

In defense of the Brazilian production and employment

## Workers against deindustrialization

**União Geral dos Trabalhadores - UGT**, along with other five Brazilian trade union centrals and employers institutions held, on April 04, at the Legislative Body of Sao Paulo, a huge protest to face the deindustrialization process that widely advances in Brazil.

The act gathered nearly 90 thousand militants that responded to the call of institutions and crowded the parking lot of Alesp and surroundings to fight for a bolder position of the government to fight the effects of the weakening process of the national industry, what, after some time, creates unemployment and increases inequalities.

According to **Ricardo Patah**, national president of UGT and of the **Commerce Workers Union of Sao Paulo**, this act showed the unity of institutions with different political ideologies, but that, at the moment, are together in favor of the development and of job creation in Brazil.

This act is emblematic, since it has the goal of warning all society on some issues that are related to macro economy and must be changed. That is why this bond between employees and employers unions was essential, in favor of job creations, capacitations and improvement in the income distribution", explains Patah.



### Employment

Brazil, that over the last years has achieved records in job creation, has watched, since the 90s, the production of national industries loose its participation in the Gross Domestic Product (GDP) and try to compete, unequally, against imported products, that are sold for lower prices.

"We are not exclusively defending production, we are defending the jobs that this production creates. As well as labour quality, social inclusion, professional qualification", emphasizes the president of UGT.

### Interest rates

All the production of Brazilian goods presents an exorbitant cost. The high tariffs that are embedded into the final products are a sign that the government needs to be more daring and start to fight against the cause, instead of fighting against the consequences.

The president Patah was clear by affirming that the Brazilian people cannot keep on allowing that the interest rate in this country continue to be one of the highest in the world. "Gas, electric energy and transportation are extremely expensive, and added to the interest rates that are operated by bank institutions, the cost of this production is reflected in the final product", he says.

Ricardo Patah defends reduction of bank interest rates

## Healthy competition

The government of the president Dilma Rousseff, tuned with the popular will, started the season of bank competition in Brazil. Two official banks, Banco do Brasil and Caixa Econômica Federal, lowered their interest rates for physical and legal persons, making private banks to do the same. The government did nothing but serving the consumer, that can't stand paying the astronomical fees that were hidden in the prices anymore. The banks were making money by charging extremely high "spreads" (difference between what they pay while taking resources in the market and what they charge in financing).

Bankers from private banks felt the strike of the government and are overdramatic, as usual, requesting fiscal and tax exemption to lower the astronomical fees and the shameful "spread". The Dilma government, through its Minister of Finance, Guido Mantega, made it clear that it will only think about the requests of bankers once they reduce their interest rates to clients. An attitude that UGT and the Commerce Workers Union of Sao Paulo support.

Since with civilized interest rates and with "spread" that is adequate to the competition patterns, defined by the Bank of Brazil and by Caixa, Brazilians that create wealth, businessmen of the productive, commercial and service sectors will have more money to invest. An on the other hand, bankers that tighten the omnipresent fiscal voracity of the government.

If international banks, as it has been observed, are able to make 30 % of profit (pattern) with a "spread" below 5%, the Brazilian banks should learn from them. In the international ranking, the Brazilian "spread", of 34,5% is only lower than the one in Madagascar, of 38,5%. We cannot forget that all of us are able to control this, both consumers and bank clients. If we start to negotiate the transference of our accounts (especially salary accounts) to public banks, bankers will understand the sign and will reduce the suffocating interest rates.

(\*) Ricardo Patah is the national president of UGT and president of the Commerce Workers Union of Sao Paulo.

## UGT defends guarantee of employment and decent work



[See the video](#)



Ricardo Patah asks president Dilma for guarantee of employment and decent work during the release of a program to foster industry

Sixth Summit of the Americas

## Inequality and crime: the main threats

José Miguel Insulza, Secretary General of the Organization of American States, said that the inequalities and crime are the main threats to the region.

While participating in a forum with workers representatives, as part of meetings prior to the 6th Summit of the Americas, Insulza made a request to States face these issues.

In his opinion, governments of this region should go beyond income distribution to overcome inequality, to end the gap between rich and poor.

There must be a clear direction because the inequality problem is vital. It's not only about income distribution, but it's about distribution of public services, access to education, security, housing, he said.

According to Insulza, there is optimism in America because the economy increased and poverty decreased. However, he observed that the region has had periods in history that are equal to this one, but still, inequality and poverty remain.

