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UGT em defesa dos Trabalhadores

## Brazil is bigger than the crisis

A **União Geral dos Trabalhadores - UGT** is fully aware of the country's social and economic situation in early 2017. With 12 million unemployed workers and falling wages, the situation of Brazilian working families is critical.

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

According to the **Global Wage Report 2016/17**, published on December 14 by the International Labor Organization (ILO), the Brazilian worker had the largest real wage loss among the countries of the Americas in 2015.



The Brazilian worker's salary fell 3.7% in the previous year due to the economic crisis and the acceleration of inflation. In 2013 and 2014, real wages had increased by 1.9% and 2.7% respectively.

This situation worsened even more in 2016, which will be shown by the data they once are published. The majority of salary adjustments negotiated until October 2016 was below inflation. This happened even for classes such as bank workers, which carried out a strong salary campaign.

The unemployment situation also worsened in 2016: last year, the number of unemployed was 9.1 million (an increase of 41.5% over 2014). By October 2016 there were already 12.1 million unemployed and since the latest announced economic performance indicators disappointed, the number of unemployed workers is expected to increase.

At the end of December, the Congress approved the budget 2017. Sanctioned by President Temer, the budget predicts a spending of about 3.5 trillion for this year. Out of these expenses, about 1.7 trillion reais are destined to the payment of interest and the roll of the public debt. That is, financial speculation, which produces nothing and will consume half of the Brazilian budget.

and social expenditures is allied to this trillion-dollar deviation of the public budget. A policy of austerity that is against the recommendations of the great economists. An austerity that even the International Monetary Fund (IMF), when analyzing the situation of Greece, considered wrong.

The announcement of the release of inactive FGTS (Severance Indemnity Fund for Employees) accounts may bring hope that this policy is mitigated. But the release of the expected 30 billion from these inactive accounts is a drop in the face of the size of the Brazilian economy.

This critical situation of the social and economic situation is compounded by a political crisis that does not show signs of abating. In fact, it is expected to worsen with new developments in the Operation Car Wash. And if the Social Security reform project was not enough, which was sent by President Temer, every day projects that want to extinguish the rights of Brazilian workers are increasing in the Congress.

UGT is fully aware of this situation, but it is also fully aware of Brazil's potential and the resilience of working families and their people. Brazil is bigger than the crisis and we will overcome this situation starting of this year. Happy 2017!

!



Minimum Wage Appreciation Policy

## Wages adjusted below inflation

50% of adjustments were below inflation until October

According to data from the Foundation for Economic Research (FIEPE), the percentage of wage adjustments below inflation reached 50% of the negotiations in the period up to October 2016. In October 2015, this share was at 20% and, in 2014, the proportion was 5%.

The increase in the negotiations below the inflation is explained by the economic crisis and the growth of unemployment.

According to the Estado de S. Paulo newspaper, the experts' assessment is that wage negotiations will be damaged once again by the economic recession in 2017. Some analysts also point out that the political crisis impacts the economic crisis, worsening the prospect of economic recovery



Bank workers, who carried out a 31-day strike, had their wages flattened for the first time since 2004, accepting an 8% adjustment proposal. The National Consumer Price Index (INPC) reached 9.2% in the same period.

"Most likely economy will not recover in 2017. Though the GDP may grow 1%, it will take place at a depressed foundation. Thus, it is hard to imagine adjustments higher than inflation in 2017", José Silvestre, from Dieese (Inter-Union Department of Statistics and Socio-Economic Studies), said. (GCN News)

### Minimum wage is established at R\$ 937 for 2017

As of January 1, 2017, the minimum wage will be R\$ 937, as announced by the Presidency of the Republic. This amount represents 6.48% over the R\$ 880 in force during 2016.

The 6.48% adjustment is lower than the INPC-IBGE inflation level calculated by the government itself: the Ministry of Finance's estimates for 2016 is 6.74%.

The new minimum wage is R\$ 57 higher than the current one, but it is R\$ 8.8 below the R\$ 945.8 that had been proposed in August by the federal government. According to the decree, the daily value of the minimum wage will correspond to R\$ 31.23 and the hourly amount to R\$ 4.26.

## There are already 12 million unemployed workers

Data published by the Brazilian Institute of Geography and Statistics (IBGE) on December 29 show that unemployment stood at 11.9% in the quarter that ended in November, reaching 12.1 million people. This is the highest percentage since the beginning of the historical series of the National Continuous Household Sample Survey (PNAD), which began in 2012.

The index had stood at 9% in the same quarter of 2015. The number of unoccupied people grew 33.1% compared to the same quarter last year, equivalent to 3 million people.

Currently, the contingent of employed people is 90.2 million, a decrease of 2.1% compared to the quarter of September to November 2015.

In the private sector, the number of employees with a formal contract, 34.1 million people, was stable in relation to the previous quarter. In comparison with 2015, there was a reduction of 3.7%.

The number of employees without a formal contract in the private sector increased by 2.4% compared to the previous quarter and reached 10.5 million people.

The average income in real terms ended the quarter at R\$ 2,032, stable in relation to the quarter of July-August 2016 (R\$ 2,027) and to the same period in 2015 (R\$ 2,041).

