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Adjustments, but not at our expense!

Ricardo Patah, national president of União Geral dos Trabalhadores

It is not a secret that our economy needs an adjustment. This crisis, which is not as big as it is spread by means of communications, mainly mirrors in low expectations and in lack of trust. It is a political crisis rather than an economic one.

The last operation of the Federal Police thwarted a major corruption scheme at the Administrative Council of Fiscal Resources (Carf), which judges appeals against fines that were imposed by the Internal Revenue Service. According to the police, the supposed scheme might have embezzled nearly R\$ 19 billions of public coffins from 2005 to 2015. Investigations indicate the involvement of both Brazilian and multinational important companies, especially from the financial sector. These companies deny their involvement.

Actually, this operation of the Federal Police unravelled one thing that everyone already knew: rich and big companies do not pay taxes in Brazil, either due to a legislation that favors them or due - as it seems to be the case - to corruption of employees in charge of collecting taxes.

Companies of the financial system are also widely favored by high interest rates of the government's debt and hoard, along with financiers, a major amount of the federal budget. Analysts calculate that the government paid nearly R\$ 950 billions in interest and charges.

And, still, they avoid to pay their taxes.

And these values get even more amazing when compared with the values that the federal administration intend to save with the Provisional Measures 664 and 665, which remove workers rights. According to the government, the intended saving provided with the package of evil acts reaches R\$ 18 billion.

In January, during the first meeting UGT had with ministers to discuss these measures, I presented a series of alternative measures suggested by our advising staff, which would allow the fiscal recovery of the government. Two of these measures were the reduction of the Selic interest rate and taxing great wealths.

As I said in that meeting, "the decrease of the Selic interest rate that falls on the public debt will represent a saving of more than R\$ 24 billion per year, more than the R\$ 18 billion that the government wants by tinkering with labour rights".

And Patah is not the only one saying that the rich do not pay taxes. Major representatives - Obama, Merkel, Cameron, Hollande - they all speak of tax evasion of the richest. If President Dilma accepts this suggestion, she'll be in good company!

This subject began to be part of the political agenda with the global scandal of secret accounts at HSBC, but the discussion was also fueled by the exhibition and the best-seller "The Capital in the XXI Century" by Thomas Piketty.

UGT is always aware of the interests of workers and of Brazilian society. With the help of its affiliated trade unions, federations and confederations, UGT is the fastest growing trade union central in terms of representation in Brazil.

UGT currently heads for its Third National Congress which will be held next June, representing more than 1,200 unions of all categories of workers, always on the tracks of a civic, ethical and innovative unionism.



UGT on the path toward its 3rd Congress

Officers from UGT have a meeting for the 22nd Plenary Session of its National Board of Executives

On March 23, UGT, while heading to its 3rd Ordinary Congress, began the 22nd Plenary Session of its National Board of Executives. This meeting was attended by Manuel Dias, minister of Labour and Employment, and by presidents of UGT's state branches. It had the goal of debating and drawing the paths that the central must have concerning the current Brazilian political conjuncture.



"UGT is plural, there were members who supported the proposals of Aécio, there were people who supported the proposals of president Dilma Rousseff. The elections are over and we are not linked with government A, B or C. We fight for the working class, since we represent many workers at the bottom of the pyramid and we were surprised by the announcement of Provisional Measures (MPs) adopted by the federal government", said Ricardo Patah, national president of UGT.

The opening table was composed by Ricardo Patah, Canindé Pegado, secretary general, Marcos Afonso, communication secretary, Moacyr Pereira, finance secretary, Francisco Pereira (Chiquinho), secretary of trade union organization, Cássia Buffeli, secretary of UGT's women department, Ana Cristina Duarte, secretary of UGT's diversity issues, Luiz Carlos Motta, president of UGT's State branch of Sao Paulo, and by the vice-presidents Salim Reis, Lourenço Ferreira do Prado, Laerte da Costa and Roberto Santiago.

Minister Manuel Dias congratulated officers from UGT. "Brazil is in constant change and we must follow this phenomenon. Through this meeting, UGT will certainly be strengthened", Manuel Dias explained.

Among the issues that were approached in the meeting, there were the problems created in the trade union world due to constant interventions promoted by the Prosecutor's Office and by the Superior Labour Court, the MPs 664 and 665, as well as the position of UGT concerning the current Brazilian political situation, outsourcing, Petrobras and the fight against corruption.

Workers earned more in 2014 than in 2013

Gain in real terms of workers in wage negotiations increased last year. The balance sheet released by the Inter-union Department of Statistics and Socio-economic Studies (Dieese) showed that the average increase was 1.39% above the National Consumer Price Index, calculated by the Brazilian Institute of Geography and Statistics. In 2013, the gain in real terms was 1.22%.

Dieese compiled the results of 716 units of collective bargaining throughout the country. According to the institute, 91.5% of the agreements had increases above the INPC and only 2.4% were below the index. In 2013, this ratio was also less favorable for workers, 86.2% and 6.3%, respectively.

According to José Silvestre, coordinator of trade union relations at Dieese, there was improvement in the negotiations for several reasons. The labor market continued to be pushed, which gave bargaining power to workers. In 2014, the average unemployment rate measured by the IBGE was 4.8%, the lowest in the series. "There was a delay of young people entering the job market, then the pressure on the Economically Active Population (EAP) was lower. This contributed to the unemployment rate stay below levels," he said.

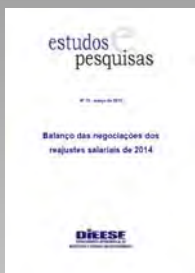
Commerce workers were those who reaped the best results in the agreements. With an average real increase of 1.47%, 98.2% of the agreements resulted in increases above the INPC. The second best result was obtained by industrial workers, with real gain of 1.38%, followed by the services sector (1.35%).



