit by a banking scandal; a major bank collapsed and two others are near bankruptcy as a result of embezzlement by bank executives.

Hospital strike in Uruguay

On January 23, public hospital employees went on a 24-hour strike to demand wage increases. Workers rallied at the entrance of hospitals across the country. Hospital management insists that there is no money for raises.

Workers protest in Ecuador

On January 21, workers across Ecuador marched, barricaded highways and rallied in demonstrations against President Lucio Gutierrez. The action marked the fourth anniversary of Indian protests and a military coup that overthrew President Jamil Mahuad. Gutierrez, a leader of the coup, was elected president three years later.

In Quito, thousands of teachers and public employees,

students and Indians marched against Gutierrez’s austerity policies, which have increased misery for the population. Some workers carried a coffin with Gutierrez’s name on it.

In the port city of Guayaquil, hundreds of protesters marched and fought the police, while in other cities workers blocked major highways to press demands for Gutierrez’s resignation.

Unions collaborate in violation of labor rights in northern Mexico

Rosario Ortiz, president of the Coalition for Maquiladora Justice (CPM), and Gloria Tello of the Civil Service Association accused the nation’s labor organizations—the Mexican Workers Confederation (CTM), the Revolutionary Workers and Peasants Confederation (CROC) and smaller unions—of allowing transnational companies to violate workers’ rights in the maquiladora industry in northern Mexico.

The accusations were presented at a press conference held January 23. Among the violations cited by the workers’ rights organizations are arbitrary firings, low wages and sexual harassment of female workers. Workers are also denied a year-end bonus and vacations, in violation of Mexican labor law. Many are also denied Social Security pensions and health benefits, even when their health problems result from dangerous and unhealthy working conditions.

The CTM and CROC control most of the collective bargaining contracts with the maquiladoras, factories in which goods are assembled out of imported components before being exported back to the US. Typically, the unions charge workers one or two percent of wages and, according to Ortiz and Tello, they also make deals with the employers behind the workers’ backs, for which they collect fees.

Tello presented the case of a maquiladora in Coahuila State associated with Sara Lee, a transnational firm that makes women’s undergarments. The 1,200 workers at the plant, who earn US\$30 for a 45-hour week, suffer from various work-related ailments, including chronic back pain, arthritis and asthma. In the face of worker complaints Sara Lee has threatened to move its operations.

Gas workers strike hits western Pennsylvania

Some 420 Pennsylvania gas workers for Dominion

Peoples Natural Gas went on strike January 19 over benefits, pensions and 401(k) issues, after 11 months of bargaining failed to produce a contract.

Negotiators for the Utility Workers of America Local 69-Division 1 say Dominion wants to cap workers pensions at 30 years of service, cut its 401(k) contribution and reduce the amount of life insurance workers can obtain upon retirement. The union charges that Dominion pensions are limited and many workers stay on past 30 years in an effort to secure a better retirement payment. Dominion also wants to make workers contribute a higher percentage of health care premium payments.

The union says it will maintain the strike until there has been an improvement in negotiations. A federal mediator has been brought in to oversee the talks. Meanwhile, management and supervisory personnel are being used to run operations during the strike. The strike affects about 356,000 Dominion customers throughout western Pennsylvania.

Farmworker advocates seek ban on harmful pesticides

Groups representing farmworkers filed a lawsuit in a Seattle, Washington federal district court seeking to reverse the Environmental Protection Agency's past approval of two pesticides that are a grave risk to agricultural workers.

Attorneys for Earth Justice, Farmworkers Justice Fund, California Rural Legal Assistance and the Natural Resources Defense Council say the two pesticides—azinphos-methyl and phosmet—are used to kill pests on orchard crops and “cause dizziness, vomiting, seizures, paralysis, loss of mental function, and death” among farmworkers.

Erik Nicholson of the United Farm Workers Union declared, “EPA places such a low value on human life that it justified poisoning workers, their children and communities so these pesticides can be used to maximize profits.” The EPA determines which pesticides may be used on crops in the United States. Azinphos-methyl and phosmet are derived from nerve agents used during World War II and are considered to be the most powerful toxins used in the United States.

Labor Secretary refuses to delay new overtime provisions

Labor Secretary Elaine Chao, appearing before the Senate Appropriations subcommittee, refused a request by Republican chairman Arlen Specter of Pennsylvania to delay the implementation of the Bush administration's plan to change overtime provisions.

Jared Bernstein, economist of the Economic Policy Institute, testified before the subcommittee that 8 million workers could lose overtime should the changes be implemented, dwarfing the figure peddled by the Labor Department, which estimates a mere 644,000 workers would

be affected.

“Enough time has been spent on delays and studies of all sorts,” Chao said, in reference to Specter's request that her department delay the new implementation, presently scheduled for March 31, until September. Specter also asked Chao if she would remain at the hearings while following testimony debated how many workers would be adversely affected by the new measure. Chao left immediately following her testimony.

Ottawa taxi dispatchers' strike ends

After 22 days on the picket line a settlement has been reached in the strike by 47 Ottawa taxi dispatchers, employees of Coventry Connections. The taxi dispatchers, who earn an average of \$9 per hour and have no benefits, were striking for wage increases and a health plan. The settlement provides a wage increase of approximately \$2 per hour over two years, with an employer-supplied health plan to be phased in during the third year of the contract.

The workers, represented by Local 4266-08 of the Canadian Union of Public Employees (CUPE), were also demanding the return of a member of their bargaining committee who was dismissed during contract negotiations. It is not clear whether this demand has been met.

Tentative settlement at CN railroad

A tentative settlement has been reached between 5,000 Canadian National workers (shopcraft, clerical and intermodal yard workers) and their employer, the largest railway in Canada. The workers, represented by three locals of the Canadian Auto Workers (CAW) union, had been in contract negotiations since the December 31 expiration of their previous collective agreement. Negotiations are still underway between CN and another 8,500 workers.

The union extended by 24 hours a strike deadline set for midnight Jan 21, and the settlement was reached in the moments before the second deadline passed. The agreement reportedly includes salary increase, improvements to shift work and weekend work benefits, and improvements to extended health care benefits. No pension improvements have been reported, although pensions were a key issue in the dispute.



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