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## UGT defends CPMF tax against establishment of minimum age for retirement

**União Geral dos Trabalhadores (UGT)** is following up close the economic situation of our country and the several proposals that were made by the government of the acting president Michel Temer. Many of them go against the thought of the trade union center and directly affect the working class and the rights they achieved, which we cannot accept as a solution.

The change in the social security and tax system, for example, following the patterns of what the government has announced, will be a disaster for workers, especially because it damages the poorest ones, women and those who started to work earlier. UGT is against the minimum age for retirement, and it also does not agree with changes that hit those who are already in the system.

According to the available numbers, the fact that the Social Security is accumulating deficits is undeniable, and they compromise the future of those who will retire. Workers are not the ones to be blamed for that. The financing system is poorly designed and distorted. Most of the defrayal of a system that mixes social security and social assistance in the same general regime comes out of the pockets of formal workers from the private economy sector. This regime is valid to distribute benefits, but it is not to define who pays the price for it.

Social security is an essential mechanism for our society, since it shelters those who did not have the opportunity to regularly contribute as unsalaried rural workers, fishermen and many others who have contributed with their work to the growth of Brazil. The question is how to clearly define where will the resources to pay the achieved rights come from?

The Brazilian tax system is regressive concerning individual incomes. It is voracious and damages workers salaries. Those who earn less pay relatively more taxes than those who earn more. Thus, we cannot support the creation of more taxes that suppress the purchasing power of the population, which directly affects the Brazilian economy, increasing the serious problem of the bad income distribution, among other factors that will be unfolded in a domino effect.

In order to avoid a punishment, of those who are already so damaged, UGT supports the creation of a progressive tax, that is, those who earn more, pay more, which should be charged of financial operations, with a total exemption for workers rights and retired workers gains, which should be protected by the salary and benefit account.

Something as the old CPMF tax, though worn out but with a certain destiny would cover the deficit of the social security. This way, changes in the minimum age would not be required nor would they damage those who are already in the system.

As a counterpart, the trade union center suggests the elimination of COFINS (Contribution for Social Security Financing), implemented by the Complementary Law 70, of December 30, 1991, which is applied on everything we buy or hire. Thus, what UGT defends is a tax for those who earn more and move more money, eliminating the tax that hits everyone and that, in practice, damages only those who earn less.

UGT, by taking a position to recreate the CPMF tax, or a similar tax, is not adhering to a different ideal. Even before the current tax and political crisis, at the III UGT's National Congress, which took place in June 2015, the trade union center approved a resolution defending taxing financial movements. This resolution is in full force.



## UGT gathers board of executives

Meeting of UGT's board of executives discusses CPMF tax and proposals of joining other trade union centers.

UGT held, in São Paulo, a meeting with presidents of UGT's State branches.



This meeting's agenda focused on discussing the rumors that were spread by the press, such as the alliance between UGT and other trade union centers, as well as clearing out the position of the center and the reasons that made it propose a tax specifically created to finance social

According to Ricardo Patah, UGT's national president, a lot of information that was spread by the major press is untrue, especially concerning a possible merge with the trade union center Força Sindical. Patah emphasized that unlike what was published by the press, this "union" was nothing but an informal talk, currently more designed in the sense of strengthening the action of the trade union centers through unitary fight ideals, but while looking at the future, he perceives this possible merge with good perspectives.

As for the defense of UGT for the creation of a specific tax to finance social security, Canindé Pegado, UGT's secretary general, summarized it in one sentence. "If I have to consider what is written in newspapers, saying that UGT defends the return of the CPMF tax, I am completely against it".

Pegado highlighted that once again the communication means published mistaken issues, since UGT defends the end of COFINS, a tax that affects the entire population and is more harmful for those who earn less. He suggested replacing this tax by CPMF and by taxing major fortunes to finance social security, especially concerning the assistance given to classes such as rural workers and fishermen.

With these proposals, UGT tries to face measures presented by the government of the acting president Michel Temer, which have the goal of equalizing the time of work among men and women, besides the creation of a minimum age to request retirement.

"We are against these measures. How can we match the time of services between men and women if the latter earn less than them to perform the same work? If they are more harassed and usually fulfill double or even triple shifts?" Patah questioned. A minimum retirement age represents a sort of discrimination against the poorest population. "Poor will be the most damaged by a measure as this one. There are many people who start to work at a young age, sometimes when they are 14, this happens to the poorest ones, in the medium class there is no such thing, or they do what they can to prevent that from happening," he said. (*Fábio Ramalho – UGT's press*)

## UGT defends progressive taxation

The Brazilian taxation system is regressive concerning individual income, that is, it is voracious and harms the worker's salary. Those who make less money pay relatively more taxes than those who earn more. This way, we cannot support the creation of more taxes that might strangle the purchasing power of the population, which directly affects the Brazilian economy, increases the serious problem of bad income distribution among other factors that, via domino effect, will be unfolded.

Thus, UGT supports the creation of a progressive tax, that is, those who make more money pay more, which should be charged by financial operations and exempting the workers salaries, which will be protected by their salary accounts, this same system will be adopted by retired workers. Something like the old CPMF tax, though following the regressive taxation.

As a counterpart, the trade union center suggests the elimination of COFINS, Contribution for Social Security Financing, instituted by the Complementary Law 70 of 12/30/1991, which levies on everything that we buy or hire.

Thus, what UGT defends is a tax for those who make more money and eliminate the one that levies on everyone, damaging those who earn less, which is COFINS.



