

## COUNTRY NOTE

Database on Social Expenditure ([www.oecd.org/social/expenditure.htm](http://www.oecd.org/social/expenditure.htm))

OECD - Social Policy Division - Directorate of Employment, Labour and Social Affairs

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## PORTUGAL

### *Nomenclature*

CGA	General retirement funds
IEFP	Institute for employment and vocational training
IGFSS	Institute for financial management of the social security

### *Monetary unit*

Social spending is expressed in millions of Euros (EUR).

### *General notes*

The Ministry of Labour and Solidarity supervises the operation of the Portuguese system of social protection. The general scheme for employees and self employed workers does not cover civil servants or lawyers and barristers who are covered by special schemes.

The general scheme is administered by the five regional social security centres, responsible for sickness (cash benefits), maternity, unemployment, family benefits and the non-contributory scheme; National Pensions Centre in charge protection coverage in the event of invalidity, old-age and death; National Centre for the Protection against Occupational Risks in charge of protection coverage in the event of an occupational disease.

The individual country notes of the OECD Benefits and Wages ( [www.oecd.org/social/benefits-and-wages.htm](http://www.oecd.org/social/benefits-and-wages.htm) ) provide a comprehensive description of characteristics of social programmes (e.g. conditions for receipt, calculation of payment rates, tax treatment of social support, benefit duration, etc.) for the working-age population, including: unemployment insurance and assistance, social assistance, employment-conditional benefits, housing benefits, family benefits, childcare support, and support for sole parent households.

### *Break in series:*

Data for 1990 onwards are based on the new ESSPROS methodology format. Coherent spending series for 1980 onwards at the individual programme level were obtained on basis of information for a few years in the early 1990s for which both historical spending series and information based on the new ESSPROS format were available. For certain programmes and aggregate categories, breaks in series (between 1989 and 1990) were inevitable. In general, programmes from the old ESSPROS format which could not be matched with a figure from the new ESSPROS format were set to “missing” from 1990 onwards; similarly, figures from the new ESSPROS format which could not be matched to a programme from the old methodology were set to “missing” for the period 1980-89.

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### *Secretariat estimates:*

The split between public and private social expenditures is not available since 2010. These were estimated by using the 2009 proportion of public and private social expenditures in total social expenditures.

### *Sources*

#### **1980 onwards**

Data provided by EUROSTAT (ESSPROS database), except for:

**1980 onwards** 4. Health: OECD Health Statistics ([www.oecd.org/health/healthdata](http://www.oecd.org/health/healthdata))

**1998 onwards** 5.2.1.10 Childcare (pre-primary education): OECD Education database ([www.oecd.org/edu/database.htm](http://www.oecd.org/edu/database.htm))

**1986 onwards** 6. ALMP: OECD Labour Market Policy database.

(See Table "Passage from ESSPROS to SOCX" next page).

### *Background information*

European Social Statistics, Social Protection, ESSPROS qualitative information

[http://epp.eurostat.ec.europa.eu/portal/page/portal/social\\_protection/data/qualitative\\_information](http://epp.eurostat.ec.europa.eu/portal/page/portal/social_protection/data/qualitative_information)

MISSOC, Mutual information system on social protection in the Member states of the European Union and of the European Economic Area

(<http://ec.europa.eu/social/main.jsp?catId=815&langId=en>)

IGFSS, Social Security Account.

Instituto Nacional de Estadística.

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**Passage from Esspros to SOCX (public / mandatory-voluntary private)**

