

**Portuguese National Follow-up
to the UNECE Regional Implementation Strategy (RIS)
of the Madrid International Plan of Action on Ageing (MIPAA)**

July 2007

Outline of the Report on the Follow-Up to the Regional Implementation Strategy (RIS) of the Madrid International Plan of Action on Ageing (MIPAA) in [country]

ABSTRACT

Please provide an abstract of 700 - 1100 words (depending on the number of priority areas chosen) according to the structure below.

Conclusion (about 100 words)

a) Methodology used for this report, in particular the explanation of bottom-up participatory approach used

The present report identifies the most important programmes and instruments developed for the elderly population by seeking to provide a general overview on the different initiatives carried out in Portugal since MIPAA' s approval. The Guidelines helped us to draft the report, especially in relation to the bottom-up process of review and appraisal.

The Solidarity Supplement for the Elderly (CSI) was the specific instrument analyzed from a bottom-up participatory approach in this report.

A survey was conducted to the elderly receiving the SSE and their families (IIF), in 2005, by MTSS in order to assess the measure's impact.

The universe of reference used in the survey was the elderly 65 years and over who received low income pensions from the NPC (National Pensions Centre).

A follow-up analysis among the elderly beneficiaries receiving the SII was also developed by Ministry of Labour and Social Solidarity (MTSS).

b) Review and analysis of national progress in fulfilling the commitments of the RIS (about 200 words for each priority commitment; about 300 words in total for the remaining commitments)

All over the world, personal and demographic ageing are major challenges with significant social and economic consequences that influence policies as well as the material and financial resource allocation presently and in the years to come.

The impact of ageing has increased the awareness of Governments to the need of creating an enabling environment for older people to live longer and better. Mainstreaming ageing in all policies involves a coherent and integrated approach to ensure a positive image of ageing. It leads to the promotion of measures to support older persons to live healthy independent lives and contribute fully to their communities and societies. Sustainable economic growth, adaptation of labour markets and social security systems, life-long learning programmes, health and social services, including long term care and community-based services for dependent older persons, and measures to support families and volunteers as informal carers are particularly important.

The role of older persons in the decision making process and in fostering intergenerational relations also needs to be strengthened as a valuable contribution-to societies as a whole.

In this report, we provide a brief overview of the most important policy measures as well as concrete initiatives taken in this context, in Portugal, since the approval of the MIPPA and of the Regional Implementation Strategy, hoping that they will provide a general picture of what has been accomplished and of what still needs to be done with the involvement of all relevant stakeholders.

One of the most recent measures to combat poverty in Portugal was the creation of an exceptional benefit designated as Complemento Solidário para Idosos (Solidarity Supplement for the Elderly). This new benefit is an important step to redefine the strategy on minimum social provisions for the elderly. It entails a complete change in the policy followed in these last years based on a general increase in minimum pension amounts by concentrating available resources for economically deprived population groups. This change in strategy constitutes a significant effort to improve the situation of the poorer older persons, thus overcoming the differences that still persist in spite of the efforts over the last years to increase minimum pensions. The Solidarity Supplement for the Elderly is a benefit granted by the Solidarity Subsystem for pensioners aged over 65 years, as an income supplement. The amount is defined by reference to a threshold fixed annually and it is granted in view of the concrete situation of the pensioner, subject to rigorous means-testing.

0. General Information

Country name: Portugal

Name of and information about the author(s) of the report:

MINISTRY OF LABOUR AND SOCIAL SOLIDARITY (MTSS)

Directorate General for Social Security (DGSS):

- Virginia Brás Gomes, Director of Social Research and International Relations Department

E-mail: virginia.b.gomes@seg-social.pt

Institute of Social Security, I.P.

- José Castro, Adviser to the Board

E-mail: José.I.castro@seg-social.pt

- Sofia Borges Pereira, Higher Technician for Family Policies and Promotion of the Autonomy Promotion of the Social Protection and Citizenship Department

Telephone: (+351) 213184903 Fax: (+351) 213184951

E-mail: sofia.b.pereira@seg-social.pt

- Maria Helena Cadete, Technical Collaborator for Family Policies and Autonomy Promotion of the Social Protection and Citizenship Department

Telephone: (+351) 213184936 Fax: (+351) 213184951

E-mail: m.helena.cadete@seg-social.pt

General Directorate of Studies, Statistics and Planning (DGEEP)

-Margarida Santos, Higher Technician of the Department for Employment Studies, Vocational Training, Work and Incomes

margarida.santos@dgeep.mtss.gov.pt

Tel: (+ 351) 213108736

Joana Figueiredo, Higher Technician of the Department for Employment Studies, Vocational Training and Incomes

Tel: (+ 351) 21310 87 53

E-mail: joana.figueiredo@dgeep.mtss.gov.pt

- Rute Guerra, Head of the Indicators and Prospective Unit

Tel: (+ 351) 21 311 49 60

E-mail: Rute.guerra@dgeep.mtss.gov.pt

- Vítor Junqueira, Higher Technician of the Indicators and Prospective Unit

Tel: (+ 351) 21 311 49 05

vitor.junqueira@dgeep.mtss.gov.pt

Cabinet for European Affairs and International Relations

Deolinda Correia, sénior Adviser

Tel: (+ 351) 21 842 41 62

E-mail: deolinda.correia@sg.mtss.gov.pt

Name of official focal point on ageing and contact details:

Deolinda Correia

Senior Adviser of the Cabinet for European Affairs and International Relations of the Ministry for Labour and Social Solidarity (MTSS) Presently member of the Portuguese Task Force for the Presidency of the EU on Labour and Social Affairs

Address: Praça de Londres nº 2 – 10º andar

1250-069 LISBON

Telephone: 351 21 842 41 62

Fax: + 351 21 351 31 71

Email: deolinda.correia@sg.mtss.gov.pt

Enclosed

- National Action Plan for Employment (2003/2005 and 2005-2008)
- National Report on Strategies for Social Protection and Social Inclusion
- National Action Plan for Inclusion 2005/2005 and 2006-2008

1. Situation, Activities and Priorities Related to Ageing

In Portugal, more than 16% of the population are aged aged 65 years and over, in other words they make up for 19% of the population living in the larger urban centres, and with a dependency ratio of 24% in relation to the working population, in other words, 320 thousand old people live alone.¹

Elderly people are more exposed to higher levels of poverty added on to high levels of dependency and isolation:

- The incidence of monetary poverty revealed that the elderly are one of the most vulnerable groups at risk of poverty, being that, in 2005, there were 28% of elderly at risk of poverty;
- Retired people were at a higher risk of poverty in relation to working individuals, respectively 26% against 13% in 2004;
- In 2004, families composed of an adult living alone (41%) and households with at least one person aged 65 and over (31%) were the most preoccupying situations.²

On the other hand, understanding deprivation as lacking the essential for a minimum standard of well-being, it was the families composed of elderly persons which revealed a greater risk of deprivation.

When old age is added on to disability or dependency, exposure to multiple exclusions increases. Therefore, promoting the fight against poverty and social exclusion of the elderly is an undeniable challenge, being a first priority for the government in its political action.

