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# **UGT demands revocation of Measures**

UGT and trade union centrals demand revocation of measures that remove workers rights

Through a meeting that took place on January 19 and was attended by ministers Miguel Rossetto (General Secretariat of the Presidency), Carlos Gabas (Social Welfare), Nelson Barbosa (Planning) and Manoel Dias (Labour and Employment), Ricardo Patah, president of UGT, demanded the immediate revocation of the Provisional Measures 664/14 and 665/14, which restrain the access of the population and workers to social and labour rights.

The government said it could not revoke these measures, but it stated that it is open to dialogue. A new round is scheduled for the month of February, some meetings between the technical areas of trade union centrals and ministries that are involved will take place in January.



According to the ministers who attended the meeting, there will be no cuts nor reduction of labor rights with the application of the new rules, which was hardly contested by union leaders, who pointed out a number of restrictions for workers to access their rights, especially young people and those belonging to the most vulnerable sectors that suffer the high labour turnover.

After the attendees heard the explanations of ministers on the restrictive changes on social security and labor rights (such as salary bonuses, sick pay, death pension, unemployment insurance and closed season insurance), Patah was the first president of trade union centrals who spoke.

He noted that on December 8, 2014, in Brasilia, all the trade unions had a meeting with president Dilma Rousseff, they had a great impression and created a good expectation because she clearly stated her commitment to communicate, to listen, to dialogue and to negotiate any changes in labor rights of workers with trade unions.

"However", Patah said, "this good expectation was frustrated a few days later, on December 29, when these same trade union centrals that are here were called in Brasilia. Then, what the government did was to communicate only the restrictive measures without first consulting us. We did not agree with how these Provisional Measures were presented and much less with their content."

Patah said that UGT supports the sustainability of the social protection system and the fiscal balance, but this can not be done by removing workers rights and by hurting those who are currently entering the job market today, especially young people.





proposed measures



Watch the evaluation of UGT

#### >>> UGT demands immediate revocation of Provisional Measures

Armed with a document elaborated by UGT, which analyzes the Provisional Measures 664 and 665 and presents a set of proposals, Ricardo Patah said that "the search of fiscal balance can occur without reaching workers rights." He demanded urgent action from the federal government towards companies that are benefitted from payroll tax reductions by offering counterparts that are favorable to workers, such as maintenance of employment and the end of labor turnover, "a true crime against workers"!

Soon after, Patah demanded the immediate regulation of the constitutional right guaranteed in Article 239, paragraph 4, of the Constitution, which states that the financing of unemployment insurance will receive an additional contribution from companies whose turnover index exceeds the average index of the sector.

To him, "the regulation of this article will allow tackling the high labor turnover rate that exists in various sectors such as agriculture, trade, construction and others. In addition, we support the ratification of the Convention 158 of the International Labour Organization (ILO), which regulates the termination of employment at the initiative of the employer."

In addition, Patah presented a set of alternatives to the tax recovery of the State. On the expenditure side, he emphasized that it was necessary to "reduce the Selic interest rate that falls upon the public debt, since 1% of tax reduction will represent a saving of over R\$ 24 billion per year, more than R\$ 18 billion that the government wants while removing labor rights." "1% of tax reduction will represent a saving of over R\$ 24 billion per year, more than R\$ 18 billion that the government wants while removing labor rights".

Another point he stressed was the need to reduce spending on advertising, currently around R\$ 2,5 billion per year, which will reach, in four years, more than R\$ 10 billion. He was strict and emphatic in the collection of effective and quick measures by the federal government "in the fight against the plague of corruption. We can not afford it anymore. We are condemning the future of our country."

Furthermore, Patah presented concrete measures to increase recipes, among them, the regulation of the Constitutional device that establishes the creation of a tax on fortunes; the government charging the active debt (which are tributes that are owned and were not paid by physical and legal persons), and reaches amazing R\$ 1,3 trillion; the end of the exemption of the IRS on profits and dividends; the increase on tax on rural properties for unproductive lands; the creation of a tax on remittance of profits; the increase of the IRS on banks and unproductive latifundia; creation of tax on luxury goods such as yachts, motorboats, jets etc..., which are currently exempt and demanded the end of the discrepancy of the IRS table, which penalizes workers and makes rich people pay low taxes.

In the end, Patah affirmed that the trade union movement is open to negotiations, but the government should also take into consideration the agenda of workers, and reaffirmed that workers rights are non negotiable.

After the speech of Patah, the other presidents of trade union centrals spoke. They were unanimous while demanding an immediate revocation of the provisional measures. And they made a commitment while presenting alternative measures to the government.

