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## **Chiquita Brands Subsidiary Announces Plans For Major Operations Cutback In Honduras**

*by Deborah Tyroler*

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On Nov. 25, the Tela Railroad Company, subsidiary of the US-based Chiquita Brands, announced plans to dismiss 650 employees as part of its program to reduce operations in Honduras. SITRATERCO, the union representing Tela employees, asserted that the company's announcement was only a ploy to convince workers not to demand wage hikes. With 9,000 members, SITRATERCO is the nation's largest union. SITRATERCO president Rene Ayestas said that Tela was attempting to undermine union demands for a 95 to 100% wage hike in ongoing contract negotiations. The average Tela employee with 15 years of experience with the company earns the equivalent of US \$3.70 per day. Tela offered a 40% wage hike. Company spokesperson Manuel Anariva denied that plans to reduce operations in Honduras constitute a means of pressuring workers to forget about pay hikes. He said Tela is forced to cut back result of four strikes in recent years, several work stoppages, and worker opposition to the introduction of new technology. In October, when Tela implemented a new production technique, 94 employees were dismissed. According to both government officials and SITRATERCO, dismissals are in violation of the company's contract with workers. In the second week of November, Tela shut down a production facility affecting 83 workers, and on Nov. 25 announced the closing of the Omonita plantation. The plantation's 277 workers refused to accept severance pay, and threatened to occupy the plantation. Tela management then announced plans to close the Buena Vista plantation, which employs 189 workers. Anariva said the company may shut down remaining plantations, all located in the country's northern region. Union leader Ayestas asserted that the company has no justifiable reason for shutting down operations on the plantations, especially since Tela is simultaneously engaged in the purchase of private lands which will ostensibly be used to increase production. He added, "This is all part of a deliberate campaign to provoke us." In a statement released Nov. 25, Tela management reiterated that as a result of strikes, work stoppages, and inclement weather, exports have declined in recent years from 32 to 22 million 18-kg. boxes. According to Ayestas, Tela's banana production has not significantly declined. Instead, he said, the company destroyed enormous quantities of product in an effort to maintain high(er) prices. Also on Monday, 500 banana workers burned tires and set up barricades on the highway connecting San Pedro Sula, La Lima and El Progreso. Union leaders say employees are prepared to occupy company facilities and plantations, close Tela down, and demand nationalization of Tela assets. Ayestas called on President Rafael Callejas to intervene in the conflict in order to prevent a general strike. Over the weekend, President Callejas met with company and union representatives. In statements to reporters, Callejas said Tela's recent announcements were not conducive resolving labor disputes. On Nov. 26, Ayestas said SITRATERCO would launch a general strike on Dec. 2 if negotiations had not yet produced concrete results. Bananas rank as the nation's leading export. Honduran banana exports of about 40 million boxes per year are worth about US\$200 million. (Basic data from ACAN-EFE, 11/25/91; Agence France-Presse, 11/22/91, 11/25/91, 11/26/91)

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