

The next chapter: more reform or counter-reform?

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'It's deplorable, what they did, destroying hard-won rights and giving workers nothing in exchange. Just intermittent jobs; ... we've gone back almost to the time of slavery.' That's how Luiz Inácio Lula da Silva, former president and candidate in this year's presidential election, described the Employment Law Reform of 2017 in an interview given in April 2022.

In contrast, Jair Bolsonaro, Brazil's current president and also a candidate for re-election, said in January of this year that "the employment law reform ... did not take away rights; nobody lost the right to vacation, 13th salary, overtime or notice of dismissal." The statement was made after the Employment Studies Group, GAET, released its report on a study ordered by the federal government, recommending that the Employment Law Reform be extended by no fewer than 330 items.

Even five years later, the Employment Law Reform continues to appear on Brazil's political and ideological stage, and will certainly play a leading role not only in the presidential elections in October but also in the political agenda of the country's next president, in the four-year term starting in 2023. After all, the two candidates that have polarized this year's election race highlight the issue in their agendas.

Although at first Lula called for a complete repeal of the Reform, using Spain as an example, his proposal now seems more moderate: eliminating some changes seen as detrimental to workers – such as intermittent work – and bringing back compulsory payment of union dues, not by law, but by decision of the workers' assembly in the collective negotiation process. Another item on his agenda is establishing rules to protect app-based workers.

This last point – regulation of app-based work – seems to be the only point on which Lula's and Bolsonaro's agendas converge, although each has a distinct approach. While Lula proposes to give app-based workers rights typical of ordinary employment, the protections suggested by the GAET study are more limited in scope and focus on questions of social security.

It's not difficult to foresee that if the current president is re-elected, he will push forward reform of the union system and try to resurrect initiatives that were introduced by Provisional Measure but lapsed because they were not converted into ordinary legislation by Congress – the "green and yellow" employment contract (which reduced payroll charges to encourage creation of first-time jobs for younger workers), simplified rules governing bonuses paid by employers, and greater flexibility for employers and employees to negotiate individual terms and conditions of employment, for example.

Each candidate's proposals are reasonable clear, and antagonistic. On one side, a more protective, social approach; on the other, a more liberal

approach, aimed at reducing payroll changes and making labor relations more flexible.

Only time will tell whether we will see More Reform or a Counter-Reform post-election. One thing is sure, however: the issue is on the 2023 political agenda, which means we will need to be prepared for changes in Brazil's employment law.