

# Ports modernization and its influence on trade unions

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**Abstract.** The restructuring of production resulting from the Port Modernization Law (Law 8.630/90) caused significant changes in work organization of Brazilian Ports. In the case of Mucuripe (Fortaleza, Ceará), in particular, the changes were very intense as Mucuripe is an old port that, before the Law, had labor regulation being governed by Trade Unions. This paper aims to present the perceptions of Union Representatives on the changes brought about by the Law on work organization in the port of Fortaleza, its influence in the organization and in the way the Unions deal with this new reality. Open and exploratory interviews were conducted with representatives of occasional labor workers registered in the Port of Fortaleza OGMO (Orgão Gestor de Mão de Obra, Labor Regulation Management). The analysis of the collected material in the interviews was based on the technique of content analysis proposed by Bardin (1979). Trade Unions have undergone a great loss of power and it has reflected in a relative inability to perform its function and to fight for the rights of the workers. The obvious Trade Unions weakness - a reduction of strikes and less unionized workers - reflects the dominating ideology of capital.

**Keywords:** Trade Unions, dockworkers, production restructuring, health and safety

## 1. Introduction

The port of Fortaleza, built in the 50s, has undergone intense changes due to the Brazilian port modernization movement, originated from the Law 8.630/93 [1], known as the Port Modernization Law. This law was brought forward to deal with the increase in volume of export/import trade generated by the opening of the Brazilian economy and breaking of trade barriers during the 90's and also by technological advances that changed the charges, volume and technological sophistication of commercial vessels, requiring Brazil to restructure the ports in order to accompany these ongoing changes brought by globalization. Therefore, the law aimed to reduce labor costs through the reorganization of work and technology [3].

In the ports context, production restructuring imposed by the Law 8.630/93 promoted great metamorphosis in the organization and control of dock work, directly affecting working conditions. This moderni-

zation was accompanied by an extensive process of privatization and investment in new port technologies.

A direct implication of these changes was the creation of the OGMO (Orgão Gestor de Mão de Obra), which became responsible for the occasional dock work (TPA-Trabalhador Portuário Avulso), mediating issues as payments negotiation, services payments, workers rotation system, maintenance of health and safety, training of workers, among other duties in accordance with Instruction n. 31, 13/07/00 [2].

Given this scenario and the changes imposed by the OGMO, the present study aims to analyze three Trade Unions representatives' perceptions of dock work changes, specifically in the Port of Fortaleza, brought by the Ports Modernization Law and their implications for workers.

## 2. Methodology

Open and exploratory interviews were conducted with representatives of the workers' unions accredited

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by the OGMO of Port of Fortaleza in order to understand the role and function of Trade Unions in the current organization of the port and how they deal with the new order. We interviewed three unions: the Union of Stevedores, Ushers and Dockers. Actually there are 7 Trade Unions linked with OGMO, but these three are the most important. Stevedores work only in the load and unload of cargo, directly inside the ships; ushers work in the docks and storage areas, load and unloading cargo from containers; the so called dock workers also work outside ships, cleaning and doing auxiliary tasks for the stevedores.

The interviews were conducted in the Trade Unions offices. All were recorded and transcript. The analysis of the material collected in the interviews was based on the technique of content analysis proposed by Bardin [4].

### 3. Results and discussions

Five main categories were identified in the interviews with Trade Unions representatives, namely: (1) Consequence of the Law, (2) Health and safety, (3) Trade Unions role, (4) Trade Unions difficulties, and (5) Trade Union relations.

In the category "Consequence of the Law" the perception of representatives on the changes imposed sometimes is viewed positively, sometimes negatively, but, in general, they understand that the Law has established labor relations more fair and just. It has brought guarantees related with labor rights and benefits for the occasional workers, even without a formal contract. As one union representative states, *their rights concerning payment of tax and benefices are secured, but they do not have a formal contract; they work, there are discounts relative to Social Security, they are entitled to receive an extra mensal salary per year as other workers in Brazil and they have the right not to work during a period and only has no formal contract* (Interviewee 1). Another respondent believes that *with the law many things were settled ... benefices fund were guarantee, these things have being regulated by the Law* (Interviewee 2). On the payment issue they report that there were some losses, though this fact is best appreciated when taking into account the benefices associated with labor rights. Before the law, workers' payments were negotiated between the unions and the owners of the cargo, so earnings were considerably higher. Currently, OGMO is responsible for this transaction. However, for a representative of the ushers union, once their work does not involve handling of loads, as to remuneration, no changes occurred. *Before*

*remuneration, no changes occurred. Before OGMO, the salary of the stevedores has always been different, perhaps even better than it is today, because they use to deal directly with the cargo owner, sometimes with the owner of the ship. After OGMO, from 1996 until now, when it was officially installed (...) there has been a reduction in salary. Not ours, not the ushers, because ushering was always an activity that does not have a production related to cargo. We do not work with cargo, we work in support of the vessels unload. Stevedores were always being better paid* (Interviewee 3).

