

Employment Observatory

MISEP BASIC INFORMATION REPORT SPAIN 1995

Employment & labour market



Employment & social affairs



European Commission

**Mutual Information System
on Employment Policies (MISEP)**

Basic Information Report

SPAIN

Institutions, Procedures and Measures

1995

European Commission

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On the basis of an agreement of the directors-general for employment, the European Commission created a Mutual Information System on Employment Policies (MISEP) in 1982.

The system operates with a network of correspondents from the departments responsible for employment policy in the Member States or from employment services. The centralised secretariat is fully accountable to the Commission.

MISEP was set up by the Commission in response to a need voiced by the delegations of the Member States in the Council for a mutual information exchange on developments in national employment policy measures and structures. The definition of MISEP's objective is to gather, synthesise, translate and disseminate relevant information in the Member States, serving each of the responsible national ministries and agencies in their daily decision-making, and aiding the Commission in its co-ordinating role at Community level.

The Basic Information Reports describe the structure and content of employment policy in each Member State. The reports all have a common structure and contain basic information which is essential for an understanding of how employment policies are conceived and implemented.

The material in this Basic Information Report has been provided by the Spanish correspondent and is correct as of 31 May 1995. It is intended as a guide and an explanation of national policy measures in force at that date in Spain; it is not a substitute for the corresponding legal texts. It is designed to describe the policies and practices in Spain without value judgements either on the part of the Commission or the national correspondent.

While these reports will be updated periodically, further information and regular updating of measures are published in the system's quarterly policy bulletin, "inforMISEP Policies".

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BENCHMARK STATISTICS

| | |
|--|-------------------------|
| THE LAND | |
| Area | 504,800 km ² |
| THE PEOPLE | |
| Population (1991) | 38,872,268 |
| PRODUCTION | |
| Gross Domestic Product (1994) | 64,673 billion PTA |
| LABOUR MARKET (second half 1995) | |
| Labour Force (workers aged between 16 and 65 years) | 31,841,200 |
| Working population | 15,564,900 |
| Of which: | |
| - women | 5,948,400 |
| Activity rate | 48.9% |
| - women | 36.1% |
| - men | 62.6% |
| Employment | 12,027,400 |
| Of which: | |
| - women | 4,145,000 (31.8%) |
| - aged under 25 years | 1,562,500 (16.4%) |
| By sector: | |
| - agriculture | 9.3% |
| - industry | 20.7% |
| - construction | 9.5% |
| - tertiary sector | 60.5% |
| On the education level: | |
| - no training | 0.7% |
| - secondary basic education | 6.7% |
| - secondary intermediate education | 31.4% |
| - secondary advanced education | 39.9% |
| - pre-university | 6.2% |
| - university | 15.1% |
| Unemployment | 3,537,500 |
| Of which: | |
| - women | 1,803,300 (51.0%) |
| - aged under 25 years | 1,121,100 (31.7%) |
| Unemployment rate by education/training | 22.7% |
| - no education | 35.2% |
| - secondary basic education | 23.9% |
| - secondary intermediate education | 20.0% |
| - secondary advanced education | 26.5% |
| - pre-university | 22.2% |
| - university | 16.0% |
| Persons unemployed longer than one year | 2,030,400 |
| Registered unemployment (September 1995) | 2,384,273 |

Sources:

National Statistical Institute, Labour Force Survey, second half 1995; National Employment Institute, September 1995.

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CHAPTER I INSTITUTIONS

In Spain questions related to employment, workers and employment policy fall under the jurisdiction of the Ministry of Labour and Social Security. This is the highest organ of the State's central administration; it drafts and develops the general guidelines to be followed for the above areas within the framework of the Government's economic and social policy. The organ charged with the administration of employment policy is the National Employment Institute (*INEM*). This is an autonomous body attached to the Ministry of Labour and Social Security. Other bodies, in which the social partners are represented, either have an advisory function (Economic and Social Council, General Council for Vocational Training) or directly implement specific aspects of employment policy (Further Training Foundation). The Autonomous Communities are accountable for certain employment policy measures in their respective jurisdictions.

1. Ministry of Labour and Social Security (*Ministerio de Trabajo y Seguridad Social – MTSS*)

1.1 Legal status

The *MTSS* is the central administrative body of the State; it is charged with making proposals and carrying out general directives from the Government regarding the labour market, employment, social security and other matters in the field of social policy.

