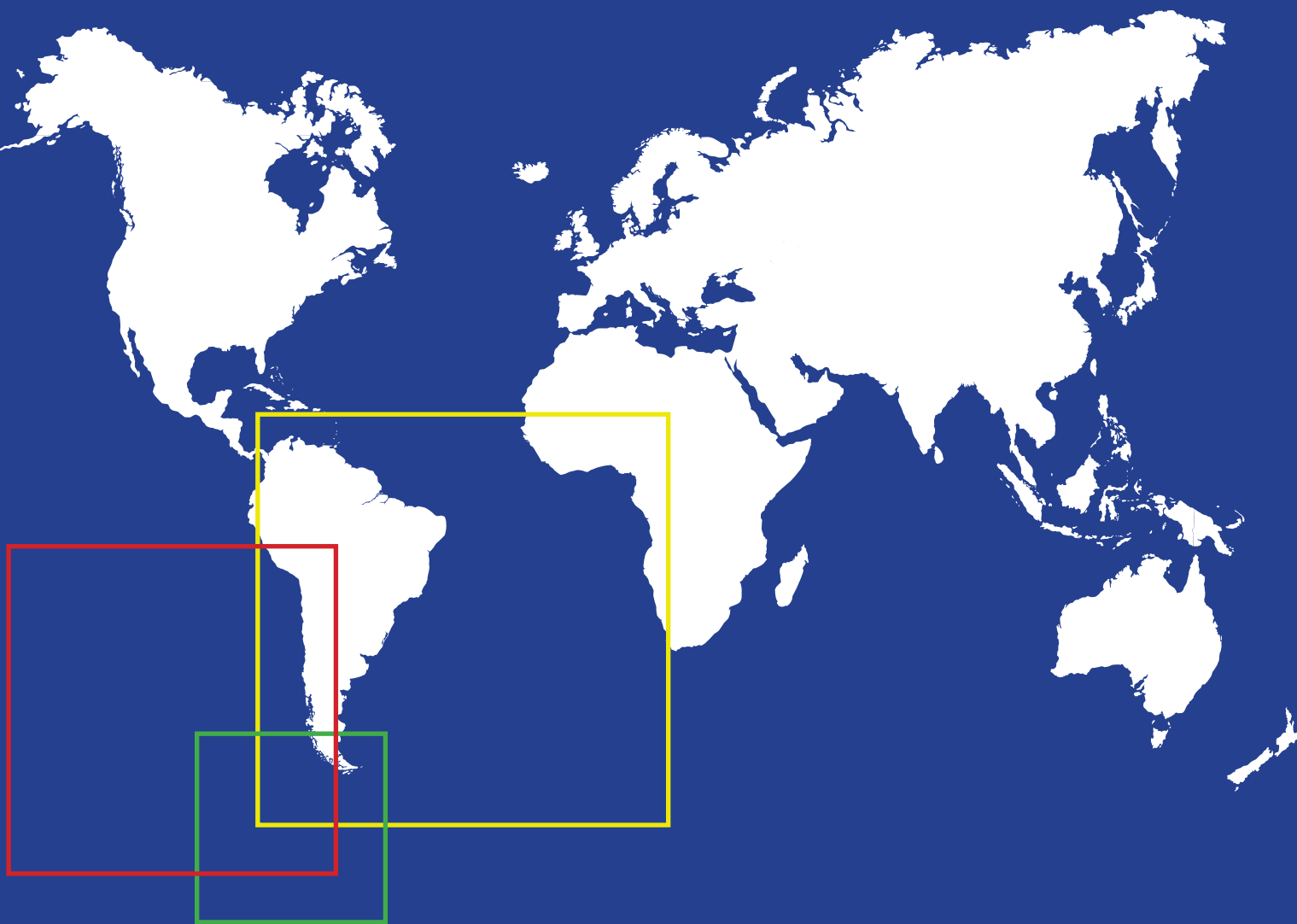




International
Labour
Office

Decent Work Country Profile BRAZIL



**Decent Work
Country Profile
BRAZIL**

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Preface

In 1999, the ILO developed the concept of decent work, bringing together the goals of improving access to full and productive employment with equal opportunity and rights at work, social protection, and the promotion of social dialogue. The Governments of the ILO's member States, as well as employers' and workers' organizations, have acknowledged the importance of monitoring progress on decent work and in 2008, the International Labour Conference adopted the *Declaration on Social Justice for a Fair Globalization* (2008) which recommends, among other measures, that member States consider "the establishment of appropriate indicators or statistics, if necessary with the assistance of the ILO, to monitor and evaluate progress made [on decent work]".¹

In September 2008, a Tripartite Meeting of Experts was held to address the measurement of decent work and to guide the International Labour Office (ILO) on the compilation of a catalogue of indicators. The indicators cover ten thematic areas, ranging from employment opportunities, decent hours and combining work, family and personal life to social dialogue and workers' and employers' representation. In addition, the economic and social context for decent work is analyzed. Besides statistical data, the concept also includes qualitative information on rights at work and the legal and institutional framework for decent work.

In November 2008, the Governing Body of the ILO agreed to test this comprehensive approach in a limited number of pilot countries. The Government of Brazil was one of the first to offer its collaboration to the Office and suggested that it be included in the pilot phase, alongside Austria, Malaysia, the United Republic of Tanzania and Ukraine. The Government of Brazil had been compiling a list of indicators to assess its progress on achieving the goals of the Decent Work Agenda for Brazil, adopted by the Government in May 2006. Its inclusion as a pilot country thus represented an opportunity to assess progress made in the country over the past decade.

On August 11-12, 2009, the ILO Office in Brazil organized a tripartite workshop for the purpose of proposing a set of indicators for Brazil for monitoring decent work, in addition to the main indicators identified by the Tripartite Meeting of Experts in September 2008. The workshop included representatives from the Ministry of Labour and Employment, Employers' and Workers' organizations, the Brazilian Institute for Statistics and Geography (IBGE), as well as experts from the Institute for Applied Economic Research (IPEA) and academia. In addition to proposing additional indicators, the workshop discussed the statistical sources that could be used for measuring progress on decent work as well as some preliminary findings from the data.

Following the workshop, the ILO Office in Brazil prepared the following Decent Work Country Profile which assesses progress on decent work in Brazil since 1992. The report includes some, but not all, of the indicators proposed in the August 2009 workshop. It represents a first attempt to measure progress and we plan to issue annual assessment reports covering the ten dimensions of decent work as well as the economic and social context, and highlighting important policy advances and challenges.

¹ See Paragraph II.B.ii) of the *ILO Declaration on Social Justice for a Fair Globalization*, adopted by the International Labour Conference at its 97th Session in Geneva on 10 June 2008, available at the following link: http://www.ilo.org/wcmsp5/groups/public/---dgreports/---cabinet/documents/publication/wcms_099766.pdf

The present report shows encouraging progress in a variety of areas, for instance the decline in child labour, the increase in the number of workers with a formal labour contract, and improved pension coverage among the elderly. But it also makes evident the many challenges still remaining, such as the discrepancy in earnings between men and women and white and black workers, the large number of adolescents and youths that neither work nor study, and the presence of forced labour.

We are grateful to the European Commission for financing part of these activities under the ILO/EC Project ‘Monitoring and Assessing Progress on Decent Work’ (MAP) and hope that, given the relatively short timeframe, we have succeeded in compiling a realistic and meaningful country profile of decent work in Brazil that is of interest to readers both within the country and abroad.

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Acknowledgements

The *Decent Work Country Profile Brazil* has been compiled by the International Labour Office in Brazil. We would like to acknowledge the contribution of the Brazilian Ministry of Labour and Employment (MTE) to this effort, in particular, for spearheading the initiative to compile a list of decent work indicators for Brazil through a series of technical workshops held in 2008. We would also like to thank the representatives from the Brazilian Employers' and Workers' organizations that participated in the tripartite technical workshop in August 2009, with the goal of consolidating a list of decent work indicators of interest to Brazil. We are also grateful to the representatives from the IBGE, IPEA and academics, who participated in the workshop and provided technical assistance when needed. We would also like to thank the European Union for financing this study under the ILO/EC Project 'Monitoring and Assessing Progress on Decent Work' (MAP).

Statements made in the *Decent Work Country Profile Brazil* do not necessarily reflect the positions of the above named institutions. Any errors are the sole responsibility of the International Labour Office.

Introduction

Brazil achieved significant progress in several important areas of decent work in the period between 1992 and 2007. Women's participation in the labour force continued to increase and, following a decline in the 1990s, growth of employment levels resumed in the first decade of the 2000s. Resumption of high and steady rates of economic growth after 2003, allied to a higher employment elasticity (the extent to which additional output creates additional jobs), had direct and positive repercussions on the labour market, with unemployment declining steadily between 2003 and 2007. In the same period, the rate at which formal jobs were created increased, leading to a decline in the informality rate. With inflation under control after the adoption of the Real Plan in 1994, and increases in the minimum wage (especially after 2003) workers' real earnings rose, with a resulting reduction in poverty and inequality and a general improvement in living standards of the population. Child labour declined significantly, and the number of workers freed from situations of forced labour rose sharply.

Increases in formal employment led to a rise in the proportion of workers contributing toward social security, and social spending as a proportion of Gross Domestic Product (GDP) rose. There was also an increase in the proportion of elderly persons receiving a pension or survivor benefit. Between 1992 and 2007, the percentage of workers with excessive working hours declined, and job tenure increased. After suffering a decline in the 1990s, trade union density rates began to revive in the 2000s. After 2003, there was a significant increase in the proportion of collective bargaining agreements that effectively resulted in increases in workers' wages and real earnings.

Though some gaps narrowed during the period, significant gender and racial disparities persist in the labour market, representing decent work defi-

cits for women and blacks.¹ Increasing participation of women in the labour force has not been accompanied by a redefinition of gender roles in terms of domestic responsibilities, meaning that women work a 'double shift'.

The challenge of eradicating child labour, despite progress achieved, remains huge. The number of working children is still high, and the rate of decline has slowed in recent years. Youth unemployment remains persistently high (almost double that of adults) and the alarming proportion of youths that neither study nor work has stubbornly failed to decline.

It should be stressed that this report reflects the labour-market situation up until 2007, when the latest National Household Sample Survey (PNAD) was published. Thus, most changes brought on by the international crisis, that began in the second half of 2008, are not reflected. Nonetheless, the report shows, very concisely, that the most perceptible impacts of the crisis up until the present have been increased unemployment and a slowdown in the generation of formal jobs. On the other hand, it should be observed that, as of the second quarter of 2009, the indicators have improved in relation to the immediate post-crisis period, and are approaching pre-crisis levels.

This report assesses progress towards decent work in Brazil in the 1992-2007 period. Its main source of information is the National Household Sample Survey (PNAD) carried out by the Brazilian Institute of Geography and Statistics (IBGE). It should be stressed that methodological changes in PNAD in the early 1990s, and more precisely during the 1992 survey, have hampered comparisons with

¹ With respect to indicators on colour or race, the category 'black' includes the population that describes itself as black, coloured or indigenous, whereas the category 'white' includes the white and Asiatic population.

labour market indicators from earlier decades. PNAD data for 2008 were published by IBGE on September 18, 2009, and were thus unavailable at the time of drafting this report. Nonetheless, data from IBGE's Monthly Employment Survey (PME) were used for appraising the main effects of the crisis on employment and on workers' earnings. The PME covers Brazil's six main metropolitan regions (Recife, Salvador, Belo Horizonte, Rio de Janeiro, São Paulo and Porto Alegre) which corresponds to approximately 25 per cent of the country's Economically Active Population (EAP). Further information, in the form of administrative records of the Ministries of Labour and Employment, of Social Security, and of Health, and data provided by the Inter-Union Department of Statistics and Socioeconomic Studies (DIEESE) and the Institute of Applied Economic Research (IPEA) were also used.

With the exception of child labour, and a few other decent work indicators necessary for comparison with other countries, the indicators are based on the population aged 16 years and over. This is because under Brazilian legislation all work (including light work) is forbidden for those under the age of 16 years, with an exception made for apprentices as of the age of 14 years. Whenever possible, indicators were broken down by sex, colour/race and household location (urban vs. rural), with a view to elucidating specific aspects of progress toward decent work among different population segments.

On August 11 and 12, 2009, a tripartite workshop on decent work indicators was held in Brasilia, for the purpose of proposing a set of indicators for Brazil, taking into account available statistical information.² Many of these indicators are to be developed in the future and for this reason, regrettably, it was not possible to include many of them in this report.

² See ILO: *National Consultation Workshop on Decent Work Indicators for Brazil*, Workshop Report (Brasilia and Geneva, 2009).

Technical notes

With a view to ensuring comparability of information from the National Household Sample Survey (PNAD) over the entire 1992-2007 historical series, data for the 2004-2007 period encompasses the whole country, except rural areas of the North region (minus the State of Tocantins), since the coverage of PNAD did not extend to rural areas of this region in the 1992-2003 period.

When comparing PNAD data for the 1990s and 2000s, it must be remembered that urban/rural classification in Brazil complies with territorial-administrative legislation in effect at the time of the preceding population census. In view of this, though the legislation has altered classifications of certain areas during inter-census periods, the definition in effect during the 1991 Population Census was maintained for PNAD surveys conducted in the 1992-1999 period. Moreover, the classification in effect at the time of the 2000 Population Census was maintained for PNAD surveys conducted between 2001 and 2007. Consequently, statistics on urban/rural location do not fully reflect such inter-census changes, and differences become more intense the more time has passed since the population-census year

when the household location (urban vs. rural) was classified. Furthermore, significant alterations in legislation between one population census and the next hamper comparison of urban and rural areas in different decades.

As of 2002, the Brazilian Classification of Occupations – by Household (*CBO-Domiciliar*) and the National Classification of Economic Activities – by Household (*CNAE-Domiciliar*) were adopted for classification of occupations and activities investigated under PNAD. In view of this, for various categories, it was not possible to establish comparisons between the 1990s and 2000s and the period of analysis is thus limited to 2002-2007.

With respect to indicators on colour or race, the category ‘black’ includes the population that describes itself as black, coloured or indigenous, whereas the category ‘white’ includes the white and Asiatic population. In 2007, the distribution of the Brazilian population, broken down by race and colour, was as follows: white (49.4 per cent), coloured (42.3 per cent), black (7.4 per cent) and yellow or indigenous (0.8 per cent).

List of abbreviations

BPC	Long-term Social Welfare Benefit
BPC/LOAS	Long-term Social Welfare Benefit / Organic Law of Social Assistance
CAGED	General Register of Employed and Unemployed Workers
CAT	Communication of Workplace Accidents
CGTB/SP	General Central of Workers of Brazil / State of São Paulo
CNC	National Confederation of Commerce
CNI	National Industrial Confederation
CODEFAT	Deliberative Council of the Workers' Support Fund
CPF	Register of Individual Taxpayers
CPT	Pastoral Commission of the Land
CUT	Unified Workers' Central (Central Única dos Trabalhadores)
DIEESE	Inter-Union Department of Statistics and Socioeconomic Studies
EAP	Economically Active Population
EC	European Commission
GDP	Gross Domestic Product
IBGE	Brazilian Institute of Geography and Statistics
ILO	International Labour Office / International Labour Organization
ILO/SIALC	International Labour Office / Labour Market Information and Analysis System for Latin America and the Caribbean
INSS	National Institute of Social Security
IOS/CUT-SP	Social Observatory Institute / Unified Workers' Central of the State of São Paulo
IPEA	Institute of Applied Economic Research
IPEC	International Programme on the Elimination of Child Labour
LOAS	Basic Social Welfare Law
MAP	ILO/EC Project 'Monitoring and Assessing Progress on Decent Work'
MTE	Ministry of Labour and Employment
NCST/DF	New Workers' Central Union (Nova Central Sindical dos Trabalhadores)
OMT/MTE	Labour Market Observatory of the Ministry of Labour and Employment
PETI	Child Labour Eradication Programme
PIA	Annual Industrial Survey
PME	Monthly Employment Survey
PNAD	National Household Sample Survey
PPP	Purchasing Power Parities
RAIS	Annual Report of Social Information
SAGI	Secretariat for Evaluation and Information Management of the Ministry of Social Development and the Combating of Hunger
SELIC	Special System for Liquidation and Custody
SETEC/MT	State Secretariat on Work, Employment and Citizenry of Mato Grosso
SETRE/BA	Secretariat on Work, Employment, Income and Sport of the State of Bahia
SIRT	MTE's Labour Relations System
SIT	Secretariat for Labour Inspections
SPETR	Public Employment, Work and Income System
SUS	Unified Health System
UGT	General Union of Workers
UNIESP-SP	Union of Educational Institutions of the State of São Paulo

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1 Employment opportunities¹

Work is one of the main links between economic and social development. It is one of the principle mechanisms for ensuring effective distribution of the benefits of such development among people. Roughly 80 per cent of the total incomes of Latin-American families, i.e., a major portion of family incomes, and the livelihoods of individuals stems essentially from earnings generated in the labour market.² For this reason, employment opportunities are one of the main pillars for promoting decent work. The main indicators used to appraise employment opportunities within the scope of this report are labour force participation rates, the employment-to-population ratio, and the unemployment rate.

In general, the labour supply is determined by the size of the population (resulting from earlier rates of population growth and net migration); by the population structure by age and sex, determined by the dynamics of fertility, mortality and migration; and by the behaviour of participation rates (proportion of economically active persons in relation to persons of working age) by age and sex which, in turn, is influenced by economic, social, and cultural factors.

Traditionally, women have lower participation in the labour force than men. On the other hand, it must be stressed that the concept of employment is narrowly based on a definition of economic activities and fails to encompass activities most often performed by women, and that therefore many women workers are classified as economi-

cally 'inactive'. In view of this 'invisibility of women's work', a significant portion of the work performed by women is underreported and not reflected in the labour force participation rate. Using PNAD information, it is possible to observe the real dimensions of underreporting of women's work. In Brazil, in 2007, of the total contingent of 23.1 million women between the ages of 16 and 64 years classified as 'inactive', roughly 92 per cent (21.2 million) performed domestic tasks³; whereas among inactive men, only 49.1 per cent performed such household tasks. This invisibility of women's work becomes even more apparent when we consider that economically 'inactive' Brazilian women spent an average of 33 hours per week working at domestic tasks.

Nonetheless, women's participation in the labour force has increased much faster than that of men. Indeed, women's participation in the labour force increased from 56.7 per cent in 1992, to 64.0 per cent in 2007, i.e., roughly 7 percentage points in 15 years (see Table 1). Men's participation, on the other hand, declined from 89.8 to 86.3 per cent over the same period. As a result of these opposing trends, there has been a closing of the gap between participation of men and women, and the total labour force participation rate underwent slight growth from 72.8 per cent in 1992 to 74.8 per cent in 2007. As a consequence of their greater participation in the labour force, women represented 44 per cent of Brazil's labour force in 2007, as opposed to 40 per cent in 1992.

¹ Principal authors of Chapters 1 to 11: José Ribeiro and Janine Berg. Legal Framework Indicators: Lee Swepston.

² CEPAL: *Cohesión social: inclusió y sentido de pertenencia en América Latina y el Caribe*, LC/G.2335/Rev.1 (Santiago de Chile, 2007).

³ Domestic tasks encompasses performance, within the home, of non-economic tasks (i.e., that do not fulfil requisites under the concept of employment): tidying or cleaning the home, cooking, washing clothes, taking care of children and the elderly, as well as managing the home.

Table 1. Employment opportunities

Decent Work Indicator	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Labour force participation rate (16 to 64 years), in %	72.8	72.6	..	73.2	71.2	72.1	72.1	72.9	..	72.4	73.4	73.6	74.3	75.2	75.0	74.8
Women	56.7	56.6	..	58.3	56.2	57.5	57.8	59.6	..	59.5	61.1	61.6	62.8	64.3	64.2	64.0
Men	89.8	89.6	..	89.0	87.2	87.7	87.3	87.2	..	86.3	86.6	86.3	86.7	87.0	86.5	86.3
Black	73.8	73.5	..	73.7	71.7	72.7	72.7	73.2	..	72.3	73.6	73.5	74.3	75.1	74.6	74.5
White	72.0	72.0	..	72.8	70.8	71.7	71.6	72.7	..	72.5	73.3	73.6	74.3	75.4	75.3	75.0
Rural	81.2	81.4	..	81.6	77.7	79.8	78.8	80.6	..	79.2	80.0	79.9	80.5	81.2	80.1	79.0
Urban	70.7	70.5	..	71.2	69.7	70.4	70.6	71.2	..	71.3	72.3	72.5	73.3	74.2	74.1	74.1
Employment-to-population ratio (16 to 64 years), in %	68.1	68.3	..	68.8	66.4	66.6	65.7	65.9	..	65.6	66.7	66.3	67.6	68.1	68.5	68.6
Women	52.2	52.5	..	54.1	51.4	51.8	51.1	52.3	..	52.3	54.0	54.0	55.4	56.3	57.0	57.0
Men	85.0	85.0	..	84.4	82.4	82.3	81.1	80.3	..	79.8	80.2	79.5	80.7	80.7	80.8	81.0
Black	68.5	68.5	..	68.9	66.5	66.5	65.7	65.4	..	64.5	65.9	65.4	66.6	67.0	67.4	67.6
White	67.8	68.1	..	68.8	66.3	66.7	65.6	66.3	..	66.5	67.3	67.1	68.4	69.1	69.5	69.5
Rural	79.9	80.1	..	80.2	76.0	78.0	76.4	78.1	..	77.0	77.8	77.7	78.2	78.8	77.5	76.6
Urban	65.2	65.4	..	66.1	64.2	64.0	63.2	63.1	..	63.6	64.8	64.4	65.8	66.3	67.0	67.3
Unemployment rate (16 to 64 years), in %	6.4	6.0	..	6.0	6.8	7.7	8.9	9.7	..	9.4	9.2	9.9	9.1	9.5	8.6	8.3
Women	8.0	7.3	..	7.2	8.6	9.8	11.5	12.2	..	12.0	11.7	12.4	11.9	12.4	11.2	11.0
Men	5.4	5.1	..	5.1	5.5	6.1	7.1	7.9	..	7.6	7.3	7.9	7.0	7.2	6.5	6.1
Black	7.2	6.8	..	6.6	7.3	8.4	9.6	10.8	..	10.9	10.4	11.0	10.3	10.8	9.6	9.3
White	5.8	5.4	..	5.5	6.3	7.1	8.3	8.8	..	8.3	8.2	8.9	8.0	8.3	7.6	7.3
Rural	1.6	1.5	..	1.7	2.1	2.3	3.0	3.1	..	2.7	2.7	2.7	2.9	3.1	3.2	3.1
Urban	7.8	7.3	..	7.1	7.9	9.0	10.4	11.4	..	10.7	10.4	11.2	10.2	10.7	9.6	9.2
Formality rate, in %¹	46.4	45.7	..	45.5	46.0	45.5	44.8	43.9	..	45.2	44.5	45.7	46.3	46.9	48.1	49.5
Women	40.8	40.2	..	40.8	42.5	42.2	42.4	41.4	..	43.1	42.7	43.7	43.9	44.3	45.5	46.7
Men	50.0	49.2	..	48.6	48.3	47.6	46.4	45.6	..	46.6	45.9	47.1	48.1	48.7	50.0	51.6
Black	36.6	35.9	..	36.0	37.2	36.3	35.8	34.7	..	36.7	36.1	37.0	38.2	39.2	40.5	42.5
White	54.2	53.3	..	52.8	52.7	52.6	51.9	51.1	..	51.9	51.4	52.9	53.2	53.8	55.0	56.0
Rural	15.3	15.7	..	15.8	17.8	16.5	17.2	17.7	..	15.5	15.5	16.5	17.4	18.0	19.3	20.5
Urban	56.4	55.0	..	54.4	54.1	53.8	52.7	51.6	..	51.7	50.8	51.9	52.3	52.9	53.8	55.1
Youth not in education and not in employment (15 to 24 years), in %	21.1	20.2	..	19.3	19.9	19.6	19.6	18.9	..	19.4	18.9	18.9	18.7	18.7	18.8	18.8
Women	31.4	30.1	..	28.2	28.5	28.2	28.2	26.9	..	27.5	26.1	26.4	25.8	25.9	25.8	25.8
Men	10.8	10.2	..	10.4	11.5	11.0	11.0	11.0	..	11.1	11.6	11.6	11.5	11.6	11.8	12.0
Black	22.7	21.5	..	21.0	21.9	21.5	21.2	20.6	..	21.5	20.8	21.1	20.6	21.0	21.0	21.2
White	19.6	19.0	..	17.7	18.2	17.9	18.1	17.3	..	17.3	16.9	16.8	16.7	16.3	16.5	16.2
Rural	17.8	17.3	..	17.4	19.2	17.5	17.3	15.9	..	16.9	15.7	16.0	15.7	15.7	16.9	16.9
Urban	22.0	21.0	..	19.7	20.1	20.1	20.1	19.7	..	19.8	19.4	19.5	19.2	19.3	19.2	19.2
Youth unemployment rate (15 to 24 years), in %	11.9	11.5	..	11.4	12.6	14.4	17.2	18.3	..	17.9	18.0	19.0	18.4	19.6	18.0	17.0
Women	15.0	14.2	..	14.1	16.1	18.4	22.3	23.0	..	22.4	22.8	24.5	23.5	25.1	23.1	22.1
Men	9.9	9.8	..	9.7	10.3	11.8	13.8	15.1	..	14.6	14.6	15.1	14.5	15.5	14.0	13.2
Black	12.3	12.0	..	11.8	12.9	14.8	17.5	18.9	..	19.2	18.9	19.7	19.5	21.0	19.0	18.0
White	11.5	11.1	..	11.1	12.4	14.1	17.0	17.7	..	16.6	17.1	18.3	17.2	18.1	16.8	15.9

Decent Work Indicator	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Rural	3.1	3.1	..	3.3	4.1	4.5	6.2	6.2	..	5.2	5.5	5.7	5.9	6.9	7.1	7.1
Urban	14.7	14.3	..	13.9	15.1	17.3	20.3	21.7	..	20.5	20.7	21.7	20.9	22.2	20.1	18.8

Note:

¹ Formality rate includes workers with a signed labour card (*carteira assinada*), including domestic workers, military personnel and government civil servants, as well as employers and self-employed workers who contribute to the social security system.