– 1º DE MAIO –  
PELO  
PROTAGONISMO  
DOS TRABALHADORES  
NA CONSTRUÇÃO DE  
UM PROJETO PARA  
O BRASIL

UGT defends  
growth and  
workers' rights



## Ronaldo Nogueira at UGT

Presidents of UGT's State branches from all over Brazil receive the visit of Labor Minister

UGT, following the watchword of strengthening the Labor Ministry and the rescue of dignity of the working class, received the visit of Ronaldo Nogueira, Labor Minister, in São Paulo, on May 25, who was hosted by Ricardo Patah, UGT's leader, and by several presidents of UGT's State branches.

The minister, while beginning his speech, emphasized that, while he is leading the ministry, the working class will not be surprised by any kind of proposal that modifies the current relationship between capital and work without consulting the trade union movement. "I will not betray workers," the minister said.

Ronaldo, who voted against the Law Project 4,330, which makes labor relationships precarious, stated that he is favorable to the regulation of outsourcing, since it is a reality currently experienced by Brazilians, though he is against the way it was submitted to the Senate.

"Outsourcing is currently in the daily lives of the population, but the way it was presented it does not protect workers who, many times, are damaged in their contracts, which requires an urgent regulation".



Ricardo Patah covered two main concerns of the trade union center regarding the change of ministers. First, the president of UGT emphasized the need to strengthen the Labor Ministry to increase measures that effectively search to face unemployment aiming at the professional qualification of these people, which could take place through the opening of new job positions.

Patah also highlighted that it is necessary to evaluate the criteria of trade union measurement, since the current system gives the possibility of these institutions recording wrong numbers. "There are trade unions in small towns that have more affiliate workers than the number of inhabitants of the respective towns," he said.

Nogueira said that one of the guidelines of acting president Michel Temes is that it may increase the dialogue with workers, thus one of the first measures to be adopted in his government will be the creation of a workgroup to evaluate all the issues that involve the trade union movement. "In this group we will be able to discuss the regulation of what is under the Constitution and covers unionism, trying to form a milestone of the trade union movement". (Fábio Ramalho – UGT's press/ Photo: FH Mendes)

## UGT attends congress in the USA

On May 20, Ricardo Patah, UGT's national president, attended a meeting with Gary Casteel, secretary-treasurer of United Automobile Workers (UAW), an institution based in Detroit, in the USA.



During the meeting, some actions were discussed such as the ones that will be developed in Brazil during the Olympic Games to reinforce the complaint against the Nissan assembly plant for the anti-unionist practices that it performs in the Mississippi plant, in the USA, in which workers are prohibited to affiliate with their union, besides the discrimination related to lower wages paid to black workers. Nissan is presided by Carlos Gross, Brazilian, who stated to be against the anti-unionist action in the corporation he leads.

Patah is in Detroit following Moacyr Pereira, UGT's finance secretary, who is in the city to attend the SEIU congress, which will last until May 24, with other directors of the trade union center.

SEIU - Service Employers International Union – gathers employees in the service sector in the United States and Canada who are struggling for a minimum wage of US\$ 15 per hour.



## Gilberto Kassab received UGT

UGT's unionists attend meeting with the minister of Communications



Unionists from UGT attended a meeting with Gilberto Kassab, minister of Communications, to discuss issues related to the situation of workers of the communication area directly connected to the ministry, such as post office, telephony and TV.

The following people were at the meeting: Francisco Canindé Pegado do Nascimento, UGT's secretary general and president of the National Trade Union of Workers of the System of Workers of Cable TV; José Tadeu de Oliveira Castelo Branco, president of the Trade Union of Workers of Companies that Perform Services for Cable TV in the State of São Paulo; José Aparecido Gimenes Gandara, president of the Trade Union of Post Office Workers; Francisco Pereira de Souza Filho – UGT's National Secretary of Trade Union Association and President of the Trade Union of Bakers of São Paulo; Gilberto Rodrigues Dourado, president of the National Confederation of Communication and Advertising Workers.

## Major success in the course of communication and oratory

The evaluation of the participants of the 2nd Course of Communication and Oratory promoted by UGT's State branch of Rio, which took place on May 18-20, was extremely positive.

The course took place at the Country Club of the Trade Union of Insurance Professionals, in Teresópolis, highland area of Rio, not only representing a unique opportunity of strengthening the representation of workers, but also a moment to exchange knowledge, understanding and to display affection.



Teachers Erledes Elias da Silveira and Luciana Helena do Nascimento gave the course, which is part of the Program of UGT's Political-Trade Union Education and has the goal of better understanding the process of communication and evaluating its importance as a political strategy to produce knowledge and discussion in the trade union environment.

The course consisted of text reading, group dynamics and presentations of approaches such as the history of communication and oratory, a reflection on the role of the trade union movement in society, communication techniques, stages of speech, flaws in communication, among others. *(Luiza Felix – Communication Department of UGT's State branch of Rio)*

## Global Slavery Index

"In 2016, we estimate that 45.8 million people are in some form of modern slavery in 167 countries. This estimate draws on data from random sample, nationally representative surveys conducted by Gallup".

At least 45.8 million people are currently enslaved, according to a report of the NGO Walk Free Foundation, published on May 30.

The Global Slavery Index estimates that Brazil has 161 thousand enslaved people. Compared to the population of the country, this country has a low incidence (0.078%), better than its neighboring countries. Taking this index into consideration, it is in the 151st position among 167 nations. In the Americas, it is only behind the USA and Canada.

Five countries of the world (India, China, Pakistan, Bangladesh and Uzbekistan) host 58% of the total of enslaved workers. India itself is home to 18.4 million enslaved workers.



Global Slavery Index

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.

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