

LABOUR AND SOCIAL JUSTICE

TRADE UNIONS IN SPAIN

Structural Conditions and Current Challenges

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In March 2021 the trade unions in Spain, in a trilateral dialogue with employers' federations and the government, achieved the first agreement in an EU country on protecting platform workers: delivery staff for companies like *Deliveroo*, *Glovo*, *Stuart*, *Amazon* and *UberEat* will in future be classified as employees (not as self-employed). They now have rights such as the right to social security.



With the coalition government under the socialist Prime Minister Pedro Sánchez (January 2020) the dormant social dialogue between the trade unions, the employers' federations and the government has been revived. Under the auspices of the Minister of Labour, Yolanda Díaz, it has been possible in this context to achieve important outcomes for employees (on short-time work, telework, and equal pay for equal work) in the first 14 months since the government took office.



The corona crisis has hit Spain hard. Traditional structural deficits still characterise the Spanish economy despite the slight economic recovery since 2014: the dominance of the tourism and property sectors, low productivity, high income disparities, a large low-wage sector with precarious employment conditions, a precarious labour market, deregulated labour relations and weakened trade unions.

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INTRODUCTION

On 11 February 2021 the trade unions in Spain organised protest actions throughout the country for the first time since the left-wing coalition government took office in January 2020. Participation in these protests, and the form they took, were heavily influenced by the conditions of the corona crisis; in terms of demands, they were limited to calling for the promises in the government programme to be implemented, especially reversing the labour market and pension reforms of 2012 and 2013, and for an increase in the statutory minimum wage. As was already the case with the financial crisis of 2008, the corona crisis hit Spain much harder and in a more long-lasting way than its European neighbours. Many of the wounds of the financial and property crisis of 2008-2013 had not yet healed when corona again thrust Spain into a profound economic depression with long term consequences that cannot yet be foreseen. The year 2020 saw the biggest fall in national product since the civil war (1936-39) with a decline of 11 per cent (the largest decline in the EU) and a rise in public debt to 120 per cent of GNP (only exceeded by Italy); some leading sectors of the Spanish economy such as tourism¹, retail trade, and transport, have seen a dramatic collapse. In contrast to the neoliberal austerity policies of the conservative governments from 2011-2018, the current left-wing government is attempting to cushion the social effects of the crisis through government aid and support programmes. Hence, unemployment has only risen slightly from 14 to 16 per cent as hundreds of thousands of workers are surviving in government-financed short-time work programmes and for many other sectors assistance programmes have been set up for employees and self-employed workers affected by the crisis. In terms of youth unemployment and precarious employment, however, Spain has long been at the bottom of the European league tables. The trade unions are of course directly affected by all these developments as they attempt to achieve the revitalisation of their policies and organisation under very difficult conditions. Analysing these challenges is the central concern of this study.

Anyone who searches YouTube for information on trade unions in Spain will stumble across a video that has been viewed by hundreds of thousands of people vilifying the labour organisations as parasites on the state and society that pocket millions in subsidies, occupy buildings rent free, oper-

ate fraudulent schemes around further education courses and agreements on working time, and have many hundreds of thousands of paid delegates exempt from work. Such reality-distorting caricatures point to a serious image problem in the public perception that compounds the structural problems of the trade unions at the end of a long economic recession and in the midst of the corona crisis.

Trade unions in Spain are traditionally categorised as belonging to the Southern European model, which differs from the Anglo-Saxon and the corporatist central and northern types in terms of its low union density, frequent mobilisation and strike activities, fragmented unions with particular ideological or party political links, competing collective bargaining levels and a high degree of state intervention in labour relations. Similar to the situation in neighbouring countries of Southern Europe, the Spanish trade unions are suffering the effects of a long and deep-seated economic crisis and are now facing the difficult task of substantive and organisational renewal². The trade union scene in Spain is dominated by two major national trade union federations, the social democratic UGT and the post-communist CCOO, as well as some regional trade unions in Galicia and the Basque Country (see below, “The Major Spanish Trade Unions”).

In what follows we present an overview of the historical development of democratic trade unions and labour relations in Spain, the institutional environment, and developments regarding membership and strike action. In Section 2 we look at the specific character of the deep structural crisis of the Spanish economy which poses new and difficult challenges for the trade unions. The crisis affected not only the economy; it was above all a crisis of the democratic institutions and social cohesion. This has been compounded since 2015 by the conflict surrounding the Catalan independence movement that has left the entire country divided and politically paralysed. Since 2020 the economic and political crisis has been overlaid by the dramatic corona pandemic. As a fundamental element of the democratic order, the trade unions are faced by the difficult task of contributing, through their own organisational and policy renewal, to the revitalisation of social democracy in Spain.

¹ In 2019 84 million foreign tourists visited Spain; in 2020, no more than 19 million visited the country.

² A good summary of the development of European trade unions since the economic and financial crisis of 2008 can be found in Steffen Lehndorff, Heiner Dribbusch and Thorsten Schulten (eds.), *Rough waters. European trade unions in a time of crises*, ETUI, Brussels 2018.

2

THE TRADE UNIONS IN SPAIN

2.1. HISTORICAL DEVELOPMENT SINCE THE DEMOCRATIC TRANSITION

The decisive phase of the development of modern democratic labour relations and free trade unions began with the democratic transition after the death of dictator Francisco Franco in 1975 after almost 40 years in power. The trade unions participated in the change of regime with the prestige and hopes of the opposition democracy movement; however, they were internally divided and at loggerheads. Two major fault lines characterised the Spanish trade union movement of the 1970s and early 1980s: (i) there was a historical divide between the so-called “historic” and the “new” workers’ movement; (ii) ideologically, the trade unions were divided into communist, socialist, social democratic-catholic, anarchist and nationalist organisations and groups.

2.1.1. Dwindling Political Differences Between the “Historical Workers’ Movement”...

The *historical workers’ movement*, that is, the organisations that existed before 1939 and survived the Franco period in exile, comprises the socialist UGT, the anarcho-syndicalist CNT, and the Basque ELA-STV. The *UGT*, founded in 1988, has been closely tied to the Socialist Party, the PSOE (Partido Socialista Obrero Español), throughout its history, and along with this party, it was integrated into West European social democracy during exile and in the course of the democratisation process, both ideologically and in organisational terms. The Socialists were barely present in the anti-Franco democracy movement and in exile they largely lost contact with Spanish labour. However, the financial and organisational support of European social democratic parties and the so-called “*memoria histórica*” (collective historical memory) helped the UGT and the PSOE to make a very rapid return in democratising Spain. Since the 1990s the UGT has been one of the two consolidated major trade unions with a social democratic ideology and practice, although maintaining a certain independence and distance from the PSOE.

The *CNT* has not enjoyed a comparable renaissance and during exile not only lost contact with Spanish labour but also lost touch with the changed reality of capitalism, and in addition

it was not able to build on international support. Following an internal split in 1980 from which two anarcho-syndicalist organisations emerged (CNT-AIT and CGT), it has now largely faded into irrelevance.

2.1.2. ... and the “New Workers’ Movement”...

The *new workers’ movement* was formed both in the underground in the spontaneous strike movements of the 1960s, and also in the grassroots structures both of the vertical state trade union under Franco and of the Catholic church. Ignored or boycotted by the UGT and the CNT (especially because of its activities within the state trade union which were denounced as collaboration with the dictatorship), it soon came under strong communist influence and the Spanish Communist Party, the PCE, developed into the leading party of opposition in the underground. The Workers’ Commissions (CCOO), initially little more than spontaneous strike and negotiating committees, consolidated over time to become the leading democratic trade union in Spain. At the time of Franco’s death (1975) they were the sole democratic mass organisation in Spain. In the course of the democratic transition, however, they soon had to acknowledge the equality of the UGT and suffered from the political decline of the communists. Today the differences between the CCOO and the social democratic UGT are only minor and trade union action has converged considerably. Nowadays, the two major trade unions largely act in unison.

At least one more significant trade union belongs to the “new workers’ movement”: the *USO*. It participated in the first workers’ commissions and mainly recruited its members from the social Catholic young workers’ milieu. Its opposition to growing communist influence motivated it to set up its own underground trade union, which was ideologically oriented towards a mixture of socialist self-management and Catholic social doctrine. Although the *USO* was much more firmly anchored in the Spanish working class than the UGT at the beginning of democratisation it soon had to cede hegemony over the social democratic spectrum to the latter and lost important groups of members to the UGT and the CCOO in two splits in 1977 and 1980. Today its influence is limited to a few regions and sectors.

The Major Spanish Trade Unions

National Trade Union Federations

CCOO (Comisiones Obreras) – Confederation of Workers’ Commissions: The Workers’ Commissions were initially formed as spontaneous and short-lived underground groups from the end of the 1950s. In the 1960s they became the most important underground organisation of the democratic opposition against the dictatorship and came to be heavily influenced by the Communist Party. In the course of democratisation they developed into a modern trade union organisation, increasingly independent of the declining Communist Party. In 1991 they joined the European Trade Union Confederation (ETUC); today, the political and ideological differences between the CCOO and the social democratic UGT are only minor. The organisational basis of the CCOO comprises seven industrial federations with approx. 900,000 members representing all major sectors and regions.

UGT (Unión General de Trabajadores) – General Workers’ Federation: Founded in 1888 by a small group of skilled workers, the UGT is the oldest Spanish trade union and since its founding it has had close ties with the Socialist Party, the PSOE. During the dictatorship it dwindled to a few exiled groups and played little role in the underground struggle. In the course of democratisation, however, it grew rapidly with the help of international social democratic organisations to become an alternative to the communist workers’ commissions, a process that was helped by Spanish society’s so-called “historical memory” of the pre-dictatorship period. Since the 1980s the UGT, together with the CCOO, has formed a dual trade union hegemony in the fragmented Spanish trade union spectrum and since the 1990s the two majority trade unions have acted in unison. After a process of concentration and fusion the UGT now encompasses six industrial federations (including the union of pensioners and the self-employed) with around 900,000 members, with the public sector and metal working/construction accounting for around 40 per cent. The UGT is a member of the ETUC and the International Trade Union Confederation (ITUC).

