

# Workers Struggles: The Americas

30 August 2006

## Latin America

### Popular assembly occupies broadcast stations in Oaxaca, México

This week, members of the APPO (Popular Assembly of the People of Oaxaca) occupied 12 local radio stations to press their demand for the resignation of Governor Ulises Ruiz of the Institutional Revolutionary Party (PRI). The occupations were carried out after an attack on CORTV (Oaxaca Corporation of Radio and Television), from which the APPO had coordinated its demonstrations over the past three weeks.

The attack was carried out by a group of armed men equipped with automatic weapons, including AK-47 rifles, as well as teargas bombs. The press described the attackers as part of an unknown group.

Following the attack, the APPO received support from Mexican teachers, through the National Union of Education workers (SNTE).

The teachers declared that Governor Ruiz is repressing the rights of workers to struggle. In May and June, more than 70,000 teachers demonstrated for wage increases and were met with severe repression at the hands of local police, which served to further radicalize the dispute, leading to the present street battles and occupations.

Sympathizers of APPO blockaded the cities principal roads with trucks. Close to 10 buses were burned at various points near the city's radio stations and public buildings, leading the owners of local transportation companies to pull remaining buses off the streets. Up to 95 percent of local businesses also shut their doors, and the president of the businessmen's council for the central district of this colonial tourist center said that the conditions made it impossible to work.

Clashes continued on Saturday, August 26, when another group from the APPO invaded the Customer Service Center of the telecommunications company, Telcel, carrying off various pieces of equipment. The group said the act was in retaliation for a more than two-hour shutdown of cell phone service, which it described as an attempt to disrupt its activities.

### Mexican VW workers end strike

A three-day strike by 9,700 workers at the Volkswagen assembly plant in Puebla ended on August 23 after an agreement was reached between the union and management. The workers walked out demanding an 8.5 percent increase in wages and a 2.5 percent hike in benefits payments. The strike was ended with a deal that provided only a 4 percent salary increase, plus benefits that equal 1.5 percent more.

The vice-president of the company's local board, Francisco Bada, denounced the walkout. "This is the fourth strike in the past six years," he said, "and, in my opinion, it expresses an incomprehensible attitude and a lack of sense, given the conditions of our workers under the collective bargaining agreement.... It is a strike movement that seems to us incomprehensible and even absurd."

In reality, Volkswagen, one of the world's largest automakers, is carrying out a global "restructuring" plan, and through it attacking the basic rights of workers. It is attempting to abolish the right to strike, while punishing any attempts to raise demands and threatening to close factories, rip up agreements and carry out mass firings.

Just in the past year, 1,700 workers have been laid off at the plant in Puebla.

As in other countries, Mexico's government sided with the multinational company against the workers. Mexico's undersecretary of

labor, Emilio Gomez Vives, declared cynically, "The most important thing is that this problem is resolved. I am very happy because such an important labor problem for the nation was resolved."

### Brazilian VW workers seek to avert layoffs

The Metalworkers Union of ABC in Brazil announced last Tuesday that it would continue negotiating with Volkswagen management through the end of the week in an attempt to forestall recently announced mass layoffs.

After a mass meeting with factory workers, the union's president, José Lopez Feijó, declared: "We are going to the bargaining table to seek alternatives to the points that VW proposes ... on what to do to reverse the layoffs. If we do not reach an agreement, we will discuss forms of struggle."

On August 21, VW announced that if the negotiations do not progress, it will release a list of 1,800 workers who will be fired without any severance plan. The plan includes provisions for the layoff of a total of 3,600 workers over the coming years.

VW also warned that if workers do decide to carry out strike action against the layoffs, it will consider shutting down its Anchieta plant in São Bernardo do Campo. The shutdown of this factory, one of five VW plants in Brazil, would lead to the sacking of more than 2,500 workers, over and above the 3,600 targeted for firing under the current plan.

The company's "restructuring plan," in addition to the layoffs, calls for the reduction of current benefits for workers.

