

National Poverty Watch Report_Summary_September 2018

Portugal

EAPN – Rede Europeia Anti Pobreza/Portugal (EAPN Portugal) is a non-governmental Organisation based in Portugal since 1991. EAPN Portugal mission is to contribute for the construction of a more just and fair society in which all are co-responsible for guaranteeing the citizen's access to a dignified life based on respect for Human Rights and in an inclusive and participative citizenship. EAPN Portugal is implemented in all the national territory through a regional networks presented in each of the 18th country districts.

The national poverty watch report aims to present a picture of poverty in Portugal not only through a set of official data about this subject but also through the voice of people who experience this reality. The idea is to inform the society about this problem, highlight some key concerns and raise awareness the society and decision makers for the need to implement an integrate strategy to fight poverty and social exclusion. In the 2018 poverty watch we focus our attention in the situation of in-work poverty at national level but also housing (one of subjects highlighted in the Country Report of the European Commission); we highlight the work of our National Observatory to Fight Poverty as a good practice and we reinforce some key recommendations on social policies already presented in the previous report.

Some of the recent national data on poverty and social exclusion:

- At risk of poverty rate: 18.3% (2017)
- At risk of poverty rate and social exclusion: 25.1% (2016)
- Severe material deprivation: 6.9% (2017)
- People living in households with very low work intensity:8.0% (2017)
- Children at risk of poverty and social exclusion: 24.2% (2017)
- At risk of poverty rate for women: 18.7% (2017)
- At risk of poverty rate for households with dependent children: 19.7% (2017)
- At risk of poverty rate for single parents: 33.1% (2017)
- Inequality (S80/S20): 5.7 (2016)

Key issue: Housing

- Severe housing deprivation:
 - Overcrowding: 10.3% (2016)
 - Housing cost overburden rate by tenure status:
 - for the total of population: 7.5% (2016)
 - tenant – rent at market price: 31.9%
 - owner occupied, with mortgage or loan: 4.4%
- In the 1st quarter of 2018 the cities with more than 100 thousand inhabitants registered a rise in the prices of housing when comparing to the same period in 2017, with a particular attention to Porto (+22.7%) and Lisbon (+20.4%)
- Between 2010 and 2016, the cost of housing for poor households increased in Portugal: +40% (FEANTSA)
- In Portugal poor households spent 35.1% of their income in housing costs in 2016 (+37.6% since 2010) compared to 17.7% for the total population (FEANTSA)

Key issue: (Un)Employment and In-work poverty¹:

- Young unemployment rate: 19.4% (2nd quarter of 2018)
- NEET: 8.9% (2nd quarter of 2018)
- Long term unemployment rate: 3.5% (2nd quarter of 2018)
- Proportion of unemployed seeking a job for 12 months or more: 52.2% (2nd quarter of 2018)
- Unemployment rate: 6.7% (2nd quarter of 2018)
- Unemployment rate for women: 7.1% (2nd quarter of 2018)
- Women working in part-time: 12.1% (2016) (Eurostat)
- In work poverty: 10.8% (2016)
- Poverty risk rate after social transfers according to work condition (2016)
 - o For employed (in-work poverty): 10.8%
 - o Without employment: 25.1%
 - Unemployed: 44.8%
 - Retired: 15.1%
 - Other inactive: 32.3%
- Poverty risk rate for sel-employed: 31.8% (2016)
- Workers with minimum wage (530€): 23.3% (2016)
- 36% of workers earning minimum wage are working in tourism and catering sectors
- 18.5% of the men and 31% of the women (employees) have a monthly net income between 310€ and 599€
- 53.9% of the workers and 65.1% of the female workers are in the lower middle income range below € 899

Recommendations:

European level:

- Definition and implementation of an Integrated Strategy for the Eradication of poverty and social exclusion;
- Reinforcement of the European Pillar of Social Rights in all Member States and definition of concrete strategies for its effective implementation.

National level:

- Promote the development and consolidation of a National Strategy for the Eradication of Poverty and Social Exclusion.
- Ensure the strengthening of social protection and support the implementation of an adequate minimum income scheme.
- Invest in quality training, distinctive and capable of enhance labour inclusion of the young.
- Monitoring and assess the allocation of the 20% of ESF to fight poverty and social exclusion.
- Monitoring Europe 2020 Strategy and strengthen the axis of social cohesion with a specific attention to the European Pillar of Social Rights.

¹ Work in progress by the National Observatory to Fight Poverty