

Industrial relations

Portugal: Developments in working life 2017

<u>Developments in working life in Europe:</u> EurWORK annual review 2017

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Political context affecting working life aspects

The year 2017, the second year of its mandate, the government of the Socialist Party (PS), with the support of the far-left parties, the Left Bloc (BE) and the Communist Party (PCP), as well as the Greens (PEV), was able to continue the economic recovery of the country (AICEP, 2018) in the area of employment creation, reduction of unemployment, reduction of public deficit and economic growth, while at the same time taking further steps to improve citizens living conditions.

Employment grew 3% in the third quarter of 2017 compared with the same period in 2016 and unemployment rate fell to 8.5% in September, compared with a peak of 17.5% in January 2013 (see Portugal: Developments in working life – Q3 2017 and Update of Green Paper on Labour Relations).

The commitments with the left parties were consolidated by the implementation of some of the important measures foreseen in the original agreements with those parties, in particular regarding the minimum wage increase and the combat to precarious work.

External reactions to the economic performance were extremely positive. In 16 June 2017 the Council closed the excessive deficit procedure for Portugal, confirming the deficits have dropped below the EU's 3% of GDP reference value. In September 2017 Standard &Poor Global Ratings hiked Portugal's credit rating one notch and in December 2017 Fitch Ratings upgraded it two notches.

Social partners reactions following changes in governments

Not applicable, as there was no change in government.

Labour market reforms or major packages of working life regulations

During 2017 the political measures taken with incidence in the labour market concerned a variegated range of issues: combating temporary work in the public sector; improving collective bargaining dynamics and coverage through the revision of rules of extension and temporary measures limiting the caducity of agreements; improving training and qualifications; reversing cuts in the unemployment benefit; improving social protection of independent workers; and guarantying early retirement without penalties for workers with very long careers (see Section Main social dialogue topics and outcomes in 2017).

Developments in industrial relations 2017

Changes affecting the national-level actors and institutions of industrial relations and social dialogue in 2017

Representativeness

There is no procedure regulating and assessing the representativeness of top level social partners, i.e. the employer confederations and trade union confederations. In relation to sector level i.e., to trade unions and employer associations, the regulation/assessment of their representativeness has not been in the agenda until the Memorandum of Understanding with Troika in 2011 required it as a condition for the extension of collective agreements. The government PSD-CDS (2011-2015) decided to implement this requirement unilaterally and established with Resolution 90/2012 (PDF) that collective agreements could only be extended if employers' associations represented 50% of the employment in the sector; later, the Resolution 43/2014 (PDF) added new criteria for the extension of collective agreements considering the proportion of small and medium companies that employer's associations represented. The impact of these measures in collective bargaining was very negative causing a dramatic decrease of the number of updated sector agreements and their coverage as documented in the Report on collective regulation published in the year 2017 (PDF).

The discussion at the Standing Committee for Social Concertation (CPCS) of the <u>Green Paper on Labour Relations 2016 (PDF)</u> published by the Ministry of Labour – a report giving evidence that in 2014 only 19% of the companies in Portugal claimed to be affiliated of employers' associations – and the debate that followed the <u>Tripartite Commitment for a Mid-term Concertation Agreement (PDF)</u> prepared the change of the regulations regarding representativeness and extension (see <u>Portugal: Tripartite commitment on labour market and collective bargaining measures</u>). Having these debates into consideration the government published in May 2017 the <u>Resolution 82/2017 (PDF)</u> eliminating the criteria of representativeness and replacing them by new criteria for extension (see <u>Portugal: Developments in working life – Q2 2017</u>).

Actors

There were no major developments such as mergers affecting the peak-level organisations or new admissions of organisations to the national level social dialogue.

Institutions

During 2017 there were not major legislative or institutional changes to the main social dialogue institutions. The Portuguese social dialogue institutions have been able over the years to show elasticity and capacity of adaptation and their role and competences are granted by the Constitutional law both in the case of the Economic and Social Council (Conselho Económico e Social, <u>CES</u>) and of the Standing Committee for Social Concertation (<u>CPCS</u>).

