



EMECs Country report

Portugal

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Introduction

This report was produced as part of the 'European market environment in the construction sector - Enhancing the free movement of posted workers in EU' project (EMECs), co-funded by the European Commission, and addressing the impact of the COVID-19 pandemic on mobility, working conditions and social protection of posted workers in the construction sector.

By means of a set of research and mutual learning activities, the project aims at delivering proposals to better support posted workers in case of future pandemics.

The report is part of a series addressing the different countries covered by the project, namely: Germany, Italy, Spain, Poland, Portugal, and Romania.

The study combines desk research with interviews to stakeholders to provide a sound background information for the rollout of the project.

More specifically, following a common questionnaire, the report departs from contextual information, addressing measures restricting free movement of workers and production, to detail: the actual impact of the pandemic on posting as per available figures and evidences; problems encountered by companies involved in posting (e.g. in arranging mobility of workers or in providing adequate accommodation); problems encountered by posted workers (e.g. remaining blocked in the host country or facing difficulties in accessing social benefits and aids); evidences of COVID-19 outbreaks in construction sites, including related information on geographical areas affected and involvement of posted workers.

The Annex provides the list of interviewees, including numbers used across the text to refer to each of them.

Contextual information

COVID-19 disease caused by the new SARS-CoV-2 coronavirus was identified for the first time in Portugal on 2 March 2020. On 11 March 2020, WHO claimed the world is facing a global pandemic situation and on 18 March 2021 the President of the Portuguese Republic, Dr. Marcelo Rebelo de Sousa, declared the State of Emergency. The aim was to provide constitutional coverage to broad measures to combat the public calamity resulting from the pandemic ([Decree of the President of the Republic no. 14 - A / 2020](#)). For the first time since the Revolution of 25 April 1974 that overthrew the Portuguese Dictatorial Regime, several essential rights of Portuguese citizens were suspended. In particular regarding mobility, the Right to travel and settle in any part of the national territory was partially suspended, for example, with the decree of periods of lockdowns at home and sanitary fences and suspension of the Right to international movement, with border controls of people and goods, including sanitary controls at ports and airports and the compulsory confinement of people. From 18 March 2020 to 30 April 2021, 16 States of Emergency were decreed in Portugal¹.

At national level, Portugal faced three major waves of the COVID-19 pandemic (before the outbreak of the new Omicron variant, which is not covered by the present report). The first wave started in March 2020 and lasted until early May 2020, the second wave arrived in October and

¹ In 2020 it was declared a state of emergency 7 times and 9 times in 2021 until April 30. As the State of Emergency can only last for 15 days, it was renewed several times based on the verification of the continuing situation of public calamity and in order to empower the Government to take exceptional and temporary measures that it deemed necessary. Further information is available at <https://www.parlamento.pt/Paginas/estado-emergencia.aspx>.

lasted until early December 2020, the third wave started at Christmas 2020 and lasted until March 2021. This last wave put the country on the brink of collapse, the numbers of infected, dead and hospitalized in intensive care units kept growing and according to data from the Johns Hopkins University (RTP Notícias, 2021) Portugal was one of the countries most affected by COVID-19 in the world.

Along this period, the principal measures restricting movements of workers between areas of the country and at transnational level were: mandatory confinement, closure of borders, sanitary fences, reintroduction of border controls. Next, we present a summary of the measures taken by the Portuguese Government, in relation to mainland Portugal, from 18 March 2020 to present².

Mandatory confinement

In order to contain the transmission of the virus and the spread of the COVID-19 disease in Portugal, there were 2 general confinements at national level. The first confinement lasted from 22 March to 30 April 2020, with a gradual lifting of the measures. The second general confinement was from 15 January to 11 March 2021. During these periods, essential workers including construction workers never stopped working. According to a construction unionist (Interview 1), health and safety measures were very poorly implemented to protect construction workers, and unionists were not able to go to construction sites in the first wave of the pandemic due to the need of social distancing, therefore leaving workers on their own, without support to struggle for better working and health conditions in face of the new challenges raised by the pandemic.

Sanitary fences

During this period, two sanitary fences were determined, the first in the municipality of Ovar from 19 March to 17 April 2020 and the second to two parishes in the municipality of Odemira, from 30 April to 12 May 2021. Both municipalities were in an epidemiological situation compatible with active community transmission, that is a high risk of widespread transmission.