The basic organisational structure of the Ministry is laid down by Royal Decree 530/1985 of 8.4.1985, which has since undergone some modifications.¹

1.2 Decision-making bodies

The *MTSS* has the following administrative organs:

- a) the Minister;
- b) the Under-Secretariat for Labour and Social Security;
- c) the Secretariat General for Employment and Labour Relations;
- d) the Secretariat General for Social Security.

1 Royal Decree 530/1985 of 8.4.1985 (Government Gazette of 24.4.1985), which defines the basic organisational structure of the *MTSS*. Royal Decree 727/1988 of 11.7.1988 (Government Gazette of 12.7.1988) restructuring the Ministerial Departments. Royal Decree 1619/1990 of 30.11.1990 (Government Gazette of 19.12.1990) modifying the basic structure and authority of the Managing Centres (*Centros Directivos*) and certain bodies that report to the Secretariat General for Social Security. Law 31/1990 of 27.12.1990 on the General Budget of the State for 1991, in which is created the National Institute for the Promotion of the Social Economy (*Instituto Nacional de Fomento de la Economía Social*) (Article 98). Royal Decree 1173/1993 of 13.7.1993 (Government Gazette of 14.7.1993) restructuring the Ministerial Departments.

Structure and Functions of the Administrative Organs

Under-Secretariat for Labour and Social Security (Subsecretaría de Trabajo y Seguridad Social)

This Under-Secretariat is entrusted with monitoring and co-ordinating the general functions of planning and programme development, with management duties and with the provision of technical advice. The following bodies report to the Under-Secretariat:

General Technical Secretariat (Secretaría General Técnica)

This sub-division deals with planning and programme development, studies, documentation, organisation and implementation activities within the ambit of the Ministry, technical assistance and preparation of projects, conventions, agreements and international treaties.

Directorate-General for Services (Dirección General de Servicios)

This Directorate-General deals with budgetary matters and general affairs, finances and assets, administrative affairs, information and management of administrative resources.

Directorate-General for Personnel (Dirección General de Personal)

This Directorate-General is entrusted with drafting and implementing the personnel policy of the Ministry.

Directorate-General of the Labour Inspectorate and Social Security (Dirección General de Inspección de Trabajo y Seguridad Social)

This Directorate-General is entrusted with directing, administering, planning, co-ordinating, stimulating and carrying out functions concerning the inspectorate of labour relations, employment, health and safety, social security and any other matters which fall within the ambit of the Ministry.

Directorate-General for Information Technology and Statistics (Dirección General de Informática y Estadística)

This Directorate-General deals with designing, developing and implementing the information systems necessary for the Ministry's management and decision-making as well as for drawing up and implementing the statistical plans of the Ministry, the Autonomous Communities and the social security bodies.

Delegated Inspectorate (Intervención Delegada)

This body reports functionally to the Inspectorate General of the State Administration (*Intervención General de la Administración del Estado*).

Income Guarantee Fund (Fondo de Garantía Salarial)

This is an autonomous public body established within the MTSS with its own statutes and authority. It is charged with ensuring that workers receive the full amount of their wages, including

"indemnities", which are payable when employers discontinue remuneration for reasons of insolvency, suspension of pay or bankruptcy or as a result of a creditors' meeting.

Secretariat General for Employment and Labour Relations (Secretaría General de Empleo y Relaciones Laborales)

This Secretariat is specialised in employment, labour relations and the labour market. It is entrusted with ensuring the implementation of and monitoring the smooth running and development of labour relations, working conditions and occupational health and safety. It additionally functions as a body for mediation, arbitration and conciliation as well as being charged with the promotion of co-operatives and the social economy and with the introduction and definition of standards and regulations concerning employment, adjustment measures, employment promotion and vocational training.

The following administrative organs report to the General Secretariat:

Directorate-General for Labour (Dirección General de Trabajo)

This Directorate is entrusted with the smooth running and development of labour relations, working conditions, occupational health and safety and employment regulations. The Directorate-General for Labour has three sub-divisions:

- the Sub-Division for Conciliation, Arbitration and Mediation, which also detects and analyses disputes between labour and management;
- the Sub-Division for Collective Bargaining and Working Conditions, which is charged with implementing and developing labour relations (collective and individual), working conditions as well as the study of collective bargaining;
- the Sub-Division for Corporate Restructuring, which is charged with formulating conversion plans from a social and employment perspective.

Directorate-General for Employment (Dirección General de Empleo)

This Directorate is entrusted with employment regulations, drafting, developing, evaluating and administering measures aimed at promoting employment, as well as the drafting and follow-up of vocational training policy and studies on employment and the labour market.