According to Feijó, the union president, São Bernardo metalworkers will not accept the conditions demanded by VW. Throughout the week, the union held talks with management on alternatives to the firings. But it is clear that Feijó, a loyal follower of Brazilian President Luiz Inacio "Lula" da Silva since the 1980s, is not thinking about a strike, much less a factory occupation. Rather, the alternatives contemplated include offers of increased productivity and efficiency on the factory floor. A genuine struggle against layoffs and a revival of the kind of mass struggles seen in Sao Bernardo in the early 1980s will come only in opposition to this labor bureaucracy.

### Brazil: Lula government finances automakers planning mass layoffs

Brazil's National Bank of Economic and Social Development, or BNDES, has released US\$2.8 billion in financing as of June 2006 to General Motors, Fiat, DaimlerChrysler, Ford, Renault, Toyota, Volkswagen and Volvo, according to the bank's own figures. Despite this government financing, the carmakers are threatening mass layoffs. VW, for example, which is threatening to shut its São Bernardo plant and lay off a sizeable share of its 12,400 employees, received US\$788.5 million during this period, representing 28.3 percent of the total aid to automakers.

According to Josef-Fidelis Senn, VW Brazil's vice-president for human resources: "With a level of production well below the current one due to an absence of investments, the already high fixed costs per unit would become even greater. It is difficult to imagine that an industrial complex on the scale of Anchieta could continue operating with such reduced production. Therefore, if we do not have new investments, the danger that the operation will be closed is real. The management of Volkswagen of Brazil does not want this to happen and, for this reason, has insisted on

seeking an agreement that will make viable the actions of the Plan for Restructuring.”

It is probable that VW, like the other carmakers, is seizing advantage of the election year, attacking one of the most essential bases of Lula to achieve more concessions, new financing and tax reductions.

#### **Copper strike in Chile in fourth week**

The strike by 2,052 copper miners in the Escondida mine in northern Chile’s Atacama Desert—the world’s largest open pit copper mine—is now in its third week. The mine accounts for 23 percent of Chile’s copper production and 8 percent of the world’s copper supplies. No negotiations have taken place since August 21, after the miners overwhelmingly voted to reject management’s offer of a four-year contract, a 5.4 percent raise and a US\$15,000 bonus. On Tuesday, the union lowered its wage demand to 8 percent and its bonus demand to US\$19,000.

During the first week of the strike the mine remained open, operated by nonunion part-time workers. As a result of mass picketing the mine was shut down for a few days. However, the company announced that it is operating the mine at a 10 percent level with replacement workers. Chilean labor law allows management to hire replacement workers once a strike goes beyond the two-week mark. The mine is owned by the Anglo-Australian transnational BHP Billiton.

On August 26 the company announced that it had hired 50 permanent replacements. In addition, the company has increased the number of part-time workers.

The miners union has requested that the Socialist Party government of President Michelle Bachelet mediate the conflict. It also suspended rallies and mass picketing in an effort to bring BHP Billiton back to the bargaining table.

#### **Striking doctors in Guatemala warn of public health crisis**

Doctors on strike since August 3 at the Roosevelt Hospitals, one of Guatemala City’s medical facilities, warned last week that the country’s entire public health system is in danger of collapse within the next few weeks due to the lack of basic supplies. The strikers are demanding that the government immediately provide supplies and much-needed equipment to Guatemala’s hospitals.

The doctors are also demanding that 3.4 percent of the country’s gross domestic product be assigned to medical care, up from the current 0.98 percent, one of the lowest in Latin America. As a first step toward that goal, they propose an increase of US\$173 million for 2007, four-and-a-half times the government’s offer of US\$40 million.

#### **United States**

##### **Los Angeles city workers end two-day strike**

About 4,000 Los Angeles City workers went back to work August 23 after a two-day strike aimed at obtaining parity with other city workers. Los Angeles Democratic Mayor Antonio Villaraigosa refused to budge, declaring, “I will not break the city’s budget ... to meet unreasonable demands.”

