

## Brazil Passes US\$ 256 Billion Budget

Contributed by Marcos Chagas  
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Brazil's National Congress approved December 29 the 2005 Federal Budget, which sets aside resources on the order of US\$ 256 billion (R\$ 681.3 billion) to pay for the costs of the administrative machine, investments, and debts.

Investments next year should total US\$ 7.9 billion (R\$ 21 billion). In May the monthly minimum wage will be raised from US\$ 98 (R\$ 260) to US\$ 113 (R\$ 300).

The government's budget proposal, sent to the Congress in August, envisioned investments amounting to US\$ 4.3 billion (R\$ 11.5 billion). The reporter of the bill, Romero Jucá, raised this total to US\$ 7.9 billion (R\$ 21 billion).

According to Jucá, this increase was possible due to the "tightening of federal expenditures." The lawmaker said that the government will have a lot of cash on hand next year, thus permitting an increase in investments.

The 2005 Federal Budget stipulates US\$ 1.05 billion (R\$ 2.8 billion) in infrastructure investments intended to bring financial returns.

These resources are part of an agreement between the Brazilian government and the International Monetary Fund (IMF), permitting the withdrawal of US\$ 3.39 billion (R\$ 9 billion) over a three-year period beginning in 2005, to be used to create a primary surplus in infrastructure projects.

In 2005 the first parcel of the US\$ 1.05 billion (R\$ 2.8 billion) will be passed along to eight projects. Over half - US\$ 658 million (R\$ 1.745 billion) - will go to highway reconstruction, conservation, and duplication.

The leader of the government in the Congress, Senator Fernando Bezerra (PTB-RN), emphasized that these funds will be essential for the restoration of 14 thousand kilometers of highway.

Translation: David Silberstein  
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