Source: IBGE – PNAD (see technical notes).

Examination of the employment-to-population ratio⁴ shows that the ratios (of around 68 per cent) prevailing in the early 1990s (1992 and 1993) were practically the same as for 2006 and 2007 (68.6 per cent). It must, however, be stressed that in the latter years of the historical series, the employment-to-population ratio increased 2.3 percentage points, rising from 66.3 per cent in 2003 to 68.6 per cent in 2007. From a gender perspective, these rates displayed quite different behaviours. Indeed, the 1992-2007 period was marked by an increase in the employment level for women (from 52.2 to 57.0 per cent) *vis à vis* a decline in employment for men (which dropped from 85.0 to 81.0 per cent), reflecting the same trend observed in relation to the labour force participation rate. Consequently, there was a closing of the gap between employment levels for men and for women: from 32.8 percentage points in 1992, to 24.0 in 2007, i.e., of 8.8 percentage points in 15 years. With respect to the attribute colour/race, the employment level of white workers showed a slight increase, from 67.8 to 69.5 per cent between 1992 and 2007, whereas the rate for black workers declined slightly (from 68.5 to 67.6 per cent).

Unemployment levels over the period were highly sensitive to economic crises and periods of faster GDP growth. The unemployment rate declined from 6.4 to 6.0 per cent between 1992 and 1995, reflecting the resumption of economic growth between 1993 and 1995 (when average annual GDP growth was 4.8 per cent) essentially as a consequence of the staunching of inflation upon introduction of the Real Plan. In the three-year period from 1997 to 1999, there was a significant rise in the unemployment rate, affecting 9.7 per cent of

the labour force in 1999. Among the factors that account for this rise in unemployment were the severe impacts of the Asian crisis (1997) and the Russian crisis (1998) on the Brazilian economy that led to devaluation of the Real at the beginning of 1999 and put a brake on GDP growth.

In the first half of the 2000s, the unemployment rate remained high, reaching almost double-digit levels (9.9 per cent) in 2003. It should be stressed that during this period, aside from low GDP growth, unemployment was aggravated by an increase in the supply of workers in the labour market. Indeed, the labour force participation rate increased from 72.4 per cent in 2001, to 75.2 per cent in 2005, despite slower average growth of the working-age population compared to the 1990s. The economic upturn in 2005, allied to higher output-employment elasticity and successive increases in the availability of formal jobs, led to a drop in the unemployment rate from 9.5 per cent in 2005 to 8.6 per cent in 2006 and to 8.3 per cent in 2007.

On the other hand, and contrary to the positive trends in the labour force participation rate and the employment level, there was an increase in the differences between the unemployment rate for men and for women, and between white and black workers. From 1992 to 2007, the unemployment rate for men rose from 5.4 to 6.1 per cent (0.7 percentage points), whereas for women it increased 3 percentage points, from 8.0 to 11.0 per cent. Among white workers unemployment rose from 5.8 to 7.3 per cent (1.5 p.p.), whereas among black workers the increase was from 7.2 to 9.3 per cent (2.1 p.p.).

One of the main structural traits of the youth labour market in Brazil (as in various other countries) is a

⁴ Number of employed workers, 16 to 64 years old, as a percentage of the working-age population in the same age group.

Legal Framework Indicator 1. Government commitment to full employment

Law, policy or institutions: A number of different initiatives on job creation and growth are referred to in the Committee of Experts' comments. The Committee appears to accept that "the objectives of full productive employment and decent work, set forth in the Government's report, constitute fundamental objectives of government policy". The Experts' observation of 2008 (published 2009) requests information on measures of the National Decent Work Agenda to reduce the unemployment rate and the average duration of unemployment. "In particular, the Committee asks for information on the measures that have been implemented to promote local development, strengthen micro- and small enterprises and cooperatives, and social economy initiatives with a view to continuing the creation of productive employment."

In 1990, legislation established the Deliberative Council of the FAT (CODEFAT) to manage the FAT (Worker Support Fund). CODEFAT is a collegiate, tripartite body in which workers, employers and government are equally represented. It appears to be a central body in managing promotion of employment, but is not the only one.

Evidence of implementation effectiveness: The Committee of Experts' 2008 Observation (published 2009): "According to data published by the ILO in *Labour Overview 2007*, GDP growth, which was 5.3 per cent, accelerated in 2007 by 1.6 per cent[age points] in relation to the previous year (3.7 per cent), which is associated with the high level of private investment and the public investment in infrastructure promoted by the Government through the PAC [*Programa de Aceleração do Crescimento*, or Programme of Growth Acceleration]. Labour market indicators also followed an upward trend."

The urban unemployment rate fell from 10.2 per cent in 2006 to 9.9 per cent in 2007. These positive results were also reflected in the rise in formal employment. According to data published by the General Register of Employees and the Unemployed (CAGED) of the Ministry of Labour and Employment of Brazil, 2.4 million jobs were created in 2007, which is one of the best results for the period since 1985. The branches with the highest job growth were: construction (16.1 per cent), wholesale and retail trade (8.1 per cent) and manufacturing (7.4 per cent). In absolute numbers, the sectors with the largest job growth were: services (706,000 jobs), manufacturing (487,000 jobs) and public administration (477,000 jobs).

Ratification of ILO Conventions: Employment Policy Convention, 1964 (No. 122), ratified in 1969.

Sources:

1. Government reports on C.122.
2. Committee of Experts' comments on C.122 (<http://webfusion.ilo.org/public/db/standards/normes/appl/appl-displaycomment.cfm?hdroff=1&ctry=0090&year=2008&type=0&conv=C122&lang=EN>)

prevalence of unemployment rates that are significantly higher for youths than for the adult population. Whereas in 2007 the total unemployment rate (referring to workers 16 to 64 years of age) was 8.3 per cent, unemployment among youths (15 to 24 years old) reached 17.0 per cent, i.e., twice as high. The magnitude of the youth unemployment rate also contributed to the expressive number of youths among the total unemployed contingent. In 2007, of a total unemployed population of 7.8 million, roughly 3.6 million (46.7 per cent of the total) were between 15 and 24 years of age.

The unemployment rate among youths rose from 11.9 to 17.0 per cent (5.1 p.p.) between 1992 and 2007, reaching a peak of 19.4 per cent in 2005. The adult unemployment rate also increased during this period, but to a lesser extent (1.9 p.p.) rising from 6.4 to 8.3 per cent. It should be stressed that, between 2005 and 2007, unemployment declined

both among youths and adults as a consequence of economic growth and the subsequent improvements in the creation of formal jobs. Nonetheless, significant differences in unemployment rates for youths and for adults persist.

The numbers and rates of unemployed youths bear a direct relation to demographic and structural aspects affecting the labour market. On the supply side, demographic pressures were felt throughout the 1990s and in the first half of the current decade, mostly as a result of lasting effects of the so-called 'youth wave'. This occurred due to increases in the working-age population and the labour force, closely conditioned by elevated past fertility rates. These pressures will persist, though with decreasing intensity, until the end of the next decade. In other words, on the supply side, the challenge is to live with the pressure for new jobs, brought on by the demographic phenomenon of

Legal Framework Indicator 2. Unemployment insurance

Law, policy or institutions: Unemployment Insurance Act (Laws 8.036 and 7.998 of January 11, 1990 and amendments of 1994 and 2000). The Ministry of Labour and Employment (<http://www.mte.gov.br>) is responsible for supervision of the benefit funded by the Worker Protection Fund (FAT). The Deliberative Council of the Worker Protection Fund (CODEFAT), a tripartite body, administers the programme. *Type of programme:* Social assistance system. *Qualifying conditions:* The benefit varies according to specificities of the insured, and is paid out in no more than five instalments, varying according to whether the insured had 6 to 11 months of coverage, from 12 to 23 months of coverage or 24 months or more of coverage in the previous 36 months. Payment of the benefit is suspended if the worker starts a new job or if the worker has become eligible for other social security benefits.

Benefits (level and duration): The value of the benefit is based upon the monthly wage of the last employment relationship, as follows: if the worker received three or more monthly wages at his previous formal job, the calculation takes into account the wages of the previous three months; if the worker, rather than receiving three wage payments from the previous formal job, received only two monthly wage payments, the appraisal shall take into account the average wage over the previous two months; if the worker, rather than receiving three or two monthly wages from his previous formal job, received only one monthly wage, this shall be the basis for the appraisal. The value of the monthly benefit varies from one minimum wage to a ceiling of R\$ 870. In 2009, the average benefit amounted to R\$ 595, equivalent to 1.3 minimum wages. In response to the current economic crisis, the Government, on an exceptional basis, extended benefits for an additional two months for workers in the sectors most directly affected by the economic crisis.

Coverage of workers in law: Employees with signed work contracts, professional fishermen during the spawning season when fishing is forbidden, and workers rescued from conditions analogous to slavery.

Coverage of workers in practice: No information was located by the ILO.

Ratification of ILO Conventions: Social Security (Minimum Standards) Convention, 1952 (No. 102), ratified in June 2009 (so far no examination by the Committee of Experts). Employment Promotion and Protection against Unemployment Convention, 1988 (No. 168), ratified in 1993.

Sources:

1. ISSA database (<http://www.issa.int/aiss/Observatory/Country-Profiles/Regions/Americas/Brazil>).
2. Natlex (http://www.ilo.org/dyn/natlex/natlex_browse.details?p_lang=en&p_country=BRA&p_classification=15.04&p_origin=COUNTRY&p_sortby=SORTBY_COUNTRY).

the youth wave, at least up until 2020, despite the fact that it had already lost much of its impetus by the second half of the current decade. Indeed, the PNAD data show that in 2006, for the first time in recent decades, there was a simultaneous decline in the absolute number and in the percentage participation of youths in the population structure, presaging an inflection of the youth wave. In view of such inflection and despite ageing of the population in 2007 approximately 18 per cent of Brazil's population was comprised of adolescents and youths between 15 and 24 years of age.

When youth unemployment is examined from the perspectives of gender, race/colour and household location (urban vs. rural) the intensity of the phenomenon displays considerable heterogeneity. In 2007, the unemployment rate for young women (22.1 per cent) was considerably higher (roughly 9 p.p.) than for young men (13.2 per cent), and this gap was greater than recorded in 1992 (5.1 p.p.).

Unemployment among black youths (18 per cent) was also higher than among white youths (15.9 per cent) in 2007, the gap having increased slightly, from 1.2 to 2.1 p.p., in the 1992-2007 period.

With respect to the rural-urban divide, in areas classified as urban unemployment affected 18.8 per cent of youths, whereas in rural areas the rate was significantly lower (7.1 per cent). It should be underscored that, despite lower youth unemployment in rural areas, such unemployment more than doubled, from 3.1 to 7.1 per cent, during the period, an increase that was proportionally greater than recorded for urban youth, for whom unemployment rose from 14.7 to 18.8 per cent over the same period.

In 2007, 6.4 million Brazilian youths (18.8 per cent of the total) neither studied nor worked. This implies that practically one in five youths between the ages of 15 and 24 years were in this

situation in Brazil. Although this percentage declined slightly in comparison to 1992 (21.1 per cent) and has not increased since 2001 (when it stood at 19.4 per cent) it is nonetheless very high. Moreover, these figures appear very resistant to change, despite a context of greater economic growth, more formal jobs and higher schooling levels, and remained practically unchanged from 2003 to 2007.

When examined from gender and colour/race perspectives, certain features of youth unemployment raise greater concern. In 2007, the proportion of young women that neither studied nor worked (25.8 per cent) was more than two times greater (2.2 fold) than the proportion of men in the same situation (12.0 per cent). In 1992, this gap had been practically threefold (31.4 per cent for the women, as apposed to 10.8 per cent for the men). In the early 1990s, the difference between the proportion of black youths and white youths that neither worked nor studied was roughly 3 percentage points, and this gap continued to grow throughout the period of the survey. By 2007, this difference had risen to around 5 percentage points, 21.2 per cent for black youths and 16.2 per cent for white youths. Another aspect that raises concern is that, when links between gender and race dimensions are examined, disparities become even more marked. In 2006, the proportion of young black women that neither studied nor worked (29.2 per cent) was approximately 7 percentage points higher than for young white women (22.4 per cent), and roughly three times higher than for young white men (10.3 per cent).⁵

The significant gap between the proportions of male and female youths that neither study nor work is largely a reflection of gender issues. Though young women tend to have higher schooling levels, their unemployment rates are higher, and participation rates lower, than those of young men. The fact that school drop-out rates and non-participation in the labour market are significantly higher for young women is strongly conditioned by the extent to which they are focused on domestic tasks and maternal responsibilities, especially if they become pregnant during ado-

lescence. Analysis of the indicator referent to the proportion of youths that neither study nor work, excluding the unemployed, corroborates this finding. Indeed, in 2007, the aforesaid proportion was 18.6 per cent for young women, and 6.9 per cent for young men, i.e. it was 2.7 times higher for young women, as apposed to 2.2 times if the traditional indicator that includes the unemployed is used, thereby revealing that a significant proportion of young women are 'inactive' owing to their being weighed down by domestic tasks and/or maternal obligations.

One essential measure of the quality of jobs is the proportion governed by regular labour contracts, those that comply with current legislation and entail access to the social protection network. Reducing informality is a central element for promoting decent work. Economic restructuring had a negative effect on the labour market in the 1990s, leading to a rise in informality levels during this decade. Indeed, between 1992 and 1999, the formality rate⁶ dropped from 46.4 to 43.9 per cent. In the 2000s, this trend was reversed, and levels of formality grew consistently as of 2002, and with greater intensity as of 2004 when the rate stood at 46.3 per cent, rising to 49.5 per cent in 2007. This performance was directly associated to expansion of the formal job market which, according to information from the Ministry of Labour and Employment's Annual Listing of Social Information (RAIS)⁷, grew 19.7 per cent between 2004 and 2007.

Despite such positive developments, it must be stressed that the social protection network is extended to only half of Brazil's workers, and that informality is especially acute among women, blacks and certain job categories. Though between 1992 and 2007 overall formality rates increased by roughly 6 percentage points, in 2007 the formality rate for women (46.7 per cent) was, nonetheless,

⁵ ILO: *Trabalho Decente e Juventude no Brasil* (Brasília, 2008).

⁶ Corresponds to the share of the sum total of workers with signed work contracts, including domestic servants, the military and public servants, employers and own-account workers that contribute towards social security, within the total occupational structure.

⁷ RAIS is an administrative record, published annually, created for control and production of statistics and information for governmental bodies in the social area. Provides an essential instrument for fulfilling legal standards and is of fundamental importance for monitoring and describing the formal labour market.

5 percentage points lower than for men (51.6 per cent). Notwithstanding the increase from 36.6 to 42.5 per cent between 1992 and 2007 (which contributed toward a decline in inequality) the proportion of black workers enjoying social protection was, nonetheless, 13.5 percentage points lower than for white workers.

Breaking down formality by job category⁸ reveals that the formality rate among domestic workers rose from 19.4 to 28.1 per cent between 1992 and 2007. Despite this expansion of 8.7 percentage points, it should be remembered that just slightly over one quarter of domestic workers enjoy social protection coverage. Considering that the vast majority (over 90 per cent) of domestic workers are women, the formality rate for such female domestic workers (27.2 per cent in 2007) was practically the same as for the total contingent of workers in this category (28.1 per cent). There are far fewer men that are employed as domestic workers, yet their formality rate in 2007 was 42.2 per cent, which was considerably higher than the female rate. As was mentioned earlier in this report, low levels of formality among domestic workers, associated with that fact that roughly 20 per cent of all jobs for women in Brazil fall into this category, contributes decisively toward a much lower total formality rate for women workers than for men.

Among own-account workers, it is remarkable that, throughout the period of this historical series (15 years) the proportion that contributes toward social security never rose above 20 per cent. Moreover, bucking the general trend, this propor-

tion dropped from 19.4 to 16.6 per cent between 1992 and 2007. This decline was indiscriminate, regardless of sex or colour/race. The proportion of own-account workers that contributed toward social security was lower for women (13.7 per cent) and lower still for black workers (9.3 per cent) than for whites (23.8 per cent). The set of indicators reveals that higher informality levels among women and black workers are closely related to their over-representation in insecure jobs that do not afford social protection.

It must be stressed that, in view of the latest published PNAD data available, information and analyses referent to the 'Employment opportunities' dimension of this report take into account the status of the labour market only up until 2007. It does not, therefore, reflect changes in the labour market brought on by the international crisis that took hold in the last quarter of 2008. Nonetheless, it is clear that the most perceptible impacts of the crisis up until the present have been increased unemployment and a slowdown in the generation of formal jobs. As of the second quarter of 2009, indicators have shown improvement in relation to the immediate post-crisis period, though employment levels have not yet returned to pre-crisis levels. Data from the PME covering six metropolitan areas of the country showed that unemployment in August 2009 had risen to 8.1 per cent compared with 7.6 per cent in August 2008. Formal job creation resumed in March 2009 after net declines during the months of November 2008 until February 2009. By August 2009, 680,000 formal jobs had been created in the year compared with 1.8 million during the January-August 2008 period.

⁸ Corresponds to the proportion of workers in each category and position within the occupation that has a signed work contract or that contributes toward social security.

2 Adequate earnings and productive work

Adequate remuneration implies ensuring workers of both sexes sufficient livelihood for themselves and for their families, free of any discriminatory differences. Data from the National Household Sample Survey (PNAD) show that, in 2007, the average income from the main source of work (paid employment or self-employment) for workers age 16 years or older amounted to R\$931 per month, equivalent to approximately US\$460. This sum represents a real gain of 15 per cent in comparison with 2004, but is nonetheless lower than the value recorded in 1995.

There are considerable differences between the average earnings from paid and self-employment received by different groups. In 2007, average monthly earnings of women were R\$745 and R\$1,059 for men. This means that women receive earnings equivalent to only 70.3 per cent of those of men. Though this difference is substantial, it is nonetheless smaller than it was at the beginning of the survey period (1992) when, on average, women received only 61.5 per cent of the earnings of men. Earnings disparities between black and white workers are even greater: in September 2007, on average, whereas white workers received R\$1,184, black workers received R\$653, i.e., just over half (55.2 per cent) as much as whites. Nonetheless, this represented an advance in comparison to 1992, when earnings of black workers were only 50.3 per cent of those of white workers.

The average earnings in September 2007 (R\$931) were lower than they were in the second half of the 1990s but, nevertheless, represents a 26.8 per cent gain in comparison to the average of R\$734 recorded for 1992. After the Real Plan (1994) that brought inflation under control, average earn-

ings increased from R\$978 in 1995 to a peak of R\$1,041 in 1997. After 1997, earnings declined consistently, dropping to R\$807 in 2004. Since 2004, earnings have undergone recovery due to improved purchasing power of the minimum wage and resumption of economic growth. The better economic scenario and consequent decline in unemployment led to wage increases, through individual and collective agreements between workers and employers, and improvements in the status of women and of the black population in the labour market.

For developments from September 2007 onwards, the main data source on earnings is the Monthly Employment Survey (PME) that encompasses six metropolitan regions (Recife, Salvador, Belo Horizonte, Rio de Janeiro, São Paulo, and Porto Alegre) that account for approximately 25 per cent of Brazil's economically active population. PME data referent to July 2009, aggregated for the six regions, show that real average earnings habitually received by workers amounted to R\$1,323, which represents an increase of 3.4 per cent in comparison with July 2008 (R\$1,280) and of 6.5 per cent in comparison with July 2007, when average habitually received earnings amounted to R\$1,242.¹

Brazilian workers' earnings suffered a slight loss owing to the recent economic crisis, dropping from R\$1,315 in September 2008 to R\$1,298 in

¹ To calculate real earnings, the deflator used is the Consumer Price Index (INPC) of the respective metropolitan region, produced by IBGE. For consolidated earnings of the six metropolitan regions, a weighted average of the price indexes of these regions was used. The data is measured using July 2009 prices and, thus, is not comparable with PNAD data, measured in September 2007 prices and that encompass the whole country, minus rural areas of the North region (with exception of the State of Tocantins).

