



**Economic and Social
Council**

Distr.
GENERAL

E/C.12/1995/SR.8
9 May 1995

Original: ENGLISH

COMMITTEE ON ECONOMIC, SOCIAL AND CULTURAL RIGHTS

Twelfth session

SUMMARY RECORD OF THE 8th MEETING

Held at the Palais des Nations, Geneva,
on Thursday, 4 May 1995, at 3 p.m.

Chairperson: Mr. GRISSA

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The meeting was called to order at 3.10 p.m.

CONSIDERATION OF REPORTS (agenda item 6) (continued)

(a) REPORTS SUBMITTED BY STATES PARTIES IN ACCORDANCE WITH ARTICLES 16 AND 17 OF THE COVENANT

Portugal (continued) (E/1990/6/Add.6; E/C.12/1994/WP.27)

1. At the invitation of the Chairperson, Mr. de Santa Clara Gomes, Mr. Ribeiro Lopes, Mr. Botelho, Mr. Menezes, Mr. Coelho, Mrs. Leitão, Mrs. Varzielas, Mrs. Bras Gomes, Mr. Madureira, Mr. Marrecas Ferreira and Mrs. Goncalves Martins Faria (Portugal) resumed their places at the Committee table.

1. The CHAIRPERSON invited the Committee to resume its discussion of the Portuguese delegation's written replies to issues Nos. 13 to 16 of the list of issues (E/C.12/1994/WP.27).

2. Mr. AHMED suggested that, for greater clarity, the section containing issues Nos. 14 and 15 of the Portuguese Government's written replies should be interchanged, in order not to interrupt the discussion of social security.

3. Mr. ALVAREZ VITA, referring to the remarks by the representative of Portugal on the treatment of non-nationals, said that he seriously doubted whether article 2, paragraph 3, of the Covenant could be interpreted as applying to Portugal. He had had informal discussions with others members of the Committee, whose opinions were divided as to whether Portugal should be considered to be a developing country. The delegation might wish to provide some clarifications in that regard.

4. Ms. TAYA asked whether Portugal distinguished between the nationals of European Union countries and those of other countries in its treatment of aliens, and if so, on what grounds.

5. Mrs. BONOAN-DANDAN associated herself with Ms. Taya's question. On another matter, the report was silent about equality between male and female aliens from non-European countries. She wondered, for example, whether women from non-European countries residing in Portugal had the right to bring their families into the country.

6. Mr. TEXIER said he wished to clarify the last point. The Maastricht Treaty laid down the principle of freedom of movement within the 16 countries of the European Union. That meant that nationals of European and non-European countries were in fact given different treatment.

7. Mr. de SANTA CLARA GOMES (Portugal) thanked Mr. Texier for his clarification. Portugal did grant certain rights to nationals of European countries, such as freedom of movement and residence and certain political rights. Replying to Mr. Alvarez Vita, he said that the question whether Portugal was a developed or developing country was a complex issue. and he did not wish to make a categorical statement. Portugal was one of the less wealthy countries of the European Union, but in comparison with most

non-European Union countries it would have to be considered a developed country. In the past 10 years especially, its GDP had grown by 3 per cent per year; that had made it possible to improve the economic and social situation of the Portuguese people. However, problems persisted, partly because there was now a higher awareness of the inadequacies of the system, and the Portuguese people were more demanding of themselves than they had been 10 years before. In short, although Portugal did not fall neatly into either category, it might be said that it was in a situation of transition from developing to developed country.

8. Mrs. VARZIELAS (Portugal) said she wished to clarify her earlier remarks concerning the treatment of nationals and aliens under the social security system. There were two categories of protection in Portugal, a general system covering all workers without discrimination and a non-contributory system under which benefits were granted to destitute persons. The second system was applicable only to nationals of Portugal and European Union countries, and applied to third countries only through specific bilateral agreements.

