

Workers Struggles: The Americas

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The World Socialist Web Site invites workers and other readers to contribute to this regular feature.

Chile: Workers protest collapse of pensions

On December 11, scores of workers occupied the offices of two administrators of pension funds (AFP) in Santiago—AFP Cuprum and AFP Provida—demanding that the government take over the nation's pensions. According to one estimate, Chilean workers have lost US\$28 billion from their private pension accounts, the equivalent of nine years' savings.

Chile's pension system was totally overhauled in 1980 during the military regime of Augusto Pinochet (1973-1989). The military rammed through the change from a government-run plan in which benefits were guaranteed, similar to the present Social Security system in the United States, to a system of private accounts tied to the stock markets, with no secure future benefits.

The risk was magnified by a media campaign by the firms managing the private accounts to direct investments into speculative financial instruments. The global financial crisis has decimated these accounts, taking away the possibility of a decent retirement for thousands of Chilean workers.

Among those that occupied the AFP offices were banking employees, commercial workers, public employees, construction workers, and lumber workers. At a rally union leaders addressed passersby, describing the effect that the collapse of the pension funds is having on the working class.

The protesting unions accuse President Michelle Bachelet of being an accomplice of the AFP managers, pointing out that over more than three decades, workers' contributions (13 percent of their wages) have enriched the AFPs with higher than normal profits while leaving workers with relatively low pensions.

Even during the best of times, the superintendents of Chilean AFPs had been criticized for charging excessive maintenance fees. According to the calculations of one economist, Julián Alcayaga, quoted in the Chilean daily *La Tribuna* online, a worker earning 200,000 pesos (US\$330) would have to pay 26,000 pesos to the AFP. But his or her account would only be

credited with 20,600 pesos, while 5,400 pesos would go into the AFP corporate profits. The global financial collapse has eliminated 20 to 40 percent of the value of the AFP accounts in the last year.

Buenos Aires: Dissident subway workers strike and are poised to strike again this week

On Sunday December 14, delegates representing a dissident faction of the Street Rail Union (UTA) decided on a 'battle strategy' and threatened to strike this week against Buenos Aires' six underground (SUBTE) rail lines and one surface light rail line. The dissidents planned on releasing details of their strategy at a press conference on Monday, December 15.

Last Friday, SUBTE service was disrupted by a one-day strike. Workers were protesting the holding of UTA elections that were taking place the same day. Following the job actions, UTA leader Roberto Fernandez denounced the rebel faction for being 'political ideologues' and demanded that they resign from the union. For their part, the dissidents accuse the UTA bureaucracy of conspiring with management. They have also charged the bureaucracy with using union goons to intimidate their opponents.

The dissident faction, which reportedly represents five of the six SUBTE lines, charged that only 8 percent of eligible members actually voted for new delegates. UTA leaders, while admitting that only one union faction participated in the vote, denied the dissidents' charges and insisted that nearly half the membership had voted.

Wal-Mart settles Minnesota Lawsuit involving wage and break-time violations

Wal-Mart agreed to pay \$54.25 million to settle a Minnesota class action lawsuit over the company's willful failure to keep managers from having employees work off the clock and its unlawful cutting of workers' break time.

In July, a Minnesota judge found that Wal-Mart violated

Minnesota labor laws 2 million times between September 11, 1998 and November 14, 2008. In reaching the settlement, the company avoided proceedings scheduled for next month to determine punitive damages that could have exceeded \$2 billion. Instead, a preliminary hearing for approval of the settlement is scheduled for January 14, 2009.

As of March 31, 2008, the Minnesota lawsuit was one of 76 similar lawsuits against Wal-Mart around the country. Similar lawsuits in Pennsylvania and California resulted in a \$78.5 million judgment in 2006 and a \$172 million judgment in 2005, respectively, against the company. Wal-Mart has appealed both of these settlements.

According to attorneys representing the over 100,000 current and former Minnesota employees, "Wal-Mart knew what they were doing, they knew they were doing it, and they were hiding the evidence to avoid liability."

Pennsylvania teachers end strike without new contract

Teachers for the Northwest Area School District in the area of Shickshinny, Pennsylvania returned to the classroom December 12 without a new contract after four weeks on strike. The 103 teachers are members of the Northwest Area Education Association.

The school board would not compromise on the wage and benefit issues. "We made our final best offer, and that's as far as it goes," said board member Peter Lanza.

The board's last offer called for a five-year agreement with annual raises of 2.4, 2.4, 2.5, 2.9 and 3.03 percent. Teachers would also pay 5 percent of their insurance premiums during 2008-2009 and 6 percent thereafter. The union had bargained for raises of 3.3 percent during the first three years of the agreement and 3.5 percent in the remaining two years. Teachers have been working without a contract for three years.

Talks suspended in Tennessee aircraft parts manufacturer strike

Negotiations ended without agreement December 12 in the two-and-a-half-month strike by machinists at Vought Aircraft in Nashville, Tennessee. Company negotiators and the International Association of Machinists Local 735 will tentatively resume talks January 13.

The strike by 920 workers was triggered by a company proposal to cancel pension payments for workers with less than 16 years seniority and substitute a 401(k) plan. According to the union, wages are not an issue.

Vought is currently using 500 strikebreakers in an attempt to maintain production of wings and tail sections for Airbus, Gulfstream and military aircraft.

Ottawa transit on strike

Twenty-three hundred drivers, dispatchers and maintenance workers went on strike at midnight December 10 amid a heavy snowfall after ongoing talks failed to produce an agreement.

The workers, who are represented by the Amalgamated Transit Union (ATU), have been without a contract since last March and are fighting against the contracting out of their jobs as well as over issues relating to wages and sick leave.

The city sought to bar picketing at various locations, citing safety, and the union has acceded to their demands. ATU negotiators have offered to accept a compromise proposed by federal mediators and end the strike immediately, but Mayor Larry O'Brien immediately rejected the offer, saying it didn't allow the city enough control over scheduling. The city made a counteroffer identical to the one already rejected by union members. At last report no new talks were scheduled.

New Brunswick nurses set to strike

By a vote of 94 percent, nurses in New Brunswick have authorized strike action to begin as early as December 19. Only 30 percent of the 5,500 nurses in the province are legally permitted to strike because of essential service legislation.

Negotiators for the New Brunswick Nurses Union have said a strike over the holiday season could be avoided if the province were to provide minimal improvements in pay and working conditions, which they call unbearable. The latest wage offer called for an 11.5 percent increase over three years, but fell far short on shift premiums. If a strike is called it will be the first of its kind in the province's history.



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