Costa (2003) elaborates on the strengths of the restructuring process at the national level. According to him, the establishment of an order in labor relations assured workers that they would not be subjected to the abuses of the union's representatives and interests as was common within the previous port workforce system, in which relations were troubled by personal issues between workers and unions.

According to respondents, the previous criterion for admission as a dock worker was based on family relations and friendships. Currently, the criterion is based on a public selection process. The necessity for new workers and its hiring depends on the respective Collective Bargaining Negotiation of which category and in the amount of people who have retired. One of the results of the Law was the formation of two categories of workers in the port: registered and accredited workers. Accredited are workers that were already in service before the implementation of the Law. The registered are new workers that can be called for the tasks if the accredited are not sufficient or do not want to work in the tasks offered.

In the category of "Health and safety" (SST- Segurança e Saúde do Trabalhador) discussions focused on the responsibility of OGMO and its management on the issue. The OGMO keeps track of the records of work accidents through CAT (Comunicação de Acidentes de Trabalho – Individual Accidents Reports) and provides and controls the use of protective equipment. It promotes training courses on material handling, crane operation and safety.

In general, the Trade Unions representatives appreciate the positive role of OGMO, once the issue of accidents and deceases prevention is in its care and they do not perceive themselves as co-responsible in relation to it. In the representative's discourse is often common the assertion of a reduction in workplace accidents rates with the SST actions undertaken by OGMO. They also assert the part played by the technology and the implementation of new equipment, but recognize that the rate of accidents at the Port of

Mucuripe is still high. However, workers and OGMO's health and safety professionals believe that, in the case of accidents, the workers were the ones to be blamed and do not acknowledge the role of the working conditions and organizations. According to one interview, *the OGMO thinks that if it gives us a helmet the risk is gone* (Interviewee 1).

In relation to the "Trade Unions role", interviewees attest that unions have today a more social than political role. The Trade Unions are responsible for: guidance for workers addicted to drugs, assisting retirees, providing assistance regarding health benefits, promoting sports activities, and providing support for the workers while they are waiting to be scaled for service.

In the category "Trade Unions difficulties", representatives acknowledge that there is a decrease in the number of associated workers. They cite that the workers did not associate because it is not mandatory; others say that the decrease in members is due to retirements; another blames the union for not knowing how to organize themselves politically. But, the most recurrent explanation is that the creation of OGMO resulted in a reduction of activities and strength.

About the "Trade Union Relations" respondents reported that the various Trade Unions operate separately, each one has its own objectives and organization. A fact that confirms this separation is that Trade Unions fees are different. Relations between the unions are good and they come together at the time of the Collective Bargaining Negotiation to fight for workers. However they say that they do not have power over decisions since OGMO defines negotiations outcomes, according to government political interests rather than best working conditions for port workers.

#### 4. Conclusion

Workers of Mucuripe undergo constant threats due to the reduced activity of the Port as a result of the installation of the Port of Pecém, created after the enactment of the Law of Modernization. In addition, government policies and measures involving the creation of a new shipyard near the Port and a Bill that regulates the movement of trucks in Fortaleza, are seen as threats to the survival of the Port and, therefore, impact on the reduction of labor supply.

The Modernization Law, according to the representatives interviewed, has brought benefices as it has organized and regulated labor relations, although earnings have decreased. However, Trade Unions

have undergone a great loss of power, once before the enactment of the Law they have power and freedom to negotiate labor payments and supply. This loss of power has reflected in a relative inability to perform its function and to fight for the rights of the workers, decreasing its negotiation capacity. This does not mean that the relationships with OGMO occurs without difficulties, once the OGMO is seen as contrary to the interests of workers and holds the power previously held by the trade unions.

In addition, the Law has led to the gradual decrease of OGMO accredited workers, but that is not perceived as a problem due to shortage of activities: decrease in movement at the Port of Mucuripe and a concomitant increase of operations of the Port of Pecém. The Trade Unions currently limits its activities to the development of welfare and social activities and are not aware of their role on Workers Safety and Health and see this as the responsibility of OGMO. Besides, they did not care about what happens to non-union workers. Although the numerous risks and health problems, this fact does not seem to worry the Unions. Finally, the loss of bargaining power is compounded by the division of port workers in their different Trade Unions and the difficulties related to create a single body of representatives. The obvious weakness of the Trade Unions - a reduction of strikes and less unionized workers - reflects the dominant ideology of capital.

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