Closure Of Borders

Portugal always maintained the principle of keeping the borders open to the Member States of the European Union, the countries of the Schengen Area³, the Portuguese-speaking countries and countries with large important Portuguese communities, such as the United Kingdom, the United States of America, Venezuela, Canada and South Africa. This principle is mentioned in the Portuguese legislation many times, and Portugal took many actions based on this assumption. EU Member States criticized these choices (Público, 2021), addressed as one of the causes of the second wave of the pandemic in Portugal (BBC News World, 2021). It should be noted that trying to keep the borders open with these countries, in addition to an economic motivation (such as keeping the mobility of cross-border and posted workers, encouraging tourism, etc.), also had a social motivation since many people lost their jobs and needed to return to their country.

Despite this, during the first wave, with the objective of trying to reduce the risk of importing active sources of transmission by air transport, on 11 March 2020, flights were suspended to and from the most affected areas in Italy and later in all Italy until 20 May 2020. On 18 March

² All information on the measures results from a survey of Portuguese legislation available at the Diário da República. Available at: <https://dre.pt/legislacao-covid-19-por-areas-tematicas#6>

³ Liechtenstein, Norway, Iceland and Switzerland.

2020, the [Decree N.º 3427-A/2020](#) closed the borders, with some exceptions for the aforementioned countries to where essential flights were allowed,⁴ based on the principle of reciprocity so that the Portuguese people and foreigners living in Portugal could return home.

In the third wave, considering the worldwide popping up of new variants of the SARS-CoV-2 virus (such as the Alpha, Beta and Gamma, all with a higher transmissibility), Portugal suspended flights to and from the United Kingdom from 23 January to 15 April 2021, to and from Brazil from 29 January to 15 April 2021. Later South Africa was added within the same dates. From 31 January to 14 February 2021, air traffic to and from Portugal was banned, even to EU and Schengen countries, with only essential flights being allowed. In these flights, passengers were required to present proof of carrying out a molecular test by RT-PCR to screen for SARS-CoV-2 infection, with a negative result, performed within 72 hours prior to the time of shipment. From 15 February to 15 April 2021, with the increase of the number of infections, passengers had to comply, after entering mainland Portugal, a period of prophylactic isolation of 14 days, at home or in a place indicated by the health authorities. From May 2021, at the end of the third wave of Covid-19, Portugal begins to open air borders to countries periodically listed as authorized countries. The circulation rules, however, had changed and proof of laboratory performance was required - a Nucleic acid amplification test (TAAN) with negative result, performed 72 hours before the time of shipment. Another option was a rapid antigen test (TRAg) to screen for SARS-CoV-2 infection with negative result, performed 48 hours before to boarding time. Since July 2021, the EU COVID Digital Certificate is accepted, together with a form from the Health Authorities - Passenger Location Card (PLC), as an alternative to the above mentioned tests⁵.

Reintroduction of controls in land border

Portugal has a single land border with Spain. The initial measure was the reintroduction of controls ([Resolution of the Council of Ministers N.º 10-B/2020](#)) at the internal border between Portugal and Spain, prohibiting road, rail and river traffic between the two countries with some exceptions⁶, among which cross-border workers with the proper documentation could cross 9 borders initially (over the duration of the measure, the number of open borders was increased). The control was carried out by the presentation of a credential. This measure was applied twice, until today, the first time from 16 March to 30 June 2020 (1 month and a half) and the second time from 31 January to 30 April 2021 (3 months). On 15 May 2020, the Spanish Government imposed a 14-day quarantine (El Confidencial, 2020) and this is a problem for posting workers: 'if the workers were employed by the Portuguese company, their original address was in Portugal. If they went to Spain, they could go, but they stayed. They couldn't go back. And then they were waiting for the quarantine to end. They weren't part of who could cross the border'(Interview 2). Employers might face additional costs, for instance, for accommodation and short-term posting workers for a specific task, which was hardly viable.

⁴ State aircraft and the Armed Forces, flights for the exclusive transport of cargo and mail, as well as flights of a humanitarian or medical emergency and technical scales for non-commercial purposes.

⁵ It should be noted, however, that the rules keep changing as the pandemic evolves. For instance, with the outbreak of the Omicron variant, the requirement to provide a test when entering the country was reintroduced, during a specific period, even for those with the EU COVID Digital Certificate.

