Workers Struggles: The Americas

15 February 2005

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Latin America

Argentine subway strike

Buenos Aires Metro union leaders asked workers to return their posts on February 10, after a week of strikes and protests. Leaders of the Motorized Transit Union (UTA) ended the walkouts in return for a 19 percent wage increase granted by Metrovias, the private company that operates the trains.

A dissident faction within the union that organized the strike, which had not been officially sanctioned by UTA, immediately denounced the settlement. The workers are demanding a 53 percent wage increase. Delegates from the five subway lines and the light-rail Premetro line met immediately after the UTA bureaucracy's announcement and confirmed that the strike would continue for the rest of the week.

Originally, Metrovias had offered an 8 percent raise as part of a package that included the installation of 75 automatic ticket machines that may displace workers. The Negotiating Commission seemed to have accepted the new technology in return for a much higher wage package.

Normally, the six lines serve 740,000 riders each day.

Striking Nicaraguan teachers call for popular support

Nicaraguan teachers, on strike for 15 days, appealed to President Enrique Bolaños for a resolution of their wage dispute. Bolaños is reported to have told the teachers, who were yelling out their request, that he would send them "cough drops" instead. Teachers' leaders denounced Bolaños' insult.

The confrontation took place in the city of Masaya, 25 kilometers south of Managua, during a visit by Bolaños.

The teachers' strike began on January 3 and involves 35,000 elementary and secondary school teachers across the country, organized by the Nicaraguan Educators Association (ANDEN). The union originally demanded an increase to base wages of US$43 a month. The Bolaños administration's counteroffer is one US$24 bonus that would not become part of the salary base, would not be used to calculate retirement pensions, and would not be added to the 13th month (the end-of-the-year bonus).

Last Friday, scores of teachers took to the streets of Managua, collecting funds and asking that the citizenry support their struggle. The Nicaraguan government has refused to pay the teachers their wages during the strike. Striking teachers rallied throughout Managua to pressure authorities to address their demands.

At the same time that the teachers were protesting, Bolaños was demanding that the country's legislature substantially reduce a budget that includes a deficit of US$186 million. An agreement with the International Monetary Fund (IMF) requires that the deficit not exceed US$140 million. Bolaños declared that he would sooner cut workers' wages and fire 14,4000 government employees than break the agreement with the IMF. A coalition of the rightist Liberal Constitutionalist Party and the social democratic Sandinista Liberation Front had approved the budget. Nicaragua is the poorest nation in Central America. More than 70 percent of its population lives in dire poverty, and unemployment stands at 53 percent.

Panamanian unions threaten to strike over reforms to Social Security

The Social Security Fund (CSS), which in Panama administers workers' pensions and public services, is near bankruptcy with a huge deficit, according to the government of President Martin Torrijos. Business leaders are pressing the government to introduce reforms in the system that would restore its solvency. Panamanian unions, on the other hand, have promised to launch a national strike if authorities tamper with the system.

The unions have called for mass demonstrations this Thursday to defend the fund. The unions that represent health workers have formed strike committees to paralyze public health if the government makes changes that affect workers, such as increasing the retirement age or downgrading health services.

The government expects to announce changes to the system next month. Government authorities point out that the system loses US$700,000 per day because taxes on workers and employers do not cover the costs. Former Social Security directors have recommended raising taxes, lifting the retirement age and reducing the number of beneficiaries. Currently, women can retire at age 58 and men at age 62.

CSS provides medical services to 2 million of the country's 2.7 million inhabitants. Eighty percent of the country's labor force—800,000 workers—pay taxes to the system. CSS represents the largest single item in Panama's budget, accounting for 25 percent of total expenditures. Despite repeated assurances by Torrijos, many workers suspect the government is preparing to outsource some of CSS's health services to private entities.

Lula battles the unions

Brazilian President Inacio Lula da Silva is proposing a labor reform law that would reduce the power of the unions. This represents a reversal from Lula's previous stance and puts him in opposition to his own Workers Party (PT).

The draft law, which will be sent to the legislature on March 2, would lower the number of union federations from 12 to 3 and tighten requisites to strike. The law would also make it more difficult for one union to represent all the workers in an industry.

Lula was elected on a left-populist platform, promising a break with Brazil's subservience to big business and the International Monetary Fund. Since his election, he has steadily moved to the right, adopting a pro-big-business program. Consequently, his popularity has fallen from 66 percent in January 2004 to less than 41 percent this January.

He supported economic policies to the right of the previous

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government that combine tight money, high rates of interest, and strict adherence to the demands of the International Monetary Fund to pay off Brazil's US$250 billion debt. So far, those policies have proven disastrous for Brazil, deepening a recession; economic growth is near zero; unemployment is higher than 12 percent; and real wages have fallen by 27 percent. Lula continues to defend his course and helped expel from the PT parliamentary critics who accuse him of betraying the party's program and the Brazilian people.

