



Global



UNIÃO GERAL DOS TRABALHADORES

Sindicalismo Cidadão, Ético e Inovador

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UGT: Five years building a new unionism

"UGT, a civic trade union central, in which ethics is not only a concept, but rather a daily exercise whether in the relationship with workers, businessmen and governments. And innovative, since it acts in areas that were, until then, ignored by unionism, focusing on actions in the defense of excluded people and classes that lived in the verve of the labour world".

That was how the trade union leader Ricardo Patah justified the expressions "**Civic, Ethical and Innovative**", that are the base under which UGT was founded five years ago.

To **Ricardo Patah**, who presides the trade union central since its foundation, and in July 2011, during the 2nd National Congress of the institution, was reelected to this position, during the past five years, UGT has acted as the key player of important achievements that not only benefit workers, but society as a whole.

"We may list several actions that were led by UGT, such as the recovery of losses of the FGTS - Government Severance Indemnity Fund for Employees. We led a campaign along with the National Congress for a review in the legislation that regulates the fund."

"The accumulated loss reaches R\$ 58 billion since 2002. It isn't possible to accept that the FGTS remains with an adjustment below inflation and that workers continue to accumulate losses. FGTS is a heritage of workers and they should receive financial returns adequate to their investment", defends Patah.



Patah makes a speech at the House of Representatives, in Brasilia

Besides the FGTS issue, other issues were part of our actions over these 5 years. Issues that range from the end of the social security factor, 40 hour weekly working shifts, quota for disabled workers, informal economy, violence against women, child labour, outsourcing, environmental, artisanal fishery, regulation of commerce workers, just to name a few, emphasized Patah.

Abusive interest rates

We are also pioneers in the fight for a reduction in the interest rates in our country. The Selic rate, currently set to 7,5% has already reached levels higher than 12%. This reduction is, as well, an achievement of the working class. We also started a national campaign against the exorbitant credit card interest rates. Data from the National Association of Finance Executives point out that credit card companies adopt 10,69% monthly average rates in revolving credit, which is equal to 238,3% per year, reaching, in some cases, stratospheric figures of over 400% per year. >>>

Congressmen pay tribute to five years of trade union organization

Deputies and unionists celebrated, through a solemn session at the Chamber, these five years of the foundation of the third largest institution that represents workers in Brazil, UGT. The occasion was proposed by the deputy Roberto de Lucena (PV-SP), national vice president of the trade union central.

Created in 2007, from a merge of three trade union centrals, UGT aggregates more than 1,5 thousand trade union centrals and represents nearly 7 million workers from several sectors of economy, either in the rural and urban areas.



Gilberto Kassab, mayor of Sao Paulo, participated in tribute to UGT (watch the video)

"UGT has a commitment to the working class, but, above all, to the human being", Lucena emphasized, by quoting principles of this institution, such as the fight against slave and child labour. "We must line up the fight for a satisfaction of economic interests with the fight of the working class for more decent and human life and labour conditions", he said.

Lucena highlighted the role of UGT in the professional regulation of commerce workers and the support of this institution to the Proposal of Constitutional Amendment (PEC 438/01) that expropriates lands in which a government supervisor detected the existence of slave work.

Free association - the president of the chamber, **Marco Maio**, through a speech that was read during the tribute, defended the right to free professional or trade union association, with no interference from the State, as one of the highest achievements of the Brazilian people.

UGT participates, through accords, in other trade union centrals in Latin America and in countries such as the United States, China, Italy and Israel, among others, besides acting as member of the **International Trade Union Confederation**, which head office is in Brussels, and member of the **Trade Union Confederation of the Americas**. (*Jornal da Câmara, 18.09.2012*)

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"This is truly an assault practiced by credit cards companies against the salary of the medium class - which is the foundation of the consumption pyramid -, composed of an important part of workers and retired workers, that resort to credit cards and end up being massacred by an abusive charge of interest rates", stated Patah.