USO (Unión Sindical Obrera) – Workers’ Trade Union Confederation: The USO was formed in the left-wing Catholic milieu of the democratic opposition from the end of the 1950s. It participated very actively in the anti-Franco underground in the early workers’ commissions while differentiating itself from the communist majority. In the course of the democratic transition it lost much of its influence as member groups switched to the UGT and CCOO. Since 2006 the USO has been a member of the ETUC and the ITUC. Its influence today is limited to individual large

enterprises and administrations such as e.g. the Catholic educational sector. Its membership is around 100,000.

Besides these national umbrella organisations there is a broad spectrum of smaller, local and sectoral trade unions. In the public sector (civil servants, doctors, nursing care, education, flight personnel) strong professional associations are active. The anarcho-syndicalist organisations **CNT** (Confederación Nacional del Trabajo – National Labour Confederation) and **CGT** (Confederación General de Trabajadores – General Confederation of Workers) play no significant role today, apart from in a few factories and urban districts. In some regions (Andalusia, Asturias) smaller, grassroots-oriented trade unions have become established.

Regional Trade Union Federations

ELA-STV (Euzko Langilleen Alkartasuna) – Basque Workers’ Solidarity: ELA-STV is the strongest and oldest regional nationalist trade union. It was founded in 1911 in the context of social Catholic Basque nationalism and was long close to the Basque Nationalist Party PNV. It joined the European Trade Union Confederation while in exile and during democratisation rapidly advanced to become the leading trade union in the Basque Country. ELA-STV is characterised by an efficient organisation and negotiating capability. Since the 1990s it has drawn closer to the radical separatist LAB and has distanced itself from the CCOO and UGT which operate throughout Spain. It has around 100,000 members.

LAB (Langile Abertzaleen Batzordeak) – Nationalist Workers’ Committees: The LAB was formed in the 1970s as the trade union wing of the radical Basque independence movement, which also included the ETA terrorist organisation. With a strong grassroots orientation, LAB developed into an effective trade union organisation that today holds around 18% of the works committee seats in the Basque Country and actively participates in collective bargaining and interest representation activities.

CIG (Converxencia Intersindical Galega/Confederación Intersindical Galega) – Galician Trade Union Confederation: The CIG is a coalition of heterogeneous trade union groups which combined to reach the statutory representation threshold (15 per cent of works committee seats, see below). Loosely associated with the nationalist party, the “Nationalist Galician Block”, it nowadays represents almost one-third of organised labour in Galicia.

2.1.3. ...While Strong Regional Trade Unions Continue

To complete the spectrum of trade union organisations a peculiarity must be mentioned that distinguishes Spain from other European countries. In several peripheral regions regional nationalist trade unions exert a strong influence and contest hegemony with the UGT and the CCOO. In the Basque Country the two nationalist trade unions, ELA-STV (social Catholic) and LAB (separatist) taken together are stronger than the UGT and CCOO. In Galicia the CIG, which has emerged from several small regional groupings, has growing influence and today, with just under one-third of the works committee seats, is on an equal footing with the two major trade unions.

After the turbulent years of the democratic transition and consolidation process in the 1970s and 1980s, labour relations since the mid-1990s can be characterised as relatively stable, institutionalised, and democratic. The balance of power between the trade unions has barely changed since then and the trade unions are among the recognised democratic negotiation partners.

2.2. MEMBERSHIP DEVELOPMENT AND ORGANISATION

In keeping with the Southern European model, for a long time the Spanish trade unions put more emphasis on interest-driven policies, mobilisation, and good results in works committee elections than on member recruitment and organisation. Membership development can roughly be divided into five phases. In the democratic transition (1975-1978) people

spontaneously joined the trade unions on a large scale; however, the many ideologically fragmented trade unions were unable to convert this into stable membership. In the second phase (1979-1985) the hegemony of the two major trade unions was consolidated and the trade unions with a specific ideological or political party affiliation of the chaotic phase of democratisation, most of them small, disappeared. Economic difficulties, structural change in traditional industrial sectors with massive job losses, and the dashing of political hopes for a social, labour-friendly democracy resulted in a fall in labour density to below 15 per cent.

In the third phase (1986-1992) the absolute number of members rose significantly and union density grew moderately. The trade unions emancipated themselves from their political reference parties during this period and acted in unison against the neoliberal policies of the socialist government. The employment boom in the aftermath of the crisis of the early 1990s (1994-2007) brought the trade unions many new members, although union density stagnated at around 17 per cent of employees. During this phase membership composition changed due to the accession of younger, pragmatic, less ideological, and above all, female employees.

The effects of the corona crisis since 2020 cannot yet be estimated. The economic crisis of 2008 and the neoliberal crisis management with its anti-trade union focus had the effect of considerably weakening the trade unions and led to significant membership losses. Almost 600,000 members left the trade unions in the crisis years. Although new members joined in the period 2014-2019 as a result of the slight economic recovery, membership is still far below the pre-crisis level.

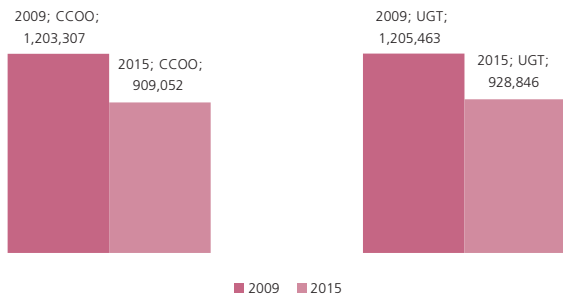
Figure 1

Trade Union Density in Europe (% of Employees)

	2000	2002	2004	2006	2008	2010	2013	2016	2018
Sweden	79.1	77.3	77.3	74.2	68.3	68.4	67.4	67.0	65.6
Finland	75.0	73.5	73.3	71.7	67.5	70.0	69.0	64.6	60.3
Norway	54.4	54.5	55.0	54.9	53.3	54.8	52.1	52.5	49.2
Italy	34.8	33.8	34.1	33.2	33.4	35.1	37.3	34.4	34.4
Ireland	38.0	36.1	35.5	33.1	32.2	35.0	33.7	24.4	24.4
Austria	36.6	35.2	34.1	31.0	29.1	28.1	27.4	26.9	26.3
GB	30.2	29.3	29.4	28.1	27.1	26.5	25.7	23.5	23.4
Greece	26.5	25.5	24.5	24.7	24.0	22.7	21.5	18.6	n.d.
Portugal	21.6	20.7	21.4	20.8	20.5	19.3	18.5	16.3	n.d.
Germany	24.6	23.5	22.2	20.7	19.1	18.5	17.7	17.0	16.5
Netherlands	22.9	21.0	20.8	20.0	18.8	18.6	18.0	17.3	16.4
Spain	16.7	16.0	15.5	15.0	15.0	16.4	16.9	13.9	13.6
Poland	24.2	24.1	19.7	16.8	15.6	15.0	12.7	12.1	n.d.
France	8.0	8.1	7.8	7.6	7.6	7.7	7.7	7.9	8.8

Source: Amsterdam Institute for Advanced Labour Studies (AIAS) University of Amsterdam, www.uva-aias.net/en/ictwss; for 2016 and 2018 OECD, <https://stats.oecd.org/Index.aspx?DataSetCode=TUD>

Figure 2
Change in Membership Figures of the CCOO and the UGT 2009-2015



Source: Expansión (7.3.2016) on the basis of information provided by the umbrella organisations

The changes in the Spanish labour force have brought about a corresponding change in the membership structure of the trade unions, with a growing proportion of better educated and female members from the public sector and private service industries. Most federations have quotas in their statutes providing for female participation in trade union bodies that is not less than the proportion of female members.

Figure 3
Proportion of Trade Union Members among Youth, Women, and Temporary Employees, 2010³

	Trade union members	Share of the workforce
Temporary employment	15.5%	25.0%
Women	40.7%	46.1%
Under 30 years old	15.8%	21.7%

Source: Instituto Nacional de Estadística: Survey on the quality of working life

Although in many areas the trade unions have managed to reach new groups of members in traditionally under-represented sectors, foreign workers, whose presence in the labour force has risen sharply, remain largely unorganised. While the trade unions offer special services for immigrants with problems regarding legalisation and work permits and thus come into contact with many labour migrants and have also conducted special campaigns in sectors with a high proportion of foreign workers (for example, in hotels and restaurants), they have not been able to raise their membership rates significantly. Foreign citizens inclined to get involved in trade union activities tend to prefer membership of national migrant organisations.

The practice of many Spanish companies of hiring people as formally self-employed on the basis of contracts for work and

services instead of regular employment contracts has motivated the trade unions to redouble their efforts against such bogus self-employment. The UGT has set up its own federation for the self-employed, while the CCOO prefers to offer membership of the respective branch federations.

Although the preponderance of members still consists of older male employees of large industrial companies and, increasingly, in the public sector, the membership has become much more heterogeneous over the past two decades under the influence of changes in the labour market and the working population. The subjective attitude of members to trade unions has also changed. An instrumental attitude dominates, seeking protection and services, in particular in labour conflicts, while political and ideological motives have largely fallen by the wayside. The trade unions complain of the difficulty of retaining members over the long term since many join when they encounter problems, only to leave again when these problems have been solved.

The organisational capacity of Spanish trade unions is limited by their low membership and low membership contributions, which are based on the minimum wage and in 2020 stood at approx. 15 euros a month. The key resources come from public grants (Law on the Promotion of Federations and Foundations; projects, educational measures etc.) and staff are organised largely via fulltime employee representatives. Spanish trade union law allows the bundling of the delegate hours of several delegates to release one person entirely from work who can then devote him- or herself predominantly to trade union tasks.

The Spanish trade union federations are following a general European trend towards concentration and merger of individual trade unions. In the UGT, the number of individual trade unions has been reduced from 14 to five, including the new union of the self-employed. In the CCOO, 23 individual trade unions have merged to form the current seven trade unions.

