

## Portugal

1) What work, reports or other contributions have been carried out?

Portugal has carried out work on social issues that could be of interest.

- i) agreements between social partners
  - on the definition and evolution of the minimum monthly income in 2006
  - on social security reform in 2006
  - on the strategic guidelines for social security reform in 2006
  - on the modernisation of social protection by social partners in 2001
- ii) own initiative opinion
  - immigration, development and social cohesion in Portugal: judgement on the draft project to regulate the conditions of entry, residence, return and deportation of foreigners on the Portuguese soil in 2006
  - on corporate social responsibility in 2003
  - on poverty in Portugal in the 1980s in 2000
- iii) conferences and seminars
  - Strengthening Social Cohesion, a European conference jointly organised by the ESC and Council of Europe in 2009
  - Equality of opportunity between men and women at work, in employment and in work-based training, international seminar jointly organised with the ESC in 2000

2) What themes are your ESCs currently working on?

Although not directly related to measuring progress, on its own initiative, the ECS proposed two reports for 2010 which are focused on issues related to societal well-being. The themes were unanimously approved in June 2010. One of the two reports targets the economic, social and organisational consequences resulting from an ageing population. This study will analyse the development of services required to respond to the demand from an economic, organisational and interdependent perspective. It will also cover the roles to be performed and the synergies among all parties - the State in the wider sense, the private sector, the tertiary sector and families. Further, it will focus on the effects on the economy and the labour market resulting from the business potential related to supplying health services for this group.

The second proposed report aims to encourage a debate on the competitiveness of towns, social cohesion, town and country planning and to encourage the development of political instruments in these zones in order to resolve problems like town planning, governance but also social inequality in urban areas and their periphery.

5) and 6) Which of the aforementioned areas are of the greatest interest to you currently and in the future?

The ESC is interested in the debate on moving beyond a simple GDP-centred approach and the development of composite and subjective indicators for measuring well-being, happiness, quality of life, sustainable development and progress.

8) What main challenges and practical applications are you expecting?

Measuring progress, development and well-being confronts us with many issues of credibility, feasibility and practical application. This exercise should thus bring about the broadest possible consensus among social partners, civil society and be based on data which is accurate, available and scientifically well-founded facilitating both chronological comparisons and benchmarking between nations.

The purpose of the indicators is practical application and as such they should be sensitive to the impact of policies implemented, with a view to allowing monitoring over time, making politicians accountable and facilitating decision-making. Further, they should be sufficiently comprehensible to help decision-makers and citizens understand society and make informed choices with regards the direction that we want to take.

In terms of the indicators to be developed, there are many possibilities which should be analysed in terms of advantages/disadvantages. If the aim is to broaden the traditional economic accounts based on GDP to take into account social and environmental factors, we should be aware of the difficulty of expressing aggregates in monetary terms. This approach has always been developed and its characteristics have not always received sufficient attention.

On the other hand, if the aim is to concentrate on developing a composite indicator incorporating a large quantity of information within a single measurement, and which would replace the use of GDP, we should be careful in selecting and weighing up data used to aggregate the results, as comparisons between countries could mislead people.

A third possibility would be to identify a set of indicators which covers economic, social and environmental aspects, instead of a single aggregate measure. This is a more reasonable approach, although it does not provide a unique and recognised measurement.

9) Which aspects do you see as particularly important?

- The economic and social participation of citizens: this is about the self-reliance of individuals and depends on their skills and their access to work (possible indicators: employment rate, unemployment rate, educational attainment, school drop-out rate)
- Equity and access of individuals/households to material resources (possible indicators: Gini coefficient, unequal income distribution)
- The health of the population: (possible indicators: life expectancy, self-declared state of health, infant mortality rate)
- Social cohesion: it relates to many aspects including average life satisfaction, the quality of life and standard of democracy (possible indicators: proportion of population at risk from poverty, access to public services, leisure time, environmental quality, physical safety of individuals/crime levels, effectiveness of government, corruption levels)

10) Do you have suggestions, proposals, examples of good practise to present?

The ESC believes that the composite indicators that have already been developed by credible organisations should be considered, even if they need to be reworked to take into account the availability of new information and respond to their limits. These indicators include:

- The HDI
- The carbon footprint
- The genuine savings indicator that has been developed by the World Bank to measure the sustainability of the economy, from a capital approach

11) Do you have suggestions, proposals, examples of good practise to present to ensure consultation or participation of civil society in moving this work forward?

More intelligent indicators can help society achieve greater objectives with fewer resources. The ESC believes that social partners and civil society would be interested in being involved if they saw the process as credible and were consulted early enough for the selection of key indicators. It's a political process which must be carried out in a democratic way to give the indicators legitimacy and which should involve not only stakeholders but also government and opposition.

At the European level, a genuine and early involvement of social partners and civil society should be based on strong mandates and this in order to strengthen the legitimacy of the process and their engagement. Communication initiatives could be pursued to help European social partners to understand their shared challenges such as the economic crisis, unemployment, unbalanced public finances, globalisation, ageing populations, income inequality, poverty and social exclusion and the integration of immigrants.

## Indicators

GDP growth rate	Carbon footprint
Income growth rate	Genuine savings
Gini Coefficient	Environmental quality
Income inequality	Government effectiveness
Male-female income disparity	Political governance
Trade as a percentage of GDP	Corruption levels
Employment rate	Public deficit as a % of GDP
Unemployment rate	Ageing population
Proportion of services for ageing people/GDP	Integration of immigrants
Human Development Indicator	Life expectancy
Human Poverty Index	Self-declared state of health
WBI Poverty Index	Infant mortality rate
Proportion of the population at risk from poverty	Average life satisfaction
Proportion of the population experiencing social exclusion	Leisure time
Access to public services	Physical safety/crime levels
Average educational attainment	
Early school drop-out rate	