9. Mr. ALVAREZ VITA said that there appeared to be a discrepancy between treatment of aliens as laid down in the Maastricht Treaty and the Covenant; that, in his view, formed an obstacle to the implementation of the Covenant. Any reduction of the rights of foreign workers from non-European Union countries was a violation of the principle pacta sunt servanda.

10. Mrs. JIMENEZ BUTRAGUEÑO, noted that Mr. Alvarez Vita's remarks applied to all the countries of the European Union.

11. She wished to raise a question concerning the non-contributory social security scheme. In her own country, such a scheme covered all persons over the age of 65, including individuals who had not contributed to it, such as widows. She would like to know whether that was what was understood as being a non-contributory scheme. In addition, she wished to know whether there was a guaranteed minimum income per person without resources, and if so whether it was available to legally resident aliens.

12. Mr. de SANTA CLARA GOMES (Portugal) replied that in his view there was no discrimination in Portugal's treatment of aliens. Portugal fulfilled its obligations under the Covenant, but in some cases went further under bilateral and multilateral agreements.

13. Mrs. VARZIELAS (Portugal), replying to Mrs. Jimenez Butragueño, said that the non-contributory scheme was available to those who had not participated in it for historical reasons, certain sections of the population not having been formerly covered. It provided recipients with the same benefits as the contributory scheme, provided they were able to prove that their resources fell below a certain level.

14. Mr. FERREIRA (Portugal), introducing the discussion of issues Nos. 17 and 18, said that there was theoretical equality between men and women in Portugal, but that difficulties persisted owing to the country's transition from a developing to a developed country. Less than 10 per cent of the posts in Parliament, the Government and the local government authorities were held by women; precise statistics were to be found in paragraphs 52 and 68-69 of

the Portuguese report (E/1990/6/Add.6). Women were also more affected by unemployment than men, with a rate of 7.5 per cent compared with 6.2 per cent for men during the third quarter of 1994. Training programmes for women were conducted by the Institute of Employment and Vocational Training (IEFP), but it was a fact that in general women had fewer opportunities for training than men.

15. Violence against women persisted, but the Government attempted to alleviate it by enacting legislation protecting women against violent crime and compensating the victims. The State granted compensation independently of other reparations received; naturally, if it was shown that alternative reparation was possible, the victim was obliged to return the compensation received.

16. It should also be mentioned that women had the right of popular participation as laid down in article 52 of the Constitution, of which women's associations actively availed themselves.

17. On the positive side, there was a high participation of women in the labour market, with 42.3 per cent of workers being women, and in higher education, with women representing 55.5 per cent of registered students in 1991.

18. Regarding social security, article 5 of the Social Security Act had been amended to eliminate a discriminatory provision in favour of women, so that the statutory age for receiving old-age pensions was now 65 for both sexes.

19. With reference to issue No. 18 and specific government action to ensure gender equality, the Council of Ministers had adopted resolution 32/94, promoting equal opportunities for Portuguese women and their full participation in employment and in all aspects of economic, social and political life and calling for special measures such as consciousness-raising and vocational training.

20. Much was being done under the aegis of the various Ministries. For instance, in compliance with the relevant legislation, the Ministry of the Interior was giving special training to the public security police to deal with women who were victims of violent crime, just as the Ministry of Justice was instructing the judicial police in the special treatment of such women, including the provision of immediate psychiatric assistance. The Ministry of Justice had also published a guide for women who were victims of violence, and was responsible for all training within the prison system and for overseeing the handling of problems relating to the equality of women by the various sectoral services under its authority.

21. It should be noted that, to supplement the family law amended some years earlier, Parliament was discussing an emphasis on parental responsibility rather than authority, and the promotion of the new concept of joint custody.

22. The Ministry of Health provided sex education and family planning education, especially to young people, and sought to identify persons with sexually transmitted diseases. It had helped to introduce a new approach to

voluntary abortion in certain cases into the provisions of the new Criminal Code which would come into effect in October 1995; it had also helped to draft legislation on medically-assisted procreation. The Ministry was sponsoring anti-AIDS programmes and the identification of addicted or alcoholic pregnant women and of mistreated women and children.