# January 28: National Fight Day



# Trabalhadores vão às ruas

Workers take to the streets on the January 28 to perform acts and strikes in Brazil in defense of threatened rights.

Trade union centrals will step pressure on the National Congress, which must consider and vote on the measures.

A unified newspaper of the entities will convene the National Fight Day.

On February 26, trade union centrals will march to intensify the pressure..



## Mais um golpe nos trabalhadores

Especuladores estão rindo a toa com alta da taxa Selic para 12,5%

A decisão do Copom (Comitê de Política Monetária) em elevar a taxa Selic é mais um golpe do Governo contra os trabalhadores e a produção.

Essa é a primeira vez que a autoridade monetária se reúne sob o comando da nova equipe econômica, encabeçada pelos ministros da Fazenda, Joaquim Levy e do Planejamento, Nelson Barbosa. Nesse primeiro encontro os especuladores levaram a melhor, e a taxa Selic foi elevada em 0,5%, chegando a 12,5% ao ano.

O aumento é um golpe na produção e no consumo e, consequentemente, vai oprimir a economia, agravando a situação dos trabalhadores. A medida vai contra o desenvolvimento do País e a geração de emprego.

Para o trabalhador, o aumento da Selic influencia os juros cobrados em operações para compra a crédito e também leva às alturas o juro do rotativo do cartão e cheque especial.

Aumentar a taxa de juros para conter o consumo e controlar a inflação é medida adotada por quem não tem proposta para o desenvolvimento econômico do País e pratica uma política conservadora. Esse, em uma semana, depois do veto ao aumento na correção da tabela do Imposto de Renda, é o segundo golpe contra a sociedade e a classe trabalhadora e nos dá mais motivação para uma reação a altura.

#### Ricardo Patah, presidente Nacional da União Geral dos Trabalhadores



### Reunião das Centrais Sindicais na sede da CUT

### Mais imposto agravará a recessão

Para a **União Geral dos Trabalhadores**, na atual conjuntura. o aumento de impostos só vai agravar a recessão, o desemprego e impedir o desejado equilíbrio do orçamento fiscal, O aumento dos impostos, somado ao aumento dos juros, vai dificultar a recuperação da economia e aumentar o desemprego.

O coordenador de relações sindicais do Dieese, que coordena o grupo técnico de assessoria das centrais, **José Silvestre** não tem dúvida sobre a natureza das propostas apresentadas até agora pela nova equipe econômica, que incluem ainda aumento de tributos e redução de crédito, entre outros itens. "A lógica é de colocar a economia no chão", afirmou Silvestre â revista Carta Capital.

Segundo ele, as medidas têm caráter recessivo e terão impacto no mercado de trabalho. "Deve haver aumento da taxa de desemprego, uma desaceleração do ritmo de formalização e crescimento da informalidade", avalia. E o próprio governo, que espera conter gastos e aumentar a arrecadação, pode ver a sua receita diminuir.

"Você está atacando áreas e recursos que vão para parcela grande da população, que em certa medida dinamizam a economia. São medidas que vão ter um efeito não apenas conjuntural. E vão na contramão do que a gente vinha assistindo nos últimos anos", diz Silvestre.





Panorama Laboral 2014 da América Latina e do Caribe



IR table accumulates recovery

# **Unemployment will increase until 2017**

Brazil will experience 3 years of increase in unemployment, ILO predicts

Brazil will suffer an increase in unemployment during three years and this increase will stabilize in a new and higher level only in 2017. This new tendency reverts a period of improvement in the labour market and creates difficulties for social advances and for the fight against poverty.

The forecast is from the International Labour Organization (ILO), which, in its annual report on the labor market, warning that the slowdown of the Brazilian economy will have a social cost and that the expansion of credit as a form of economic growth was not something "sustainable". The high unemployment in Brazil follows a trend of increasing rate in emerging countries by 2014 seemed exempt from the global crisis.



Considering data of ILO, unemployment in Brazil increased from 6,5% in 2013 to 6,8% in 2014. This year, this rate should grow even more and reach 7,1%. Not even the Olympic Games nor the World Cup could be able to revert this tendency. In 2016 and 2017, this rate will go up to 7,3%.

This index will not reach the mark of 8% that took place in 2007. But, still, it will be well above the world average and, in 2016, unemployment in Brazil will be higher than the average of developed countries. USA and Europe were in the core of the world crisis, which affected in a major way the job market in mature economies.

Guy Rider, director general of the ILO, leaves no doubt about the situation in Brazil. "The data is disappointing," he stated. "Growth is practically zero." To him, a combination of factors explains the high unemployment in Brazil. One would be the high dependence of the country on the performance of commodities. The fall in international prices would have affected the sector and contributed to unemployment.

