

Social Quality and the Policy Domain of Employment Portuguese National Report

CESIS

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1. Introduction

1.1 Introductory remarks

The following report is organised in six main parts. Part a) regards some general features of the Portuguese labour market. In Part b) - 'Employment relations', the main characteristics of employment will be dealt with. Part c) - 'Working time', allows for further considerations regarding employment, as it focus on the number and distribution of working hours, as well as on some subjective considerations of the workers on the matter. Part d) - 'Income security' regards the analysis of a number of indicators on remuneration and social protection. The issue of social protection will be further developed on part e) - 'Forms of care leave', specifically in what concerns leaves for purposes of care and the possibility to combine care responsibilities with a professional activity. Part f) will look into the issue of flexicurity in Portugal and its trends.

A final remark regards the fact that due to the impossibility of having harmonised European data for all the issues judged to be relevant to deal with in the report, it was necessary to resort to national data. However, it must be stressed that for some indicators (fortunately few) it was not possible to gather the appropriate data. In these cases, the unavailability of data is referred to in the text.

1.2 General features of the Portuguese labour market

Portugal had, in 2000, around 6 million and 780 thousand people in working age (15-64), figure which has been relatively stable since 1998. From these, 3.465 million were females and 3.315 were males.

Throughout recent years, Portuguese activity and employment rates have been consistently higher than those for the EU15. In a context of increase of both rates in both territorial units, this trend was maintained.

Table 1: Activity rate in Portugal and in the EU15

		1998	1999	2000
Portugal	M/F	64,1	64,5	65
	M	75,5	75,3	75,3
	F	54,1	55	55,9
EU15	M/F	57,2	57,4	57,5
	M	68,9	68,7	68,5
	F	46,4	47	47,4

Source: Eurostat, Labour Force Survey

Table2: Employment rate in Portugal and in the EU15

		1998	1999	2000
Portugal	M/F	61,6	62	62,9
	M	73,2	72,6	73,3
	F	51,4	52,8	53,9
EU15	M/F	52,1	52,8	53,3
	M	63,7	63,9	64,3
	F	41,5	42,5	43,2

Source: Eurostat, Labour Force Survey

In terms of gender we face some diminishing on the gap between male and female rates, both in Portugal and in the EU15, although it derives from slightly different features in one and another case.

While in Portugal it derives from a stabilisation of the male rates together with a relatively strong increase of the female rates (around 1% per year); in the EU15 it derives from the (slight) decrease of the male rate combined with a slight increase in the female rate, in the case of activity rates, or from a higher expression of the growth of the female rate, in the case of employment rates. Such outcomes lead us to conclude that the growth of those rates result from the growth of the female rates.

From the analysis of the educational level of active population the first result to be drawn is the generally low levels which characterise this population. In fact, in 1999, almost 10% of the total active population had no level of education. Nevertheless, it is possible to observe the increase in the educational level of the Portuguese active population, especially in what concerns secondary or higher education.

Interesting enough is the fact that employability does not seem to increase according to the educational level of the individual. It is among those with lower education levels (4 years of schooling or less) one can find an overrepresentation in terms of employment when comparing to unemployment.

The other education levels are overrepresented in unemployment except for higher education. However, it must be stressed that in a context (from 1998 to 1999) of increase of the weight of higher education in active population, that growth is higher among the unemployed population (17.4%) than among employed population (5.2%).

Table3: Highest level of education completed by individuals aged 25-64, Portugal (%) – 1999

	M/F	M	F
< upper secondary level	78.0	79.5	76.5
Upper secondary level	12.0	12.0	11.9
Third level	10.0	8.5	11.5

Source: Eurostat, Labour Force Survey

Table 4: Active, employed and unemployed population in Portugal, by education level (%)

	1998	1999	2000
Active population	100	100	100
None	9.5	9.8	79.1
1º cycle (4 years)	36.7	34.8	
2º cycle (6 years)	21.0	21.2	
3º cycle (9 years)	13.5	13.8	
Secondary (12 years)	10.8	11.5	20.9
Higher education	8.5	8.9	
Employed population	100	100	100
None	9.8	10.0	79.1
1º cycle (4 years)	36.9	35.0	
2º cycle (6 years)	20.8	21.1	
3º cycle (9 years)	13.3	13.6	
Secondary (12 years)	10.6	11.4	20.9
Higher education	8.7	9.0	
Unemployed population	100	100	100
None	5.3	5.4	79.1
1º cycle (4 years)	32.8	30.0	
2º cycle (6 years)	24.4	23.1	
3º cycle (9 years)	16.8	19.1	
Secondary (12 years)	14.9	14.7	20.9
Higher education	5.8	7.6	

Source: INE, Estatísticas do Emprego, annual average

Conversely, there is the situation of the population with secondary schooling. Although overrepresented in terms of unemployment, between 1998 and 1999 the category increases its weight in terms of employment and decreases it in terms of unemployment, thus seeming to point positively in terms of the employability of this group.

The analysis of the unemployment rate reveals a trend of decrease both in Portugal and in the EU15, although the departure contexts are different. In fact, in the reference period, the decrease of the Portuguese unemployment rate has occurred in a context of nearly full employment (from 3.9% to 3.1%), while the average of the EU15 was, in 2000, still 7.3%. Both in Portugal and in the EU15, female unemployment rate is consistently higher than male's.

Table 5: Unemployment rate in Portugal and in the EU15

		1998	1999	2000
Portugal	M/F	3,9	3,8	3,1
	M	3	3,5	2,7
	F	4,9	4,1	3,7
EU15	M/F	8,8	8,2	7,3
	M	7,6	7	6,2
	F	10,5	9,7	8,7

Source: Eurostat, Labour Force Survey

Long-term unemployment also seems to be in remission in the context of the European Union. Nevertheless, in 2000, nearly one half of the unemployed (45.2%) was in that situation for at least one year. The Portuguese context shows a similar sight, with a slightly lower figure (42.9%).

Table 6: Long-term unemployment (12 months or more) in Portugal and in the EU15 as a percentage of the total unemployment, by sex (%)

		1998	1999	2000
Portugal	M/F	44,7	41,2	42,9
	M	43,6	39,5	46,7
	F	45,6	42,9	40
EU15	M/F	47,9	46	45,2
	M	46,6	44,7	44,2
	F	49,2	47,3	46,3

Source: Eurostat, Labour Force Survey

Another feature concerning Portugal regards the strong oscillation of the male rate of long-term unemployment between 1998 and 2000, with a very strong increase in the last reference year, in which it even overpasses the EU15 male rate. It also overpasses the female rate, inverting the trend of the previous years, where female rates were always higher than male ones.

2. Employment relations

2.1 Type of contract

A permanent employment relation is still the dominant model in Portugal. However, two important aspects must be stressed. On the one hand, the fact that a substantial part of the employment where precariousness rules is under the scope of the informal sector, thus not reflected in the figures of the official statistics. On the other hand, "steady" employment relations are losing relative weight towards other kind of contracts. Although the decrease is not as expressive as one could imagine (at least in the period under analysis), it seems to be firm.

Table 7: Type of contract of employment, by sex - Portugal (%)

		1998	1999	2000
Indefinite duration	M/F	82.5	81.0	79.6
	M	83.7	82.4	81.2
	F	81.0	79.2	77.7
Fixed-term	M/F	12.4	13.4	14.1
	M	10.7	11.4	12.0
	F	14.5	15.7	16.6
Others	M/F	5.1	5.7	6.3
	M	5.6	6.2	6.8
	F	4.5	5.1	5.7

Source: INE: Estatísticas do Emprego, annual average

Another aspect which is worth mentioning is the fact that women are clearly overrepresented in the fixed-term contracts, thus pointing to a higher vulnerability of Portuguese women in the labour market. This overrepresentation of women is also evident regarding the percentage of employees with a contract of limited duration.

