



PORTUGAL WILL GRIND TO A HALT

When it comes to sharing the burden of austerity, some Portuguese feel more equal than others.

Prime minister Pedro Passos Coelho is well in to his four-year term, he is struggling to curb popular resentment over what opponents say is a widening gulf between private employees and about 600,000 public workers who have mostly stayed immune to mass job cuts.

Members may be interested to know that once again Portugal's two biggest unions have scheduled a general strike. The action takes place tomorrow the second such action since the country asked for international aid in April 2011, to protect benefits, including a 35-hour working week and early retirement.

Protesters clearly feel that it's unfair for the public sector to have certain benefits that don't exist in the private sector! The sentiment is one that echoes across southern Europe from the Algarve in Portugal to Greece as debt crisis-hit countries unpick years of overspending and largesse.

For the Portuguese it's not just the fact that this austerity has simply prolonged a recession and sent unemployment to a record 18 percent, it's also that the government used taxation more than those in Greece and Ireland to try to narrow the budget deficit.

Same old same old

I believe that Labour groups UGT and CGTP will try to grind the whole of Portugal to a halt tomorrow. So we can expect to see schools shut, hospitals to work with emergency staffing only and the usual disruption as buses, trains and flights are simply canceled.

I would point out that this will be the first nationwide walkout since November 2011 and only the fourth of the past 25 years so it's important to note the under tones. Further fuel was added to this action by the invitation to non-state workers to join the strike, invites came from both unions.

I know Portugal very well having previously owned a home there; I expect the country to come to a standstill, as locals are tired of the Portuguese government's attack on their rights.

Equality issues

Those protesting are claiming that it is more than unfair to have judges and politicians who are immune to the austerity measures impose these very measures upon the majority of the Portuguese population! As Portugal retreats back in to a first class and second-class citizen society.

I have just finished writing a report on RIO Professional Investors Fund which will be circulated on Friday.

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