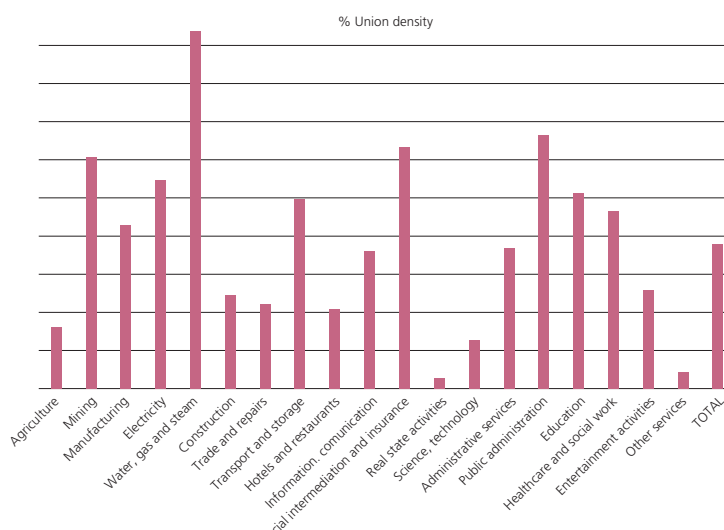
In contrast to other European countries the concentration in a few large individual trade unions has so far not been accompanied by a loss of functions on the part of the umbrella organisations. They remain capable of strike action and collective bargaining; they negotiate framework collective agreements and participate in the many tripartite committees and negotiations at all levels.

2.3. ENTERPRISE PARTICIPATION, COLLECTIVE BARGAINING AND COOPERATION

The representation and participation rights anchored in the Workers' Statute (1980) and the Law on Trade Union Freedom (1985) establish dualist interest representation by trade union bodies at enterprise and supra-enterprise level and the works committees elected by all workforces with more than 50 em-

3 The survey on the quality of working life was conducted every year since 1999 by the Spanish National Statistics Institute (Instituto Nacional de Estadística) and was the only reliable source on trade union issues such as union density and membership structure. In the context of drastic austerity measures it was discontinued in 2011; hence, reliable data is not available for later periods.

Figure 4
Union density by economic sector



Source: Instituto Nacional de Estadística: Survey on the quality of working life 2010

Figure 5
Interest representation at the enterprise level in Spain

Direct interest representation:	<ul style="list-style-type: none"> – Workforce delegates (10 – 50 employees) – Works committee (> 50 employees)
Trade union interest representation:	<ul style="list-style-type: none"> – Trade union delegates (representatives of each trade union section in enterprises with > 250 employees)
Rights of the works committee:	
Information rights:	<ul style="list-style-type: none"> – Economic situation of the company – Employment contracts – Sanctions for serious offences
Consultation rights:	<ul style="list-style-type: none"> – Collective redundancies – Changes in personnel organisation and structure – In-work training – Classification criteria and bonuses
Other tasks:	<ul style="list-style-type: none"> – Monitoring compliance with labour law provisions – Monitoring of health and safety – Cooperating in measures to increase productivity

ployees. In enterprises with 250 or more employees the trade unions have the right to form “trade union sections” (similar to German shop stewards). In contrast to the German “dual” system, however, in Spain the works committees and trade union sections also have the right to call strike action and engage in collective bargaining. However, they do not have Germany’s codetermination rights with regard to personnel decisions at the enterprise level, but only consultation rights. In enterprises with 50 employees or more, a parity-based health and safety committee is also required by law.

2.3.1. The Significance of Elections of Workforce Delegates

The elections of the workforce delegates and works committees, known in Spain as “trade union elections” are highly significant, for much more than the composition of interest representation

at the enterprise level depends on their results. The Law on Trade Union Freedom establishes a general criterion of “representativity”, according to which trade unions that in nationwide trade union elections gain over 10 per cent (UGT and CCOO) or in an “autonomous community” (federal state) gain over 15 per cent of the delegates (ELA-STV and LAB in the Basque Country; CIG in Galicia) have a general right to enter collective agreements, a right of representation in public institutions, and access to certain government subsidies. All other trade union organisations and professional associations are only entitled to enter into collective agreements in enterprises and sectors in which they have over 10 per cent of the delegates. This provision has contributed significantly to clarifying the trade union panorama by marginalising the numerous small, local and radical trade unions that shot up like mushrooms in the chaotic decade of the 1970s and installing a quasi-dualist trade union model with regional variations. The great significance of works committee elections together with the relatively low level of union density in Spain has led some authors to characterise this as a “representative trade

Figure 6
Results of Works Committee Elections in Spain

Jahr	CCOO	UGT	USO	ELA-STV	LAB	CIG	Other
1978	34.45%	21.69%	5.56%	0.99% (18.9%)		0.55% (22.3%)	20.85%
1980	30.86%	29.27%	8.68%	2.44% (25.6%)	0.48% (4.7%)	1.01% (17.4%)	11.94%
1982	33.40%	36.71%	4.64%	3.30% (30.2%)	0.68% (5.9%)	1.17% (18.9%)	8.69%
1986	34.27%	40.19%	3.83%	2.92% (34.9%)	1.06% (10.7%)	1.34% (21.2%)	9.95%
1990	37.60%	43.10%	3.00%	3.2% (37.8%)	1.27% (13.1%)	1.5% (23.4%)	9.70%
1995	37.74%	35.51%	3.56%	2.97% (39.7%)	1.22% (15.4%)	1.91% (26%)	17.09%
1999	37.63%	37.17%	3.49%	3.06% (40.5%)	1.33% (15.2%)	1.62% (26.2%)	15.62%
2003	38.74%	36.80%	3.11%	3.24% (41%)	1.37% (15.2%)	1.62% (26.2%)	15.12%
2007	39.09%	37.15%	2.95%	3.13% (40.2%)	1.39% (16%)	1.82% (28.6%)	14.45%
2011	38.38%	36.33%	3.43%	3.03% (39.8%)	1.39% (17.2%)	1.63% (26.4%)	15.77%
2015	36.17%	33.30%	3.89%	2.58% (40.6%)	1.24% (18.9%)	Nd (27,6%)	22.25%
2019	35.07%	32.07%	4.01%	3.01% (41.0%)	1.06% (19.1%)	1.07% (28.8%)	23.71%

Source: CCOO. Informes de elecciones sindicales. Secretaría de Organización. Confederación Sindical de Comisiones Obreras.

Note: The numbers in brackets refer to the share of delegates achieved by the regional trade unions in the region concerned (ELA-STV and LAB in the Basque Country, CIG in Galicia). The category "Other" mainly includes professional associations of civil servants, teachers, nursing care staff, local public transport etc., and in the retail trade sector two company trade unions dominated by the employer.

union model" (*voters' trade unionism*) in contrast to a "membership organisation model" (*members' trade unionism*).⁴ Hence the results of trade union elections provide the best indication of the strength of the individual trade unions.

2.3.2. Coverage by Collective Agreements Traditionally Very High...

Coverage by collective agreements in Spain is generally high (at around 80 per cent of all employees) because of the automatic rule that agreements shall be generally binding (*erga omnes*) in the sense that all establishments, regardless of membership, are subject to the applicable branch collective agreement. The labour law reforms at the end of the 1990s set things moving in the area of such agreements and depended on the revival of tripartite dialogue between the government, employers' organisations and trade unions.

2.3.3. ... But Loosening of the Automatic Rule that Agreements Shall be Generally Binding ...

In the 1994 reform law the rule that agreements shall be generally binding was weakened by the introduction of so-called "opening clauses" that allow companies in difficulties to deviate from the applicable collective agreement, and the social partners were obliged to stipulate the scope of collective agreements. In the 1997 reform, a clear structure of levels was introduced into the collective bargaining system for the first time by reserving certain issues for the national branch level and tasking the social partners with reaching agreement on a hierarchy of competencies for the other issues. Since that time it has been normal practice for the central umbrella organisations to sign framework collective agreements stretching over several years, which not only cover wage guidelines but have also introduced new issues into collective bargaining in Spain, such as gender equality, reconciliation of work and family life, health and safety, and part-time working for older workers, and vocational training and further training. The most recent labour market reforms (2012), however, have made deep holes in collective agreement coverage and have been heavily criticised by the trade unions (see below).

⁴ See Miguel Martínez Lucio: "Spain: Constructing institutions and actors in a context of change", in: Anthony Ferner / Richard Hyman (eds): *Industrial Relations in the new Europe*. Oxford / Cambridge MA 1992, p. 482-523; Antonio Martín Valverde: "European Employment and Industrial Relations Glossary: Spain", European Foundation for the Improvement of Living and Working Conditions, 1991, p. 25.

Figure 7
Negotiated and Revised Collective Agreements

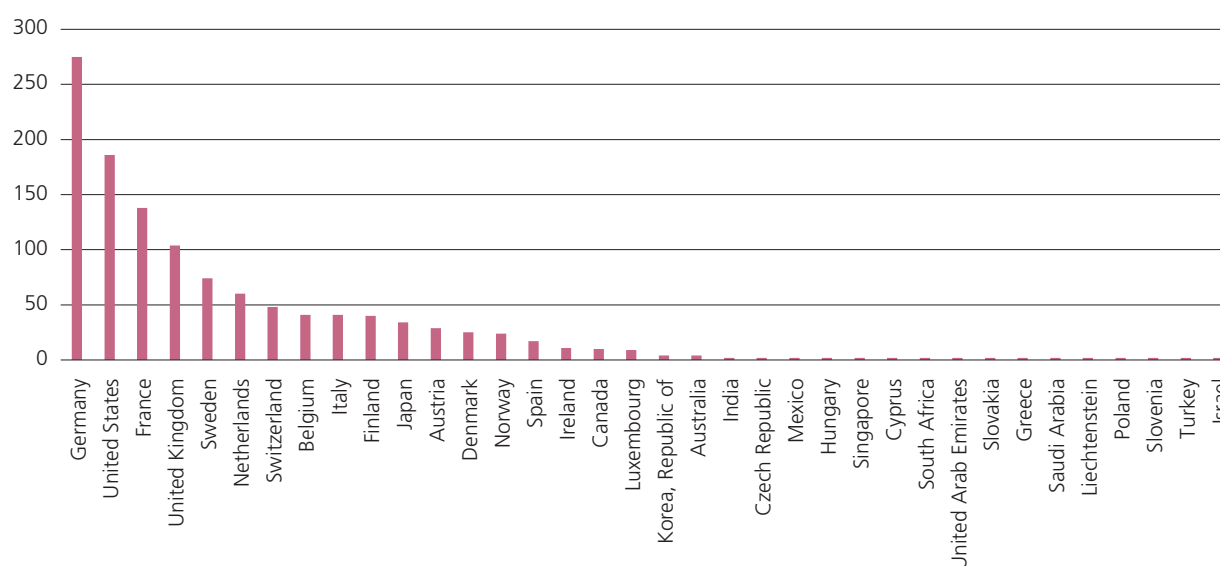
Year	Company agreements		General collective agreements		Total	
	Number	Employees affected (000)	Number	Employees affected (000)	Number	Employees affected (000)
2009	4,323	1,114.6	1,366	10,443.2	5,689	11,557.8
2010	3,802	923.2	1,265	9,871.1	5,067	10,794.3
2012	3,234	925.7	1,142	9,173.3	4,376	10,099.0
2016	4,471	804.3	1,169	9,934.3	5,640	10,738.6
2018	4,413	857.7	1,176	10,565.9	5,589	11,423.7
2019*	3,432	741.1	1,044	9,839.6	4,476	10,580.8

* Data for 2019 are still provisional since the official registration of collective agreements always occurs with a significant delay.