Table 8: Percentage of employees with a contract of limited duration, Portugal

		1998	1999	2000
Limited duration	M/F	17.3	18.6	20.4
	M	16.2	17.1	--
	F	18.6	20.4	22.7

Source: Eurostat, Labour Force Survey

The celebration of a fixed-term contract is admissible only in the following situations predicted in Article 41 of the LCCT and Law 18/2001: a) Substitution of a worker who, for some reason, is temporarily prevented of accomplishing his/her service; or if the worker is under the scope of an action to evaluate the rightness of his/her dismissal; b) Temporary or exceptional increase of the company's activity; c) Seasonal activities; d) Accomplishment of a short-term well defined occasional service; e) Launching of a new activity of uncertain duration, as well as the beginning of an enterprise or establishment; f) Development, management and inspection of civil construction, public work, settlement and repairmen at the industrial level, including the project and other complementary activities of control and follow-up, as well as other activities of similar nature and temporality, both in terms of direct administration and of contract work; g) Development of projects, including the conception, investigation, management and inspection, not included in the regular activity of the employer; h) Hiring of long-term unemployed or of people looking for a first job, or of people in other situations predicted in a special legislation of employment; i) Replacement of a full-time worker who starts working part-time for a defined period.

On the other hand, the celebration of an unspecified-term contract is admissible in the cases predicted in the above mentioned alignments a), c), f) and g).

A new Law on fixed-term contracts (Law 18/2001), introduced important changes intending to strengthen the workers' rights and to prevent enterprises from signing illegal fixed-term contracts.

2.2 Length of service and temporary employment

The predominance of permanent employment relations is reflected on the data on the length of service of Portuguese workers at their present job. In 1999, about 3 in each 5 individuals were at their job at least for 5 years and more than 3 in each 4 for at least 2 years.

Table 9: Length of service of workers at their present job, by sex - Portugal (%)

		1998*	1999
Total	M/F	100	100
	M	100	100
	F	100	100
Less than 3 months	M/F	4.0	3.5
	M	4.1	3.4
	F	3.9	3.7
3-6 months	M/F	5.3	5.0
	M	5.3	4.8
	F	5.3	5.3
7-11 months	M/F	5.3	5.0
	M	5.2	5.0
	F	5.3	4.9
1-2 years	M/F	8.5	9.5
	M	8.7	9.8
	F	8.3	9.1
2-5 years	M/F	15.9	15.8
	M	16.4	16.1
	F	15.4	15.4
5-10 years	M/F	19.2	18.4
	M	18.8	18.7
	F	19.7	18.1
More than 10 years	M/F	41.7	42.8
	M	41.5	42.2
	F	42.0	43.6

Source: INE: Estatísticas do Emprego, annual average

Notes: * data for Mainland Portugal only.

The non exclusivity of the categories derives from the source

2000	Total	Less than 7 months	7-11 months	1-4 years	5-9 months	More than 9 months
	100	8.5	5.2	25.6	17.2	43.5

Source: INE: Estatísticas do Emprego, annual average

2.3 Temporary employment by age

There is no data available.

2.4 Entrance to unemployment: flow figures

Table 10: Flow figures of employment, unemployment and inactivity – 1999

			A year ago		
			Employment	Unemployment	Inactivity
Now	Males/females	Employment	94.6	2.3	3.1
		Unemployment	33.6	51.4	15.0
		Inactivity	2.3	1.0	96.8
	Males	Employment	95.6	1.8	2.6
		Unemployment	36.2	51.0	12.8
		Inactivity	2.4	0.6	96.9
	Females	Employment	93.3	2.9	3.8
		Unemployment	31.2	51.7	17.1
		Inactivity	2.2	1.2	96.6

Source: Eurostat, Labour Force Survey

The analysis of the flows regarding employment, unemployment and inactivity between 1998 and 1999 shows that inactivity seems to be a "stable" situation. In fact, almost 97% of the individuals who were inactive in 1998 remained in that situation in 1999. On the other hand, unemployment is the situation revealing more changes. About a third of the 1999 unemployed were in employment in 1998.

Significant enough is also the fact that 15% of the 1999 unemployed (17.1% of the women) considered to be inactive in 1998. Nevertheless, this is a situation where there is a strong probability that the individual's situation remains the same.

It must also be stressed that more than half of the unemployed in 1998 were also in that situation in 1999, which is consistent with the figures for long-term unemployment: 44.7% in 1998; 41.2% in 1999, also considering that there is a considerable number of constant in and out flows between employment and unemployment, namely among youngsters.

2.5 Employment protection legislation

In 1989/1991 there was a relaxation of the employment protection legislation. Firing restrictions were eased through a wider range of admissible lay-off motivations and the abolition of prior authorisation of collective dismissals. Previously, the only grounds for dismissal were disciplinary but the law became less restrictive starting to allow a dismissal for lack of performance (failure of the worker to adapt to the job) and economic redundancy (job extinction). This seems to be reflected on the Portuguese averages of the indicators of the strictness of employment protection legislation (EPL).

Table 11: Summary indicators of the strictness of employment protection legislation

		Portugal	Spain	U.K.
Regular employment	Late 80's	4.8	3.9	0.8
	Late 90's	4.3	2.6	0.8
Temporary employment	Late 80's	3.4	3.5	0.3
	Late 90's	3.0	3.5	0.3
Collective dismissals	Late 90's	3.6	3.1	2.9
Overall EPL strictness*	Late 80's	4.1 (19)	3.7 (17)	0.5 (2)
	Late 90's	3.7 (25)	3.1 (22)	0.5 (2)

* Average of indicators for regular contracts, temporary contracts and collective dismissals. Figures in brackets show Portuguese rankings within OECD countries. All rankings increase with the strictness of employment protection.

Source: OECD, Employment Outlook 1999.

In fact, from the late 80's to the late 90's there was a significant decrease on all Portuguese averages. Nevertheless, it must be stressed that in spite of the decrease on the strictness of employment protection, the relative position of Portugal within the OECD has moved towards the axis of countries with the most strict legislation, indicating that the Portuguese legislation lessening was lower than the one occurred in other OECD countries.

2.6 Number of days of training per year

According to data from the Third European survey on working conditions, more than half of the Portuguese respondents have not undergone any training. Those who have undergone training had 10.7 days in average. However, a quarter of the workers had 2 days of training and the median sets at 5 days of training.

2.7 Accidents at work

Table 12: Accidents at work and commuting accidents in Portugal and the EU15, 1998

	Persons in employment (1000) a	Non-fatal accidents at work						
		With more than 3 days' absence						Estimated number g=d/f%
		Declared cases		Accidents			% of all non-fatal accidents s f(1)	
		Number b	Average declaration rate (%) c	Estimated number d d=b/c%	Standardised incidence rate			
			1994	1998 e(2)				
Portugal	--	147115	(*)	158604	7361	5505	74	
EU15	96 543	3497213	89	3947552	4539	4089	64	6159764

(1 Ad hoc module in 1999 Labour Force Survey, including accidents without absence.

(2) Number per 100 000 persons in employment: $e=(d/a) \times 100\ 000$, $h=(g/a) \times 100\ 000$, then standardisation.

(*) Almost 100%

Source: ESAW, in Accidents at work in the EU 1998-99

	Persons in employment (1000) a	Fatal accidents at work					
		Total excluding road traffic and transport accidents (RTTA) (2)			Fatal RTTA at work (2)		Total including RTTA at work
		Number J	Standardised incidence rate		Number l	% of total deaths (including RTTA) m=l/n	Number N=j+l
			1994	1998 k (3)			
Portugal	(5)	166	8.4	7.7	51	24	217
EU15	96543	3034	3.9	3.4	1820	37	4854

(2) "Road traffic and transport accidents (RTTA) = accidents in the transport branch and traffic accidents or accidents on all means of transport at work in all other branches of economic activity.

(3) $k=(j/('a' - \text{transport branch})) \times 100\ 000$, $p=(n/a) \times 100\ 000$, $r=(q/a) \times 100\ 000$, then standardisation.

(5) Including correction effect after 1999 for persons covered.

Source: ESAW, in Accidents at work in the EU 1998-99.

Although the contents of the tables above are just for Portugal and the EU15, Portugal has the highest standardised incidence rate of fatal accidents at work (excluding RTTA) of the European Union. In 1998, the Portuguese rate more than doubled the Union's average (7.7 and 3.4, respectively). The values including RTTA follow the same pattern. However, it must be stressed the decrease on the incidence rates between 1994 and 1998, both in terms of fatal and non-fatal accidents. In spite of the very significant decrease of the Portuguese figures for non-fatal accidents, which reduced considerably the gap vis-à-vis the EU15 average, Portugal has the second highest value for non-fatal accidents, just after Spain.