Changes in the social dialogue processes

The year 2017 showed a variation of national-social dialogue processes and outcomes in the context of tripartite concertation. In the beginning of the year the <u>Tripartite Commitment for a Mid-term Concertation Agreement (PDF)</u> and the <u>Amendment to the Tripartite Commitment (PDF)</u> in addition to the minimum wage increase for 2017 included a large scope of issues negotiated and the identification of future priorities for the concertation agenda (see section Selected major social dialogue debates), while the last two years tripartite agreements had focused only on the minimum wage. In the end of 2017 the tripartite discussion on the minimum wage increase for 2018 followed the usual process, but this time the outcome was not a tripartite agreement, as the four employer confederations jointly demanded conditions to sign the agreement, which were considered unacceptable by the PS government (see <u>Portugal: Tripartite commitment on labour market and collective bargaining measures</u> and <u>Portugal: Developments in working life – Q4, 2017</u>.

National social dialogue in 2017 – Scope and Contribution

Main social dialogue topics and outcomes in 2017

Themes	Description of issue	Code(s)- interaction	Type of Interaction	Code(s)- Outcome	Outcome
General labour market to	opics				
Job creation, reduction of unemployment, active labour market policies, labour market participation of different groups	Follow-up and monitoring; the specific measures indicated below one way or another have a focus on these issues	1	Tripartite debate within the CPCS;	7	Follow-up and monitoring; Issue not closed, ongoing exchange.
Skills, training and employability	Public sector: training and skills upgrading aimed at professional integration.	1, 4	Tripartite debate within the CPCS; formal consultation of trade unions of the public sector	2	Public sector: effective 30 May 2017, Law No. 25/2017 (PDF) promotes a process of training and skills upgrading aimed at professional integration.
	QUALIFICA programme - Training and qualification of adults is one of the priorities included in the government programme (PDF) and one of the priorities of the National Reform Programme (PDF).	1, 3	Tripartite debate within the CPCS; formal consultation of social partners	2	On March 2017 the government formally launched the QUALIFICA programme, which focuses on adult education and training, complementing a process of certification with training. Decree-Law no. 14/2017 - he legal system of the National Qualification System (SNQ) and defines the structures

Themes	Description of issue	Code(s)- interaction	Type of Interaction	Code(s)- Outcome	Outcome
					which ensure its operation. Ordinance no. 47/2017
Benefits (unemployment, sickness schemes, minimum income)	Improvement of unemployment benefit level. The 10% reduction in the amount of unemployment benefit after 180 days applies only to benefits higher than €421.32.	1, 3	Tripartite debate within the CPCS and formal consultation of both social partners	2	Effective from 31 May 2017, Decree-Law 53-A/2017 (PDF). Portugal: Developments in working life – Q2 2017
	Improvement of social security protection for independent workers by facilitating a continuous social security contributory career.	1, 3	Tripartite debate within the CPCS and formal consultation of both social partners	2	Decree-Law 2/2018 of 9 January
Taxation and non-wage related labour costs	Reduction of independent workers contributions to social security and distribution of the contributory effort between contractors and self-employed	1, 3	Tripartite debate within the CPCS and formal consultation of both social partners	2	Decree-Law 2/2018 of 9 January
	Progressive reduction of the special advance corporate tax payment (<i>Pagamento Especial por Conta</i>), a measure benefiting SMEs.	1,2,3	Tripartite debate within the CPCS and formal consultation of both social partners	2,4	Amendment to the Tripartite Commitment (PDF) signed on 3 February 2017. Effective from 29 March 2019 Law no. 10-A/2017.

Themes	Description of issue	Code(s)- interaction	Type of Interaction	Code(s)- Outcome	Outcome
Pension reforms	Early retirement without penalties for workers with very long working careers. Workers with contributory careers of 48 years or more, or who started their professional activity aged 14 or under, and who are 60 or older, or with at least 46 years of contributory career will have the right to early access to the old age pension without any penalty in the value of their pensions. (Portugal: Developments in working life – Q2 2017)	1, 2, 3	Tripartite debate within the CPCS, negotiation and formal consultation of both social partners	2	Effective from 1 October 2017 Decree-Law no.126-B/2017
Working life related then	nes				
Wage setting systems, including the setting of minimum wages (but excluding the 'regular' annual debates about the determination of the level of the new minimum wage)	Revision of the criteria and conditions for the extension of collective agreements. Extension decisions will be based on the following indicators: the effect on the wage bill and economic impacts; the level of wage increase; the impact on the wage scale and on the reduction of inequality; the	1, 2, 3	Tripartite debate and negotiation at the CPCS, formal consultation of social partners	2,4	Tripartite Commitment for a Mid-term Concertation Agreement (PDF). Effective from 19 May 2017, Resolution 82/2017 (PDF)