Note: After a sharp fall as a result of the crisis and the labour market reform of 2012, there was a steady rise in the number of collective bargaining agreements in the context of economic recovery from 2014 until the outbreak of the corona crisis. Most of the general collective agreements are concluded for one sector at provincial level. In recent years the number of revised collective bargaining agreements has exceeded that of new agreements as a result of the tendency to negotiate multiyear framework collective agreements.

Source: Ministry of Employment and Social Security

Figure 8
Number of EWCs Based on Main Seat of Company, 2020



Source: ETUI EWC database: <http://www.ecwdb.eu/stats-and-graphs>

2.3.4. ...with Statutory Minimum Wages

Spain has a long tradition of statutory minimum wages that are annually adjusted to the rate of inflation. One of the first decisions taken by the transitional socialist government in 1980 was to raise the minimum wage from 736 euros (1980) to 900 euros (1981). The new left-wing government made up of the PSOE and UP (Unidas Podemos – United We Can) agreed an increase to 950 euros (2020) with the social partners and gave an undertaking to the trade unions that it would meet their demand for an increase to 60 per cent of the average wage (2020: 1,028 euros) in the course of the parliamentary session.

2.3.5. Company-wide Interest Representation and Transnational Companies

The Spanish trade union federations have long shown a strong interest in European policy and the chairs of UGT and CCOO served as presidents of the European Trade Union Confederation in 2003 - 2007 and 2011 – 2015. UGT chairman Pepe Álvarez has served as one of the five vice-presidents of the ETUC since its most recent congress in May 2019. At the operational level of European works councils (EWCs) and the European Social Dialogue, however, there are still participatory deficits. Apart from cultural and traditional factors, one reason for the

low importance of transnational group works councils in Spain is the structure of Spanish companies. The majority of Spanish multinationals are either comparatively small, especially as far as their non-Spanish branches in Europe are concerned, or their international activity is oriented much more towards Latin America than Europe. In the European Trade Union Institute's database of EWCs (<http://www.ewcdb.eu>, last accessed 16.1.2021), only 19 EWCs of Spanish companies have so far been registered, of which 17 are currently operative.

Spain's large banks, airline companies, telecommunications and energy companies etc. dominate many Latin American markets yet still have only a small presence in Europe. Conversely, Spain is an investment destination for many European and North American groups, as a result of which Spanish trade union delegates are involved in hundreds of EWCs. However, EWCs often operate in a very rudimentary fashion, with very few meetings (1-2 a year), language problems, cultural barriers, etc., and Spanish delegates often play only a very marginal role compared with the representatives from the main plants. Moreover, even within Spain itself central works committees above the factory level are rare and company-based interest representation is often subject to competition between the trade unions. European works councils are just one example of the still insufficient Europeanisation and international integration of Spanish trade unions and works committees.

2.3.6. Social Dialogue Reached its Limits in the Crisis of 2008

Since the 1990s an extensive system of institutional participation by the social partners in institutions such as labour offices, social security, occupational training, universities, and economic and social councils has developed in Spain. Thus the trade unions are involved at all levels (national, regional, local, sectoral) in diverse political negotiation processes. The spirit of social dialogue led to many tripartite social pacts on economic and employment policy, pension reform, the healthcare system and social dialogue in the public sector. The consequences of the economic crisis, the drastic austerity programmes and two anti-trade union labour market reforms (2010, 2012) have brought social dialogue to a standstill at many levels. Even consultations mandated by law, such as the setting of the statutory minimum wage, were ignored by the Popular Party government (2016). Cooperation and social dialogue proved successful with regard to the distribution of increasing public resources but failed to ensure a socially just distribution of the consequences of the crisis.

The trade unions' close institutional involvement in tripartite social dialogue and state institutions gives them influence, a voice, and access to organisational resources, but at the same time it has tended to tarnish their image and reputation. As part of the political system they suffer from the same loss of trust as politicians, and together with political parties, banks, and multinational companies, they make up the group enjoy-

ing the least trust in Spanish society. In contrast, small and medium companies together with scientists, the police, the military, the social security system and non-governmental organisations are evaluated positively.⁵

2.4. MOBILISATION AND STRIKES

In Spain, the right to strike is a collectively exercised fundamental individual right enshrined in the constitution and is not, as in some northern European countries, tied to trade union organisations and strike ballots. In contrast, lockouts are strictly limited by law to exceptional circumstances. The major Spanish trade unions have no strike funds and do not pay their members allowances in the event of industrial action.

Like other Southern European trade unions, Spanish unions are regarded as relatively quick to call strikes, and their potential for mobilisation exceeds their membership. At the same time, a long-term trend is discernible in Spain towards diminishing conflict and strike frequency.⁶ The development of strikes in Spain follows a dynamic that is strongly influenced by political motivation, with less conflict in periods of intensive cooperation and good relations between the social partners and between trade unions and the government, as for example during the period of the socialist Zapatero government before the crisis (2005-2008), and increasing incidence of strikes in phases of political discontent on the part of the trade unions. Thus the 2010 labour law reform of the socialist government and the drastic austerity measures and curtailment of workers' rights that were further exacerbated by the conservative Rajoy government (2011-2018) led to numerous protest actions and three national general strikes (2010, March 2012 and November 2012). Thus not only conflicts with the central government but also labour conflicts at the regional and local level frequently assume a political character.

2.4.1. Transformation of the Form of Strikes

Strikes and industrial disputes in Spain follow some long-term trends that can also be seen in other Southern European countries. Besides the declining frequency of strikes the reasons for and the targets of strike action are changing. While strictly economic strikes about wages and working conditions in the private sector are falling sharply, politically motivated strikes are on the rise. The targets of protest actions are not so much employers as political decision-makers. This trend is reinforced by the fact that in many disputes on plant closures and reloca-

⁵ See the regular opinion surveys by Metroscopia (www.metroscopia.org) and the Centre for Sociological Research CIS (www.cis.es).

⁶ A detailed analysis of labour conflicts and strike frequency in Spain is provided in David Luque Balbona (2013): *La forma de las huelgas en España, 1905-2010*, *Política y Sociedad*, vol. 50 (1), pp. 235-268, and David Luque Balbona and Sergio González Begega (2017): *Declive de las huelgas y cambio en el repertorio de protesta en España*, *Arxius de Ciències Socials*, No 36-37, pp. 97-110.

Figure 9
Development of Strikes in Spain (Working Days Lost per 1,000 Employees)

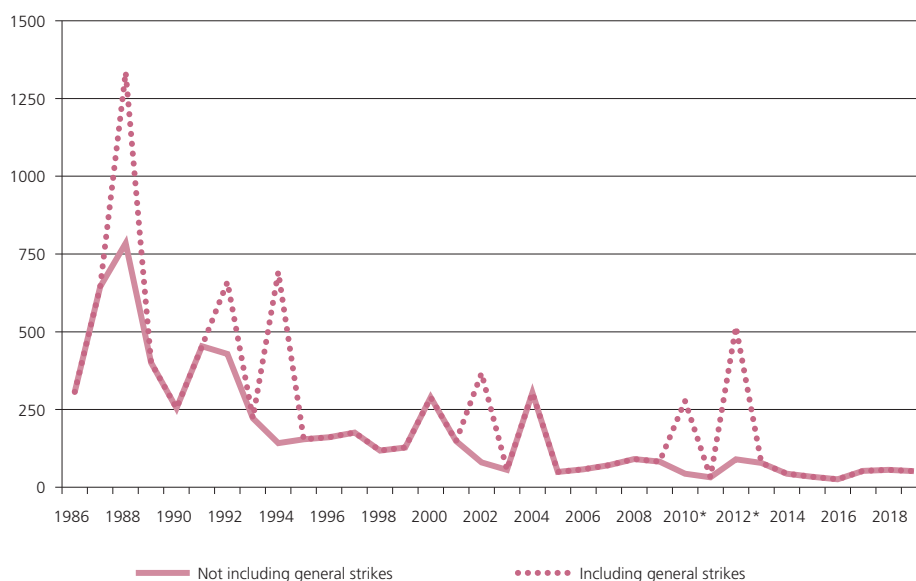


Figure 10
Nationwide General Strikes in Spain

Year	Motive	Participants (000)	Employees (000)	Strike participation (%)
1988	Reform of the youth labour market	4,798	8,722	55.0
1992	Unemployment reform	3,491	9,463	36.9
1994	Labour market reform	4,975	9,034	55.1
2002	Unemployment reform	3,860	13,472	28.7
2010	Labour market reform	2,149	15,347	14.0
2012 (March)	Labour market reform	3,357	14,347	23.4
2012 (November)	Austerity policy	3,070	14,347	21.0

Source: D. Luque Balbona and S. González Begega: Declive de las huelgas y cambio en el repertorio de protesta en España, *Arxius de Ciències Socials*, No 36-37, pp. 97-110

tion of production the company decision-makers are located in group headquarters abroad and are thus out of reach of those affected. Moreover, many labour market problems such as the growing trend towards precarious work, the fragmentation of workforces and increasing competitive pressure are assuming a systemic character and can hardly be blamed on specific companies.

The growing role of the service sector represents another change in the form of labour disputes. Although the industrial sector continues to dominate in terms of strike frequency, the incidence of strikes is rising fastest in the public sector (care workers, transport, teaching staff) and strikes are more

frequently led by small strategic groups (air traffic controllers, pilots). Those mainly affected by strikes are not so much the responsible authorities (often politicians) as the citizens who use these services. Strikers exert pressure via public chaos and media reporting rather than through falling profits and sales.