2.8 The recruitment of employees through temporary work agencies¹

Temporary work is not a recent phenomenon in Portugal, since the first temporary work agencies are dated from the 60's. In legal terms, the admittance of temporary workers is possible when companies have to face exceptional circumstances, as, for instance, replacing absent workers or dealing with a production increase. Nevertheless, the increase of temporary work over the recent years seems to point to the fact that resorting to this kind of labour exteriorisation is no longer a measure to face sporadic and/or unexpected situations. Nowadays, temporary work seems to be perfectly integrated within companies' strategies, being a tool to overcome the "rigidity" of working relations framework.

Empirical data from a recent study on temporary work agencies showed that the workers working in a job through these agencies were, generally speaking, poorly educated and poorly qualified. They were mostly women, youngsters or individuals over 45 years. Most women were in this situation in order to conciliate domestic/family life with a remunerated activity, trying to ease the difficult economical situation in which most of them were.

Some workers faced work through a temporary work agency as a first opportunity in the labour market or as a transition situation while trying to obtain a more suitable job, adjusting better to one's qualification and expectations.

2.9 The role of trade unions

Employment relations are mostly regulated by Law. On the other hand, collective bargaining has been facing a relative decrease of its weight. Therefore, trade unions do not play a major role in terms of employment relations.

¹ The following paragraphs are partially based on Casaca: 2002.

3. Working time

3.1 Average hours and non-standard working time

Regarding the number of usual hours worked per week in the main job it is possible to see a similarity in the Portuguese and EU15 trends. The averages for full-time and part-time work only have slight oscillations, decreasing in the first case and increasing in the second. Nevertheless, Portuguese figures are, generally speaking, higher than the EU15 averages.

Table 13: Number of usual hours worked per week in the main job, in Portugal and in the EU15 (%)

			1998	1999	2000
Full-time	Portugal	M/F	43,2	42,6	42,1
		M	44,2	43,6	43
		F	41,7	41,2	40,8
	EU15	M/F	42,2	42,1	41,9
		M	43,3	43,1	43
		F	40,1	40	39,8
Part-time	Portugal	M/F	19,7	20,4	20,7
		M	20,5	21,2	21,9
		F	19,3	20	20,2
	EU15	M/F	20,1	20,1	20,3
		M	20,6	20,6	20,9
		F	20	20,1	20,2
Total	Portugal	M/F	40,4	40	39,7
		M	42,7	42,2	41,7
		F	37,5	37,4	37,2
	EU15	M/F	38,5	38,3	38,2
		M	42,2	42	41,9
		F	33,4	33,2	33,2

Source: Eurostat, Labour Force Survey

This analysis may be complemented by national statistics on usual weekly working time. From this data, one may refer that very short working hours are not widely spread in Portuguese labour market. Even longer part-time work (26-35 hours) - although increasing from 1998 to 2000 - only represents

less than 14.5% of the total employment. This fact occurs in spite of the definition (by Law 103/99 of 26 July) of a number of incentives in terms of social security system's contributions in order to promote part-time work.

These legal regulations define part-time work as the one corresponding to a weekly normal working hours equal or lower than 75% of full-time work in a comparable situation (this percentage limit may be increased by collective agreement). This law does not demand a minimum weekly working time for employees, thus not preventing from marginal part-time.

Part-time workers are entitled to the same rights as full-time workers (proportionally to working time); they are entitled to a full meal allowance, except if their daily working time is lower than 5 hours. Part-time work has a reversible character. Part-time workers may not have a less favourable treatment than full-time workers in a comparable situation, unless a different treatment is justified by objective reasons (these objective reasons being defined by collective agreement).

On the other hand, longer working times (more than 40 hours per week) have a significant decrease between those two reference years, which seems to be an indicator of the effect of Law 21/96, of 23 July, on working times which established the 40 hours limit². Nevertheless, a significant part of Portuguese workers have very long working hours. Nearly a quarter of all workers worked more than the established by law.

Table 14: Usual weekly working time, by sex - Portugal (%)

		1998*	1999	2000
Total	M/F	100	100	100
	M	100	100	100
	F	100	100	100
1-5 hours	M/F	0.6	0.4	0.4
	M	0.3	0.2	0.2
	F	0.9	0.8	0.6

² Working time regulations define lower working hours in public sector: 35 hours per week (Decree-Law 259/98, of 18 August). This same legal diploma introduces some other innovation such as the creation of the working regime which is only subject to the attainment of certain objectives, which facilitates teleworking. It also widens the application of part-time work. According to the nature of the activity public services may adopt: flexible working hours, fixed working hours, different entry and leave hours service by service or professional group by professional group, continuous working hours or shift-work. Civil servants have the possibility of reducing their weekly working time is 20%; the four days work week has a correspondent wage reduction (in 20%).

6-10 hours	M/F	1.4	1.4	1.4
	M	0.7	0.7	0.7
	F	2.2	2.2	2.1
11-20 hours	M/F	4.9	4.7	4.6
	M	2.7	2.5	2.3
	F	7.7	7.4	7.4
21-25 hours	M/F	2.9	2.6	2.6
	M	1.6	1.4	1.4
	F	4.5	4.1	4.1
26-30 hours	M/F	3.3	3.6	3.6
	M	2.0	2.4	2.5
	F	4.8	5.0	5.0
31-35 hours	M/F	8.8	9.2	10.9
	M	6.0	6.6	7.9
	F	12.3	12.5	14.5
36-40 hours	M/F	48.3	53.6	53.9
	M	51.3	56.7	57.9
	F	44.6	49.9	49.0
41-45 hours	M/F	11.9	9.2	8.4
	M	13.5	10.6	9.9
	F	9.9	7.5	6.6
46-50 hours	M/F	8.0	7.8	7.2
	M	10.0	9.7	8.7
	F	5.5	5.5	5.3
51 + hours	M/F	9.7	7.1	6.5
	M	11.7	8.8	7.9
	F	7.3	5.1	4.8
No answer	M/F	0.2	0.3	0.5
	M	0.3	0.3	0.5
	F	0.2	0.2	0.5

Source: INE, Estatísticas do Emprego

Note: * data for Mainland Portugal only and regarding the 2nd quarter.

The analysis by gender shows us that while women are overrepresented among part-timers and, specially, in very short working hours, men are concomitantly overrepresented in longer working times.

Thus, different vulnerabilities seem to affect men and women. If these results may point to the existence of factors which prevent women from getting full-time jobs, i.e. unpaid work responsibilities, it may also point to the greater depletion men are subjected to in terms of working hours.

As far as unusual working times are concerned, it is possible to detect different trends according to different working times. Regarding the percentage of people working at night, in Portugal, there is a trend for a decrease between 1998 and 2000, from 9.3% to 8.3%, thus representing a decrease of about 10% in just two years³.

Table 15: People working at night, in Portugal and in the EU15, as a percentage of the total employment

			1998	1999	2000
Usually	Portugal	M/F	9,3	8,9	8,3
		M	11,1	10,9	9,7
		F	7	6,6	6,5
	EU15	M/F	:	:	7,6
		M	:	:	9,2
		F	:	:	5,4
Sometimes	Portugal	M/F	: u	: u	: u
		M	: u	: u	: u
		F	: u	: u	: u
	EU15	M/F	:	:	9,3
		M	:	:	12,2
		F	:	:	5,6
Never	Portugal	M/F	90,7	91,1	91,7
		M	88,9	89,1	90,3
		F	93	93,4	93,5
	EU15	M/F	:	:	83,1
		M	:	:	78,6
		F	:	:	89

Source: Eurostat, Labour Force Survey

Note: u: Unreliable or uncertain data

³ Due to the fact that for the EU15 there is only information for 2000 and since there is no information for Portugal regarding the category "sometimes", we will only analyse the Portuguese data with two categories and not comparing it with the EU15 data.

Regarding the other indicators (working on Saturday, on Sunday, on shift work), the general trend is for a stabilisation of the figures, in spite of the different importance these working times have in terms of the total employment.

Working on Saturday seems to be a regular feature for almost one in each three of the Portuguese workers (29.5% in 1998; 29.8% in 2000), while working on Sunday is usual for about 12%.