Following this rationale, the 17th Government adopted the following strategic lines, among others:

- Give priority to eradicating poverty and social exclusion;
- Increase social protection, by prioritizing the elderly;
- Apply the principle of positive differentiation of special benefits in view of the more serious situations of risk.

The effort undertaken in view of re-enforcing the social protection system reflects an improvement at different levels. Along with the gradual increase of expenditure with social protection for the elderly, recording and increase in the situations and risks covered, of the levels of protection conferred and alterations in the eligibility criteria, enabling a greater number of people to access benefits, services and social infrastructures. Expenditure with old age represents the highest

¹ INE, Population and Housing Survey (Portugal) - Census 2001

² EUROSTAT, SILC.

investment in social protection (37.5%; 44.1% also considering expenses with survivors' pensions)³

Along with demographic ageing, whose forecast points to double the weight of the population aged 65 and over in 2050⁴, and in the alterations of the epidemiological pattern and in the social and family structure observed in Portugal, it is probable that in the next decades, the need for health care by the elderly increases substantially, in parallel with a growing increase in the prevalence of diseases with prolonged evolution and with a high level of incapacity. This new reality imposes new challenges and needs, namely social policies more geared towards the promotion of more and better health, as well as the revision of the paradigms normally used in the curative approach and in the revision of community care.

Therefore, the Government's 17th programme for 2005-2009, proposed to:

- Launch and implement a Network of Continued and Integrated Care for dependent citizens by ensuring their capacity to increase their participation and autonomy in society, (on going);
- Generalize Domiciliary Support Service which is a vital instrument for the promotion of autonomy and prevention of institutionalisation;
- Launch a Programme for housing rehabilitation in rural areas aiming at preventing the dependence and institutionalisation of older populations (already launched);
- Review the Support to Dependency Schemes, by defining a new model more adjusted to the new social risks related to longevity, in view of meeting the needs for extended care within the Network of Continued Care.
- Implement a Solidarity Supplement for the Elderly (SSE) (already implemented)
- Carry on with the Social Security Reform (on going);
- Launch the Programme to Expand Social Facilities Network (PARES) (already started);
- Promote the National Strategy for Active Ageing (on-going);
- Launch the Support Programme for the Investment in Social Facilities (PAIES) (already launched).

It should be noted that this Report highlights essentially and according to the "Guidelines for Review and Appraisal", the initiatives taken since the adoption of the MIPPA (2002) until December 2006, notwithstanding that a set of new initiatives were created and subsequently mentioned in detail in a next report.

³ EUROSTAT, SESPROS, 2005.

⁴ EUROSTAT, Ageing Working Group EPC/AWG

Regarding the realization of the strategic lines foreseen in the **Madrid International Plan of Action on Ageing**, the measures developed in our country promote the active participation of the elderly in society; the access and stay of the elderly in the labour market; the creation of a lifelong learning system and promotion of active ageing; the adjustment of solutions and social protection schemes to demographic and social changes; the promotion of intergenerational solidarity; the promotion of a more autonomous life and with better quality; the expansion of the infrastructure and service network and integration in the communities they live in.

2. Methodology of In-Depth Evaluation of Identified Priorities

The National Action Plan for Inclusion 2006-2008, defines as one of its main priorities⁵ to combat elderly poverty. It is important to deepen the knowledge on the living conditions of the elderly in order to attribute a greater effectiveness in the redistributive instruments and design measures of direct intervention for this specific group, as the Solidarity Supplement for the Elderly (SSI), an instrument established at the beginning of 2006 so as to guarantee a minimum income for the elderly at risk of monetary poverty.

It is this instrument which is specifically the object of a bottom-up participatory approach in the following report.

In 2005, a Survey was conducted to the Elderly and their Families (SEF) in 2005 by DGEEP/MTSS, with the purpose of collecting statistical information on low-income pensioners among the elderly and their families and with particular emphasis on their monetary resources. The SEF allowed better understanding; (i) the composition and distribution of the elderly pensioners' income and their families; (ii) their socio-family typologies, as well as their relation with the economic activity, employment, education and housing activity; and (iii) the type of access elderly pensioners have to social services.

The sample used as reference in the SEF was the elderly population aged 65 and over, residing in Portugal and who received a pension from social security inferior to €300/month during the period analyzed.

In Portugal, 1447 households were selected to respond during a face to face interview. In order to elaborate the questionnaire, other projects developed were used as reference in analyzing the income and living conditions of the population⁶. Information collection took place between July and September of 2005.

Subsequently, a longitudinal observation study was also developed by the Institute of Social Security which included several elderly beneficiaries of the SSE. With the purpose of collecting qualitative information on applying this measure, six households were selected for this *follow-up* analysis. Each chosen case represents a different type of household in light of the Solidarity

⁵ In the framework of the NAPI, the following three main priorities were defined: i) combat child and elderly poverty through measures which ensure their basic rights of citizenship; ii) Correct the disadvantages in education and training/qualification; iii) overcome the discriminations by re-enforcing the integration of people with disabilities and immigrants

⁶ The Eurostat recommendations were observed within this theme.

Supplement for the Elderly: elderly living alone; elderly with children and with family solidarity⁷; elderly with non beneficiary spouse; and elderly couple receiving this supplement; as well as ensuring the monitoring and assessment of the strategy in later phases.

Interaction with different stakeholders

In order to improve the effectiveness of governance and transparency in the process, as well as to ensure the monitoring and assessment of the Strategy, it is important to guarantee the permanent involvement of several public and private stakeholders since the beginning of the drafting process of this report. Therefore, a *Non governmental Forum for Social Inclusion* was set up comprising 24 non governmental organizations, which collaborated actively in preparing this document and will continue committed in an independent and critical form to its national implementation.

On the other hand, the Government and social partners established a *National Council for Social Security*, with the objective of ensuring the adequate participation of social partners and other authorities representing the sector by reinforcing their role in monitoring the social security system.

⁷ The Solidarity Supplement for the Elderly (SSE) promotes the accountability of those who can and should contribute towards improving the quality of life of the elderly, specifically their families. That is, when calculating the Supplement, a part of the elderly's potential income is considered, –Family Solidarity – derived, by specific rule, from dos rendimentos dos agregados fiscais dos filhos.

3. National Capacities for Follow-up to MIPAA/RIS

In view of MIPPA's adoption in Portugal, several strategic measures and instruments were already being developed in favour of the elderly which combined an interministerial articulation, namely at the National Employment Plan (PNE) level and National Action Plan for Inclusion (PNAI).

In reality, the design and implementation process of the policy measures in the ageing context either in the PNAI or in the NEP, involved concerted efforts and burden sharing by the State through its central, regional, and local bodies and other relevant actors such as the social partners and NGO's (the Non Governmental Forum for Social Inclusion includes a representative in the PNAI Interministerial Monitoring Commission). Given the cross-cutting (transversal) and intersectorial nature of these plans, various ministries were involved through their interministerial monitoring commissions. The articulation between the Ministries of Health and Labour and Social Solidarity in terms of providing long term care to people in a dependent situation is an example of this articulation.

