The following report by the Central Union of Workers (CUT) translated by WOLA into English summarizes an analysis of the troubling social, labor, and economic situation that the Valle del Cauca region is going through. It also points out the serious collateral repercussions that affect workers from both public and private companies.

REGIONAL SITUATION

VALLE DEL CAUCA GOVERNMENT: After the 2010 departmental crisis in Valle del Cauca that ended with the dismissal of Governor Juan Carlos Abadía, the national government named businessman Francisco Lorido, a close friend of Vice President Angelino Garzón, to the position. Despite having changed the bureaucratic appointments of the previous government, he did not suspend the harmful privatization measures initiated by Abadía; on the contrary, he expanded them. This governor’s constant clashes with traditional regional politics are also a reflection of the theft that exists due to contracts, political quotas, and total control of diverse departmental bodies.

The situation of violence in Valle has become one of the gravest in the country in the past few months. Cities like Cali, Palmira, Tulua, and Buenaventura are the hardest hit, with an average of 28 homicides per week. The majority of the victims are young people who ended up involved in micro trafficking and common crime because of a lack of economic opportunities. The government responds by sending more police and soldiers, generating greater repression. This strategy fails to recognize the deeper problem at hand. In the case of anti-union violence, we should mention that 5 out of every 51 crimes committed in the country during 2010 occurred in Valle, making it the sector most badly affected.

In terms of unemployment in Valle, the official indexes published by the National Administrative Department of Statistics (DANE) show that government policy in this area was a total failure. Cali, reflecting the regional panorama, finished out 2010 with a 13.7% unemployment rate, making it the eleventh out of the 24 most important cities with high unemployment.

The government’s decision to grant tax breaks and waive various taxes for businesses in the region, particularly multinationals, proved to be a complete farce. All of these measures were supposedly meant to generate new jobs, but the opposite happened—about 28,000 jobs were lost during 2010, of which nearly 12,000 had been justified by the winter emergency. Both private sector and state workers have suffered the same harsh experience of layoffs, while companies took advantage of the situation, with the majority seeing an increase in profits as compared to the previous year.

CUT Valle’s perception of the unemployment situation is more complex than that expressed by the national government through its sources of official information. According to the subcommittee’s calculations, unemployment is around 15% and the informal sector is about 60%. More than 70% of workers earn minimum wage
or less, an income that does not allow them to improve their families’ quality of life. If we were to add the implementation of the latest legislative measures like the Law on First Time Employment, there would be no words to describe the condition of degradation that tends to fall on the working class, especially the younger generations.

CONFLICTS MOST REPRESENTATIVE OF THE REGION

We would like to clarify that the following report is based on information supplied by union organizations, but unfortunately we were unable to record many situations that either went unreported or occurred in areas where a union does not exist to denounce them.

SUGAR CANE CUTTERS: At the end of 2010, several of the agreements signed in 2008 by companies and sugarcane workers expired. These agreements were linked to 8 of the 13 sugar refineries in the country (Pichichi, Providencia, Incauca, Mayaguez, and Maria Luisa). The majority of these refineries were able to extend their harmful labor conditions and salaries for a period of five years. Some 12,000 sugarcane workers have been subjected to these conditions, and about 8,000 of them continue to work under the cruel system of Associative Labor Cooperatives (CTAs) and Simplified Anonymous Associations (SAS). 4,000 sugarcane laborers work for contractors—an arrangement that is no better than those previously mentioned. All of these forms of subcontracting have been implemented and managed by the refineries themselves. In the agreements signed in 2010, the refineries would not commit to matters like direct contracting, recognition of the right of association with unions, and mechanization of sugarcane cutting, which has gradually grown and displaced 3,000 sugarcane cutters in the past two years. Since no other economic activity exists outside of the sugarcane agroindustry in most municipalities of the region, these workers have no other way of survival.

It was also impossible to establish a guarantee for sugarcane cutters about the weighing of the cut sugarcane, a process that is not done in the fields but rather in the factory, when the workers are not present. Despite increasing the rate paid per ton of cut sugarcane by an average of 4%, workers are receiving less compensation than they did last year. Other themes like labor stability, health, housing, and education were completely ignored.

