Workers Struggles: The Americas

18 January 2011

Mass protests over rising gas prices in Chile

Thousands of residents of the southern Chilean region of Magallanes protested in response to right-wing billionaire President Sebastian Piñera's announcement of plans to cut subsidies for natural gas, a move that would raise its price nearly 17 percent. Magallanes is in Patagonia, an area of year-round cold weather, and residents rely heavily on natural gas for heating. Moreover, due to the region's remoteness, goods are more expensive than elsewhere in Chile.

The Magallanes Citizens' Assembly called an indefinite strike to begin at midnight Wednesday, but by 4:00 p.m. Tuesday protesters had already erected roadblocks along major highways where they beat pots and pans and picketed. On early Wednesday morning, a truck drove through a group of protesters, killing two young women and injuring several others. Police used teargas to disperse crowds and arrested dozens of demonstrators, several of whom were underage.

Workers at the National Petroleum Enterprise (ENAP) have warned that they will take action if the government doesn't back down. In the far south city of Punta Arenas, ferries taking people to and from Tierra del Fuego were stopped by protesters, stranding some 2,500 tourists. Demonstrators also blocked roads leading to the popular Torre del Paine National Park. Most stores and businesses throughout Magallanes closed down as well.

Talks between citizen assembly delegates and the government, mediated by Punta Arenas bishop Bernardo Bastres, broke down twice. A visit to the president by Bastres on Saturday also produced no solution.

The protests have thrown the Piñera government into crisis. Energy Secretary Ricardo Ranieri, who had derided the subsidies as a "gas festival," was sacked, and the secretaries of defense, transportation and labor resigned shortly after. Piñera's poll ratings have plummeted, bringing to mind a similar attempt two weeks ago by Bolivia's president Evo Morales to cut gas and food subsidies. The massive protests forced Morales to rescind the decree, and his approval rating dropped to 30 percent.

Contract workers strike metro station in Buenos Aires

Contract workers—known as *tercerizados*—for the Argentinean Roca railway line suspended their blockade and strike at Buenos Aires's Constitucion station on January 12 after receiving word that the Transport Secretariat would agree to their demands. The contract workers took the action as part of their demand for full-time permanent status.

The blockade began at 11:00 a.m. and lasted for about 45 minutes. The protesting workers kept the turnstiles open, allowing commuters to ride for free. As railway workers' union UGOFE delegate Diego Cardias told *El Argentino*, they received "a phone call from (Transport official) Luis Gutierrez" shortly after the blockade began. "Of the 2,050 workers who have demanded the granting of permanent status for almost a year, only 75 in UGOFE got them. And those employees worked for the Aumont enterprise, tied to (union functionary) Pablo Diaz," he added.

Peruvian copper mine workers reach accord

The day before a planned strike over stalled negotiations, workers at the Cerro Verde copper mine in Peru voted to accept a labor accord with management. The strike was scheduled to begin January 14 after management and union negotiators failed to come to an agreement.

Cerro Verde is owned by Freeport-McMoRan Copper & Gold Inc., Peru's third-largest copper producer. The main reasons for the deadlock were disagreements over overtime pay, benefits and training. Union General Secretary Leoncio Amudio told reporters, "The company came close to meeting nearly all of our petitions." The new agreement, the union claimed, will include fully paid overtime, improved training and better health insurance.

The strike threat was the latest in a number of recent attempts by workers in Peru's and Chile's gold, copper and iron mines to improve wages and working conditions. Workers at the Collahuasi copper mine, owned by Anglo American Plc., went back to work in December after a month on strike, but with no substantive change in the company's demands.

Textile companies threaten 6,000 job cuts in response to minimum wage hike in Guatemala

A recently decreed raise in the minimum wage has met with resistance by Guatemala's textile and clothing manufacturers. President Alvaro Colom implemented the increase after the failure of the three-party (employers, employees and the Labor Ministry)

National Salary Commission to agree upon a figure.

