Workers Struggles: The Americas

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Latin America

Contract workers protest at Chile's Teniente copper mine

Three thousand workers employed by subcontracting companies at the Teniente and Escondida mines in northern Chile went on strike December 29 to demand a 500,000 peso year-end bonus for the 28,000 workers employed across Chile by private subcontractors of the National Copper Company (Codelco). Although Codelco is an autonomous agency of the Chilean government, in practice it reflects the interests of the transnational corporations that control 60 percent of Chile's copper output.

Codelco is the world's biggest producer of copper and Chile's biggest exporter. Codelco management has taken the position that the responsibility for granting the bonuses belongs to the subcontractors, not to Codelco. Each bonus would be the equivalent of two and a half months' pay. Under current exchange rates, it amounts to less than US$1,000.

The Chilean periodical *Clase Contra Clase* indicated that the total amount of the bonus (US$27 million) represents less than 1 percent of Codelco's windfall profits from last year's record prices in copper. Copper prices have reached US$2.10 a pound, generating a windfall of US$3.3 billion for the first nine months of 2005. The surplus notwithstanding, the Chilean government has taken a hard line toward the strike. Economics Minister Nicolas Eyzaguirre declared the government will not be blackmailed into giving in to the subcontractor employees.

Codelco outsources many tasks to subcontractors that typically pay one fifth the wages that Codelco miners receive. Subcontracting employees are forced to work long hours and have no job security.

The strikers paralyzed activities at the two mines and blocked roads to the El Teniente facility. Hundreds of workers and their families rallied at Codelco offices in Rancagua, while representatives of the strikers occupied those offices, demanding to speak to government authorities.

The strike places a question mark over the support that the Chilean unions have given presidential candidate Michelle Bachelet, who calls herself a socialist. The miners' union has called on its workers to spoil their ballots if the government does not grant the bonus. Elections are scheduled to take place on January 15. Opposition candidate Sebastian Pinera declared over the weekend that he supported the miners' protest.

Jamaican Bauxite workers stage sick-out

Since December 29, more than 60 workers at the St. Ann Auxite Company in Jamaica have called in sick to press demands for a wage increase. The supervisory and technical workers plan to continue their job action into the new year.

According to a union spokesman, the workers are among the worst paid in the industry. The Ministry of Labour and Social Security has threatened to intervene if workers do not return to their jobs.

United States

Pilots' union agrees to temporary wage cuts at Delta

The Air Line Pilots Association (ALPA) reached an agreement with Delta Air Lines that provides temporary pay cuts resulting in $143 million annual cost savings for the airline. Delta's 6,500 pilots ratified the agreement by a 58 to 42 percent margin. It calls for a 14 percent wage cut and a cut in other cost items equal to an additional 1 percent pay reduction.

Delta and ALPA had deadlocked, with the company threatening to seek court-imposed concessions that would have set aside the contract and the union threatening to call a strike. The two sides have now agreed to reach a permanent concessions contract by March 1, to be voted on by pilots on March 22.

Just over a year ago, Delta pilots agreed to a 32.5 percent cut in compensation, resulting in savings of $1

billion a year for the company. Overall, Delta is seeking an additional $3 billion in lower costs through layoffs, wage and benefit cuts, fleet reductions and other measures.

Comair pilots to vote on wage cuts

Pilots at Comair, a regional subsidiary of Delta Air Lines, will vote on wage, pension and work-rule concessions next month, according to the Air Line Pilots Association. The company refused to budge during negotiations, so the union has agreed to allow Comair's 1,800 pilots to vote on the company's proposal. No contract details have been released.

Wrongful death suit in Missouri plant explosion

The mother of a construction worker killed in a plant explosion filed a wrongful death suit last week against the plant's owner, Triumph Foods, and five other companies. Andrew Bauer, a 24-year-old mason, was killed October 12 when natural gas ignited an explosion that ripped through Triumph's brand new $150 million pork-processing plant in St. Joseph, Missouri.

In addition to Bauer, another 14 workers were injured. Eleven of them filed a separate lawsuit early in December seeking unspecified damages. Their lawsuit lists 66 counts of negligence. In addition to Triumph, it names Missouri Gas Energy and charges the company did not properly add an odor to their natural gas, which otherwise is odorless.

Triumph Foods is a new pork processor owned by 48 Midwest producers. Its St. Joseph plant will process more than 1,000 hogs an hour. Between 85 and 90 percent of the hogs will be coming from a genetic line licensed by Triumph to its producers. Opening of the facility, which is the first of a new line of processing plants to be built in many years in the United States, was scheduled for fall 2005, but it has now been postponed until January 2006. Triumph recently concluded an agreement to build another plant in East Moline, Illinois, scheduled to open in 2009.

Canada

Lockout looms at Nova Scotia paper mill

Management of the Stora Enso-operated paper mill in Port Hawkesbury on Cape Breton island in Nova Scotia may issue a lockout notice in the coming week if a deal is not reached with Communications, Energy and Paperworkers Union of Canada (CEP) Local 972, representing 600 workers. On December 28, the union unanimously rejected the company's final offer and is now in a legal position to strike with 48-hours' notice. The main issues are changes in seniority, contracting out and a planned layoff of about 100 workers that the company is trying to impose. According to Stora, the contract changes are necessary to "improve profitability in an environment of unfavorable currency exchange, high energy prices and a poor newsprint market."

Both parties will have a meeting with a conciliator appointed by the province on January 3, the day the mill is scheduled to reopen after the regular Christmas shutdown.