Propositional actions and rescue of History

The president also emphasized the propositional work of UGT over these five years, quoting, for example, the document "A Brazil that we want" (**O Brasil que nós queremos**), a democratic agenda of sustainable development with a valorization of work and production, in which UGT presents its contribution to the construction of a minimum government platform that answers the needs and wishes of the Brazilian society. This document was presented during UGT's plenary session of July 2010, and sent to the presidential candidates at the time.

Following this line of thought, Patah talked about the national release of the book and DVD of the UGT-FAAP seminar entitled: "100 Years of the Trade Union Movement in Brazil: A Historical Overview and Future Challenges" (**100 Anos de Movimento Sindical no Brasil: Balanço Histórico e Desafios Futuros**), through the cycle of debates: "A Development Agenda for Brazil".

"That is UGT thinking and presenting proposals for our country, the result of this work is reflected in numbers presented by the trade union central, that, over these last five years already surpassed the mark of a thousand trade union affiliated institutions, representing a universe of nearly 7,5 million workers. We might grow even more and surely we will grow as we remain faithful to our roots and always practicing a civic, ethical and innovative unionism", the national president of UGT ended (*Joacir Gonçalves UGT newsroom*)

"Unacceptable"

UGT considers unacceptable any change that reduces workers rights

To **Canindé Pegado, general secretary of UGT**, "though the intention of reducing the deficit of the Workers Support Fund (FAT) is good, any change that implies on the loss of workers rights is unacceptable". To Pegado, the proposals of trade union centrals against employment turnover, especially the legal ratification of ILO Convention 158, will bring a higher relief to FAT than any sacrifice to workers rights".



According to the newspaper Folha de S.Paulo, the government intends to make changes in the unemployment insurance. One of the proposals that is being discussed, according to the newspaper, is to increase from six to eight months the minimum amount of worked time, during 36 months prior to their dismissal, for a worker to be eligible to the unemployment insurance.

Another idea is to toughen rules to pay the special pay increase, called 14th salary. Besides, the governor wants to make stricter the insurance for those that try to file for the benefit more than once. Recently, the payment was conditioned by a enrollment in professionalizing courses for those that are applying for the insurance for the third time in ten years.

According to Folha, the government is studying how to reduce expenses with the pay increase, which are equal to the minimum wage and paid to workers with low incomes, giving a benefit proportional to the time worked in the previous year. Only those who were employed the entire year are eligible to receive the full amount. There are also studies to end the special pay increase, through the argument that it was created to compensate the low value of the minimum wage and, with recent adjustment higher than inflation, it became unnecessary.

Against Employment Turnover

UGT had a meeting with the other trade union centrals - CTB, CGTB, CUT, Força Sindical and Nova Central – and with the Inter Union Department of Socioeconomic Studies (DIEESE) to present the document "Proposals to end the high Brazilian Job Turnover" (**Propostas para combater a alta rotatividade do mercado de trabalho brasileiro**) to the press, this document should be sent to the Federal Government.

The proposals are based **on a study of Dieese through an accord with the Labour and Employment Ministry (MTE)** that shows, among other things, that from 2003 to 2009, the total amount of employment bonds increased from 41.9 million to 61.1 million, at the same time that the number of dismissed workers increased from 12.2 million in 2003 to 19.9 million in 2009.

One of the proposals presented by the trade union centrals is the creation of a fund financed by the additional financial allocation of 10% on the FGTS fine, created to compensate workers losses through government economic plans. Thus, if a company shows economic difficulties, it might negotiate the reduction of working hours for shift work or the suspension of work, and workers would start being remunerated by the fund. This system is based on the one used in Germany (**Kurzarbeit**).

Another proposal presented, and considered, by the president of the institution, **Ricardo Patah**, as one of the most important ones, is the legal ratification of ILO Convention 158, that demands that the hiring company is to previously communicate to workers and unions the reasons of the dismissals, making it possible for the trade union to search for alternative solutions for mass dismissals.