23. The Ministry of Labour and Social Security disseminated information on the principle of equal opportunity in employment, which was well established in the law. Through the Commission on the Equality and Rights of Women, it supported private activities in that field, and publicized the financial incentives available to organizations providing vocational training to which men and women had equal access.

24. The Office of the Secretary of State for Administrative Modernization coordinated with the Ministry of Labour and Social Security in its own promotion of equal employment opportunity, especially by ensuring that the issue was dealt with in the training provided to officials employed in public administration at the national and local levels.

25. The Office of the Secretary of State for Youth was, through the Centre for the National Registry of Youth Associations, seeking to determine the number of women directors and members in such associations and the extent of participation by women in the programmes sponsored by the Institute of Employment and Vocational Training and the Youth Department. Where such participation was not satisfactory, it took steps to encourage it.

26. Mr. CEAUSU, commending Portugal on the notable advance it had made in gender equality, asked about specific progress in achieving equal pay for equal work. He noted from the report (para. 62) that there was a 1979 law regulating equal treatment in the civil service but saw no mention of legislation equalizing pay in the private sector, although the Commission on the Equality and Rights of Women had made a proposal to that effect. Information on the current real wage differentials and salary statistics would also be useful. The report outlined various steps taken by government agencies (paras. 266-270), but he was not convinced that everything possible had been done to achieve *de facto* equality in that area.

27. Mr. RIBEIRO LOPES (Portugal) said that the concept of equality, including equal pay for equal work, was well established in the law: for instance, in article 59 of the Constitution, in the 1959 Decree-Law on equality of treatment between men and women in employment, in the establishment of the same minimum wage regardless of gender, and in many collective agreements which set equal salary conditions. He agreed, however, that equality in principle however was not always achieved in practice. In 1993, women on the average were earning about 25,000 escudos less per month than men, although that was as much a reflection of the fact that most older women in the workforce had been traditionally less educated and more circumscribed by the family and hence less qualified to fill higher-paying posts.

28. Mrs. JIMENEZ BUTRAGUEÑO said that she was very interested to hear that the minimum wage law made no distinction between men and women, and wondered

if the Constitution offered the same guarantee. If so, Portugal would, to her knowledge, be the only other country besides Costa Rica and Canada to have such a constitutional provision.

29. Mr. de SANTA CLARA GOMES (Portugal) said that he would have to check that point.

30. The CHAIRPERSON invited the delegation to take up section III of the list of issues, relating to articles 6 to 9 of the Covenant.

31. Mr. RIBEIRO LOPES (Portugal), referring to the right to work under article 6 of the Covenant, and to issue No. 19 concerning ways in which women, young people, the elderly and the disabled were disadvantaged in employment, said that the key was, as always, education and vocational training. To overcome deficiencies on that score, the Government financed 100 per cent of job training programmes for workers over 45, for women in traditionally male professions and for the disabled; and 20 per cent of a self-employment creation programme for the long-term unemployed and for workers over the age of 45 likely to become unemployed. The Government was also giving priority to job creation as part of local employment initiatives under welfare programmes for the community, children and the elderly; and it helped certain categories of workers set themselves up as self-employed (the hard-core unemployed, seasonal workers, older or disabled unemployed and the like). Aware of the discrepancy between the full equality of opportunity guaranteed by law and the de facto situation, the Government was making strenuous efforts to rectify it.

32. Referring to issue No. 20 regarding employment statistics for the period since the previous report, it could be seen from the statistical table circulated to members of the Committee that the total number of employed in the population had declined between 1990 and 1994, across the board, although those worst hit were young people under the age of 18; that there had been a 41.8 per cent rise in the total number of unemployed in those same years; and that the rate of unemployment was greater for men than for women.