Table 2. Adequate earnings and productive work

Decent Work Indicator	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Working poor (poverty line of PPP\$ 1.25/day), in %¹	16.2	15.7	..	12.6	13.9	14.6	..	13.8	..	13.5	12.0	12.8	14.2	9.4	8.9	6.2
Working poor (poverty line of PPP\$ 2.00/day), in %²	30.5	30.6	..	27.0	28.1	29.1	..	29.0	..	27.9	26.5	27.2	25.9	22.7	20.1	15.4
Average real wages from principal job (per month), in constant 2007 R\$	734	814	..	978	1005	1041	990	914	..	899	935	811	807	842	903	931
Women	522	562	..	707	754	780	752	711	..	705	740	636	637	673	725	745
Men	850	952	..	1133	1150	1191	1130	1036	..	1021	1059	924	921	955	1025	1059
Blacks	471	505	..	608	621	640	614	574	..	574	607	524	545	574	615	653
Whites	936	1050	..	1255	1285	1343	1275	1171	..	1152	1194	1047	1025	1080	1159	1184
Rural	368	434	..	450	487	485	472	458	..	421	436	425	428	432	467	508
Urban	814	896	..	1088	1109	1154	1096	1009	..	972	1009	868	862	903	964	988
Low pay rate (below 2/3 of median monthly earnings), in %	26.8	37.6	..	30.2	32.3	32.0	33.1	32.6	..	28.6	32.7	33.7	31.4	20.0	21.5	18.8
Women	35.3	49.8	..	40.1	41.5	41.1	41.8	41.2	..	36.5	40.7	41.5	39.1	24.9	26.2	23.5
Men	22.2	31.0	..	24.5	27.1	26.8	28.0	27.5	..	23.7	27.6	28.7	26.2	16.8	18.4	15.5
Blacks	37.7	51.1	..	43.1	45.6	45.2	46.3	45.5	..	40.4	44.5	46.1	42.6	27.4	29.1	25.3
Whites	18.5	27.3	..	20.5	22.6	22.1	23.1	22.9	..	19.5	23.3	23.5	22.0	13.5	14.8	12.8
Rural	53.5	61.8	..	56.4	59.6	60.0	60.9	59.6	..	57.5	61.7	60.7	57.4	44.8	47.2	43.2
Urban	21.0	32.4	..	24.7	26.9	26.3	27.4	27.0	..	24.2	28.4	29.7	27.6	16.4	17.9	15.4
Unremunerated workers, in % of all employed persons	7.4	7.5	..	7.2	6.7	6.6	6.4	6.9	..	5.7	5.7	5.6	5.3	5.0	4.6	4.5
Women	11.6	11.5	..	11.1	10.1	10.2	9.8	10.5	..	8.7	8.7	8.4	7.8	7.7	6.9	6.7
Men	4.7	4.8	..	4.6	4.5	4.2	4.1	4.4	..	3.6	3.6	3.6	3.4	3.1	2.8	2.8
Blacks	7.7	7.7	..	7.5	6.9	7.0	6.9	7.8	..	6.2	6.3	6.2	5.9	5.5	4.9	4.6
Whites	7.2	7.3	..	6.9	6.6	6.3	6.0	6.2	..	5.3	5.3	5.0	4.8	4.6	4.3	4.3
Rural	20.9	21.0	..	20.4	20.1	19.3	18.3	19.6	..	19.2	20.1	19.3	19.4	17.8	16.4	16.1
Urban	3.1	3.2	..	3.2	2.9	2.9	3.0	3.2	..	2.8	2.6	2.6	2.3	2.4	2.2	2.2
Real minimum wage (per month), in constant Feb. 2009 R\$³	277	287	297	211	242	250	255	269	263	275	294	278	314	320	358	404

Notes:

¹ Refers to employed persons living in a household whose members are estimated to have incomes below the US\$1.25/day poverty line (in 2005 PPP), in per cent of all employed persons. Source: KILM, 6th edition.

² Refers to employed persons living in a household whose members are estimated to have incomes below the US\$2.00/day poverty line (in 2005 PPP), in per cent of all employed persons. Source: KILM, 6th edition.

³ Values are in constant reais of February 2009 and refer to the city of São Paulo.

Source: IBGE – PNAD (see technical notes); evolution of the real minimum wage from DIEESE; ILO, Key Indicators of the Labour Market (KILM, 6th edition).

October of the same year. Since that time, such earnings have oscillated owing to seasonal effects, but also because the workers that lost their jobs as a consequence of the crisis were mainly those that had least seniority at work and, thus, lower wages. Since that time, earnings increases reported in July 2009 indicate that this situation has now been overcome.

It is worthwhile to compare the average earnings with the median earnings, since average income fails to reflect possible differences in behaviour between the various income brackets, and may even increase in a scenario of rising inequality. Median earnings are equivalent to the remuneration ceiling of the 50 per cent that earn least in the labour market. In 2007, the median monthly

Legal Framework Indicator 3. Statutory minimum wage

Law, policy or institutions: This is regulated in the Consolidation of Labour Laws (CLT). There is a nationwide minimum wage which is at the same time the minimum legal wage in the private sector and the minimum level of pensions. The minimum wage is fixed by law or by a government decree (*Medida Provisoria* which has the status of a law). The last adjustment of the minimum wage was made through a government decree and entered into force on 1 February 2009. Brazil has a complex system of minimum wage fixing. In addition to the national minimum wage, Brazilian states and municipalities can set higher minimum wages (for instance, if the cost of living is higher in the region), which may vary in different economic sectors. At the local level, the minimum wage can be adjusted (only raised, as the decrease is prohibited by the Constitution of Brazil) by local minimum wage boards depending on the local cost of living. Collective agreements can establish a minimum wage for a specific category of workers, if higher than the general minimum wage.

In April 2005 a Quadripartite Commission on the review of the minimum wage was established to formulate a medium- and long-term policy on the minimum wage. However, the Commission suspended its work in 2006, according to the most recent (2008) comments by the Committee of Experts.

Minimum wage levels: The national monthly minimum wage for 2009 is R\$465, which corresponds to approx. US\$256 per month.

Evidence of implementation effectiveness: There is a considerable gap between the minimum wage(s) and living costs.

Coverage of workers in law: Employees are covered.

Coverage of workers in practice: No statistics have been located, but there is a substantial informal economy in the country.

Ratification of ILO Conventions: Minimum Wage Fixing Convention, 1970 (No. 131), ratified in 1983.

Sources:

1. Committee of Experts comments under C.131

(<http://webfusion.ilo.org/public/db/standards/normes/appl/appl-displayAllComments.cfm?hdroff=1&ctry=0090&conv=C131&Lang=EN>)

2. National labour legislation.

earnings were R\$520, i.e., they corresponded to 56 per cent of average (or mean) earnings. In 1992, median earnings were R\$405, or 55 per cent of average earnings. This increased share from 55 to 56 per cent demonstrates an advance, albeit a small one, in the reduction of earnings inequality.

The indicator 'low pay rate', defined as the percentage of workers earning less than 2/3 of median monthly earnings, provides another way of measuring changes in inequality. This indicator reveals a significant advance since 2004, attributable to increases in the minimum wage. In 2007, 18.8 per cent of workers received less than 2/3 of the median monthly earnings, a proportion significantly lower than the 31.4 per cent recorded in 2004, the 32.6 per cent in 1999, and the 26.8 per cent recorded in 1992. Nonetheless, significant earnings disparities persist between women and men, blacks and whites, and rural and urban workers. In 2007, 23.5 per cent of women received less than 2/3 of the median monthly earnings,

in comparison with 15.5 per cent of men. Likewise, 25.3 per cent of blacks, in comparison with 12.8 per cent of whites, received less than 2/3 of median monthly earnings. The most outstanding difference, however, is between rural and urban workers, since 43.2 per cent of rural workers received less than 2/3 of the median monthly earnings, in contrast to 15.4 per cent of urban workers.

As mentioned previously, one of the factors contributing toward increasing earnings in recent years was the recovery of the minimum wage. In February 2009, the national minimum wage was set at R\$465, representing a real gain of 75 per cent in comparison with February 2000, when its value was set at R\$263 (measured in February 2009 *reais*). Throughout the 1990s there was no real increase in the value of the minimum wage, and the real value in February 1992 corresponded to R\$277. Real increases in the minimum wage in the 2000s, particularly as of 2003, represented a significant improvement in conditions for low-income and less-qualified workers, who generally

have little bargaining power or belong to categories with low unionization rates. As the proportion of women and black workers in these jobs is large, increases in the value of the minimum wage also contributed toward reducing gender and racial inequality in terms of earnings through its strong impact at the base of the wage pyramid (see also Legal Framework Indicator 3 ‘Statutory minimum wage’).

Another significant advance was the decline in the number of working poor, measured as those workers who live in a household with a per capita income below US\$1.25 and US\$2.00 per day, at purchasing-power parity (PPP). Improvements in the labour market in the latter half of the 2000s resulted in a substantial reduction in the proportion of working poor. In 1992, 16.2 per cent of Brazilian workers lived in families with a per capita daily income of less than US\$1.25; by 2007,

this number had fallen to 6.2 per cent. Similarly, in 1992, 30.5 per cent of workers lived in families whose daily per capita income was less than US\$2.00 per day; by 2007, this number had been reduced nearly in half to 15.4 per cent. As a result, Brazil is on track to meet the Millennium Development Goal of reducing by half the proportion of poor workers by 2015.

In rural areas, there is a high incidence of non-remunerated workers²: 16.1 per cent in 2007, in comparison with 2.2 per cent in urban areas, owing to high incidences of unpaid work in family agriculture. There was, nonetheless, a significant reduction in the number of unpaid workers, equivalent to 3.1 percentage points between 2001 and 2007.³ The difference between the incidence of unpaid work for blacks (4.6 per cent) and for whites (4.3 per cent) is small, but between women (6.7 per cent) and men (2.8 per cent) it is much greater.

² This category includes contributing family workers, but is broader in so far as it also captures non-remunerated workers that are not related to the owner of the enterprise or production unit. Since they do not receive a wage or a salary, non-remunerated workers may not necessarily benefit from the fruits of their labour.

³ The figure for 1992 was 23.2 per cent, but comparison with the 2000s is not recommended, since classification of urban and rural areas in Brazil is carried out in accordance with territorial-administrative legislation in effect at the time of the population census.

3 Decent hours

Decent working time is an important dimension when measuring the quality of jobs and has repercussions on other elements of decent work, such as safe work environment (see Chapter 8) and combining work with family and personal life (see Chapter 4). The ILO's first Convention, namely the Hours of Work (Industry) Convention, 1919 (No. 1), established a maximum working day of eight hours and a 48-hour week for workers in industry, which in 1930 was extended to workers in commerce under Convention No. 30. In the

depths of the Great Depression, the ILO adopted the 40-Hour Week Convention, 1935 (No. 47), that set a maximum limit of 40 hours per week. In 1962, the ILO passed the Reduction of Hours of Work Recommendation, 1962 (No. 116), which expressed the 40-hour work week as "a social standard to be reached by stages if necessary".

The 48-hour work week was introduced in Brazil in 1943 under the Consolidated Labour Laws (CLT-1943). Subsequently, the 1988 Federal Con-

Legal Framework Indicator 4. Maximum hours of work

Law, policy or institutions: Paragraph XIII, article 7 of the Brazilian Federal Constitution, and article 58 of the Consolidation of Labour Laws (CLT), lay down the basic laws.

Number of hours allowed: Under the Constitution, urban and rural workers have a right to normal working hours not exceeding eight hours per day and forty-four hours per week. Compensation by working hours or shorter duration of the working day can be established by a collective agreement. The Constitution states that urban and rural workers have a right to a six-hour working day if working in continuous shifts, unless provided otherwise by a collective agreement. The CLT provides that the normal hours of work in private employment of any kind shall not exceed eight hours a day, unless another limit is expressly fixed. Article 59 provides that the normal hours of work may be increased by not more than two hours a day by an agreement in writing between the employer and the employee or by a collective contract of employment. A collective agreement or a collective employment contract shall specify the level of remuneration to be paid for overtime; the rate shall not be less than 50 per cent in excess of the normal rate. The maximum duration of a working week for public employees is 40 hours.

Evidence of implementation effectiveness: No information was located by the ILO.

Coverage of workers in law: Domestic workers are not covered by paragraphs XIII and XIV, article 7, of the Constitution according to Part 2, article 7 of the Constitution. The CLT covers any person who performs services other than casual services for an employer under the direction of the employer and in return for remuneration. Except where expressly provided otherwise, the following categories are excluded from coverage by the CLT: (a) domestic workers, (b) agricultural workers, (c) public officials in the service of the Union, a State or municipality or those employed in the various departments thereof; and (d) employees of autonomous administrative bodies provided that they are covered by provisions that guarantee them a status similar to that of public officials. Domestic workers are covered by special legislation: Act No. 5.859 of 1972, regulated by Decree No. 71.885 of 1973.

Coverage of workers in practice: No information was located by the ILO. Note the existence of a large informal economy in Brazil.

Ratification of ILO Conventions: Hours of Work (Industry) Convention, 1919 (No. 1), not ratified.

Source: National legislation in NATLEX

(http://www.ilo.org/dyn/natlex/natlex_browse.details?p_lang=en&p_country=BRA&p_classification=13.01&p_origin=COUNTRY&p_sortby=SORTBY_COUNTRY)

Table 3. Decent hours

Decent Work Indicator	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Employed population with working hours in excess of 44 hours per week, in %¹	43.3	43.1	..	42.2	43.5	42.6	43.1	41.3	..	42.1	40.9	40.6	38.9	37.7	37.4	35.5
Women	28.1	27.6	..	27.7	29.9	28.3	29.0	27.7	..	29.0	28.0	28.1	27.2	26.4	26.8	25.2
Men	53.1	53.1	..	52.0	52.4	52.1	52.4	50.5	..	51.2	50.2	49.6	47.5	46.0	45.2	43.2
Blacks	44.1	43.6	..	42.6	43.8	43.2	43.6	41.9	..	42.7	41.8	41.2	39.6	38.3	37.5	35.9
Whites	42.7	42.7	..	41.9	43.2	42.2	42.7	40.7	..	41.6	40.3	40.1	38.3	37.1	37.2	35.2
Rural	45.1	43.0	..	41.5	44.1	41.4	42.0	39.2	..	40.2	38.5	38.4	36.1	34.1	33.4	32.3
Urban	42.7	43.1	..	42.4	43.3	43.0	43.4	41.9	..	42.5	41.5	41.1	39.5	38.4	38.1	36.2
Employed population with working hours in excess of 48 hours per week, in %¹	25.7	24.5	..	24.3	25.6	24.9	25.5	23.7	..	24.4	23.7	23.1	21.7	21.1	20.9	20.3
Women	16.4	15.0	..	15.4	16.9	16.0	16.4	15.3	..	16.0	15.4	15.1	14.3	14.0	14.3	13.7
Men	31.7	30.7	..	30.3	31.3	30.9	31.6	29.4	..	30.2	29.6	28.9	27.1	26.4	25.8	25.2
Blacks	24.6	23.6	..	23.2	24.4	24.0	24.6	22.8	..	23.5	23.2	22.4	21.0	20.4	19.9	19.2
Whites	26.5	25.2	..	25.2	26.5	25.7	26.3	24.3	..	25.1	24.1	23.7	22.2	21.8	21.8	21.3
Rural	29.7	28.1	..	26.7	28.3	26.7	26.7	23.9	..	25.7	24.7	24.9	23.0	21.2	20.9	20.6
Urban	24.4	23.4	..	23.6	24.8	24.4	25.2	23.6	..	24.1	23.5	22.7	21.4	21.1	20.9	20.2
Average hours worked per week (all jobs)	42.8	42.3	..	42.2	42.9	42.5	42.5	41.9	..	42.4	41.9	41.7	41.4	41.0	40.9	41.0
Women	36.2	35.6	..	35.9	37.1	36.4	36.7	36.2	..	37.0	36.4	36.4	36.5	36.0	36.2	36.4
Men	47.0	46.6	..	46.5	46.7	46.6	46.4	45.8	..	46.1	45.7	45.4	45.1	44.7	44.5	44.4
Blacks	42.3	41.7	..	41.6	42.3	42.0	41.9	41.3	..	41.9	41.3	41.1	40.8	40.4	40.2	40.4
Whites	43.1	42.7	..	42.7	43.4	42.9	43.0	42.4	..	42.8	42.3	42.2	42.0	41.5	41.5	41.5
Rural	41.2	40.0	..	39.6	41.0	39.8	39.7	38.7	..	39.3	38.6	38.5	37.9	37.2	36.8	36.8
Urban	43.3	42.9	..	43.0	43.5	43.3	43.3	42.9	..	43.1	42.5	42.4	42.2	41.8	41.7	41.8

Note:

¹ Refers to the usual hours worked in all jobs held.

Source: IBGE – PNAD (see technical notes)

stitution reduced the work week to 44 hours (see Legal Framework Indicator 4 ‘Maximum hours of work’). In 1998, Law 9.601 established an ‘hours bank’ system with more flexible rules for payment of overtime, allowing companies to schedule working hours of their employees in accordance with production needs, by means of a covenant or collective bargaining agreement. At times when the company is working at full capacity working hours can be increased (to a maximum of two hours overtime per day) for a specified period without compensatory remuneration, but rather through paid leave or reduced working hours when production levels return to normal and all accumulated overtime hours have been compensated.¹

PNAD-2007 data show that 35.5 per cent of employed workers worked more than 44 hours per week, and that the working hours of 20.3 per cent of Brazilian workers exceeded 48 hours per week. This means that the work week of a significant percentage of workers in Brazil is very long, i.e., longer than the maximum legal limit. Nonetheless, this percentage is considerably lower than it was in 1992, when the working hours of 43.3 per cent of employed workers exceeded 44 hours per week, and 25.7 per cent worked more than 48 hours per week.

Excessive working hours are more common for men than for women. In 2007, 25.2 per cent of women and 43.2 per cent of men worked more than 44 hours per week. Similarly, 13.7 per cent

¹ See http://www.guiatrabalhista.com.br/guia/banco_horas.htm.

Legal Framework Indicator 5. Paid annual leave

Law, policy or institutions: Paid annual leave, paid at a rate of no less than one third above the normal wage, is provided for in the Constitution of Brazil (1988) and in the Consolidation of Labour Laws (CLT).

Levels of leave: According to article 130 of the CLT after every 12 months of employment an employee shall be entitled to periods of leave of between 12 and 30 days, depending on how often s/he has been absent from work during the relevant period. The worker shall have 30 calendar days holiday (provided the worker has not taken more than five days leave from work), 24 days, 18 days, or 12 days (in this last case, if 24 to 32 days of leave from work were taken). Under the part-time work modality (art. 130-A), holiday periods vary from 8 to 18 days, depending upon duration of the work week, and this period may be reduced by half if the employee took more than seven days of unjustified leave during the course of the contract period in question.

Evidence of implementation effectiveness: No information was located by the ILO.

Coverage of workers in law: The CLT excludes several categories of workers from its scope of application, namely domestic workers, agricultural workers, public servants of the Union, the States, the municipalities and their respective officials who do not have tenure, as well as employees of autonomous parastatal administrative bodies governed by their own social protection scheme. The minimum period of service under the law for a worker to be entitled to paid annual leave is 12 months, while the Holidays with Pay Convention (Revised), 1970 (No. 132), provides this period should be six months.

Coverage of workers in practice: No information was located by the ILO. Note the existence of a large informal economy in Brazil.

Ratification of ILO Conventions: Holidays with Pay Convention (Revised), 1970 (No. 132), ratified in 1998.

Sources:

1. Committee of Experts comments on C.132 (<http://webfusion.ilo.org/public/db/standards/normes/appl/appl-displayAllComments.cfm?conv=C132&ctry=0090&hdroff=1&lang=EN>).
2. National legislation.

of women and 25.2 per cent of men worked more than 48 hours per week. The average work week of women was 36.4 hours, and of men 44.4 hours.

It is, however, important to note that women devote a much greater number of hours per week (some 12.5 hours) to domestic tasks than men, as described in the Chapter 4 on 'Combining work, family and personal life'. If the sum of these two

work shifts is combined, on average women work 5 hours more per week than men.

The Consolidated Labour Laws (CLT) and Brazil's 1988 Constitution enshrine the right of workers to annual paid leave of 30 days after each 12 month working period. Holiday pay is remunerated at a rate no less than 1/3 higher than the normal wage (see also Legal Framework Indicator 5 'Paid annual leave').

4 Combining work, family and personal life

Conciliating work with family and personal life is intrinsic to the concept of decent work, especially with respect to freedom, absence of discrimination, and the capacity to ensure dignified lives for all those whose livelihoods are dependent upon their work. It is a central dimension of the strategy for promoting gender equality in the realm of work, and demands integrated actions in a broad array of spheres (political, social, governmental, entrepreneurial and individual) to engender new forms of organization of work and of family life. Given this aspiration, it is necessary to break with traditional patterns and breach the division between productive and reproductive work that perpetuates inequality and gender discrimination, causing the main weight of family responsibilities to fall upon women, with negative repercussion on opportunities of access to a decent job, and also on family life.

Though it constitutes a dimension of utmost importance for decent work, the definition of indicators for monitoring this aspect is still under-way. This chapter makes a preliminary attempt to address this theme through an examination of the following indicators: maternity leave, time spent on domestic tasks, and commuting time between home and work.

Legal provisions and mechanisms that ensure the right to maternity and paternity leave for workers play an important role in combining work, family and personal life. Brazil's 1988 Federal Constitution grants expectant mothers 120 days of maternity leave, without loss of jobs or wages, and forbids arbitrary dismissal or dismissal without just cause of a pregnant employee once pregnancy is confirmed and until five months after delivery. Moreover, recently Law 11.770 of 2008, that created the Corporate Citizenship Programme

(*Programa Empresa Cidadã*) and is to come into effect in 2010, provided for a 60-day extension of the period of maternity leave for companies that subscribe to the Programme. This two-month extension is to be defrayed by the employer, who may deduct the total expense from their income tax (see Legal Framework Indicator 6 'Maternity leave'). Such extensions are already in effect in the federal public administration.

The Constitution also grants paternity leave for a period of 5 days. There is currently a Bill (PL 3.935/2008) before the National Congress that proposes the extension of paternity leave from 5 to 15 days.

Since 2002, PNAD has investigated time devoted to domestic tasks. Though this type of work commands no economic status and, consequently, does not even feature within the concepts of productive work or economic activity, the vast majority of surveys that produce work statistics acknowledge the product of domestic tasks as being of essential importance for the organization and functioning of families and, by extension, for viable participation of individuals in the labour market. In view of its importance, 'social reproduction work' is acknowledged as necessary for the functioning of society, even though it does not take place within the market and its economic value is not recognized.¹

In practically all countries, regardless of their level of development, work devoted to social

¹ C. S. Dedecca: "Regimes de trabalho, uso do tempo e desigualdade entre homens e mulheres", in: A. de Oliveira Costa, B. Sorj, C. Bruschini and H. Hirata. (eds.): *Mercado de Trabalho e Gênero: Comparações Internacionais* (Rio de Janeiro, FGV, 2008), Vol. 1, pp. 279-298.