Table 16: People working on Saturday, in Portugal and in the EU15, as a percentage of the total employment

			1998	1999	2000
Usually	Portugal	M/F	29,5	29,4	29,8
		M	30,5	30,7	30,7
		F	28,3	27,7	28,8
	EU15	M/F	:	:	27,9
		M	:	:	28
		F	:	:	27,8
Sometimes	Portugal	M/F	: u	: u	: u
		M	: u	: u	: u
		F	: u	: u	: u
	EU15	M/F	:	:	24,9
		M	:	:	28,8
		F	:	:	19,9
Never	Portugal	M/F	70,5	70,6	70,2
		M	69,5	69,3	69,3
		F	71,7	72,3	71,2
	EU15	M/F	:	:	47,1
		M	:	:	43,2
		F	:	:	52,3

Source: Eurostat: Labour Force Survey

Note: u: Unreliable or uncertain data

*Table 17: People working on Sunday, in Portugal and in the EU15,
as a percentage of the total employment*

			1998	1999	2000
Usually	Portugal	M/F	12	12	11,6
		M	12,5	12,3	11,7
		F	11,3	11,6	11,5
	EU15	M/F	:	:	11,4
		M	:	:	11,2
		F	:	:	11,7
Sometimes	Portugal	M/F	:u	:u	:u
		M	:u	:u	:u
		F	:u	:u	:u
	EU15	M/F	:	:	18,6
		M	:	:	21,3
		F	:	:	15
Never	Portugal	M/F	88	88	88,4
		M	87,5	87,7	88,3
		F	88,7	88,4	88,5
	EU15	M/F	:	:	70
		M	:	:	67,5
		F	:	:	73,3

Source: Eurostat: Labour Force Survey

Note: u: Unreliable or uncertain data

Working on shift work seems to be the less usual of the unusual working times. Nevertheless, about 8% of Portuguese workers had this kind of working time during the considered period.

*Table 18: People working on shift work, in Portugal and in the EU15,
as a percentage of the total employment*

			1998	1999	2000
Usually	Portugal	M/F	7,9	7,9	8
		M	9,4	9	9
		F	6,1	6,6	6,9
	EU15	M/F	:	:	12,7
		M	:	:	14,3
		F	:	:	10,8
Sometimes	Portugal	M/F	: u	: u	: u
		M	: u	: u	: u
		F	: u	: u	: u
	EU15	M/F	:	:	1,7
		M	:	:	2,1
		F	:	:	1,2
Never	Portugal	M/F	92,1	92,1	92
		M	90,6	91	91
		F	93,9	93,4	93,1
	EU15	M/F	:	:	85,6
		M	:	:	83,6
		F	:	:	88

Source: Eurostat: Labour Force Survey

Note: u: Unreliable or uncertain data

3.2 Total workload

According to data from the Inquérito à Ocupação do Tempo 1999 (Time Use Survey 1999), the total workload in Portugal is clearly higher for women: 12 hours and 49 minutes for women, against 10 hours and 56 minutes for men. Regarding only the employed population, paid work occupies 9 hours and 11 minutes for the men against 8 hours and 4 minutes for the women. Still considering the employed population only, unpaid work is highly feminised: 1 hour and 38 minutes for men and 4 hours and 7 minutes for women.

3.3 Actual working time in relation to preferred working hours

Table 19: Preferred working hours of part-time workers in Portugal - 2000

	%
More hours	15.8
Less hours	12.6
Same number of hours	70.4
Does not know	1.3
Total	100

Source: European Foundation for the Improvement of Living and Working Conditions, Third European survey on working conditions.

The analysis of the above table allows us to see that, in 2000, the vast majority of part-time workers were comfortable with the number of hours they were working. It is nevertheless not neglectable the number of those wanting to work more hours (specially men: 20.3% against 14.4% of the women), for whom part-time is probably the alternative to the difficulty of finding a proper full-time job. Likewise, it is significant the number of those who would like to work less hours (mainly women: 13.3% against 10.3% of the men), probably needing to reduce working hours in order to combine it with family and/or care responsibilities.

3.4 Satisfaction with working hours ⁴

According to the results of wave 3 data (1996) of the ECHP, for Portugal, on a scale of 1 to 6, a bit more than half of the population stated that their satisfaction with their working hours was 4. In average, the degree of satisfaction was 3.8.

3.5 Annualisation of working time

The annualisation of working time and the increase of the reference periods has been claimed by employers' organisations. This is a major issue in a larger debate about the development of forms of adaptation of working times parallel to the trend to reduce normal working times.

⁴ The following paragraph is based on results of cross-sectional analysis developed by CESIS for the TSER project "Family structure, labour market participation and the dynamics of social exclusion"

4. Income security

4.1 Average wage

Wages in Portugal are rather low when compared to the other EU member states. Unfortunately, the available information⁵ is nationally produced and refers to Portugal only, not allowing for a comparison with the EU15. Comparable data for 1998 (Cf. "Net earnings in the EU 1998") shows that the average gross monthly earnings, in Portugal, of a single employee in manufacturing industry was 603 Ecu. In net terms the value was 486 Ecu.

Table 20: Monthly average gross basic wage and earnings of employees – Portugal

		1998		1999	
		PTE	€	PTE	€
Basic wage	MF	113 741	567,34	117 542	586,30
	M	125 890	627,94	130 056	648,72
	F	96 279	480,24	99 718	497,39
Earnings	MF	136 316	679,94	140 371	700,17
	M	153 769	767,00	158 127	788,73
	F	111 228	554,80	115 082	574,03

Source: DETEFP, Quadros de Pessoal

Notes: Average gross monthly basic wage: gross mean monthly wage (before the deduction of any discount) in cash or in kind, regarding pay for normal working hours, as well as pay for non-worked hours (holidays, maternity, strikes, professional training, illness or work accident for a time not higher than a month). It excludes any bonuses, subsidies and allowances (Christmas, nourishing, housing, holidays, etc.), fringe benefits in money, etc.

Average gross monthly earnings: gross mean monthly reward, including pay for effective working hours, as well as pay for non-worked hours (e.g., holidays). Besides wage, it also includes all regularly perceived bonuses, fringe benefits in money and overtime pay, as well.

This source, Employment Administrative Records (Quadros de Pessoal), covers: all employees (full and part-timers); all but P NACE sectors; only regular (i.e., structured) employment. It is produced on a year-to-year basis.

⁵ Data for 2000 are not yet available.

The gap between female and male basic wage is quite high, although presenting a slight reduction from 1998 to 1999: from 0.765 to 0.767. This gap increases when one considers data referring to earnings: 0.723 in 1998 and 0.728 in 1999.

4.2 Number of people with low wage

Table 21: Proportion of low wages, low-remuneration rates and D5/D1 ratio, in Portugal and the EU13, 1996*

	Portugal	EU13*
Low wages (%)	6	15
Low-remuneration rates (%)	6	9
D5/D1 ratio	1.5	2.2

Notes: * Finland and Sweden do not have available data concerning the 1996 wave of the ECHP.

Low wage threshold is fixed at 60% of the national median monthly wage.

Low remuneration rate threshold is fixed at 60% of the national median remuneration rate.

D5/D1 ratio is the ratio of the median wage to the threshold of the first wage decile

Source: Low-wage employees in EU countries

The fact that wages in Portugal are rather low comparing to other EU countries is reflected on the low proportion of low wages and low-remuneration rates. In fact, as median wages are themselves low, there is a relatively small fringe where wages or remuneration can be considered low (having the minimum wage as threshold). This is consistent with the result of the D5/D1 ratio.

The analysis of data regarding the characteristics of low-wage jobs allows us to withdraw some interesting results concerning the Portuguese situation and its comparison with the available data for the European Union.

Table 22: Characteristics of low-wage jobs in Portugal and the EU13, 1996

		Portugal	EU13
Composition			
Concentration			
Working time	Full-time	67	45
		0.7	0.5
	Part-time	33	55
		9.5	4.8

Length of contract	Indefinite	59	68
		0.7	0.8
	Fixed-term	41	32
		2.2	2.2
Type of employer	Private	97	77*
		1.2	1.1
	Public	3	33*
		0.1	0.7
Economic sector	Agriculture	11	3
		3.0	1.8
	Industry	33	20
		0.7	0.6
	Services	56	77
		1.0	1.2

* The error derives from the source

Source: Low-wage employees in EU countries

A first feature concerns the fact that contrary to the situation of the EU13, in Portugal, low-wage jobs are to be found mainly among full-time jobs. Such result seems to reflect the lesser expression of part-time work, as well as points out to the generally low wages of the Portuguese population. However, it must be stressed that nearly 10% of the part-time workers have low wages, figure which almost doubles the EU13 average.

