

# Workers Struggles: The Americas

12 September 2006

## Latin America

### Chilean government stonewalls striking health workers

Public health workers in Chile walked off their jobs on September 8. The strike was called by two unions representing health workers, the National Confederation of Health Functionaries (CONFENATS) and the National Federation of University Health Professionals (FENPRUSS.) Both unions urged their members on Friday to “maintain and harden the protest actions across the country.”

Officials of the administration of President Michelle Bachelet have announced that the government will not improve on its last wage offer and that workers’ salaries will be docked for each day on strike. “This is a strike against the people, particularly against poor people,” declared Ricardo Fabregas, undersecretary of health.

Union leaders reacted angrily to those remarks, pointing out that government officials are indifferent to the plight of poor people, who often have to wait six months or more for a hospital bed. “The government only shows concern about poor people when there is a labor action,” said CONFENATS President Roberto Alarcón.

### University professors threaten to strike in Chile

On September 10, 3,000 university professors protested at Chile’s National Parliament in Valparaiso demanding higher wages and a higher budget for public universities. The professors are demanding the elimination of the Organic Constitutional Teaching Law that favors private universities.

The professors plan to carry out a one-day strike this Tuesday. Jorge Pavez, leader of the Professor’s College (CP), a union of university professors, referred to an increase of US\$330 million to the education budget proposed by President Michelle Bachelet, indicating that there is a danger that the money will wind up in the private sector, “despite the president’s good intentions,” according to Pavez.

### Sao Paulo VW strike ends after management suspends layoffs

On September 5, Volkswagen management announced the suspension of the sacking of 1,800 workers that it had announced the week before, ending a week-long strike at the company’s Sao Paulo assembly plant that began the day workers received their layoff letters.

But while the company did not drop the layoff plan, the ABC union, which represents the striking workers, declared it would negotiate a compromise that could include layoffs, an early retirement program and benefit cuts. Management has made it clear that it aims to cut costs at its Brazilian plants.

It appears that VW management provoked the strike to force the union to the bargaining table. Previously the union had refused to discuss layoffs until 2008.

At six West German plants, VW, citing excessive labor costs, also announced that the workweek will be extended from 28 to 35 hours with no increase in weekly compensation.

### Government workers initiate wage campaign in Argentina

On September 5 the Association of Government Employees (ATE) of Entre Rios Province launched their September campaign with a

24-hour strike. The plan calls for one-day walkouts every Wednesday. On September 20 there will be a protest rally in the city of Paraná. A union spokesperson indicated that workers are dissatisfied with the low starting wages (700-800 pesos.)

Hospital workers, also members of the ATE, have also launched strikes in nearby Corrientes Province.

### Guatemalan hospitals on verge of collapse

Guatemalan doctors at the nation’s main public hospitals, Roosevelt and San Juan de Dios, announced last Friday the collapse of emergency services caused by the exhaustion of basic medical supplies and a very large patient load. Many of the hospital’s impoverished patients are forced every day to return home after long hours at waiting rooms without being seen or given medication.

The doctors have been protesting since June 9, when public health doctors went on strike, demanding higher wages and a budget increase for public health. The strike ended on July 26 with an agreement with the government that met some of their demands. The doctors accuse the government of renegeing on the agreement.

As a consequence of the crisis in Guatemala’s public health system, at least six people died last week because of the lack of ventilators.

“We are facing a critical moment; any accident, such as a bus accident involving 12 people, is beyond our capacity to help,” said Sergio Rivas, a representative of the doctors. He called on “all trade unions and political organizations to mobilize and defend public health in Guatemala.”

## United States

### California county sanitation workers continue strike

Sacramento County sanitation workers continued their strike last week while a majority of the county’s 3,000 striking workers returned to work September 8. Workers walked off the job September 5 after the United Public Employees Local 1 failed to reach agreement with county management over wages and benefits.

Workers are disappointed with the county’s 3 percent wage increase and new changes to healthcare benefits. The union has been without a contract since June.

On September 7, pickets allege a driver intentionally ran into a striker on the picket line and then fled the scene. Sacramento County is spending \$20,000 a day on additional security during the strike. This is over and above additional overtime being paid to the county sheriff’s department.

### Court rules Delta can terminate pilot pensions

A US bankruptcy judge gave Delta Airlines the go-ahead to terminate its pilots’ pension plan September 5. The decision by Judge Adlai Hardin, who declared Delta “had no alternative to terminating the plan,” will allow the carrier to end payments to over 6,800 pilots.

The Air Line Pilots Association, which represents Delta’s pilots, did not oppose the company’s request. Sherwin Kaplan, a lawyer representing a group of retired Delta pilots, said, “Nobody likes the fact that this has to be done, but there is no other way.” Delta must

now get permission from the Pension Benefit Guaranty Corporation to jettison the plan.