CUT Valle is working with sugarcane cutters to create a comprehensive document with the participation of the three unions that CUT Valle currently works with. Of the three, only one has been recognized to negotiate. In addition, CUT has conducted several forums to foster knowledge about the refineries’ increased profits and meager labor costs. We reject the criminalization of social protest and the right to strike. This sets a poor precedent and has been manifested in attempts by the refineries and Attorney General’s Office to prosecute and convict four leaders of the sugarcane cutters’ movement and two assistants as a form of retaliation.
**ACUAVALLE:** This state company that provides potable water to 33 municipalities and 600,000 consumers in Valle has attempted to become private on several occasions, with the backing of the departmental government. For the past three months, there has been a nonstop push to hand over commercial management with authority to plan, design, and execute ACUAVALLE’s works for the next year. The government’s goal is to sign an initial contract with a private company for $165 billion that would ensure the business’s future viability. CUT Valle, along with the union SINTRACUAVALLE, has staged a vigorous campaign of denunciations and demonstrations that have involved both workers and consumers from different municipalities. Up until now, the campaign has managed to ensure that the company continues to be 100% state-owned, but the risk has not abated and we continue to be on alert. The union’s president, Margarita López, continues to be threatened as a result of her union work in defense of the company and workers’ rights.

**STREET VENDORS, SMALL BUSINESSES, AND OPEN-AIR MARKETS:** The problem of informal sector workers is worsening. There is a project that is attempting to illegally transform the Calvario zone in the center of Cali, where shopping centers are now located after thousands of street vendors were relocated years ago. Now, an attempt to throw them out is taking place, generating a larger social conflict, in order to convert this zone into an area full of modern shopping malls managed by large businesses and parks with mass transit stations. There is also an idea to construct a building for the state prosecution office that would force out the community in the Calvario sector. At the moment, we are involved in several legal actions in defense of vendor rights. We are facing a similar situation in regard to open-air markets. The government is trying to turn over these markets to multinationals that own large supermarkets. There are more than 15,000 vendors stationed around the seven open-air markets in Cali that could possibly lose their means of support. Their complaints have been met with threats and an attack in March on the leader of the Santa Elena shopping center. The same problem exists in other cities like Palmira where the open-air markets have already been handed over to companies.

**URBAN AND HILLSIDE TRANSPORTATION AFFECTED BY MIO:** Of the 17,000 urban transport buses and minibuses that operated in Cali before the rapid bus transit system known as el Masivo Integrado de Occidente (MIO) was put into place, only 9,000 are left. Since the beginning of 2010, this situation has directly affected more than 800 jobs. Scrapping of vehicles continues with compensation that is limited to a percentage of the commercial value of the vehicle. The compensation to which operators are entitled under the law has been ignored in these cases, where operators have been forced out by measures implemented by the government itself. The Secretary of Transportation along with Metrocalsi, the public transit authority in Cali, have removed the great majority of the 2,600 Jeeps that serve hillside communities and the Aguablanca district, transporting 40,000 people daily for a comparatively lower fare. Only a few routes have been allowed to continue to operate, affecting the communities and increasing unemployment. It is clear that in Cali, a transportation monopoly
is imposing itself in an illegal manner. The mayor and Metrocali have refused a
negotiated solution to the situation, and strikes and demonstrations have been
strongly suppressed. Owing to this situation, we have taken a variety of legal
actions.

COMMUNITY MOTHERS: After a campaign to stop the government’s attempt to
eliminate payroll taxes, we are facing an attack from the National Institute of
Family Wellbeing (IFBF) in Valle. The ICBF has tried to impose a different model
of contracting for the homes covered by its programs, transferring management
of the program to the Family Benefit Fund and essentially privatizing the
enterprise, since families will be charged for service. This will not only gravely
affect the poorest communities, but it will also erase the achievements made by
the Community Mothers. When the ICBF decided that it wanted to put this plan
into practice in Valle del Cauca, the Community Mothers responded immediately
with a variety of actions, including the seizure of the ICBF’s main headquarters.
They were able to reach a written compromise, signed by the regional director of
the ICBF. The compromise laid out several points including the immediate
abandonment of the ICBF’s initiative, respect for the program’s continuity, and a
 guarantee of stability from the Community Mothers. Despite this agreement, our
partners have not lowered their guard, and they continue to move forward with a
regional campaign to strengthen the union and the work of their associations.

