

# Workers Struggles: The Americas

4 November 2003

## **Auto workers strike in Brazil**

On October 28, 25,000 members of the metalworkers union in São Paulo went on strike against auto manufacturers in a dispute over wages. About 15,000 struck Volkswagen and 6,000 walked out of Ford plants, with the rest striking DaimlerChrysler, Scania and Toyota.

The workers had voted the day before to reject the companies' offer of a 15.7 percent raise; the autoworkers are asking for 20 percent.

The main company affected by the strike, Volkswagen, announced in Frankfurt on the first day of the walkout that its global profits would be cut in half this year. It attributed the company's plight to a weak demand, a strong euro and the restructuring of its plants in Brazil. VW plans to spend 120 million euros to reorganize its Brazilian plants, resulting in the permanent slashing of 4,000 jobs. Management claims that its Brazilian plants suffer from overcapacity under conditions in which the internal market for autos has declined.

At Ford, workers are carrying out partial strikes that shut down parts of the plant on a rotating basis. At Mercedes-Benz, the workers shut down the motor assembly plant. The 2,100 strikers at the Scania truck and bus plant accepted a new contract with an 18 percent raise on October 30.

## **Panamanian workers protest privatization of social security**

On October 30, construction and education workers carried out a 24-hour strike to protest plans to privatize social security. The workers rallied in Panama City where demonstrators confronted the police.

The organizers of the strike, part of an umbrella organization called the Social Security Defense Front, declared the protest a success, even though important unions, including health workers and state employees, had declined to participate.

Protests also took place in Colon, and barricades interrupted road traffic in some other parts of Panama.

Panama's public pension system is on the verge of bankruptcy, and the unions claim that the government plans to cut benefits and privatize the system.

## **Teachers strike in Paraguay against pension reform**

On October 27, public school teachers walked out in Paraguay to protest changes in the state pension system. Rallies took place in Asunción against a draft law that changes how pensions are paid.

The government of President Nicanor Duarte Frutos insists that it must slash pensions to meet its international financial obligations and avoid an Argentina-type debt crisis.

Under the new plan, workers would have to work at least 40 years (up from 25) to qualify for benefits. Workers' contributions would increase from 14 percent to 16 percent of their wages, and the retirement age would be raised to 62.

Public employee unions announced their support for the teachers and declared that there will be a national strike this week.

## **Protests in Honduras against the International Monetary Fund**

Thousands rallied in Tegucigalpa and other Honduran cities to protest an agreement between the government of President Ricardo Maduro and the International Monetary Fund (IMF). The protest organizers claim that the IMF forced draconian economic prescriptions on Honduras, and they called for its rejection.

Protesters set up barricades across the main roads into Tegucigalpa, San Pedro Sula and other cities, and succeeded in interrupting economic activities, according to the National Resistance Coordinator (CRN), which organized the protest.

Maduro called the protests "unnecessary," alleging that the agreement with the IMF was subject to modification. The agreement calls for the sacking of 20,000 public employees and two-year wage freezes on all government workers, health workers and teachers.

Under the agreement, protests and strikes by public employees would be outlawed. In return, the IMF offered to help Honduras obtain a pardon on \$960 million dollars of debt.

The collapse in prices for two of Honduras's main exports, bananas and coffee, has created a balance of payments crisis and eroded the government's tax base. Honduras is one of the poorest countries in Central America. According to a United Nations livability index, it ranks 115th out of 175 nations, behind Bolivia and slightly ahead of Equatorial Guinea. Its 2001 per-capita income was \$2,900.

## **Violent protests in Haiti**

On October 29, two people were killed and an undetermined number wounded when police opened fire on a demonstration in Port-au-Prince by young residents of La Saline, a poor neighborhood in the city. The protesters were demanding jobs.

Three days earlier, jobless demonstrators were forced to cancel protests because government supporters blocked them. The country is currently going through violent confrontations between supporters of the Anti-Aristide Front and government-organized goon squads. The Front is demanding President Jean-Bertrand Aristide's ouster.

The Aristide administration has banned demonstrations in the country's second largest city, Cap Haitien, until November 19, using the pretext of upcoming patriotic celebrations.

## **St. Louis grocery strike and lockout settled**

More than 10,000 striking grocery workers voted to end their 24-day strike against three supermarket chains in St. Louis, Mo., on October 30. In a 4,174-to-945 vote, workers at Dierbergs, Schnucks and Shop 'n Save went back to work under an agreement that reportedly does not represent an overall improvement over the agreement rejected October 7, at the beginning of the strike.