Four sub-divisions report to the Directorate-General for Employment:

- the Managing Unit for the European Social Fund², which is entrusted with publicising and promoting the objectives of the Fund, with examining whether the requests for aid fit into the framework of national employment policy, with managing the files and requests for aid, and with monitoring and evaluating activities for which aid from the Fund has been granted;
- the Sub-Division for Regulation and Promotion of Employment, which designs, monitors and evaluates employment promotion programmes and drafts and interprets legislation as regards employment;
- the Sub-Division for Vocational Training, which is charged with drafting and formulating programmes for vocational training policy, with evaluating such programmes, with designing follow-up measures and with managing the Secretariat of the General Council for Vocational Training;

² Created by the MTSS by virtue of Royal Decree 2404/1985 of 27.12.1985 (Government Gazette of 30.12.1985) regulating the disposal of the European Social fund.

- the Sub-Division for Employment and Labour Market Studies, which is entrusted with designing studies and technical reports on the areas falling within the ambit of the General Directorate.

The following autonomous bodies also report to the Secretariat General for Employment and Labour Relations:

- National Employment Institute (*INEM*, cf. below);
- National Institute for Occupational Health and Safety (*Instituto Nacional de Seguridad e Higiene en el Trabajo – INSHT*);
- National Institute for the Promotion of the Social Economy (*Instituto Nacional de Fomento de la Economía Social – INFES*).

Secretariat General for Social Security (Secretaría General de la Seguridad Social)

This body represents the highest level of management of the Governing Bodies and the General Treasury of the Social Security and has supervision over them.

The following bodies report to the Secretariat:

Directorate-General for Planning and Economic Regulation of Social Security (Dirección General de Planificación y Ordenación Económica de la Seguridad Social)

This Directorate is entrusted with the development of the economic and financial functions of social security, its planning, the financial control of the governing bodies, communal services and co-operating bodies and the provision of requisite information about all measures that have an influence on the financing and expenditures of social security. The powers conferred on the Secretariat General for Social Security and on this Directorate-General do not affect those entrusted to the Ministry of Health and Consumer Affairs or the Autonomous Communities concerning the management of the National Health Institute (*Instituto Nacional de la Salud – INSALUD*).

Directorate-General of the Legal Division for Social Security (Dirección General de Ordenación Jurídica y Entidades Colaboradoras de la Seguridad Social)

This Directorate-General is entrusted with the management, monitoring and overall control of the legal aspects of the social security system.

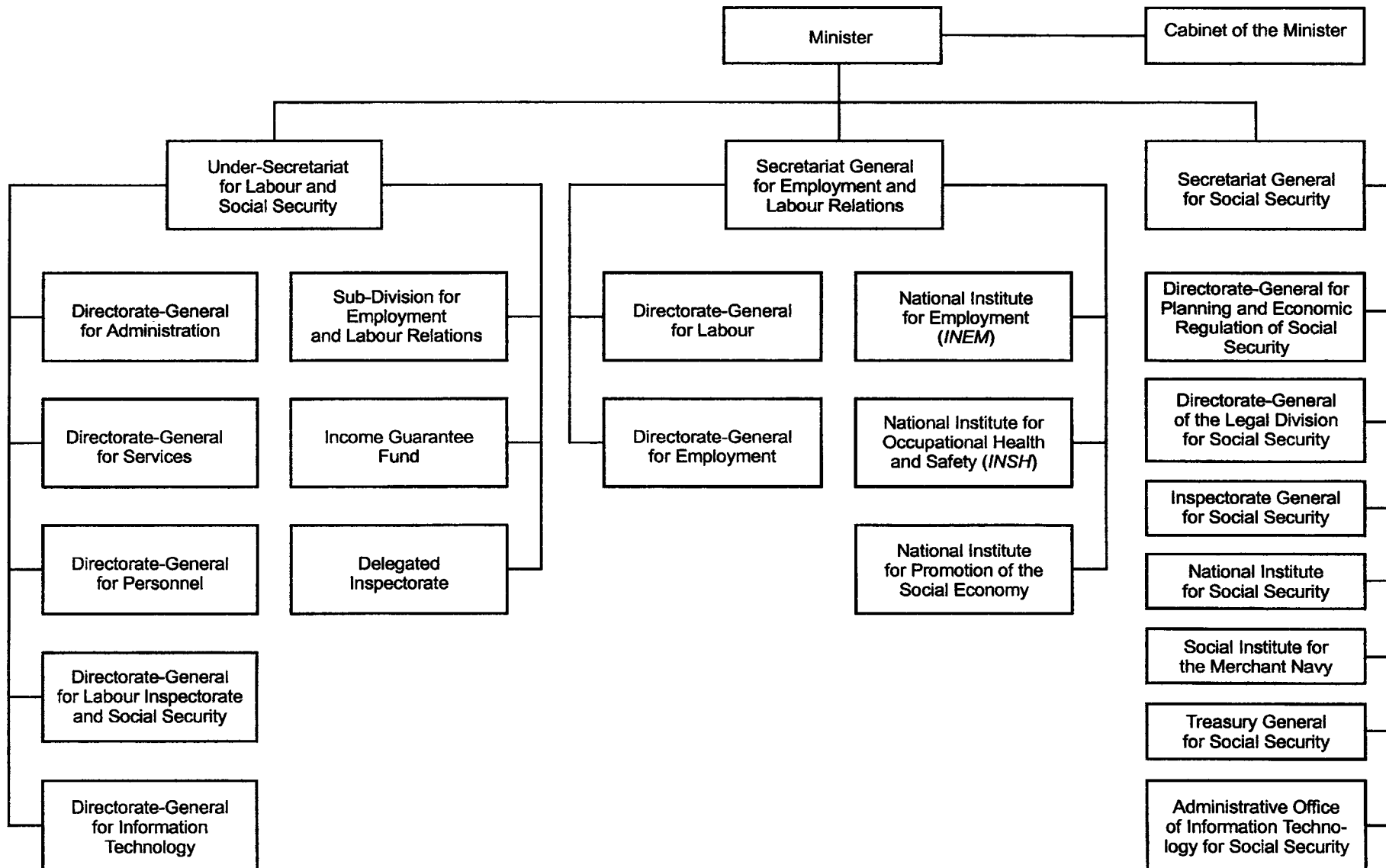
Inspectorate General for Social Security (Intervención General de la Seguridad Social)

