

# Workers Struggles: The Americas

3 July 2001

## Two-day subway strike in Brazil

Transit workers shut down the subway system in Sao Paulo June 25 and 26 in a walkout to demand higher wages. In response the management of Companhia do Metropolitano threatened to fire all the striking workers.

The strike ended after a membership meeting accepted a 7 percent wage hike, a reduction in forced overtime for maintenance workers and wage increases tied to seniority. The company also agreed not to take disciplinary action against the Metro employees. Management then announced a 5 percent fare increase. The Labor Tribunal fined the union US\$46,000 for each day of the strike.

## Unemployment on the rise in Argentina

In the aftermath of several weeks of protests demanding jobs, Argentina's Employment Minister Horacio Viqueira announced last week that the official unemployment rate exceeds 16 percent of the labor force. Viqueira called on the government of Fernando De la Rúa to create jobless benefits for workers with families. Other equally alarming statistics shows that the country is experiencing the highest levels of unemployment since the Great Depression. Fifty-five percent of Argentine families support at least one unemployed family member; nearly 40 percent of the labor force is engaged in informal jobs, in effect, a form of "hidden unemployment."

## Pensioners protest in Argentina

On June 27 employees of PAMI (Integrated Medical Assistance Benefits) mobilized in Buenos Aires against privatization of the agency that provides medical and social benefits to retirees. At the same time 300 ambulances tied up traffic in the downtown area to protest the fact that many clinics are not getting paid by PAMI. In Rosario, retired workers took over Institute offices. Other protests are being planned for next week, including in Mendoza and Salta, where funds for pensioners have already been cut off.

Last week PAMI boss Raul Pistorio announced that there would be layoffs of "shirking employees" at the Institute of Social Services (which includes PAMI). Economics Minister Domingo Cavallo has proposed that both agencies be privatized and made to compete against private insurance companies. This would greatly reduce coverage and eliminate most other benefits.

Already medical and social benefits are being denied to tens of thousands of retired workers in the interior provinces as a result of the near bankruptcy of the Institute. PAMI provides medical services to 4.2 million retired workers.

In addition to the retirees, last week workers mobilized in the industrial cities of Buenos Aires, La Plata and Cordoba, demanding back pay and an end to privatization. In the city of Santa Fe, workers also blockaded highways.

## Venezuelan oil workers end strike

Under threat of government intervention, Venezuelan oil workers ended a strike against the PetChem petrochemical plant in El Tablazo. Earlier in the week, President Hugo Chavez's government declared the strike illegal and sent in National Guard troops. The workers had demanded a raise of US\$8.37, which would bring their monthly wage to \$697. The plant is administered by an affiliate of the state oil company Petroleos de Venezuela.

## Actors, studios continue talks past strike deadline

Contract talks between the two screen actors unions and Hollywood's major studios continued Monday after the expiration Sunday morning of the current contract covering 135,000 members of the Screen Actors Guild (SAG) and the American Federation of Television and Radio Artists (AFTRA). According to entertainment trade paper *Daily Variety* a deal is near for a new three-year contract, which would include increases in performers' minimum salary scale and in residual payments—the compensation earned as TV programs and films move into secondary markets like reruns, cable TV and foreign distribution.

According to *Daily Variety*, the pact between the actors and the Alliance of Motion Picture and Television Producers (AMPTP) would be similar in some respects to a contract signed in May by producers and the Writers Guild of America. The producers and the two actors union have maintained a news blackout since talks formally opened on May 15.

**American Airlines reaches tentative agreement with flight attendants** American Airlines and the Association of Professional Flight Attendants reached a tentative agreement June 30, just hours before a midnight strike deadline and a threatened intervention by the Bush administration to bar any walkout.

No details were released concerning the contract covering 23,000 flight attendants. Negotiators for the union and airline management had been discussing pay raises, profit sharing and work rules. The company has offered a 21.6 percent increase in base pay over six years and a profit sharing plan.

But flight attendants, who make between \$16,000 and \$35,000 a year, dispute the company's claim that this is an industry-leading settlement that surpasses the contract won by flight attendants at Delta.

Had the two sides not reached an agreement, President Bush stated that he would act to bar a strike for another sixty days by establishing a presidential emergency board to review negotiations and propose a settlement. "The president is concerned that a major airline strike could threaten the economy," the White House statement said.

American's Chairman Donald Carty gave heavily to Bush during the 2000 elections, donating \$100,000 to the Bush inaugural committee, \$5,000 to the Florida recount committee and

\$1,000 to the Bush presidential campaign. The company as a whole contributed \$328,434 to the Bush campaign. American recently sponsored a Republican fund-raising dinner, doling out another \$100,000.

