

#### **TRADE UNION INFORMATION BULLETIN**

YEAR 8 Nº 178

**FEBRUARY 03, 2016** 



Inside this number:

Dialogue to tackle the crisis

"Lowering interest rates to increase employment"

Brazil: 10 million unemployed workers?

02

03

UGT is at the World Social Forum

Moral Harassment: This 03 Ghost Does exist

Union Reporter with UGT's 04 economist

Tribute to 15 years of the WSF 04

Scandal of work hidden 04



Exportar para empregar: uma proposta da UGT para a crise

# Dialogue to tackle the crisis

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

Last week, the relaunching of the Council of Social and Economic Development (CDES) took place in Brasilia. I attended the first meeting and represented UGT, with Eleuza de Cassia Bufelli Macari, secretary of UGT's Women Department.



The government, in an effort to revive the economy, announced measures to stimulate the credit offer that may reach R\$ 83 billion. They are lines of credit of BNDES, Bank of Brazil and Caixa for working purchase capital, for of agricultural inputs, housing and foreign trade. The main tool of the plan will be FGTS (severance indemnity fund), which represents almost R\$ 50 billion of workers' savings.

One of the proposals is allowing that these workers use the 40% fine paid by the employers in case of termination without cause and 10% out of the fund itself in guarantee in payroll linked loans, lowering the interest rate of these loans. Through the calculations of the government the amount of credit created will be R\$ 17 billion, if 10% of the workers entitled to resources of FGTS use this money as a guarantee.

I reiterate the statements I gave to the newspaper A Tarde: "As a worker, I do not think it is adequate to take resources from FGTS to stimulate credit. I am not sure this is the role of the fund. I disagree. It would be more adequate to reduce the compulsory fee of banks from 33% down to 20%, for instances."

UGT has foreboded the adoption of measures to stimulate economy with the goal of creating more employment. In this sense, the proposals announced by Nelson Barbosa, finance minister, are admirable.

Credit is, indeed, necessary, but it should not be achieved by using money from FGTS, especially such high amounts. This is not cautious. We are, therefore, aware of this issue.

President Dilma Rousseff ended the meeting by making a plea so that all "earnestly reflect on the exceptional feature of the moment" and support the re-creation of CPMF (Provisional Contribution on Financial Transactions). She also asked for support on the Social Security Reform.

UGT is fully aware of difficulties of the moment and it has always been open to dialogue in search of solutions for Brazilian problems and, especially, to reactivate economy and take Brazil out of recession.

UGT has presented proposals in this sense at all forums it attends, either jointly with other Brazilian trade union centers representing a unitary position of the working class, either singly using studies and suggestions of its advisory staff, such as the proposal "Exporting to Employ."

UGT hopes that the statement of president Dilma of being "completely available to dialogue, as well as her ministers, is effective because dialogue is the main tool of the trade union center for the defense of the interests of the working class and we are, and will always be, completely open to search for solutions for the Brazilian problems





DIEESE: Por que a inflação não cai, com o país em recessão?

# "Lowering interest rates to increase employment"

On January 19, the pressure put by UGT, and by other trade union centers, at Paulista Avenue in front of the building of the Central Bank against the policy of increasing the interest rate had a practical result, because the Central Bank ended up keeping the Selic rate at 14.25%.

UGT participated in a major act that gathered five trade union centers and the student movement in front of the Central Bank. This protest was against the policy of increasing the interest rate to "detain" inflation, which was adopted by the government and currently established the rate at 14.75 per year.

With CUT, CGTB, CTB, Nova Central and Força Sindical, UGT demanded the end of the actions adopted by the federal government of increasing the basic interest rate in Brazil.



"Those who profit from high interest rates are bankers and we cannot accept that anymore. This protest shows that trade union centers and trade unions that are here do not agree with this measure, because it represents the exploration of the working class," Canindé Pegado, UGT's secretary general, said.

The protest was also attended by trade unions affiliated with UGT that represent several professional classes, such as: Commerce Workers Union of São Paulo, trade union of bakers, Fecomerciários, Sindbast, Sincab, Sintratel, Sintrafarma and Sinpefesp.

At the end, Canindé Pegado congratulated all institutions for their mobilization and emphasized that it is necessary to intensify the fight against these measures that are directly strangling the Brazilian economy, increasing the process of deindustrialization, creating unemployment and inflation.

## Brazil: 10 million unemployed workers?

On January 19, the International Labor Organization publicized a report on the world unemployment predicting that Brazil will have 8.4 million unemployed workers at the end of 2016, adding 700 thousand unemployed to the 7.7 million reached last year. This way, the unemployment rate will go from 7.2% to 7.7%, only stabilizing itself in 2017.

According to ILO estimates, this will be one of the highest rises on the unemployment level worldwide. On the same day, the newspaper Valor publicized an article by Delfim Netto with an alarming prediction. The ex-minister and prestigious economist used information from IBGE, which stated that the unemployment level reached 8.9% in the third semester of 2015, and predicted that "Brazil is at risk of having 10 million unemployed workers this March", asking for a settlement between the executive and legislative to avoid this catastrophe.

This week, Miguel Rossetto, minister of Labor and Social Security, announced data related to unemployment in 2015, based on General Record of Employed and Unemployed Workers (Caged). The loss of jobs in December increased the total amount in 2015 to 1.54 million formal jobs destroyed. There was a major reduction in the processing industry (608 thousand) and in civil construction (416 thousand), which correspond to an important share of the reduction of job positions in 2015. In the service area, almost 276 thousand positions were terminated. With 500 thousand terminations, São Paulo was the State that lost most positions, followed by Minas Gerais and Rio.