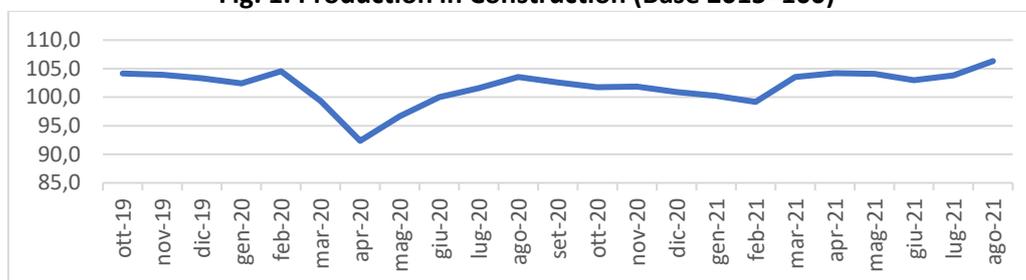
⁶ Residents in Portugal, Diplomatic and security personnel, family reunion of spouses or equivalent and relatives up to the 1st grade, access to health units at the end of the relative bilateral agreements, the provision of health care, international road transport of goods and the right of departure for citizens residing in another country.

Impacts of the pandemic in the Portuguese construction sector

Like all sectors of the economy, the civil construction sector was affected by the pandemic, however, production never stopped in mainland Portugal, as shown by the construction production index in Graph 1. In the first period of the pandemic there was an abrupt decline in production, mainly related to fear, insecurity and the unpredictability of the future: 'The sector has never stopped and the few companies that did stop were at the initiative of the entrepreneurs, but then reduced their activities' (Interview 1), and: 'At the time, many constructions site stopped. In other words, although the sector could continue to work, many stopped because many workers did not go. We had cases, which they told us, that workers themselves were afraid and did not go to work' (Interview 3).

In August 2020, production was already at the values of the last quarter of 2019, gradually falling again in the second and third wave of the pandemic. It is worth noticing that despite the country having experienced the worst moments of the pandemic between January and April 2021, there is only a slight decrease in production compared to the first wave. This seems to indicate that fear and insecurity were no longer felt so strongly because COVID-19 vaccines were already available. From that point onwards, civil construction has grown beyond the values recorded in 2019. According to the Portuguese Association of Civil Construction and Public Works Industries (AICCOOPN, 2021) in 2020 the activity in the construction sector grew by 2.5% and it remained favourable in 2021 (estimated growth around +2.2%). In 2020, the residential construction segment maintained a high level of national and international demand and continued to benefit from a macroeconomic environment shaped by historically low interest rates. The public component of the construction of non-residential buildings had a strong growth, both in the launch of new tenders for construction works, public works, and in the volume of contracts⁷.

Fig. 1. Production in Construction (Base 2015=100)



Source: [National Institute of Statistics \(INE\), 2021](#)

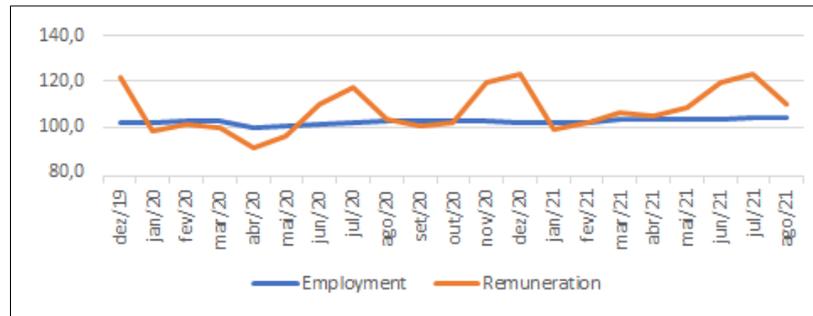
Employment in civil construction remained practically the same, but the wages fell down during the first wave in 2020, principally because there were coronavirus outbreaks (Idealista/News, 2020a) while some companies accepted State aid to place employees in extraordinary Layoff⁸ (Idealista/News, 2020b) the workers themselves were afraid and did not go to work (Interview 3). Despite the economic crisis caused by the COVID-19 pandemic, the minimum wages set in civil construction wage scales have always been increasing, for example in groups in Groups VIII

⁷ Around 11,000 public works contracts were signed during 2020, reflecting increases of 10.1% in volume and 32.9% in value, compared to the totals in 2019 (AICCOOPN, 2021).

⁸ This scheme, as an extraordinary measure to support the maintenance of employment contracts, consists of the temporary reduction of normal working periods or suspension of employment contracts carried out on the initiative of companies, maintaining the payment of the wages of the workers concerned, who receive their 100% remuneration. During the pandemic COVID-19, 70% of wages were paid by Social Security and 30% by employers. Available at: <https://www.seg-social.pt/layoff>.

to XVIII, from € 600 to € 665 in 2021 (GEP, 2021). In 2020, the monthly average value in the sector exceeded € 1,000 (Idealista/News, 2020b).