33. With regard to issue No. 21 and measures taken to address the unsatisfactory distribution of the labour force and the aggravation of urban unemployment, the first step had been to help train long-term unemployed workers and workers likely to join the ranks of the unemployed to set up their own businesses, by providing Government-financed training courses in management and administration. There was also the gradual reduction of working hours, with the agreement of the employer, available to employees who were within four years of retirement. The post involved would be occupied simultaneously by the employee in question and by an unemployed worker who would benefit from the shared professional experience and the on-the-job training. The employer paid a worker on a reduced schedule basic pay and all other benefits guaranteed by law. Other measures were targeted at the hiring of specific groups, such as the long-term unemployed or workers over 45: businesses hiring such workers on open-ended contracts received a subsidy equivalent to 18 times the national minimum monthly wage per worker and businesses offering training programmes for persons under 25, or those under 35 unemployed for more than a year, received a subsidy equivalent to 12 times the national minimum wage. As another unemployment measure, the government sponsored appropriate programmes assigning unemployed workers to

useful community work while they were waiting to obtain work or training. A grant of three times the monthly minimum wage was given as an incentive to those who found a job of their own accord. The Government had also set up non-profit organizations known as Employment Clubs to organize support activities for the unemployed in areas where unemployment was widespread and where the long-term unemployed were numerous; each time such an organization found a job for an unemployed worker, it received an amount equivalent to ten times the monthly minimum wage. In addition, the public employment centres provided information and vocational guidance, realistic assessment of the opportunities in the job market, and assistance in framing personal and professional aims. There was also special vocational training to economically and socially disadvantaged or marginalized persons or to persons who had not completed the minimum level of education.

34. Mr. CEAUSU noted that article 58 of the Constitution spoke of a "duty to work", and he recalled that the Romanian Labour Code had been criticized by the International Labour Organization (ILO) because the term had forced labour associations. He would like to know the legal implication of the term in Portugal.

35. Mr. TEXIER said that despite Portugal's wide range of facilities and mechanisms to help the unemployed find work, he wondered what happened to the marginal group of long-term unemployed who were unable to get back into a job. Was unemployment benefit available to them, and if so, for how long, and were there any subsidies or other payments which would provide them with a minimum income to ensure that they were not excluded from society?

36. Mr. AHMED, referring to statistics provided by the Portuguese delegation since its last report, asked whether the figure of 312,000 unemployed in 1994 included foreign workers or whether the figure related to Portuguese citizens alone. In the latter case, what proportion would be accounted for by foreign workers? If the figure included unemployed foreign workers, were they able to benefit from the various systems listed to combat unemployment, such as the job creation schemes?

37. Mr. de SANTA CLARA GOMEZ (Portugal), replying to Mr. Ceausu said that the constitutional provision he had referred to was not a mandatory one but was intended to confer a moral obligation on Portuguese citizens to work harder in order to make their country prosperous.

38. Mr. RIBEIRO LOPES (Portugal), replying to Mr. Texier, said that benefits available to the long-term unemployed depended on the reasons for their unemployment. If they had been dismissed, for example, they might be entitled to compensation. Generally speaking, in cases of voluntary unemployment, people were entitled to unemployment benefits which varied according to the length of unemployment and their level of contributions to the social security system. If an individual remained unemployed up to the age of 60, he would be entitled to early retirement and would not need to wait until he reached the age of 65.

39. The statistics provided related to the total unemployed and therefore included foreign workers. It was unlikely that the proportion relating to aliens could be ascertained, as an individual's nationality tended not to be a consideration in compiling such statistics.

40. Unemployment benefit, job creation schemes, professional training and other services were equally available to aliens under the Constitution, which provided that foreigners had the same rights as nationals to social security.

41. Replying to issue No. 22, he said that minimum wages were established in Portugal by law, for different branches of activity. A minimum wage had been established for the first time 21 years earlier at three different levels, for domestic work, agricultural work and other branches of activity. Only two levels now operated, the domestic level and other sectors, the agricultural sector having been combined with the latter. For 15 years an annual rate review had taken place on the basis of ILO instruments, which required that price trends, productivity, trends in wages obtained by collective bargaining and the Government's macroeconomic objectives should be taken into account. The annual review was prepared by a working group which submitted a minimum wage bill for the approval of Portugal's Economic and Social Council. That body, made up of representatives of the Government, workers and employers, then had an opportunity to consider the bill and give their views.