## UAW thanks the support of UGT

UAW thanks the support of UGT in the fight in defense of Nissan workers

In a letter signed by its president and secretary general, the International Trade Union, United Automobile, Aerospace and Agricultural Implements Workers of America - UAW thanks the support of UGT and of the Commerce Workers Union of São Paulo for the protests made during the November edition of the Motor Show, which had international repercussions. Read the letter in full:

**Dear President Patah,**

On behalf of the over one million active and retired members of the the International Trade Union, **United Automobile, Aerospace and Agricultural Implements Workers of America - UAW** and also on behalf of the UAW Committee for Fair Elections in Canton, Mississippi, we write to thank you and everyone of UGT for their support during the protests against Nissan at the **International Motor Show** last November. Your efforts to defend workers' rights in Brazil and in the United States have been essential in securing justice at Nissan.

We are grateful for the dedication and support of UGT and of the Commerce Workers of São Paulo. The fearless and successful act during the Motor Show was a true example of international solidarity. The impact on the media was great, drawing consumers' attention to Nissan's anti-unionist practices in the United States. Your support has been essential in Nissan's Mississippi unionization campaign.

UAW is confident that in 2017 we will continue to build a stronger and lasting partnership. I use this letter to wish you and all the Brazilian workers happy holidays and a new year with many achievements, and that we can work together to achieve even more equality and justice for all the workers in Brazil, in the United States and in the world.

**In Solidarity,**

**Dennis Williams, President of UAW**

**Gary Casteel, Secretary Treasurer, UAW**



Read the entire letter

## Migration law needs to ensure rights

Approval of the Bill 2,156/2016 by the Chamber of Deputies is the result of a large effort of the organized civil society, reflecting a humanitarian view about the foreigner.

During its 12th national meeting, held in early December in Brasilia, the Solidarity Network for Migrants and Refugees (RedeMir) celebrated the approval of Bill 2,156/2016 by the Chamber of Deputies. The text approved by the Chamber still needs to be ratified by the Federal Senate.

Articulated by the **Institute for Migration and Human Rights (IMDH)**, RedeMir has existed for twelve years and currently has about 60 institutions spread throughout Brazil and working for migrants and refugees. For the second consecutive year, the **International Labor Organization (ILO)** contributed to the organization of the national meeting held by the IMDH, in partnership with the National Committee for Refugees (CONARE), the United Nations High Commissioner for Refugees (UNHCR) and several institutions.

One of the highlights of the new Bill, seen as essential for the humanitarian treatment and rights of migrants, is the amnesty that will enable thousands of people to regularize their migratory situation in the country. The law's rapporteur, congressman Orlando Silva, was present at the meeting of RedeMir and evaluated that "the text that was constructed and presented at the Congress was the only possible text". For him, this Bill "is an instant of civility of the Brazilian Parliament".

Cyntia Sampaio, Coordinator of the ILO Project in Brazil, points out that the general desire of civil society institutions is for the regulatory process to be participatory, incorporating many of the contributions already made in recent consultations with civil society, as the Social Participation Forum of the National Immigration Council.



Read more about RedeMir

## Metalworkers of Angra promote act in Brasfels

With the goal of transmitting to the workers the actions taken in favor of guaranteeing employability, as well as the results of the protests carried out with the support of UGT's State branch of Rio (UGT-RJ) - the last one with the presence of former President Lula -, the leaders of the Metallurgists Trade Union of Angra dos Reis held a meeting on December 16 in front of the Brasfels shipyard..

**Cristiane Marcolino**, president of the union, reminded everyone that this is not a struggle of the union but of workers and, therefore, there is a need for greater participation and unity of all, "united by a single goal," she said, reinforcing the goals of the acts that were promoted: the maintenance of jobs and the search for new job positions.



Angra dos Reis metallurgists also claim for greater proximity in the emergency care service of the health plan, now located 60 km away from the shipyard. (UGT Rio de Janeiro)

## Siemaco participates in project for homeless people

**On January 05, Moacyr Pereira, president of SIEMACO-SP** (Union of Employees in Companies Serving Services of Care and Maintenance, Urban Cleaning and Maintenance of Green Areas of São Paulo) and national secretary of UGT's Finance department attended a meeting with João Doria Jr, mayor of São Paulo.



The purpose of the meeting was to discuss, in a tripartite manner, including representatives of workers, municipal government and companies, the development of a program to create job openings for homeless people. "This is a very important social project that will have the full support of Siemaco and UGT," said Moacyr Pereira. Moacyr will be part of the coordination of the program. (Fábio Ramalho - UGT press)

## Workers of Petrópolis make protest against package

On December 19, the Petrópolis Trade Union Movement carried out an act against the "package of mischiefs", a set of measures elaborated by the government of President Temer that, in the opinion of the leaders, imposes sacrifices and losses for workers, retirees and the population.

The demonstration took place in Praça da Inconfidência and was attended by trade union centers, among them UGT's State branch of Rio (UGT-RJ), represented by the Secretary of Trade Union Education, Wilson Pralom, and affiliated unions such as health, commerce workers and security guards.

The leaders criticize the votes of measures that are always held in the dead of night, without debate with society. Issues such as the Social Security Reform, PEC 55 (Constitutional Amendment Project on the ceiling of public spending), PLC 30 (Project of Complementary Law on outsourcing) and PL 867/2015 (Gag Law - School without political parties) were the main targets of the protests. (UGT Rio de Janeiro)

## The ABC of growth now

In this issue of UGT's Institute of high Studies, Roberto Luis Troster shows "that it is feasible to grow again rapidly". According to him, "though the fiscal imbalance is important and must be faced, the main component of the crisis is the dynamics of private credit. The evidence is assertive in pointing out the responsibility of the credit dynamics for the difficulties of the country's economy."

**Roberto Luis Troster** is an economist and has a doctorate in economics from USP and advised Brazilian and international companies, governments and financial institutions, including the World Bank and the International Monetary Fund.

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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The ABC of growth now