Fig. 2. Employment and Remuneration (BASE 2015=100)



Source: [National Institute of Statistics \(INE\), 2021](#)

The impact of restrictions on the posting of workers

Statistical data provided by the Portuguese authorities on posted workers are contradictory. According to data provided by the Secretary-general of Ministry of Labour, Solidarity and Social Security of Portugal, in the civil construction sector, Portuguese posted workers on behalf of others holding an A1 document in 2019 were 32,917 and 35,497 in 2020, indicating a growth in posted workers (more 2,580 A1) during the pandemic period. Different data are provided by the Working Conditions Authority (ACT) from 2019 to 2020, indicating a very sharp decrease in the posting of workers both outgoing and incoming. In the civil construction sector, the number of workers posted from Portugal to other countries decreased by 16,063 workers (22,357 in 2019 and 6,294 in 2020); considering EU Member States only, this decrease was by 14,844 workers (20,991 in 2019 and 6,177 in 2020). However, according to ACT data, in 2020, the posting of Portuguese workers was mainly to other EU Member States (6,147).

Problems encountered by companies involved in posting

Companies in the construction sector faced numerous challenges during the Covid-19 pandemic. At the beginning of the pandemic, the preparation of contingency plans and their adaptation to different works in progress, because the works did not stop in Portugal, was a great challenge (Interviewee 4). Compliance with the requirements and guidelines of the different health authorities (national and foreign) was another challenge, mainly because the measures were not uniform in the European Union and because they had to be implemented very quickly (Interviewee 5). As stated by the interviewee 4 'in different circumstances, the ability to access, in a timely and adequate manner, the information necessary for compliance is a critical factor that has a direct impact on the management of workers and other resources of internationalized companies'. As an example, in Portugal 'there were laws that were changed several times on the same day and some rules were changed 30 times. Therefore, it was almost impossible for citizens and companies to keep up'. (Interviewee 6)

The adaptations of the measures caused a strong reduction in productivity and increased costs for companies. The various legal requirements and guidelines of the different Health Authorities in the field of safety and hygiene at work, such as the implementation of social distancing measures, the availability of masks and disinfectant solutions, the testing strategies

implemented, the need to limit the capacity of vehicles and, above all, at the beginning of the pandemic, in some cases, it was necessary 'operationalize the return of posted workers, resulting in numerous bureaucratic constraints, in some situations bearing high costs because there were no adequate means of transport' (Interviewee 4). On the other hand, the rise in the prices of raw materials, energy and construction materials due to logistics chains (Interviewee 4), was also impacting on Portuguese companies. As stated by Interviewee 7 'maritime transport brutally increased the price, the price of a container almost quintupled'.

Although the construction sector did not stop, there were brief interruptions of activities for the implementation of health measures: due to cases of infection many companies had to temporarily close; there was also a postponement of the beginning of the execution of works abroad (Interviewee 4) caused by the various rules and limitations of movement between different countries, imposed by local legislation. In fact, 'there was a constraint on the mobility of posted workers, in the organization of services and of travel either to go to the host country or to return to the country of origin' (Interviewee 5). However, these interruptions were not to a large extent (Interviewees 4, 5, 7).

Problems encountered by posted workers

The main obstacles for posted workers were logistical problems and mobility limitations. In addition to having to face waiting periods to return to Portugal or to the host country due to lack of transport, they were also forced in some situations to stay in confinement, when it was mandatory, for example, at the beginning of the pandemic. Many posted workers had to return to Portugal and were forced to fulfill a mandatory confinement of 14 days (Interviewee 4). The lack of information, which had already been identified as a problem for posted workers before Covid-19 era, proved to be an obstacle for posted workers as stated by interviewee 5: 'there is still a lot of lack of information that should be provided to workers, namely that it is advisable to take the European Health Card'. According to this interviewee 'we heard two or three reports of some problems, namely in Belgium and another country, but I think that has been surpassed, obviously'.

The fact that construction workers have to live with the risk of contracting the covid-19 disease daily at work was pointed out as a challenge for these workers. Many of the workers showed fear at the beginning of the pandemic and refused to go to work (Interviewees 1, 6) and when there was an outbreak 'they are apprehensive about what might happen to them' (Interviewee 7). According to the interviewees, this fear is understandable, since it is difficult to maintain social distance at construction work (Interviewees 5, 6, 7). As explained by the Interviewee 7, 'the construction activity itself is carried out with proximity and mutual assistance and with mutual help among the workers. When workers handle a piece, a piece of wood, anything heavy, obviously 2 or 3 are going to grab it and therefore, saying that in these cases they must keep distance is complicated'.

On the other hand, in Portugal, most construction workers move from north to south (Interviewees 6, 7), which means hours in the same transport and greater exposure to the risk of contracting the disease.