42. There were no criteria established in law for reviewing the minimum wage, but an agreement had been reached between the Government and its social partners on an incomes policy which took account of inflationary trends. That agreement had operated in all negotiations between the Government, workers and employers from 1988 to 1992. Those framework agreements had been replaced by a collective bargaining and minimum wage system taking into account inflationary forecasts. The minimum wage had not always kept pace with inflation: in 1990 it had increased by 16.7 per cent compared with an increase in inflation of 13.4 per cent. In 1992 it had risen by 11 per cent while inflation had increased by 8.9 per cent. In 1993 the minimum wage increase was equivalent to inflation, at 6.5 per cent, but in 1994 it had increased by 4 per cent as against 5.9 per cent for inflation, due to the country's economic difficulties.

43. Neither firms nor collective agreements could set wages below the legal minimum, and any employer attempting to do so was liable to a fine equivalent to twice the amount not paid.

44. Turning to issue No. 23, he said that in cases where Portuguese nationals were working abroad, the host country was responsible for protecting their basic rights under its own jurisdiction. Portugal had legal provisions intended to ensure that individuals going abroad to work did not find themselves working in unacceptable conditions. Employment agencies, for example, were not supposed to send workers abroad on temporary assignments. If an employer based in Portugal sent an individual abroad to work, that employer would be required by law to inform the worker of the working conditions he might encounter abroad, particularly if the work period was in excess of one month.

45. A more specific area of concern was the situation of Portuguese citizens working with Portuguese companies in other countries of the European Union, many of whom had encountered difficulties, as reported regularly in the press. In such cases it was up to the national authorities to use all means available to solve their problems. Under European Community law, companies could operate in any other member State and could send people to work in that other State. However, under European legislation the laws of the country of origin applied to workers even during temporary assignments abroad.

46. Two problems then arose: firstly, Portuguese labour inspectors were not qualified to work in other countries, and, secondly, the authorities in the other country might not be familiar with Portuguese legislation and were therefore not qualified to monitor its application. Consequently, there were monitoring difficulties on both sides. A model solution was now being sought within the European Union and guidelines were being prepared to ensure that the laws and collective agreements of the host country were applied. The guidelines were not expected to solve the problems entirely but many difficulties could be overcome through cooperation between the countries concerned. In 1994, for example, the Portuguese and German Governments had signed a protocol under which they had agreed to improve monitoring in both countries.

47. From the preventive point of view, individuals going abroad to work were usually informed of conditions they were likely to find in other countries. The Portuguese Government and other national authorities had already carried out an advertising campaign through the media to inform workers about public services and sources of assistance in other countries, and information could be provided before contracts were signed on the legality or otherwise of possible employers and the type of working conditions which might be encountered.

48. Turning to issue No. 24 concerning the length of the normal working day, he said that the working week in the civil service, banks, insurance companies and so forth was officially 35 hours, but was based on collective agreements and depended on the activity involved. In the agricultural sector, for example, a 40-hour working week operated in the south and a 44-hour working week in the north. In factories, an 8-hour day operated, while in mining there was a 40-hour working week for indoor work and a 43-hour working week for outdoor work. In the various processing industries, the week varied from 40 to 44 hours. The length of the working week had gradually been reduced through collective agreements, and 40 hours was the average working week at the present time.

49. Turning to issue No. 25, he said that there had been no official wage freeze policy in Portugal. However, the economic crisis had in some cases led to a reduction in gross salaries. Salaries set by collective agreements had, generally speaking, been higher than inflation for some years, except for 1994.

50. Mr. de SANTA CLARA LOPEZ (Portugal) added that many Portuguese workers employed in Europe benefited from Portugal's membership of the European Union. In addition, Portugal had consulates in many countries where Portuguese

workers could get assistance. Strenuous efforts were also made under bilateral agreements to ensure better working conditions for the Portuguese abroad.

