



# Global



UNIÃO GERAL DOS TRABALHADORES

Sindicalismo Cidadão, Ético e Inovador

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## UGT is against the Social Security factor

Due to statements given by the Social Security minister, Garibaldi Alves Filho, which expressed that promoting a reform in the social security system no longer is a priority to the Federal Government, União Geral dos Trabalhadores -UGT publicly announces its position on this issue. This reform would include the end of the notorious Social Security factor.

**The Social Security factor is harmful to workers and UGT defends its immediate termination, since this evil mechanism reduces the values of the retirement checks and delays the worker's right to enjoy their retirement. Any reform with the goal of maintaining the Social Security factor will have our clear and decisive opposition.**



We, from UGT, do defend a wide and democratic reform to Social Security, which should count on the legitimate and indispensable participation of workers in its elaboration and implementation.

That happens for the fact that UGT has concrete proposals, which have the goal of providing sustainability to the pattern of financing, promoting a democratic and transparent management, ensuring the effective universality of extent of beneficiaries, strengthening its public figure and guaranteeing the real valorization of the amount of benefits.

**Ricardo Patah**  
President of UGT

### Vote on this measure was consecutively postponed

In early December, 2012, **UGT** and the other trade union centrals, Força Sindical, CUT, CTB, CGTB and NCST, repudiated, through an open letter to the population, a proposal to "not vote for the Social Security factor, in the session of November, 28, 2012, at the Chamber of Deputies", a vote that had been previously agreed to with the trade union centrals.

The open letter recalls that the "discussion and negotiation on the Social Security factor have been dragged since mid 2007. Although we proposed several alternatives to solve deadlocks that we reached, and despite the agreement of formula 85/95, the government has systematically vetoed the vote of this matter under the Chamber of Deputies."

The open letter emphasized that the end of the Social Security factor "is one of the top priorities of the workers agenda that trade union centrals have been defending and negotiating with the government over the last years, due to the evil figure of the current factor, that penalized the working class, after years and years of contribution and work."

Despite the pressure of hundreds of deputies and unionists, the vote of the law project that terminated the Social Security factor will take place in 2013. This decision was taken in early December, 2012, by the president of the Chamber at that time, deputy Marco Maia (PT-RS), and partisan leaders, due to difficulties while creating a proposal that would not be vetoed by the president.

## Exemption on the payroll does not benefit commerce workers

The **Commerce Workers Union of Sao Paulo**, an institution affiliated with UGT, makes a protest against governments measures that were announced on December 19 on the payroll tax exemption, which puts businessmen as the main beneficiaries, since retail workers, that play a major role in this issue, were not even called to a debate. This measure does not even establish improvement guarantees for workers, that face problems such as the informal market, turnover, low wages, extremely long working shifts etc.

In Brazil, there are 10 million commerce workers, out of which, 2,5 million are informal workers. In the city of Sao Paulo alone there are 450 thousand commerce workers, out of which 90 thousand are informal. Besides such high levels in the informal labor market, workers also suffer from high turnover rates.

A proof of that is the enormous number of terminations of contracts held by this union: considering only commerce workers that formally worked for over a year, 103.573 contracts were terminated in 2010; in 2011, 113.146; and in 2012, until November, 104.420 terminations were registered.



"I am offended with the situation of commerce workers, since they are indispensable for the development of economy in Brazil, and were not consulted on this. Therefore, there was not a social counterpart so that jobs are kept and there is a decrease in the informal job index. This union demands that the government, following the example of what happened to the automotive industry, do the same with the retail sector", affirms **Ricardo Patah, president of the Commerce Workers Union of Sao Paulo**.

## Brazilians pay second highest consumption taxes

Brazil imposes on consumers the second highest tax on sales and consumption of the world, according to a new research of UHY, international accounting and consultancy network, represented in Brazil by UHY Moreira-Auditors.

These UHY tax specialists studied data from 22 countries that are part of its international network, including all G8 members and developing economies (BRICS). From a representative group of goods and services, taxes were calculated based on the total price. And the conclusion was that the Brazilian government raises 28,7% in taxes.

Diego Moreira, UHY executive director, says that "with taxes on sales and consumption much higher than the average, Brazil will keep on noticing this overload in the economic movement of consumers. This will not help the Brazilian economic growth. A decrease on the sales taxes should be considered".

Eric Waidergorn, UHY Moreira, affirms that the "main problem of indirect taxes in Brazil is that they disproportionately affect taxpayers. For example, it was observed that low income taxpayers pay the same tax rate on products or services that high income taxpayers. That is, the first ones afford a really higher rate taxes/income in consumption that the latter".

