

# Workers Struggles: The Americas

14 March 2006

## Latin America

### Police attack protest by striking oil workers in Ecuador

Security forces attacked protesting oil workers March 9 in Ecuador, the day after 4,000 workers struck the private contractors employed by the state-owned oil company, Petroecuador. The repression, which left three workers injured, coincided with the intervention of President Alfredo Palacios into the strike and the threat by Jamie Crow, Petroecuador's vice president in charge of operations, to fire the strikers.

Members of the Contract Oil Workers Federation (FTPT) walked out March 8, disrupting production at oil wells in the Amazon Provinces of Ecuador, Napo, Orellana and Sucumbios. The clash with security forces took place in Orellana Province, where workers had occupied two oil fields and Petroecuador offices.

Following the confrontation, Palacios placed the three provinces under a so-called state of exception—a measure that allows the government to militarize the areas. Military authorities arrested several local officials and interfered with reporters trying to cover the strike. These acts have further hardened the strikers.

FTPT leader Luis Revelo said the protests will continue until the Palacios administration frees jailed strikers and starts negotiations with the union. The workers are demanding that Petroecuador pay the contractors the US\$51 million it owes so that they, in turn, can pay the workers their back salaries. The FTPT is also demanding that the government put an end to the system of subcontracting and that all its members become full-time Petroecuador employees.

Government authorities have countered with an offer of US\$20 million and a promise to force the private contractors, whom they acknowledge to be corrupt, to improve the conditions of the oil workers.

Ecuador, produces more than 500,000 barrels of crude per day, out of which it exports 450,000 barrels. Forty-three percent of the government's budget depends on revenues from oil exports.

### Casino workers protest in Buenos Aires

Employees at a floating casino near the exclusive Puerto Madero neighborhood in Buenos Aires protested March 11 at the dock across from the ship to demand higher wages. The employees distributed flyers to casino-goers explaining that they will walk off their jobs if an agreement is not reached.

Up until the day of the protest, workers had been prevented from striking by the nation's conciliation service. Ariel Fassione, secretary of the Union of Gaming Employees (SEJAA), denounced the company for stonewalling the negotiation process and rejecting compromise offers from the union.

### Argentine Airlines pilots and mechanics carry out a one-day strike

On March 10, pilots and mechanics working for Aerolineas

Argentinas and Austral airlines walked off their jobs for 24 hours as part of an ongoing struggle over wages. The airlines, which belong to the Spanish Marsans Group, are the main domestic carriers in Argentina.

The pilots are asking for a 45 percent wage hike, and the mechanics are demanding 75 percent. Last December, the pilots and mechanics concluded a nine-day walkout with an agreement not to strike for 90 days while negotiations continued with a government-appointed arbitrator. The 90-day period ended last Wednesday.

The strike affected 50 flights carrying 10,000 passengers.

### Massive protest march by Patagonian teachers

Tens of thousands of striking teachers and their supporters marched through the streets of the Patagonian city of Neuquen, in Argentina. The march brought together teachers and government workers from across Neuquen Province.

The teachers are demanding higher wages and the immediate repair of more than 100 neglected public schools. Last week, provincial authorities announced that the starting wage had been set at 940 pesos (US\$320) a month.

Daniel Huth, general secretary of the Education Workers' Association (ATEN), indicated that a week-long strike had involved most of the province's teachers and called the government offer a "fraud." He indicated that basic wages for teachers have been frozen for 14 years at 285 pesos.

Typically, Argentine teachers' salaries have several components. In addition to the basic wage, teachers are given raises for things such as attendance and productivity. Retirement benefits, however, are only calculated on the basic wage. Huth indicated that the government wage concession was not on the basic wage.

### United States

#### Auto boss threatens workers: either concessions or lose your jobs

The vice-president of American Axle & Manufacturing Holdings, Rick Dauch, told Citigroup's Global Industrial Manufacturing Conference that workers at its North American operations must either accept the company's demand for concessions or face the outsourcing of their jobs to other countries.

Dauch, who is the son of American Axle's chief executive, told the conference that in the past the company had received cooperation from the United Auto Workers (UAW) in setting up a two-tier wage system and wiping out job classifications. Now, the company wants more. "If there's no deal, the work goes to China, it goes to Brazil and it goes to Mexico," he declared. The company, which receives most of its contracts for auto parts from General Motors and DaimlerChrysler, is expanding operations with Asian manufacturers and will soon announce the building of a

new plant in central or eastern Europe.