Themes	Description of issue	Code(s)- interaction	Type of Interaction	Code(s)- Outcome	Outcome
	percentage of workers to be covered (in total and by gender); and the proportion of women that will benefit. Portugal: Developments in working life – Q2 2017				
Terms and conditions of employment, including different forms of contracts	Extraordinary Regularisation of precarious employment relationships in public administration – PREPAV Programme	1,3	Tripartite debate at the CPCS, formal consultation of social partners and also consultation of trade unions of the public sector and social movement of precarious workers	2, 7	Effective from 28 February 2017 Resolution no.32/2017

Themes	Description of issue	Code(s)- interaction	Type of Interaction	Code(s)- Outcome	Outcome
Gender balance in corporate decision-making positions	Government proposal to establish a scheme for gender-balanced representation in management and supervisory bodies in public sector companies and in listed companies. This legal development embodies one of the policy priorities set out in Proposal of Agenda for Equality in the Labour Market and in Companies. (Portugal: Developments in working life – Q1 2017)	1,3	Tripartite debate within the CPCS; formal consultation of social partners	2	Effective from 23 June 2017 Law no. 42/2017 established a scheme for gender-balanced representation in management and supervisory bodies in public sector companies and in listed companies.

No major social dialogue debates were held on the following themes: Working time regulations; Health, safety and well-being at work; Work-life balance related themes, incl. family leaves.

Note:

Codes for '*Type of interaction*': **1** - Tripartite debate; **2** -Tripartite negotiation; **3** - Formal consultation of both social partners; **4** - Formal consultation of trade unions; **5**- Formal consultation of employers organisations; **6**- Bipartite debate; **7** - Bipartite formal negotiations; **8** - Lobbying from at least one side; **9** - Type of interaction unknown.

Codes for 'Outcome as per 1.1. 2018': 1 - Unilateral decision by government; 2 - Legislation passed; 3 - Legislation prepared (in legislative process, not concluded); 4 - Tripartite agreement or joint position reached; 5- Bipartite agreement reached; 6- Joint opinion of social partners reached; 7 - Issue not closed, ongoing exchange; 8 - Issue dropped, no concrete outcome, no further exchange; 9 - Outcome unknown, none of these types.

Selected major social dialogue debates

On 22 December 2016, the PS government and the social partners represented at the CPCS — with the exception of the trade union confederation CGTP — reached an agreement, which would be signed on 17 January 2017: the <u>Tripartite Commitment for a Mid-term Concertation Agreement (PDF)</u>. This agreement covered a wide range of topics and defined concrete measures, priorities and mid-term debates. It included the increase of the minimum wage by 5% for 2017 and a measure claimed by the employer confederations associated to the implementation of the minimum wage i.e., the reduction of employers' contribution for social security by 1.25 percentage. The parliament with basis on the initiative of the rejected the reduction of contributions for social security and the government presented at the CPCS and

Tripartite Commitment on collective bargaining labour market modernisation

reduction of contributions for social security and the government presented at the CPCS an alternative proposal in order to accommodate employer concerns that is a progressive reduction of the special advance tax payment (*Pagamento Especial por Conta*), a measure benefiting all SMEs that was integrated in the <u>Amendment to the Tripartite Commitment (PDF)</u> signed on 3 February 2017.

In addition to the issue of minimum wage setting, the tripartite commitment included two main actions: a bipartite commitment between trade union and employer confederations (extended also to the state as an employer) to commit their constituencies (unions, employer associations, single employers) not to unilaterally require the expiry of collective agreements for a period of 18 months (starting January 2017); and the discussion during 2017, at the CPCS of the Green Paper on Labour Relations (PDF) aiming at improving collective bargaining and modernising the labour market. In particular the agreement expressed the commitment to discuss during the year 2017 measures to combat labour market segmentation, for revising the regime of a wage guarantee fund (for compensation in case of redundancies) and for revising the framework and legal deadlines on the extension of collective agreements. The debate on this last issue at the CPCS resulted in the Resolution 82/2017 (PDF) published in May 2017 speeding up the publication of extension ordinances and setting new criteria for extension to support the recovery of bargaining coverage and guarantee inclusiveness.

