The fake social security deficit

Ricardo Patah, national president of União Geral dos Trabalhadores - UGT

Surely Brazil needs to make a social security reform. We agree. But our priority is not the same as the one of President Michel Temer's ministers. With a certain air of provocation, they announce that the system will only be saved with the implementation of a minimum retirement age of 65 years.

We advocate that the only viable way is the government presenting a social security budget, as determined by the Constitution of 1988. And being transparent, which is always essential.

Let me be clear, the workers are not responsible for the deficit of Social Security. They cannot pay the price, as the government wants.

If the minimum age is implemented, in the state of Alagoas, for example, where the average life expectancy is 66,8, it will mean that most people will not be able to retire. One will have to die working. An almost identical situation, with some minor differences, can also take place in Maranhão (67,6), Piauí (68,9) and Paraíba (69).

It is important to highlight that the insertion in the labor market in France, for example, starts on average at 24,5 years - therefore, after they graduated from college and chose their professions. In Brazil, a poor country with a high social inequality, people start working when they are 16 years. Since they start quite early, they do not have time to study.

Everyone knows that we are a very mismanaged country. Social Security is a proof of that. They say it is a deficit, but it is not true. The social security numbers are positive. From 2007 to 2015, they sum up a balance of R$ 439,503 billions. It is worth noting that it would be even greater if the exemptions and tax expenditures were considered, which reached R$ 735,920 billion in the same period. The thing does not stop there: the IRS projects R$ 143,182 billion in tax relief from the social security budget for this year. This money will not enter the coffers of Social Security.

The 1988 Constitution provides that the income and expenditure of social security should form its own budget, therefore separate from the government's fiscal budget. As the law is not obeyed, it all gets scrambled. It is easy to assemble a massive accounting scam.

As broadcasted in the media, the Social Security deficit has been growing for over 20 years. Last year it was R$ 85 billion. It would reach something close to R$ 150 billion in 2016. Well, the Social Security has R$ 236 billion to receive in debts. With this money, it would be possible to cover the shortfall. Another big drain is the lack of supervision to improve the management, beyond the control of the pension assets, such as real estate and other types of properties.

One of the main actions to remedy the accounts of social security, and the government itself, would be the creation of two funds: the General Social Security System and the Fiscal Management Council, with the participation of workers and employers.

There is no doubt that demographic changes need to be monitored very carefully. According to studies we had access, this window only begins to close in Brazil between 2025 and 2030. Our elderly population, according to the PNAD (National Survey by Household Sample Survey), is approximately 13%. In most developed countries, this percentage reaches 30%.

Therefore, it is not the demographic transition that is creating the current Social Security deficit. Before establishing a minimum age, we have to improve the social security management system. (Folha de São Paulo, 10/06/2016)
Defense minister visits UGT’s head office

Jungmann says government’s doors are open to dialogue with the trade union center

On October 07, Ricardo Patah, president of UGT, received the visit of Defense Minister Raul Jungmann. The meeting took place at the head office of the trade union center in São Paulo, and gathered officers from UGT and unionists from different classes.

Patah pointed out that the center has grown since its founding, back in 2007, reaching the position of second among Brazilian trade union centers in less than a decade.

"UGT reached its current position precisely because of our ability to dialogue with the government, whether it is the party A or B, and try to contribute with ideas and proposals, since we want what the government wants: a country with growth and social justice," Ricardo said.

Thus, Patah proposed narrowing the ties between UGT and the Federal Government to increase the dialogue with representatives of the working class. "We’re not here to only say ‘no’. We want to be heard because we have proposals and we believe that the fact of our country having 12 million unemployed is unacceptable."

Minister Jungmann said that UGT is a different center, since it is plural it can be faithful to the working class, having the ability to change and adapt to have free transit and talk to any government. "This is a trade union center I admire, for having the courage to change because the world is changing. It is essential to have a sovereign and critical dialogue with UGT."

"This dialogue is important politically and economically. Due to proposals that are still open or in the debate process, UGT is a very important organization," minister Jungmann said.

The meeting was attended by Waldemar Schulz Junior (Mazinho), president of UGT’s State branch of Santa Catarina; Gilberto Almeida dos Santos (Gil), president of the Union of Motorcycle Couriers; Francisco Xavier (Chiquinho), Director of the Trade Union of Drivers and Conductors; Marinaldo Medeiros, of the Commerce Workers Union of São Paulo; and the following directors of UGT: Marco Afonso de Oliveira, Francisco Pereira, José Roberto de Araújo Cunha and Wagner José de Souza, respectively in charge of the Press, Organization and Union Policies and Economic Affairs departments and first deputy of International Relations. (Fábio Ramalho – UGT’s Press)

Employment and development in the agenda

Productive Development Forum focuses on actions related to economic growth and employment

The participation of the Ministry of Labour as an effective member of the National Productive Development Forum was one of the main resolutions of the annual meeting of the organization, which was held on October 04, at the Presidential Palace. The proposal was presented by Miguel Salaberry Filho, UGT’s secretary of Institutional Relations and a member of the Workers’ bench, which is also composed of representatives of trade unions and of the Inter-Union Department of Statistics and Social Economic Studies (DIEESE).

The meeting also established that the Forum will work each theme with the goal of finding solutions. The selection of items will take into account criteria that consider the high impact on economic growth and employment; convergence of views and the possibility of building shared proposals, beyond the low fiscal cost.

