

## 105th ILO CONFERENCE - GENEVA 06/08/2016

## INTERVENTION OF THE REPRESENTATIVE OF PORTUGAL'S WORKERS

Mr. President of the ILO Conference Mr. Director General and other members of the ILO Executive Ladies and Gentlemen Delegates to the 105th ILO Conference

Portugal has been under a tremendous economic and financial adjustment programme in the past four years, based on a deep austerity that led to the general impoverishment of the country and its citizens, jeopardizing businesses and workers, blocking collective bargaining, cutting wages and pensions, creating unemployment and poverty, deepening social inequalities, making our society more unfair and poor and leading to an emigration wave only comparable to that experienced in the 50s and 60s, when my country was under a dictatorship.

The new policy framework resulting from free and democratic elections created a wave of hope in workers, eager for the replacement of a set of rights that have been lost, imposed by international institutions (IMF, ECB and European Commission) that almost annihilated the Portuguese productive sector, with results that proved that **the policies imposed by creditors were an error.** 

Even with the new Government to prove that it is possible to combine commitments to international creditors and the implementation of policies that promote growth and employment, the external pressures on the labour market remain - deregulation, flexibility, an attack to both collective bargaining and dialogue social. We continue to feel that **Europe's path is austerity's**, the primacy of competitiveness at the expense of the work's value, low wages and people's well-being, a disinvestment and a **deep and despicable attack on the Welfare State.** 

After four years of so many sacrifices, and with the European Commission confirming that Portugal complied with the adjustment programme, we are again surprised by the demands of several European political actors in the application of **penalties to Portugal** for the incompliance of rules of the Budgetary Treaty **(on the 10th)** regardless of knowing in advance that such a path will continue to result in the deepening of injustice, poverty and inequalities.

We reject this neo-liberal model of governance, based on exclusively economic pillars, where social concerns ceased to be part of the practices of this Europe. Political power is dominated by economic power and <u>treats citizens as mere numbers or objects</u>.

Instead attention should be paid to the high level of unemployment in the European Union and in the world, which particularly affects young people. In Portugal the unemployment rate for young people is 31%. The lack of opportunities and, above all, the lack of expectations have led young people, including the most qualified ones, to leave the country with high personal and economic costs that undermine the very future of Portugal.



It is necessary **to value tripartite social dialogue**, continuing the commitment of the Portuguese government, who signed in the end of 2015, through social dialogue, an agreement on the national minimum wage update, with trade unions and employers.

But we cannot help but greet the ILO for the timeliness and urgency of the topics discussed at this Conference:

- The evaluation and discussion of the results of the **Declaration on Social Justice for a Fair Globalization of 2008**. After the global economic crisis and its devastating effects regarding employment, poverty, inequality, an attack on workers' incomes, unions and collective bargaining, which undermine social justice, the potential for economic growth and sustainable development, this issue comes at the right time;
- The work which this year begins on **supply chains** shall produce results that we all hope to contribute to the **promotion of decent work**, an issue that should be at the centre of the agenda of all UN agencies. It should also integrate and underpin several objectives of sustainable development, since it determines the UN action to a time horizon of 2030.
- **Migrations** are an issue that has taken on dramatic contours in Europe and towards which the European Union has shown insensitivity and lack of political will and cohesion among States to respond to a situation where, above all, fundamental human rights and the very lives of hundreds of thousands of people are at stake.

In a new millennium and on the verge of its Centenary, we congratulate **the Director General**, **Guy Ryder**, **for his Report and for the Future of Work initiative**, which we hope will revive the global debate on labour quality issues in the world and the respect for the fundamental rights of workers and their representatives.

This is a process that must be today, as it was almost 100 years ago, firmly rooted here and in all countries, in what is the true ILO matrix:

## Tripartite social dialogue as a factor of consolidation of democracies and as a space of freedom and commitments.

CARLOS SILVA UGT-PORTUGAL Representative of the Portuguese workers