Although, society in general is quite sensitized to the problems and opportunities related to the increase in life expectancy, the elderly and their organisations need to be more involved in the decision making process regarding them directly or indirectly, so as to ensure a better follow-up and assessment of the MIPPA.

4. Review and Appraisal by Subject Area

RIS Commitment 1: Mainstreaming ageing

In Portugal, issues related to ageing have had an increasing weight in all political spheres. The measures which have been developed in our country, within the mainstreaming ageing questions refer specifically to the following:

- elderly access to the the labour maket;
- creation of a lifelong learning system and promotion of active ageing;
- adjustment of solutions and social protection schemes to demographic and social changes;
- promotion of intergenerational solidarity;
- promotion of an autonomous life with better quality;
- active participation of the elderly in society;
- expand the service and infrastructure network and integration in the communities they live in;
- promotion of social volunteerism;
- adequation of health care services specific for old people;
- creation of a National Network of Continued and Integrated Care;

The inclusion of ageing in different action programmes and measures applied in a coordinated and coherent form has been translated into an increase of situations and risks covered; of levels of protection awarded, as well as in the alterations of the eligibility criteria thus enabling a greater number of people to access benefits, services and social infrastructures. Within this context, there has been a gradual increase with expenditure on social protection for the elderly as well as a growing involvement from different bodies in Public Administration, social partners and private social solidarity institutions.

On a parallel basis and within the health sector, more actions closer to the elderly have been developed enabling them to be more autonomous and independent, accessible and sensitive to the more frequent needs felt by them and their families; and allowing to minimize costs, prevent dependent situations, humanize care and adapt to the diversity characterizing individual and population ageing.

These actions are based on pillars such as information on active ageing and on the more frequent situations susceptible of influencing autonomy and independence. In the health sector, advising the organization of all stakeholders, professionals or users, to contribute to the support of enabling environments promoting the autonomy and independence of old persons and encouraging their capacities, as well as their active promotion in their own health, autonomy and independence is fundamental.

The Portuguese government has been engaged in promoting social volunteerism and recognized its importance as a value, understanding that it is the expression of a free and responsible citizenship referred in law no. 71/98 of 3 November, regulated by Decree-Law no. 389/99, 30 of September establishing the National Council for the Promotion of Volunteering.

It is important to mention the role of proximity volunteering in the social action system which has contributed, in conjunction with the competent public and private bodies, to guarantee direct and regular contact with the populations, namely the elderly.

The PNAI (National Plan for Inclusion) – 2006-2008 foresees the creation of a National Network for Proximity Volunteering through local programmes, namely in providing support to the elderly, by guaranteeing organized intervention in at least half of the councils in the country by December 2008.

There are some volunteer programmes supporting the elderly aiming at their personal development and to combat loneliness highlighting the Programme “More Volunteerism, Less Loneliness”.

This programme is developed by the Santa Casa da Misericórdia of Lisbon (House of Mercy) jointly with the Yellow Heart Association and the Portuguese Red Cross which signed a cooperation agreement on July 2nd 2006. This initiative is to support the elderly aged 65 and over, in a lonely, dependent and/or isolation situation by providing them with a better quality of life and including the parishes with the oldest populations of Lisbon.

RIS Commitment 2: Integration and participation of older persons

With the purpose of improving social, economic, political and cultural participation of older persons, Portugal has increased its investment in social infrastructures enabling their integration.

Along these lines, the **Social Services and Equipments Network Programme (PARES)** was created and regulated by Administrative Rule nr. 426/2006 of May 2nd. This Programme promotes private investment in social infrastructures through financial resources obtained exclusively from the net results of social games and private investment in social infrastructures. This investment aims at increasing, developing and consolidating the existing capacity in social solutions, specifically for the elderly, by creating the conditions which promote their autonomy and improve the solutions for the ageing population.

The PARES Programme sets out 3 main objectives:

- To pursue an effective planning of needs at a territorial level by selecting priority projects on the territory:
 - With a lower coverage rate;
 - More vulnerable to social exclusion.
- To encourage investment by seeking to establish previous partnerships between the Social Sector, Local Authorities and Entrepreneurial/Private Sector.
- To promote Private Sector initiative through an autonomous process supporting investment.

With the PARES Programme, 45.700 places will be created in social infrastructures; 800 to 1.000 infrastructures and 15.000 new jobs corresponding to an increase of 10% in social solutions and the creation of 19.000 places for the elderly are some of the targets defined.

Following PARES, another programme named **Support Programme for the Investment in Social Equipment – PAIES** – was established and regulated by Administrative Rule nr. 869/2006 of August 29th. Similarly, to PARES, the PAIES programme stimulates investment in social services. However, this Programme emphasizes the support to profit making initiative by granting incentives to investment, supporting the promoting entities and enabling more favourable conditions when applying for credit.

The integration of the elderly population also assumes the implementation of measures and programmes to improve their housing conditions especially in the rural regions.

Since the integration commitment is implicit in the social inclusion objective, several developments may be underlined in this area which were already defined in the previous report, thus emphasizing the **Programme for Inclusion and Development (PROGRIDE)** launched in 2005 and the **Integrated Support Programme for the Elderly (PAII)**.

Still within this scope and during 2005 and 2006, a new Programme called Social Development Local Contracts (CLDS) was being planned to complete the Progride's intervention and deepen the integrated intervention model at a territorial level, investing in actions considered essential for the transformation of these territories and quality of life of its inhabitants.

In fact, after a first assessment of the PROGRIDE programme allowed to observe that in spite of several successful projects, some of the more vulnerable territories did not qualify due to the lack of involvement from the local authorities.

Therefore, the idea to launch this new Programme was related to the main innovations of a management model where applications were replaced by induced financing privileging depressed territories with vulnerable populations, selected at central level, and the existence of an intervention plan at territorial level which includes mandatory actions also defined at central level and complementary actions proposed by the local partners' network.

The CLDS will apply to territories with the following characteristics; critical zones of the larger urban areas where older populations live at risk of poverty and greater social isolation, as well as the hinterland councils of the country economically depressed and inhabited by very old and poor populations, and still territories affected by calamities.

The Social Development local Contract Programme aims to combat poverty, ensure the basic rights of citizenship, in particular of the younger groups and poorer elderly identified as a priority in the National Action Plan for Inclusion and to achieve a better territorial cohesion and an effective social change in the more depressed areas mentioned above.

The CLDS are developed in partnerships with local authorities and governmental services and cover actions related to employment and training, family and parental intervention, community and institution empowerment, information and accessibility.

The Integrated Support Programme for the Elderly (PAII) promoted some relevant projects, namely the **Domiciliary Support Service, the Support Centre for Dependents/ Multi-disciplinary Resource Centre, Human Resource Training Centre, the Telealarm Service and Health Programme** already described in the first report.

