# FUNDACIÓN 1º DE MAYO

# THE RENEWED RISE OF TEMPORARY EMPLOYMENT IN THE POST-CRISIS YEARS IN SPAIN



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- Two narratives about precariousness
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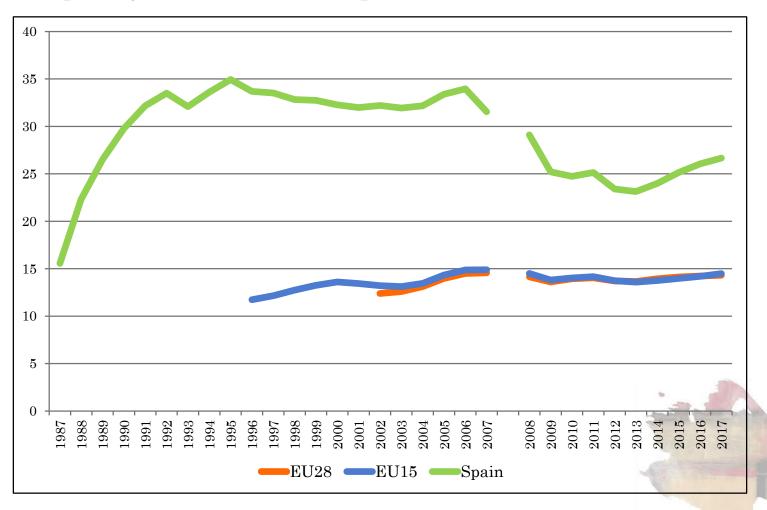


#### BACKGROUND

- Labor precariousness: structural feature of the labour market in Spain (temporary employment, but not only)
- Increase of the temporality in the recovery period
- Less intense and inclusive recovery: impact of austerity policies and labour reforms
- Different narratives about the causes → Different policies to face precariousness
- Social consequences of precarious work

# THE REBOOT OF PRECARIOUS WORK IN THE RECOVERY (1)

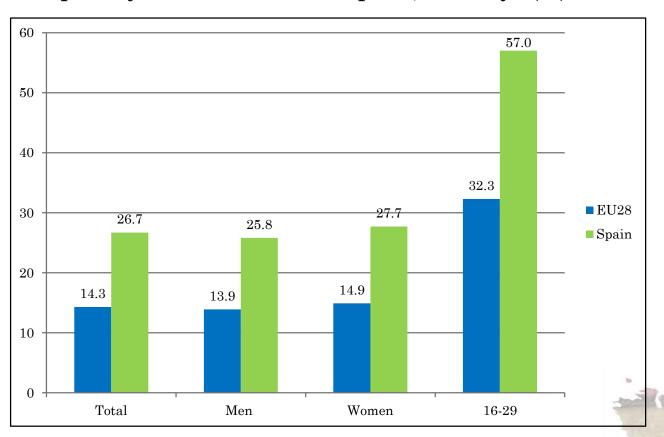
#### Temporary rate in EU and Spain, 1987-2017 (%)



Source: Eurostat, 2018.

# THE REBOOT OF PRECARIOUS WORK IN THE RECOVERY (2)

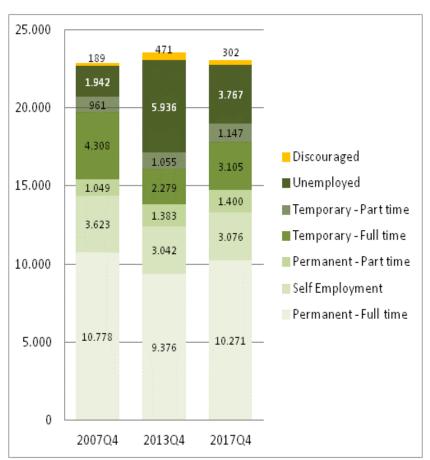
## Temporary rate in EU and Spain, 2017Q4 (%)

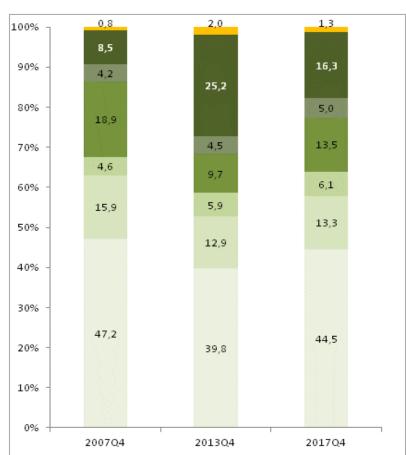


Source: Eurostat, 2018.

# THE RISE OF PRECARIOUSNESS ON THE RECOVERY (3)

#### Labour precariousness composition in Spain Active population (in 1000 and %)





Source: EPA, 2018.

#### TWO NARRATIVES ABOUT PRECARIOUNESS

#### Neoliberal paradigm

- Insiders vs. outsiders segmentation Labour market reforms Single contract
  - → Flexibility on labour conditions

#### Critical paradigm

- Unbalanced elements of the Spanish productive model
- Negative impact of labour market reforms
- Strategies of social partners
- Unequal impact on working people
- → Mix of policies to address labour market segmentation

#### DRIVERS OF THE LABOUR MARKET SEGMENTATION

## 1. **Unbalanced** model of growth

- Highly specialized on activities with low technological content and innovation and intense use of labour
- High company atomization (98% of companies with less than 50 workers)
- Outsourcing, "multiservices" companies, etc.