A third long-term trend in the development of labour disputes is the defensive nature of most strikes. Workers and their trade unions are no longer struggling to improve their working conditions and extend their rights, but rather to save their jobs, against the dismantling of protection against redundancy, the increase in working hours, the relocation of production or the increasingly precarious nature of employment contracts.

3

TRADE UNIONS IN THE ECONOMIC CRISIS (2008-2015)

3.1. BACKGROUND OF THE ECONOMIC CRISIS

In Spain, the international economic and financial crisis encountered an economy that was particularly vulnerable and structurally weak and caused the long property bubble to burst. The construction boom, tourism and domestic consumption had led to a rise in employment from 12 to 23 million people and a fall in unemployment from 23 to 8 per cent between 1993 and 2007. Most of the jobs were created in sectors with precarious low wage jobs such as construction, personal services, retail trade, and hotels and restaurants. In this period the proportion of immigrants in the working population also rose from below 2 per cent to 11.3 per cent (2008) and this proportion remained stable until 2020.

The Spanish economy is characterised by a series of structural problems that have accumulated over a long period. These problems were both disguised and exacerbated by the artificial boom. They include above all the specialisation profile with the dominance of the construction and tourism sectors and related services with low value added and low-quality employment. Conversely, there is a lack of internationally competitive industries and innovative capacity. After a number of banking crises that were dealt with at considerable public expense in the 1980s and 1990s, the financial sector has a number of leading international banks. However, a negligent central bank and cheap money on the financial markets allowed the speculative growth of many credit institutions and especially savings banks via the property sector and private consumption. According to Spain's national Court of Auditors, the bailout, including transforming the savings banks into private banks, cost the Spanish government over 60 thousand million euros⁷. A third structural problem is the inefficient and poorly constructed state, whose 17 regions (autonomous communities) and above all municipalities have no clear financial basis. The transfer of competences to the autonomous communities has led to an enormous growth of the bureaucracy but not to better public services, and the constant wrangling over

financing and financial balance between the regions and the central government is also threatening Spain's political cohesion.

The municipalities have long financed themselves through licences and building permits, thereby building up corrupt clientelist structures whose financial sources have now run dry; their political and administrative legacy will continue to burden the economy and society for a long time to come. Money that was all too easily available, the uncontrolled growth of the financial institutions, and habits of household consumption have led to extremely high indebtedness in the private sector, both among companies and banks and in households. The fifth structural weakness to be mentioned here – several more could be added, such as the underdeveloped system of vocational training, the tax system, and energy waste – is the extreme discrepancy in the size of companies: according to social security data, in 2019, 95.5 per cent of the 3.36 million Spanish companies had fewer than 10 employees, 82.9 per cent had fewer than 3 employees, and 56 per cent were self-employed with no employees. Thus a few highly competitive large companies contrast with a throng of micro-companies, while medium-sized companies that in other countries play a key role with regard to competition and innovation are almost completely lacking.

3.1.1. Record Unemployment...

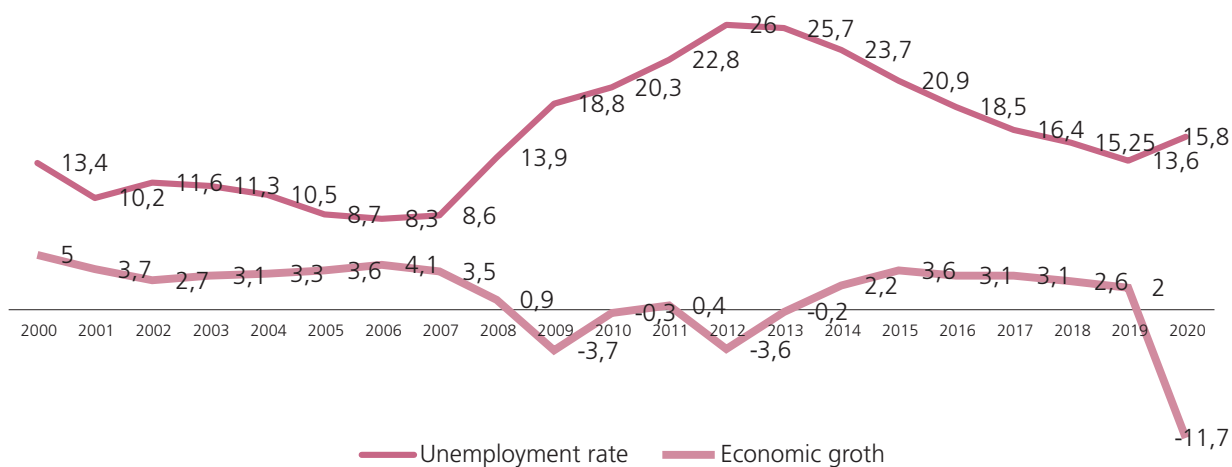
From being the European country with the biggest growth in employment in the period 1994-2007, Spain became the country where jobs were destroyed fastest in the economic crisis, in the course of which Spain quickly rose to the top of the unemployment (2013: 27.16 per cent) and youth unemployment (57.2 per cent) rankings. According to Eurostat the crisis destroyed 5.1 million jobs in Europe in the period from 2008-2012, of which more than half (2.75 million) were in Spain.

3.1.2. ... Austerity Policy...

After the first tentative attempts to stimulate the economy in the first years of the crisis, 2008/09, failed to have an effect due to the severity and structure of the economic slump,

⁷ Press release of the national Court of Auditors dated 10.1.2017 (<http://www.tcu.es/tribunal-de-cuentas/es/sala-de-prensa/news/APROBADO-EL-INFORME-SOBRE-EL-PROCESO-DE-REESTRUCTURACION-BANCARIA-EJERCICIOS-2009-A-2015/>)

Figure 11
Development of GDP and the Unemployment Rate in Spain



Source: National Institute of Statistics (Instituto Nacional de Estadística)

Figure 12.
Structural data on the Spanish Labour Market

	1990	1992	1996	2000	2002	2007	2009	2011	2013	2015	2017	2019	2020
Unemployment rate	16.3	18.4	22.2	14.2	13	8.6	18.3	21.6	27.2	20.9	16.5	14.2	16.1*
Proportion of long-term unemployed	51.4	46.6	54.6	44.6	37.7	22.6	34.5	50	56.3	48.7	42.8	44.3	
Women's unemployment rate	24.2	25.5	29.6	20.5	16.4	11	18.4	23.3	27.6	22.5	18.4	16.0	18.3
Youth unemployment rate	33	35.7	42	28.1	22.3	18.1	39.6	46.4	57.2	46.2	37.5	32.2	40.2
Unemployment rate of Spaniards	nd	nd	nd	nd	nd	7.9	16.8	20.6	25.1	19.9	15.6	13.2	14.5
Unemployment rate of foreigners	nd	nd	nd	nd	nd	12.3	29.7	34.8	39.2	28.3	23.6	20.1	26.6
Proportion of fixed-term employment contracts	30.3	33.5	33.8	32.9	31.6	30.9	25.4	25	22.1	25.7	26.7	26.3	24.6
Proportion of part-time employment contracts	4.6	5.9	7.4	7.5	8	11.6	13.3	13.8	16	15.7	14.6	14.6	14.5
Labour force participation (≥16)	nd	nd	nd	52.5	54.9	59.4	59.9	60.2	59.8	59.4	58.6	58.6	58.2
Participation of women in the labour force	nd	nd	nd	42.8	43.2	49.9	52.1	53.4	53.9	53.7	53.3	53.3	53.3

* The fact that unemployment only showed a relatively small increase in the corona year 2020 is due above all to provisions on short-time work. In the course of 2020, between 1.8 and 3.5 million people had no work but were formally in employment.

Source: National Institute of Statistics (Instituto Nacional de Estadística), survey of the working population

the socialist government, under growing pressure from the European Troika (EU Commission, European Central Bank and International Monetary Fund) switched to a radical austerity policy that imposed the costs of the crisis above all on wage-earners and socially vulnerable groups. Wage cuts in the public sector, pension freezes, an increase in the age of pension entitlement from 65 to 67, cuts in public investments and development aid, and longer working hours were intended to put an end to growing public indebtedness and restore the confidence of international financial markets in the Spanish economy. On top of that, a labour market reform in autumn 2010 made redundancies easier and cheaper and promoted private job placement and temporary work agencies. As a result of these austerity measures the economic crisis was exacerbated,

budget deficits increased due to rising social expenditure and falling revenues, unemployment climbed sharply, and interest rates on the refinancing of debt on the international financial markets rose.

3.1.3. ... and Rapidly Rising Social Inequality...

Besides the dramatic economic decline, Spanish society is suffering from the social upheavals caused by the unfair distribution of the costs of the financial crisis. As a consequence of mass unemployment and neoliberal austerity policies, social

inequality and poverty have risen sharply. After unemployment benefits run out, many households live on minimum income support and are also facing eviction from their homes since they can no longer pay their mortgage. The economic recovery and the decline in unemployment since 2014 only alleviated these problems to a slight extent. In 2019 the EU Commission published a study in which it expressly drew attention to Spain's urgent problem of poverty and inequality despite five years of economic growth and identified the high level of precarious employment as a major cause. The corona crisis of 2020 affected different groups of the population in very different ways and exacerbated inequality still further although public support programmes have managed to significantly cushion the effects (see Observatorio de la Desigualdad: <https://www.caixabankresearch.com/>).

Neither the general strike by the trade unions nor the months-long youth protests in the central squares of Spanish cities, the 15 May movement, or the "indignant ones" were able to bring about a revision of the anti-social crisis policy, and in autumn 2011 the PSOE lost the election and the conservative PP (Partido Popular) under Mariano Rajoy formed the government. The policy of cuts and tax increases was stepped up and is now having a significant impact on the health care and education systems. Furthermore, VAT was raised from 18 per cent to 21 per cent, the 14th monthly wage was abolished in the public sector, and unemployment benefit was cut.