Members of the Engineers and Architects Association (EAA)—which represents a wide variety of city workers, including accountants, forensic scientists, IT and professional workers—picketed harbor, airport, power, water, sewage, park facilities and other city offices. They are seeking a wage compensation package similar to the workers at the Department of Water and Power, who received 16.25 percent to 30 percent raises over five years. EAA members have been without a contract since 2004 when they rejected an agreement that froze their pay for one year and offered increases of only 2 percent in the second and third years.

While longshoremen temporarily honored picket lines at LA’s ports and Teamsters shut down construction at Los Angeles International Airport, the union leaderships of other city unions did not support the strike. Brian D’Arcy, business agent of the International Brotherhood of Electrical Workers, which represents water and power workers who crossed EAA picket lines, said of the strike, “Quite frankly, I don’t understand the

strategy.” Robert Aquino, executive director of the EAA, did not issue a call to workers in the Los Angeles County Federation of Labor to press for a strike sanction on the grounds that “the mayor has a lot of control over the labor federation.”

#### **Safety suit filed by survivor, families of deceased in Sago mine disaster**

The sole survivor and families of two of the 12 miners who died last January in the Sago Mine disaster filed suit August 23 in a West Virginia court charging mine operator International Coal Group with poor safety practices. Randall McCloy Jr., the survivor, joined the families of Marty Bennet and James Bennet in charging IHG, its subsidiary Wolf Run Mining, and three suppliers of mining products with negligence in “failing to put in place any standardized operating and safety policies and procedures” and failure to “monitor” the safety practices and compliance with federal mine safety laws.

The family of James Bennet issued a statement in which they wrote, “The suit is about putting mine safety ahead of the bottom line. It’s about making sure another senseless tragedy like Sago never happens again.”

The suit points out that the Mine Safety and Health Administration cited the Sago mine more than 200 times in 2005 for safety violations and that 96 of these rose to a level that merited the classification “significant and substantial.” The Sago accident rate was three times the national average in 2005.

#### **New Jersey nurses strike**

Some 1,000 registered nurses walked out on strike at the Robert Wood Johnson University Hospital in New Brunswick, New Jersey over large fixed fees that the hospital management wants to charge nurses for health care. Hospital administration is seeking to impose fees of \$800-\$1,000 each time nurses or their family members are admitted to a hospital or outpatient clinic outside the designated network in the hospital’s health plan.

The United Steelworkers Local 4-200 found and proposed a superior health care plan that would actually cost less, but the hospital refused to consider it. The union has also filed charges with the National Labor Relations Board, charging management with interrogating, threatening and attempting to coerce nurses not to strike. The charges also allege the hospital illegally offered terms and conditions to nurses before bargaining over those issues.

#### **Canada**

##### **B.C. health workers reach deal**

Health care staff at 10 jails across the province of British Columbia ended a seven-day-long work-to-rule action, reaching a tentative deal on August 25. The deal includes a wage increase of 14.2 percent over four years that gives the workers parity with provincial hospital employees. Nurses are also getting a retention and recruitment bonus of 65 cents an hour and a new sick leave provision. The new contract affects 220 workers who are members of the B.C. nurses union and work at the Vancouver Jail and nine provincial jails as nurses, social workers, pharmaceutical technicians and clerical workers. Earlier this month, the B.C. Labour Relations Board introduced an order that prevented correctional staff members, represented by the British Columbia Government Employees Union (BCGEU), from joining picket lines in sympathy with the striking nurses.

##### **Maritime ferry service workers vote to strike**

About 460 workers at the ferry service connecting Newfoundland and Nova Scotia voted in favor of a strike by a margin of 95 percent on August 25. The workers include ticket agents and dock workers and are represented by two unions: the International Longshoremen’s Association and the United Steelworkers. Two main demands by the workers are a pay increase and an improved benefits package.

The unions will be in a legal strike position 18 days after the vote, which will be after the end of the summer tourist season.



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