Another worth mentioning features are the higher presence of fixed-term contracts, agriculture and industry jobs, and private sector jobs among low-wage jobs. Public sector in Portugal seems to play an (even more) important buffer role in terms of low-wage.

Agriculture jobs in Portugal seem to present a double vulnerability vis-à-vis EU13 averages. They do not only represent a higher proportion of low-wage jobs, as the incidence of low-wage jobs in agriculture is higher than in the EU13, features for which the insufficiency of modernisation of the agriculture sector and the very fragmented characteristics of the vast majority of the land are certainly decisive.

Table 23: Individual characteristics of low-wage employees in Portugal and the EU13, 1996

		Portugal	EU13
Composition			
Concentration			
Sex	Men	21	23
		0.4	0.4
	Women	79	77
		1.8	1.8
Age group	16-24 years	32	20
		1.9	2.2
	25-49 years	49	62
		0.7	0.8
	50-64 years	19	19
		1.3	1.0
Educational level	High	1	9
		0.1	0.4
	Medium	8	45
		0.5	1
	Low	91	46
		1.2	1.4
Main situation in the previous year	Employed	77	77
		0.8	0.8
	Unemployed	12	10
		3.6	2.8
	Inactive	11	13
		2.3	3.1

Source: Low-wage employees in EU countries

Regarding the individual characteristics of the low-wage employees, a first striking aspect is the much higher vulnerability of women and youngsters, which is true both for Portugal and for the EU13.

Not surprisingly, those more vulnerable in terms of low wage incidence are those who recently entered employment coming from a situation of inactivity and, specially, unemployment. This last situation seems to have more serious implications in Portugal than in the EU13, contrary to what happens with the situation of those coming from inactivity.

A final remark regards the extremely low proportion of individuals with high or medium educational levels among low-wage employees in Portugal, contrasting with the situation in the EU13, which more than reflecting the possible buffer effect the educational level may have, probably mirrors the above mentioned characteristics of the Portuguese population in educational terms (please see paragraph on the general features of the Portuguese labour market).

4.3 Legal minimum wages schemes

The Portuguese monthly minimum wage was introduced in 1974. In 2001 it amounted in 334,19 Euro and covered 7.5% of the workers. In 1999 (year of the latest data available on average gross earnings), the national minimum wage represented 57% of the average gross earnings of an employee in manufacturing industry. It covers all employees aged 18 or over and it is set by in each year by the Government in agreement with the social partners and on an annual basis according to its forecast of inflation.

For the moment, the minimum wage for domestic work is lower than the general minimum wage⁶. It is predicted that, following a trend towards a progressive unification, next year there will exist solely a minimum wage which will comprise every worker - with the exception of younger workers who are entitled to 75% or 50% of the national minimum wage, if they are 17 years old or less than 17 years old, respectively.

From the available data on minimum wage (DETEFP, Inquérito aos Ganhos, 1997 and 1998) it is possible to see that women are overrepresented among the workers receiving this kind of wage. In 1997, 58.7% of the workers receiving the minimum wage were women, figure which was reinforced in 1998, increasing to 59.3%.

On the other hand, workers aged less than 18 represented 5.2% of the workers receiving the minimum wage, figure which increased to 7% in 1998.

⁶ Until a few years ago, the minimum wage for agricultural workers was also lower.

4.4 Poverty rate concerning individuals

Table 24: Poverty rate concerning individuals (by age and gender), 1996

		Portugal	EU13*
Total population		22	17
Total	Male	20	16
	Female	23	18
< 18	Male	21	21
	Female	25	21
18-24	Male	14	22
	Female	17	26
25-34	Male	10	14
	Female	14	16
35-44	Male	19	13
	Female	19	15
45-54	Male	17	13
	Female	18	14
55-64	Male	21	14
	Female	26	15
≥65	Male	35	16
	Female	37	20

* Finland and Sweden excluded

Source: ECHP, wave 3, in Income poverty in the EU96

From the analysis of poverty rates in Portugal and in the EU13, besides the important fact that the rate is much higher in Portugal, two features are clearly evident. On the one hand, the higher vulnerability of women, which accompanies the trend of the EU13. On the other hand, and this is a national specificity, the higher vulnerability of older people, due to the low levels of social protection in retirement and old age.

4.5 Unemployment benefit scheme

Social protection in case of unemployment includes different benefit schemes:

Unemployment benefit

All insured employees in situation of involuntary unemployment due to the termination of the work relationship, as well as co-operators who have ceased their activity for no reasons of their own and invalidity ex-pensioners who have been considered capable to work after a medical control, are entitled to the unemployment benefit scheme.

In order to accede the unemployment benefit, the worker must be unemployed involuntarily; be capable of and available for work; be registered at the Employment Centre of the residence area; have completed at least 540 days with registered remuneration and contribution payment in the 24 months immediately prior to the date of unemployment.

The benefit is paid on a daily basis corresponding to 65% of the reference wage (=R/360) of the first 12 months prior to the second month preceding the date of unemployment. The maximum amount cannot exceed three times the minimum wage and the minimum cannot be lower than that wage. If the average wage is below the level of minimum wage, the monthly amount will be then equal to the average wage. In case of invalidity ex-pensioners considered capable to work, the amount corresponds to 80% or 100% of the minimum legal wage (for an individual alone or with family, respectively) but it cannot exceed the last amount of the invalidity pension they received. The total amount of the benefits may be paid at a time if the claimant presents a project to set an employment of his/her own.

According to his/her age at the date of the claim, the worker is entitled to different periods of benefit, as follows:

Less than 30 years:	12 months
30-39 years:	18 months
40-44 years:	24 months
45 years and over:	30 months

The duration of the benefit of those beneficiaries who, at the date of the claim, are aged 45 or over is increased by 2 months for each group of 5 years with remuneration's record, completed during the last 20 calendar years preceding unemployment.

Unemployment social benefit

The coverage of the benefit is the same as for the unemployment benefit. In order to be entitled, the worker must not have completed the qualifying period required for the unemployment benefit; to have exhausted entitlement to the unemployment benefit and have remained unemployed; to have completed at least 180 days of salaried work in the 12 months immediately prior to the date of unemployment; to have a monthly income per capita not exceeding 80% of the minimum legal wage set for the workers in general.

The amount is of 80% or 100% of the minimum wage (for an individual alone or with family, respectively). The amount of benefit may be reviewed in the light of the changes that may occur in the household.

The duration of the benefit is defined in the same periods established for the unemployment benefit.

- The benefit, when awarded following the unemployment benefit, is payable for half the periods of the unemployment benefit according to the beneficiary's age at the date of the unemployment benefit cessation.
- Long-term unemployed persons aged over 55 at the time of the claim are entitled to an old-age pension from the age of 60 onwards if they satisfy the qualifying period and the other conditions.
- The retirement age may also be reduced to 55 years for those unemployed who, at the date of unemployment, are aged 50 or over and have at least 20 years of working period with a remuneration's record. Their pensions, however, are subject to the application of a reduction's coefficient.

Regarding the number of subsidised beneficiaries and days under the unemployment benefit and unemployment social benefit, it is not possible to have a full picture of the trends as the statistical series is not completed (due to data problems of the source which induce very few cases). However, it is clear that all the indicators show a decrease between 1997 and 1998, which is consistent with the decrease in the registered unemployment rate in that period.

Table 25: Subsidised beneficiaries and days under the unemployment benefit and unemployment social benefit

			1997	1998	1999	2000
Unemployment benefit	Subsidised beneficiaries	M	88149	82661	--	--
		F	83494	80831	--	--
		MF	171643	163492	--	--
	Subsidised days	M	18062345	16367127	--	--
		F	16799714	15002737	--	--
		MF	34862059	31369864	--	--
Unemployment social benefit	Subsidised beneficiaries	M	70225	65165	--	--
		F	95953	94275	--	--
		MF	166178	159440	--	--
	Subsidised days	M	12019345	10929607	--	--
		F	16473289	16174439	--	--
		MF	28492634	27104046	--	--

Source: Instituto de Informática e Estatística da Solidariedade - Unidade de Estatística

Note: According to the source there is very few information for 1999 and 2000.