The report Labour Overview 2014, released on January 11 by the ILO Regional Office for Latin America and the Caribbean, shows that the economic downturn began to impact the labor market in the region. "There are warning signs," said Elizabeth Tinoco, Regional Director of the ILO, during the presentation of the report in Mexico.

The International Labour Organization (ILO) reported that the urban unemployment rate in Latin America and the Caribbean behaved in an "atypical" way in 2014, to continue to fall despite the economic downturn, but warned that the slow growth has begun to have an impact on the labor market.

### **Dilma vetoes the IRS correction**

After increasing taxes, Dilma vetoes IRS correction in 6,5%

Right after her government announced a package of tax increase, president Dilma Rousseff vetoes the text approved by the Congress which corrected in 6,5% the IRS table of physical persons.

This measure would ease the tax on salaries and other incomes, by using an index that is more compatible with last year's inflation rate, which reached 6,41%.

The administration of the PT party should promote, once again, a 4,5% adjustment of the IRS, which corresponds to the official goal of inflation - and has not been fulfilled since 2010. In practice, there will be, once more, an increase in the IRS.

This happened because workers who achieved the wage adjustment begin to pay higher aliquots.

In documents that were published in the governments Lula and FHC, the Internal Revenue Service defended this increase of the tax burden with the argument that the IRS of physical persons collects little in Brazil if compared to international patterns.

The highest aliquot of brazil, for example, is 27,5%, against, for example, 35% in Argentina and 40% in Chile. In developed countries, aliquots of 50% or higher are common. . *(Folha de São Paulo)* 



### UGT-RS makes a protest against high rates

UGT promoted an act in front of the Central Bank in Porto Alegre/Rio Grande do Sul against increases in interest rates, gathering nearly two thousand workers and retired people.

According to Norton Jubelli, secretary general of UGT/RS, the trade union central cannot do nothing while the government makes all kinds of evil things against Brazilian workers, not fulfilling all electoral promises.



### TST reaffirms precedent against outsourcing of core activity

Minister Barros Levenhagen, president of TST (Labour Supreme Court), reiterated that the goal of the court while creating precedent 331 - which hinders outsourcing of core activities - was to preserve the constitutional principles of the social value of work and labour isonomy.



While answering to questionings of minister Luís Roberto Barroso, writer at the STF of the lawsuit filed by Abag (Brazilian Association of Agribusiness), who was enquiring the legality of such measure, Levenhagen emphasizes that the precedent ensured "equality of working conditions and of wages" among workers within companies.

In the text (a true thesis), he highlights that the TST acted with the "yearning of providing an equal solution for the resolution of conflicts" involving outsourced workers and permanent employees.

Abag pleads unconstitutionality of such decisions at the Labour Court to curb illicit outsourcing. And it goes beyond by seeking the suspension of any lawsuit and even the effects of the decisions that were already made concerning the discussion of legality of outsourcing. This lawsuit was presented after a request of the Direct Unconstitutionality Action of the multinational Cenibra, aiming at exempting outsourced workers from labour responsibilities.

### 1% of the world population detain 50% of the global GDP

The accumulated wealth of 1% of the world population will be higher than the wealth of all the rest of the world. These data were presented on January 19, by Oxfam, on the eve of the World Economic Forum in Davos.

According to this institution, the wealth of 99% of the world population will be equal to all that the upper crust detains, that is, 1% of the population. For this institution, the world economic crisis that began in 2008 resulted in an "inequality boom". Currently, one out of nine people still suffers from hunger in a world that produces food for three planets and more than 1 billion people earn less than US\$ 1,25 a day.

However, what draws the attention of this institution is the fact that the wealth concentration just gets higher and higher. In 2009, 1% of the wealthiest part of the population accumulated 44% of the world GDP. In 2014, this rate reached 48% and, in 2016, it will reach 50%.

On average, each person of this elite earns an average of US\$ 2,7 millions. The other 52% of the world GDP is almost entirely in the hands of the 20% richest.

The rest of the world population - nearly 80% - must share 5,5 % of the world wealth and accumulates an income of only US\$ 3,8 thousand. This value is nearly 700 times lower than the income of the elite. *(Estadão)* 

The UGT Global is the Newsletter of International Information of the União Geral dos Trabalhadores do Brasil.

The UGT union is an organization formed to defend the Brazilian workers across a broad trade union movement, national, ethical, supportive, independent, democratic and innovative. Communications Director: Marcos Afonso de Oliveira Publisher: Mauro Ramos



Wealth: Having It All and Wanting More

Wealth: Having It All and Wanting More - Data and calculations