The commitment defined in view of promoting the effective integration and participation of the elderly in society to combat isolation and loneliness and promoting at the same time inter-generational relations, has been demonstrated in terms of services and solutions through National Institute for the Improvement of Free Times of Employees (INATEL) Tourism and Senior Thermalism, programmes which are also approached from a bottom-up perspective through questionnaires on assessing elderly satisfaction in participating in these **Community Centres and Holiday and Leisure Centres**⁸. (In Commitment nr. 9). Emphasizing that various Municipalities promote activities to combat loneliness and isolation of older persons, namely, through socialization, walks and sport activities which encourage healthy lifestyles

RIS Commitment 3: Promotion of equitable and sustainable economic growth in response to population ageing

In the scope of the preparation of a reform proposal, negotiated in collective bargaining, the Portuguese Government has presented a number of studies on the foreseeable impacts of the current demographic and economic trends on the financial sustainability of the General Social Security System. The discussion initiated on October 10th 2006 led to the signing of a Tripartite agreement between the Portuguese Government and the Social Partners (on the reform of social security).

The strategy, which reaffirms the need for the sustainable improvement of social protection is based on four fundamental and integrating pillars; the introduction of sustainability adjustment in the calculation of future pensions, the acceleration of the transition process to a calculation formula that considers the entire contributing period, the application of indexing rules and the sustainable updating of pensions and the promotion of active ageing. In addition, negotiated reform involves the implementation of measures strengthening social protection mainly, in disability, invalidity, single parent and survival situations.

In considering the evolution of the average, introducing a sustainability factor in the calculation of future pensions, allows the redistribution of the pension to which each beneficiary is entitled over more years, thus contributing to the financial neutrality and intra-generational equity of the system.

⁸ At the end of 2005, there were 116 Community Centres in Portugal and 20 Holiday and Leisure Centres.

In relation to fixing indexing and updating pensions, the aim is that annual variations in pensions will be determined by the evolution of inflation and, secondly, economic growth. The application of this mechanism will provide greater balance between the evolution of contributions and benefits, continuously safeguarding the beneficiaries for payments of a low to median, and ensuring a margin for larger increases when permitted by the effective performance of the economy. In addition, the introduction of indexing and updating rules enables a more predictable framework to be defined in relation to the impact the updates will have on the public accounts, thus contributing to their sustainability.

In order to promote active ageing, more incentives will be given to remain in the labour market after being legally entitled to retirement and agreement was reached on the introduction of a bonus mechanism for each effective month of additional work month and differentiated according to the contributory career.

It is also intended to establish a penalising factor, actuarially neutral, for accessing the old age pension before reaching the legal retirement age, so that the cost for the system resulting from paying more pension years and losing contributions is supported by the beneficiary through the perception of a lower pension.

In view of strengthening the balance between contributions and payments, a Contributory Code shall be prepared in order to clarify the basis of contributory assessment extending it in approximation to the basis of the tax assessment and reshape the special schemes with reduced contributory rates and the contributive scheme for independent workers. The latter will be progressively reviewed in order to bring the conventional remunerations closer to the real remunerations and strengthen the relation between contributions and payments.

It is necessary to point out that the effects of the reform of the General Social Security System are not exhausted by reinforcing its medium and long term sustainability. A financially sustainable pensions system, in an environment of growing globalization can be an important factor for international competitiveness, contributing to the attraction and fixing of the investment, thus promoting the convergence process of the Portuguese economy.

On the other hand concerning the Health Policy, the aim is to attain by investing in prevention and rehabilitation, long term economies, namely through reductions in inadequate consumption of hospital resources, which are more differentiated and, consequently more expensive and through

reducing more chronic handicapping diseases that have a strong impact also in the labour market.

Being certain that an increase in financial resources will contribute to ensure the financial sustainability of the protection and social security systems, law 39/2005 of 24 June was approved to increase the general VAT from 19% to 21% to be deposited into equal parts to social security and the CGA (civil-servant pension scheme). It is in fact a measure which seeks to establish the financial balance of the social security system and its effectiveness namely in responding to the new challenges.

Concerning the future financial sustainability of the public pension system, the Social Security Stabilisation Fund will receive between 2% and 4% of employee contributions, so that the fund covers predictable expenses with pensions during a minimum period of 2 years.⁹

RIS Commitment 4: Adjustment of social protection systems in response to demographic changes and their social and economic consequences

Promoting the commitment to ensure that the elderly have sufficient resources to cover their basic needs and given the fact that their main source of income is from pensions, the system provides a general coverage for **invalidity, death and old age** either through the welfare system¹⁰ or solidarity subsystem¹¹

One of the most important measures within this scope is guaranteed in the **minimum pension values** of invalidity and old age, principle established since 1998, although in a slightly different context and presently in view of the four scales of the contributive career indexed to the net amount of the national minimum wage (65% for contributive careers inferior to 15 years and 100% for those higher than 30 years).

In what concerns the guaranteed social pension within the solidarity subsystem, the Basic Law established a minimum amount corresponding to 50% of the national minimum wage to all workers (deducted from the fee corresponding to the contribution rate of the employed).

⁹ Article 91 of the Basic Law on Social Security (law no 4/2007, 16 January 2007)

¹⁰ Which covers the applicable scheme for employees and independent workers, as well as an optional registration scheme for groups not entitled on a mandatory basis.

¹¹ Covers the non contributory scheme in order to protect people in a needy (economic and social) situation.

A minimum amount was also attributed under the **special social security scheme for agricultural activities** (closed group) within the solidarity subsystem, corresponding to 60% deducted from the same contribution rate.

In other words, emphasizing the Social Insertion Income, the Dependency Supplement, the Extraordinary Complementary Allowance and especially the Solidarity Supplement for the Elderly.

The **Social Insertion Income** (SII), established by Law no. 13/2003, of 21st May, replaced the Guaranteed Minimum Income, although not prioritizing the elderly, may include them, as a necessary measure to ensure a minimum income to combat poverty and social exclusion. It is a scheme whereby people below a certain level of income receive a payment from the state in exchange for a commitment to participate in an integration programme.

This supplement is added on to special benefits for people who have profound physical or mental disability in the household, who are chronically ill, old people in case of a first-degree or second-degree dependence and old people aged 65 and over in case of a second-degree dependence, in order to compensate housing costs.

The **Dependency Supplement**¹² is paid to people in receipt of invalidity, old age or survivors' pensions who because of their degree of congenital or acquired dependency need the assistance from a carer with the activities of daily life.

On the other hand, and following the same objective, the **Extraordinary Complementary Allowance** established by Decree-law no. 208/2001, of 27th July, is a monthly allowance, which increases the amount of the social pensions for disability and old age of the non-contributory scheme and other social protection schemes. The amount of this allowance varies according to the beneficiaries aged under 70 or over.

A process reforming social security is undertaken foreseeing several measures to be adopted especially to face the social and economic consequences of the demographic alterations which follow:

¹² Established by Decree-Law no. 269/99, of 14/07

- Reinforcement of social protection to workers with long contributory careers;
- Reinforcement of incentives to active ageing through a new National Strategy for Active Ageing and by adjusting mechanisms making more flexible the retirement age;
- Structure a set of incentives to support maternity, in view of undermining the effects of the ageing population on the social security system.