51. The CHAIRPERSON asked whether the difference between the minimum wage and real wages was widening or shrinking.

52. Mr. ADEKUOYE asked whether foreigners and guest workers in Portugal had been subjected to attacks by skinheads as they had in many other European countries, particularly during the recession.

53. Mr. TEXIER, referring to the question of hygiene and safety at work, and noting the increase in industrial accidents, according to the report, asked what powers the labour inspection services had, particularly when they found anomalies: could they halt work on a building site, for example, or refer problems to the legal authorities with the request that certain safety measures should be installed? Were violations of safety standards considered to be crimes, particularly where they had resulted in serious injury or the death of workers? Did the Prosecution Service follow up such cases and what was the attitude of the courts to them?

54. Mr. RIBEIRO LOPES (Portugal) said a comparison between the national minimum wage and the average wage showed that in 1987 the national minimum wage had been 71.4 per cent of the average wage, whereas in 1993 it had fallen to 53.2 per cent.

55. The statistics showed that the number of accidents in the workplace leading to injury or death had declined over the previous six years. In 1993, there had been approximately 243,000 accidents at work compared with 282,000 such accidents in 1988. Those figures pointed to a substantial reduction in the total number of accidents.

56. The laws establishing safety measures set fines for those companies which flouted that legislation. Safety inspectors were authorized to order the immediate closure of building sites, for example, if in their opinion, working conditions posed a threat to the safety of workers. Employers who did not respect safety standards were criminally responsible under the Penal Code and were punishable by the courts.

57. Mr. MADUREIRA (Portugal) in response to Mr. Adekuoye's question said, about five years earlier, there had been racist incidents leading to the death of one person. The fatality had been attributed to a group of skinheads holding racist views and belonging to the MAN (Movement for National Action). In Portugal, the law banned organizations or associations which professed fascist, including racist, ideologies. There had been much public debate on the matter. The Constitutional Court had at that time determined that the organization was no longer active and had in fact been dissolved and that there was therefore no need to consider the case in the Constitutional Court. He acknowledged that there had been conflicts with racist undertones, but there was no longer any evidence of skinhead activity.

58. Mr. AHMED said he was very interested in the Portuguese system of setting national minimum wages and he referred to the second paragraph of the written reply by Portugal to issue No. 22, which alluded to the existence of two distinct levels of minimum wage. He asked whether the Portuguese Government felt that domestic workers needed special protection, whether those workers could join trade unions, and whether the minimum wage paid to them was relatively higher or lower than that paid to agricultural workers or others. He asked why the system of tripartite negotiations had been abandoned and why, since 1992, the Government had taken over the responsibility for establishing the national minimum wage.

59. Mr. RIBEIRO LOPEZ (Portugal) said at first it had been felt that families would find it difficult to pay their employees a higher rate than companies, and the rate paid to domestic workers had accordingly been set at a lower level. Later on, it had been found that families were in effect paying much more than the rate established by the law and so the minimum wage set for other segments of the labour market was made applicable to domestic workers. In addition to the protection offered to domestic workers by the general social security scheme, there were also trade unions for such workers.

60. There had been no agreements between the Government and its social partners since 1992, and the Government had therefore had to set the minimum wage on its own. One reason for that situation was the worsening economic situation which made it difficult for trade unions to arrive at agreements with the Government on the percentage of annual increase in the minimum wage.

61. The CHAIRPERSON invited the delegation to respond to issues Nos. 26 to 27.

62. Mr. RIBEIRO LOPEZ (Portugal) said specific restrictions on the right to strike were governed by the Constitution and by Act No. 65/77, amended by Act No. 30/92. That legislation restricted the exercise of the right to strike in the interests of society as a whole and in order to maintain and defend company property. Trade unions and workers were required to guarantee a minimum level of services during a strike. The definition of the minimum level of services required could give rise to collective bargaining with the workers' representatives. If, upon notification of a strike, there was no agreement on the definition of the minimum services, the Ministry of Labour and Social Security would take the initiative to assemble representatives of the workers and employers to negotiate an agreement, either on the definition of such services or on the adequate means of ensuring provisions of services. If that attempt failed and there was still no agreement, the Ministry of Labour and Social Security and the Ministry responsible for the sector concerned defined the level of minimum services.