3.1.4. ... Generated a Downward Spiral

The austerity policy pursued since 2010 under pressure from the EU and the financial markets has only served to exacerbate the structural problems of the Spanish economy and has set in motion a dangerous downward spiral of falling growth rates, declining government revenue, destruction of jobs and rising interest rates on refinancing. In the past, the Spanish economy grew during periods of specific competitive advantages, such as the opening up of the market under the technocrats of the Franco regime in the 1960s or the influx of foreign capital in the wake of EU accession in the 1980s. The government has also frequently exploited currency devaluation. These specific economic circumstances are no longer available, and the years of the property boom can be seen as a lost decade in terms of the necessary modernisation of the Spanish economy. The corona crisis of 2020/21 has now raised the hope of a new special economic situation by legitimising expansionary public spending policies with the support of the European Central Bank and raising the prospect of generous EU funding to revive the economy.

3.2. POLITICS AND PROTEST

Spaniards' dissatisfaction with the incompetent and unbalanced crisis management of governments and the sustained wave of corruption scandals at all political levels has led to a

growing distance between the population and politicians as well as to new protest movements. According to all the standard opinion surveys, Spain's politicians are seen as the most discredited social group, and corruption in politics and the public administration is now perceived as the biggest problem facing the country together with unemployment and, since 2020, the corona crisis.

The growing discontent with the social and political situation has led to the formation of many civil opposition groups, in particular among young people who feel cheated of their future prospects. The internet and social networks (Facebook, Twitter, etc.) offer these very heterogeneous groups an agile communication platform, and spontaneous movements in other countries (such as the "Arab Spring" and "Occupy Wall Street") provide further inspiration. When the platform "Democracia Real Ya" (Real Democracy Now) called for a day of protest on 15 May 2011, there were spontaneous mass protests, town square occupations and tent camps in all Spanish cities. The repressive response of the policing authorities only exacerbated the mood and thousands of predominantly young people occupied the central squares of Spanish cities for months, organising debates and protest actions and engaging in direct democracy on the streets and on the net.⁸ The markedly civil and peaceful character of the movement and the explicit rejection of all established groups and symbols, including all the political parties and the large trade unions, made this movement a new and interesting phenomenon in Spain's fossilised political landscape.

The growing heterogeneity of political and social protest in new spaces and media poses new challenges not only to the established political actors and institutions but also to the trade unions.

3.3. TRADE UNION RESPONSES TO THE CRISIS AND AUSTERITY POLICIES (2008-2014)

The change in political direction since 2010 and the termination of the implicit social pact by the employers virtually forced the Spanish trade unions into the role of an extra-parliamentary opposition. They called three general strikes (29 September 2010, 29 March 2012, and 14 November 2012, to coincide with the European Trade Union Confederation's European day of protest) and organised numerous mass demonstrations across the country, a broad action alliance against the cuts in social services (the so-called "social summit" involving around 150 organisations) and a movement for a referendum on an alternative strategy for overcoming the crisis. None of these actions had the desired effect and they did not

⁸ The movement was initially known as "Los Indignados" (The Indignant Ones) with reference to the pamphlet by Stéphane Hessel *Indignez-vous!* However, in due course it came to be referred to with reference to the date of the initial day of protest, 15 May.

succeed in bringing about a revision of the neoliberal crisis management. In particular, the trade unions were not able to establish an effective broad alliance with other social protest movements.

Only in the public sector, whose employees are directly affected by cuts in social services, wage cuts, and increases in working time, were the trade unions able to form sustainable coalitions and organise effective protest actions. Thus, health care employees organised a white protest wave (*marea blanca*), employees in the education sector a green (*marea verde*), and employees in the public administration a black protest wave (*marea negra*). These protest movements were innovative and ground-breaking in many respects. First, they involved cooperation between trade unions, professional associations and members of the public as the users of public services, coordinated from the grassroots. Secondly, various forms of protest such as strikes, plant occupations, demonstrations, performance, symbolic actions etc. were used to complement each other in a coming together of the trade union movement with civil protest.

Reactions in the private sector were varied. While many workers threatened by closures (shipyards, mining) and massive job cuts (banks and savings banks) participated actively in the mass protests and organised a number of spectacular actions such as the 500 km march of Asturian miners to Madrid (2012), others, such as the workforces of the large automobile groups, pursued a different strategy of negotiating concessions in order to attract new models to the country in the context of international competition between locations within corporate groups and thus safeguard their jobs (sometimes at the expense of other plants in other countries).

3.3.1. Radical Deregulation in Labour Law...

From the trade union standpoint, besides the social cuts, the renewed labour market reform of 2012 was a particular cause of criticism and resistance. This reform shifted the balance of power between capital and labour markedly in favour of the employers (see box).

This law, the most radical labour market reform so far, thus explicitly strengthens individual employers' rights as against collective regulations and weakens the negotiating power of trade unions as well as free collective bargaining in general. The trade unions organised a general strike on 29 March 2012 and several national days of protest in many cities against the reform without being able to prevent or alter it. The official aim of the reform, to promote and safeguard employment by means of so-called "internal flexibility" (adjustment by means of working time flexibility, short-time work and functional mobility without layoffs) has clearly not been achieved. The implicit goal of a shift in power in favour of the employers was achieved, however. The repeal of this law has remained a key demand of the trade unions until today. The new left-wing government included the revision of this law in its programme (2020) but has not yet put it into effect.

3.3.2. Neoconservative Onslaught...

The labour market reform was a direct assault on free collective bargaining insofar as it rescinded agreements that had recently been reached between the trade unions and employers. A few weeks before the adoption of the reform the central

The most important measures in the Law on Labour Market Reform of 10.2.2012 (RD-Ley 3/2012):

- Drastic reduction of protection against dismissal: severance payments cut to 33 working days per year of employment and a maximum of 24 monthly wages (from 42 working days and a maximum of 42 monthly wages). This level of compensation will remain an exception in future, however, since in the case of justified dismissals only 20 working days and a maximum of one year's wages must be paid and justifications for dismissals have become easier than ever. Even losses that are only temporary, or anticipated future falls in revenue, count as justification for dismissals.
- Collective redundancies no longer require government approval and no longer have to be negotiated with the works committee or trade union representatives.
- An employer can deviate from a collective agreement and institute wage cuts or longer working hours without negotiations with the works committee as long as he or she can give "economic, technical or competitive" grounds for this.
- Enterprise-level collective agreements have explicit priority over industry-wide collective agreements.
- The automatic renewal of existing collective agreements in the event of failure to renegotiate will be limited to one year. After that, the agreement will cease to be binding unless a new collective agreement is signed.
- New hires of those under 30 and over 45 years of age are subsidised.
- To promote further training, a further training fund has been set up in the social security system for all employees and every employee has the right to 20 hours of paid training a year.

organisations had signed the second agreement on employment and wage negotiations 2012-2014 with far-reaching mechanisms for introducing flexibility into wages and work assignment. In addition, the fifth agreement on autonomous arbitration of labour disputes was concluded. This attempt to revive social dialogue was simply strangled by the new law. The openly anti-trade union character of the labour market reform must be seen in the context of a general neoconservative offensive on the part of a number of regional governments dominated by the conservative PP and parts of the central government to discredit and weaken trade union organisations. Besides the undermining of free collective bargaining, subsidies to social organisations were cut, delegates' rights to time off were reduced, and targeted anti-trade union campaigns have been carried out.

Since 2010 Spain has been a textbook example of the exploitation of widespread fears of unemployment for the purpose

of a neoliberal restructuring of labour relations aiming at wage cuts, extending working hours, undermining centralised collective agreements, weakening trade unions and deregulating the labour market in conjunction with a neoconservative project to restrict political participation and liberty. In addition, in 2015 a new law on public security was passed that significantly curtails the freedom to strike and demonstrate: pickets, demonstrators, and artists who mock national symbols (such as the king) now risk imprisonment and exorbitant fines. Since this law was passed many hundred pickets throughout Spain have been charged and threatened with prison terms of several years. In response, the International Labour Organisation (ILO) in its report 380 of 10 November 2016 called upon the government of Spain to rectify this repressive law and to guarantee an effective right to strike (http://www.ilo.org/wcmsp5/groups/public/---ed_norm/---relconf/documents/meetingdocument/wcms_534574.pdf). Thus neoliberal economic and social policy was supplemented by a neoconservative authoritarian security policy.

4

THE TRADE UNIONS IN THE POLITICAL CRISIS (2015-2018)

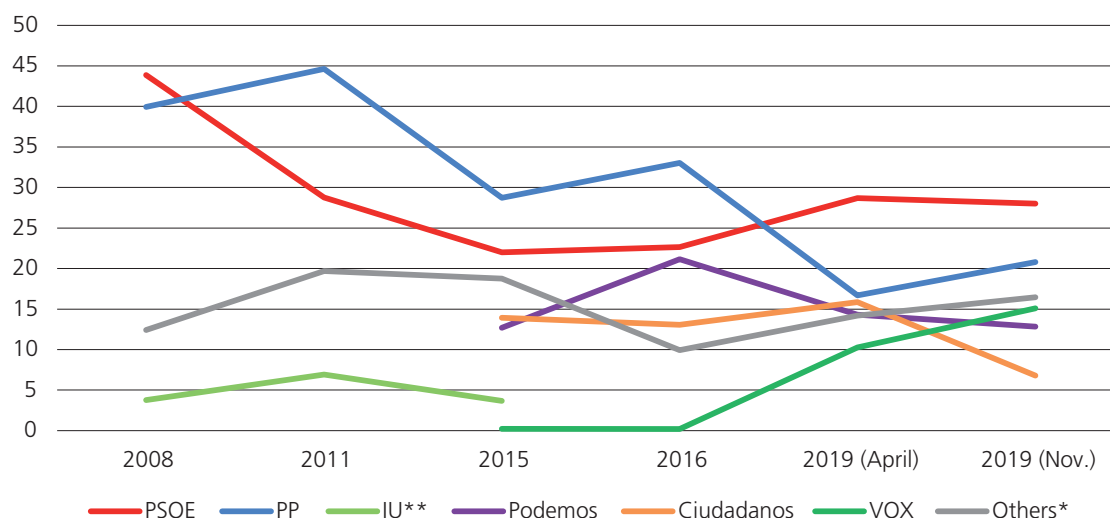
Following seven years of recession and job losses a period of slow economic recovery began in 2014. However, economic and employment growth again reproduced the traditional structural deficits of the Spanish economy and essentially rested on the property market (foreign investors in particular made significant purchases on Spain's Mediterranean coast), tourism and private consumption. In addition, the framework conditions – low interest rates, falling oil prices, the European Central Bank's expansive monetary policy, and an undervalued euro – were favourable; taken together, all this achieved a modest recovery, but one resting on a very fragile basis. It failed to alleviate the grave effects of the long recession such as the huge growth of social inequality and the increase in precarious employment; thus, the corona crisis encountered an economic and social structure that was extremely vulnerable.