(See Portugal: Tripartite commitment on labour market and collective bargaining measures)

The debate preceding this tripartite agreement and the amendment to the agreement showed the complexity of the exercise for the PS government of matching the expectations of the employer confederations at the CPCS with the commitments with the left parties at the parliament. By supporting the formation of the PS government against the centre right parties with basis on clear commitments, after the 2015 elections, the left parties gained an unprecedented strategic role, in particular in what refers to social and labour legislation. The ambitions and the limits of the tripartite agreement and its methodology reflect this 'enjeu'. Employer confederations stand opposing to any change of the labour legislation passed in the Troika period namely regarding dismissals, overtime payment, individual bank of hours and caducity of collective bargaining. The trade union confederations claim changes, in depth changes in the case of CGTP, the largest trade union confederation, and more moderate and at a slower pace changes in the case of UGT. CGTP claims the integral re-establishing of the principle of favor laboratoris and claims the elimination of the possibility of caducity of collective agreements by unilateral decision of one of the parties unilateral and reestablishment of the principle of joint-decision of signatory parties. The reason why CGTP did not sign the tripartite agreement relates foremost with accentuating the pressure towards more ambitious pro labour reforms to overcome the strong unbalance in labour relations in Portugal when the political conditions are favourable. Nevertheless the discussion showed also strong consensus over matters such as the extension of collective agreements.

Tackling precarious work in the public sector: innovative social dialogue and the programme PREPAV

Austerity policies imposed budgetary constraints and restrictions on recruiting employees in the Portuguese public sector on permanent/open-ended contracts and facilitated redundancies. These constraints reinforced the resurgence of recruitment with basis on different forms of temporary contracts and employment relationships: prolongation of short-term contracts beyond their term; use of short-term contracts in situations where there was not a justification for term; using contracts for the provisions of services for the performance of functions corresponding to full time work subjected to hierarchical power and discipline of public services or entities; and last but not least, the recruitment using active employment policy measures, such as the employment-insertion contracts to meet permanent needs of public administration. To respond to the problem the PS government launched an 'extraordinary program of regularization of precarious employment relationships in public administration', the PREPAV. The process of decision and of implementation of the PREPAV engaged the participation of the public sector trade unions: the Common Front of Public Administration Unions (FC), affiliated to the General Confederation of Portuguese Workers (CGTP); the Trade Union Front of Public Administration (FESAP) and the Technical Civil Servants' Union (STE), both of which are affiliated to the General Workers' Union (UGT). In particular, these trade union organizations are part of the CABs, the bipartite commissions, created in each government area with competences to evaluate the workers individual requests to regularize their situation in order to be integrated on open-ended contracts. In the state owned companies, the trade union representation is to be the performed by the confederations CGTP and UGT. Along the process and since its beginning the social movement/platform called 'Precários do Estado' (Precarious of the State) has been at the forefront of the initiatives and discussions, to guarantee an encompassing and inclusive process of regularization under the motto 'nobody will be left behind' (#ninguémficaparatrás). This platform has been playing four main roles: raising awareness, organizing and voicing precarious worker's claims; helping them to step forward presenting their case; and suggesting political measures or adjustments to secure that the program will be inclusive. According to the PREPAV programme schedule, the final decision of CABs and integration of workers by the respective services in permanent/open ended contracts, when documented that they have been in irregular situations and that they perform functions corresponding to permanent needs, is a process that is expected to be concluded in the December 2018. As explained in Portugal: Innovative social dialogue to combat precarious work in the public sector the views of the relevant actors in the process were convergent in terms of the goals to achieve, although the focus of their approaches and concerns is diverse. The dialogue between the government and the trade unions and the dialogue with the 'Precários do Estado' platform has surely influenced the process and the design of the programme. This platform seeks the integration of all workers both those with short term contracts and those in situations of 'bogus' self- employment. The coming phase of implementation in 2018 might bring some tensions having in mind the possible conflict between the expectations of the workers who came forward with their case and the response to whether they will be integrated or not in regular jobs. Trade unions and the platform will certainly follow-up and monitor the process of implementation.

Unilateral government actions - without social dialogue

There were no major examples or cases of government unilateral decision in the area of labour market policies and collective bargaining in 2017. In a number of issues there were no written agreements with the social partners, but the measures reflected previous consultation within the context of the CPCS and they did not generated controversy afterwards (see table **Main social dialogue topics and outcomes in 2017**).

