The labor reform approved in Brazil: a regressive attack on social rights and the public institutions that operate in the labor world

Magda Barros Biavaschi
Marilane Oliveira Teixeira

The article aims to analyze the Brazilian Labor Reform and its impacts on labor relations and public institutions operating in the labor world, as well as its detrimental effects on the economy as a whole, proceeding with a comparative dialogue with analogous reforms in other nations, such as the ones carried out in other Latin American and European countries, including Chile, Argentina, Mexico, Spain, Italy and the United Kingdom, looking at their similarities and differences, with a focus on the violation of social rights that protect employment and on the institutions whose duty is to supervise and make this safety net effective. Public labor protection legislation in Brazil was regulated by the Consolidation of Labor Laws (CLT) from May 1, 1943, whose rights and guarantees were broadened by the 1988 Constitution, that raised worker's rights to the status of fundamental social rights, incorporating the principles that underlie the Labor Law. The Brazilian Senate approved the so-called "Labor Reform" in July 2017 and it became effective in November 2017. The main argument for the Reform was that updating the labor safety net was necessary to remove the "rigidity" that contributes to the increase in unemployment and insecurity. This proposal aims to analyze this reform, revealing the fallacies of these arguments. To do so, it will engage in a dialogue with the experiences of other countries which, implementing similar reforms, have not fulfilled their promises. On the contrary, the result was an increase in precarious work, whereas the unemployment issue remained unresolved. In the case of the Brazilian reform, the analysis of some of its aspects reveals that, unlike what was promised, it aims to override the universal law in favor of the "free" encounter of the individual wills of employees and employers, reducing the wage level, expanding the use of atypical contracts that mask the employment relations, reducing the role of Labor Justice and the federal supervisory system and legitimizing outsourcing by extending it to all activities, causing detrimental effects on the already fragmented workers' organization and increasing litigiousness. In the scenario, it will also focus on workers organization's strategies against its approval and, nowadays, the movements that are going on in Society trying to contribute for a law interpretation that respects the Brazilian constitutional order and the international agreements.