Partial unemployment benefit

This benefit is awarded to those unemployed people who, while receiving unemployment benefit, accept a part-time contract of employment. In order to be entitled to the benefit, the person must be in receipt of unemployment benefit; to accept a part-time contract of employment; the wage corresponding to the part-time job must be below the amount of the respective unemployment benefit; the weekly number of hours of part-time work must be superior to 20% and below 75% of the normal working time.

The duration of the benefit is limited to the periods prescribed for the unemployment benefit that was being paid. The amount corresponds to the difference between the unemployment benefit increased by 25% and the amount of the part-time work.

Disability benefit system

Protection in case of sickness

In order to be entitled to a sickness benefit it is necessary to have six continuous or non-continuous months of records, with registered remuneration at the date of the event; and twelve days of paid work within the period of four months prior to the one preceding the beginning of the incapacity.

The amount of the benefit varies in time. It is 65% of the reference wage of the first six months prior to the second month preceding the beginning of the incapacity; 70% of the reference wage in case of long-term illness beyond a period of 365 days without interruption; and 80% or 100% of the reference wage in the event of incapacity for work due to tuberculosis (if the beneficiary has up to 2 or more than 2 dependants, respectively). The minimum amount is set in 30% of the minimum wage set for the worker's activity sector or the amount of the reference wage if it is lower than that amount.

The benefit is payable after 3-days waiting period (except tuberculosis and hospitalisation) for a maximum period of 1095 days. If the incapacity for work still persists after this period, the worker is entitled to the invalidity pension upon medical certification of the permanent incapacity. It is payable to the self-employed workers after 30-days waiting period (except tuberculosis and hospitalisation), for a maximum period of 365 days. In case of tuberculosis, the benefit is paid throughout the duration of the incapacity.

Data problems of the source also prevent us from a complete analysis of the number of subsidised beneficiaries and days under the sickness benefit. Considering the years for which the information is complete, there is a decrease both in terms of beneficiaries and days from 1997 to 1998.

Table 26: Subsidised beneficiaries and days under the sickness benefit

	Sickness benefit	
	Subsidised beneficiaries	Subsidised days
1997	699.340	57.171.689
1998	648.491	51.157.200
1999 ^{a)}	531.062	38.623.174
2000 ^{b)}	499.481	36.717.746

Source: Instituto de Informática e Estatística da Solidariedade - Unidade de Estatística

- a) There is no data available regarding the districts of Aveiro, Castelo Branco, and Coimbra,.
b) There is no data available regarding the districts of Aveiro, Castelo Branco, Coimbra, Faro, and Santarém, as well as for the Autonomous Regions of the Azores.

4.6 Value of transfers

*Table 27: Expenditure on social protection:
as % of the GDP; per capita at constant prices; in PPS* per capita*

	Portugal			EU15		
	1997	1998	1999	1997	1998	1999
Expenditure on social protection (as % of the GDP)	21.6	22.4	22.9	28.0	27.6	27.6
Expenditure on social protection per capita at constant prices (index 1990=100)	174	189	201	119	121	124
Expenditure on social protection in PPS per capita	--	--	3588	--	--	5793

*PPS: Purchasing power standards

Source: Eurostat-ESSPROS in Social Protection in Europe 2002

Regarding expenditure on social protection, the table above allows us to see clearly that, in spite of the huge increase in Portuguese expenditure in social protection per capita, which doubled from 1990 to 1999, it is still below the EU15 average. While handling figures in terms of the expenditure in PPS per capita, the results are similar. Although the series is not complete, it is possible to see that the Portuguese expenditure per capita is only 61.9% of the expenditure of the EU15.

Table 28: Social benefits by group of functions - 1999 (as % of total social benefits)

	Portugal	EU15
Old age + Survivors	43.7	46.0
Sickness/health care + Disability	45.6	34.9
Family/children	5.2	8.5
Unemployment	3.7	6.8
Housing + Social exclusion n.e.c.	1.8	3.8

Note: Sickness/health care: includes, inter alia, paid sick leave, medical care and the supply of pharmaceutical products.

Disability: includes, inter alia, disability pensions and the provision of goods and services (other than medical care) to the disabled.

Old age: includes, inter alia, old-age pensions and the provision of goods and services (other than medical care) to the elderly.

Survivors: income support and support in connection with the death of a family member (e.g. survivors' pensions).

Family/children: includes support (other than medical care) in connection with pregnancy, childbirth, maternity and the care of children and other dependent family members.

Unemployment: includes, inter alia, unemployment benefits and vocational training financed by public agencies.

Housing includes interventions by public authorities to help households meet the cost of housing.

Social exclusion not elsewhere classified (n.e.c.): includes income-support benefits, rehabilitation of alcoholics and drug addicts, and various other benefits (other than medical care).

Source: Eurostat-ESSPROS in Social Protection in Europe - 2002

Analysing expenditure on social benefits by group of functions allows us to see that sickness/health care and disability have a higher weight in Portugal in terms of expenditure than in the EU15. It even constitutes the major function, over passing the benefits relating to old age. It is also worth mentioning the lower weight of unemployment benefits in Portugal, thus reflecting the lower unemployment rate, as we had the chance to refer to.

4.7 Reasons for inactivity

Table 29: Reasons for inactivity in Portugal and the EU15 – 1997

	Portugal			EU15		
	M/F	M	F	M/F	M	F
Waiting to be called	(0.1)	.	.	0.0	0.1	0.0
Sickness/disability	0.4	0.5	0.3	5.3	7.0	4.3
Personal responsibilities	0.4	(0.2)	0.6	13.9	1.2	21.4
Education/training	.	.	.	16.4	21.9	13.3
Retirement	--	--	--	35.6	45.9	29.7
Belief that no job is available	0.2	.	0.2	0.9	0.7	1.1
Other reasons	3.4	3.1	3.5	11.7	7.3	14.3
No answer	95.5	96.0	95.2	16.0	16.0	16.0
Total	100	100	100	100	100	100

Source: Eurostat, Labour Force Survey

The fact that, recurrently, more than 95% of the Portuguese reasons for inactivity are classified under "no answer" prevent any analysis. Moreover, the few answers are mostly concentrated in unspecified "other reasons".

4.8 Second economy

Informal or underground economy has, traditionally, played a major role in Portuguese society. Different estimates using different methodologies have been done, in order to weight the importance of this sector. Unfortunately, these estimates are not very updated. Nevertheless, one of these estimations (Faria Vaz: 1997) refers that, in 1995, 32% of the employed population was not declared for social security purposes nor making any contribution to the system. This phenomenon is particularly evident in some sectors of activity, such as agriculture, commerce and building.

The increasing presence of illegal immigrants in the Portuguese labour market would probably have contributed to a recent increase in informal economy and undeclared work.

4.9 Compensation for dismissal

Dismissals without a just cause are forbidden.

The contract of employment may terminate due to one of the following reasons: a) Termination by agreement by initiative of any of the parties during the probationary period; b) Expiry; c) Agreement between the parties; d) Dismissal promoted by the employer; e) Resignation, with or without just cause, by initiative of the worker.

Dismissal promoted by the employer may happen due to disciplinary reasons, job extinction (comprised or not by collective dismissal) and failure to adapt. Except if it is due to disciplinary reasons, the dismissed workers are entitled to a compensation corresponding to a month of basis remuneration for each year (or fraction) of service, in a minimum of three months.

The employer has to communicate to each worker the decision of dismissal at least 60 days previous to the predicted expiring date of the contract. During the period of notice the worker is entitled to time-off rights equivalent to two working days per week, without any loss of retribution.

At the end of a fixed-term contract which is not renewed, the worker is entitled to an amount corresponding to three days of the basic wage for each complete month of labour. The compensation cannot be inferior to one month of the gross wage.

4.10 Active labour market policy

Portuguese government, within the European Employment Strategy, has been adopting (specially since 1998) an increasing level of active labour market policies. This effort is based on a triple strategy: i) increase in the number of persons covered by employment or training programmes; ii) a focus on the specific needs of certain sub-groups in the labour market, such as young people and long-term unemployed; iii) territorialisation of the employment policies through regional nets and plans.