Table 4. Combining work, family and personal life

Decent Work Indicator	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Share of employed persons with daily commuting time up to 30 minutes (inclusive), in %	67.0	67.6	..	68.2	69.1	69.0	69.7	68.9	..	69.0	68.6	68.3	68.6	67.9	68.5	67.7
Women	71.8	71.9	..	72.2	73.2	72.5	72.6	71.7	..	71.9	71.4	71.0	71.4	70.8	70.9	69.7
Men	64.4	65.3	..	65.9	66.8	66.9	67.9	67.3	..	67.2	66.8	66.5	66.6	66.0	66.8	66.3
Blacks	63.1	64.4	..	65.2	66.0	66.0	67.3	66.0	..	66.4	65.7	65.5	65.9	64.8	65.9	65.3
Whites	69.9	70.1	..	70.4	71.4	71.2	71.5	71.1	..	71.1	70.8	70.5	70.8	70.6	70.8	69.9
Rural	67.9	68.8	..	70.7	69.9	70.5	72.7	71.9	..	70.9	71.0	69.8	71.4	69.5	70.6	71.4
Urban	66.8	67.4	..	67.8	69.0	68.7	69.2	68.5	..	68.8	68.3	68.1	68.3	67.7	68.3	67.4
Share of employed persons with daily commuting time more than 30 minutes and up to 1 hour (inclusive), in %	23.6	23.5	..	23.3	21.8	22.0	22.0	22.3	..	21.9	22.4	22.7	22.8	22.3	22.1	22.7
Women	21.2	21.3	..	21.3	20.2	20.4	20.3	21.0	..	20.4	21.1	21.3	20.9	20.7	20.8	21.7
Men	24.8	24.7	..	24.3	22.8	23.0	22.9	23.1	..	22.9	23.3	23.6	24.0	23.5	23.0	23.5
Blacks	25.5	25.2	..	24.9	23.3	23.4	23.4	24.0	..	23.2	24.1	24.1	24.2	24.0	23.5	23.9
Whites	22.0	22.2	..	22.0	20.7	21.0	20.9	21.1	..	20.9	21.1	21.6	21.6	20.9	20.9	21.7
Rural	23.3	22.7	..	21.4	22.4	22.1	20.8	21.8	..	20.5	22.0	22.1	21.6	22.6	20.8	20.0
Urban	23.6	23.6	..	23.5	21.8	22.0	22.1	22.4	..	22.0	22.5	22.8	22.9	22.3	22.2	23.0
Share of employed persons with daily commuting time more than 1 hour and up to 2 hours (inclusive), in %	7.6	7.2	..	6.9	7.1	7.3	7.0	7.2	..	7.3	7.3	7.4	7.1	8.0	7.7	7.8
Women	6.2	5.9	..	5.7	5.7	6.2	6.4	6.5	..	6.7	6.6	6.8	6.7	7.5	7.2	7.5
Men	8.4	8.0	..	7.7	8.0	8.0	7.4	7.6	..	7.7	7.8	7.7	7.4	8.4	8.1	8.0
Blacks	9.0	8.2	..	7.9	8.3	8.5	7.9	8.2	..	8.3	8.2	8.4	8.2	9.2	8.7	8.9
Whites	6.5	6.5	..	6.3	6.3	6.4	6.4	6.4	..	6.5	6.6	6.5	6.2	7.0	6.9	6.8
Rural	6.3	6.5	..	5.8	6.2	5.9	5.3	5.1	..	6.8	5.4	5.9	5.4	6.0	6.6	6.5
Urban	7.8	7.3	..	7.1	7.3	7.5	7.3	7.5	..	7.4	7.5	7.5	7.3	8.2	7.8	7.9
Share of employed persons with daily commuting time above 2 hours, in %	1.9	1.7	..	1.6	1.9	1.7	1.4	1.6	..	1.7	1.6	1.7	1.5	1.8	1.7	1.8
Women	0.9	0.9	..	0.8	0.9	0.9	0.6	0.8	..	1.0	0.9	0.9	1.0	1.1	1.1	1.1
Men	2.4	2.1	..	2.1	2.4	2.2	1.8	2.0	..	2.2	2.1	2.2	1.9	2.2	2.1	2.2
Blacks	2.4	2.2	..	2.1	2.3	2.1	1.5	1.8	..	2.1	2.0	2.0	1.8	2.0	1.9	1.9
Whites	1.5	1.3	..	1.3	1.6	1.4	1.3	1.4	..	1.5	1.4	1.4	1.3	1.6	1.5	1.6
Rural	2.5	2.0	..	2.1	1.5	1.5	1.1	1.2	..	1.8	1.7	2.1	1.6	1.8	2.0	2.1
Urban	1.8	1.6	..	1.6	1.9	1.7	1.4	1.6	..	1.7	1.6	1.6	1.5	1.8	1.7	1.7
Time spent on domestic chores per week (persons aged 16 years or above), in hours¹	..	..	..	..	..	..	..	..	..	..	23.2	22.7	21.9	21.2	20.9	21.5
Women	..	..	..	..	..	..	..	..	..	..	28.8	28.2	27.0	26.8	26.4	27.2
Men	..	..	..	..	..	..	..	..	..	..	10.9	11.0	10.9	10.1	10.3	10.6
Blacks	..	..	..	..	..	..	..	..	..	..	23.5	23.1	22.4	21.6	21.2	21.9
Whites	..	..	..	..	..	..	..	..	..	..	23.0	22.3	21.5	20.7	20.6	21.2
Rural	..	..	..	..	..	..	..	..	..	..	24.0	23.2	22.9	21.8	21.3	22.2
Urban	..	..	..	..	..	..	..	..	..	..	23.1	22.6	21.8	21.0	20.8	21.4

Note: ¹ Information collected by PNAD since 2002.

Source: IBGE – PNAD (see technical notes).

reproduction is predominantly the responsibility of women. In Brazil, in 2007, among the population age 16 years or over, women devoted an average of 27.2 hours per week to domestic tasks, and men 10.6 hours per week. In other words, women spent two and a half times more time on domestic tasks than men. When the specific nature of tasks in the double shift is examined, i.e., conciliation of 'social reproduction work' and of work which can be classified as economic production, gender inequalities become manifestly evident. Massive incorporation of women into the labour market has not been accompanied by any satisfactory redefinition of gender relations, either within the sphere of private life, or in terms of formulation of public policies and actions on the part of companies and unions, especially with respect to domestic and family responsibilities. In other words, despite advances observed, incorporation of women into the labour market has taken place without any new agreement with respect to reproductive work, which continues to be performed overwhelmingly by women. PNAD-2007 data draw attention to the real dimensions of this issue by showing that, of the total number of employed Brazilian women, an overwhelming proportion (89.7 per cent) also perform domestic tasks, whereas among men this proportion is significantly lower (50.4 per cent).

It is remarkable that this contingent of employed women, aside from their workday hours in the labour market, spent roughly 22.3 hours per week on domestic tasks whereas, among men, time dedicated to such tasks amounted to only 9.7 hours per week, i.e., 12.6 hours less than women (see Table 4.1).

These data provide inputs for discussion on gender inequalities, both in the labour market and in private life. Indeed, by combining information on hours spent on domestic tasks (social reproduction) with data on working hours spent in the labour market (economic production), it can be observed that despite the fact that the average weekly workload of women in the labour market is shorter than that of men (34.8 vs. 42.7 hours), when work performed within the home (domestic tasks) is considered, the workweek of women amounts to a total of 57.1 hours, and is thus almost five hours longer than the workweek of men (52.3 hours).

It is not as yet possible to assess changes using this indicator, owing to the shortness of the historical series since, as was mentioned earlier, information on time 'spent on domestic tasks' only began to be compiled at the beginning of the present decade.

Time spent by workers commuting between the home and workplace is another important aspect to be considered when appraising working conditions and, consequently, measuring decent work. Aside from issues relating to quality of life in general, commuting between home and work may also entail a significant financial cost for workers and employers.

PNAD-2007² information for Brazil as a whole reveals that 67.7 per cent of workers spent up to 30 minutes on journeys from home to work. Just under a quarter of workers (22.7 per cent) spent between 30 minutes and 1 hour; and 7.8 per cent spent between 1 and 2 hours per day commuting. Only 1.8 per cent spent longer than 2 hours commuting between homes and workplaces.³

Indicators referring to the country as a whole conceal some significant particularities that merit attention. When considering the nine metropolitan regions⁴ investigated by PNAD, time spent commuting to and from work takes on a new dimension. Whereas for Brazil as a whole 9.6 per cent of workers spent more than one hour travelling between home and work in 2007, in the metropolitan areas this proportion rose to 17.9 per cent (see Table 4.2.). Moreover, in the metropolitan regions this proportion increased steadily from 15.3 per cent in 1992, to 16.5 per cent in 2002. It is worth noting that in Brazil's two largest and most economically important metropolitan areas

² PNAD investigated journeys direct from home to workplace by persons that, in the reference week of the survey, were engaged in paid or unpaid work and did not reside on the property or establishment where they worked. Excluded from this survey were people who: for convenience or the nature of their work, habitually slept at the workplace or its proximity; prior to going to work, left a child at school, day-care or home of a relative; prior to going to work, engaged in an activity such as attending a course or working at another job; had to catch a train and after that a bus to get to work; or who remained at the workplace from Monday to Friday and only returned home on Saturday.

³ It should be stressed that PNAD information reflects only time spent commuting on one stretch of the route, i.e., it does not consider the total time to and from home and workplace.

⁴ Belém, Fortaleza, Recife, Salvador, Belo Horizonte, Rio de Janeiro, São Paulo, Curitiba and Porto Alegre.

Table 4.1. Average hours per week spent by employed men and women (aged 16 years or over) at their main job and on domestic tasks (2007)

Sex	Average hours per week spent in the labour market (A)	Average hours per week spent on domestic tasks (B)	Average workweek Total (A + B)
Women	34.8	22.3	57.1
Men	42.7	9.6	52.3

Source: IBGE – PNAD Microdata.

Table 4.2. Commuting time to the workplace: total for all metropolitan regions and for São Paulo and Rio de Janeiro (2007)

Commuting time	Brazil	All metropolitan areas	São Paulo Metropolitan Region	Rio de Janeiro Metropolitan Region
Up to 30 minutes	67.7	51.0	45.6	42.9
More than 30 minutes and up to 1 hour (inclusive)	22.7	31.1	31.6	34.3
More than 1 hour and up to 2 hours (inclusive)	7.8	15.3	18.9	19.9
More than 2 hours	1.8	2.6	3.9	2.9
Total	100.0	100.0	100.0	100.0

Source: IBGE – PNAD Microdata.

(São Paulo and Rio de Janeiro), workers spent a longer time commuting and 22.8 per cent of workers spent over one hour on journeys between home and work in 2007.

In the large cities, transport difficulties tend to affect mostly low-income workers, as they tend to live in outlying areas far from the economic centres where the supply of jobs, work and income is strongest. In coping with this situation, such workers often need to use more than one mode of transport (e.g., buses and subways or trains) which also has an impact on domestic budgets. Aside from this, time spent commuting is also lengthened by burgeoning traffic volumes, and the fact that increases in the vehicle fleet have not been accompanied by proportionate improvements in urban infrastructure and traffic-engineering solutions. Information from the National Traffic Department (DENATRAN) shows that the number of automobiles in the municipality of São Paulo, for example, increased from 3.1 million in 2001, to 4.2 million in 2008 (an increase of 1.1 million vehicles in just seven years). In the same period, the number of motorcycles rose from 229,000 to

600,000 (growth of 162 per cent or an additional 370,000 motorcycles).

Broken down by sex, analysis of workers' commuting time does not reveal any significant differences between men and women. Nonetheless, from a gender perspective, it must be stressed that long journeys between home and workplace have a worse effect on the quality of life of women, owing to their double work shift.

Given the relatively high cost of commuting in Brazil, transport allowances are an important benefit for workers. PNAD data on the number of workers employed as domestic servants⁵ that receive transport allowances⁶ as a work benefit

⁵ For a person employed as a domestic maid at more than one home, it was investigated whether transport assistance was received from at least one of the paid domestic jobs.

⁶ The definition used by PNAD for transport assistance is: total or partial payment, by the employer, of the cost of a transport voucher or ticket; total or partial payment or reimbursement, by the employer, of any type of transport cost (bus, train, taxi, draught animal, etc.) or fuel for transport; or loan of a vehicle for transport. It does not consider as transport assistance payment for any transport expense, or loan of vehicle, by the employer, to carry out work.

Legal Framework Indicator 6. Maternity leave

Law, policy or institutions: Article 7 of the Constitution of Brazil grants 120 days of maternity leave without prejudice to jobs or wages and Article 10 provides guarantees against arbitrary dismissal in case of maternity. According to Article 391 et seq. of the Consolidation of Labour Laws of Brazil (CLT), the fact that a woman marries or becomes pregnant shall not be deemed to be a legitimate reason for the termination of her contract of employment. Every clause in a collective or individual contract of employment which restricts the right of a woman to retain her employment in the event of marriage or pregnancy shall be null and void. Salary and other rights are guaranteed to employees during pregnancy. The CLT also guarantees the right for maternity leave in case of adoption. Article 131 of the CLT states that the compulsory absence of a woman for the reason of her maternity or abortion (other than criminal abortion), provided that she fulfils the qualifying requirements for maternity pay granted by the social insurance scheme, shall not be treated as unjustified absence from work. The CLT does not cover domestic servants, but Law 11.329, 19 June 2006 extended the right of 120 days maternity leave to domestic servants (as is assured to urban workers). The law prohibits arbitrary dismissal or dismissal without just cause from the time of confirmation of pregnancy until five months after the birth of the child. Public sector workers are covered by Law 8.112/90, which also guarantees the same rights to maternity leave.

Benefits (level and duration): According to Article 392 of the CLT, a pregnant employee has the right to a maternity leave of 120 days, without prejudice to employment and salary, and that the benefit shall be applied as of the 28th day prior to delivery or upon delivery itself. The rest periods before and after delivery may be increased by two weeks respectively upon provision of a medical certificate. In the case of a premature delivery the woman is entitled to 120 days of maternity leave. Law 11.770 of 2008 established the Corporate Citizenship Programme (*Programa Empresa Cidadã*), which will take effect in 2010. Businesses that join the programme can extend maternity leave for their workers by 60 days. The total cost of the benefit shall be paid by the employer and can be deducted from the business' corporate income taxes.

Evidence of implementation effectiveness: No information located by the ILO, apart from lack of coverage of large numbers of workers (see below).

Coverage of workers in law: The constitutional provisions on maternity leave cover "urban and rural workers". The provisions on maternity in the CLT make reference to female employees and do not exclude any specific categories of workers. In general, however, the CLT excludes domestic workers, agricultural workers, public officials in the service of the Union, a State or municipality or those employed in the various departments thereof; and employees of autonomous administrative bodies provided that they are covered by provisions that guarantee them a status similar to that of public officials. Domestic workers in private households are excluded by the Government from the coverage of Convention No. 103 (see under 'Ratification of ILO Conventions').

Coverage of workers in practice: The restriction of maternity leave to employees with a signed labour contract (*carteira assinada*) and to individual contributors to the social security system means that a large proportion of workers do not have access to this benefit. In 2007, about half of all women workers contributed to the social security system (see statistical indicators in Chapter 9).

Ratification of ILO Conventions: Maternity Protection Convention (Revised), 1952 (No. 103), ratified in 1965; Maternity Protection Convention, 2000 (No. 183), not ratified. Under C.103, the Government excluded from the application of the Convention under Article 7(1) (a) and (c): (a) certain categories of non-industrial occupations; and (c) domestic work for wages in private households.

Sources:

1. National legislation.
2. Reports by the Government of Brazil on C.103.

revealed that the proportion of domestic servants that received some type of transport assistance rose from 29.8 per cent in 1992, to 36.1 per cent

in 2002. In 2007, this proportion rose to 39.3 per cent (39.7 per cent for women and 39.0 per cent for men).

Legal Framework Indicator 7. Parental leave

Law, policy or institutions: The Transitional Provisions of the Federal Constitution make reference to paternity leave in article 10, but no other legislation has been located on this point.

Benefits (levels and duration): According to the single paragraph, article 10 of the Transitional Provisions of the Federal Constitution, until new legislation is adopted the period of paternity leave equals five days.

Evidence of implementation effectiveness: No information was located by the ILO.

Coverage of workers in law: All male employees in principle, but actual coverage is not known.

Coverage of workers in practice: See above.

Ratification of ILO Conventions: Workers with Family Responsibilities Convention, 1981 (No. 156), not ratified.

Source: Labour legislation in NATLEX (http://www.ilo.org/dyn/natlex/natlex_browse.details?p_lang=en&p_country=BRA&p_classification=05.02&p_origin=COUNTRY&p_sortby=SORTBY_COUNTRY).

5 Work that should be abolished

The ILO definition of forced labour comprises two basic elements: all work or services exacted from a person under menace of any penalty and for which the said person has not offered him or herself voluntarily, as stated in the ILO Forced Labour Convention, 1930 (No. 29), and the Abolition of Forced Labour Convention, 1957 (No. 105), both of which were ratified by Brazil, in 1957 and 1965 respectively (see Legal Framework Indicator 9 ‘Forced labour’). Such menace can take on a number of forms. The most extreme menaces are implicit violence, confinement, or threat of death of the victim or of his/her family, or procuring or offering of a child for illicit activities, as foreseen in Article 3 of ILO Worst Forms of Child Labour Convention, 1999 (No. 182). There may also be more subtle threats, of a psychological nature, or punishments may be of a financial nature, with economic penalties relating to debt, non-payment or loss of wages with threat of dismissal, when a worker refuses to work overtime beyond that stipulated in the contract or in national legislation. There are also cases where coercion is by means of withholding personal documents, or affective procurement of a person at a particular stage of development, i.e., a child or adolescent.

Because forced labour is a serious crime, it is difficult to obtain regular statistics on the number of workers submitted to conditions analogous to slavery and, consequently, to construct indicators on forced labour. Much of the available information that sheds light on the scope of the problem stems from the number of workers rescued by the Special Mobile Inspection Group¹ (GFEM) that acts on behalf of the Labour Inspection Secretariat of

the Ministry of Labour and Employment (MTE). Between 1995 and 2008, roughly 33,000 workers were freed from situations of forced labour. Roughly one third of this contingent (11,000 persons) was freed in 2006 and 2007 (respectively, 5,000 and 6,000 persons).

In 2003, the MTE established a Listing of Employers (*Cadastro de Empregadores*) containing the names of employers and companies caught by GEFM submitting workers to conditions analogous to slavery, known as the Blacklist (*Lista Suja*). Violators are ineligible for financing or other benefits from state-owned banks if their names are on the list under the category ‘perpetrators of forced labour’. The MTE’s latest update of the Blacklist² contains the names of 170 violators³, including individuals and corporate entities, located in 17 of Brazil’s states in all five of the country’s regions.

Also worthy of mention is the work of the National Committee for Eradication of Slave Labour (CONATRAE), a body coordinated by the Special Secretariat for Human Rights of the Presidency of the Republic that was established essentially to monitor execution of the National Plan for Eradication of Slave Labour.⁴

Actions of the business community have also been important in the effort to eradicate forced

¹ GEFM was set up in 1995 by the Brazilian government, in view of repeated complaints by *Comissão Pastoral da Terra* and rural

unions, of workers submitted to conditions analogous to slave labour. See ECLAC/UNDP/ILO: *Emprego, Desenvolvimento Humano e Trabalho Decente: a Experiência Brasileira Recente* (Brasília, ECLAC/UNDP/ILO, 2008).

² Held on August 26, 2009.

³ Not including cases of exclusion resulting from a court decision.

⁴ In September 2008, the 2nd National Plan for Eradication of Slave Labour was launched, prepared by CONATRAE. The first plan was launched in 2003, with a focus on inspection and enforcement. With 66 goals, the new version of the plan, aside from inspection and enforcement actions, emphasizes actions for prevention and reintegration into the labour market.

Table 5. Work that should be abolished

Decent Work Indicator	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Child labour (10 to 14 years), in %	20.5	19.6	..	18.7	14.9	15.0	14.6	14.9	..	11.6	11.3	10.4	9.5	10.3	9.2	8.5
Girls	13.8	13.5	..	13.0	9.6	9.8	9.7	10.0	..	7.8	7.5	6.8	6.2	6.9	6.6	5.7
Boys	27.0	25.7	..	24.2	20.1	20.1	19.4	19.7	..	15.3	15.0	13.8	12.6	13.6	11.7	11.2
Blacks	23.2	22.2	..	21.7	17.0	17.8	17.4	18.1	..	13.9	13.2	11.9	11.0	12.0	10.3	9.6
Whites	17.7	17.0	..	15.6	12.8	12.0	11.7	11.6	..	9.2	9.2	8.6	7.8	8.4	7.8	7.2
Urban	45.8	44.3	..	43.6	35.6	35.1	36.3	37.3	..	32.6	31.7	29.3	27.4	29.4	26.0	23.4
Rural	12.3	12.0	..	11.1	8.6	8.9	8.0	7.8	..	6.7	6.5	6.1	5.5	5.9	5.5	5.2
Child labour (5 to 14 years), in %¹	12.1	11.6	..	11.2	7.8	7.8	8.9	..	..	5.9	6.5	..	5.4	..	5.4	4.9
Girls	8.0	7.9	..	7.8	5.0	5.0	6.0	..	..	4.0	4.3	..	3.5	..	3.8	3.2
Boys	16.2	15.3	..	14.6	10.5	10.4	11.7	..	..	7.8	8.7	..	7.2	..	6.9	6.4
Blacks	13.7	13.2	..	13.3	9.0	9.4	10.8	..	..	7.1	7.7	..	6.3	..	6.1	5.6
Whites	10.5	10.1	..	9.2	6.6	6.1	6.9	..	..	4.7	5.3	..	4.3	..	4.5	3.9
Urban	28.1	26.5	..	26.8	18.3	17.8	22.3	..	..	16.6	19.1	..	16.1	..	15.8	14.0
Rural	6.9	6.8	..	6.3	4.5	4.6	4.6	..	..	3.4	3.6	..	3.0	..	3.1	2.9

Note: ¹ Data not available for 1994, 1999, 2000, 2003 and 2005.

Source: IBGE – PNAD (see technical notes).

labour. Since May 2005, approximately 200 large national and transnational companies have joined the National Pact to Combat Slave Labour that entails a series of commitments, including banning slave labour from their production chains.

Participation of civil society has also been of fundamental importance in the struggle against contemporary slavery. The *Comissão Pastoral da Terra* (CPT), an organization associated with the Catholic Church that has denounced cases of slave labour since the 1970s, is continuing to provide an essential service by referring complaints to the MTE and providing services for rescued workers. Certain NGOs also work with prevention of slavery (e.g., *Repórter Brasil*, that trains primary-school teachers in regions where workers are recruited to address the theme with their students) and with re-socialization of rescued workers (e.g., *Instituto Carvão Cidadão*).

In 1999, the International Labour Conference unanimously adopted the Worst Forms of Child Labour Convention, 1999 (No. 182). By September 2009, an expressive contingent of 171 countries (roughly 93 per cent of the 183 ILO member States) had ratified the Convention, a proportion unprecedented in the 90 years of the ILO's history. Brazil ratified Convention No. 182 in 2000.

Convention No. 182 applies to persons below the age of 18 years and defines that the worst forms of child labour are: all forms of slavery or practices similar to slavery, such as the sale and trafficking of children, debt bondage and serfdom and forced or compulsory labour, including forced or compulsory recruitment of children for use in armed conflict; the use, procuring or offering of a child for prostitution, for the production of pornography or for pornographic performances; the use, procuring or offering of a child for illicit activities, in particular for the production and trafficking of drugs as defined in the relevant international treaties; work which, by its nature or the circumstances in which it is carried out, is likely to harm the health, safety or morals of children. Prevention and eradication of child labour is one of the fundamental labour rights and principles, and thus constitutes a key aspect of promoting decent work.

In 2002, Brazil ratified the ILO Minimum Age Convention, 1977 (No. 138), on the minimum age for admission to employment and established in national legislation a prohibition on employment for those below the age of 16 years, except as apprentices as of the age of 14 years, provided that there is no conflict with other rights of persons in this age bracket. Dangerous work, listed in Decree 6.481 of 2008 is forbidden for those below

Legal Framework Indicator 8. Child labour

Law, policy or institutions: Constitutional Amendment 20 provides basic legislation forbidding child labour and sets the minimum age for admission to work at 16 years, except as an apprentice when the minimum age is 14 years. Also, article 403 and subsequent articles of the Consolidation of Labour Laws provide for such protection. The most important body of law covering this issue is the Statute of the Child and Adolescent (ECA) (Law 8.069, of July 13, 1990) articles 61 to 69 of which provide for protection of adolescent workers. This Statute also provides for deployment of a System for Guaranteeing Rights (SGD). Rights Councils, at the federal, state and municipal levels, are responsible for formulation of policies for combating child labour, protection of adolescent workers, and social control. Guardianship councils are co-responsible for actions for combating child labour, and for generally ensuring the rights of children and adolescents, in partnership with the Public Prosecutor's Office (*Ministério Público*) and the Children's and Adolescent's Courts (*Juizado da Infância e da Adolescência*). Title III, Chapter IV of the Consolidation of Labour Laws (CLT) also affords protection of workers below the age of 18 years, through "Protection of the Labour of Minors", subsequently altered by Law 10.097/2000. Other infra-constitutional normative instruments in the fields of health, education, human rights, labour and employment, agrarian development, social development, etc., also apply. Such policies are under coordination of the Ministry of Social Development and the Fight Against Hunger, in direct cooperation with the Ministries of Labour and Employment, Education, and Health. Actions to deal with the worst forms of child labour, sexual exploitation and abuse of children and adolescents, and adolescents involved in crime, are carried out in coordination with the Special Secretariat for Human Rights. Policy guidelines are determined by national sectoral plans, drawn up in a participatory manner by means of national conferences which, in turn, are preceded by state and municipal conferences.

The Committee of Experts observed in 2008 that during the process of bringing Brazilian National Legislation into conformity with Conventions No. 138 and 182, the National Committee for the Eradication of Child Labour (CONAETI) established a special subcommittee to draw up proposals for harmonization of Brazilian National Legislation with the precepts of the aforementioned conventions. The first outcome of the work of this subcommittee was promulgation of Decree 6481 of June 12, 2008 that put into effect Article 3, line "d", and Article 4 of ILO Convention 182, outlawing the worst forms of child labour and proposing immediate actions for their elimination. This was approved by Legislative Decree 178, of December 14, 1999, and promulgated by Decree 3.597, of September 12, 2000, which also makes other provisions.