"If these wealth cycles are not adequately used, countries do not develop and these cycles will be ephemeral", he said.

### Social Forum in Cartagena

The workgroups of the social Forum of the **6th Summit of the Americas** expect the conclusion of their work to end the recommendations that will be presented to governments.

The Social Forum gathered nearly a thousand representatives of society in the continent, including young people, Native Americans, workers, African Americans, unionists and activists from several causes.

In a meeting within the forum on the labour world, the Salvadorean **Francisco Quijano**, president of the **Trade Union Technical Advisory Council (COSATE)**, an organ of OAS, said that a forum like this one cannot be a "Western Wall" and it is necessary to go from words to actions.

"The spaces of the working class were achieved and we were able to achieve them through dialogue, but we don't want that this meeting turn into a Western Wall. We must go from words to action in this battle of the Americas to achieve a more just and equitable society", said Quijano. **TUCA** also made a statement through its **vice-president Julio Roberto Gómez** (in the picture), who expressed preoccupation with the situation of unionism in the Americas.



"This is not just a meeting of unions, but a historical reaffirmation of the trade union movement and its commitment with the working class, in order to turn this meeting into more than a summit of statements, but one that truly contribute to solve the problems of this class", said Gomez, who is also president of the General Confederation of Workers.

## Second TUCA Congress

**Victor Báez Mosquera, Secretary General of the Trade Union Confederation of the Americas (TUCA)**, made a request for unity in the trade union movement to face challenges that the crisis represents for the rights and well being of workers all over the world.

"The eyes of the world will be focused on the II TUCA Congress", he said, referring to the largest trade union event of this hemisphere, that took place in the Brazilian city of Foz do Iguaçu from April 17 to the 20th.

**Victor Báez** said that the nearly 600 attendants of the II Congress not only strengthen TUCA - institution that was created in 2008 to unite the fight of trade unions at a regional level - but also and, mainly, "they are helping to build a continental working class".

"If we accept the challenge of creating a better society for workers and their families, we cannot make the mistake of being sectarian", he observed, reminding the solidarity of trade union centrals of the Americas towards the general strike in Spain, that took place on March 29. "All of us know that if the conservative are successful in Europe, they will get back at us".

Before the official opening, the seminar "Sustainable Development and Decent Work: the alternative of unionism of the Americas towards the World Crisis" was held, to discuss sustainable development and decent work as alternatives to the capitalism crisis.

The seminar began at 08:30 A.M. and had the participation of presidents of the four Brazilian trade union centrals that are affiliated with TUCA: Central Única dos Trabalhadores (CUT), Força Sindical, União Geral dos Trabalhadores (UGT) and Confederação Nacional das Profissões Liberais (CNPL). Michael Sommer, president of the International Trade Union Confederation (ITUC) and Linda Chávez-Thompson, president of TUCA, also attended the event.

Valdir Vicente de Barros, Secretary of UGT's Public Policies Department, participated in the opening speech of the seminar.

### In the TUCA Congress UGT asks for action against slave work

**The unionist Ricardo Patah, national president of UGT, speaking on behalf of 1050 trade unions that are affiliated with UGT and represent 7 million workers, emphasized the importance of workers in the construction of a new society, with sustainable development and decent work.**



Patah reminded the participation of TUCA delegates on the occasion of a protest in Sao Paulo to denounce slave work in the clothing industry of multinational companies. The unionist emphasized the ideal of the decent work as the main ideal of TUCA, as well as of UGT, reminding that TUCA had an important role while conducting the process of strike in the renovating work of the Soccer World Cup, especially in the Maracana Stadium, when workers went into strike denouncing bad working conditions.

A director from the trade union central Canadian Labour Congress (CLC), also requested more publicizing. "We must search for the best way to communicate our message" and asked that "the declarations that are approved under this congress are to be taken to our countries".

The colleague Laerte Teixeira, vice-president of UGT, was reelected for the position of secretary of Social Policies of TUCA.

## Salaries in Brazil and in the world

Argentina is the Latin American with the highest average salary, surpassing US\$ 1.000, followed by Chile, Brazil, Mexico and Colombia.

The **International Labour Organization** estimated the average monthly wages in 72 countries: Luxembourg with an average wage of US\$4.089 and Tajikistan, with US\$ 227, occupy, respectively, the first and last places in the list.