5. Forms of care leave

The Portuguese legislation regarding forms of leave related to family matters concerns, mainly, Law 142/99, of the 31st August, republished with rectification as Decree-Law 70/00, of the 4th of May.

5.1 Maternity leave

The law states that the working woman is entitled to a maternity leave of 120 consecutive days (90 of which necessarily after childbirth), which can be increased of 30 days in case of multiple birth, for each child beyond the first one. In order to be entitled to the maternity leave (as well as to the paternity, parental and adoption leaves), the woman must have six continuous or non-continuous months of records, with registered remuneration at the date of the event.

The amount due for this leave (as well as for the paternity and adoption leaves) is 100% of the reference wage of the first six months preceding the second month prior to the date of the event (but including the Christmas and Vacations subsidies, when these occur within the period considered for the calculation). There is a minimum amount corresponding to 50% of the minimum wage set for the worker's activity sector.

The analysis of the data regarding the number of beneficiaries and days subsidised under the maternity and paternity benefits (please see next bullet point), points to an increase in both categories and in both subsidies, thus seeming to point to a better coverage.

Although the sequence between 1997 and 2000 is not completed with the information for the same territorial units (see notes a) to f), below), which even leads to some decrease in the figures, it seems legitimate to assume that the missing information would change or give a stronger expression to the registered tendency⁷.

⁷ For instance, with regard to maternity subsidy, in the years previous to 2000, the district of Faro and the Autonomous Region of Azores (whose data is not available to 2000) added around 3.400 beneficiaries and more than 300.000 days to the total.

Table 30: Subsidised beneficiaries and days under the maternity benefit

	Maternity benefit	
	Subsidised beneficiaries	Subsidised days
1997	66.932	6.234.555
1998	65.625	6.130.461
1999 ^{a)}	73.704	6.186.219
2000 ^{b)}	72.027	6.938.087

Source: Instituto de Informática e Estatística da Solidariedade - Unidade de Estatística

- a) There is no data available regarding the districts of Aveiro, Castelo Branco, and Coimbra
b) There is no data available regarding the districts of Aveiro, Castelo Branco, Coimbra, and Faro, as well as for the Autonomous Region of the Azores.

5.2 Paternity leave

Regarding the paternity leave⁸, the law states that the father is entitled to a 5 days (continuous or not) leave during the first month following the child's birth. In case of physical or mental disease of the mother, death, or joint decision made by both parents, the father is entitled to the same period of time the mother would have been entitled to.

Table 31: Subsidised beneficiaries and days under the paternity benefit

	Paternity benefit	
	Subsidised beneficiaries	Subsidised days
1997 ^{a)}	251	15.417
1998 ^{b)}	343	28.007
1999 ^{c)}	648	37.806
2000 ^{d)}	2.032	22.069

Source: Instituto de Informática e Estatística da Solidariedade - Unidade de Estatística

- c) There is no data available regarding the districts of Castelo Branco, Guarda, Portalegre, and Setúbal.
d) There is no data available regarding the districts of Castelo Branco, Faro, Portalegre, and Vila Real, as well as for the Autonomous Region of the Azores.

⁸ Self-employed workers are not entitled to this benefit.

- e) There is no data available regarding the districts of Castelo Branco, Coimbra, Aveiro, Guarda, and Portalegre, as well as for the Autonomous Regions of the Azores and Madeira.
- f) There is no data available regarding the districts of Braga, Castelo Branco, Coimbra, Faro, Aveiro, Porto, and Santarém, as well as for the Autonomous Regions of the Azores and Madeira.

Regarding the paternity benefit, and in spite of the previously mentioned lack of data for some territorial units, it is possible to detect the effects of Law 142/99. With this Law, fathers became entitled to a paid leave while before they only had the right to have justified absences to work. Thus, the year 2000 seems to include a significant number of new "entitled" fathers, joining to the comparatively few fathers benefiting from the leave, probably in substitution of the mother.

Nevertheless, an interrogation remains. The number of subsidised days decreases between 1999 and 2000, in spite of the increase in the number of beneficiaries. Perhaps when the whole set of data is complete, things will become clearer.

5.3 Parental leave and special leave for attending children⁹

The mothers and fathers of children (or adopted children or cohabiting stepchildren) younger than 6 years old are entitled to, in alternative: a) 3 month parental leave; b) 6 month part-time work (with a normal working time equal to half full-time); c) periods of parental leave and part-time work in which the total duration of the absences corresponds to 3 months normal working time.

Once any of the previous rights is exhausted, the father or the mother is entitled to a special leave in order to attend the child, to be used consecutively or not, up to the limit of two years; or three years, in case of the birth of a third child.

The father is entitled to a benefit during the first 15 days of the parental leave, as long as it immediately follows the maternity or paternity leave, on the amount of 65% of the reference wage of the first 6 months prior to the second one preceding the date of the event. All other leave periods are not remunerated. In order to be entitled to the leave, the worker must have six continuous or non-continuous months of records, with registered remuneration, and the descendant must be living with the beneficiary in the same household.

There are no evaluations of these measures. However, one can say that their effectiveness is probably very reduced since these are unpaid leaves¹⁰, thus not affordable by most Portuguese

⁹ Self-employed workers are not entitled to this benefit.

¹⁰ Except for the first 15 days, if taken by the father and if it immediately follows the paternity or maternity leave.

families. It must also be stressed that the data which is possible to present regards benefits and not leaves. Thus, only those leaves which entitle workers to a benefit may be assessed through these data.

5.4 Adoption leave

Generally speaking, the worker who adopts a child under 15 years old is entitled to a 100 days leave, beginning from the administrative or judicial liability referred on the adoption laws. If both members of an adopting couple are workers, the above mentioned rights may be taken by any one of them, in integral terms, or by both, partially or successively, by joint decision.

Table 32: Subsidised beneficiaries and days under the adoption benefit

	Adoption benefit	
	Subsidised beneficiaries	Subsidised days
1997	35	2.014
1998	26	1.550
1999	--	--
2000	--	--

Source: Instituto de Informática e Estatística da Solidariedade - Unidade de Estatística

Note: There is very few information for 1999 and 2000.

5.5 Sick relatives¹¹

Absences for attending children

Workers may miss work up to 30 days per year, in order to pay urgent and unavoidable assistance, in case of illness or accident, to their children - adopted or not - or stepchildren aged less than 10 years old. In order to be entitled to these absences (as well as to the special leave to attend disabled children and children suffering from chronic illness), the workers must have six continuous or non-continuous months of records, with registered remuneration. The amount due for these absences is 65% of the reference wage of the first 6 months prior to the second one preceding the date of the event. These same contents are applicable, with no age constraints, in case of a cohabiting disabled children.

¹¹ Self-employed workers are not entitled to this set of benefits.

The benefit to attend a child (under 10 years old or handicapped) reflects a high increase from 1997 to 2000, both in terms of beneficiaries and days. This increase is even more significant as we see that the most recent years do not embody a large set of data from several territorial units.

Table 33: Subsidised beneficiaries and days under the benefit to attend sick children and handicapped children

	Benefit to attend sick children and handicapped children	
	Subsidised beneficiaries	Subsidised days
1997 ^{a)}	12.351	165.158
1998 ^{b)}	15.447	194.855
1999 ^{c)}	19.644	243.037
2000 ^{d)}	20.965	278.445

Source: Instituto de Informática e Estatística da Solidariedade - Unidade de Estatística

- c) There is no data available regarding the district of Portalegre
- d) There is no data available regarding the Autonomous Region of the Azores
- e) There is no data available regarding the districts of Aveiro, Castelo Branco, and Coimbra, as well as for the Autonomous Regions of the Azores and Madeira. For Setúbal is not available the number of subsidised days.
- f) There is no data available regarding the districts of Aveiro, Castelo Branco, Coimbra, Faro, Leiria, Portalegre, and Santarém, as well as for the Autonomous Regions of the Azores and Madeira.

Special leave to attend disabled children and children suffering from chronic illness

The mother and the father are entitled to a leave period up to 6 months, extendable up to 4 years in order to accompany the child, adopted child or stepchild, aged up to 12 years, disabled or suffering from a chronic illness.

