

Portuguese government cuts 30.000 jobs - Austerity a dead end street says EPSU

(6 May 2013) EPSU condemns the one-sided measures announced by the Portuguese government this weekend. The measures hit public service workers and working families hard. 30.000 public service jobs will be cut.

Civil servants will have to work 40 hours a week instead of 35, thus seeing a sharp fall in pay and worsening of working conditions. Workers will only get a full pension at the age of 66. The measures do nothing to address the recession in Portugal which sees its economy shrinking for the third year in a row, with an official unemployment rate of 18% and rising. Earlier cost cutting measures taken by the government were judged to be discriminatory to public service workers by the Portuguese Constitutional Court.

EPSU points out that the Portuguese government ignores advice from the International Labour Organisation (ILO) that the long-term consequences of such cuts have a negative impact on the chances of the economy to grow and on the quality of public services.

The cuts are likely to affect services and agencies that ensure quality of life and income for the state such as environmental protection agencies, food safety authorities as well as tax inspection services, for example, that are trying to tackle tax fraud. The consequence will be that corporations engaged in fraud and other illegal activities will find it easier to get away with their practices. The Portuguese government loses over 12 billion Euros every year through tax evasion compared to the 5 billion Euros it wants to save by 2015.

EPSU Deputy General Secretary Jan Willem Goudriaan states *"It is increasingly clear that austerity equals a conservative and corporate programme to dismantle Europe's welfare states. The Portuguese government refuses to consider increased taxes for the rich and wealthy. The European Union should invest. Only sustainable growth gets us out of the crisis. "*

EPSU estimates the announced jobs cuts of public service workers in the EU are well-

over 1 million. It amounts to the largest job destruction programme Europe has witnessed. And the multiplier effect could double these figures.

A [recent report](#) from the European Commission on Industrial Relations in Europe stresses the importance of social dialogue in the public sector as does [an ILO report](#) on Convention 151 on collective bargaining in the public sector.

The unilateral imposition of the measures to cut jobs and increase working hours violate these European norms as well as Portuguese norms. The proposals are to be submitted to the Troika. The European Commission, as a member of the Troika should reject these unilateral policies.

Europe's unions will step up the campaign for alternatives in the coming months based on the ETUC proposals for building a [Social Europe](#).

For more information:

Background:

- [The ILO report on public sector restructuring](#)
- [Special issue of the EPSU Collective Bargaining Newsletter on Austerity and Public Services](#)
- [Closing the European Tax Gap - report](#)
- [Information on tax evasion](#) and the Labour Research Department [report on cuts in tax administrations](#) (50.000 jobs)
- [On tax evasion in Portugal](#)
 - [Log in](#) to post comments
 - [Printer-friendly version](#)

Policies

[Economic Policy](#)