There is also a body of criminal law that forbids the use of persons below the age of 18 years for the commission of crimes, and provides for punishment of abuse and violence against children and adolescents and trafficking in persons.

Evidence of effective implementation: From 1992 to 2007 Brazil achieved a sustainable reduction in child labour, and implemented comprehensive policies for protection of children and adolescents. Highlights of these are: 97 per cent of all children in school, coverage by conditional income-transfer programmes for 11 million families living in extreme poverty or below the poverty line, 780,000 children and adolescents engaged in after-school socio-educational programs, extended school hours, and inspection of workplaces by the Ministry of Labour and Employment and by the Labour Prosecutors (*Ministério Público do Trabalho*).

On the other hand, contemporary child labour in Brazil now tends to occur in the form of children pressed into domestic service, in family agriculture, and in informal-sector urban activities in commerce and services, where child labour is highly resilient and in which it is most difficult to achieve interventions by means of public policies, owing to their low visibility and diffusion within cities. In order to secure greater commitment on the part of civil society for deployment of such public policies, the DISK 100 hotline was set up and widely publicized to receive complaints of violence and exploitation against children and adolescents.

Sources:

1. Committee of Experts comments under C.138 (<http://webfusion.ilo.org/public/db/standards/normes/appl/appl-displayAllComments.cfm?conv=C138&ctry=0090&hdroff=1&lang=EN>) and C.182 (<http://webfusion.ilo.org/public/db/standards/normes/appl/appl-displayAllComments.cfm?conv=C182&ctry=0090&hdroff=1&lang=EN>).
2. National legislation in Natlex (http://www.ilo.org/dyn/natlex/natlex_browse.details?p_lang=en&p_country=BRA&p_classification=04&p_origin=COUNTRY&p_sortby=SORTBY_COUNTRY).
3. Notes from the book *Comparative Legislation*, ILO/MERCOSUL. 2007, and notes on the IPEC/Brazil Progress Report.

the age of 18 years, and only in exceptional cases, with authorization from a competent authority, and only after obtaining a technical report defining guaranteed health and safety conditions for

the adolescent can a temporary work permit be issued. This work permit must be regularly monitored and evaluated to ensure that conditions of integral protection are in effect.

Legal Framework Indicator 9. Forced labour

Law, policy or institutions: The legal framework for the criminal prosecution of forced labour and “slave labour” in Brazil is provided in section 149 of the Penal Code, as amended following the adoption of Act No. 10,803 of 11 December 2003. The amended section 149 now establishes conditions constituting the imposition of a condition similar to slavery. The GEFM (Special Mobile Inspection Group), composed of labour inspectors from the Ministry of Labour and Employment, Labour Prosecutors and the Federal Police, act in conjunction with representatives of the National Commission to Eradicate Slave Labour (CONATRAE). Created by Presidential Decree on 31 July 2003, the CONATRAE forms the basis for the majority of strategies to combat slave labour, as various actions arise from its effectiveness in identifying instances of the crime of reducing workers to conditions analogous to slavery, as provided for in section 149 of the CPB. Composed of representatives of the executive and various sectors of civil society, the CONATRAE has as its objective to accompany all actions to be taken in the context of the Second National Plan of Action for the Eradication of Slave Labour. Furthermore, Decree No. 5.948 of 2006, which approved the National Policy for Facing Trafficking in Persons, created an Inter-agency Committee on Trafficking, chaired by the Justice Secretariat, with the goal of elaborating a National Action Plan to Face Trafficking in Persons (PNETP). The group has been formed and initiated its activities in 2008. The decree also called for a dedicated budget for anti-trafficking activities; no information has been received that such a budget has yet been adopted. The Federal Highway Police, which is responsible for a substantial portion of Brazil’s anti-trafficking law enforcement activity, continued to conduct training for its officers on detecting trafficking victims and investigating trafficking crimes.

Evidence of implementation effectiveness: The Government reports that as a result of the GEFM’s activities, more than 28,000 enslaved workers have been freed. But, according to the Committee of Experts in 2008: “Nevertheless, despite all these measures, the phenomenon persists. Neither legislation, nor the monitoring activities of the labour inspectorate, nor the rulings handed down by the courts, appear to be sufficiently dissuasive to put an end to a practice which evidently remains lucrative. The Committee therefore asks the Government to continue doing everything within its power to remain at the front line in the battle against persons who impose forced labour on others, despite the obstacles and resistance which continue to exist in the country.” The Committee also believes that slave labour will continue for as long as it remains lucrative. The payment of fines and compensation of dissuasive amounts, combined with the impossibility of accessing public subsidies and financing and selling their merchandise, and expropriation measures, constitute the elements of economic pressure which must be put on persons who exploit work carried out by others. The Committee therefore asks the Government to continue to ensure that these administrative penalties are dissuasive and that they are collected in practice.

Ratification of ILO Conventions: Forced Labour Convention, 1930 (No. 29), ratified in 1957; Abolition of Forced Labour Convention, 1957 (No. 105), ratified in 1965; Worst Forms of Child Labour Convention, 1999 (No. 182), ratified in 2000.

Source: 1. Committee of Experts 2008 observation on C.29 (<http://webfusion.ilo.org/public/db/standards/normes/appl/appl-displayAllComments.cfm?conv=C029&ctry=0090&hdroff=1&lang=EN>).

Brazil’s experience with prevention and elimination of child labour has merited international acknowledgment. Since the early 1990s, the Brazilian State and society have carried out comprehensive activities for prevention and eradication of child labour. The results achieved have been impressive. According to PNAD, the number of working children and adolescents (between the ages of 5 and 17 years) declined from 8.42 million (19.6 per cent of the total) to 4.85 million (10.8 per cent) between 1992 and 2007. This amounts to a withdrawal of roughly 3.57 million people from the labour market, a figure equivalent to the entire population of Uruguay. Among children aged 10 to 14 years, the proportion who work dropped by

12 percentage points, from 20.5 per cent in 1992, to 8.5 per cent in 2007 (see Table 5).

Since 1992, the ILO’s International Programme on the Elimination of Child Labour (IPEC) has been engaged in Brazil in articulation, mobilization and strengthening of national initiatives for prevention and elimination of child labour. In 1996, the Brazilian Government launched the Programme for Eradication of Child Labour (PETI). This programme, that stems from extensive social mobilization, aims to remove children and adolescents (aged 7 to 15 years) from dangerous, arduous, unhealthy and degrading work, essentially by means of federal-government

direct cash income transfers to families of children and adolescents engaged in work at an early age, conditional upon school attendance and participation in socio-educational activities during after-school hours.

Despite advances achieved, current challenges remain formidable. The number of working children remains high and, according to the latest PNAD surveys, there has been a decline in the rate of reduction of child labour in recent years. This slowdown can be attributed mainly to the resilience of the employment level among children between the ages of 5 and 13 years (roughly 4.5 per cent) since 2004. Such resilience is not observed among the other age groups (14 to 15 and 16 to 17 years). In absolute and relative terms, more boys than girls are recruited for child labour, and 66 per cent of child workers are boys. Though the number of girls engaged in child labour is smaller, they are more numerously represented in domestic work.

A PNAD supplement on complementary aspects of work, applied in 2006, provides an overview of the serious risks that child labour poses to health. Indeed, 5.3 per cent of the children and adolescents that were working during the reference week when the survey was carried out suffered work-related injuries or had an occupational disease.⁵ These data are cause for concern since among adult workers with signed work contracts, the proportion of accidents in the same year was much lower (2 per cent).⁶ Children are indeed much more exposed to risks at work than adults, given that at their particular stage of development their capacities are still being formed, and the nature of work and conditions in which activities are performed are often unhealthy and inadequate from an ergonomic standpoint, leaving them prone not only to accidents, but also to osteo-muscular diseases, as tools are poorly sized for their needs. Thus, two factors, namely: (i) physical, cognitive, and emotional processes; and (ii) the nature or conditions in which activities are performed, when associated with child labour, deny real exercise of citizenship.

It is no coincidence that the main types of injuries afflicting working children and adolescents are: cuts (50 per cent of cases), followed by fractures or sprains (14 per cent); and muscular pain, tiredness, fatigue, insomnia or agitation (9.7 per cent).

Child labour poses a great obstacle to decent work and human development, not only in view of its immediate effects, but also because of future repercussions. An ILO study using PNAD data carried out in 2005 clearly illustrated that the incidence of child labour, in general, results in lower incomes during adult life, and that the earlier the exposure to the labour market the worse the effects. The survey showed that people that begin working prior to the age of 14 years are very unlikely to achieve earnings of over R\$1,000 per month throughout their lifetime. Most of those who join the labour force prior to the age of 9 years are unlikely to achieve earnings of over R\$500 per month.⁷ On average, those who begin to work between the ages of 15 and 17 years rarely, by the age of 30, achieve earnings much above the starting wage of those who begin at the age of 18 or 19 years. However, for a person that started work at the age of 18 or 19 years, as this person grows older, there is a higher probability that he/she will command better wages than one who began to work between the ages of 15 and 17 years. The likelihood of commanding higher earnings throughout their working life are greater for those who start working after the age of 20 years. Among the factors that help explain this relationship is the probability of attaining higher levels of schooling and qualification.⁸

Within the scope of the Bahia Decent Work Agenda (a pioneering state-level initiative), the State of Bahia is seeking to achieve the distinction of being the first Brazilian state free of child labour. The State Government, in partnership with ILO/IPEC, is carrying out a series of interventions targeted at preventing child labour and removing children from work, and protecting adolescents by suppressing the worst forms of child labour.

⁵ The period of reference considered for injuries was 365 days.

⁶ ECLAC/UNDP/ILO: *Emprego, Desenvolvimento Humano e Trabalho Decente: a Experiência Brasileira Recente* (Brasília, ECLAC/UNDP/ILO, 2008).

⁷ Data in nominal 2005 values.

⁸ ECLAC/UNDP/ILO (2008), op. cit.

6 Stability and security of work

Job tenure is an indicator of labour market stability, and is highly dependent upon the economic scenario, the country's demographic profile, and such institutional factors as labour legislation and collective bargaining agreements. Considering the positive relationship between labour market regulation and job tenure, the latter can be viewed as an indicator of the numeric flexibility (or stability) of the labour market.¹

International comparisons show that legislation on job protection influences the time workers remain in the labour market. In Brazil, an employer may, arbitrarily or without just cause, dismiss a worker, by giving 30 days notice and payment of a fine amounting to 40 per cent of the sum deposited in the worker's Time of Service Guarantee Fund (FGTS). In the case of dismissal for just cause, the employee forfeits the right to the aforementioned fine (see Legal Framework Indicator 10 'Termination of employment').

In 2007, in Brazil, average job tenure at the main job for persons aged 16 years or older was 8 years, just slightly higher than the average of 7.5 years recorded in 1992 (see Table 6). When broken down by sex, women have weaker employment ties than men, as their average tenure on the job is 7.4 years, i.e., 1.1 years shorter than for men (8.5 years). Average job tenure of black workers (7.8 years) is also shorter than of white workers (8.2) though this is a smaller gap than between women and men. Average job tenure for rural workers (12.6 years) is significantly longer than for urban workers (7.1 years).

One indicator of labour market turnover is the percentage of the population with job tenure shorter than one year. In 2007, this amounted to 18.2 per cent, just slightly lower than recorded in 1992 (20.0 per cent). In 2007, this percentage was higher for women (19.2 per cent) and for black workers (19.7 per cent), in comparison to men (17.4 per cent) and white workers (16.8 per cent). The 2.9 percentage-point disparity between blacks and whites is considerable, and illustrates the more precarious situation of blacks in the labour market.

From a labour market stability standpoint, the indicator 'Share of employed persons with tenure equal to or greater than five years' is worth considering. Job stability is important for development of human capital of the labour force and is closely linked to productivity gains.² As with most other indicators, there was an overall improvement during the period of the study: the percentage of those employed with job tenure equal or greater than 5 years increased from 45.0 per cent in 1992, to 47.4 per cent in 2007. The percentage of women in this situation (44.5 per cent) was 5 percentage points lower than of men (49.5 per cent) in 2007. This difference was greater than the gap (2.8 p.p.) between black workers (45.9 per cent) and white workers (48.7 per cent). On the other hand, the percentage of rural workers with job tenure equal or greater than 5 years (63.6 per cent) was significantly higher than of urban workers (44.2 per cent).

Undoubtedly, the best way to provide secure incomes for people of working age is through

¹ P. Auer and S. Cazes: *Employment Stability in an Age of Flexibility* (Geneva, ILO, 2003).

² P. Auer, J. Berg and I. Coulibaly: "Is a stable workforce good for productivity?", in *International Labour Review* (Geneva, ILO, 2005), Vol. 124, No. 3.

Table 6. Stability and security of work

Decent Work Indicator	1992	1993	1994	1995	1996	1997	1999	2000	2001	2002	2003	2004	2005	2006	2007
Average tenure, in years	7.5	7.8	..	7.7	..	7.8	7.9	..	7.7	7.6	7.8	7.7	7.7	7.8	8.0
Women	7.2	7.4	..	7.4	..	7.5	7.4	..	7.1	7.1	7.3	7.2	7.2	7.2	7.4
Men	7.7	8.0	..	8.0	..	8.0	8.2	..	8.1	8.0	8.2	8.1	8.1	8.2	8.5
Blacks	7.3	7.6	..	7.7	..	7.8	7.9	..	7.6	7.5	7.7	7.5	7.6	7.6	7.8
Whites	7.7	7.8	..	7.8	..	7.8	7.9	..	7.7	7.8	7.9	7.9	7.9	8.0	8.2
Rural	11.0	11.6	..	11.7	..	11.9	11.7	..	12.4	12.3	12.5	12.1	12.0	11.8	12.6
Urban	6.4	6.6	..	6.5	..	6.6	6.8	..	6.6	6.7	6.8	6.8	6.8	7.0	7.1
Share of employed persons with tenure of less than one year, in %	20.0	19.6	..	19.7	..	19.1	17.7	..	19.8	19.7	18.9	18.7	19.5	19.2	18.2
Women	19.7	20.0	..	20.2	..	19.7	18.6	..	20.8	20.5	19.4	19.8	20.5	20.3	19.2
Men	20.2	19.4	..	19.3	..	18.7	17.2	..	19.2	19.1	18.4	17.9	18.7	18.4	17.4
Blacks	22.4	21.3	..	21.3	..	21.2	19.3	..	21.5	21.7	20.7	20.5	21.1	20.9	19.7
Whites	18.0	18.4	..	18.4	..	17.5	16.5	..	18.6	18.0	17.3	17.2	18.0	17.7	16.8
Rural	16.6	14.0	..	14.3	..	13.5	12.2	..	13.3	12.1	12.2	11.5	13.0	12.5	11.6
Urban	21.1	21.4	..	21.3	..	20.7	19.3	..	21.3	21.3	20.3	20.2	20.8	20.6	19.4
Share of employed persons with tenure equal to or greater than five years, in %	45.0	46.5	..	46.1	..	46.4	47.3	..	45.6	45.9	46.4	46.2	46.4	46.5	47.4
Women	43.8	45.0	..	44.5	..	44.7	45.4	..	43.0	43.5	43.9	43.5	43.7	43.7	44.5
Men	45.8	47.5	..	47.2	..	47.4	48.6	..	47.4	47.6	48.2	48.2	48.4	48.6	49.5
Blacks	42.9	45.0	..	45.0	..	45.3	46.3	..	44.4	44.3	45.1	44.9	44.9	44.8	45.9
Whites	46.7	47.7	..	46.9	..	47.2	48.0	..	46.6	47.2	47.5	47.4	47.7	48.0	48.7
Rural	57.8	60.9	..	60.2	..	61.3	61.0	..	62.6	63.3	62.6	62.9	62.7	62.0	63.6
Urban	40.9	42.1	..	41.8	..	42.1	43.2	..	41.9	42.2	43.0	42.8	43.0	43.4	44.2

Source: IBGE – PNAD (see technical notes)

access to decent work. Nonetheless, unemployment insurance is an essential instrument for security of work, since it ensures a minimum income in situations of unemployment and when seeking a job, aside from helping those temporarily without jobs from falling into situations of poverty. In Brazil, the right to this benefit is guaranteed to all wage-earners with signed work contracts, and to those with an indeterminate work contract that were dismissed without just cause and that had worked for no less than six months prior to the date of dismissal. The period encompassed by the benefit varies, as a rule from three to five months, depending upon the period worked over the previous 36 months (see Legal Framework Indicator 2 ‘Unemployment insurance’ in Chapter 1).

Among informal workers, artisan fishermen are eligible for benefits (when fishing is forbidden during the spawning season) as are workers rescued from situations of forced labour or conditions analogous to slavery. Domestic servants are entitled to unemployment insurance provided they have a signed work contract and their employers contribute to the Time of Service Guarantee Fund (FGTS), but, as the contribution is optional, only 11,793 (0.2 per cent) of the 6.7 million domestic servants actually received this benefit in 2007.

In 2007, 80 per cent of Brazil’s formal workers complied with all the aforementioned requisites and were thus entitled to unemployment insur-

Legal Framework Indicator 10. Termination of employment

Law, policy or institutions: Chapter II of the Constitution is the primary source of labour law. The Consolidation of Labour Laws (CLT) contains standards of substantive and procedural law on termination of employment. An additional source of labour law dealing with compensatory indemnification for termination of employment by the employer is Law No. 8.036 of May 11, 1990 establishing the Guarantee Fund for Time of Service (FGTS).

Notice periods: In cases of arbitrary dismissal or for “no just cause”, upon thirty days prior notice of dismissal, the employee has a right to withdraw the balance, corrected for inflation, of deposits effected by the company in his or her FGTS account during the period the labour contract was in effect, and is entitled to compensation limited to 40 per cent of the updated value of deposits in the FGTS account, plus interest (until such time as an enabling law foreseen in inset I of art. 7 of the Federal Constitution is approved). In cases where the employee has committed one of the grave misconducts enumerated under the CLT, the employment relationship may be terminated by the employer for just cause, in which case, once the serious fault has been judicially acknowledged, the employee forfeits the right to the aforementioned compensation and to immediate withdrawal of his or her FGTS deposits. Also foreseen under the CLT is the possibility of shared blame for rescission of the labour contract, thus allowing withdrawal of FGTS deposits with reduction by half of the compensation foreseen. Workers’ representatives and pregnant workers are protected against dismissal, except in cases of grave misconduct by workers’ representatives.

Evidence of implementation effectiveness: No information was located by the ILO.

Coverage of workers in law: Limited to the formal economy and does not apply to the large informal economy.

Coverage of workers in practice: There is in a large informal economy that, in practice, is not covered by the legislation.

Ratification of ILO Conventions: Termination of Employment Convention, 1982 (No. 158), ratified in 1995, but denounced in 1996.

Source: 1. National labour legislation in NATLEX (http://www.ilo.org/dyn/natlex/natlex_browse.details?p_lang=en&p_country=BRA&p_classification=10&p_origin=COUNTRY&p_sortby=SORTBY_COUNTRY).

ance coverage.³ In 2007, 65.7 per cent of formal workers that applied for unemployment insurance benefits were men (and the remaining 34.3 per cent women). This reflects men’s higher rate of participation in the labour market, the higher incidence of women in informal jobs and their lower job tenure. In view of the eligibility criteria for unemployment insurance (6 months of work in the previous 36 months) high worker turnover tends

to reduce the scope of benefit coverage. This is cause for concern, since high turnover is a feature of the Brazilian labour market, even in the formal sector. Indeed, according to data from the MTE’s General Register of Employed and Unemployed Workers (CAGED), turnover rates were persistently high (in general, above 40 per cent) between 1997 and 2007.⁴

³ The change in methodology for calculating coverage of unemployment insurance introduced in 2007 made possible a more precise measurement of the indicator, but hampers comparison with previous years.

⁴ ECLAC/UNDP/ILO: *Emprego, Desenvolvimento Humano e Trabalho Decente: a Experiência Brasileira Recente* (Brasília, ECLAC/UNDP/ILO, 2008).

7 Equal opportunity and treatment in employment

One of the four basic pillars of the Decent Work Agenda is respect for standards and rights at work, especially those enshrined in the *ILO Declaration on Fundamental Principles and Rights at Work*, adopted in 1998, among which is the elimination of all forms of discrimination in respect of employment and occupation. Promoting gender equality is a cross-cutting theme of the Decent Work Agenda, meaning that it is a goal to be pursued when promoting jobs, social protection and social dialogue. Brazil's 1988 Federal Constitution also emphasizes gender equality (see Legal Framework Indicator 11 'Equal opportunity and treatment').

Occupational segregation on the basis of sex is a phenomenon that occurs in countries at all latitudes irrespective of their level of economic development, political systems, or of religious, social and cultural norms, and is one of the most persistent features of labour markets throughout the world. There are two basic forms of occupational segregation by sex: one horizontal, and the other vertical. Horizontal segregation entails barriers of various types to a more even distribution of men and women in the occupational structure. Vertical segregation takes place within a given occupation, when one of the sexes tends to rise to higher hierarchical levels than the other.¹

The existence and persistence of occupational segregation by sex in the labour market is strongly related to gender stereotypes within society (i.e., the set of characteristics commonly attributed to

women and men and their presumed attitudes). Occupations in which the majority of workers are women and those considered 'typically feminine' correspond to such stereotypes, which may be divided into three types: positive, negative and other. Among the positive stereotypes are dexterity and experience with domestic tasks, greater manual skills, and physical attributes considered attractive. Among the negative stereotypes are: less physical strength, difficulty in supervising the work of others, less aptitude for the exact sciences, and less willingness to travel or face risks. 'Other' stereotypes include more willingness to obey orders, greater docility, less inclination to complain about tasks, lower need for income, etc.

PNAD information clearly shows just how prevalent occupational segregation between the sexes remains in the Brazilian labour market. In 2007, 'workers engaged in production of goods and repair and maintenance' accounted for 34.4 per cent of men's jobs, but only 9.1 per cent of women's jobs (see Table 7). On the other hand, 'service workers' (a category that includes domestic servants and health and education workers) accounted for 31.1 per cent of women's jobs, but only 12 per cent of men's jobs. When examining positions of management, it can be perceived that formidable barriers and discrimination against women persist. In 2007, men accounted for 71 per cent of management positions, whereas women comprised the remaining 29 per cent. Racial differences were even more pronounced, with whites holding 88 per cent of management positions in comparison with just 12 per cent of the posts held by blacks (even though they account for roughly 53 per cent of the total employed population).

¹ R. Anker: "Theories of occupational segregation by sex: An overview", in *International Labour Review* (Geneva, ILO, 1997), Vol. 116, No. 3.

Table 7. Equal opportunity and treatment in employment

Decent Work Indicator	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Distribution of positions of management by sex and race, in %^{1,2}																
Women	..	..	..	..	..	..	..	..	..	..	23.7	43.4	21.8	34.0	29.5	29.0
Men	..	..	..	..	..	..	..	..	..	..	76.3	56.6	78.2	66.0	70.5	71.0
Blacks	..	..	..	..	..	..	..	..	..	..	12.5	13.4	19.8	28.0	18.8	12.0
White	..	..	..	..	..	..	..	..	..	..	87.5	86.6	80.2	72.0	81.2	88.0
Share of workers engaged in occupational category 'production of goods and repair and maintenance', in %¹																
Women	..	..	..	..	..	..	..	..	..	..	23.7	23.1	23.3	23.2	22.9	23.6
Men	..	..	..	..	..	..	..	..	..	..	9.2	9.1	9.3	9.2	9.0	9.1
Blacks	..	..	..	..	..	..	..	..	..	..	34.0	33.2	33.5	33.6	33.3	34.4
White	..	..	..	..	..	..	..	..	..	..	24.7	24.1	24.1	24.1	24.4	25.3
Share of workers engaged in occupational category 'services', in %¹																
Women	..	..	..	..	..	..	..	..	..	..	19.8	19.4	20.2	19.8	20.1	20.2
Men	..	..	..	..	..	..	..	..	..	..	31.4	30.9	31.7	30.8	31.0	31.1
Blacks	..	..	..	..	..	..	..	..	..	..	11.6	11.3	11.8	11.7	12.0	12.0
White	..	..	..	..	..	..	..	..	..	..	23.3	23.1	23.8	23.4	23.6	23.8
Gap of average monthly earnings in principal job received by women in relation to men and by blacks in relation to whites³																
Women/Men	38.5	41.0	..	37.6	34.4	34.5	33.4	31.4	..	30.9	30.1	31.2	30.8	29.5	29.3	29.7
Blacks/Whites	49.7	51.9	..	51.5	51.7	52.3	51.8	50.9	..	50.2	49.1	50.0	46.8	46.8	46.9	44.9

Notes:

¹ The occupational categories in the PNAD use the Brazilian Classification of Occupations – by Household (CBO Domiciliar), which is an adaptation of the Brazilian Classification of Occupations for the purposes of household surveys. The CBO Domiciliar is identical to the CBO at the aggregate level, but re-groups some occupational families at the subgroup level, considering the difficulties of capturing this information at the household level. The reference for the CBO is the ISCO-88.