This body is responsible for the financial control and the inspection of the communal services and the governing bodies of the social security system.

The following institutes are also attached to the Secretariat General for Social Security:

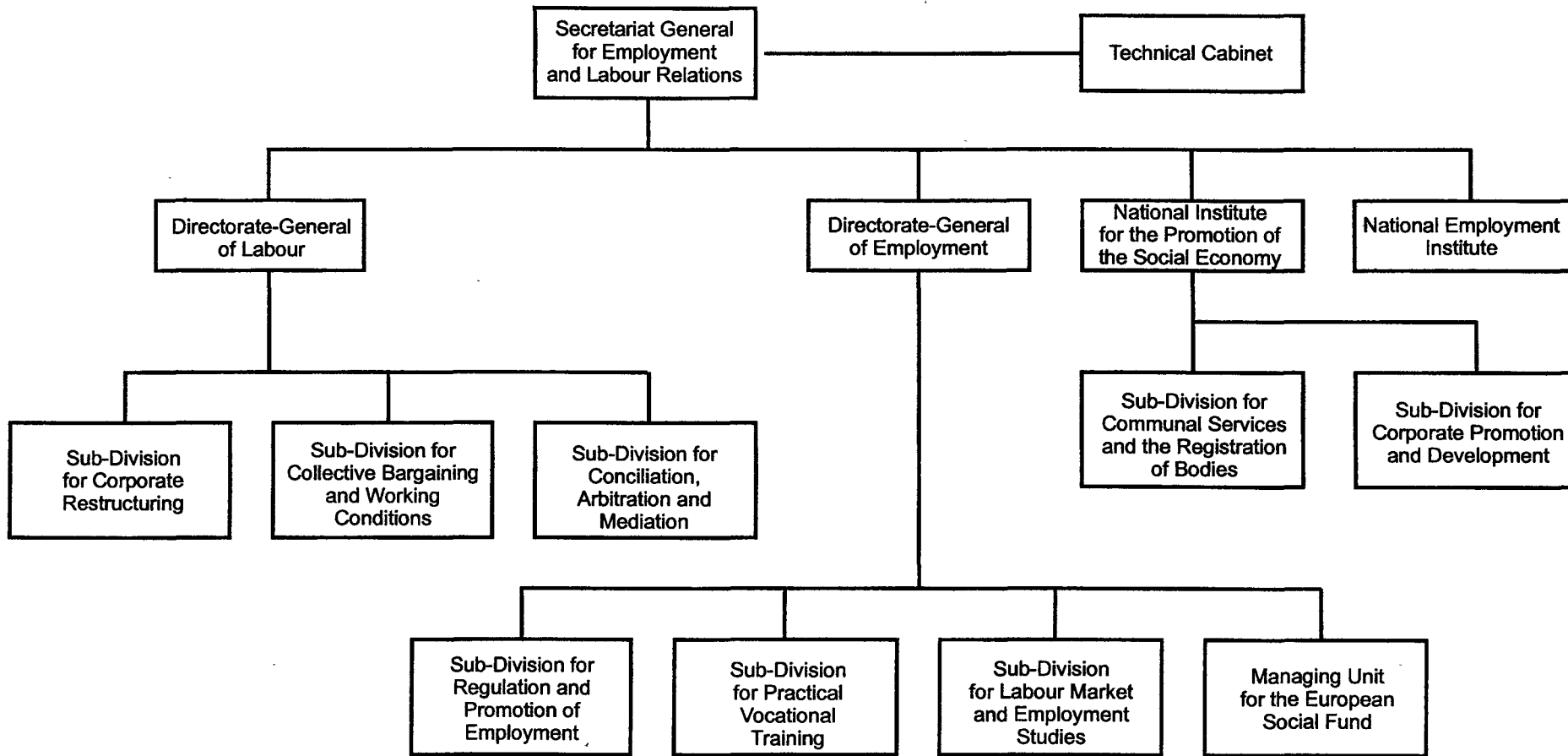
- National Institute for Social Security (*Instituto Nacional de la Seguridad Social – INSS*);
- Social Institute for the Merchant Navy (*Instituto Social de la Marina – ISM*);
- Treasury General for Social Security (*Tesorería General de la Seguridad Social*);
- Administrative Office of Information Technology for Social Security (*Gerencia de Informática de la Seguridad Social*).