**Portugal, in millions Euro**

		ESSPROS/SOCX		Code	1990	1995	2000	2005	2010	2011	2012	2013	2014	2015
(1)		<b>ESSPROS</b>	<b>Social protection benefits</b>	<b>1100000</b>	<b>7,468</b>	<b>16,339</b>	<b>23,729</b>	<b>35,663</b>	<b>43,828</b>	<b>42,709</b>	<b>42,007</b>	<b>44,377</b>	<b>44,104</b>	<b>44,434</b>
-	(2)	- ESSPROS	Disability Economic integration of the handic	1121114	1	2	0	0	0	0	0	0	0	0
-	(3)	- ESSPROS	Sickness Benefits in kind	1111200 1112200	2,404 0	5,499 11	7,083 10	10,030 1	11,509 3	10,128 3	9,970 3	10,050 3	9,988 3	10,179 1
-	(4)	- ESSPROS	Unemployment Cash - Vocational training allowanc	1161114 1162114 1161200 1162200	31 0 0 0	26 1 0 0	54 1 0 1	222 0 3 0	166 0 5 0	152 0 4 0	171 0 4 0	215 0 5 0	219 0 5 0	194 0 5 0
+	(5)	SOCX/ Health	HEALTH Public benefits in kind	620.10.4.0.0.0	2,004	3,940	7,581	10,666	12,327	11,366	10,322	10,357	10,319	10,674
+	(6)	SOCX/ EDU-EAG FAMILY	ServiceChild care (pre-primary education)	620.10.5.2.1.8	m	m	344	588	695	654	634	692	718	689
+	(7)	SOCX/ ALMP	ACTIVE LABOUR MARKET PROGRAMMES	620.10.6.0.0.0	257	424	784	1,031	1,203	1,018	833	853	984	986
-	(8)	= SOCX	<b>MANDATORY PRIVATE SOCIAL EXPENDITURE</b>	<b>620.20.90.0.0.0</b>	<b>123</b>	<b>290</b>	<b>502</b>	<b>560</b>	<b>494</b>	<b>493</b>	<b>426</b>	<b>470</b>	<b>443</b>	<b>442</b>
		ESSPROS	Disability Acidentes Trabalho (Companhias d	1121111	123	290	502	560	494	493	426	470	443	442
-	(9)	= SOCX	<b>VOLUNTARY PRIVATE SOCIAL EXPENDITURE</b>	<b>620.30.90.0.0.0</b>	<b>350</b>	<b>701</b>	<b>1,553</b>	<b>2,586</b>	<b>2,845</b>	<b>3,012</b>	<b>2,907</b>	<b>2,941</b>	<b>3,065</b>	<b>3,738</b>
		ESSPROS	Bancos	1101110	47	30	8	0	0	0	0	0	0	0
		ESSPROS	"Serviços de Assistência Médico-S	1101110	0	2	3	3	0	0	0	0	0	0
		ESSPROS	Associações Socorros Mútuos	1101110	2	11	40	117	0	0	0	0	0	0
		ESSPROS	Prestações directas da entidade pa	1101110	0	0	0	414	0	0	0	0	0	0
		ESSPROS	Santa Casa da Misericórdia de Lis	1101110	0	34	41	46	0	0	0	0	0	0
		ESSPROS	Instituições Particulares de Solidar	1101110	136	366	691	1,211	0	0	0	0	0	0
		ESSPROS	Cruz Vermelha Portuguesa	1101110	0	1	1	0	0	0	0	0	0	0
		ESSPROS	Redução de tarifas (Rodoviar de L	1101110	140	172	280	1						
		ESSPROS	Associação dos Deficientes das F	1101110	0	0	0	0	0	0	0	0	0	0
+	(10)	SOCX/ Health	HEALTH Voluntary private insurance, benefits in kir	620.30.4.2.0.0	25	87	489	811	2,006	1,992	1,962	2,088	2,094	2,753
								1,003	1,009	985	946	971	985	
=	(11)	<b>SOCX</b>	<b>PUBLIC SOCIAL EXPENDITURE</b>	<b>620.10.90.0.0.0</b>	<b>6,843</b>	<b>14,260</b>	<b>23,726</b>	<b>35,359</b>	<b>44,036</b>	<b>42,964</b>	<b>41,300</b>	<b>43,542</b>	<b>43,389</b>	<b>43,224</b>

Notes:

- (1) "ESSPROS / Social protection benefits" are Total ESSPROS expenditures (1000000) less Administration costs (1200000) and other expenditure (1400000, property income and other).
- (2) The ESSPROS data within "Disability / Economic integration of the handicapped" are not included in SOCX database to avoid double counting with SOCX "Active Labour Market Programmes / Measures for the disable
- (3) The ESSPROS data within "Sickness / Benefits in kind" are not included in SOCX database to avoid double counting with SOCX "Health / Benefits in kind".
- (4) The ESSPROS data within "Unemployment / Cash Vocational training allowance" "Unemployment / Benefits in kind" are not included in SOCX database to avoid any double counting with SOCX "Active Labour Market
- (5) SOCX Health benefits in kind are from "OECD Health Data ([www.oecd.org/health/healthdata](http://www.oecd.org/health/healthdata))".
- (6) SOCX includes public spending on pre-primary education from OECD education database, unless such data are already included in "5.2.1. Day care services".
- (7) SOCX Active Labour Market Programmes are from "OECD database on labour market programmes".
- (8) Spending on some programmes recorded under the schemes below are categorised as Mandatory private in SOCX.
- (9) Spending on some programmes recorded under the schemes below are categorised as Voluntary private in SOCX. (9) Includes (10).
- (10) SOCX Private insurance Health benefits in kind are from "OECD Health Data ([www.oecd.org/health/healthdata](http://www.oecd.org/health/healthdata))".
- (11) = (1) - (2) - (3) - (4) + (5) + (6) + (7) - (8) - (9) + (10)