At the beginning of the pandemic, there were blockages in the countries and forced returns, but these were very specific cases (Interviewees 4, 5). The workers who returned continued to work at the company in Portugal and returned to the host countries as soon as possible (Interviewee

4). In the event of suspension of activities, the aid created during the pandemic for companies in general was applied, covering both posted and non-posted workers (simplified layoff, layoff of the Labor Code, Extraordinary Support for Progressive Recovery) (Interviewee 4). It is important here to make a distinction between salaried employees and self-employed workers since 'liberal professionals had to work on their own, patience, they had to bear these expenses themselves' (Interviewee 7).

In general, the interviewees assured that there were no problems in accessing emergency aid and care services in the host countries (Interviewees 4, 5, 6, 7) and that the governments of several countries provided protective equipment, namely masks and access to tests, in order to try to control them as well (Interviewee 5). However, posted workers were not part of the vaccination plan of the host countries (Interviewee 4).

Evidences of COVID-19 outbreaks in construction sites

We were not able to access concrete data⁹, but according to most of the interviewees there were some outbreaks in construction yards (Interviewees 4, 7), according to interviewee 8 the problem of outbreaks was not in companies, regardless of their size (large, small or medium), the problem of outbreaks was in urban rehabilitation which is largely carried out informally by 'bosses', self-employed professionals who have no respect for their workers. Sector representatives claim that 'there were many deaths in the construction sector, outbreaks and dead, many dead [...] They died working without conditions, without anything, without masks, without tests, without anything. [They died because] they worked by the 'bosses' in these circumstances' (Interviewee 8).

The most affected areas in Portugal were Lisbon (Interviewees 4, 5, 6, 8), Algarve (Interviewees 6, 7, 9) and Porto (Interviewees 7, 8).

As causes of the outbreaks, the most mentioned was the working conditions related to mobility (Interviewees 5, 6, 7, 9). In this aspect, the transport of workers in vans was mentioned, which according to the interviewees was the most difficult sanitary measure to meet. Some companies chose to send workers on public transport, which also presented serious risks of contagion for the general population. In the opinion of Interviewee 5 'in terms of transport, in terms of vans and even those who came by public transport, the situation was not properly taken care of. And even today, it is not being done'.

The mobility of civil construction workers who move from one job to another, depending on the specialties, was also mentioned as the cause of the outbreaks (Interviewees 7, 9). According to interviewee 9, in the outbreak of Portimão in the Algarve Region (JN, 2021) when they started tracking workers they found 11 more companies with outbreaks, which is justified as follows: 'there was a phenomenon, let's say a 'blower effect', given the mobility of subcontracted workers, who were on that job and then on the other and then in another and had this effect. There were many workers who were infected as a result of this'. The impossibility of maintaining social distancing in certain construction works was also mentioned (Interviewee 5) and living conditions such as housing (Interviewees 5, 9). Although the accommodation conditions in the construction yards of large companies were guaranteed (Interviewees 4, 6, 7), many companies

⁹ The institution owning this data is the Directorate General for Health (DGS), however, we have not received a response to our requests.

were not able to comply with the measures and provide the necessary health conditions, for example in the case of the Algarve, there was a huge lack of accommodation for renting. Being Algarve a tourist region houses are rented through companies such as Airbnb so it is very difficult to rent a house in the Algarve (Interviewee 9). It is known that workers in precarious situations who work for 'bosses' are more at risk of contracting the disease, as mentioned. Interviewee 8 states that in addition to many outbreaks and there were deaths in urban rehabilitation works. Interviewee 5 states that 'in Lisbon, exists a large number of immigrants working in construction, in the Praça do Chile area, on Rua Morais Soares, a central area of Lisbon. It is an area with many 'guest houses and hostels' and there were concrete problems and there had to be a powerful intervention by the Portuguese authorities because effectively those are not very worthy conditions and the workers live and that is what potentiates the transmission' (Público, 2020).

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Annex 1 - List of interviewees

Position	Organisation	Date	Number
President	Union of Construction Workers	15.09.2020	1
EURES-T G-NP Technical Coordinator	EURES	29.10.2020	2
Labour Inspector of the Working Conditions Authority	Working Conditions Authority (ACT)	08.11.2020	3
General secretary	Association of construction and public works industrialists (AICCOPN)	06.12.2021	4
Union Leader	Portuguese Federation of Construction, Ceramics and Glass Unions (FEVICCOM)	23.12.2021	5
Labour Inspector of the Working Conditions Authority	Working Conditions Authority (ACT)	29.11.2021	6
Responsible	Order of Engineers	07.12.2021	7
President	Union of Construction Workers	29.11.2021	8
Reporter	Sic television channel	13.12.2021	9