United States

Construction workers demonstrate in wake of injury

Around 100 construction workers demonstrated at the construction site of a hotel in Knoxville, Tennessee, February 11, demanding safer working conditions. On February 1, Frank Potter, who worked for B&M Steel, fell 30 feet while working near the edge of the hotel's top floor. Potter survived the fall but broke six bones on his face.

Workers say that handrails and temporary supports were removed from the site two hours too early. After Potter's fall, they were put back again. General contractor McMurry Construction has declared the subcontractor was at fault. But demonstrators are angry over eroding safety conditions. "We'd like all general contractors to stand up to the plate and put safety first no matter what the job is," said one protester to 6 News.

The consultant who inspects the worksite said, "If the employee was working on the outside edge of the building, he should've been tied off so that they wouldn't be able to fall to the ground. That's just regular, common practice. It's procedure and it's OSHA regulation."

Wal-Mart pays fine to settle charges of violating child labor laws

Retail giant Wal-Mart agreed to pay $135,540 to settle 24 federal charges of child labor law violations in Connecticut, Arkansas and New Hampshire. Wal-Mart admits no wrongdoing in the settlement that involved workers under 18 years of age operating dangerous machinery such as cardboard balers and chain saws.

The Labor Department and Wal-Mart reached agreement on January 6, but there was no public announcement. It was only after concerned federal employees leaked word to the media that the agreement extended Wal-Mart unusual special favors. One provision promises to give Wal-Mart 15 days' notice before any investigation dealing with wage and hour issues is launched—a measure that could allow the company time to cover up wrongdoing. The agreement was also unusual from the standpoint that no public announcement was made.

Strike against concessions at New York factory

The 403 workers at Garlock Sealing Technologies in Palmyra, New York, hit the picket lines February 13 after voting 231-107 to strike over wages and benefits. One day earlier, members of the International Association of Machinists (IAM) Local 588 voted 224-120 in a separate ballot to reject the company's latest offer that called for $3 million in concessions.

Garlock is demanding an 80 cent cut in wages, a new policy that permits forced overtime and changes in benefits under a thinly veiled threat to close operations that have been in Palmyra for 100 years. WROC-TV quoted workers leaving the union meeting saying, "Death to corporate terrorism!" and "We're not going to take it. We're human beings."

Tentative agreement in Kentucky auto parts strike

Eight hundred workers at the Thyssen-Krupp Budd auto parts plant in Shelbyville, Kentucky, voted over the weekend on a new tentative agreement that might bring a five-day strike to an end.

Dennis Weisel, president of United Auto Workers (UAW) Local 2383, said the contract offer that led to the strike contained wage cuts of $5 an hour, bringing down the hourly rate by 25 percent to $15 an hour. The company also wanted to cut pension benefits in half, abolish health care benefits for retirees and hike out-of-pocket health care costs for workers.

Weisel declined to reveal contract specifics, other than to say the new agreement does not contain cuts in wages or health care. The sheet-metal plant provides parts for Ford's Explorer and F-Series Super Duty pickups, which are assembled at plants in Louisville.

Canada

Wal-Mart announces closing of unionized store

On February 9, US-based retail company Wal-Mart announced it will close the store in Jonquiere, Quebec, in the spring. The store is one of only two unionized Wal-Mart outlets. The company and the United Food and Commercial Workers (UFCW), the union representing workers, were in first contract negotiations since last August. The reason given by a Wal-Mart representative for the closing was that a deal could not be reached that would make the outlet profitable.

North America's largest retailer is notorious for its anti-union practices. Before the Jonquiere outlet, the only other successful unionizing effort had been in 2000 at the meat department of a store in Jacksonville, Texas. The company responded by closing meat-cutting departments at all stores in the US and moving to importing prepackaged meat. Union organizers have ruled out fighting the closing with a boycott, saying it might harm organizing efforts at other stores.

Striking postal workers accept offer

The Union of Postal Communications Employees (UPCE) approved a contract offer by Canada Post February 11, thus settling the two-month-long strike by 2,500 postal workers. The new contract includes a 2.4 percent retroactive pay increase starting October 31 and 2.5 percent in 2006 and 2007.

The contract was accepted by a margin of only 55 percent after union negotiators recommended that the offer be rejected because it contains several concessions, including clauses on medical coverage and severance packages as well as the transfer of certain tasks to different job classifications. Union President Luc Guevremont said that some members probably supported the offer because they didn't want to go back on strike.

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