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Code	Title of the programme	Description of the programme and attached notes
<b>1. OLD AGE</b>		
620.10.1.1.1.1	General scheme (IGFSS)	The minimum period of membership is 15 years of contributions paid or credited. To be granted a full pension, 40 years of contributions are required. The legal retirement age is 65 for men and women, 60 for unemployed persons and 55 for people in arduous or unhealthy work (specified occupations only). The retirement pension is based on the average monthly remuneration of the ten best years within the last 15. Non-contributory periods credited or taken into consideration are as follows: periods of sickness, maternity, unemployment, military service, compensation for inherent work risks, periods during which jury service is performed, periods spent caring for children, periods in the resistance. Disability pensions are taxable, but the tax regime is not the same as for earnings from work.
620.10.1.1.1.1.0	Enterprises (non means-tested)	Post and telecommunications, Portuguese broadcasting, bus companies, insurance companies.
620.10.1.1.1.1.1	General retirement fund (civil servants, pensioners)	Employees of the "Cofre de Previdencia" had their own retirement pension until 1989. No figures are available.
620.10.1.1.2.1	General scheme (IGFSS)	Data for "Early retirement pension" are included under "Early retirement for labour market reasons".
<b>2. SURVIVORS</b>		
620.10.2.1.1.1	General scheme (IGFSS)	Entitled persons are: surviving spouse aged at least 35, divorced spouse who is entitled to alimony, children until the age of 18 (25 or 27 in case of further or higher education), parents' dependant on the deceased (if no spouse or children). The surviving spouse is entitled to 60 per cent of the retirement or invalidity pension which the insured person was receiving or would have been entitled to at the time of death. Children are entitled to 20 (one child), 30 (two) or 40 (three or more) % of pension.
260.10.2.1.2.1	Death grant: General scheme (IGFSS)	As a rule, paid to the same people as the survivor's pension. The grant is six times the average wage calculated for the two best years within the last five.
<b>3. INCAPACITY- RELATED BENEFITS (Disability, Occupational injury and disease, Sickness)</b>		
620.10.3.1.1.1	General scheme (IGFSS)	Incapacity for work is recognized if earning capacity is not more than one third of the normal rate in that occupation. The minimum period of affiliation for entitlement is five years of contributions paid or credited (in special cases, after 1 095 days of sickness benefit and subject to endorsement by the medical board). Determining factors for the level of benefits are as follows: number of years' contributions, average monthly earnings of the ten best years within the last fifteen. Non-contributory periods credited or taken into consideration are as follows: periods of sickness, maternity, unemployment, military service, compensation for inherent work risks, periods during which jury service is performed, periods spent caring for children, periods in the resistance. Disability pensions are taxable, but the tax regime is not the same as for earnings from work.
620.10.3.1.1.2	Special social insurance scheme for agricultural activities (IGFSS)	They include some benefit payments which should have been included in "Old age cash benefits" and "Survivors".
620.10.3.1.1.3	Non-contributory scheme and other	Before 1988, data for funeral expenses from the non-contributory scheme were included under funeral expenses from the contributory schemes. Since 1988, the two categories are shown separately. As of 1987, funeral expenses managed by IGFSS include those to agricultural workers.
620.10.3.1.1.4	specific schemes (IGFSS)	
620.20.3.1.3.1	Labour accidents to private sector (insurance companies)	Compulsory private insurance for employees financed by the employers and compulsory private insurance for the self-employed.

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620.10.3.1.4.1	General scheme (IGFSS)	The daily benefit is 65 per cent of the average daily wage over the six months proceeding the two months in which the illness began, rising to 70 per cent thereof after unbroken incapacity for more than 365 days. There is no statutory provision for continued payment of salary.
<b>4. HEALTH</b>		
620.10.4.2.0.0	Public expenditure on health	See <i>OECD Health Statistics</i> .
<b>5. FAMILY</b>		
620.10.5.1.1.1	General scheme (IGFSS)	Family allowances are payable for children up to age 16 (or 24 if in further education/vocational training). In certain cases extensions of up to three years are granted for serious infirmity. Monthly amounts are determined on the basis of the family income, the number of beneficiaries and their respective ages. Special allowances are granted for handicapped children. These benefits are not taxable.
620.10.5.1.2.1	Birth grant : General scheme (IGFSS)	Maternity benefits are paid during maternity leave for 110 days (90 of which have to be after confinement), and for 14 to 30 days after miscarriage or delivery of a stillborn child. Paternity benefits are payable to the father in the event of the mother's physical or mental incapacity or death.
620.10.5.1.3.1	Other cash periodic benefits : General scheme (IGFSS)	A special education allowance is payable for children up to age 24 if they are attending an institution for special education or receiving other specific educational assistance. They are also entitled to a monthly living allowance.
<b>6. ACTIVE LABOUR MARKET PROGRAMMES</b>		
See OECD Labour Market Policy database.		
<b>9. OTHER SOCIAL POLICY AREAS</b>		
620.10.9.1.1.1	Non-contributory and other specific schemes (means-tested) (IGFSS): income support	If the allowance as calculated is less than the social pension under the non-contributory social security scheme, an amount equivalent to the social pension is payable. Family allowances are not taken into consideration when determining eligibility for the minimum income.