Also, the increase of the minimum wage for 2018 was discussed within the context of the CPCS (during three rounds). The fact that there was not a written agreement this time did not

really meant unilateral decision. The problem was that employer confederations presented very high demands - in a joint letter addressed on 15 December 2017 to the ministry of labour - as a condition to sign the agreement on the minimum wage, demands which the government considered unacceptable. Among the employer confederation claims figured: demanding the commitment of the government not to introduce any further changes on labour legislation; asking amendments to corporate income tax in order to eliminate the special advance tax payment (*Pagamento Especial por Conta*); claiming the reduction of employer contributions to the Workers' Compensation Fund, a fund created to support workers in case of redundancies; and asking an increase in financial support for vocational training. It is relevant to mention that the views of social partners were not that different regarding the level of the increase of 4.1% proposed by the government and approved later by the Council of Ministers. (see Portugal: Developments in working life – Q4, 2017.)

Changes affecting the sectoral and company level social dialogue 2017

The number of workers covered by updated collective agreements – that has dropped from 1, 7 million in 2008 to 1, 2 million in 2011 because of the economic crisis declined sharply, following the implementation of austerity measures required by the MoU, to only around 300 thousand workers in 2012 and 186 thousand in 2013. Despite the recovery in recent years, the number of workers covered by updated agreements was still only 749 thousand in 2016 and 820 thousand in 2017 as documented in the Report on collective regulation published in the year 2017 (PDF).

The most important developments in 2017 in regulation and practice aiming at encouraging collective bargaining were the following:

- The bipartite commitment integrated in <u>Tripartite Commitment for a Mid-term Concertation Agreement (PDF)</u> between trade union and employer confederations (extended also to the state as an employer) to commit their constituencies (unions, employer associations, single employers) not to unilaterally require the expiry of collective agreements for a period of 18 months (starting January 2017);
- The Resolution 82/2017 (PDF) defines that the decision of extending collective agreements will be based on the following indicators: the effect on the wage bill and economic impacts of the extension; the level of wage increase the collective agreement establishes; the impact on the wage scale and on the reduction of inequality; the percentage of workers to be covered (in total and by gender); and the proportion of women to whom the collective agreement will apply. The main concern is to promote inclusiveness through collective bargaining and improve bargaining dynamics and prevent the 'dualisation' and inequality in the labour market that has been facilitated by the drastic reduction of extension ordinances in recent years, in particular during Troika intervention. The resolution also puts in place new mechanisms to implement the measure, including the creation of a permanent technical committee, which involves the Directorate-General for Employment and Industrial Relations (DGERT) and Office of Strategy and Planning (GEP) departments of the Ministry of Labour.

Innovation in collective bargaining

Collective bargaining outcomes did not register major innovations as shown in the analysis of the content of new or renewed collective agreements published on several recent official reports (see: CRL/MTSSS, 2016, 2017; GEP/MTSSS, 2016; and DERT/DGERT, 2018).

Collective labour disputes in 2017

There were no changes in the regulation of collective disputes in 2017.

The most relevant collective labour disputes took place in large private foreign capital dominated companies and in the public sector

Portugal Telecom

Workers at Portugal Telecom (PT) staged a national strike (21 July 2017), the first in 10 years, over the transfer of 155 workers from the telecommunications operator to outside service providers of the Altice Group, which bought PT in January 2015. The strike was supported by all eight unions represented in PT. The government has asked the Authority for Employment Conditions to assess the legality of the company's plans, but unless the labour law is changed it is difficult to respond to workers concerns. On 19 January 2018, the PS and the left parties made an agreement to revise the legal rules on workers transference to prevent similar and future cases of transference against workers will and undermining their labour rights. Although the new law expected to come into force in February 2018 will not apply retroactively, it is possible that it will help workers with pending cases, including appeals in court, for example, with PT and Altice.

CTT - Postal services

The trade unions affiliated of CGTP, the Trade Union of Postal and Telecommunications Workers and of UGT, the Democratic Union of Postal, Telecommunications, Media and Services Workers (SINDETELCO), called a strike at CTT on 21 and 22 December 2017, for the renationalization of the company, for the defense of jobs, for better working conditions, and compliance with the company agreement. The strike was decided after the company announced salary cuts, branch closures and the reduction of 800 jobs over the next three years. The privatisation of CTT in 2014 was part of the list of measures demanded in the Memorandum of Understanding with Troika in 2011, as a condition for the financial bailout.