The court decision came after testimony last week from a Delta financial advisor who works for Blackstone Group LP. He testified that banks would not provide the capital for Delta to exit bankruptcy under current provisions of its pension plan. A clause in that plan provides for pilots to retire as early as October 1 and receive average lump-sum payments of \$700,000. Delta and the banks feared hundreds of pilots would take retirement at the first possible moment, causing the cancellation of flights, the grounding of a “significant” part of its fleet, the stranding of 374,000 passengers and a loss of \$1.3 billion to \$2.1 billion in operating cash flow.

#### **New York University graduate student-workers end their strike**

A 10-month strike against New York University (NYU) came to an end as all the graduate student-workers officially resumed their teaching assignments September 5, the first day of classes of the fall semester. About 1,000 teaching assistants, members of Local 2110 of the United Auto Workers union, initiated the strike in early November of last year for better wages, health benefits and grievance procedures, but mainly for union recognition.

The administration had previously negotiated a contract with the union which had expired August 31, 2005. NYU had become the first private university to do so as a result of a National Labor Relations Board ruling in 2,000 that found that student-employees are legally workers. However, in 2004 the NLRB reversed itself and ruled that graduate students are not legally workers. Although this did not prevent any private university such as NYU from negotiating with the union, it was clear from the outset that NYU, defending its own profit interests and taking the lead for all private schools, was adamantly opposed to recognizing and negotiating with the union.

One of the key turning points in the strike was the university’s decision in January to eliminate the \$19,000 per year stipend of all the graduate assistants who refused to fulfill their teaching assignments. One of the ironies of this decision is that it demonstrated that the graduate assistants are indeed employees who fulfill a vital function of the academic mission of the school, just the opposite of the legal position of the NLRB that the university rested upon to carry out its decision to bust the union. The student leaders of the union also maintain that the administration has been reducing health benefits, which the university denies having done.

Although exact statistics are not available, by all accounts as the financial pressures grew on the teaching assistants the strike gradually weakened. The announcement by Maida Rosenstein, president of Local 2110, that the strike was finished was apparently a formal recognition of an existing reality. Indeed, Michael Palm, a sixth-year graduate student in American studies who is chairman of the graduate students union, resumed his teaching assignments over the summer and this semester. One of the difficulties in the strike is that there is about a 25 percent turnover of graduate student-teachers each year.

More significant, however, was the reliance of the student union on national labor leaders to hold support rallies at the school and their dependence on various Democratic politicians to support their struggle. For example, Senator Hillary Clinton and various city council members signed letters supporting the strike. According to a report in Inside Higher Ed, the student leaders were very disappointed that despite their public posturing, in reality these politicians really were not supportive of the strike. The Democratic Party politicians did nothing to put pressure on NYU, such as preventing the approval of building permits, or stopping legislation favorable to the university,

etc. Other city unions also did nothing to stop deliveries to the university.

#### **Michigan upper peninsula workers strike manufacturer over medical benefits**

Fifty workers in Dollar Bay, Michigan went on strike against the Horner Flooring Company on September 5, after International Association of Machinists Local 283 failed to reach an agreement with management over health insurance and wages.

Workers are insisting on retaining their current medical plan, which requires them to pay annual out-of-pocket expenses of \$700 and a maximum \$200 deductible. Horner Flooring management’s offer called for a \$7,000 maximum out-of-pocket expense and a maximum \$2,000 annual deductible. The union was requesting a 25-cent wage increase while the company was offering 15 cents. There have been no further contract talks since the strike began.

#### **Canada**

##### **Alberta casino workers strike for first contract**

Two hundred fifty workers at the Palace casino in the world’s largest mall in Edmonton, Alberta went on strike September 9 after months of fruitless negotiations for a first contract. The workers are seeking a contract between the United Food and Commercial Workers union (UFCW) and the owners, Gateway Casinos Income Fund of Burnaby, B.C.

The union has said that picket lines will go up at the casino and have threatened to do the same at entrances to the West Edmonton Mall. Negotiations which began a year ago stalled over the summer after workers rejected a company offer in July.

##### **Mental health workers vote to strike in Ottawa**

About 60 mental health support workers have voted overwhelmingly to go on strike against Salus Corporation in the country’s capital if contract talks fail to yield a settlement. The Canadian Union of Public Employees, which represents the workers, has said that the employer has refused to address the concerns of its membership and is asking for concessions in a new contract.

Workers affected include counselors, therapists and support staff serving hundreds of patients with severe and persistent mental illness in the Ottawa area. They have been without a contract since March of this year.



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