Within this scope, Decree-Law 187/2007 of 10 May, redefined the legal rules of the general social security regime concerning retirement and disability, by taking into consideration the agreement on the Social Security Reform signed in October 2006, which introduced significant alterations to the calculation of pensions, in order to better adjust them to the evolution of life expectancy and definition of a larger framework of incentives to prolonging active life.

It was fundamental to anticipate the effective and more rapid application of the rules pondering the total contributive career in order to calculate the pension. The sustainability factor calculated is based on the evolution of the average life expectancy better adjusting the pension system to the ageing population. To the pensions of the new pensioners, every year, a factor will be applied expressing the evolution of life expectancy at 65 years between 2006 and one year before the due date of the pension. The beneficiaries may opt to compensate the sustainability factor by prolonging their retirement age presently with more general benefits or even through an increase of contributions throughout life, part of the Individual Capitalization Scheme.

In summary, the main changes are observed in the following measures:

- Reinforce disability protection
 - Distinguishing relative and absolute disability;
 - New rules of accumulation from work
- Revising flexible retirement rules
 - Alteration of a reduction factor;
 - Introduction of a bonus mechanism (protection of longer contributory careers)
 - Reinforce bonused pensions of the flexibility scheme by promoting active ageing

- Acceleration of the transition period to the new pension's calculation formula
- Introduction of a sustainability factor linked to the demographic indicator "average life expectancy of 65 years"
- New rules for minimum pensions
- Renewal of the fine scheme

Within this reforming process, a new scheme updating pension regulations was established by introducing a new index reference by substituting the previous reference, namely the national minimum wage. The Law no. 53-B/2006, of 29th December established a new **index independent of the minimum wage** (IAS - Indexante dos Apoios Sociais) and set the rules for updating pensions and other benefits awarded by the social security system. According to the draft bill, the IAS is updated annually, taking into account the real gross domestic product and inflation rate. The IAS is €397.86 for 2007.

Moreover, the new Basic Law on Social Security, Law 4/2007, of 16 th January includes a **sustainability adjustment factor linked to life expectancy for the calculation of future pensions**, in view of adjusting the system to the alterations resulting from demographic and economic changes.

The sustainability factor is based on the relationship between the average life expectancy observed in a defined reference year and the average life expectancy observed one year before the due date of a pension.

Regarding the measures adopted to ensuring a better reconciliation of work with family life, the social security system within the protection scheme to maternity, paternity and adoption included the **Special leave benefit for grandparents**, payable for 30 days following the birth of a grandchild if the parent of the new born is younger than age 16 and living in the family home. Both grandparents are entitled to this benefit if they are employed.

The **Solidarity Supplement for the Elderly (SSE)** established by Decree-law no. 323/2005, of 29th of december, in view of ensuring the elderly an annual income based on a reference threshold not inferior to €4200. This supplement is subject to strict qualifying conditions, it is for persons entitled to old age and survivors' pensions or others from any social protection system either

national or foreign residing legally in the national territory. This right is also extended to national citizens who do not qualify for social pensions and for those entitled to a lifelong monthly allowance which meet the required conditions.

The qualifying conditions for the Solidarity Supplement for the Elderly are as follows:

- Aged 65 or over;
- Reside in the national territory in the last 6 years before claiming the benefit;
- Beneficiary's annual income must be less than the reference threshold¹³.

The Solidarity Supplement for the Elderly (SSE) came into force on January 1st 2006, payable to persons aged 80 or more, and gradually extended to all persons aged 65 or older by 2008 (under Decree-Law 236/2006, of 11th December, which introduced alterations to the above-mentioned decree).

In 2006, 24.228 old people claimed this benefit representing a total of 18.684 beneficiaries. Among which 13 653 beneficiaries were women and 5.031 were men. Twelve monthly payments (12 payments/year) per beneficiary of €79.67¹⁴. Additional health benefits for SSI beneficiaries were created and regulated (Decree-Law 252/2007) seeking positive discrimination of this specific group.

In Portugal, poverty among the elderly is a serious problem and somewhat unknown. Poverty among old people is frequently associated to other problems such as poor housing conditions, difficulty in mobility and high costs due to health problems which aggravate even more the serious economic difficulties of the elderly (28%) at risk of poverty.

Considering this situation, we selected as theme for in depth evaluation through a bottom-up participatory approach, the eradication of poverty among the elderly. The selection of this latter was part of Axis no.6 of MIPPA (The eradication of poverty) in order to evaluate the impact of several measures launched by the Government and, in particular, the Solidarity Supplement for the Elderly (SSE) to eliminate poverty among the elderly aged 65 and over.

¹³ In 2006, €4200, In 2007, €433.60. The financial resources of the claimant include his/her individual income as well as his/ her eventual spouse's income and in this case an equivalence scale is applied. The claimant's income may be increased in view of the capacity of their children being co-responsible in the task of improving the elderly's well-being. The annual supplement is equal to the difference between the insured' s income and refence amount.

¹⁴ Source: Institute for Informatics and Statistics of Social Security.

The definition and launch of the SSE was preceded by a study on the situation of the poorest elderly referred in item 2 (Methodology) based on 1400 face to face interviews conducted to a national sample of old persons, this study reflects the characterization of the poor elderly in this report.

On the other hand, six elderly households receiving the SSE were selected, representing different family situations and to be the subject of a longitudinal evaluation. These old persons were interviewed in March 2006 when the SSE was implemented and one year after in March 2007 so as to conduct a first evaluation on the measure's impact on the life conditions of these persons. A synthesis of the result of these interviews with suggestions and evaluation of the measure proposed by them will be presented below.

The waiting period for receiving the benefit varies between 1 and 2 month after prior request. The average waiting period mentioned by the respondents was 1.6 months until they received it. Emphasizing that one of the respondents said he had waited 2 months to receive the benefit, although referring "*it was quick*".

Each respondent stressed that this benefit changed their lives, mentioning the fact that it was an additional income to their pension: "*100€ more helps*". Therefore, the main alterations were at an economic level, translated into improving their standard of living especially in when it came to paying bills and namely buying medicine.

Finally, the measure allowed to obtain a better autonomy, and it was no longer necessary to ask support from others, namely children. For this reason, there were implications at family level. In fact, in two of the cases interviewed, where parents were supported, in a limited form, by children with scarce financial resources, this benefit was spent on doctor consultation, hygiene and other aspects related to their everyday life.

All respondents suggested that the main alteration should be in increasing the amount of the benefit. This suggestion was founded on the increase of everyday costs especially related to medicine. Others mentioned there should be specific benefits, independent of the SSE so they could buy medicine, in order words, a cost which falls primarily on the family budget and as well as to restore and improve housing conditions in order to prevent institutionalizations due to the lack of housing conditions in particular among the poorer elderly.

The recent legislation and already mentioned in the report, as is the case for additional health benefits for this specific group.

RIS Commitment 5: Enabling labour markets to respond to the economic and social consequences of population ageing

Some of the economic and social consequences of ageing regard labour market bottlenecks (for example, shortage of labour force in some sectors of activities and/or professions) and the sustainability of public accounts.