Negotiators for the supermarkets increased the ratification bonus from 20 cents an hour to 45 cents an hour. The companies also eliminated their demand for annual health care deductibles of \$200 for an individual and \$400 for a family. But workers will be required to pay the full cost of brand-name prescription drugs if cheaper generic types are available. Also withdrawn from the previous contract are caps on workers' out-of-pocket costs. Workers will still get three

25-cent wage increases, but the date on which they would kick in has been moved back by 21 weeks.

The *St. Louis Post-Dispatch* published a statement from a person with “ties to the union” who said on the eve of the ratification vote, “Even if they [the companies] didn’t make any changes, those [Local 655 members] would vote to go back to work. I think they probably massaged [the previous proposal] a little.” The quote reveals that the leadership of United Food and Commercial Workers (UFCW) Local 655 relied on a strategy of isolating the striking and locked out workers.

Meanwhile, UFCW Local 88, which represents 2,000 meat cutters and deli workers in the St. Louis area, has the same health care coverage as Local 655 and will face similar attacks on living standards. Thousands of grocery workers across the Mississippi River in East St. Louis and in southern Illinois also face contract issues similar to those faced by members of Local 655.

#### **New talks in University of Minnesota clerical workers’ strike**

University of Minnesota negotiators and representatives of the American Federation of State, County and Municipal Employees (AFSCME) returned to the bargaining table November 2 as the strike by clerical workers against increases in health care coverage and wage takeaways concluded its second week.

Hundreds of students staged a sit-in at the campus administration’s offices in Morrill Hall on October 28 and 29 to protest the university’s hard line against the clerical workers. Campus police have since secured control of the building, but 16 students continue a vigil locked inside. On October 30, a delegation of students met with university president Robert Bruininks. In the meeting’s aftermath, Bruininks announced he would contact the mediator and request new talks with the union.

It is estimated that about 150 university professors have taken their classes off-campus in a symbolic protest against the administration. Since then, professors report that they have received e-mails from campus administrators warning of possible “liabilities” should a student be injured while taking part in an off-campus class.

#### **Utah miners strike against abuses**

Some 70 workers in Huntington, Utah, have been on strike since September at the CW Mining Company’s Co-op Mine, owned by the polygamous Mormon Kingston clan. The workers, some paid as low as \$8 an hour, are protesting a number of abuses by mine management.

Workers want better wages, benefits, safer working conditions and a legitimate union. CW Mining has used a company-controlled union that draws money out of workers’ paychecks without providing any benefits for them. Female workers are forced to use lavatory facilities of their male co-workers, because the company refuses to set up separate facilities.

The company has hired replacement workers in an effort to maintain production. The National Labor Relations Board, at the request of the United Mine Workers (UMW), has been conducting an investigation into allegations of unfair labor practices and is expected to make a decision in mid-November.

#### **Union shuts down wildcat strike by ferry workers**

One-hundred-fifty workers on the ferry between Nova Scotia and Newfoundland are back on the job following a 30-hour wildcat strike called to protest proposed job cuts at the bars and gift shops on the ferries. During the strike, ferry service was halted, and workers picketed at the two ferry terminals in North Sydney and Port aux Basques.

The federal crown corporation, Marine Atlantic, sought and received a cease-and-desist order against the striking workers. The workers at first defied this coercion, but later returned to work after their union, Local 4285 of the Canadian Auto Workers, negotiated a deal with the employer. The deal realizes none of the workers’ demands—the shops will still be closed—but guarantees that no workers will be dismissed on account of the wildcat strike itself.

#### **BC ferry workers vote to strike**

Ferry workers in British Columbia have voted 97 percent in favor of a strike mandate. The main issue for the 4,300 workers, represented by the BC Ferry and Marine Workers Union, is contracting out. Provincial legislation requires BC Ferry Services Inc. to “seek out alternative business models,” and the company is thus seeking to remove fetters on its ability to contract out work. Other issues include hours of work, pensions and wage cuts.

The Coalition of BC Businesses has applied to the BC Labour Relations board to intervene in order to prevent disruptions of ferry service.

#### **BC insurance workers refuse overtime**

Four-thousand-six-hundred employees of the Insurance Corporation of British Columbia (ICBC) are refusing to take any overtime hours and have constructed a “cyber picket line.”

The workers’ contract expired June 30, and they delivered a strike notice to ICBC on October 27. The workers, who are represented by the Office and Professional Employees’ International Union Local 378, are demanding wage increases of 2 percent in each of three years and are opposing management demands for around-the-clock schedules, seven days a week. The workers are also fighting a proposed pay-for-performance scheme.

The cyber picket line encourages customers to not file electronic accident claims through the corporation’s web site. Although the cyber picket line does appear prominently in Google searches, it does not stand directly in the path of web visitors to ICBC.

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Socialist Equality Party visit:

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