² Corresponds to ISCO-88 Sub-Major Group 11 (Legislators and Senior Officials) and 12 (Corporate Managers).

³ Refers to difference between women's and men's wage (re. the wage of black and white workers), expressed as a percentage of men's wage (re. the wage of white workers).

Source: IBGE – PNAD (see technical notes).

An examination of distribution by sector of economic activity also displays gender segregation in the labour market, with men predominantly employed in industrial activities and those associated with the idea of the 'strong sex', whereas women tend to be employed in services, and especially in care-giving occupations. The construction industry accounted for the jobs of 11.6 per cent of employed men in 2007, but only 0.5 per cent of women's jobs, and this structure has remained virtually unchanged since 1992, when

10.3 per cent of construction workers were men, and only 0.5 per cent women.

The Duncan Index of Dissimilarity enables measurement and analysis of occupational segregation trends between men and women in different occupational groups. This indicator of occupational segregation by sex is interpreted as the proportion of men or of women that would have to change occupational group if the sex ratio in each sector or occupational group were to be the same as the

Legal Framework Indicator 11. Equal opportunity and treatment

Law, policy or institutions: The Constitution prohibits “any difference in wages, in the performance of duties and in hiring criteria by reason of sex, age, colour or marital status” and “any discrimination with respect to wages and hiring criteria of handicapped workers” (article 7 [XXX and XXXI]). Among other legislative instruments, Act No. 9799 of 1999 includes provisions prohibiting discrimination on the basis of sex, age, colour and family status, including pregnancy, in respect of access to employment vocational training and terms and conditions of employment. Presidential Decree No. 5.390 of 8 March 2005 approving the National Plan for Policies for Women covers the issue of equal remuneration. The Brazil Gender and Race Programme is a major effort to promote equality, including on the basis of sex and for equal remuneration; and Brazil’s Decent Work Country Programme includes effective application of Convention No. 111 among its objectives. A number of other policies, programmes and initiatives are indicated in Government reports on C.111.

Evidence of implementation effectiveness: Discrimination on the basis of race and sex persists, but the Government is taking active measures to combat it. Wage gaps on the basis of race, in particular, remain broad.

Coverage of workers in law: In article 7 of the Constitution, it is stated that “the category of domestic servants is ensured of the rights set forth in items IV, VI, VIII, XV, XVII, XVIII, XIX, XXI and XXIV, as well as of integration in the social security system”. As a result, domestic servants do not appear to be covered under items XXX and XXXI dealing with non-discrimination in employment.

Ratification of ILO Conventions: Equal Remuneration Convention, 1951 (No. 100), ratified in 1957; and Discrimination (Employment and Occupation) Convention, 1958 (No. 111), ratified in 1965.

Source:

1. Government reports on C.111, 2005.
2. Comments made by the Committee of Experts on C.111 (<http://webfusion.ilo.org/public/db/standards/normes/appl/appl-displayAllComments.cfm?hdroff=1&ctry=0090&conv=C111&Lang=EN>).

sex ratio of the employed population as a whole, i.e., to eliminate segregation. Duncan Index values range from 0 (zero) when there is no difference in the sectoral and occupational distribution between men and women, i.e., when there is complete integration; and 100 when there is complete segregation. The Duncan Index uses an implicit definition of integration as being a situation in which the proportional representation of each sex (or other attribute) in each sector or occupation is the same as for the total employed population.² By comparing the distribution of men and women in different occupational groups, the Duncan Index reveals that, in Brazil in 2002, a contingent of 32.6 per cent of women or of men would have to change occupation group, if the sex ratio in all occupational groups were to reflect the same sex ratio as the labour force as a whole, with no

sex-based occupational segregation. The Duncan Index reflected a slight increase in segregation in 2007, reaching a value of 33.3 per cent.

Though still high, differences in earnings from the main job (measured in monthly earnings and including income from self-employment) narrowed over the period. In 1992, on average, the gap between men’s and women’s monthly earnings was 38.5 per cent (see Table 7). By 2007, this gap had reduced to 29.7 per cent. The gap was larger between whites and blacks and although some progress was made over the period the gap between blacks’ average monthly earnings and that of whites stood at 44.9 per cent in 2007.

With respect to employment for persons with disabilities, RAIS data referring to 2008 indicate that 323,000 people with some type of disability were working, a contingent corresponding to 1 per cent of the total number of formal jobs. More than half of this number was accounted for by persons with physical disabilities (55.2 per cent), followed by those with hearing impairments (24.7 per cent),

² For example, if women account for 40 per cent of the employed population, the index would be 0 if each sector of economic activity or occupational group were comprised of 40 per cent women. Thus, it does not focus on the absolute numbers of men and of women in the employed population, but rather, the percentage distribution of men and of women in the various sector and occupations.

Legal Framework Indicator 12. Equal remuneration of men and women for work of equal value

Law, policy or institutions: The Constitution prohibits “any difference in wages, in the performance of duties and in hiring criteria by reason of sex, age, colour or marital status”. Among other legislative instruments, Act No. 9799 of 1999 includes provisions prohibiting discrimination on the basis of sex, age, colour and family status, including pregnancy, in respect of access to employment, vocational training and terms and conditions of employment, and, *inter alia*, prohibits a person’s sex from being used as a determining factor for purposes of remuneration. Presidential Decree no. 5.390 of 8 March 2005 approving the National Plan for Policies for Women covers the issue of equal remuneration. In 2008, Decree no. 6.387 promulgated the II. National Plan of Policies for Women, which maintains a chapter dedicated to the theme of access of women to work – Economic Autonomy and Equality in the World of Work – with social inclusion. The National Agenda for Decent Work includes in its objectives the effective application of Conventions No. 100 and No. 111.

Evidence of implementation effectiveness: Detailed statistical information gathered indicates that the wage differential between men and women continues to be high, though it has decreased. In 1992, women received, on average, approximately 61.5 per cent of male wages, increasing to 70.3 per cent in 2007.

Coverage of workers in law: No exclusions from the constitutional provisions, except that in article 7 of the Constitution, it is stated that “the category of domestic servants is ensured of the rights set forth in items IV, VI, VIII, XV, XVII, XVIII, XIX, XXI and XXIV, as well as of integration in the social security system.” As a result, domestic servants do not appear to be covered under items XXX and XXXI which deal with non-discrimination in employment.

Ratification of ILO Conventions: Equal Remuneration Convention, 1951 (No. 100), ratified in 1957; and Discrimination (Employment and Occupation) Convention, 1958 (No. 111), ratified in 1965.

Sources:

1. Government reports on C.100 and C.111.
2. Committee of Experts comments on C.100 (<http://webfusion.ilo.org/public/db/standards/normes/appl/appl-displaycomment.cfm?hdroff=1&ctry=0090&year=2008&type=R&conv=C100&lang=EN>) and C.111 (<http://webfusion.ilo.org/public/db/standards/normes/appl/appl-displaycomment.cfm?hdroff=1&ctry=0090&year=2008&type=O&conv=C111&lang=EN>).

visual impairments (3.9 per cent), intellectual disabilities (3.4 per cent) and multiple impairments (1.1 per cent). Average remuneration of workers with disabilities was R\$1,717, a sum higher than the average earnings of all workers formally employed (R\$1,494), according to RAIS data. Of workers with disabilities of various types, on average, those with hearing disabilities received the highest wage (R\$2,162) and were the only group with average earnings higher than the average for all persons with any type of disability. In view of

this, the higher income of people with disabilities in relation to all workers is, to a great degree, conditioned by the earnings of those with hearing disabilities. The average wage of workers with intellectual disabilities, for example, was R\$690. Gender-related wage disparities are also evident among persons with disabilities, and even among those who command higher earnings (i.e., the hearing impaired), since women received wages equivalent to only 61 per cent of those received by men.

8 Safe work environment

The preamble to the ILO Constitution draws attention to “the protection of the worker against sickness, disease and injury arising out of his employment”, as a fundamental element of social justice. This right to decent working conditions and to a safe and healthy working environment was reaffirmed in the *Declaration of Philadelphia* of 1944 and in the *ILO Declaration on Social Justice for a Fair Globalization*, adopted by the 98th International Labour Conference held in June 2008.

Analysis of the safe work dimension is based upon information from two sources: administrative records of the Ministry of Social Security referent to accidents and labour inspections; and the PNAD Supplementary Health Modules compiled in 1998 and 2003.

Article 19 of Law 8.213 of July 24, 1991 states that: “*work accidents are those that occur during performance of work at the service of a company or performance of work by a special insured [public-service] worker, causing corporal lesion or functional disturbance, of a temporary or permanent nature*”. Such accidents may lead to simple absence from work, loss or reduction of working capacity or even death of the insured worker.

Under Brazilian legislation, the following are also considered occupational injuries: a) an injury occurring on the journey between the home and workplace of the insured worker; b) an occupational disease, understood as being one triggered by performance of particular work or a given activity; and c) a work-related disease, contracted or triggered as a consequence of special working conditions to which it is directly related. Other

modalities may also be regarded as occupational injuries.¹ Not considered as occupational diseases are: degenerative diseases; those inherent to certain age groups; diseases that do not produce incapacity for work; endemic diseases contracted by insured workers living in region where they are prevalent, except when proven that they result from exposure or direct contact determined by the nature of the work. Brazilian social security grants a sickness benefit to insured workers unable to work owing to sickness or injury lasting over 15 consecutive days. To be eligible for this benefit the worker must have contributed to Social Security for at least the previous 12 months. Such prior contribution is not required in the case of injury of any nature (by work-related or other type of accident) (see Legal Framework Indicators 13 ‘Employment injury benefits’ in this chapter and 16 ‘Incapacity for work due to sickness / sick leave’ in Chapter 9).

In 2007, the National Social Security Institute (INSS) instituted a new system for granting benefits for injured workers which has a direct impact on the compilation and availability of statistics

¹ This includes: (1.) a work-related accident which, though not the sole cause, contributed directly toward death of the insured worker, reduced his/her capacity for work, or produced a lesion requiring medical attention for recovery; (2.) an accident suffered by an insured worker at the place and time of work, as a consequence of an act of aggression, sabotage or terrorism perpetrated by third parties or workmate; intentional physical attack by a third party, in a work-related dispute; act of carelessness, negligence or ineptitude by a third party or workmate; act of a person not in his/her right mind; collapse, flooding, fire or other event of force majeure; (3.) sickness resulting from accidental contamination of an employee during exercise of his duties; and (4.) an accident suffered by an insured worker, even if not during working hours, while executing an order or carrying out work by order of the company.

Table 8. Safe work environment

Decent Work Indicator	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Labour inspection																
Number of labour inspectors	2,703	2,708	2,720	3,089	3,464	3,242	3,106	3,169	3,131	3,080	3,044	2,837	2,927	2,935	2,873	3,173
Employed population, in thousands ¹	60,387	61,578	..	64,829	64,250	65,646	66,451	69,793	..	73,272	76,215	77,626	82,066	84,513	86,837	88,442
Number of labour inspectors per 10,000 employed	0.45	0.44	..	0.48	0.54	0.49	0.47	0.45	..	0.42	0.40	0.37	0.36	0.35	0.33	0.36
Recognized insurance cases																
Total non-fatal occupational injuries	..	..	..	..	395,455	421,343	414,341	387,820	363,868	340,251	393,071	399,077	465,700	499,680	512,232	514,135
<i>Thereof:</i>																
Typical occupational injuries	..	..	..	..	325,870	347,482	347,738	326,404	304,963	282,965	323,879	325,577	375,171	398,613	407,426	414,785
Commuting injuries	..	..	..	..	34,696	37,213	36,114	37,513	39,300	38,799	46,881	49,642	60,335	67,971	74,636	78,564
Occupational diseases	..	..	..	..	34,889	36,648	30,489	23,903	19,605	18,487	22,311	23,858	30,194	33,096	30,170	20,786
Permanent incapacity	..	..	..	..	18,233	17,669	15,923	16,757	15,317	12,038	15,259	13,416	12,913	14,371	9,203	8,504
Fatal occupational injuries	..	..	..	..	4,488	3,469	3,793	3,896	3,094	2,753	2,968	2,674	2,839	2,766	2,798	2,804
Incidence rate of non-fatal occupational injuries (per 100,000 covered workers)	..	..	..	..	..	..	..	..	..	..	1725	1721	1878	1895	1857	..
Incidence rate of fatal occupational injuries (per 100,000 covered workers)	..	..	..	..	..	..	..	..	..	..	13.0	11.5	11.5	10.5	10.0	9.4

Note: ¹ Refers to population 16 years of age or older.

Source: Federal System of Labour Inspection, MTE and IBGE-PNAD; DIEESE, Anuário dos Trabalhadores, and Ministry of Social Security, Statistical Yearbook on Work Accidents.

on occupational injuries.² As a result of the methodological change, the injuries recorded are now the sum of injuries officially reported by means of Work Accident Reports (CAT) and the set of presumed injuries that give rise to benefits for which no CAT was filed.

² One of the principal changes is that submission of a Work Accident Report (CAT) is no longer required in order for an accident to be characterized as work-related and a benefit granted. Though submission of a CAT is still a legal obligation, waiving of this requirement led to a change in the statistics on occupational injuries, since a number of accident benefits are now granted and presumed to relate to occupational injuries even though no CAT is recorded. As a consequence, information on reported injuries now also count for the purposes of accident benefits granted by INSS, even if no CAT was recorded.

With a view to maintaining comparability of the historical series and enabling more consistent analysis of the progression of occupational injuries, for 2007 only injuries for which a CAT report was filed were considered. Likewise, analyses take into account indicators on occupational injuries published in the Ministry of Social Security's Statistical Yearbook on Work Accidents up until 2006, given that the 2007 indicators were calculated also taking into account occupational injuries covered by CAT reports, thus making comparisons with other years unfeasible.

The number of total non-fatal occupational injuries covered by CAT reports in Brazil increased from 395,000 in 1996, to 514,000 in 2007, an

Legal Framework Indicator 13. Employment injury benefits

Law, policy or institutions: *Relevant laws:* 1991 (social security) as amended in 1999; 1991 (social insurance); 1993 (social welfare, benefiting poor elderly persons and persons with disabilities); and 1999 (security insurance regulations). Constitutional Amendment 41 (EC41) approved by both houses of the National Congress at the end of 2003, altered the existing social insurance system, comprised of the National Social Insurance Institute (INSS) responsible for the general social security regime and for the specific social insurance regime for tenured public servants. The Ministry of Social Security (<http://www.previdencia.gov.br>) exercises general supervision. The National Social Insurance Institute (<http://www.inss.gov.br>) administers benefits.

Benefits (level and duration): *Social insurance system:* Employed workers are entitled to a benefit paid after a 15 day waiting period (during which the employer is required to pay 100 per cent of the normal wage). The value of the benefit corresponds to 91 per cent of the assessment base upon which it is calculated. The benefit for workers registered prior to November 28, 1999 shall correspond to an average of 80 per cent of their largest contribution wage, corrected for inflation, received since July 1994. For those registered as of November 29, 1999, the benefit wage shall be an average of 80 per cent of their largest contribution wages over the entire contribution period. There is no waiting period for rural workers, and the benefit is equivalent to one monthly minimum wage. The minimum monthly benefit is equivalent to one minimum wage (currently R\$ 465).

Evidence of implementation effectiveness: No information was located by the ILO.

Coverage of workers in law: Own-account workers are not covered. Coverage (typically) encompasses work-related injuries resulting from the exercise of professional activities at the service of the company, or commuting accidents occurring between home and the workplace.

Coverage of workers in practice: No information was located by the ILO. Note the existence of a large informal economy not in practice covered by this system.

Ratification of ILO Conventions: Social Security (Minimum Standards) Convention, 1952 (No. 102), ratified in June 2009 – not yet examined by the Committee of Experts. Employment Injury Benefits Convention, 1964 (No. 121), not ratified.

Sources:

1. ISSA data-base (<http://www.issa.int/aiss/Observatory/Country-Profiles/Regions/Americas/Brazil>).
2. National legislation in NATLEX (http://www.ilo.org/dyn/natlex/natlex_browse.details?p_lang=en&p_country=BRA&p_classification=14&p_origin=COUNTRY&p_sortby=SORTBY_COUNTRY).

absolute total increase of 119,000 injuries over 11 years, corresponding to a 30 per cent rise. It should be remembered that the absolute number of reported occupational injuries has also grown as a function of the increase in the number of formal jobs, especially since 2004. Between 2004 and 2007, according to RAIS, roughly 6.2 million new formal jobs were created, thus expanding the universe from which occupational injuries are reported and also, consequently, the number of injuries recorded.

It can be observed that, since 2004, the rate of growth of the number of injuries has declined. Between 2004 and 2005 the increase was of 34,000, as against 12,000 between 2005 and 2006, and 2,000 between 2006 and 2007. As a consequence, the 'Incidence rate for non-fatal

occupational injuries'³ rose from 1,725 in 2002 to 1,895 in 2005, but the declined slightly to 1,857 in 2006 (see Table 8). Records for 2007 showed that 76.5 per cent of injured workers were men, and that 43.2 per cent were less than 29 years old.

When broken down by type of injury reported, an overwhelming majority are classified as 'typical injuries'⁴ accounting, on average, for roughly 80 per cent of the total throughout the histori-

³ This reflects the intensity of occurrence of occupational injuries. It expresses the relation between working conditions and the average number of workers exposed to such conditions. The coefficient is defined as the ratio between the number of new occupational injuries reported each year, and the population exposed to the risk of suffering any type of injury. The denominator only considers workers covered against risks of work-related injuries.

⁴ Those injuries stemming from the nature of the professional activity performed by the accident victim.

Legal Framework Indicator 14. Labour inspection

Law, policy or institutions: A number of laws and decrees have been adopted. The most recent of general application listed in NATLEX is Decree no. 4552, of 27 December 2002, containing the Regulations of the Labour Inspectorate.

Evidence of implementation effectiveness: The Federal Labour Inspection System had, in 2008, 3,113 labour inspectors with the authority to carry out their work in all areas of the country, in both urban and rural areas, in ports and waterways, and covering all firms, establishments and places of work, public and private, independent professionals and non-profit institutions, as well as foreign ships docked in Brazilian waters. The labour inspectorate also monitors the fulfilling of quotas for the insertion of apprentices and persons with disabilities in the labour market as well as inspection for the eradication of child labour and for the elimination of work in conditions analogous to slavery.

The Committee of Experts has noted in observation on Convention No. 81 that it has received a number of comments from trade unions alleging insufficient implementation of C.81, including insufficient resources, inefficient procedures, the ineffectiveness of prosecutions and penalties, and failure to publish an annual inspection report among others. Other comments by trade unions have complained of other shortcomings in the labour inspection system (too many additional duties; lack of inspectors; and violence against inspectors). See in particular the 2007 and 2008 observations for details.

Coverage of workers in law: Applies to employees.

Ratification of ILO Conventions: Labour Inspection Convention, 1947 (No. 81), ratified in 1989, but not its protocol. Labour Inspection (Agriculture) Convention, 1969 (No. 129), not ratified.

Sources:

1. Government reports and Committee of Experts comments on Convention No. 81 (<http://webfusion.ilo.org/public/db/standards/normes/appl/appl-displaycomment.cfm?hdroff=1&ctry=0090&year=2008&type=O&conv=C081&lang=EN>).
2. National legislation listed in NATLEX (http://www.ilo.org/dyn/natlex/natlex_browse.details?p_lang=en&p_country=BRA&p_classification=07.01&p_origin=SUBJECT).

cal series. The greatest share of ‘typical injuries’ (84.2 per cent) was recorded in 1999, and the lowest share (79.5 per cent) in 2006. The category ‘commuting injuries’⁵ more than doubled, in absolute terms (rising from 34,000 in 1996, to 78,000 in 2007) accounting, consequently, for a significant and growing relative share, rising from 8.8 per cent in 1996, to 15.3 per cent in 2007. Lastly, the share of ‘occupational diseases’⁶ as a proportion of the total of ‘occupational injuries’ dropped by half (from 8.7 to 4.0 per cent) essentially as a function of a reduction in the number of cases (from roughly 35,000 in 1996, to approximately 21,000 in 2007).

The significant increase in the number of commuting injuries is directly related to traffic violence and to urban violence in general, and points to a need to conduct a deeper assessment of safety conditions for workers during journeys between

home and the workplace. Commuting injuries are more common among younger workers. In 2007, roughly 41.5 per cent of such injuries were incurred by workers aged 20 to 29 years, and of these 70 per cent were men.

During the period under review there was a significant decline in the number of occupational injuries leading to permanent disability.⁷ In 1996, roughly 18,000 workers were retired for permanently incapacitating disability. As of the second half of the 2000s, this type of injury declined steadily, from 14,400 in 2005, to 9,200 in 2006 and to 8,500 in 2007.

Comparing the 1990s with the 2000s, there was also a significant decline in the number of fatal occupational injuries. In 1996, the peak year of

⁵ Injuries that occur on the route to or from home and the workplace.

⁶ An occupational or work-related disease is deemed to be one produced or triggered by performance of particular work inherent to a given activity.

⁷ Refers to insured workers permanently incapacitated for any type of work. Permanent incapacitation may be of two types: partial or total. Partial permanent incapacity is when the victim of an occupational injury, after due psycho-physical treatment, presents permanent consequences that result in reduced capacity. The other type occurs when the victim of an occupational injury presents permanent and total incapacity for the exercise of any type of work activity.

the 1996-2007 series, there were 4,488 fatal occupational injuries. In 1999 this figure dropped to 3,896. During the 2000s, the number of fatal occupational injuries never rose above 3,000, and the average for the 2005-2007 period was 2,800.

The decline in deaths from occupational accidents becomes even more evident using an indicator that relates deaths to the size of the population at risk. The fatal occupational injury rate⁸ dropped systematically throughout the 2000s; from 13.0 deaths per 100,000 covered employees in 2002, to 11.5 in 2004, and dropping below two-digit levels in 2007 (9.4 deaths per 100,000 formal jobs).

The PNAD Health Supplements⁹ of 1998 and 2003 investigated the principal health factors that prevented people from engaging in their habitual activities during the two-week reference period. One of the main reasons cited was ‘workplace accident’.¹⁰ According to this information, in 1998, workplace accidents prevented 130,000 workers from performing their habitual duties, and were cited by 1.8 per cent of the total number of employed workers who took leave from work. In 2003, roughly 166,000 workers took leave as a consequence of occupational injuries, accounting for 1.9 per cent of workers on leave.

The PNAD Supplement also investigated ‘traffic accidents’¹¹ as a motive for taking leave from

work, and found that it was cited by 88,000 persons in 1998, and by 115,000 in 2003. Given that 71 per cent of the people that suffered traffic accidents in 1998, and 66.6 per cent in 2003 were employed workers age 16 years or older, it is reasonable to use these figures as a proxy for commuting injuries which, in this case, would considerably raise the incidence of leave resulting from occupational accidents.

Brazil has a Federal Labour Inspection System (SIT) whose remit encompasses public and private companies, establishments and workplaces, liberal professionals and non-profit institutions. Aside from the numerous attributions inherent to labour inspections, the SFIT is also responsible for inspecting compliance with quotas for insertion of apprentices and persons with disabilities into the labour market, eradication of child labour, and elimination of work in conditions analogous to slavery (see Legal Framework Indicator 14 ‘Labour inspection’).