#### **Minnesota nurses ratify contract ending three-week strike**

Nurses at two Minneapolis-area hospitals returned to work with a new contract on June 29 after 23 days on strike.

Earlier in the week, the 1,350 nurses at the Fairview-Riverside and the Fairview-Southdale hospitals voted by an undisclosed margin to accept a new tentative agreement reached between hospital management and the Minnesota Nurses Association.

The 19.8 percent wage increase remains unchanged from the original proposal rejected by nurses at the beginning of June. In the critical area of work overloads, the union obtained language that gives a "charge nurse" the right to close a unit for up to two hours when understaffed and bar the admission of any other patients.

The contract also includes longevity bonuses that will be awarded to nurses with 20 years or more service in the first and second year of the agreement. In the third year nurses with 15 years will receive a bonus. In addition, the contract places restrictions on heavy lifting, the cause of many injuries for nurses. The hospital will also increase the amount they pay towards nurses' health insurance premiums from 65-68 percent to 75 percent.

While the Minnesota nurses' union insisted the contract passed by a substantial margin, a number of nurses walked out during the ratification meeting believing the gains won during the three-week strike were still not acceptable. "We need a stronger union," one nurse told the press.

#### **Labor Department accused of denying farm workers wage increase**

Two unions representing farm workers filed suit against the US Labor Department, charging it broke the law and aided growers when it failed to raise wages for 30,000 non-union foreign guest workers.

Traditionally, the Labor Department announces a wage increase every February for migrant workers who enter the United States for several months to work in the agricultural industry. The increase is supposed to prevent the wages of this group of workers from undermining the pay level of unionized farm workers.

The Labor Department denied the charges, declaring that as long as it renders the decision before December 31, 2001, it will be within the parameters of the law. Bruce Goldstein, executive director of the Farmworker Justice Fund, countered, "The whole point of the regulation is to issue the new wage rate for the year in which the farm workers are working. If you issue it in December, you haven't raised the rate in time to help the workers during that year."

#### **Newspaper bows to pressure from New York designers using sweatshop labor**

Media sources reported June 28 that the *New York Daily News* has withdrawn an investigative series about the use of sweatshop labor by New York designers, apparently out of fear of an advertising boycott. The series reports that designers use sweatshop labor in the manufacture of their apparel, which they

then sell to New York City department stores. A source informed the *Daily News* that the industry maintains anonymity by quickly paying off fines imposed by the Labor Department for violations.

The series was slated for publication in May, but was yanked after the paper was hit with an advertising boycott by supermarkets for an earlier series entitled "Dirty Rotten Shame." That series exposed the failure to enforce inspection codes in New York supermarket.

#### **Tories break Nova Scotia health care strike**

Strikebreaking legislation passed last Thursday by the Tory provincial government of John Hamm forced an end to the two-day strike by health care workers in Halifax, but provoked defiance of the law and threats of mass resignations in protest against the provincial government's actions.

The new law, Bill 68, prohibits the strike by 2,900 health care workers in the Nova Scotia Government & General Employees Union (NSGEU), which represents nursing attendants, physiotherapists, psychologists and lab technicians. It is also intended to prevent a planned strike by 4,400 nurses in the Nova Scotia Nurses Union next week. Amidst strong public support, at least 2,000 other workers had stayed off the job in respect of the picket lines.

Despite their initial threats to defy the law, and in the face of widespread determination within the rank and file to fight the government, the NSGEU ordered a return to work on Friday, citing possible fines of up to \$50,000 a day. In recognition that the union's capitulation further discredited it in the eyes of the membership, the government has said that fines will not be imposed immediately in order to give workers a "cooling off" period.

#### **Saskatchewan public servants poised to strike**

Ten thousand provincial government employees are preparing to walk off the job if a last minute agreement cannot be reached between the province and negotiators for the Saskatchewan Government and General Employees Union (SGEU). Strike notice was served Friday and bargaining continued through the weekend.

Virtually every government department is affected by the dispute, including land management, prisons and road maintenance. While the union leadership has claimed that 90 percent of the contract has been settled, job security, wages and benefits remain among the outstanding issues, with the province reportedly offering less than the 3 percent annual increases given to other public sector unions in the province.

Meanwhile, a tentative agreement to end a six-day strike by 12,000 health care workers in the province was rejected last week when, according to union negotiators, employers excluded certain provisions from the final agreement. The leadership of the Canadian Union of Public Employees (CUPE), which represents the workers, has not called for a resumption of the strike which ended earlier last month.



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