The minister emphasized the fact that "last year's achievements were not destroyed", since the decline represented 3.74% of formal jobs. To the minister the 39.6 million job positions that remained (2012 level) endorse optimism.

The views of the current Finance minister and the former diverge. It couldn't be any different. However, it is worth it to highlight the correct statement and warning of former minister Delfim Netto:

"The worse waste that can happen in a civilized society is unemployment. Each time a person who can and wants to work, but does not find one, this person is left out of society. (...) They suffer from lowering their social status and what is left for them, if they are lucky, is the opportunity to belong to the ghetto of those who are willing to accept a wage that is below their qualification. At the end of the day, they lost part of their identity and destroyed their family."





Fórum Social Mundial 15 Anos

# UGT is at the World Social Forum

**The World Social Forum (WSF) 2016**, under the theme "Peace, Democracy and the Rights of the People and the Planet" took place on January 19 to 23, with an active presence of UGT, in Porto Alegre, State of Rio Grande do Sul. An inter-religions act for peace and tolerance of people, at the Legislative Body of the State, and a walk (in the picture) marked the first day.



On January 20, UGT held the seminar "Public Policies for Migrant Workers." It took place at the head office of the Trade Union of Workers of Civil Construction Industry (STICC) and nearly 150 people attended its debate. The event was also attended by 40 migrant workers and was organized through a partnership with UGT's State branch of Rio Grande do Sul.

To Celso Santana, president of STICC, the participation of UGT in activities as this one shows the commitment in taking care of both Brazilian and foreigner workers. "These people are helping on the development of this country. This event is taking place exactly to get the government and governors to be aware of public policies for migrants, in order for them to have equal opportunities. Migrants were responsible for conquering the world and there are still a lot of them. UGT is engaged in this project because it searches for a civic unionism, which is: decent work, respect and dignity of people," Santana emphasized.

On January 22, through a seminar, UGT was back on discussion, this time on the theme Migrations and Decent Work, with the trade union centers NCTB, CTB and CUT, at the Parque da Redenção in Porto Alegre.

In the afternoon, the "Theme Social Forum of Older Persons – Overview, challenges and perspective: another possible world is possible" started, which continued until January 24. There were six panels that discussed the issue of older persons, which, according to IBGE, Brazilian Institute of Geography and Statistics, in 2050 will be higher than the population of children and teenagers aged up to 15 years old. Tadeu Amaral, representing UGT and the Trade Union of Older Persons, attended the table. (Mariana Veltri –UGT's press)

## Moral Harassment: This Ghost Does exist

UGT's event at the World Social Forum on moral harassment has major impact. Launching of the campaign against moral harassment marked the presence of UGT at the World Social Forum 2016.



UGT's State branch of Rio Grande do Sul attended all activities and was distinguished by the launching of the campaign against moral harassment. There were papers on trees with the saying "This Ghost Does Exist".

With the plenary session of the legislative body full, UGT held the seminar "The Role of Workers in a Democratic Society". The event started at 1:00 P.M. and was supposed to last an hour, but ended up lasting until the end of the afternoon. And UGT's booklet against moral harassment in the workplace was released.

According to Cícero Pereira, financial director of Semirg, this event was the perfect place for a discussion on the role of workers in the contemporary society and how to fight against moral harassment inside companies.



### Trade Union Reporter receive the visit of UGT's economist

On January 19, Eduardo Rocha, economist, trade union advisor and militant of the left wing, gave an interview at the show Trade Union Reporter, at the Trade Union Agency TV Station.



Currently, Rocha is an economist at UGT and has coordinated the elaboration of the main documents of the trade union center. One of his recent works is about the tax reform, "under the view of workers, therefore, far from the current adjustment of the government."

He was already member of the staff of Dieese and was the third interviewee of the series "Unionism and Economy." The Trade Union theme Reporter aims to highlight the importance of economic concepts for officers and militants of unionism.

### Tribute to 15 years of the World Social Forum



Post Office launches commemorative stamp for the 15 years of the World Social Forum

The Brazilian post office launched, this week, a commemorative stamp on the occasion of the 15th anniversary of the World Social Forum, which takes place in Porto Alegre. The stamp also pays tribute to UGT, trade union Center that represents 8 million workers and more than 1,300 trade unions.

Sidnei Corral, UGT's secretary of Integration to the Americas, attended the launching of the commemorative stamp – a partnership of UGT and the post office. A series of stamps with the logotype of the WSF and of UGT was made, and the first letter was an invitation to the Forum sent by UGT's president.

### Scandal of work hidden in major multinational companies

New report of the International Trade Union Confederation – ITUC – exposes the hidden workforce of 116 million in global supply chains of fifty major multinational companies. They employ only 6% of people in a direct relationship and depend on an invisible workforce of 94%, according to the ITUC research.

"Just 50 companies including Samsung, Mcdonalds and Nestlé have a combined revenue of US\$ 3.4 trillion and the power to reduce inequality. Instead they have built a business model on a massive hidden workforce of 116 million people," said Sharan Burrow, ITUC General Secretary.

"Sixty per cent of global trade in the real economy is dependent on the supply chains of our major corporations, which uses a business model based on exploitation and abuse of human rights in supply chains," added Burrow.



The ITUC report Scandal Inside the global supply chains of 50 top companies released on the eve of the World Economic Forum in Davos exposes an unsustainable business model, with a global footprint that covers almost every country in the world and profiles 25 companies with headquarters in Asia, Europe and the United States.

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

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



Scandal Inside the global supply chains of 50 top companies