

Summary of the Opinion of the Economic and Social Council of Portugal on the Major Options for 2015 *(free translation)*

The opinion emitted by the Economic and Social Council of Portugal (CES) was approved by a majority of the voters at the Council Plenary, 30 September, with no votes against (32 votes in favour and 13 abstentions).

The CES argues that the Major Options (MO) document does not present a proper strategic orientation for 2015. The text is unbalanced as too much importance is given to concerns of a budgetary and financial nature. A short-term vision is prevalent, with the immediate resolution of problems as a guiding line, losing sight of what should be the true aim of the MO: to outline a medium and long-term plan for the country's development.

The Council further criticizes the MO for not addressing certain key issues relating to the external conditioning that Portugal will have to deal with in the future. In this respect, the CES points out that there is no mention of what Portugal's position should be regarding the Euro or the growing discrepancy between the energy costs in Europe and the rest of the world, recommending that these subjects be contemplated in the document.

According to the document, the CES maintains that without an average annual economic growth of between 2% and 2,5% in the next couple of years, there will be no hope for the creation of productive employment, also pointing out that it will not be possible to uphold the Fiscal Treaty without imposing severe austerity measures.

The Council also argued for a change of policy regarding Public Administration, one that should aim for the proper qualification of State employees and with providing citizens with better access to public services.

The fact that the document does not put forth a macroeconomic scenario for 2015 was also pointed out, as this makes it very difficult to judge the merits of the economic policy for the following year.

These shortcomings in the MO document undermine the advisory work of the CES, as they preclude the conditions for a grounded and quantified appraisal of the Government's plan – making it impossible for a proper dialogue to occur between both entities.

In its Opinion, the CES again stresses the need to reduce the tax burden on families, in order to boost domestic demand and the country's internal market.

The CES also considers that the growth policy presented in the Government's proposal is not in step with its employment policy, which is still largely based on the continuation of State sponsored programs that help companies hire workers at low and even zero cost.

Concerning the social policies described in the MO, the CES sees them as constituting no more than a set of emergency measures, lacking a proper coordination with the income and employment policies – which is a fundamental condition in providing for citizens' autonomy and future perspectives.

Regarding the transference of responsibilities that is taking place in the social sector – from the State to private charitable organisations –, the CES points out that it is of crucial importance that families with extremely low income have guaranteed access to

financial aid, namely for children and the elderly, as this is part of the fundamental social duties of the State.

CGTP (General Confederation of the Portuguese Workers) presented a declaration before the Plenary, justifying its abstention, in which it claims that although it agrees with most of the positions put forth by the CES, it considers the Opinion to be too focused on the formal aspects of the MO, instead of with the contents themselves, which are essential to the country's future.

The Government also issued a statement of vote in which it reacts to the faults pointed out by the CES and considers that the Opinion falls back on the criticism that it usually aims at the Government without however properly justifying it.