In other words, promoting active ageing is one of the national priorities defined in the **National Action Programme for Growth and Employment 2005-2008**, which is embedded in the National Plan for Employment, concretely, the measures and instruments promoting *an approach to work based on the life cycle*, promoting direct support to active ageing including better working conditions, a better sanitary situation (in occupational terms), adequate incentives to work and eliminating early retirement incentives.

In the context of collective bargaining, questions related to active ageing concerned the Social Partners and the Government, therefore signing in 2001, a tripartite agreement on the “**Employment Policy, Labour market, Education and Training**” foreseeing a clause to eliminate the early retirement of older workers”. More recently, a bilateral agreement was signed between union and works council representatives in February 2006, aiming at life long training in Portugal to reinforce the deficit in qualification resulting from the low levels in initial training.

In October 2006, the Social Partners signed an **Agreement on Reforming Social Security** with the Portuguese Government to reinforce the sustainability of the social security system where a joint position was taken to promote active ageing and flexibility regarding the retirement age.

Following this objective, measures were introduced such as **pension benefits** for those remaining active after 65 years and until 70 years and with the possibility of **accumulating disability and old age pensions** with income. In both cases, there is room for lower contributive rates either for employers or workers.

The measures defined to promote active ageing in Portugal are still recent and at an early phase of implementation. However, the Portuguese Government indicated the following strategic target for the National Plan for Employment 2005-2008, aiming at responding to the challenges of active ageing – “To maintain the employment rate of workers with 55-64 years above 50% in 2010.”

Within the context of the Priority “Promote Active Ageing”¹⁵ implemented since 2005, the Programme “Senior Intervention” (for unemployed aged 55 and over). This Programme foresees among other actions; Professional guidance, recognition, validation and certification of competences; retraining and improving skills; as well as integration in the labour market through Volunteer Projects and Providing Community Services.

In 2005, 8.661 unemployed were covered by this programme, implying an investment higher than 17 milhões €, whose execution emphasized the need to reinforce intervention in this domain.

The social security system promotes several measures favouring directly or indirectly active ageing:

- A bonus is paid out to beneficiaries who continue to work after the legal age retirement (65 years);
- Revocation of the temporary measure for access to retirement due to long term unemployment (58 years), foreseen in the Employment and Social Protection Programme since 2003.
- Possibility to accumulate freely old age pension with work incomes enabling also an accrual in pension of 1/14 and 2% of the earnings registered;
- Unemployment benefits received in view of the unemployed's age and duration of respective contributory career, valorising in defining the awarding period, longer careers; and
- Alteration in the rules anticipating the retirement age, in 2006, for long-term unemployment (increase of 2 years foreseen for anticipation in relation to the previous rules) to 62 years once workers were 57 years when unemployed or to 57 years when unemployed at 52 years and a contributory career of 22 years (2 year increase) with earnings registration.

At a **contributive level**, the social security systems foresees presently:

- Temporary exemption of social security contributions for employers hiring long term unemployed, for a maximum period of 36 months;

¹⁵ Priority within the scope of Directive 18 “Promote a work approach based on lifelong learning...”NEP 2005

- Reduction of contributory rates in the case of old age pensioners who cumulatively have a professional activity; and
- More favourable contributive rates for active workers over 65 years and with at least 40 years of contributory career, as well as for employers.

In what concerns the measures tending to promote active ageing and encouraging longer contributive careers, the following are indicated below:

- Introduction of protection and differentiation mechanisms for longer contributory careers and establishment of transitory mechanisms for very long careers (over 46 years); and
- Revision of the flexible retirement age scheme allowing for early retirement, subject to a reduction factor and a bonused pension for those remaining in the labour market;

RIS Commitment 6: Promotion of life-long learning and adaptation of the educational system in order to meet the changing economic, social and demographic conditions

Promotion of life-long learning and adaptation of the educational system are national priorities defined in the National Employment Plans since 2000, concretely, in the measures and instruments to *expand and improve investments in human capital and adapt the education and training systems in response to new competence requirements.*

Since 2000, Portugal has been promoting increasing measures in education/life-long training, in particular, by providing continuous training for workers, and existing agreements in 2001 and 2006 between the Government and Social Partners around the following objectives:

- Consolidation of an education system for adults, in extra-school and recurrent education, through the construction of flexible itineraries in education/training for adults with low skills and with insufficient professional qualifications;
- Consolidation of a continuous vocational training system; and
- Articulation between measures promoting attendance in a vocational training course with the national certification system.

One of the main vulnerabilities of the older Portuguese workers regards their low school levels and qualifications. In view of this aspect, the Portuguese Government launched at the end of 2005, as structuring programme, the **New Opportunities Initiative** representing a new boost in the qualification of young people and adults. It is important to achieve the target defined for **Adults** in order to qualify one million persons until 2010 through education and training courses or through recognition, validation and certification of competences. Within this context and since 2005 different forms of vocational training have been carried out to expand lifelong education opportunities, as mentioned below.

The Courses of Adult Education and Training (EFA) provide an integrated pack of basic education and vocational training for adults aged 18 or older with low school levels and professional qualification.

Life-long Training privileges flexible training, and the acquisition of technical and transversal competences throughout life, facilitating the development of autonomous, self-learning and adaptability capacities of the low-skilled workers, on their own initiative, or whenever possible, with the co-responsibility of the companies in providing continuous training to their workers.

Another measure integrated in the New Opportunities Initiative which has contributed to achieving the certification of workers regards **widening the Recognition, Validation and Certification of School and Professional Competences (RVCC)** process (New Opportunities Centres). The RVCC system works to identify the competences that each adult has acquired throughout life for purposes of its validation and recognition.

Underlining the promotion of *training and competence certification in* information and communication technology (*TIC*) facilitating supply for diversified audiences and including active adults. It is in this context, that training strategies are developed involving long distance methodologies which use TIC to promote eLearning, representing, in fact, a set of new opportunities for different groups, amongst them, the elderly.

In 2001, a tripartite agreement between the Social Partners and the Government signed an agreement on “Employment policy, Labour Market, Education and Training” seeking to overcome weaknesses in education and vocational training, foreseeing a clause for the “lifelong development of competences and qualifications of workers, where each year, from 2002 companies must involve at least 10% of their workers in vocational training adopted”. In 2004, this preoccupation was still emphasized in the new Labour Code and, more recently, in February 2006, within the bilateral agreement between union and works council representatives aiming at life-long training in Portugal so as to overcome the deficit in qualification from the low levels of formal education.

RIS Commitment 7: Striving to ensure quality of life at all ages and maintain independent living including health and well-being

The main policy ensuring the access to continued and integrated care is based:

- On a process of institutional strengthening, which ensures the organizational and management elements to carry out the development of this new system;
- In the permanent articulation between the Ministry for Health and the Ministry for Labour and Social Solidarity to put into effect their co-responsibility in both sectors in order to guarantee the access to care provision which meets the health and social needs of the patients with chronic advanced diseases and dependent persons;

- On the creation of a strong institutional, technical unit and supported politically, capable of managing, monitoring and developing the system at a national level.