Ricardo Patah said that it is astonishing the fact that, although all measures were applied by the government, for example the decrease in the IPI tax, there is still an increase on the employment turnover levels. He also said that most trade unions that are affiliated with UGT, which are the base of the pyramid, are part of the areas that suffer the most with the vulnerability of job positions, such as commerce and services. (*Giselle Corrêa- UGT*)

Five years building a new unionism

UGT is global !

Marcos Afonso de Oliveira, secretary of UGT's Department of Publicizing and Communication

UGT Global, the newsletter of national and international information of UGT reaches, through this issue, its 100th issue. That is a reason to be proud of for the community of UGT, including its leaders, workers and affiliates.



The first issue of the newsletter came out in March 2008, entitled "UGT is global". The presentation reminded that the creation of the newsletter answered a "need that the advent of globalization imposes on the trade union movement - since it is no longer possible to deal with problems that the Brazilian workers face without a higher integration among workers all over the world".

UGT, that was recently founded, on July 25, 2007, through the merge of three Brazilian trade union centrals - CGT, SDS and CAT, besides an expressive group of independent trade unions - had the qualification to state: "our response to the risks and benefits of globalization is the same response that we gave to the problems that Brazilian workers face daily: searching for the union of all."

Global News, since its first issues, was released in English and Spanish. That was a great effort of resources for the recently created institution. But that shows the will of UGT to join workers all over the world.

Its effort and investment of resources currently reflect not only on Global News, that continues to be edited in three languages, but also on its presence in the direction of the most important trade union institutions of the Americas. Its vice-president, Laerte Teixeira da Costa, is secretary of the Social Policies Department of the Trade Union Confederation of the Americas and its secretary of Public Policies, Valdir Vicente de Barros, is the general secretary of the Coordinator of Trade Union Centrals of the Southern Cone (CCSCS).

Now is the time to present our gratitude towards the **Press Department of UGT**: its editor, the veteran journalist **Mauro Ramos**; towards the journalists **Antonio Castro**, **Joacir Gonçalves**, **Fábio Ramalho**, **Giselle Corrêa**, **Mariana Veltri**,; and the veteran professional **Marco Roza** as well.

Labour minister receives the leaders from UGT

Through a meeting with the Labour minister, Brizola Neto, that took place in Brasilia, on September 25, and was attended by the national president of UGT, **Ricardo Patah**, and leaders from this institution, among them the **general secretary Canindé Pegado** and Miguel Salaberry Filho, issues related to the Fishermen Colony, Rural Workers, Public Servants and the Co-ops Law were discussed.

Regarding the issue involving fishermen, the minister Brizola Neto assured the leaders of UGT that a workgroup with members of the Fishing Ministry, Labour Ministry and other trade union centrals will be created, to discuss problems of the class, most of them represented by UGT.

As for rural workers, the minister assured that the National Labour Council had a meeting to solve this issue and that the solution that would come out of this meeting should be presented to UGT.

The polemical issue that involves public servants, that are divided among city, state and federal servants was also a topic discussed, the minister said that a workgroup with the trade union centrals that represent these workers will be created, in order to point out a solution for the problems of this class.

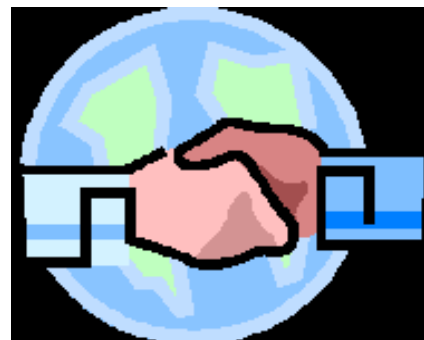
One of the most sensitive topics of the meeting concerned the Co-ops Law, signed by the president Dilma in July. The text displeased workers and, according to unionists, it should be reviewed in order to maintain achieved workers rights. Brizola Neto said that this is an issue that is being discussed by the Labour Ministry and that, soon, workers will be called to discuss this issue once again.

A respectable bank

Is it possible for banks to devote themselves to the financial welfare of workers and still survive financial crises? The ILO looks at the Rokin Bank, a union-led cooperative in Japan.

