



To all affiliates – 28 June 2013

Tax justice and investment in public services are key to ending inequality in Brazil

Following days of massive public protests in the streets of Brazil, Public Services International welcomed the news that, in a meeting on 26 July with Brazilian trade union leaders, the country's President emphasized her commitment to consulting with workers on any labour reform proposals, and to addressing the need to improve quality public services.

PSI's leader Rosa Pavanelli said, "People in the streets are saying that the issues are not simply about a 20 cent rise in bus fare – people are calling for a fairer society. This must start with changing the system of politics that divides people between the haves and have-nots."

"Brazil must be recognized as an example for the world for having improved the economic situation of millions of people in recent years through progressive initiatives such as the *Bolsa Família* social welfare programme. However, the movement in the streets is challenging the government to do much more to redistribute wealth through tax justice and investment in public services. PSI stands with our affiliates in supporting all efforts on these fronts to reduce poverty and inequality in Brazil. PSI expects Rousseff's government to meet the democratic demand for more equality for Brazilian people."

Brazil's trade union central CUT and other unions met with President Dilma Rousseff Wednesday to discuss the recent social protests.

Rousseff stressed that she will not approve any project unless there is an agreement between workers, employers and government. She assured that the dialogue with the unions will be permanent and that all issues on the agenda of the working class will be negotiated, including the shorter work week of 40 hours. The central unions raised the issue of implementation of the International Labour Organization Labour Relations (Public Service) Convention 151; Rousseff said that the government will answer all claims by the unions presented by August.

The president of the CUT (La Central Única dos Trabalhadores), Vagner Freitas, also took the opportunity to talk about Bill 4330 that, under the guise of regulating outsourcing of labour in the country, promotes labour reform.

"This pending bill in Congress threatens to bring even more precarious working conditions and huge losses for workers," he argued.

Vagner contended that improvements will only be realized with more investment in public services and asked the President to accelerate investments in health, education and transport.

Rousseff said she understood the urgency of improving services to the population and also that the answer must come from the State. "There is no use in trying to improve privatization. Today, workers already spend much of their wage gains in health, education and private security. This needs to end."

Vagner told the President that in addition to political reform, the country urgently needs tax reform. "It is high time to increase taxes for the rich and decrease for the poor."

The central unions are calling for a day of national mobilization and public demonstrations on 11 July. Each sector and union will decide what public or workplace actions to take on that date.

Public Services International is a global trade union federation representing 20 million working women and men who deliver vital public services in 150 countries. PSI champions human rights, advocates for social justice and promotes universal access to quality public services. PSI works with the United Nations system and in partnership with labour, civil society and other organisations.