EDP and Randstad

The workers of the multinational temporary agency Randstad working for the 'call centers' of EDP, the largest generator, distributor, and supplier of electricity in Portugal, participated in a strike of three days, starting on 1 November 2017. The workers claimed better wages and working conditions and protested against their precarious situation demanding their integration in the EDP with basis on regular employment relationships. According to the Trade Union of Electrical Industries (SIESI), 95% of the workers joined the strike.

Autoeuropa

Workers at the Volkswagen car assembly plant Autoeuropa staged a one-day strike (30 August 2017) over company plans to introduce a mandatory working Saturday, with no rights to customary rates of overtime, a rotating weekly day-off and a fixed day-off on Sunday, as well as three daily shifts. The company argued these measures are required for the production of 240,000 cars in 2018, which will also mean the recruitment of an additional 2,000 people. The strike followed the decision by a majority of the workers to reject the 'preagreement' negotiated by the management and the works council. The strike was decided in meetings attended by 3,000 workers and was supported by the most representative trade unions at the company. Following the strike, the works council resigned. After 3 October elections, the new works council made a second 'pre- agreement' with the management, which was rejected again by 3,145 workers (63%). On 12 December 2017 the company responded announcing to move forward unilaterally with a production transitional timetable, to be in force in the first half of 2018, and the intention to continue the dialogue with the works council. (see Portugal: Developments in working life – Q3 2017).

Public Sector

After the nominal wage cuts in the public sector were reversed and the 35 hours week was reestablished in 2016 by the PS government, the trade unions in the public sector in 2017 demanded the reestablishment of collective bargaining over wages and career advancement (frozen since 2010) and they also claimed the extension of the 35-hour week to all workers in the public sector, in particular those with individual contracts in the health sector. While the

agenda of the CGTP and UGT unions in the public sector is similar, their strategies are different. Trade unions UGT, Union Federation of the Public Administration (FESAP) and Technical Civil Servants' Union (STE) <u>signed an agreement with the government</u> on 5 May 2017 on the calendar of negotiations, including unfreezing of promotions (July), precariousness in public employment (October), recruitment (November) and health and safety at work (December). In contrast, on 26 May, trade unions CGTP and Common Front organised a national strike of public sector workers to put pressure on the government to speed up the process of negotiations and reach a swift resolution. On 27 October 2017 a second general strike in the public sector took place at the call of the Common Front demanding wage increases, the "immediate" unfreeze of career advancement, overtime pay and 35 hours week for all workers. This strike was a form of pressure on the eve of the debate of the state budget 2018.

The 27 October strike mobilized all public servants but in particular doctors, nurses, and teachers concerned not only with their working conditions but also with the quality of public services in the area of health and education, claiming public investment in these areas.

Strikes in the health sector

Doctors staged a national strike on 8 November 2017, covering hospitals, health centers, all state and private health services. Among a number of claims, they demanded the reduction of supplementary work in the emergency room from 200 to 150 hours per year, 12-hour urgency shifts instead of 18, and smaller patient lists. The strike, organized by the National Federation of Doctors (Federação Nacional dos Médicos, <u>FNAM</u>), was preceded by regional strikes that took place in October.

Nurses' conflict escalated also this year. On 11 September 2017 began a five-day strike over status, pay and working hours joined by around 85% of nurses at public hospitals. The Independent Nurses Trade Union (SIPE) and the Nurses Trade Union (SE) asked the government to reform their professional status to include a specialist nurse category, and they demanded a pay overhaul and a 35-hour working week for all nurses—as is the case for all public employees. These trade unions called a new strike to take place between 23 and 27 October, a strike they call off after negotiations with the government were considered satisfactory. The Trade union of Portuguese Nurses (SEP), the most representative nurses' trade union criticised the September strike and the terms of the action organised by the two other unions.

Eventually, on 24 November public sector trade unions affiliated of <u>FNSTFPS</u>/CGTP and <u>FESAP</u>/UGT were united to call the 24 November strike in the health sector claiming for the inclusion of all the workers with individual labour contracts (around 40,000) in the process of career advancement.

Strikes in the education sector

The National Federation of Teachers (FENPROF) staged a national strike on 15 November 2017. The main reason was related with the unfreezing of careers and the count of the entire length of service. According to this Federation the rights of teachers would be undermined by the State Budget 2018, as the length of service they performed during the career freezing period (9 years and 4 months) will not be accounted for the purpose of career advancement. On 18 November the government and FESAP reached the compromise to continue negotiations to provide for the recovery of teachers' time of service and the beginning of salary increase in the present legislature.