The bankruptcies, rogue trading, massive bailouts and other banking scandals that fuelled the global crisis in recent years, sparked widespread criticism of financial institutions.

Such controversies underlined the need for socially responsible financial institutions, whose main role is to provide banking services to clients rather than just profits to shareholders.



In this context, the ILO has highlighted the role played by Japan's Rokin Bank – trade union-led financial cooperatives, whose stated aim is to promote the welfare of workers, while sticking to the principles of “sincerity, fairness and openness”.

“With a fast growing need for financial institutions to take on more social responsibilities, Rokin Bank, with its 60 years of experience, may serve as inspiration for the institutionalization of social finance for workers – ensuring their financial inclusion and welfare,” says Craig Churchill, who heads the ILO’s Social Finance Programme.

Similar to credit unions, Rokin banks have a unique status under the Japanese Labour Bank Law, which stipulates they should not engage in profit-making but should promote the welfare of their members.

According to a 2011 ILO study entitled: **ROKIN Bank: The story of workers’ organizations that successfully promote financial inclusion** these goals have been key to Rokin’s survival, and enabled the banks to remain solvent in the late 1980s, when the collapse of the Japanese asset bubble bankrupted financial institutions that had heavily invested in real estate loans.

More recently, when the global financial crisis unfolded in 2008, Rokin agreed to a government request to set up a programme to support workers struggling to repay their loans.

They were given financial advice and, in some cases, a reduction of instalment amounts and an extension of the repayment period.

Rokin banks have also offered low-interest loans to people who lost their homes after being laid-off as a result of the crisis. The government compensates the banks in case of default. Rokin also has a loan programme to assist community-based, non-profit and social welfare organizations.

Rokin says its members also appreciate the low-interest, emergency financing the banks extend to workers and their families when disaster – such as an earthquake or a typhoon – strikes.

Today, there are 13 Rokin banks, 642 branch offices and a membership made up of about 10 million constituents, most of them from trade unions, consumer-livelihood cooperatives and mutual aid organizations. (ILO News, 19.09.2012)



New board of directors of CONTEC inaugurates in Brasilia



The new board of directors of the **National Confederation of Workers in Credit Companies (CONTEC)**, affiliated with UGT, inaugurated on September 18, at UGT's office in Brasilia.

CONTEC, founded in 1958, represents and coordinates the interests and rights of the classes of bank and insurance workers, as well as it defends and practices independence and autonomy regarding governments, political parties and employers.

Lourenço Prado, the elected president, in his inauguration speech assured that CONTEC is committed to the defense of bank and insurance workers, for higher wages, better working and life conditions, through a fight against measures that are contrary to unionism and its representative trade union institutions.

CNPL in the fight to defend liberal professionals

CNPL - National Confederation of Liberal Professions - has presented a major role in the fight to defend liberal professionals all over Brazil. In November, this institution that is currently presided by Francisco Antonio Feijó, will have elections to define the new board of directors that will take charge of this institution.

Carlos Alberto Schmitt de Azevedo, general treasurer of CNPL and president of the National Federation of Real State Agents heads the sole slate and in November will be authenticated president of this institution. "It is an extremely big responsibility directing an institution that represents 15 million professionals", stated **Azevedo**. "We must continue the actions that were led by the current president Francisco Antonio Feijó and try and give continuity to this work, aiming to increase our representability.



Currently CNPL has a trade union structure that comprehends 27 affiliated federations, more than 600 trade unions that represent 51 professions and nearly 15 million professionals all over Brazil. It works in pro of its affiliated institutions in the fight for their interests. In order to do so, the board of directors is always in contact with organs that serve the Executive, Legislative and Judiciary Bodies, so that they might approve causes that are favorable to professionals and professions that it represents.

Workers from Angola at UGT



Delegation of the National Union of Workers of Angola and from the Trade Union of Workers of Beverage Companies of Angola visited the national office of UGT, where it was received by Ricardo Patah and other leaders



"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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Press secretary of UGT: Marcos Afonso de Oliveira – MTb 62.224/SP

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