The worker’s bench also issued the following proposals:

1. Each trade union center must appoint its representatives in working groups of the three topics aforementioned.

2. DIEESE will develop a proposition of problems and proposals for each working group based on documents produced by trade union centers.

3. A talk on leniency will be scheduled for next week.

4. The organ will have talks with institutions belonging to the commitment for development to check how they act.
The fight of fast food workers

UGT and Labor Prosecutor’s Office discuss methods of fight against variable working shifts

Miguel Salaberry Filho, UGT’s director of institutional relationships, represented the trade union center in a legal hearing with Ronaldo Fleury, labor prosecutor general, in the facilities of the Labor Prosecutor Office, in Brasilia, with the goal of discussing measures for the internationalization of the fight to improve working conditions of fast food employees.

The meeting is a result of the request of UGT and it followed the reference of the legal agreement signed by the Public Ministry of Labor (MPT) and by Arcos Dorados, the largest franchisee of the McDonald's in the world, which forced the company to put an end to the practice of variable shifts in its stores.

The intention of UGT is to get the end of variable shifts in the agenda of the International Labour Organization (ILO). The trade union center plans to present a document on the issue and appealed to the MPT, since it already has the participation of the SEIU (Service Employees International Union), which is a North American union representing workers in the service sector. At the time, Virginia Coughlin and Heloisa Reinert, from SEIU, attended the meeting at the Labor Prosecutor’s Office.

In the document, MPT shows that the system adopted by many companies violates several ILO conventions. Attorney Leonardo Osorio Mendonça is the author of the civil action that led to the plea agreement in Brazil against variable shifts, signed in 2013. Given the relevance of the theme, the attorney general emphasized the importance of reports that result from the action the unions, “although the ILO is urged to follow up the discussion,” Mendonça said.

Concerning the supervision of a legal agreement, a working group composed of five attorney generals and an expert is electronically analyzing nearly 200 thousand documents related to working shifts of 40 thousand employees of Arcos Dourados during five months of 2015.

UGT reported Grêmio soccer team to ILO

On the opportunity, Salaberry rightfully informed the attorney general about execution that the Union of Employees in Clubs and Sports Associations of Rio Grande do Sul (SECEFERGS), an organization which he presided, is performing over the process in which the entity REPORTS Gremio FBPA for anti-unionist practices, providing information about the procedure with the ILO to the attorney general.

Two days after the meeting with PGT, the unionist celebrated the sentence issued on September 30, by Judge Valdete Souto Severo, from the Regional Labor Court of the 4th Region (TRT4), in which an unmotivated dismissal of union leaders was annulled and considered an anti-unionist practice.

UGT attends 2nd IndustriALL Global Union Congress

UGT, represented by Cassia Bufelli and Josi Camargo Souza, from the Trade Union of Clothing and Embroidery Industries from Ibitinga and Surrounding Area (Sintracobi), participated in the 2nd Congress of IndustriALL Global Union in Rio January, 3 to 7 October.

This event brought together more than 101 countries represented by trade union delegations that are discussing important issues such as an end to precarious work, defense of labor rights, sustainable industrial jobs and the construction of stronger unions.

According to Cássia, the Brazilian trade union movement is experiencing an extremely adverse period, having to face a largely conservative Congress that tries, at all costs, to remove rights achieved by the people. "All it takes is studying the report of the Inter-Union Parliamentary Advisory Department (DIAP), which showed 55 projects being processed in the House or Senate that remove social and labor rights."

Josi emphasized that, at the moment, the key word is union among trade unions and trade union center, since this is the only way to continue to fight for a more just and equal society. (Fábio Ramalho – UGT’s Press)
25th Commerce Workers Conference

Plenary session approved deliberations of the 25th Commerce Workers Conference

Marcia Caldas, executive coordinator of the 25th Commerce Workers Conference, next to Luiz Carlos Motta, president of Fecomerciários and general coordinator of the conference, submitted deliberations of the conference to the plenary. They were unanimously approved.

Resolutions of the 25th Commerce Workers Conference of the State of São Paulo

**Ending violence against women**

SINPOSPETRO – Campinas/SP will implement a Trade Union Core to Tackle Violence Against Woman

On October 7, the implementation of the "Trade Union Support Core of Women Victims of Violence and Gender Equality", idea led by the Trade Union of Workers in Gas Stations Fuel and Convenience Stores of Campinas and region (Sinpospetro-Campinas/SP), an organization affiliated to UGT, was discussed at the head office of the trade union.

The meeting was mediated by Francisco Soares de Souza, president of the National Federation of Gas Station Attendants (Fenepospetro), and of the trade union of Campinas/SP, which has a grassroots of approximately five thousand workers and brings A contingent of almost two thousand female representatives.

**Commerce Workers of São Paulo take Pink October Walk**

Brazil is paradise of super rich, says study of UN

In proportion to their income, the super rich Brazilians pay less tax a typical middle-class citizen. This is one of the article's conclusions published in December by the International Policy Centre for Inclusive Growth (IPC-IG), linked to the United Nations Development Programme (UNDP).

According to the survey, this happens because about two-thirds of the income of the super-rich is exempt from any tax incidence due to the exemption of profits and dividends distributed by companies to their partners and shareholders. Out of the 71,000 super-rich Brazilians, about 50,000 received dividends in 2013 and did not pay any taxes for them.

Access the summarized article by clicking here.