

U.S. banana giant Chiquita fires thousands over Panama strike



**Chiquita Panama has reportedly sacked close to 5,000 workers out of a total of 6,500, over strike action prompted by government changes to social security
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Panama City, May 26 (RHC)-- The United States-owned banana giant says it was letting “all” daily labourers go for the “unjustified abandonment of work at our plantations.”

Workers have been on strike for more than a month, as part of nation-wide industrial action protesting new social security laws lowering pensions. The government has branded the strikes “illegal” and said the sackings are the result of workers’ “intransigence”.

Chiquita said in a statement that the strike had caused “irreversible damage ..[and] at least \$75 million in losses,” adding that those affected by the layoffs are required to collect severance payments.

The company did not elaborate on the number of people affected by the decision. However, the Reuters news agency reported that about 5,000 workers out of 6,500 have lost their jobs, referring to an unnamed source.

Panamanian President Jose Raul Mulino defended Chiquita’s actions at a news conference in Panama City. “The company will have to act accordingly, dismissing those necessary to save its operation in Bocas [a Caribbean province in Panama]. Believe me, it hurts me, but this intransigence is not good,” he said.

“The strike is illegal,” Mulino added. “The next step according to the Labour Code is dismissal with just cause because this is a de facto strike, not a legitimate strike.”

However, Francisco Smith, secretary-general of the Banana Industry Workers Union (Sitraibana), told the Panamanian television channel Telemetro on Thursday that the strike was legal because the “deputies who approved bill 462 harmed the banana sector”.

Passed in March, Bill 462 introduced changes to the Social Security Fund that could lead to a possible reduction in pensions. The introduction of the law led to significant anger, with unions, including banana workers, joining a national strike on April 23rd. The government and Sitraibana held a preliminary meeting on Thursday to discuss amendments to the bill, which would include protections for banana farmers.

Still, Smith said, “the strike continues, we continue fighting in the streets... The strike is indefinite.” Panama’s banana industry is a significant part of the country’s economy.

According to the Observatory of Economic Complexity, in 2023, Panama exported \$273 million worth of bananas, making it the 13th largest exporter in the world.

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