The access of the elderly population to the necessary health care and social services have not always been guaranteed, mainly when old age is associated to loss of autonomy, However, some measures have contributed positively in order to guarantee access, mentioning the creation of “Rede Mais” (More Network) in 2002, although implemented slowly.

Recently and replacing the “Rede Mais”, the **National Network of Continued and Integrated Care**, was established by Decree-Law n.º 101/2006, of 6 June, within the scope of the Ministry of Health and Ministry of Labour and Social Solidarity. The Network’s objective, similarly to “Rede Mais” is based on the provision of continued and integrated care to persons, independently of their age find themselves in a dependent situation.

Continued and integrated care is based on a paradigm of full recovery and maintenance in order to permit the treatment of the acute phase of the disease or preventive intervention. For this effect, comprising:

- Rehabilitation, readaptation and social reintegration;
- Provision and maintenance of comfort and quality of life, even in situations when they can’t recover.

Continued and integrated care is provided by hospital and outpatient Units as well as by Hospital and domiciliary care teams.

The National Network of Continued and Integrated Care will be implemented progressively and during its first year through Pilot Experiences. Following this guideline, Joint order no. 17 516/2006 of 29 August enacted by the Ministries of Health, Labour and Social Solidarity, approved the realization of pilot experiences in 14 districts of the country, making available 1145 beds in these units and forming 178 teams.

Therefore, it is observed that in Portugal, long term care or integrated care has gained importance on the political agenda implying a transversal (cross-cutting) approach from the health sector and social services.

The infrastructures and social solutions aim at promoting healthy ageing and well-being beyond primary care, so as to maintain people in their social context, by exploring all forms of family and neighbourhood solidarity, as well as developing palliative care and home care services.

Since 2003, a Programme is being developed aiming at qualifying social solutions and it started with a study and definition of **Models to Assess the Quality of the Social Solutions**, allowing the managing entities of services and social infrastructures to have the instruments guiding the implementation of quality management systems, by guaranteeing citizens access to quality services more and more adequate to meet their needs.

These models are based on eight quality criteria, four concern the contexts: leadership, planning and strategy; people management; resources, partnerships and processes, and four others regard expected results related to: customer satisfaction; people satisfaction; impact on society; and performance results.

The quality assessment of the social solutions is conducted at three levels C, B and A; level C, corresponds to the requirements in the legal and technical rules enforced.

In 2007, the enforcement of these quality criteria on two social solutions, namely, **Day Centre** and **Domiciliary Support Service**, will be mandatory for Social Solidarity Private Institutions, applying for financial Support from the State (in a first phase, for the new cooperation agreements), thus complying at a minimum, with level C qualification, and the latter acknowledged by an entity accredited by the Portuguese State.

Moreover in 2007, other works regarding the elaboration of Models on the Quality Assessment of residential solutions for the elderly and dependent persons will be initiated.

Presently, a Programme is being developed by the National Laboratory for Civil Engineering defining the **Technical Recommendations for Social Infrastructures** to be applied to the construction of new buildings intended as social solutions, followed by a Programme for technical recommendations to renovate and refurbish the buildings where social solutions exist.

As a consequence of the characteristics involving the needs patients and dependent elderly have and the conceptual and operative frameworks defined for the new system on long-term care or continued care, co-responsibility is indispensable as well as the involvement of different sectors of society, levels of administration and the health and social sectors.¹⁶

¹⁶ Report on National Strategies for Social Protection and Social Inclusion 2006-2008, p. 67

In order for populations to obtain more health gains, priority was given to actions promoting health and preventing diseases by implementing the National Health Plan. So as to increase the mechanisms for the strategic planning of resources, the investment focuses on reforming the primary health care network as main pillar of the entire health system.¹⁷

The main policy to maintain and consolidate the financial sustainability of the long term or continued care system, is based on global resource management enabling a decentralised execution but ensuring the monitoring of its distribution.

Therefore, there is a political guarantee for:

- Specific and sustainable funding; management overseeing and financial distribution, through a centralised model integrating financing and distribution sources, from a specific amount and supported by mechanisms of territorial execution through the contracting of services;
- Application of payment models to providers adapted to the characteristics of the different services delivered from prices adjusted to included benefits and enabling a financing mix, through the health sector and social security system in services with a mixed attendance component;
- Permanent financial and economic evaluation.¹⁸

RIS Commitment 8: Mainstreaming a gender approach in an ageing society to support families that provide care for older persons and promote intergenerational and intra-generational solidarity among their members

In 1997, Portugal launched the I National Plan for Equality (PNI). In 2003, the II Plan was launched and enforced until 2006, and implemented the III PNI this year.

The II Plan contains two main objectives:

¹⁷ Report on National Strategies for Social Protection and Social Inclusion 2006-2008, p. 61

¹⁸ Report on National Strategies for Social Protection and Social Inclusion 2006-2008, p. 68

1. **Structuring measures:** more specifically for Public Administration and which engage and include all Ministries at all levels.

2. **Measures in specific areas:** which require the close collaboration of all actors: citizens, companies, non governmental organisations and other associations and civil society organisations, social partners, etc. These focus on the following 4 key areas of intervention:
 - Professional activity and family life;
 - Education, Training and Information;
 - Citizenship and Social Inclusion;
 - Cooperation with Portuguese speaking countries (CPLP).

On a parallel basis, the plan promotes gender equality training of all members composing the interdepartmental teams of the different Ministries, as well as other officials with responsibility for the promotion of a gender perspective in all policies and programmes within each Ministry.

In the area of statistics, promotion has been carried out in gender disaggregation of all data produced or published within Public Administration and all evaluation instruments.

3. **Measures to combat Poverty and Social Inclusion.** Women continue on being particularly vulnerable to poverty thus developing in this area the following measures:
 - Integration of the gender perspective in all policies and programmes to combat poverty and promote social inclusion and study its impact on women and men;
 - Adoption, in conjunction with the National Action Plan for Inclusion- PNAI, of positive measures, namely work and employment, vocational training and social protection targeting especially vulnerable women or belonging to marginalised groups;
 - Adoption of positive measures for women belonging to particularly vulnerable groups, namely when they are single-parents, in prison, disabled or old.

Despite the strategic lines define in the PNI, it should be noted that the PNAI contemplates measures with a strong influence on equality, namely regarding the elderly, emphasizing

the Solidarity Supplement for the Elderly has a greater incidence on older women (70%) meaning an intervention against poverty, not only in relation to the elderly but also concerning women living in poverty as well as the PARES Programme and the National Network for Continued Care within a perspective of reconciling work with personal and family life has a strong impact on women's lives, since the main care providers for dependent relatives are women.

RIS Commitment 9: Support for families that provide care for older persons and promote intergenerational and intra-generational solidarity among their members

The Service and Social Infrastructure Network have been developed in our country based on a cooperation model between the State and civil Society. This reality has been translated into substantial gains for the citizens and their families, either by the proximity social solidarity institutions offer or by the specialisation and quality acquired in the last decades.