4.1. THE END OF THE TWO-PARTY SYSTEM...

The year 2015 saw major changes in the political landscape that also affected labour relations and the trade unions.

In the parliamentary elections the governing party, the PP, plagued by many corruption scandals, lost three and a half million votes and its share of the votes fell from 44.6 per cent (2011) to 22.7 per cent. Since the main opposition party, the socialist PSOE, also fell to an all-time low of 22 per cent of the votes, this heralded the end of the two-party system that had dominated Spanish politics since the democratic transition after the death of Franco. Two new parties, the left wing protest party Podemos (We Can) and the liberal and technocratic Ciudadanos (Citizens) came from nowhere to fill the vacuum by capturing 20.6 per cent and 13.9 per cent respectively of the votes. The discontent of broad sections of the population with the corrupt and incompetent political elite had finally found an outlet at elections. Since a governing majority could not be formed, new elections were held in 2016 that largely confirmed the new four-party system, which also established itself at the regional and municipal level. In the PSOE, there was a palace revolution against the party leadership and the so-called "barons" who had controlled the party for decades, and in a direct election in May 2017, Pedro Sánchez from the internal opposition was elected the new Secretary-General.

Figure 13
Results of the Parliamentary Elections in Spain 2008 - 2019 (% of Votes)



* Mainly regional parties in Catalonia, Galicia and the Basque Country

** Since 2016 standing jointly with Podemos

In the midst of the permanent crisis and fragmentation of the political system and the weakening of pressure for renewal exerted by the social protest movements, there are many indications of progressive revitalisation of the trade unions through internal change. The generational change in the trade union leadership, exemplified by the Secretary-General of the CCOO, Unai Sordo, who has been in office since 2017, could have a positive impact in presenting a more open and youthful image of the labour organisations. The retirement of trade union leaders who have represented and put their stamp on Spain's trade unions since democratisation represents on the one hand a loss of experience and lived compromise, but on the other hand it is an opportunity for rejuvenation and renewal.

4.2. NEW PROSPECTS FOR SOCIAL DIALOGUE

Since 2015, Spain has been governed at many levels either by minority governments such as the coalitions between PP and Ciudadanos in Madrid and Andalusia, supported by the new ultra-right wing populist party VOX, or by unstable coalitions between Podemos, PSOE and other regional parties, as in the cities of Barcelona and Valencia. In their search for support these minority governments are again more open to social dialogue, and the trade unions, marginalised for so long, are now once more being courted.

Even in the crisis, social dialogue at the bilateral level between the trade unions and employers' associations was not interrupted. It is in the interest not only of the trade unions but also of the employers' federations CEOE (Confederación Española de Organizaciones Empresariales, Spanish Confederation of Employers' Associations) and the association of medium-sized companies CEPYME (Confederación Española de la Pequeña y Mediana Empresa, Spanish Confederation of Small and Medium Enterprises) to maintain collective bargaining. In May 2013 and June 2015 they signed framework collective agreements on promoting employment and collective negotiations with the aim of curbing the negative effects of the labour market reform. Maintaining bilateral social dialogue was important to defend free collective bargaining and it also provided a good starting point for reviving cooperation after the new left wing governments took office in 2018 and 2020.

4.3. ... THE CATALAN INDEPENDENCE MOVEMENT...

Besides the end of the two-party system there has been another political earthquake that shook Spain's political foundations to the core and has also caused problems for the trade unions. Since 2012 a movement has formed in Catalonia for an independent Republic of Catalonia and withdrawal from the Spanish state. After the elections in 2015 a slim majority in the Catalan parliament passed a declaration on the "Pro-

cess of Forming an Independent Republic of Catalonia" (the "procés"), initiating a sustained institutional conflict that is as vehement as it is complicated. It continues to paralyse political life throughout Spain today and among other effects has driven many representatives of the Catalan government into prison (for rebellion and misappropriation of public funds) or abroad ('exile' in the terminology of the separatists). A number of illegal and unconstitutional actions such as a unilateral declaration of independence and a referendum on independence provoked reactions on the part of the central government and policing authorities that were sometimes excessive and exacerbated the conflict. Even today there is no indication that Catalonia will return to normality and that political life in Spain will be pacified. The opposing positions are entrenched and Catalan society is deeply divided.

The Catalan branches of the trade unions UGT and CCOO initially supported the demand for a referendum on independence but distanced themselves from the unilateral and unconstitutional actions. But divisions in society also pervade the trade unions and are leading to increasing internal tension. When the separatist organisations called for a general strike on 3 October 2017 after brutal police action against the illegal referendum, the UGT and CCOO distanced themselves from the official call for a strike, but many groups of their members took part in the mass actions.

The Catalan associations of the UGT and CCOO reacted in a similarly ambivalent and divided way in April 2018 when they supported a call by independence groups for a mass demonstration in support of the release of those who had been imprisoned and the return of all politicians who had fled abroad. The official motive for supporting the demonstration, the criticism of the repressive use of state power in applying the new security law, with demonstrators being remanded in custody, and with strike breakers and every possible kind of public protest action, is understandable; however, in the current polarised situation such support is hard to justify. Actively supporting the call for a demonstration issued by the separatist independence organisations inevitably provoked the protest of many trade union associations throughout Spain, and some Catalan trade union associations such as UGT Renfe (railway workers) and Telefónica (telecommunications) also explicitly distanced themselves. Such direct involvement in a conflict over political institutions can only harm the trade unions.

The corona crisis has temporarily overshadowed the Catalonia conflict without bringing a solution any nearer. The new central government in Madrid and segments of the regional government of Catalonia, in particular the nationalist Esquerra Republicana (Republican Left), present a more moderate and conciliatory image, but the conflict has made deep inroads into society and a constitutional solution is not in sight. The most recent regional elections in Catalonia, in February 2021, leading to a clear majority of pro-independence parties that are at odds with each other on the basis of a low voter turnout, confirmed once again these divisions and conflicts.

4.4. WOMEN AND PENSIONERS...

Apart from the “procés” there are two social movements that were not initiated by the trade unions but are strongly supported by them that could breathe new life into the trade unions as social and political actors. On 8 March 2018 there was a “feminist general strike”. Organised by a broad spectrum of women’s rights organisations, it enjoyed an unprecedented level of support. The trade unions supported these organisations by calling for a two-hour strike per shift and participating in mass demonstrations throughout the entire country. Altogether, many millions took to the streets in over 200 cities in support of effective gender equality and against violence against women. In each of Madrid and Barcelona alone, over 200,000 demonstrated. Since then, gender equality and women’s rights have been at the top of the social agenda. International Women’s Day on 8 March 2020 was the last big mass demonstration before corona restrictions came into effect.

A second group – one that, like women, has more weight in elections than the labour force – formed a social movement with trade union participation. Throughout the spring of 2018 pensioners mobilised across Spain to protest against the freezing of pension increases to 0.25 per cent and the associated de facto loss of income. The trade unions had tolerated this freeze as well as the raising of the pensionable age from 65 to 67, but now saw themselves with no choice but to support the pensioners’ mass protests. However, the fact that the Rajoy government finally conceded and, contrary to its pension reform, voted to increase pensions by 1.6 per cent from 2013 to 2018 was not a direct effect of the protests but a demand of the Basque Nationalist Party PNV (Partido Nacionalista Vasco) as a condition of its support for the national budget of the minority Rajoy government. Pension reform is still overdue given the growing deficit of the social insurance system due to an aging population and falling revenues; this is a thorny issue that will be a major concern for the government and the trade unions.

The new women’s and pensioners’ movements did the trade unions the inestimable service of feeding labour and social policy issues into the public agenda once again and leading the labour organisations to a clear and unequivocal role as major protagonists.

4.5. WORKFORCES REBEL...

Finally, a phenomenon must be mentioned that until now has been seriously neglected by the major trade unions although it has the potential to rejuvenate them. In recent years spontaneous strikes, factory occupations and protest actions by workforces have become increasingly common in response both to plant closures and to production relocations by multinational companies and against precarious employment in the service

sector. For example, workers at the U.S. auto parts supplier Tenneco in Gijón in northern Spain, following a ten-month plant occupation and after mobilising the local population, succeeded in 2013/14 in having a decision on plant closure and relocation of production to eastern Europe reversed. The workforce of Coca-Cola in Madrid achieved a similar result when their closed plant was reopened in September 2015 after 21 months of protest and mobilisation⁹. In August 2019 the workforces of the two aluminium factories of the US multinational Alcoa in northern Spain achieved a provisional success after nine months of protest and mobilisation: the works closures that had been announced were prevented at least temporarily by sale to a Swiss investment group, and 800 direct jobs and at least the same number of indirect jobs were saved. Also, hotel cleaning staff formed their own organisation (“Las Kellys”) in 2016 to fight more effectively for humane working conditions in their sector. Employees of the sub-contractors of the maintenance company Eulen also joined together in protest actions and strikes against their employer; so, too, did workers of the fast food chain Burger King. In the rapidly growing delivery and transport service sector of platform companies such as Uber, Deliveroo, Glovo, Foodora etc., employees who generally work on a precarious self-employed basis have repeatedly joined together on platforms to protest and raise demands and have achieved a number of court decisions in their favour imposing an obligation on the companies to employ them as salaried employees with corresponding rights.¹⁰

The strike of sub-contractors of the telephone company Movistar against precarious employment in 2016, supported financially with an interest-free loan from the cooperative bank Coop57, is an illustration of such actions. Together with social citizens’ groups, the workforces organised a charity sports festival and repaid the loan with the revenues from this event. A surplus of several thousand euros was generated which serves as a fund to support other labour disputes¹¹. There are countless other such examples that indicate the growing discontent of broad sectors of the population with the increasingly precarious nature of work and also with the ineffective trade unions. What these numerous dispersed initiatives have in common is their grassroots organisation, the variety of forms of protest beyond the trade unions’ established channels of representation, and the involvement of the local population.