63. Responding to issue No. 27 on the fall in the number of unionized workers, he said the question was difficult to answer, particularly in sociological terms. The matter was further complicated by the fact that trade unions were reluctant to supply statistics on membership levels because they were considered to be for internal purposes only and not for publication.

63. He recognized that economic growth had not increased the rate of trade-union membership and suggested that the segmentation of the labour

market and changes in employment contracts might be responsible for the declining trends in trade-union membership. Workers might have acquired a sense of security and might not feel that there was any need to join unions.

64. The CHAIRPERSON suggested that the fall in trade-union membership rates in Portugal reflected the trend all over Europe, where membership rates had declined by 60 per cent or more in some countries. Increased competition might have been partly responsible for the trend.

65. Mr. WIMER ZAMBRANO said the problem could not be understood without a knowledge of how trade-union statistics were compiled. There was a tendency within political bodies, including trade unions, to magnify their membership. He would like to know what source the Government used to obtain such statistics.

66. Mr. RATTRAY wondered whether the mood in the country, either in terms of overall public opinion or in the attitude of employers, discouraged workers to such an extent that they did not have the inclination to join trade unions.

67. The CHAIRPERSON said the decline in numbers of syndicated workers in Europe had started in the 1970s. Trade unions could no longer defend the interests of workers because of the effects of competition.

68. Mr. RIBEIRO LOPES (Portugal) said that the process of the registration of trade unionists enabled the competent government department to form an idea of the numbers involved and general trend over the years. It was through those sources that they could observe the decline in membership rates.

69. It was difficult to assess the impact of economic factors because although there were laws governing working conditions, there were also collective agreements and the Government would almost always extend the benefits of these agreements to non-unionized workers.

70. There might also be an element of fear. There were, however, more convincing reasons, such as economic changes, particularly the evolution of jobs in the secondary and tertiary sectors, and the size of companies having an influence on trade-union membership levels. There were also cultural reasons for declining membership rates: younger workers had less sense of solidarity than their parents and were therefore less inclined to participate in trade-union activities.

71. Mrs. VARZIELAS (Portugal), turning to issue No. 28 on the coverage of the social security system, said that article 63 of the Constitution and Act No. 28/84 regulated the administration of the social security system protecting wage earners and self-employed workers in case of disability and, in the case of wage earners, total unemployment. Persons in need or with reduced means of subsistence were also protected. While the social security system aimed at complete coverage, there were cases that remained outside the scope of the system. Some civil servants, members of the army, armed forces and the police were covered under a separate scheme.

72. The objectives of the social security system were achieved through contributory and non-contributory schemes that awarded cash payments to

beneficiaries. The contributory scheme was mandatory and included a general social security scheme covering wage earners and self-employed persons in the private sector and civil servants. Another form of contributory scheme was the voluntary social insurance scheme which covered residents of Portugal able to work but not covered by compulsory scheme. The scheme was optional. The contributory schemes were financed by contributions paid by workers, employers and the beneficiaries themselves.

73. The non-contributory scheme provided protection for persons suffering socio-economic hardship who were not covered by the contributory scheme. Participation in the scheme and the award of the corresponding payments were contingent upon the verification of the beneficiary's resources. The non-contributory scheme was financed by transfers from the State budget. As of January 1995, the value-added tax increased by 1 per cent and the increased receipts were used for financing the social security system.

74. The social security system aimed at providing coverage for the population as a whole, but there were still some groups including housewives, young persons seeking their first job and persons who had been unemployed for long periods which were not covered. Alternative sources of social security protection were, however, available to these groups.

The meeting rose at 6.05 p.m.