In Brazil, the adjusted average wage is US\$ 778, placing it in a modest 51st position. Argentina is in the 40th position, with an average of US\$ 1.108,00, and Chile, is in the 43rd position with an average of US\$ 1.021.



A way to measure the social and economic inequality (one of the fundamental mechanisms of the current economic system) is pointing out the differences between the salaries that workers earn monthly in different countries.

The International Labour Organization recently published data that were collected in 72 countries: a list of average wages with the result adjusted to the correspondent cost of life, using the PPP (Purchasing Power Parity), unity that is used in economic studies for international comparisons of life patterns.

### The worse salaries

Among the last 20 countries, we may emphasize Colombia, China, Mexico, Egypt, India and Dominican Republic.

While in Colombia the average wage does not reach US\$ 695, in China it is US\$ 656, in Mexico, \$609; Egypt US\$548, Dominican Republic US\$462, and India, it doesn't reach US\$ 295.

## GDP of a wealth country, salary of a poor one

### Ricardo Patah

The monetary stability that was achieved over the last years, allied to policies of income transference (that fostered the internal market), have turned Brazil into the 6th largest economy of the world, with a US\$ 2,367 trillion GDP in 2011. But at the same time, Brazil is in a ridiculous 71st position in per capita income, which is equal to US\$ 12.144.

That shows that there is a divorce to be overcome, between the robustness of our GDP and the large majority of society. And especially because Dilma doesn't intend, or shouldn't reproduce the old model that it preached: "it is necessary to make the cake grow and afterwards, share it".

Otherwise, let's see. Out of the 187 countries that were analyzed by UN, Brazil is in the 84th position in GDP (Gross Domestic Product), losing to Argentina, Mexico, Chile and Uruguay.

In Brazil, according to IBGE, there are 16,26 million miserable people. Out of which 5,7 million live in houses with incomes that range from R\$ 1 to R\$ 39 per month. Added to the 4,8 million people that have no income, the total amount of miserable sum up 10,5 million people. The Census 2010 points out that there are 4 million miserable households in Brazil: 1,62 million with no income and 1,19 million with income ranging from R\$ 1 to R\$ 3 per day. It is essential to break the divorce between the robustness of GDP and other social indexes. In order to do so, we need a national project with a historical long reach, that would attack the structural bottlenecks and redesign the model of development towards sustainability.

### National Congress of FENASCOM



Moacyr Pereira, president of Fenascon, started the National Congress of Workers of Urban Cleaning and Conservation and Workers of Green Areas, that took place from March 29 to April 1, in Recife, Pernambuco and confirmed all the expectations of its organizers.

The congress had the participation of 92 trade union institutions and 286 delegates, from all over Brazil.

These institutions and these delegates have proved, over the event, that they are in conditions to face historical, political and economic challenges, that the sectors they belong to will find at a short term. And they knew how to show their engagement through their participation and through intense debates, supported by a careful reading of the material that was presented.

### Mercosur against child labour

Laís Abramo, director of the International Labour Organization (ILO) in Brazil, said that the communication campaign "Mercosur United Against Child Labour" will be well succeeded if it has the support of the civil society of countries that are part of the group.

"This campaign will only be successful if society does not leave out the exploration and impunity and if the highest authorities give, in their decisions, the absolute priority established under the Constitution concerning the protection and promotion of children and teenager rights", she said.



The campaign will be focused on border cities, Paso de Los Libres (Argentina), Uruguiana (Brazil), Posadas (Argentina), Encarnación (Paraguay), Rivera (Uruguay), Santana do Livramento (Brazil), Foz do Iguaçu (Brazil) and Ciudad del Este (Paraguay). The main goal of this campaign is aware society of the immediate need to prevent and eradicate child labour, specially focusing on agriculture and domestic work, and on the commercial sexual exploration. *(Noticias da OIT)*

### UGT in the International Federation of Actors

#### Ligia de Paula represents Brazil in the International Federation of Actors

Ligia is the president of the Trade Union of Actors and Entertainment Workers (Sated/SP), an institution affiliated with UGT, officially launched its candidacy to run for president of the International Federation of Actors.

This institution, that congregates international organization of artists, will hold, in Toronto, Canada, in September, its elections to choose its new board of directors.



**O UGT Global é o Boletim de Informação Internacional da União Geral dos Trabalhadores.**

A UGT é uma organização sindical constituída para defender os trabalhadores brasileiros através de um movimento sindical amplo, cidadão, ético, solidário, independente, democrático e inovador.

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