Special absences

Grandparents are entitled to a maximum period of 30 days following the birth of grandchildren who are children of teenagers under the age of 16, as long as they live with them sharing "house and table". During the above mentioned absence period, the worker is entitled to a subsidy, if covered by the general regime of social security; to 100% of the reference wage, if the worker is a civil servant.

Other cases of family assistance

Workers may miss work up to 15 days in order to assist the spouse, cohabiting partner, ascendants or descendants older than 10 years old.

Non-paid leaves

Besides existing special legislation, or collective agreement, the worker has the right to long-term non-paid leaves in order to attend training courses of the responsibility of a teaching or professional training institution, or on the scope of a specific program approved by proper authority and developed under its pedagogical control, or courses developed in teaching institutions. However, it must be stressed that the employer has the right to deny the leave mentioned in the previous paragraph, in some situations.

5.6 Care provisions

Portugal is on an unique situation in the context of the European Union, regarding the relationship between employment and the level of provision of the services and equipment of support to the families. In fact, although there is a high percentage of workers (specially female workers) with small children, the level of provision of social services and equipment is rather small.

A recent study on this subject¹² concludes that a significantly high number of working mothers declare themselves as main keepers of their children - about 30% of the children aged between 0 and 2 years old; 24% of those aged between 3 and 5 years old; and 26% of the total number of children aged less than 10 years old "stay with their mothers", even when the mother works in the outside.

On the other hand, accordingly to the same source, the usage of crèches, kindergartens, etc., covers 22% of the children aged between 0 and 2 years old, 38% of those aged between 3 and 5 years old; 35% of those aged between 6 and 10 years old; and 33% of the total number of children aged less than 10 years old

The recent evolution of the coverage rates of the public - or public funded - services and equipment reveals, according to the official statistics, an improvement of the answers to the needs of care of children and elderly.

¹² Anália Cardoso Torres *et al* (2000) Men and women between family and work in Portugal, WORC Paper 00.09.07

Table 34: Coverage rates for childhood and old age: evolution 1992-1997

	1992	1993	1994	1995	1996	1997
Childhood (%)	19	20	20	20	22	23
Old age (%o) ¹³	72	70	72	79	83	87

Source: Direcção Geral da Acção Social, RSESS/92-97, in , Heloísa Perista (coord.) (1999), *Os Usos do Tempo e o Valor do Trabalho: uma Questão de Género*, Lisboa, DEPP-CIDES.

However, the most recent data of this source show how coverage rates are still very low, namely regarding children aged less than 3 years old, in terms of childhood care, and especially in terms of the services and equipment aimed to benefit the elderly.

Table 35: Coverage rates for childhood and old age: 1998 (RSESS)

Type of equipment / service	Coverage rate
Childhood (%)	
Crèche/nanny	15 (%)
Nanny	2 (%)
Kindergartens ¹⁴	29 (%)
Old age (%o)	
Services	25 (%o)
Residential equipment	28 (%o)
Non-residential Equipment	40 (%o)

Source: Direcção Geral da Acção Social RSESS/98 – Continente – Rede de Equipamentos e Serviços de Segurança Social; unpublished data referred in Heloísa Perista (2000) *Employment Options of the Future – National Working Paper on Actual and Preferred Working Hours – Portugal*, European Foundation for the Improvement of Living and Working Conditions/CESIS.

The data referred to on the "Carta Social"¹⁵, reporting to the end of 1998, gives a more complete picture of the situation, since they include equipment from public entities and from profit and non-profit entities¹⁶.

¹³ These coverage rates (reproduced from the same source) regarding the elderly correspond to the sum of the coverage rates of the different answers to this population, i.e., the number of elderly (in each thousand) who have some kind of formal social support.

Table 36: Coverage rates for childhood and old age: 1998 (Carta Social)

Type of equipment/service	Coverage rate (%)
<i>Childhood</i>	
Crèches and nannies	17
ATL	12,4
Pre-school equipment ¹⁷	66
<i>Old age</i>	
Homes	3,5
Day care centres	3,2
Conviviality centres	2,1
Home care	2,6

Source: Carta Social - Rede de Serviços e Equipamentos (2000), DEPP/MTS.

Preliminary updating elements of the "Carta Social" for the year 2000 (given by the Department of Studies, Prospective and Planning of the Ministry of Labour and Solidarity) show a growth of some coverage rates (between 1998 and 2000): in terms of crèches and nannies, from 17% to 19,8%; in terms of the ATL (free time activities), the number of children on this type of equipment has grown from 90.344 to 101.865; the coverage rate for the elderly (considering all services and equipment) has increased from 11,4% to 12,4%.

Also in terms of recent evolution, (according to data from the Department of Prospective Evaluation and Planning of the Ministry of Education) it is possible to see the increase of the gross schooling rate on the pre-school system¹⁸.

¹⁴ Of the Ministry of Labour and Solidarity.

¹⁵ Carta Social - Rede de Serviços e Equipamentos, DEPP/MTS, 2000.

¹⁶ Only for Mainland Portugal, thus excluding the Autonomous Regions of Azores and Madeira.

¹⁷ Including equipment of the Ministry of Education.

¹⁸ Once again, only for Mainland Portugal.

*Table 37: Gross coverage rate of the pre-school system of Mainland Portugal:
evolution 1994/5 to 2000/1*

	Pre-school
1994/95	55,8
1995/96	56,7
1996/97	58,6
1997/98 ^{a)}	59,7
1998/99 ^{a)}	67,6
1999/00 ^{a)}	71,6
2000/01 ^{b)}	72,9

Source: Ministério da Educação, Departamento de Avaliação, Prospectiva e Planeamento

a) Estimates

b) Provisional estimates

6. Brief concluding remarks

The issue of flexicurity in Portugal develops under a context of high activity and employment rates, both for men and for women. However, it must be stressed that a vast majority of this labour force is highly disqualified, both in terms of education and training. Recent active labour market policies have only just started trying to reverse this situation and the increase in educational levels has been giving small steps. Nevertheless, it subsists a high proportion of school dropout with a significant part of the Portuguese population leaving school without accomplishing compulsory schooling.

A permanent employment relation is still the dominant model in Portugal. However, two important aspects must be stressed. On the one hand, "steady" employment relations are loosing relative weight towards other kind of contracts, namely fixed-term contracts. The idea of a life-long job is, as in almost everywhere, put away.

On the other hand, it must be stressed that a substantial part of the employment where precariousness rules is under the scope of the informal sector, thus not reflected in the figures of the official statistics. Underground economy is estimated to comprise about a third of the employed population.

But the weight of the informal sector is not the only striking feature. Between the end of the 80's and the end of the 90's, Portugal has moved, in the ranking of the employment protection legislation, towards the group of countries with a higher strictness at this level. However, in absolute terms there has been a relaxation of the employment legislation.

Besides this relaxation, it must be mentioned the fact that there is a significant gap between the legislation and its effective application. Ways of circling the law are found and implemented, for instance in terms of fixed-term contracts, although there is some effort in trying to overcome the frailties in law, effort which is reflected, for instance, in the new law on fixed-term contracts.

Another example is the fact that a quarter of all workers (specially men but also a significant proportion of women), is still working more than the 40 hours per week established by law, although it must be mentioned the significant decrease in very long working hours over the last years which probably reflects the implementation of the new law. Such characteristics are probably not exempt of contribution to the fact that Portugal is among the countries with a higher incidence of labour accidents

If men have higher values in terms of the time passed in paid work, unpaid work is highly feminised, leading to high figures of total workload, which reflects the effort that Portuguese women, with a high

activity rate working full-time, have to do in order to conciliate paid work with care. Nevertheless, a high gender wage gap continues to subsist.

At least some of the previously mentioned remarks are related to the generally low incomes Portuguese households have, which makes Portugal one of the members of the European Union with higher poverty rates.

The average and median wages are rather low and the relatively low level of low-wage jobs is also a consequence of that. Moreover, the Portuguese social protection system has a very recent history and it is, generally speaking, weak. Portuguese "safety net" has relatively large holes, providing insufficient care provisions.

A final remark regards the fact that, accompanying European trends, Portuguese Welfare-state has entered a crisis. What is specific is that it occurred long before it has reached full maturity.

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