"No other alternative is left to our sector than to eliminate jobs to survive in this market," Carlos Arias, head of clothing manufacturer Vestex and spokesman for Guatemala's textile and clothing manufacturers, told the press. The firms claim that they plan to lay off 6,000 workers, a 10 percent reduction in the industries' workforce.

According to a January 1 report by the Spanish press agency Efe, "The president said the hike he ordered will allow the earnings of low-paid workers to almost keep pace with inflation, which was 5.39 percent last year." The article adds, "More than half of Guatemala's 14.4 million people live below the official poverty line and upwards of 2,000 Guatemalan children died last year of causes related to malnutrition."

Venezuelan Coca-Cola bottling workers strike over wages

Rejecting the company's most recent wage offer, workers at the Coca Cola bottling plant in the Venezuelan city of Valencia declared a strike on January 14. The plant belongs to Coca-Cola FEMSA (KOF), a Mexican beverage giant that bottles and distributes the soft drink—as well as bottled water, beer, juices and other refreshments—in a number of Latin American countries.

Valencia is the capital of the central state of Carabobo, where most of the country's bottled beverages are produced. Coca-Cola employs about 8,000 workers and, according to a company press release, generates more than 20,000 "indirect jobs."

News coverage of the strike has consisted almost entirely of FEMSA press releases, with the company, claiming—without offering specifics—that its offer is generous and denouncing the strike as unreasonable and threatening to lead to shortages of bottled water and other drinks. The strike "puts at risk the labor stability of thousands of people that work directly in Coca-Cola FENSA of Venezuela," claimed one communiqué, which added that the strike "impedes, as well, that more than 25 million people in the entire country have access to products manufactured by the company, and impacts the income of more than 180,000 points of sale." On Saturday, the firm claimed that economic damage had already reached 100 million bolivares (US$23 million).

Workers at New York plant launch strike over harassment

More than 700 workers at a silicone product manufacturing plant in Waterford launched a three-day strike January 12 to protest company harassment and victimizations. The walkout against Momentive Performance Materials, Inc., came after the latest firing of an employee under the pretext of a safety violation.

According to workers, the company has stepped up a disciplinary campaign in recent weeks. "They treat people who work here like garbage. Like we're disposable," John Ryan of IUE-CWA Local 359 told *The Saratogian*. Workers initiated their own campaign in response to the company's attack by wearing clothing marked with the message "Will strike if provoked."

Two years ago, the company implemented an average 25 percent pay cut. Some workers reported cuts as high as 40 percent and wage losses of $9 an hour. The silicone product operations were purchased in 2006 from General Electric by Apollo Management LP, a private equity firm founded in 1990 by former Drexel Burnham Lambert banker Leon Black.

Voisey's Bay Vale union accepts commission recommendations

The union negotiating for 130 striking workers at Vale's nickel and copper mine in northern Labrador has endorsed the recommendations of a provincial government commission of inquiry seeking an end to the 18-month-long dispute. After being isolated by the United Steelworkers (USW) union in the face of the company's strikebreaking actions, 80 percent of the strikers voted to support the recommendations.

The commission noted that the USW had accepted virtually all of the company's concessionary demands on wages, bonuses, benefits and working conditions. Vale had nonetheless refused to settle with the union unless the USW also agreed to separate the Labrador contract expiration date from that of USW organized workers in the province of Ontario.

Initially, Vale had sought a three-year contract, while the USW asked for five years from the August 2009 expiry of the last agreement. In its report, the inquiry commission recommended four years. When talks concluded in early January, the company changed its position, seeking a five-year term from the date of ratification by proposing a January 31, 2016, expiry. Contracts in Ontario expire in July 2015.

Vale is in no hurry to conclude the dispute on terms other than those it wishes to dictate to the workforce. The company has continued to operate in full production mode for many months now with replacement workers.

Appealing to the Conservative provincial government of Newfoundland and Labrador, international union representative Boyd Bussey made it clear that the USW had completely surrendered and "It is now clear that Vale is the impediment to a fair settlement." Unless the government intervened to impose the settlement, he said, "Vale will continue to use its scab workforce and prolong the hardship for our working families and communities."