European governments raise, in average, 15,5% in taxes of the goods and services group. That can be compared to an average of 13,8% in all countries; 12,3% in the G8 countries; and 8,2% in the Asia-Pacific countries. (IN, 21.12.2012)

## Overview on employment in Latin America

Unemployment in Latin America and Caribbean decreased to historical levels and should keep such tendency in 2013

The urban unemployment rate in Latin America and Caribbean continued, in 2012, with a tendency to decline, and that has happened over the last years and reached historical minimum levels and will remain in this path in 2013, informed the International Labour Organization (ILO), while presenting the last issue of its Yearbook of Labour Statistics.

"This decrease in the unemployment rate gives room to opportunity, this is the moment to face the challenges of quality of jobs", said the Regional Director of the ILO Office for Latin America and the Caribbean, during the presentation of the report in the Mexican capital.

" It's time we doubled our efforts and face the informal market", she added.

**[Watch the video of the presentation>>>](#)**



The **2012 Yearbook of Labour Statistics on Latin America and the Caribbean** says that the regional urban unemployment reached 6,4% in the end of 2012 and that this tendency will continue: this rate will decrease to 6,2% in 2013. This level is the lowest since the annual statistics were first compiled in the early 1990s.

ILO recalled that, the unemployment rate in the region, which was at 11 per cent in 2002, began to decrease after 2004, and has kept dropping for a decade, except at the height of the global crisis in 2009. However, this region had a quick recovery and regained growth with employment. In 2011, this rate was 6,7%.

The dynamism of Latin-American and Caribbean economies, that accounted for a cycle of economic growth for several years, was determinant for this result, according to an analysis of the Labour Overview. Regional average rates announced on this report were stimulated by the 3,1% economic growth rate in 2012, which might increase up to 3,8% in 2013.

On one hand, she said that "there are reasons to be optimistic, despite the fact that this region should not neglect that the situation of crisis in other parts of the world creates an important uncertainty", said Tinoco.

On the other hand, she appealed to use this moment and face the challenges of quality of job, and recalled that labour and income are an essential contribution to economies and in the fight against poverty and inequality.

"Almost half of the workers of this region are only able to work on informal jobs, what usually implies on low wages, little labour stability, scarce social security and non-compliance of labour rights", stated Tinoco.

She emphasized that another pending issue of the utmost relevance is the one related to an increase in productivity in this region, which grew less than in other parts of the world, as well as linking it to a salary increase, since this is the way to transfer higher income to people and to achieve a higher social cohesion.

**"Growth is indispensable, but it is not enough.** We have structural problems in this region. In order to face them, the adoption of specific measures is required, including the challenges of gender and labour equality for our youth", reaffirmed the Regional ILO Director.

"It is necessary to consider full and productive employment and decent work as a main political goal, in the path towards development", added Tinoco. *(ILO News)*

## UGT has meeting with Labour Minister

UGT brings preoccupation towards validation of union affiliations to the Labour Minister



Ricardo Patah, national president of UGT, accompanied by deputies Ademir Camilo (PDT - MG) and Roberto de Lucena (PV-SP), who are also UGT vice presidents, had a meeting with Brizola Neto, Labour minister, in Brasilia, to discuss pending issues related to several affiliations of trade unions with UGT, as well as the regulation of commerce workers

Patah showed, to the minister, the importance to regulate the commerce worker profession, which will benefit more than 10 million workers all over Brazil and will definitely end the action of adventurers, interested in dividing the workers foundation, by creating ghost trade unions. Besides, the president of UGT presented a project, written by deputy Roberto de Lucena, to regulate Fishermen colonies all over the country.

The president of UGT also reported the process to validate trade unions affiliations with UGT under the ministry, which is very slow and has caused a serious problem to the trade union central and affiliated unions.

## International CONTCOP Congress releases Salvador Letter

This congress took place from January 3 to 6 in the capital of the state of Bahia, and gathered representatives from the American, European and African continents.

In the end of the I International Congress of the National Confederation of Communication and Advertising Workers - CONTCOP, an institution affiliated with UGT, participants drafted a document, the Salvador Letter, in which they point out the manifests and guidelines to be followed towards the democratization and socialization of the world communication.



[Click here and check out the Salvador Letter in full](#)



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**Campanha nacional da UGT**

**Redução de Juros dos Cartões de Crédito**

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“The União Geral dos Trabalhadores reaffirms its historic commitments to the working class, while seeking to expand its methods of action, with ethics, courage and the certainty that Brazil can be better and more just. “ Ricard Patah – UGT’s President ]

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