Based on SIT and PNAD information it can be observed that, since 1997, the number of labour inspectors (AFTs) has increased, but at a lower rate than growth of the working population. Consequently, the number of inspectors per 10,000 of the working population has dropped from 0.54 in 1996, to 0.36 in 2007 (see Table 8 ‘Safe work environment’).

⁸ Measures the relationship between the total number of fatal occupational injuries recorded in the year, and the population exposed to the risk of such accidents. The indicator is obtained by examining the ratio between the number of deaths resulting from occupational accidents and the average annual number of signed work contracts.

⁹ The PNAD Health Supplement has been conducted at 5-year intervals since 1998. It was last conducted in 2008, but the results will only be disclosed in 2010.

¹⁰ An occupational injury is one which prevented a person from exercising habitual work activities, for one or more days during the 2-week period of reference, owing to lesions or injuries sustained at the place of work, either on or off premises (e.g. for a person working with solid-waste collection, conservation of telephone or electricity-distribution lines, construction or conservation of roads, highway transport, taxi services, etc.).

¹¹ For a person prevented from exercising habitual work activities for one or more days during the 2-week period of reference, owing to lesions or injuries sustained upon being run over, in a car crash or collision involving the vehicle in which he was travelling.

9 Social security

Social Security is a fundamental human right and implies, coverage against risks throughout life and at work for all, indiscriminately. The most important principles that sustain and comprise social security are solidarity, universality, equality, and full and compulsory coverage. Within the scope of decent work, the social security dimension is intrinsically linked to two of the ILO's strategic goals: standards and fundamental principles and rights at work; and social protection.

High levels of unemployment and weakened job stability experienced during the 1990s dealt severe blows to social protection throughout Latin America, leading to a lowering of the already limited coverage for the population. Insufficient coverage of the social protection system (both in relation to the number of workers and the array of risks covered) and low quality of the protection provided are among the principle challenges to promoting decent work and strengthening social cohesion in the region.

Access to social security is a key element for promoting decent work, in that it promotes a guarantee of income and social services for workers, with positive effects for their families. In Brazil, despite a slight increase in comparison with the 1990s, only half of the working population (52.6 per cent in 2007) contributes toward social security, and is therefore entitled to benefits such as sickness benefits arising from occupational injuries, or a pension due to time of service. There are significant disparities in coverage by sex, colour/race and urban and rural areas. In 2007, social security coverage encompassed 53.8 per cent of male workers and 50.9 per cent of female workers (see Table 9). This represented an increase in relation to 1992, when 49.8 per cent of men and 41.7 per cent of women had social security coverage. The difference in the proportion of male and

female workers that enjoyed social security coverage dropped from 8.1 to 2.9 percentage points in this period. Coverage for whites (59.4 per cent) was significantly higher than for blacks (45.2 per cent) in 2007, even though disparities in relation to this indicator declined from 18.2 to 14.2 percentage points between 1992 and 2007. Among workers living in urban areas the proportion of contributors (58.3 per cent) was more than double that of rural workers (23.2 per cent), despite advances in coverage of this latter group between 1992 and 2007.

The proportion of the elderly (65 years or over) that regularly receive a pension or survivor benefit is yet another important indicator of social security coverage. Besides guaranteeing a regular income to those that withdraw from the labour market by retirement or as a result of incapacity, as well as to spouses of deceased workers, such coverage is of strategic importance for the survival of many families in Brazil. A substantial portion of social security disbursements to the elderly is used for consumption of goods and services of essential importance for the well-being and health of entire families. As a consequence of successive economic crises, high levels of income concentration, increased unemployment (especially among youth) and the instability of marriages, a considerable contingent of adult offspring have become increasingly dependent upon funding from their elderly parents. Such funding has an enormous capacity to stimulate the economy, especially in Brazil's smaller municipalities.

Between 1992 and 2007, the proportion of the elderly receiving a retirement or survivor benefit rose from 80.7 to 85.4 per cent (see Table 9). Coverage levels, in 2007, were greater for men (89.9 per cent) than for women (82.0 per cent), but displayed only a slight difference between

Table 9. Social security

Decent Work Indicator	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Federal public social security expenditure, in % of GDP¹	..	..	..	6.9	6.9	7.0	7.6	7.7	7.9	8.2	8.4	8.8	9.0	9.4	..	..
<i>By modality of spending</i>																
Social assistance	..	..	..	0.1	0.1	0.2	0.2	0.3	0.4	0.5	0.6	0.7	0.8	0.8	..	..
Health-care expenditure	..	..	..	1.8	1.5	1.7	1.6	1.7	1.7	1.7	1.7	1.6	1.6	1.6	..	..
Other social security expenditure	..	..	..	5.0	5.3	5.2	5.8	5.8	5.8	6.0	6.1	6.5	6.7	7.0	..	..
Share of population aged 65 years or older who receive a pension, in %²	80.7	83.4	..	84.1	84.5	84.2	85.1	85.8	..	85.9	86.7	87.1	86.6	86.8	85.4	85.4
Women	74.5	78.3	..	79.2	80.5	80.2	81.7	82.5	..	82.9	84.2	84.1	83.2	83.7	82.2	82.0
Men	88.4	89.6	..	90.3	89.6	89.3	89.4	89.9	..	89.9	90.0	91.0	91.2	91.1	89.5	89.9
Blacks	81.5	84.0	..	85.3	85.3	85.6	85.8	86.0	..	86.6	87.6	88.1	86.4	87.0	84.4	84.9
Whites	80.2	82.9	..	83.3	84.1	83.4	84.6	85.6	..	85.5	86.1	86.5	86.7	86.7	86.0	85.7
Rural	80.4	87.4	..	88.4	88.8	89.8	89.8	89.8	..	92.0	92.1	93.2	92.3	92.6	91.4	89.7
Urban	80.8	82.2	..	82.9	83.3	82.7	83.8	84.7	..	84.6	85.6	85.9	85.5	85.8	84.2	84.6
Share of workers aged 16 years or older who contribute to social security, in %³	46.7	46.0	..	45.8	45.9	46.0	46.4	45.6	..	47.4	46.8	47.8	48.6	49.4	50.7	52.6
Women	41.7	41.2	..	41.8	43.1	43.5	45.0	43.9	..	46.5	45.8	46.9	47.2	48.0	49.3	50.9
Men	49.8	49.1	..	48.4	47.8	47.6	47.4	46.7	..	48.1	47.5	48.5	49.6	50.5	51.8	53.8
Blacks	36.5	35.8	..	36.0	36.8	36.5	37.2	36.1	..	38.8	38.1	39.0	40.3	41.6	42.8	45.2
Whites	54.7	54.0	..	53.3	52.8	53.4	53.7	53.0	..	54.4	53.8	55.3	55.7	56.5	57.9	59.4
Rural	15.3	15.9	..	16.2	18.1	17.2	18.4	18.9	..	17.1	16.8	17.8	18.9	19.7	21.5	23.2
Urban	56.7	55.4	..	54.6	53.9	54.3	54.5	53.5	..	54.1	53.2	54.3	54.7	55.7	56.6	58.3

Notes:

¹ Does not include social-security spending on retirees and pensioners of the Federal Government (Regime Jurídico União).² Includes persons who receive a pension due to contribution per time of service, incapacity, spouses of deceased pension beneficiaries and rural agricultural workers covered by the 1988 Federal Constitution.³ Percentage of workers who contribute a share of their monthly earnings to the National Social Insurance Institute, as well as state and municipal social security systems and the pension system for federal public sector workers.

Source: Directory of Social Studies / IPEA; IBGE – PNAD (see technical notes).

white Brazilians (85.7 per cent) and black Brazilians (84.9 per cent). For all groups, coverage had expanded in comparison to the 1990s, with the greatest expansion occurring among women and blacks. Coverage for the elderly living in rural areas (89.7 per cent) was proportionally higher than for those in urban areas (84.6 per cent). This difference by household location was influenced by Brazil's 1988 Federal Constitution that expanded the scope of social security benefits to include rural workers.

The 1988 Federal Constitution defined social security as a set of integrated actions targeted at ensuring rights relating to health, social insurance and social assistance. Considering these

three components together it can be observed that, since the 1990s, there has been a steady increase in 'Federal public social security expenditure, in % of GDP' from 6.9 per cent in 1995, to 7.9 per cent in 2000, and 9.4 per cent in 2005 (see Table 9).

Despite higher social security spending as a proportion of GDP, disaggregated analysis reveals that such growth has not reached all components of social security equally. For health care¹, spend-

¹ Includes expenditures for Basic Healthcare, Hospital and Outpatients Care under the Unified Health System (SUS), Epidemiological Surveillance and Control of Transmittable Diseases and Surveillance, Prevention and Care for HIV/AIDS and other Sexually Transmitted Diseases.

Legal Framework Indicator 15. Pension

Law, policy or institutions: *Relevant laws:* 1991 (social security) as amended in 1999; 1991 (social insurance); 1993 (social welfare, benefiting poor elderly persons and persons with disabilities); and 1999 (security insurance regulations). Constitutional Amendment 41 (EC41) approved by both houses of the National Congress at the end of 2003, altered the existing social insurance system, comprised of the National Social Insurance Institute (INSS) responsible for the general social security regime and for the specific social insurance regime for tenured public servants. The Ministry of Social Security exercises general supervision. The National Social Insurance Institute administers benefits. *Financing:* Various methods.

Retirement ages and eligibility: *Old-age pension (social insurance):* Age 65 (men) or age 60 (women) for employees and the urban self-employed; age 60 (men) or age 55 (women) for rural workers.

Qualifying conditions: For those covered by social insurance prior to July 24, 1991, the minimum number of monthly contributions varies between 60 and 180, in accordance with the transition table, taking into account the year in which retirement criteria were fulfilled; for those covered by social security after July 25, 1991, a minimum of 180 monthly contributions.

Retirement for time of contribution (social insurance): The insured should be no less than 53 years old and have contributed for 35 years (men), or no less than 48 years old and have contributed for 30 years (women). Insured persons that worked in conditions hazardous to health or physical integrity for a period of 15 to 25 years shall be eligible for special retirement benefits.

Proportional pension (social insurance): For persons covered by social insurance prior to 16 December, 1998 who are no less than 53 years old and who contributed for 30 years (men) or no less than 48 years old and that contributed for 25 years (women), requiring an additional period of contribution corresponding to 40 per cent of the time which, at the date in question, was lacking to complete 35 years of contribution (men) or 30 years of contribution (women).

All contribution-based pensions may be paid abroad, under the terms of bilateral or multilateral agreements.

Old-age assistance (social assistance): Persons with disabilities or the elderly (65 years old) who can prove that they are economically needy or lacking subsistence are eligible for social welfare benefits if their per-capita family income amounts to less than 25 per cent of the minimum wage (currently: R\$ R\$465 x 25% = 116 per person). Eligibility is reviewed every two years.

Benefits (level and duration): *Old-age pension (social insurance):* The monthly benefit is equal to 70 per cent of the insured person's average earnings plus 1 per cent of average earnings for each year of contributions, up to a maximum of 100 per cent. *Retirement for time of contribution (social insurance):* The benefit corresponds to 100 per cent of the contribution wage for men at 53 years of age and with 35 years of contribution, and for women at 48 years of age and with 30 years of contribution, also applying the "*fator previdenciário*" (optional in the case of old-age pension). This formula alters the value of the benefit, taking into account life expectancy, time of contribution, and age (this is a complex calculation – for further details see: www.previdencia.gov.br). *Old-age benefit (social assistance):* The monthly benefit is equal to the monthly minimum wage (currently R\$ 465).

Evidence of implementation effectiveness: No information was located by the ILO.

Coverage of workers in law: *Social insurance:* Employees in industry, commerce, and agriculture; domestic servants; some categories of casual workers; employees of the public service and public servants without tenure; and own-account workers. Coverage is voluntary for students, housewives, the unemployed, and other categories. Special regimes for tenured public servants and the military. *Social assistance:* Needy elderly and persons with disabilities.

Coverage of workers in practice: Social insurance: In 2007, 52.6 per cent of employed workers aged 16 years or over contributed toward the social security system; and 85.4 per cent of the population over the age of 65 years received retirement benefits or pensions (see statistical Decent Work Indicators). *Social assistance:* No information was located by the ILO.

Ratification of ILO Conventions: Social Security (Minimum Standards) Convention, 1952 (No. 102), ratified in June 2009 (parts II to X) – not yet examined by the Committee of Experts. Invalidity, Old-Age and Survivors' Benefits Convention, 1967 (No. 128), not ratified.

Sources:

1. ISSA database (<http://www.issa.int/aiss/Observatory/Country-Profiles/Regions/Americas/Brazil>).
2. National legislation in NATLEX (http://www.ilo.org/dyn/natlex/natlex_browse.details?p_lang=en&p_country=BRA&p_classification=15.02&p_origin=COUNTRY&p_sortby=SORTBY_COUNTRY).

Legal Framework Indicator 16. Incapacity for work due to sickness / sick leave

Law, policy or institutions: *Relevant laws:* 1990 (Law No. 8080 of 19 November, on health); 1991 (Law No. 8212 of 24 July, on social security), with 1999 (Law No. 9876 of 26 November) amendment; and 1991 (Law No. 8213 of 24 July, on social insurance). Ministry of Social Insurance (<http://www.previdencia.gov.br>) provides general supervision. National Social Security Institute (<http://www.inss.gov.br>) administers benefits.

Benefits (level and duration): The monthly benefit is equal to 91 per cent of average earnings; 100 per cent of the minimum wage for rural workers. The benefit is paid after a 15-day waiting period (during which the employer is required to pay 100 per cent of earnings); there is no waiting period for self-employed persons and voluntarily covered persons. *Qualifying conditions:* The insured must have contributed in the last 12 months. There is no qualifying period in the event of an accident or serious illness. *Maximum duration:* There is no limit to duration.

Coverage of workers in law: *Social insurance:* Employees in industry, commerce, and agriculture; domestic servants; some categories of casual worker; and elected civil servants. Voluntary coverage for self-employed workers, students, housewives, unemployed persons, and other categories. Special systems for public-sector employees and military personnel. *Social assistance:* Needy elderly or disabled persons.

Coverage of workers in practice: *Social insurance:* In 2007, 52.6 per cent of all workers aged 16 years or older contributed to the social security system (see statistical indicators). *Social assistance:* No information was located by the ILO.

Ratification of ILO Conventions: Social Security (Minimum Standards) Convention, 1952 (No. 102), ratified in June 2009 – not yet examined by the Committee of Experts. Medical Care and Sickness Benefits Convention, 1969 (No. 130), not ratified.

Sources:

1. ISSA database (<http://www.issa.int/aiss/Observatory/Country-Profiles/Regions/Americas/Brazil>).
2. National legislation in NATLEX (http://www.ilo.org/dyn/natlex/natlex_browse.details?p_lang=en&p_country=BRA&p_classification=15.01&p_origin=COUNTRY&p_sortby=SORTBY_COUNTRY).

ing remained practically the same relative to GDP between 1997 and 2005, ranging between 1.5 and 1.8 per cent of GDP. For social security expenditure other than that for health-care and social welfare², the proportion has increased with greater intensity since the beginning of the 2000s, rising from 5.8 per cent in 2000 to 7.0 per cent in 2005. And lastly, for social assistance, the percentage increased gradually from 0.1 per cent in 1995 to 0.4 per cent in 2000, and to 0.8 per cent in 2005. It should be stressed that the increased share of social assistance³, especially in the 2000s, was directly influenced by adoption and expanded coverage of direct income transfer programmes such as *Bolsa Família*.

By definition, Brazil's Unified Health System⁴ (SUS) ensures unrestricted coverage and access to basic healthcare for the entire population. With respect to workers' access to private health plans or health insurance, the PNAD Health Supplementary Survey shows that just over one quarter of workers were insured (26.7 per cent in 1998, and 27.6 per cent in 2003). This proportion is higher among workers with signed work contracts (roughly 40 per cent).

² Includes Basic Social Security (General Social Security Regime) payment of retirement and survivor benefits and sickness benefits.

³ Includes Conditional Income Transfers – Bolsa Família, Social Protection for Persons with Disabilities (RMV and BPC/LOAS), Social Protection for the Elderly (RMV and BPC/LOAS) and Eradication of Child Labour.

⁴ The Unified Health System (SUS) was created by the 1988 Federal Constitution and instituted by Laws number 8080 of 1990 and number 8142 of 1990, the Organic Health Law, with the aim of addressing inequalities in healthcare for the population, making public healthcare compulsorily available to all citizens, forbidding monetary charges of any nature on any pretext. SUS is targeted at all citizens and is funded by revenues from taxes and social charges paid by the population and resources from federal, state and municipal governments.

Legal Framework Indicator 17. Incapacity for work due to invalidity

Law, policy or institutions: *Relevant laws:* 1991 (Law No. 8212 of 24 July, on social security), with 1999 (Law No. 9876 of 26 November) amendment; 1991 (Law No. 8213 of 24 July, on social insurance); 1993 (Law No. 8742 of 7 December, on social assistance); and 1999 (Decree No. 3048 of 6 May, on social insurance regulations). Ministry of Social Security (<http://www.previdencia.gov.br>) provides general supervision. National Social Insurance Institute (<http://www.inss.gov.br>) administers benefits.

Benefits (level and duration): *Disability pension (social insurance):* The monthly benefit is equal to 100 per cent of the insured person's average earnings; 100 per cent of the minimum wage for rural workers. The minimum monthly earnings for benefit calculation purposes are equal to the monthly minimum wage (R\$465); a maximum ceiling applies for benefit calculation purposes. Benefits are adjusted annually according to changes in the consumer price index. *Disability assistance (social assistance):* The monthly benefit is equal to the monthly minimum wage (R\$465).

Benefit adjustment: Benefits are adjusted annually according to changes in the minimum wage. *Duration:* There is no limit to duration.

Qualifying conditions (social insurance): The insured must be assessed as permanently incapable for work and have at least 12 months of contributions. The contribution period is waived if the disability is the result of an accident. The degree of disability is assessed by the National Institute of Social Security. *Qualifying conditions (social assistance):* The insured person must be assessed as disabled and have monthly family earnings less than 25 per cent of the monthly minimum wage for each person (R\$116). Eligibility is reviewed every 2 years.

Evidence of implementation effectiveness: No information was located by the ILO.

Coverage of workers in law: *Social insurance:* Employees in industry, commerce, and agriculture; domestic servants; some categories of casual worker; and elected civil servants. Voluntary coverage for self-employed workers, students, housewives, unemployed persons, and other categories. Special systems for public-sector employees and military personnel. *Social assistance:* Needy elderly or disabled persons.

Coverage of workers in practice: *Social insurance:* In 2007, 52.6 per cent of all workers aged 16 years or older contributed to the social security system (see statistical indicators). *Social assistance:* No information located by the ILO.

Ratification of ILO Conventions: Social Security (Minimum Standards) Convention, 1952 (No. 102), ratified in June 2009 – not yet examined by the Committee of Experts. Invalidity, Old-Age and Survivors' Benefits Convention, 1967 (No. 128), not ratified.

Sources:

1. ISSA database (<http://www.issa.int/aiss/Observatory/Country-Profiles/Regions/Americas/Brazil>).
2. National legislation in NATLEX (http://www.ilo.org/dyn/natlex/natlex_browse.details?p_lang=en&p_country=BRA&p_classification=15.02&p_origin=COUNTRY&p_sortby=SORTBY_COUNTRY).

10 Social dialogue, workers' and employers' representation

Full and effective freedom to associate and organize and to negotiate collective bargaining agreements is considered a fundamental labour right under the *Declaration on Fundamental Principles and Rights at Work*, adopted by the ILO in 1998. The freedom of workers and employers to organize and engage in open dialogue are also conditions for strengthening democracy and social cohesion, and one of the measures of progress toward fairer societies, in which everyone can fully develop their capacities. In Brazil, a legislative framework ensures the right to freedom of association (see Legal Framework Indicator 18 'Freedom of association and the right to organize').

PNAD data show that trade union density rates varied over the period under review in this study.¹ Throughout the 1990s, union membership declined as a consequence of rising unemployment, weaker job tenure and the rise of informality, dropping from 18.0 per cent in 1992 to 16.7 per cent in 1998. This decline was more intense among men (from 21.1 to 18.9 per cent) and white workers (20.7 to 19.5 per cent), the predominant groups in the formal and more organized sectors of the economy, and those most adversely affected by trade liberalization, especially workers in industry. The trade union density rate among black workers also dropped during the period (from 14.5 to 13.7 per cent), but rose among women (from 13.1 per cent in 1992 to 14.7 per cent in 1998) in line with the trend of greater labour market participation and access to jobs in the more organized sectors.

During the first half of the 2000s and, more precisely, after 2003, growth of the proportion of unionized workers resumed (rising from 17.4 per cent in 2002 to 19.1 per cent in 2006), mainly as a consequence of an acceleration in the rate of formal job creation and the consequent decline in informality, as explained in Chapter 1 on 'Employment opportunities' of this report. This increase in unionization occurred indiscriminately for men, women, whites and blacks. In 2007, however, this rate dropped by one percentage point to 18.1 per cent.

The right to collective bargaining, one of the main instruments of union activity and an essential aspect of social dialogue between employers and workers, is enshrined in Brazilian legislation (see Legal Framework Indicator 19 'Collective bargaining right'). It is a fundamental element in the struggle for better working conditions and productivity, and is thus an important mechanism for promoting decent work. One of the most outstanding themes in collective bargaining is negotiation of wage levels. In Brazil, compensation for inflationary losses has been hotly debated for many decades. The results of wage readjustments, defined through collective bargaining agreements since 1996, indicate that recent improvements in the performance of the Brazilian labour market have significantly facilitated the proportion of occupational categories that obtained wage increases equal to or greater than inflation.

In 2007, for the fourth consecutive year according to DIEESE, the vast majority (96 per cent) of collective bargaining agreements succeeded in recovering inflationary losses sustained since the previous

¹ Proportion of workers age 16 years or older that belong to a union, in relation to the total working population in the same age group.

Legal Framework Indicator 18. Freedom of association and the right to organize

Law, policy or institutions: The Constitution (article 8, paragraph II) guarantees freedom of association for workers and employers (with the exception of the armed forces), but provides that there can be only one trade union organization to represent an occupational or economic category in a given territorial area. The creation of associations and, under the terms of the law, of cooperatives is not subject to authorization, and State interference in their operation is forbidden; furthermore associations may only be compulsorily dissolved or have their activities suspended by a judicial decision.

The Consolidation of Labour Laws (CLT) contains detailed legislation both on freedom of association and collective bargaining. The right to strike is guaranteed, with restrictions concerning essential services. The right to strike of civil servants is guaranteed under the Constitution, but no legislation has been passed allowing it. In the Annual Review under the Declaration, the Government stated in 2007 that a law was being prepared.

Evidence of implementation effectiveness: There are two active cases before the Committee on Freedom of Association, and three cases in which the Committee requests to be kept informed of developments. The allegations are generally related to anti-union discrimination by employers.

Coverage of workers and employers in law: Article 5 of the Constitution provides that all persons without any distinction whatsoever, Brazilians and foreigners residing in the country, are guaranteed the right to freedom of association. The ILO Declaration Expert-Advisers noted that restrictions on the rights of certain categories of workers, such as workers in the export processing zones, and workers in the public services, were not compatible with the realization of this principle and right.

Coverage of workers and employers in practice: Workers and employers in the informal economy are not in practice covered by the legislative protections.

Ratification of ILO Conventions: Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87) not ratified. (The Government has reported under the Declaration that the Brazilian Constitution is incompatible with the Convention, but that it intends to ratify depending on the outcome of consultations and revisions.)