### **Chicago area steel strike ends after five days**

The United Steelworkers and Teamsters announced an end to their five-day unfair labor practices strike at two steel plants in Chicago, Illinois, and another in Burns Harbor, Indiana, owned by Ryerson, Inc. Teamsters Local 714, which represents a majority of the striking workers, claims the company agreed to withdraw demands such as increased use of temporary workers and a more intrusive drug policy.

Not all details are known as the two sides return to the bargaining table this week. The strike began March 5 in an attempt to reverse concessions made in the last three-year contract that called for cross-training and allowed management to shift workers between job assignments while disregarding seniority. Discussions over pay have yet to take place. Ryerson workers make an average of \$17 an hour.

### **Pilots union backs out of concession talks after airline awards bonuses to management**

The pilots' union at American Airlines announced March 3 that it would not go forward with plans to alter its contract to implement productivity increases in the wake of revelations that the air carrier would pay \$95.8 million in bonuses to managers. The bonuses, based on parent company AMR's share performance in the period since 2003, would pay bonuses ranging from \$2,177 for middle managers all the way to \$1.92 million for a single executive.

Workers at American Airlines have made \$1.8 billion in concessions to management in 2003 to avoid bankruptcy. During the past five-year period, American has lost \$8 billion.

The board of the Allied Pilots Association, which represents American's pilots, had given approval back in November to enter into discussions with the company about ways to increase efficiency and lower costs to raise profitability at the airlines.

### **St. Louis beer haulers' strike continues**

The nine-month strike is continuing by drivers of Lohr Distributing Co., who are responsible for distributing Anheuser-Busch beer products in the company's hometown of St. Louis, Missouri. The workers voted unanimously to strike on May 22, 2005, and were permanently replaced on October 7, 2005.

Lohr Distributing wanted to double the workload for its drivers but maintain the same pay rate—a measure that would have reduced the number of jobs substantially. Management also wants to cut healthcare benefits for nearly half the employees and remove work rules that have been in place for more than 40 years. These rules are primarily suited to protect drivers from injury. Also, benefits for retirees were to be decreased, and dependents excluded from benefit rolls.

The underlying strategy was to combine the beer distributorships of St. Louis city; St. Louis County; St. Charles, Missouri; and northern Jefferson County. Anheuser-Busch wants to take back these privately owned distributorships and combine them into entirely company- or family-owned monopolies.

There are currently 24 full-time drivers still on strike.

### **Former Texas union president sentenced to two years for theft of union funds**

The former president of an American Federation of Government

Employees (AFGE) local was sentenced in Fort Worth to two years in federal prison for stealing union funds. Cynthia Wright, who held the top position in Local 1298, charged personal expenses for items at places like Victoria's Secret to a union credit card and paid it off with union funds.

Wright, who originally was expected to receive 12 to 18 months for the crime, had it raised to 2 years when she refused to take responsibility for her actions, saying, "I should have kept better records." Her attorney outlined an environment of infighting and backstabbing within the union hierarchy as Wright lost an election to keep her position. During the period of transition to the new leadership, Wright claims records were lost, misplaced or not properly recorded.

### **Canada**

#### **Ontario college teachers strike**

On the morning of March 7, about 9,100 college instructors working at 24 Ontario colleges walked off the job after talks broke down the previous night between their union, the Ontario Public Service Employees Union (OPSEU), and negotiators for college management. The union is demanding a salary increase of 12 percent over four years, but according to a spokesperson, the main issue is not wages but class sizes and the number of part-time teachers—factors directly affecting the quality of education. Negotiations broke down when management introduced a last-minute proposal to remove the cap on the number of classes per teacher, which is currently set at six classes per week.

College teachers in Ontario have been without a contract since August 2005, and their previous strikes in 1984 and 1989 lasted between 18 and 20 school days. The strike in 1984 ended with back-to-work legislation, and the one in 1985 with a negotiated settlement. Both of those strikes were in the fall, when they had a reduced impact on the school year. With this strike taking place in the spring, near the end of the semester, the union is suggesting that management forced the strike knowing that it would make the teachers unpopular. It is expected that unless the union and the colleges reach a deal quickly, the provincial Liberals may again legislate an end to the strike.



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