

Bargaining and Social Dialogue at the Public Sector (BARSOP)

Policy Brief for Spain

Oscar Molina and Alejandro Godino

Amsterdam, March 2018

This report was written for the Bargaining and Social Dialogue in the Public Sector (BARSOP) project, financed by the European Commission, Industrial Relations and Social Dialogue Programme (project VS/2016/0107)

Disclaimer excluding Commission responsibility

This communication related to the action BARSOP is made by the beneficiaries and it reflects only the author's view. The Commission is not responsible for any use that may be made of the information it contains



Context

The public sector in Spain has undergone significant structural transformations over the last three decades, that have reshaped its boundaries and by implication, public sector employment relations. The first, consisting in the process of asymmetric regional de-centralization where Autonomous Communities (regions) have acquired increasing responsibility in issues like education, health or municipalities. The second long-term development consists in a significant increase in the private provision of these public services.

The privatization of public companies started in the early 1990s and by the early 2000s most of them were in private hands. Moreover, there has been an

Summary of key findings

Public sector employment relations in Spain have faced over the 2008 crisis years significant challenges that have led governments to implement a mix of short-term and long-term adjustments which will certainly have implications for the future trajectory. Governments' responses to these challenges under austerity have shifted from the implementation of short-term cost cutting measures (2010-2012) characterised by state unilateralism, towards a more structural long-term reform approach more recently (2013-2015).

It is important to highlight the asymmetric impact of austerity measures across sectors and / or levels of government. Even though there has been a generalised deterioration in public employees' working conditions and in the quality of public services delivered, public employees at regional and more importantly, local level have to a higher degree been affected by austerity measures. Moreover, the adjustment has been more intense for salaried employees than for civil servants because of their different regulation.

Looking at the three sectors analysed (Hospitals, Primary Education and Municipalities), we observe some similar trends regarding the development of collective bargaining that respond to the re-centralization triggered by austerity policies. This is the case when we look at collective bargaining dynamics, that in all three cases has been interrupted since 2011 and has only started to recover from 2015 onwards, being 2017 the year when in all sectors agreements were reached in order to overcome some of the consequences of austerity for public employees.

A second commonality is the emphasis on improving working conditions of employees that have been eroded significantly during the crisis in all sectors. Here there are some differences in relation to the type of impact. Whilst in the primary education and hospitals sectors this impact has mostly consisted in an increase in the number of employees with temporary contracts, the impact in the local government sector has been more intense in terms of decrease in number of

employees.

Trade unions in all three sectors share a similar objective of reducing a growing dualization in the public sector. The crisis has contributed to widen the gap between employees under temporary and open ended contracts, but also between civil servants and private law employees. The implications of the growing fragmentation on the union side have also become clearer during the crisis years.

In addition to the deterioration of working conditions and individual rights, there has been a growth in the number of employees with temporary contracts, mostly in the health sector, but also in education. Even though temporary positions should in principle respond to temporary needs of the organization, the fact is that in many cases temporary contracts have been made in order to cover structural requirements.

Reforms implemented during the crisis in all three sectors have had one main objective: to reduce spending levels through the reduction of personnel costs, but also by privatizing certain services / activities. The attempts at privatization have been stronger in the case of public health. In the case of municipalities, the reduction in financial flows from the state have meant, especially for the smallest municipalities, less capacity to deliver certain services. All these reforms have had an impact on the quality of services delivered, though its assessment is difficult. In the cases of hospitals and primary education, this has been very clear. It is more problematic in the case of municipalities due to its de-centralized character. Since 2013, there has been a recovery not only in spending levels, but also in the number of public employees in all sectors.

Policy implications

With the implementation of several austerity packages, social dialogue and collective bargaining in the public sector entered into a period of paralysis, as the

government imposed these measures unilaterally and trade unions have contested them with several public sector strikes at national level. Moreover, several strikes were called at regional level in sectors like education and health. Some of the mobilizations against the impact of austerity measures have enjoyed broad social support, as in the case of the so-called *Marea Verde* and *Marea Blanca* (Green Tide and White Tide respectively) in which unions participated and were an important player but did not directly lead them. The *Marea Verde* was a series of mobilizations, protests and strikes against cuts in the education system and their negative impact on the quality of public education in Spain. In contrast to education, doctors' and nurses' unions were actively involved in the *Marea Blanca* and played a greater role. Moreover, they also tried to build a coalition with other civil society actors in order to gain visibility and social support.

Two issues figured in the public sector union discourse: first, the erosion in the quality and coverage of public services as a consequence of spending cuts and privatization; and secondly, the deterioration in the working conditions of public employees. All levels of government were blamed for these policies and their negative impact. Unions accordingly framed these public services strikes as a mechanism for defending the welfare state, hence demanding a stop to cuts and the maintenance of the quality and coverage of public services.

In this way, the crisis period has highlighted the important role that social dialogue and collective bargaining play in shaping the quality of employment, but also in the quality of public services. This is reflected in the involvement of new social actors whose objectives go beyond the working conditions and pursue an improvement in the quality of public services.