

# Brazilian postal workers wage bitter strike against wage cuts, privatization

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Postal workers at the state-owned Brazilian Post Office (Correios) are entering the fourth week of an indefinite national strike against wage cuts and the drive by the government of fascist President Jair Bolsonaro to privatize the postal service. In addition, the company's criminal negligence amid the COVID-19 pandemic has led to thousands of workers contracting the deadly virus and 120 reported deaths.

According to the two postal union federations—Fentect, affiliated to the Workers Party (PT)-controlled CUT union federation, and Findect, affiliated to the CTB, the union federation controlled by the Maoist Communist Party of Brazil (PCdoB)—70 percent of Correios' workforce is on strike, about 70,000 workers. It is the largest strike since 1995, when all sections of federal workers struck against attacks by the neo-liberal government of President Fernando Henrique Cardoso.

The strike began on August 17 after the company decided to withdraw 70 of the 79 provisions of the collective agreement reached last October that was to remain in effect until 2021. Among the takebacks are the reduction of maternity leave from 180 to 120 days, the slashing of night and overtime differentials, a 20 percent increase in payments for the health plan and an end to aid for children with special needs and childcare. According to the statistical institute DIESEE, this may represent a wage cut of 43 to 69 percent, depending on the salary range.

Correios has justified this huge attack on workers stating, "The exclusion of provisions only has the objective of adopting ... a business logic similar to that practiced in the market," that is, to pave the way for privatization. In August 2019, the Bolsonaro government announced a sweeping privatization plan for 18 of 130 federal state-owned companies, such as the giant electricity company Eletrobrás, the telephone company Telebrás and subsidiaries and refineries of the energy conglomerate Petrobras, in addition to Correios.

Earlier this year, Bolsonaro's minister of economy, Chicago Boy Paulo Guedes, said at the World Economic Forum that he intends to privatize Correios by 2021. In Davos, he met the president of US package delivery giant UPS. The Brazilian media has also reported since last year that Amazon, China's Alibaba and Argentina's Mercado Livre would also be interested in buying Correios.

During the strike, the Bolsonaro government announced that it will send a bill to the Brazilian Congress to break Correios' postal service monopoly, and that the Accenture consulting firm has been hired to conduct studies on its "de-statization." Today, only parcel delivery is open to free competition in Brazil. However, since 2018, this service is responsible for most of the revenue of Correios (52 percent), which makes 80 percent of the deliveries for small- and medium-sized online retailers.

The government has invoked Correios' "economic and financial situation" to justify privatization, claiming that it has worsened during the pandemic. However, after losses between 2013 and 2016 amid the country's economic decline, the company made a profit of more than 1 billion reais (US\$190 million) between 2017 and 2019. In addition, during the pandemic, Correios' delivery services increased 25 percent in the first half of this year compared to the same period last year, representing a profit of 383 million reais (\$72 million).

This increase in service has further aggravated conditions for workers who for years have been overworked and subject to constant injuries. With the pandemic, the Bolsonaro government deemed Correios an essential service, making its workers among the most exposed to coronavirus infection. This has led to spontaneous walkouts over lack of personal protective equipment and unsafe conditions in the workplace.

Since the strike began, the postal workers' actions have escalated. On August 26, about 1,000 workers occupied the Correios distribution center in the city of Indaiatuba, in the interior of São Paulo. Three days later, the state Military Police raided the facility, evicting the workers, after the Labor Court issued an injunction.

On September 2, postal workers occupied the entrance to the Brasília Airport cargo terminal, paralyzing for one day the company's air cargo network in the Federal District. Just as in São Paulo, the Labor Court ordered the occupation of the terminal broken up the following day.

On the same day as the airport occupation, Supreme Labor Court minister Kátia Arruda partially granted Correios' request that the strike be considered abusive. In an attack on the right to strike, Arruda prohibited postal workers from blocking the movement of people and mail and ordered at least 70 percent of

the company's workforce to continue working. If this decision is defied, the unions can be fined 100,000 reais (\$19,000).

