Providing Welfare through Social Dialogue. A renewed role for Social Partners?

The Spanish case

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Spanish welfare system: *Late and underdeveloped*

**Low public social protection expenditure**

- 10.9% below the average in 2009

Spanish social Security: a four-pillar system

**Decentralization**

- Central government
- 17 regions
- Municipalities

Crisis, austerity policies and reduction of social welfare protection

**Spanish industrial relations**

- High level of SMEs
  - 80% of companies with 5 or less employees
- 98% of companies with 50 or less employees

**New labour reforms**

- Paralysis of collective bargaining
  - Since 2007, 2500 collective agreements less
VOW in Spain: covered to some extent but not as widespread as in other countries

- Parallel establishment of universal welfare regime and global neoliberal politics

- VOW voluntary private social spending 4 points below the average

- Business expenditure on labour costs on social benefits 2% of total gross labour costs

- Complementary benefits of the Social Security System are the strongest point of Spanish VOW
Health care

Preconstitutional origins

Higher spending in voluntary private health care than the 8 countries average

Spain: 6.8%  Average: 4.5%

Strong development over the last 20 years  Almost a 200% rise 1990-2009

Almost every area covered by the Social Security System is being supplemented by VOW

- temporary disability ensuring a major part of salary, normally limited in time

Nowadays, bargaining on VOW in health care is getting tough
Reconciling work and life

First clauses on collective bargaining in the 90s
- pregnancy, breastfeeding and maternity leaves and benefits
- nursery and disability care checks
- flexitime arrangements
- family leaves

Large development after the Equality Act of 2007 when some of them became compulsory

Nowadays, companies are not willing even to see conditions improved by law
Continuing vocational training

The actual system took shape in the first 90s

Strong development over the last years (improving average figures)

71% of enterprises provide CVT courses

48% of workers participate in CVT courses

However there are still relevant inequalities

- sector
- major or SMEs companies
- groups in labour market: professional categories, seniority...

Funding of CVT has been significantly affected in recent years
## VOW: level of coverage

### Level of coverage 2002-2012

<table>
<thead>
<tr>
<th>Complements to Social Security benefits</th>
<th>Sectoral agreements</th>
<th>Company and company groups agreements</th>
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<tbody>
<tr>
<td></td>
<td>Workers (%)</td>
<td>Companies (%)</td>
</tr>
<tr>
<td>Total</td>
<td>76,6</td>
<td>72,7</td>
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<tr>
<td>Common sickness</td>
<td>50,9</td>
<td>56,1</td>
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<tr>
<td>Maternity</td>
<td>6,4</td>
<td>6,4</td>
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<tr>
<td>Accident at work or occupational disease</td>
<td>69,3</td>
<td>65,7</td>
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<table>
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<tr>
<th>Health check up</th>
<th>Workers (%)</th>
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</thead>
<tbody>
<tr>
<td>Total</td>
<td>30,8</td>
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<tr>
<td>Gynaecological examination</td>
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<td></td>
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<td>Pension Plans</td>
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<tr>
<td>Occupational training plans</td>
<td>29,1</td>
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<tr>
<td>Paid leaves for training</td>
<td>23,7</td>
</tr>
</tbody>
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Made from figures of Collective Agreements’ Statistics, provided by Comisiones Obreras
VOW, unequal coverage?

Unequal coverage?

Not in theory, but in practice
  Type of contract
  Seniority
  Occupational category

Sectoral approach

Different levels of expending in VOW: industry/service sector

Conditioned by other factors:
  company size
  mandatory rules in relation to activities
  occupational level of the workers
  productivity and added value of activities

Spending on labour costs:
  Power sector: 10%
  Financial services: 9%
  IT services: 8%
The role of social partners

Motivation of firms

- Enforce loyalty, motivation, maintain talent while facing staff adjustment

Motivation of unions

- Two main areas of participation:
  - **institutional**: towards a sustainable productive fabric based on a better quality of work
  - **labour-related area**: collective bargaining can enlarge workers social coverage, requiring co-responsibility of firms.

- Nowadays, VOW are not a priority but it can be considered as a stronghold to maintain a room for collective bargaining.
• Priorities in social coverage have usually been oriented towards a public and universal system
  – Late developing of welfare state in a neoliberal context

• VOW have more widespread than is perceived

• Lack of systematic data sources

• **Crisis** affects to union priorities: **VOW are not within debate**
  – Some welfare system spheres of coverage are being reduced
  – 6 millions people out of labour market
  – Rise of precariousness and atomization of labour market
  – VOW as bargaining chips of maintenance of employment, salaries and working conditions.
  – Dismantling of collective bargaining
Promoting social welfare: beyond VOW

Mitigate the most immediate consequences of the crisis
- Investing for job creation
- Reinforcing social protection

Restructuration of productive model
- towards a sounder economic basis
- better quality jobs
- a fair economic redistribution
- ensuring economic, social and ecological sustainability
Thanks for your attention

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