#### 2. The role of labour reforms

- Initially oriented on job creation but, mainly orientated in boosting *flexibility* in the labour conditions (hiring, dismissals, collective bargaining...)
- External vs. internal flexibility

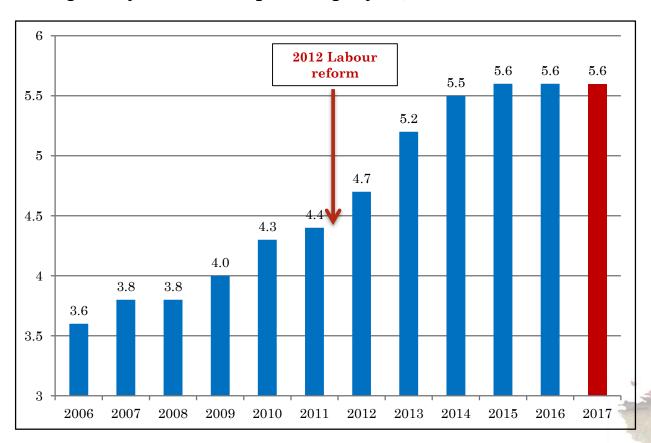
### DRIVERS OF THE LABOUR MARKET SEGMENTATION

#### 2012 Labour reform

- New contract for entrepreneurs
- Higher flexibility for training contracts
- Modification of part-time contracts (by removing extra hours limitations)
- Temporary Employment Agencies
- Higher flexibility on dismissals
- Increase of employers' power in the modification of working conditions
- New step on the decentralization of collective bargaining
  - Key points: priority of company agreement; ultractivity and nonapplication of collective agreement

# JOB ROTATION AND PRECARIOUSNESS (1)

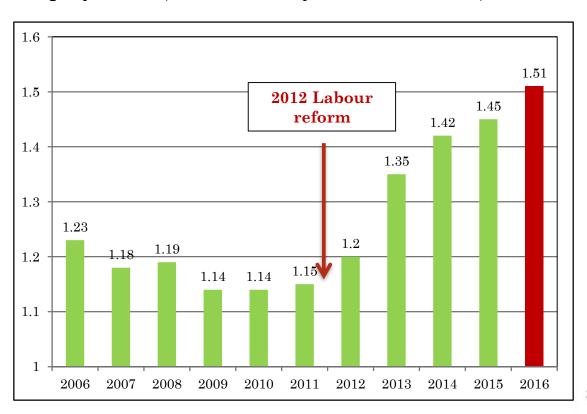
#### Temporary contracts per employee, 2006-2017



Source: Economic Cabinet of CCOO, from SEPE and INE.

# JOB ROTATION AND PRECARIOUSNESS (2)

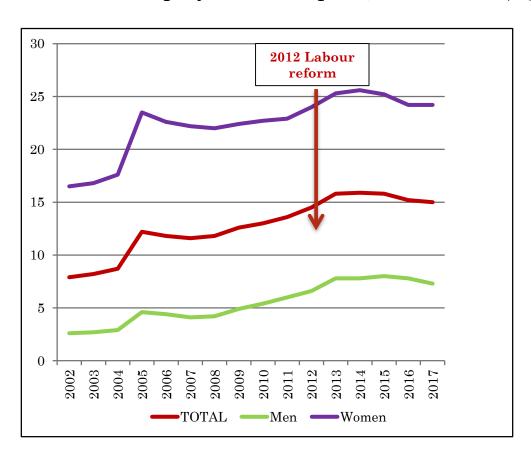
Signed permanent contracts / new permanent employment (at least one year of duration)



Source: Economic Cabinet of CCOO, from SEPE and INE.

# PART TIME AND PRECARIOUSNESS

Part-time employment in Spain, 2002-2017 (%)



Source: Eurostat, 2018.

#### Non-voluntary

56% of part-time workers were not able to find a full-time job

#### Low wages

Median wage: **734** euros (2016)



#### DRIVERS OF THE LABOUR MARKET SEGMENTATION

#### 3. Social agents strategies

#### **Employers**

- Temporary "business culture" in the management of labour force
- Competition based on cost's reduction and low prices
- High level of fraud of temporary contracts
- Extensive use of part-time contracts (without hours limits)

#### Trade unions

- Neoliberal mainstream: insiders vs. outsiders strategy
- However, precariousness is at the center of trade unions strategies (from collective bargaining to social dialogue and proposals for policy making)
- Reduction of the contractual power of the unions (2012 Labour reform)

#### CONCLUDING REMARKS

- Macroeconomic policies reorientation and fair transition to a more sustainable economic model
- Promotion of the quality of employment: re-regulation
  - Abolition of last labour reforms
  - Measures for discouraging unjustified temporary contracts
  - Reinforcing the causality of temporality employment
- Policies and actions for reducing inequality, poverty and social exclusion
  - Wages increases (and low wages)
  - Participation on the recovery (the role of collective bargaining)
- Renewal of trade unionism to face current challenges
  - Restructuring and fragmentation of business
  - New forms of atypical forms of employment
  - Extension of disorganized decentralization of collective bargaining

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#### THANKS FOR YOUR ATTENTION



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