Working time 2017

During 2017 there were no changes in the regulation of the working time.

Health and well-being at work 2017

Physical working environment

Law 64/2017 of 7 August transposed the Directive 2013/3 /EU of the European Parliament and of the Council of 26 June 2013 and stipulates the minimum requirements for the protection of employees against the risks to safety and health to which they are (or may be) subject due to exposure to electromagnetic fields at work. This law defines the limit values for exposure to electromagnetic fields for employees, focusing exclusively on the short-term effects. Companies are obligated to have a rigorous assessment of the existence of exposure and, if so, of the levels of exposure; to reduce the exposure limit values, if exceeded; to adopt preventive surveillance measures; to provide (if there is exposure) specific information to employees and their representatives for safety and health at work; to register and maintain documents related to risk assessment, exposed employees and the surveillance results, among other elements. Noncompliance constitutes a very serious infringement.

Psychosocial working environment

Law 73/2017, of 16 August reinforces the legal framework that regulates harassment at work in the private and public sectors, amending the Portuguese Labour Code, the Labour Procedure Code and the General Labour Law in Public Functions. The companies with seven or more employees are required to adopt codes of good conduct aimed at preventing and combating harassment at work. Noncompliance constitutes a very serious administrative infringement, triggering penalties in variable amounts, depending on the company's annual turnover and the employer's degree of responsibility.

Starting on February 2017 and until January 2019, the General Confederation of Portuguese Workers - National Trades Union (Confederação Geral dos Trabalhadores Portugueses - Intersindical Nacional – <u>CGTP-IN</u>) develops an information, awareness-raising and training campaign on harassment in the workplace.

Employment status 2017

Type of Contracts	Changes made during 2017.
'Standard' employment contracts	There were no changes.
Self-employed	Law 55/2017 of 17 July modifies the existing legal framework to recognise the existence of an employment relationship and combat 'bogus' self-employment and other forms of undeclared work, including false internships and false volunteering, proceeding to the second amendment to the Law 107/2009, of 14 September, and to the fifth amendment to the Labour Procedure Code, approved by the Decree Law 480/99, of 9 September. This law approves the extension of the situations in which the Authority for Working Conditions (Autoridade para as Condições de Trabalho - ACT) is competent to introduce the procedure to be followed in case of inadequacy of the labour bond that supports the provision of an activity in the same conditions as a labour contract. Decree-Law 2/2018 of 9 January amends the contributory scheme for self-employed. Under the new rules, the workers
	discount rate drops from 29.6% to 21.4%, being applied to

	70% of the average income of the last three months. A minimum monthly contribution of €20 shall be made, in order to guarantee the stability of the contributory career for future pension or other social benefits (unemployment benefit and sickness benefit). The new scheme stipulates that sick pay is to be awarded from the 11 th day onwards rather than the 31 st day as it currently stands and that the unemployment allowance will require 360 days of discounts instead of the current 720. The contracting entities will increase their discounts (to 10% in situations in which economic dependence exceeds 80%; or 7% when economic dependence is below this threshold).
Fixed term contracts	The Resolution of Council of Ministers 32/2017 of 28 February stipulates the regulation of precarious employment relationships in public administration as priority, as a way to combat the use of precarious work and subcontracting in the public sector. The social movement, Precários do Estado, has been at the forefront of social dialogue with the Government on this issue, claiming that 'nobody can be left behind' and organizing initiatives to help precarious workers to stand up for their rights. Ordinance 150/2017 of 3 May establishes the procedures for the evaluation of situations to be submitted to the programme of extraordinary regularisation of the precarious contracts in
Temporary agency workers	the Public Administration and in the State business sector. There were no changes.
Posted workers	Law 29/2017 of 30 May transposed the Directive 2014/67/EU of the European Parliament and Council of 15 May 2014 concerning the posting of employees in the framework of the provision of services. According to this Law, in subcontracting chains the contractor of which the employer (service provider) is a direct subcontractor can, in addition to or in place of the employer, be held liable by the posted worker with respect to any outstanding net remuneration corresponding to the minimum rates of pay, provided by law or employment contract, to the worker posted by the service provider.
Seasonal workers	There were no changes.
Zero hour contracts	There were no changes.

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