EMCALI - One of the most difficult struggles in Valle has been the fight to defend
Emcali, the municipally-owned company that provides water, telecommunications, and electricity services in Cali, as well as the fight against
the persecution to which union and labor workers have been subjected. During
the past few months, the national government has colluded with the mayor and
city council to attempt to sell Emcali’s telecommunications department to a
private company. Although demonstrations and national and international
condemnation have helped to avoid such a sale up until now, the attempt to sell
off the telecommunications branch continues and is planned to take place in
October. The Superintendent of Public Services is not legally capable of doing
so, and Law 1314 of 2009 and the Information and Communications Technology
Law take away its control and authorize the Ministry of Communications to make
the sale instead. Emcali, which has 520,000 users, has an estimated value of $8
trillion. Its telecommunications component is valued at $2.9 trillion, and the
government wants to sell it for $280 billion even though its annual profits exceed
one trillion pesos.

STATE WORKERS: In the case of education, we support actions rejecting the
harmful measures taken by the government, including the poorly named
Educational Revolution, Legislative Act 01/01 which reduced transfers, Decree
1278/02 which de-professionalized the teaching field, etc. On August 4, we
marched against these measures with masses of people in Cali.

TEMPORARY STATE WORKERS: The concerns about temporary public
servants continue, beginning with Legislative Act 01 of 2005’s declaration of
unconstitutionality. This act, which was laid out by the Supreme Court of
Colombia, left more than 180,000 public servants without job stability. Today, attempts to rectify the mistakes that the national commission of civil service are being made, with the impetus provided by bill number 054 of 2010. This bill would expand social retention and would establish minimal protections for workers who are going into early retirement or parents who are heads of household, and allow them to continue working. Meanwhile, layoffs of temporary workers continue in many state agencies.

**OTHER PUBLIC SECTOR WORKERS**: Besides education and health sector workers, temporary workers in independent control and justice agencies, both centralized and decentralized from the department and municipal governments, are facing job instability. They are also dealing with outsourcing through associative labor cooperatives, delays in collective labor negotiations for state employees, reduction of official workers’ rights in collective conventions, the illegal removal of union privileges in administrative restructuring processes, and the privatization of public services. Other bodies, like the comptroller’s office, find themselves on the point of collapse due to the gradual reductions ordered by law of fiscal adjustment number 617 of 2000.

**GOVERNMENT OF VALLE**: After several public protests in January and May of this year, a new labor disaster in the Valle government was halted with the support of the union movement. Other industrial and commercial businesses like Licorera del Valle and Beneficencia del Valle continue to operate under the constant threat of being forced to privatize by the government.

Employees of the brick making company “La Candelaria” went on strike for 4 months after the National Narcotics Directorate (DNE) seized the business and did not pay their salaries, social security, aid, or any sort of compensation for several months. The workers are resisting and moving forward with negotiations with the DNE, with support from CUT Valle, in order to reach an agreement that would allow for the reactivation of the company and payment of the workers’ pending financial claims. The arbitration court for this case, which fortunately includes CUT Valle’s attorney as an arbitrator, is making progress.

In the municipality of Yumbo, employees of the multinational Goodyear are currently facing persecution unleashed by the company through discriminatory actions toward unionized workers compared to non-unionized workers. There is continued pressure on workers to accept compensation for early retirement. The tire workers’ situation is very similar to that of Goodyear. There have been several complaints about the unilateral imposition of committees where union participation is ignored and the process of electing the workers’ representatives is replaced. A list of demands was just presented, and we are waiting to see how the negotiations turn out.

**SINDES**: Workers at San Vicente de Paul Hospital in Palmira have just presented documents and will begin negotiations in the coming days. They have agreements for the provision of services in almost all areas of coverage, and a small quantity of the direct staff is being kept. The administration has refused to
apply the rulings that demand the provision of these services with personnel directly contracted by the state.

SOCIAL SECURITY: The liquidation process of this body has finished, affecting more than 1,000 workers in Valle del Cauca.

INGENIO CARMELITA AND MARIA LUISA: These partners from Rio Frio and Florida Sintraicanzucol have produced and presented a list of demands to negotiate the new collective convention.

LLOREDA GREASES AND SOAPS: This company falls under Law 550 of Economic Insolvency. After presenting a list of demands and failing to arrive at an agreement, the job of settling the conflict was turned over to a court of arbitration. The court, shamelessly overstepping the bounds of its authority, determined that the entire collective labor convention had to be reviewed, and it also removed all of the extralegal rights that had been agreed upon. The case went to the Supreme Court of Colombia’s labor court, which endorsed the aforementioned agreement.