The minister's ruling came after negotiations mediated by the Labor Court between Correios and the union federations. In the first meeting, held on August 26, minister Luiz Philippe Vieira de Mello Filho proposed the maintenance of the 79 provisions of last year's collective agreement, but without a wage increase. Correios rejected the minister's proposal, which led to the continuation of the collective bargaining. It is expected that the Supreme Labor Court ministers will issue a ruling on September 21.

Unlike Correios, the Fentect union federation had accepted minister Mello Filho's proposal. On its website, it praised him for showing "willingness and good faith," while complaining that a settlement had been blocked by the "determination [of Correios' president Floriano Peixoto,] to withdraw all workers' rights." However, even if Correios had accepted the proposal, this hardly would have ensured workers' rights to the 70 provisions that the company wants to tear up.

For years, the union federations have been appealing to the Labor Court to counter the growing attacks by Correios management. Last year, the union federations ended a weeklong strike in which up to 80 percent took part, after the Labor Court imposed collective bargaining.

Hailing the two-year agreement reached in the Labor Court as "strategic in the struggle against the privatization," the union federations accepted a wage increase lower than the rate of inflation and the withdrawal of workers' parents from the health plan. However, two months later Correios filed a request with the Federal Supreme Court to increase workers' health plan contributions by 20 percent and make the agreement effective for only one year.

The PT-appointed Supreme Court president, Dias Toffoli, provisionally accepted Correios' request. After the union federations asked Toffoli in July of this year to review his decision, the minister took the case to a full panel of the Supreme Court, which on August 21 upheld his decision unanimously.

The illusions promoted by the union federations in the capitalist courts have only served to betray postal workers and to prevent a unified struggle of all federal workers threatened by Bolsonaro's privatization schemes.

Earlier this year, after strikes by workers at the Brazilian Mint and at the information technology agency DataPrev, up to 21,000 Petrobras workers also went on strike against the company's privatization and the closure of one of its subsidiaries. After the start of the Petrobras strike, the Correios union federations twice postponed a strike, preventing workers from unifying against the same attacks by the Bolsonaro government.

The unions' contempt for postal workers was expressed during the Correios strike by the Mato Grosso state president of the CUT, Henrique Lopes, who is also affiliated to the PT. He

declared on social media that postal strikers who voted for Bolsonaro "should screw themselves" (*"devem se ferrar"*). This slander campaign by the PT and its apologists, blaming Brazilian workers for Bolsonaro's election, ignores the attacks by PT governments on Brazilian workers, and postal workers in particular.

During the 13 years in which the PT was in power and the ruling elite's preferred party for defending the interests of Brazilian capitalism, it increased the outsourcing of jobs and subcontracting of services. Workers struck almost annually, burning the PT's party flag during a strike against the government attacks in 2011. Since the first year of Dilma Rousseff's government in 2011, there have been no new hires, cutting the number of employees from 120,000 to 100,000. According to the UN's Universal Postal Union, postal service in a continent-sized country requires 250,000 workers.

It was also under the PT government that the postal workers' pension fund, Postalís, began to suffer massive losses. A combination of corruption and mismanagement of the fund has resulted today in pensioners having to pay an extra contribution of almost 18 percent.

The Correios strike takes place amid intensified attacks on all Brazilian workers, including mass layoffs in the auto industry, as well aviation giant Embraer's announcement last week that 2,500 workers will lose their jobs, which could lead to a strike as early as next week.

At the same time, governors and mayors are advancing criminal plans to reopen schools throughout Brazil. In the state capital of Amazonas, Manaus, 36 schools reported outbreaks of COVID-19 in the first days of classes, with more than 600 teachers testing positive throughout the state. Last week, teachers occupied the headquarters of the Amazonas state education office for 30 hours to oppose the reopening of schools.

As the pandemic continues to devastate the country, with on average more than 850 people dying daily, it is urgent that workers unify their struggles to save their jobs and their lives. For this, however, they cannot rely on the Brazilian unions, which have been complicit in reopening schools and are allies of Brazilian industry in imposing mass layoffs and factory closures.

Postal workers, teachers and all sections of the Brazilian working class must break with the unions and build rank-and-file safety committees to unify the struggles of workers. Moreover, because of the global character of the pandemic as well as the attacks on the working class, these committees will serve to unify workers' struggle internationally.



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