Video: Mauro Ramos interviews Manoel Dias



Check the pictures of the



Balanço das negociações dos reajustes salariais de 2014 (Balance sheet of negotiations of the 2014 wage adjustment)

UGT demands industrial policies

On March 19, **Canindé Pegado, UGT's secretary general** defended, in Brasilia, the creation of a coordination with the participation of workers, businessmen, universities and the government to adopt an "effective policy of industrial development for Brazil and to develop the creation of objective programs in defense of employment, which is seriously threaten by the crisis, and mainly the creation of jobs for our youth, which is an extremely vulnerable segment that finds serious problems to achieve their first job and those who get it are easily fired due to a high turnover rate."



This meeting was summoned to continue the dialogue rounds among the federal government and trade union centrals to discuss the paths the provisional measures 664 and 665 (which restrained labour and social security rights) have taken. Besides UGT, it was attended by Manoel Dias, minister of Labour and Employment, Miguel Rosseto, minister of the Secretariat General of the Presidency and Carlos Gabas, minister of Social Security.

Officers from CUT, Força Sindical, CSB, CTB and NCST also attended this meeting. The Inter-Union Department of Statistics and Socio-Economic studies (DIEESE) was represented by Clemente Ganz Lúcio, its Technical Director, and UGT also counted on the participation of Eduardo Rocha, economic advisor of UGT's presidency.

The trade union centrals presented essential demands, such as, for example, the need to head towards a legislation that curbs informality, which damages workers and negatively affects the cash flow of the social security. They also required the government to reactivate the table of retired people, an essential forum for debate and for the creation of policies in defense of retired workers and pensioners, as well as workers who will retire.

Unionist also proposed the creation of an agenda at a short, medium and long term to face the current crisis in industry as well as to deal with the Brazilian industrial development as a whole. During the meeting, ministers were demanded urgent actions to perform changes in the IRS, especially its update and exemption in the case of payment of participation in profits and results.

In defense of UFC fighters

UGT and american unionists discuss the protection of UFC fighters with the Labour and Employment Ministry

Ricardo Patah, national president of União Geral dos Trabalhadores UGT, and Ashwini Sukthankar, American unionist and representative of sports workers linked to MMA and UFC, were received in a legal hearing with **Manoel Dias, Minister of Labour**, to discuss the conditions and rights of MMA fighters in UFC, a pretty young sport discipline, which includes the participation of several Brazilian athletes. These athletes represent about 30% of the fighters who currently work in the United States.



The purpose of this approach is sharing information between these two countries, using, as a basis, the strong protection given to the Brazilian sportsmen, resulting in an improved labor support to UFC fighters athletes.

During the hearing, Ricardo Patah asked Dias to hold meetings with Brazilian trade unions that are linked to MMA and UFC fighters at his ministry, so that, together, they develop an agenda to establish protection mechanisms to Brazilian athletes of this sport, especially those leaving the country to fight abroad.

According to Patah, many of these fighters do not have any labor protection and many of them are seriously injured during the fight and do not have any type of medical protection.



Street sweepers on strike in São Paulo

União Geral dos Trabalhadores (UGT) supports the strike of street sweepers of the State of Sao Paulo (metro area of the capital and countryside), which began on March 23. According to Roberto Santiago, president of the State Confederation of Cleaning and Conservation Workers and also vice-president of UGT, this strike was enacted after three days of assemblies that took place on March 13 and 15.

Except for Sao Paulo city, Campinas and the region of Santos, which have different base-date, this strike reaches the Metro Area of Sao Paulo, the region called ABC and cities of the countryside.

"We are leading a collective bargaining, with an inflation rate around 8%. They proposed a 6,5% raise, which was rejected since we want, at least, an increase equal to inflation plus a raise in real terms, if that does not happen, at least in this space of negotiation, the strike will be enacted starting on Monday", Santiago explained.



The base date of the class is March 1, and the deadline for collective bargaining is the end of the month. In the meantime, the capital of Sao Paulo is not part of this mobilization, but according to the president of the State Confederation, if this agreement offered an 8 % or 9% raise, it would be a sign that they are open to negotiation, which did not happen in a meeting this weekend..

Green April Movement

Government, workers, businessmen and social actors are united in the prevention of occupational accidents and diseases



The **Abril Verde Movement**, an initiative of the **Trade Union of Security Technicians of the State of Parana (SINTESPAR)**, has the goal of putting the issue of safety and health at work of Brazilian workers on the agenda of society aiming at reducing accidents at work. April was the chosen month since the World Health Day is celebrated on April 7 and **the World Day for Safety and Health at Work** is celebrated on April 28 and was proposed by ILO (International Labour Organization) to all its member States.

Green was also the chose color due to the fact that it is related to courses related to health. The symbol of the movement is a green ribbon, as well as the symbol of October is pink and so many other movements of society involving a nobel cause.

Adir de Souza, creator of the movement, technician of Fundacentro Parana and also president of SINTESPAR, observes that the intention of this movement is that there is a coordinated action between the civil society by drawing the attention to the high levels of deadly accidents and sequelae due to labour activities. "Green April is more than a date, it is a warning moment that should impact on all spheres", he emphasized.

Conjuncture Bulletin

Incertitudes mark beginning of 2015

This is the second issue of **Boletim de Conjuntura do DIEESE** (DIEESE Conjuncture Bulletin). This newsletter analyses the national and international situation, the labour market, its sectors, income, collective bargaining, prices etc..



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.

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