SIDELPA GERDAU: Alvaro Vega and Edward Portilla, members of CUT Valle who are the only two people who continue to fight against the multinational Gerdau, have been resisting for 14 months. They now face the process of the lifting of jurisdiction and authorization for dismissal. The multinational has had several setbacks in these processes due to a lack of arguments when attempting to demonstrate a clear crisis that would justify the closure. The merger process with Diaco S.A., a subsidiary of the same multinational, continues.

COCA-COLA: At the Cali plant, the company attacked several members of SINALTRAINAL’s union board, denying union permits and other conventional rights, and even keeping a portion of their salaries. These actions were taken in response to the strong campaign of condemnation that we have been moving forward with in the region against this multinational. Administrative demands have been issued against the company, which has not appeared at hearings.

CADBURY ADAMS: This North American company, recently absorbed by the multinational Kraft Foods, has production plants in Cali and the Pacific free trade zone. It has been attacking workers, particularly the elderly in an attempt to force them to retire, arguing that if labor costs don’t go down, they will close the plant and move it to another country. With the union organization, we have been bringing forth actions to stop this annihilation of jobs that the company has wanted to silence, offering heavy compensation to those who leave.

ATTACK ON CULTURE IN CALI: The attack against several governmental bodies has also involved culture. In this instance, the budget of the People’s Institute of Culture (IPC) was cut, reducing it to less than .1% of the total social budget and practically paralyzing the activities of dance, music, and plastic arts. CUT is currently driving a campaign of protest along with other cultural, student, social, and academic organizations. Nevertheless, the situation continues without
resolution, affecting more than 1,000 students. We are continuing to pressure the municipal council and the mayor of Cali to reverse the measure.

INDIGENOUS PEOPLE AND PEASANTS OF CAUCA: We are supporting indigenous and peasant communities in certain municipalities and districts in northeastern Cauca, where the aggression that began in 1991 intensified with the presence of multinational mining companies like Hiliski, and where others like Anglo Gold Ashanti-Kedada have joined in. This situation coincides with the continual massacres of people from these communities who make their living from small-scale mining and reside in the territory that these companies want to snatch up. We currently have a permanent team working in this zone.

CUT Valle is at the head of organizational and social protest groups, such as the Comando Departamental Unitario, Comité de Solidaridad CUT Valle, Departamento de Derechos Humanos, Coordinador de la Salud, Coordinador Estatal, Mesa por la Justicia, besides the work teams that are present in all of our subcommittee’s departments.

We have also been supporting other community processes that include the league of health and public service users, forklift operators in the Aguablanca district, people evicted from mountainside regions, workers at the Rio Cauca beach, and students.

DEVELOPMENT OF TRAINING PROGRAMS: We are continuing with an education project, thanks to the agreement with Workers Commissions. We are going forward with the qualification process of union leaders and activists from different organizations. We are also carrying out seminars and forums related to current regional and national themes.

DEPARTMENT OF JUSTICE: The subcommittee’s justice department, with the coordination of our partner Omar Romero Dias, continues to permanently provide free legal consultations to our union bases and to the community in general, through CUT Valle’s legal office. This has allowed us to spread knowledge about our social work to other areas.

RESPECT FOR THE SOVEREIGNTY OF OUR HOMELAND: We maintain a permanent campaign against U.S. military bases in Colombia, which is also supported by a recent court ruling. **We are against the free trade agreement and Santos’ legislative package, whose reforms do not involve increasing the social budget and would expand military investment for war.**

URBAN THEMES: We continue to be united with the social campaign against illegal and exclusive projects like the 21 large-scale economic projects in Cali, the Avenida II Centenario and the educational residential complexes. With investment, these projects would exceed $2 billion pesos, which all of the residents of Cali would be obligated to pay, but which would only favor the privileged sector of the city—typical of Jorge Ivan Ospina’s democratic security policies.
We continue to actively oppose the privatization policies of municipal and regional governments like the expansion of coverage. Supporting CUT Valle’s citizen oversight, we have been able to successfully access important information that has allowed us to debate many of these government policies that cause harm to the community.

EXECUTIVE COMMITTEE
CUT VALLE DEL CAUCA

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March 2011