Sources:

1. Country baseline on freedom of association under the 1998 Declaration on Fundamental Principles and Rights at Work (http://www.ilo.org/declaration/follow-up/annualreview/countrybaselines/lang--en/docName--WCMS_091262/index.htm).
2. National legislation.

agreement. Since the creation of DIEESE's Wage Monitoring System in 1996, this was the longest period over which wage negotiations had managed to ensure inflationary replacement and real wage increases. Between 1996 and 2003, only on two occasions did this proportion exceed 50 per cent. In 2007, 88 per cent of these agreements resulted in real wage increases (two percentage points in relation to 2006) and the best result since 1996. When broken down by economic sector, industry was the sector in which the largest percentage (94 per cent) of agreements resulted in wage increases higher than inflation, followed by commerce (85 per cent) and services (81 per cent). Among those sectors in which wage increases were higher than inflation, 70 per cent of the agreements secured no more than 2 per cent of real gains, and 2.5 per cent achieved gains of more than 4 per cent.

Another important dimension of social dialogue and negotiation for promoting decent work takes

place through consultations within tripartite bodies comprised of representatives of government and of workers' and employers' organizations. In Brazil, there are a variety of initiatives of this type (see Legal Framework Indicator 20 'Tripartite consultations'). One of the most comprehensive and far-reaching experiences of this type was the creation and registration, between 1994 and 1995, of state and municipal Employment Committees. This initiative, promoted by the Deliberative Council of the Worker's Support Fund (*Fundo de Amparo ao Trabalhador* – CODEFAT) represented a significant advance by enabling participation of the social partners in management and execution of the Public Employment, Work and Income System (SPETR), as prescribed by ILO Convention No. 88. Aside from ensuring participation of the social partners, these tripartite bodies have collaborated decisively in the process of decentralization and execution of the public policies that comprise the SPETR.

Table 10. Social dialogue, workers' and employers' representation

Decent Work Indicator	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Trade union density rate (unadjusted, net), in %¹	18.0	17.8	..	17.3	17.5	17.1	16.7	16.8	..	17.4	17.4	18.2	18.5	18.9	19.1	18.1
Women	13.1	13.7	..	13.8	14.8	14.5	14.7	14.9	..	16.0	15.7	17.0	17.1	17.6	17.7	17.0
Men	21.1	20.4	..	19.7	19.3	18.8	18.1	18.2	..	18.3	18.7	19.1	19.6	19.9	20.2	18.9
Blacks	14.5	14.6	..	14.2	14.2	14.3	13.7	14.4	..	14.6	14.9	16.1	16.3	17.1	17.4	16.6
Whites	20.7	20.2	..	19.7	20.0	19.2	19.2	18.7	..	19.6	19.5	20.0	20.4	20.5	20.7	19.5
Rural	16.0	16.5	..	15.9	16.4	16.3	16.5	17.6	..	21.2	22.3	23.9	24.3	24.7	25.6	24.4
Urban	18.6	18.2	..	17.7	17.8	17.3	16.8	16.6	..	16.5	16.4	17.0	17.3	17.7	17.8	16.9

Note: ¹ Percentage of employed population that belong to a trade union. The data reflect those workers who answered positively to the question of whether they belong to a trade union, in the national household survey (PNAD).

Source: IBGE – PNAD (see technical notes).

Legal Framework Indicator 19. Collective bargaining

Law, policy or institutions: Art. 8 of Brazil's Federal Constitution; and art. 611 and subsequent articles of the Consolidation of Labour Laws (CLT).

Evidence of implementation effectiveness: In its most recent observation (2007) the Committee of Experts requested the Government to supply information on the alleged acts of violence against trade unions reported by the International Trade Union Confederation ITUC. It also requested the Government to provide information on the question of "*dissidio coletivo*" (compulsory judicial arbitration), on measures adopted to ensure the right of collective bargaining for public servants, and on declarations of collective agreements as null and void if they are in conflict with the economic and financial policy or the existing wages policy.

Coverage of workers in law: All workers, except public servants. The Committee of Experts has criticized the exclusion of public servants not engaged in administration of the State. Although art. 37 of Brazil's Federal Constitution guarantees public servants the right to freedom of association and the right to strike (though in the manner and within the limits defined by a specific law, which does not exist), it does not guarantee them the right to bargain collectively. Article 8 paragraph VI of the Constitution states that collective bargaining must be held with the participation of unions. In Brazil, the trade union represents all employees of an undertaking and bargaining is carried out with the employers' association and not with individual employers. According to article 611 of the CLT, a collective contract stipulates collective relations between trade unions and employers' associations. Under article 611 (1), however, the Brazilian labour law recognizes a conceptual difference between a collective agreement, as a bargain involving the trade union and employers' association, and an accord when it includes the same trade union representing the employees in a single enterprise. *Limits to the scope of collective bargaining:* The Committee of Experts has long demanded annulment of art. 623 of the CLT that allows the Government to declare void any provision of a covenant or agreement found to be in conflict with guidelines of the Government's economic-financial policies or with its current wage policy.

Coverage of workers in practice: Not available to workers in the informal economy.

Ratification of ILO Conventions: Right to Organise and Collective Bargaining Convention, 1949 (No. 98), ratified in 1952. Brazil also ratified the Collective Bargaining Convention, 1981 (No. 154), in 1992. The Labour Relations (Public Service) Convention, 1978 (No. 151), is in the process of ratification.

Source: Comments of the Committee of Experts on Convention No. 98 (<http://webfusion.ilo.org/public/db/standards/normes/appl/appl-displaycomment.cfm?hdroff=1&ctry=0090&year=2007&type=O&conv=C098&lang=EN>).

These Employment Committees are permanent collegiate bodies, with balanced tripartite membership, comprised of no less than 6 and no more than 18 members, representing urban and rural areas (with equal numbers), workers, employers and government. The main duties of these committees are: to generate knowledge on the local

labour market; to guide and control local execution of policies; and to promote institutional ties. In 2008, all of Brazil's 26 States and the Federal District had established State Employment Committees (or Councils), and 3,110 municipalities (56 per cent of the total) had also registered local employment councils.

Legal Framework Indicator 20. Tripartite consultations

Law, policy or institutions: Tripartite Commission on International Relations (CTRI) established by an Order of August 2004, in the Ministry of Labour and Employment. Includes representatives of several ministries, and employers' and workers' organizations. There are also other instances of tripartite consultation and participation that are cited in the National Agenda for Decent Work, these include: the Economic and Social Development Council (CDES), the Tripartite Commission for Equal Opportunity and Treatment of Gender and Race at the Workplace (CTIO), the Quadripartite Commission for Strengthening the Minimum Wage, the Tripartite Commission of Permanent and Equal Representation (Safety and Health) (CTPP), the National Council on Immigration (CNIg), the National Council on Social Security, the National and Permanent Commission on Ports (CNPP), the National Commission for the Eradication of Slave Labour (CONATRAE), the National Commission for the Eradication of Child Labour (CONAETI). In addition, there are State, District and Municipal Commissions on Employment (with tripartite and equal representation), established and recognized by resolutions of the Deliberative Council of the Workers' Support Fund (CODEFAT).

Evidence of implementation effectiveness: The Government had referred in earlier reports on C.144 to tripartite consultations being held both in committees set up by the Ministry of Labour and Employment and in the framework of MERCOSUR; and in more recent reports refers to tripartite consultations under the objectives of C.144. Committee of Experts' comments refer to reports of submission to the competent authorities, and possible denunciation of an ILO Convention.

Ratification of ILO Conventions: Tripartite Consultation (International Labour Standards) Convention, 1976 (No. 144), ratified in 1994.

Sources: Government reports on Convention No. 144, and Committee of Experts' comments (<http://webfusion.ilo.org/public/db/standards/normes/appl/appl-displayAllComments.cfm?hdroff=1&ctry=0090&conv=C144&Lang=EN>)

11 Economic and social context for decent work

Much of the progress achieved toward decent work during the period encompassed by this report can be attributed to changes in Brazil's economic and social context. Between 1992 and 2007, sweeping changes in the macroeconomic environment had significant repercussions on the labour market and on the well-being of Brazilian workers. Among the most significant social changes were higher schooling levels of the labour force and reduced demographic pressure, causing the number of new entrants into the labour market to decline.

From 1992 to 2007, real GDP growth averaged 3.2 per cent per year and real GDP per capita growth was 1.7 per cent per year. However, abrupt variations in growth rates were the principal feature of the period, reflecting the impacts of a series of economic crises (see Table 11). Between 1990 and 1992, Brazil was hit by recession, followed by two years (1993-1994) of economic recovery, despite hyperinflation that persisted until introduction of the Real Plan in 1994. From 1995 to 1998, the Mexican, Asian, and Russian crises gave rise to cautious monetary policies which, in turn, led to lower economic growth. In response to the Brazilian crisis of early 1999, fiscal adjustment policies and high interest rates retarded growth of the Brazilian economy until 2003. As of 2004, the economy began to grow at higher rates, until succumbing to impacts of the international financial crisis in the last quarter of 2008. On average, real annual GDP growth between 2004 and 2007 was 4.7 per cent, rising to 5.1 per cent in 2008.

The onset of the international financial and economic crisis in September 2008 brought a sharp

end to the trajectory of rising growth. Real accumulated GDP growth up until the third quarter of 2008 had been 6.4 per cent but, in the fourth quarter, it plunged to 3.6 per cent. In the first quarter of 2009 the economy shrank 0.8 per cent. Nevertheless, by then it was beginning to show signs of recovery. GDP grew 1.9 per cent in the second quarter of 2009 in comparison with the previous quarter; between January and July 2009, 438,000 formal jobs (with signed work contracts) were created, corresponding to an expansion of 1.37 per cent. The urban unemployment rate¹ declined steadily, from 9 per cent in March 2009 to 8 per cent in July; and workers' average real wages increased 3.4 per cent in July 2009 in comparison with the same month of the previous year.

The main aim of monetary policy in effect during the period encompassed by this report was control of inflation. The inflation rate over the period shows that this policy unquestionably worked, but at a high cost, since it entailed extremely high interest rates which in turn had negative repercussions on the investment rate.

Also, throughout the period there was a decline in income inequality as measured by the Gini index². Indeed, Gini coefficients reflecting distribution of earnings of the working population dropped from 57.1 in 1992, to 52.8 in 2007. It should be noted

¹ Referent to six metropolitan regions (Recife, Salvador, Belo Horizonte, Rio de Janeiro, São Paulo and Porto Alegre) covered by the IBGE's Monthly Employment Survey (PME).

² This index measures disparities of distribution, varying from 0 (perfect equality) to 1 (absolute concentration or maximum inequality). The Gini coefficients are presented in per cent, i.e., multiplied by 100.

Table 11. Economic and social context for decent work

Context Indicator	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Average years of schooling (population aged 15 years or older)	5.2	5.3	..	5.5	5.7	5.8	5.9	6.1	..	6.4	6.5	6.7	6.9	7.0	7.2	7.3
Women	5.2	5.4	..	5.6	5.8	5.9	6.0	6.2	..	6.5	6.7	6.8	7.0	7.1	7.3	7.5
Men	5.2	5.3	..	5.4	5.6	5.6	5.8	5.9	..	6.2	6.4	6.6	6.7	6.9	7.0	7.2
Blacks	4.0	4.1	..	4.3	4.5	4.5	4.7	4.9	..	5.2	5.5	5.7	5.9	6.1	6.2	6.4
Whites	6.1	6.2	..	6.4	6.5	6.7	6.9	7.0	..	7.3	7.4	7.6	7.7	7.9	8.1	8.2
Rural	2.6	2.8	..	2.9	3.1	3.1	3.3	3.4	..	3.4	3.6	3.8	4.0	4.1	4.3	4.5
Urban	5.9	6.0	..	6.1	6.3	6.4	6.6	6.7	..	6.9	7.1	7.2	7.4	7.5	7.7	7.8
Literacy rate (population aged 15 years or older), in %	82.8	83.6	..	84.4	85.3	85.3	86.2	86.7	..	87.7	88.2	88.5	88.6	88.9	89.6	90.0
Women	82.2	83.2	..	84.3	85.2	85.2	86.2	86.7	..	87.7	88.3	88.6	88.8	89.2	89.9	90.2
Men	83.4	83.9	..	84.5	85.5	85.4	86.2	86.7	..	87.6	88.0	88.3	88.4	88.7	89.4	89.8
Blacks	74.3	75.2	..	76.5	78.1	77.8	79.2	80.2	..	81.8	82.8	83.2	83.8	84.6	85.4	85.9
Whites	89.4	90.0	..	90.5	90.7	91.1	91.6	91.7	..	92.4	92.6	92.9	92.9	93.0	93.5	93.9
Rural	64.1	65.5	..	67.3	68.8	68.0	69.8	71.0	..	71.3	72.3	72.8	74.2	75.0	75.9	76.7
Urban	87.6	88.1	..	88.6	89.3	89.3	90.0	90.3	..	90.5	90.9	91.2	91.3	91.6	92.2	92.4
HIV prevalence rate (population aged 15 to 49 years), in %¹	0.5	0.5	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6
GDP and GDP growth																
GDP per capita, in PPP (constant international 2005 \$) ²	7022	7238	7510	7724	7771	7913	7799	7704	7920	7911	8010	7994	8344	8505	8745	9146
Real GDP growth, in %	-0.5	4.9	5.9	4.2	2.2	3.4	0.0	0.3	4.3	1.3	2.7	1.1	5.7	3.2	4.0	5.7
Real GDP per capita growth, in %	-2.1	3.4	4.3	2.8	0.6	1.8	-1.5	-1.2	2.8	-0.2	1.2	-0.3	4.2	1.7	2.3	4.0
Gross fixed capital formation, in % of GDP	18.4	19.3	20.7	18.3	16.9	17.4	17.0	15.7	16.8	17.0	16.4	15.3	16.1	15.9	16.5	..
Investment rate (GFCF/GDP)	18.4	19.3	20.7	18.3	16.9	17.4	17.0	15.7	16.8	17.0	16.4	15.3	16.1	15.9	16.5	..
Annual inflation rate (INPC), in %	281.2	374.5	277.3	20.1	8.8	4.3	2.5	8.1	5.2	9.1	13.9	10.0	6.0	4.9	2.8	5.0
Employment by branch of economic activity, in %																
Agriculture	..	..	..	..	..	..	..	..	..	..	18.0	18.0	18.0	17.6	16.6	15.7
Industry ³	..	..	..	..	..	..	..	..	..	..	22.0	21.4	21.8	21.9	22.0	22.6
Services	..	..	..	..	..	..	..	..	..	..	60.0	60.6	60.2	60.5	61.4	61.7
Income inequality⁴																
Gini Index – Employed population with earnings ⁵	57.1	60.0	..	58.5	58.0	58.0	57.5	56.7	..	56.6	56.3	55.4	54.7	54.4	54.1	52.8
Gini Index – Working-age population (10 or more years) ⁶	57.5	60.3	..	59.2	59.0	58.8	58.4	57.6	..	57.2	57.3	56.6	55.9	55.2	54.8	53.4
Gini Index – Families with earnings ⁷	52.8	54.9	..	57.1	56.7	56.8	57.0	56.7	..	56.0	55.8	55.3	54.5	53.5	53.2	52.8
Family income per capita – Share distributed to 10% poorest, in %	..	..	..	..	..	..	..	..	..	..	..	0.77	0.86	0.90	0.92	0.88

Context Indicator	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Family income per capita – Share distributed to 10% richest, in %	43.8	44.7	45.1	45.3	46.2

Notes:

¹ Refers to center estimate by UNAIDS/WHO.

² Refers to purchasing power parities in constant 2005 international dollars.

³ Industry includes manufacturing and construction, among others.

⁴ Does not include data from the rural areas of the states of Rondônia, Acre, Amazonas, Roraima, Pará and Amapá.

⁵ Average real monthly earnings from all jobs, including self-employment. Expressed in per cent, i.e. Gini Index multiplied by 100.

⁶ Average real monthly income from all sources of income, including transfers. Expressed in per cent, i.e. Gini Index multiplied by 100.

⁷ Does not include earnings of boarders, domestic servants or parents of domestic servants, or households who did not declare income.

Source: IBGE – PNAD (See Technical notes); IBGE, National Accounts; IBGE, Historical series and IPEA, IPEADATA; World Bank (World Development Indicators); UNAIDS/WHO, 2008 Report on the global AIDS epidemic, July 2008.

that the process of de-concentration of income began in 1995. In the 2000s, favourable behaviour of the labour market, real increases in the minimum wage, and conditional income-transfer programmes contributed toward improved income equality. The improvements did not, however, correspond exactly to actual distribution of income as a whole, given that the latter indicator includes the share of other income sources in GDP. The behaviour of the so-called gross operating surplus (i.e., the share of national income accruing from profits, interest, rents and financial investments) moved in the opposite direction to workers' earnings. Indeed, between 1992 and 2003³, while the share of the gross operating surplus grew from 38 per cent to 43 per cent, the share corresponding to workers' wages dropped from 43.5 to 35.6 per cent.

In the 2000s, Brazil continued with the trend of a decline in the share of the population employed in agriculture (from 18.0 per cent in 2002 to 15.7 per cent in 2007) and an increase in employment in services (from 60.0 per cent in 2002 to 61.1 per cent in 2007). Employment in industry (which includes manufacturing as its largest component) remained stable and accounted for approximately 22 per cent of all jobs.

Brazil, in the past two decades, has undergone sweeping socio-demographic changes. One of the

most striking of these changes is deceleration of population growth, as a result of markedly lower fertility, the relentless process of urbanization, and ageing of the population. From the standpoint of labour demand, this demographic momentum is occurring within a context of remarkable changes in the production structure and increasing scarcity of jobs for youths. Opportunities for youths to participate in the labour force, aside from being too few to accommodate all those reaching working age each year, generally do not offer a signed work contract, or are part-time or non-remunerated. Turnover rates among young workers tend to be high, owing to lower human-capital accumulation and the fact that younger workers, especially those serving internships, are easily replaced.⁴

Despite the decline in fertility and, consequently, of birth rates, teenage pregnancy has proven stubbornly resilient, especially among poorer segments of the population. In Brazil, there has been a decline in fertility rates for all age groups, with the exception of the 15 to 19 group which accounted for 9.2 per cent of total live births in 1980, 13 per cent in 1991, and 19.9 per cent in 2000.

School dropout, especially among boys, and the consequent lack of prospects and difficulty in finding jobs are among the factors that may lead

³ Methodological changes in how GDP is calculated impede comparisons of the series outside this period.

⁴ The situation is further aggravated by low schooling levels and age/grade disparities among the young population. In 2007, roughly 31 per cent of young Brazilians had less than eight years of schooling, i.e., had not completed primary school. In such a context, young people face great difficulties, both when attempting to find the first job, and in maintaining a regular job.

Legal Framework Indicator 21. Labour administration

Law, policy or institutions: The Ministry of Labour and Employment has overall responsibility for the main governance fields. The legal indicators on most of these topics, when read together, reveal an integrated system of labour administration.

Coverage of workers in law: See under the various indicators. Except where expressly provided otherwise, the following categories are excluded from coverage by the Consolidation of Labour Laws: (a) domestic workers, (b) agricultural workers, (c) public officials in the service of the Union, a State or municipality or those employed in the various departments thereof; and (d) employees of autonomous administrative bodies provided that they are covered by provisions that guarantee them a status similar to that of public officials. Domestic workers are covered by special legislation.

Ratification of ILO Conventions:

Labour administration: Labour Administration Convention, 1978 (No. 150), not ratified.

Labour inspection: Labour Inspection Convention, 1947 (No. 81), ratified in 1989, but not its protocol. Labour Inspection (Agriculture) Convention, 1969 (No. 129), has not been ratified.

Industrial relations: Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87), not ratified; Right to Organise and Collective Bargaining Convention, 1949 (No. 98), ratified in 1952.

Labour statistics: Labour Statistics Convention, 1985 (No. 160), ratified in 1990.

Social security: Social Security (Minimum Standards) Convention, 1952 (No. 102), ratified in 2009.

Employment policy: Employment Policy Convention, 1964 (No. 122), ratified in 1969.

Occupational safety and health: Occupational Safety and Health Convention, 1981 (No. 155), ratified in 1992; and Promotional Framework for Occupational Safety and Health Convention, 2006 (No. 187), not ratified.

Vocational guidance and training: Human Resources Development Convention, 1975 (No. 142), ratified in 1981.

Sources: See other Legal Framework Indicators.

to involvement in unlawful activities and make young males more susceptible to violence, especially in large cities. Indeed, data from the Ministry of Health's Information System on Mortality (SIM) shows that more than one third (36.6 per cent) of deaths by homicide reported in Brazil in 2007 were of youths aged 15 to 24 years. Of young homicide victims, roughly 94 per cent were males. The Specific Mortality Rate by Homicide among youths age 15 to 24 years rose from 31.8 per 100,000 population in 1992, to 49.0 per 100,000 population in 2005. For the population as a whole, i.e., all age groups, the homicide rate in 2005 was much lower (26.1 per 100,000 population). It should be stressed, however, that in some cities the youth death by homicide rate has risen to even more alarming levels, e.g., the metropolitan regions of Recife (162.4 per 100,000 population), Vitória (139.9) and Rio de Janeiro (116.2). This situation also reveals a disturbing racial bias. In the State of Bahia, the Brazilian state with the largest proportion of blacks, in 2006, the death by homicide rate among the population age 15 to 29

years, was 8.8 per 100,000 population for whites, and 44.5 per 100,000 population for blacks (i.e., five times higher).

In the field of education, significant advances were achieved during the period, but racial and regional disparities persist. The literacy rate among the population age 15 years or older increased from 82.8 per cent in 1992, to 90.0 per cent in 2007. In 2007, literacy rates among women (90.2 per cent) were slightly higher than that of men (89.8 per cent), yet between whites (93.1 per cent) and blacks (85.9 per cent) there was a six percentage point difference. One of the main structural features of literacy rates in Brazil is the striking difference between rural (76.7 per cent) and urban areas (92.4 per cent). Progress achieved in the past 15 years notwithstanding, these indicators reveal that literacy rates remain low among certain segments of the population.

Since the early 1990s, debates in the more developed countries have produced a more exacting

definition of literacy. In Latin America, UNESCO emphasizes that literacy only becomes truly consolidated upon completing 4th grade, in view of reversion to illiteracy among those that fail to conclude primary schooling. In this context, the concept of functional illiteracy has emerged to encompass individuals age 15 years or older who have completed less than four years of schooling. When functional illiteracy is considered, rates are of greater concern than those revealed by traditional indicators. The total functional illiteracy rate for Brazil in 2007 was 21.7 per cent, with rates of 42.9 per cent in rural areas, and 17.8 per cent in urban areas.

The average number of years of schooling for the population aged 15 years or over increased from 5.2 years in 1992 to 7.3 years in 2007. On average, women's years of schooling (7.5 years in 2007) are slightly higher than men's (7.2 years); significant differences persist between years of schooling for whites (8.2 years) as compared to blacks (6.4 years) and between urban (7.8 years) and rural (4.5 years) populations.

School enrolment among children and adolescents has risen rapidly, especially since the late 1990s. Enrolments in early childhood education

(0 to 6 years old) rose from 29.2 per cent in 1997, to 44.5 per cent in 2007. For children age 7 to 14 years the proportion enrolled in school rose from 93 per cent to 97.6 per cent over the same period. Of these children, 87 per cent attend public schools, thereby demonstrating the important role of the state in fulfilling the constitutional guarantee of universal primary education for all. With respect to adolescents aged 15 to 17 years, the proportion enrolled in school increased from 73.3 per cent in 1997, to 82.1 per cent in 2007.

To assess the proportion of the working-age population (15 to 49 years) living with the Human Immunodeficiency Virus (HIV) or Acquired Immunodeficiency Syndrome (AIDS), information from the 2008 UNAIDS/WHO Report on the Global AIDS Epidemic was used. According to this source, the prevalence rate among the population of 15 to 49 years of age, increased from 0.5 per cent in 1992 and 1993 to 0.6 per cent in 1995, and remained at this level until 2007. It is worth noting that in Brazil, HIV/AIDS has been classified as a sub-epidemic, and that treatment is provided for free by the Unified Health System (SUS) to anyone living in Brazil, including foreigners, that are affected by HIV/AIDS.

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