Although there has been a significant investment in the Service and Social Infrastructure Network, the fact is that in 2004, Portugal still needed a strong impetus to achieving reasonable levels of coverage.

Based on the Social Charter, it was concluded that by reference to 1998, more than 1780 services existed for elderly persons, representing an increase rate of 41.8%. Since 1998, the Domiciliary Support Service has been one of the services which increased the most (68%). Other solutions have shown to be positive. Regarding the highest usage rate, the nursing and Residential homes for the elderly represented 97.2% in 2005, however, there was a very positive evolution in the provision of Domiciliary Support Service which during the same year had a rate of 85.4%.

The PARES Programme increased by 10% the places to be created corresponding to 19.000 new places. Also Continued and Integrated Care services created 5996 places (mid and long term convalescence care units, palliative care and day units) until 2008.

The Service and Social Infrastructure Network have been increased through the PROGRIDE and PAII Programmes.

In terms of services and infrastructures, the intergenerational aspects are particularly taken into account in **Community Centres** and in the **Holiday and Leisure Centres**.¹⁹ In the first case, it is a solution which is an animated place in view of preventing social problems and secondly, aims at satisfying the leisure needs of all age groups and families as a whole. However, it is important to mention the existence of multiple social solutions for infancy and elderly persons sharing the same infrastructure and because of its physical proximity privileges intergenerational relations between children and the elderly.

RIS Commitment 10: Promotion of the implementation and the follow-up of the Regional Implementation Strategy through regional cooperation

The DGEEP participated in the 27th, 28th and 29th Annual Meetings of the European Centre Directors, as well as in the 11th, 12th and 13th general assemblies of this forum held respectively in 2001, 2002 and 2003, thus accompanying the questions discussed and related to ageing.

On May 8 to 10, 2006, the DGSS took part in an International Seminar of experts on the “**Ageing situation in 2006 – in figures, measures and good practices**”, held in Jáen, Spain.

According to the objectives defined in the Seminar, the DGSS representative **presented a paper** included in **work group 2 on the “Quality of life of older persons: health, well-being and rights”**, and it was possible to present relevant statistical data on demographic ageing in Portugal, as well as programmes, projects and ongoing measures to foster the quality of life of the elderly. The DGSS representative also chaired the **session of work group 4** on the theme; “The social protection of older persons: active ageing, social protection, dependency protection, education and culture for older persons”.

Portugal's representation was considered essential in view of the Country's role regarding the MIPPA negotiation and the European Presidency in 2007.

In the context of the Portuguese-Spanish Summit held annually, mentioning the Memorandum of Cooperation and Technical Assistance signed in 2005 and 2006, between the Ministry of Labour and Social Affairs of the Kingdom of Spain and MTSS of Portugal, promoting the close cooperation between Portugal and Spain in order to collaborate actively in this process, namely *in*

¹⁹ In the end of 2005, there were 116 Community Centres and 20 Holiday and Leisure Centres in Portugal

the organisation of the Conference of Ministers on the revision and evaluation of the Madrid International Action Plan on Ageing to be held in León, November 2007.

5. Conclusions and Outlook for the Future

Notwithstanding the innovations and development observed in the assistance and protection to the elderly population, resulting from the policies, instruments and legislation mentioned throughout this report, the improvement in their living conditions continues on being an important challenge.

In the social security context, the modernization of the system include the multidimensional issue of ageing defined within the Strategic Lines for the Reforming of Social Security is an important contribution, mainly referring to the sustainability of the pension systems.

The new integrated strategy for protection and social inclusion articulating social protection and continued care, and the new national strategy for pensions including measures that may have a future impact on improving the quality of life of older persons and in promoting active ageing.

Along these lines, the Government set out to define several priorities and strategies for the future, which follows the objectives established in the Madrid Action Plan, emphasizing among others:

- Reforming the Pension System
- Active ageing
- The Solidarity Supplement for the Elderly
- The consolidation of the Network for Continued and Integrated Care.
- The implementation of Social Development Contracts
- The extension of the social infrastructure network

Taking into consideration the challenges resulting from social, economic and demographic changes, the Portuguese government's option follows the lines of strengthening the sustainability of the Portuguese social security system by guaranteeing its adaptation to ageing and adequate levels protecting old age.

Some of the action lines foreseen, are as follows; the introduction of a sustainability factor linked to the average life expectancy in the calculation of future pensions; the creation of a new index independent of the minimum wage (IAS) as reference used for updating pensions and social benefits and acceleration of the transition process for the calculation of new pension rules which

are fairer and equitable once they consider the entire contributory career and better protection of workers with lower salaries.

The Government is still finalizing the design of a National Strategy for Active Ageing, to be debated soon by the Standing Committee for Social Concertation with specific intervention programmes specific for older workers, in order to: “Valueing and promoting the acquisition of knowledge by older workers”; “Encourage older workers to remain in the labour market”; and “Prevent and combat the unemployment of older workers”.

Some of these measures are being implemented to reinforce the priority programmes to combat poverty among the elderly and promote health.

Therefore, the Government through its Ministry for Labour and Social Solidarity launced recently the **Housing Comfort for the Elderly Porgramme** which sets out to improve the housing and mobility conditions of the elderly who use domiciliary (home care) services, and approved on 5 April a Decree-law establishing a **scheme of additional benefits for those receiving the SSE**, aiming at reducing elderly expenses with buying medecine, glasses, lens and removable tooth dentures.

As a complementary measure to expand social solutions and aiming at the inclusion of the more depressed regions and more vulnerable populations, namely the elderly and children identified as priority, the Government created Social Development Local Contracts Programme under Administrative Rule no.396/2007, 2 April, whose aim and preparation plan were mentioned in the RIS Commitment 3, under chapter 4.

It is foreseen that during the first phase, throughout 2007, that the CLDS will cover 30 depressed regions selected at central level in view of the social problems identified and affecting them.

The national strategy for protection and social inclusion invests strongly in the development and consolidation of the National Network for Continued and Integrated Care.

Given the fact that the National Network for Continued and Integrated Care (RNCCI) does not include in a first phase, mental health care services, since they are both being examined in order to be integrated in a new law to be passed which is more encompassing, and including more consensual responses on the satisfaction of patient needs with psychiatric and mental diseases. With its innovative and comprehensive intervention, the RNCCI advocates an increase in its services ten years from now. Along these lines, the Network's development is an evolutionary process supported in pre-defined phases and extended until 2016.

From the inputs obtained in the follow-up and evaluation process, it is expected that about 7.500 places in the Network's infrastructures will cover new territories and new care typologies by 2009, and consequently, increasing the RNCCI model.

These initiatives will be the object of more detailed information in the next report.

Annex

1. List and contact details of organisations in your country directly involved in preparing this report.
2. List and contact details of organisations in your country involved the follow-up to MIPAA/RIS, by sector (government institutions, NGOs, academia, private sector).
3. Attach, if applicable, the national action plan on ageing and the relevant laws on ageing.