⁹ See the platform Coca-Cola en Lucha (The Coca-Cola Struggle) (<https://twitter.com/cocacolaenlucha?lang=es>) and H.-D. Köhler and S. González Begega: “We say no to La Monroe closure! Local defiance to global restructuring in a transnational company”, in *Critical Perspectives on International Business*, 2018, <https://doi.org/10.1108/cpoib-04-2017-0018>.

¹⁰ See H.-D. Köhler: “Las relaciones laborales en la economía de plataformas”, in *Sociología del Trabajo*, no 96, 2020, pp. 23-33.

¹¹ See Unai Oñederra: “Coop57: una herramienta complementaria a la lucha sindical”. II Encuentro de profesionales del asesoramiento laboral y social UPV/EHU: “Negociación colectiva y control sindical. Aspectos laborales y económicos”. *Leioa*, 29-30 September 2016 (<https://unaionederra.wordpress.com/2016/10/01/coop57-una-herramienta-complementaria-a-la-lucha-sindical/>)

5

CHANGE OF GOVERNMENT AND CORONA CRISIS

In June 2018 a vote of no confidence in the Spanish parliament put an end to the almost eight years of government of the conservative PP president Mariano Rajoy and brought the socialist Pedro Sánchez into power. In the following months Sánchez was unable to form a majority for government and in April 2019 he called new elections; however, these again confirmed the fragmented party landscape that included the new parties Ciudadanos, Podemos and VOX. After the attempt to form a government failed again, a fresh election was held once more in November 2019 (the fourth election in four years) that again failed to result in a clear majority. In this stalemate, PSOE and Unidas Podemos (a coalition between Podemos and the traditional post-communist left-wing party Izquierda Unida) entered an alliance to form a left-wing minority government. This government relies on the support of Basque, Catalan and Galician nationalists for a parliamentary majority, and this not only represents a very insecure foundation but also exacerbates political polarisation in the form of right-wing confrontation on the part of the PP, Ciudadanos and VOX against the separatist enemies of the Spanish state.

For the trade unions the change of government and especially the entry of Unidas Podemos in the government with the new Minister of Labour, Yolanda Díaz, immediately brought a tangible improvement in climate and a return to tripartite social dialogue. The first direct signs of this change included the agreement to increase the minimum wage in December 2017 and the agreement on improving employment in the public sector in March 2018. In July 2018 the fourth framework collective agreement for employment and collective negotiations 2018-2020 was signed by the trade unions and the employers, providing for moderate wage increases, the safeguarding of free collective bargaining and reinforcing the tripartite social dialogue. The hopes of a more sustainable recovery and social dialogue with the new coalition government were very quickly dashed with the sudden onset of the corona crisis, which from March 2020 led to a dramatic economic downturn and an employment slump, the end and longer-term consequences of which are still not foreseeable.

All the same, in March 2020 the government succeeded in negotiating a limited-term rule on short-time work with the trade unions and the employers (Expediente de Regulación Temporal

de Empleo – ERTE) under which the enterprises affected can put their workforce on short-time work in return for an undertaking to desist from redundancies, with the government undertaking to pay 70 per cent of the wage and social security contributions. The ERTE agreement has since been renewed three times until the end of May 2021. Given the structural weakness of the Spanish labour market in which every crisis destroys a much higher proportion of jobs than would correspond to the fall in national product, the ERTes are a highly efficient measure to safeguard employment during the crisis. In 2020 up to 3.7 million employees were put on short-time work by their employers; at the end of December there were still 756,000 workers on short time. Experts estimate that in this way 2.8 million jobs were preserved over the course of 2020.

Platform employment, especially delivery and transport services such as Uber, Deliveroo, Glovo, Just Eat, etc., has increased sharply, and Spain has taken a pioneering role in regulating such employment with its new “Rider Law” of March 2021. For many years there were conflicts and legal disputes on the employment status of drivers and delivery personnel until finally the Supreme Court held that such workers are employees and not self-employed, and obliged the platform companies against whom the action was brought to provide their workers with proper employment contracts including social insurance and guarantees under labour law. Thereafter it was possible to break the opposition of the employers against regulating this status in employment contracts and to negotiate the new law; apart from providing all platform workers with employee status, this law also provided that all workers have a right to information on the content of the algorithms that regulate their employment.

The minimum wage, increased to 950 euros a month in 2020, was initially frozen for 2021 leading to a few trade union protests. Reforms introduced by the new government that have been welcomed by the trade unions include the introduction of a tax on financial transactions (Tobin tax) and for online technology giants (Google tax) and especially the introduction of a guaranteed basic income (Ingreso Mínimo Vital) in June 2020, ensuring a basic income of between 461 euros (for a one-person household) and 1015 euros (for a family with children) for around 850,000 households on the poverty line. The government also undertook to make progress on new

provisions on employment contract modalities – there are currently over 40 different types of employment contract, most of them precarious, which are to be reduced to three. However, bureaucratic hurdles are a structural problem of social welfare payments in Spain, with the consequence that basic income payments, payments for short-time work, financial assistance for dependent persons and the disabled, and many other social welfare payments only reach those in need after long administrative procedures and with considerable delay. Well-meaning social policy often runs the risk of getting stuck in a labyrinthine bureaucracy.

The social climate and the dialogue between the trade unions and the government have improved significantly since the change of government despite the huge burdens of the biggest health and economic crisis of recent history. All major employment and social policy measures since the outbreak of the corona crisis have been negotiated with the trade unions and the employers' associations, and trade union participation in crisis management at the factory level (short-time work, increasing flexibility of working time, work from home) has been secured¹². Persistent points of conflict both with the government and the employers' associations are a further increase in the minimum wage, pension reform (points in contention include in particular the formula used for annual adjustments and the number of years of pension contributions required to calculate the pension) and above all rectification of the labour market reform of 2012. These demands were the central focus of the mobilisations of 11 February 2021 when the leadership of the CCOO and UGT gathered to protest at the Ministry of Economics in Madrid with a few hundred demonstrators. On the same day, protest actions calling for implementation of the government's social policy programme took place in over 50 cities. During the corona crisis, the conduct of the trade unions has been thoroughly cooperative and open to dialogue; the message of the labour unions was that the time has now come for urgent social reforms.

5.1. FUTURE CHALLENGES

The Spanish trade unions face a fundamental challenge of renewing their role as an effective social force and opposition to a deregulated and socially unjust capitalism driven by the financial markets. Such a renewal strategy should include the following elements:

- Participation in a policy of structural change in the economy to promote new, fast-growing, sustainable and innovative sectors and enterprises: without a renewal of the specialisation profile of the Spanish economy, the social

and employment policy problems cannot be solved. This should also include a tax reform to secure public revenues and to rectify untenable social inequality. In this regard, many hopes are placed in the announced EU fund for the renewal, digitalisation and sustainability of the economy (the Next Generation EU programme).

- In organisational terms the trade unions must push ahead with the renewal of their membership structure which should more closely reflect the actual employment structure. Given the problems of organising young people and those in precarious employment in small enterprises there is a risk that the public sector and a few large companies will dominate the trade unions, particularly their committees and full-time structures. The host of fixed-term workers on precarious contracts, and foreign employees, are seriously under-represented.
- In the context of the new political complexity and weak minority governments, the trade unions should strengthen their role as an autonomous political force focussing on labour and social policy issues. The revival of the social dialogue should be used to redress the effects of the labour market reforms of 2010 and 2012 and to re-establish coverage of collective bargaining agreements and the protection of labour.
- Another fundamental challenge for the Spanish trade unions is to regain their social reputation and political credibility. In contrast to the political parties, which despite being involved in countless corruption scandals continue to attract votes, or to the employers' federation, whose president had to be dismissed for white-collar crime and is now in custody, the trade unions have been directly weakened by their involvement in illegal or questionable dealings. The involvement of the major trade unions in Andalusia in the scandal of falsified early retirement and collective redundancy agreements and the personal enrichment of trade union representatives on the administrative boards of the savings banks ("black credit cards") disgraced in the financial and property market crisis have caused lasting damage to the trade unions' image.
- Strengthening the societal power of the trade unions will require a widening of the repertoire of collective action. The traditional combination of social dialogue, collective bargaining negotiations and occasional political general strikes is increasingly proving to be blunt and inadequate. On the other hand, the protest waves in the public sector (the "mareas"), the new women's movement and the many autonomously organised grassroots initiatives at plant level show the potential for a revitalisation of the trade unions.
- The corona crisis is currently hindering trade union activities and above all possibilities for mobilisation. In the longer term, however, the trade unions should attempt to draw constructive lessons from the crisis, for example by demanding fundamental reforms and improvements in public services, especially health and education, and for consistent health and hygiene measures at all workplaces.

¹² A detailed description of labour market and social policy during the corona crisis and the central role of social dialogue is provided by Mari Cruz Vicente and Carlos Bravo: "Las medidas económicas, laborales y sociales en la COVID-19 y el papel del diálogo social", *Gaceta Sindical* No 35/2020, pp. 121-154.

However, meeting all these longer-term challenges will depend on overcoming the corona crisis, and in this regard many conflicts lie in wait in the near future. Social dialogue is

working well since the government is able to incur debt and distribute resources in this exceptional situation without the usual restrictions and is also being provided with cheap money by the European Central Bank. But this situation can only be maintained for a limited period after which the requirements of budgetary consolidation, debt reduction, spending cuts, tax reform, the financing of the social security system, etc. will return. Moreover, the economic consequences of the crisis will be felt for a long time and will severely limit the scope for fiscal action. All this threatens not only the cohesion of the government but also its relations with the trade unions.

With 2.5 million members, 7 million voters in works' committee elections, and 11 million employees covered by collective

agreements, the Spanish trade unions are still the most important social organisations in Spanish society. At the same time, it is essential that they return to the fold of society and thus once more become a credible threat and opposition to anti-worker and anti-social forces.

The national conferences of both the major federations, UGT and CCOO, planned for 2021, will undoubtedly be strongly marked by the corona crisis. The future of the trade unions will depend on overcoming this crisis and coping with its economic and social consequences, as will their ability to deal with the challenges described above. In present-day Spain, strong trade unions are needed more than ever.

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