PORTUGAL



•GONÇALO PAES PARENTE

The Equity Diamond: National values in terracotta compared to regional ones in blue.

The key issue in Portugal is employment. The current government, elected immediately after the Copenhagen summit, was present there when it was an opposition party. Then and now, it has given priority to the issue.

However, employment policies are being delayed by negotiations for a European currency. As a result of these negotiations, enterprises are closing down and jobs are being lost in agriculture and fisheries.

The growth in economic activity that started in 1994 reflected positively on employment levels in 1996. Employment grew by 0.6% in 1996 and 1.4% in the first half of 1997. The unemployment rate was 6.5% in the first half of 1997 (in the first half of 1996 it had been 7.5%). In 1997, 300,000 people were unemployed and in 1996, 331,000 people were unemployed. (Portugal has a population of 10 million.)

Modernisation of the Portuguese economy, structural adjustment of institutions, and a strong social dialogue have combined to increase competitiveness and create sustained productive employment.

## EMPLOYMENT

The main objectives of Portuguese employment policy are: economic growth to achieve employment; capacity to manage restructuring; follow-up in the most employment-intensive areas; and restructuring of labour market policies.

To achieve these objectives, several programmes and measures are underway. These include sectoral plans for modernisation and employment, integrated reconversion plans, encouragement given to areas likely to create employment, for longterm unemployment, and specific programmes for youth and workers at risk of losing their jobs. A strategic collaborative agreement was concluded between social partners and the government. It includes more than 300 measures covering the fiscal, industrial, and social security fields, education and training, and labour and active employment policies.

With regard to permanent education and training, training/ education courses are being developed in a maximum of 100 schools connected to training centres. The new regulation concerning access to the European social fund gives priority to public financing of training by small and medium enterprises (SME). It also gives priority to individual access to training chiefly by the unemployed and workers at risk of unemployment.

Concerning working time, it was reduced to 40 hours/week. Companies may set flexible timetables, with a maximum of 10 hours/day and 50 hours/week. Flexibility rules set by companies may be changed through collective bargaining.

An initiative for job creation was also introduced aimed for young people seeking their first jobs and for long-term unemployed adults. It provides them with professional qualifications in traditional trades and environmental activities so that they are able to create their own employment or find a job. Trainees receive monthly allowances as well as meal and transport subsidies. Those who submit a viable project for self employment receive, for a period of one year, a bonus equal to 12 times the national minimum wage (about \$300/ month). Rent, renovation of premises and equipment are also subsidised.

The concept of an «employment social market» as been defined to fight unemployment and promote «active solidarity». The concept covers a number of solutions for the integration or reintegration of the unemployed into activities that address social needs not met by the normal operation of the market.

There is a project to support entrepreneurial initiativesspecifically addressed to women, which helps to launch and consolidate enterprises managed or owned by women.

For the near future the following are foreseen: sectorial programmes to increase competitiveness and employment; extension of networks for qualification and employment; support for innovation in the field of human resources; setting up of centres for the creation of companies and the gathering of ideas and initiatives for new areas of employment promotion; development of a programme for trades and small handicraft companies.

 OIKOS. Is an ecumenical (in its general sense) NGDO, which chooses to join efforts with groups and organizations promoting the liberation of the human person in its individual and community dimensions.