Ministry of Labour and Social Security (MTSS)



1.3 Organisation charts

Secretariat General for Employment and Labour Relations



1.4 Personnel

The staff of the *MTSS* (excluding autonomous bodies) numbered 10,072 on 1.1.1995 (including personnel in central and peripheral services).

1.5 Operational budget

The budget of the *MTSS* is approved each year through the State's General Budget Law. The budgetary allocation for employment programmes increased in 1994 to PTA 3,451,157 million and in 1995 to PTA 3,619,070 million.

The major budgetary elements are:

- benefits to the unemployed of PTA 1,979,071 million in 1994 and PTA 2,020,826 million for 1995;
- expenditure on social security : PTA 546,571 million in 1994 and PTA 570,852 million for 1995;
- promotion of employment: PTA 153,638 million in 1994 and PTA 166,471 million for 1995, including in these amounts the actions subsidised by the European Community;
- vocational training with an allocation of PTA 129,853 million in 1994 and PTA 141,950 million for 1995;
- pensions and social allowances: PTA 82,297 million in 1994 and 64,524 million for 1995;
- benefits from the Income Guarantee Fund: PTA 82,047 million in 1994 and PTA 77,589 million for 1995.

MTSS Budget

(figures in millions of PTA)

| | 1994 | 1995 |
|---|-----------|-----------|
| Total budget of costs | 3,451,157 | 3,619,070 |
| Major budgetary elements | | |
| Benefits to unemployed | 1,979,071 | 2,020,826 |
| Promotion of employment | 153,638 | 166,471 |
| Vocational training | 129,853 | 141,950 |
| Benefits from the Income Guarantee Fund | 82,047 | 77,589 |
| Pensions and social allowances | 82,297 | 64,524 |

1.6 Cooperation and co-ordinated activities

At the national level there are very close relations with the Ministries which are most directly concerned with the development of employment and vocational training policy (Ministry of Education and Science, Ministry of Economic Affairs and Finance, Ministry of Social Affairs and Ministry of Defence); with the Autonomous Communities through the employment offices by means of agreements on co-ordinating employment policy concluded by the Minister with the former. The aim of these agreements is to ensure cooperation as regards employment promotion and vocational training within the framework of each Autonomous Community. There is also cooperation with local administrations, either directly or through the Spanish Federation of Provinces and

Municipalities (*FEMP*) within the framework of a cooperation agreement for the co-ordination and better use of agreements reached between *INEM* and the local authorities.

1.7 International relations

On an international level, in addition to relations which Spain has established with the European Union as one of the Member States, the Ministry has close relations with international labour bodies (mainly the ILO and the OECD) and the labour directorates of Latin America.

2. National Employment Institute (*Instituto Nacional de Empleo – INEM*)

2.1 Legal status

INEM is the body which administers employment policy. It is an administrative autonomous body, falling under the ambit of the *MTSS* through the intermediary of the Secretariat General for Employment and Labour Relations. It is a legal entity and is authorised to take all measures necessary to achieve its objectives.

INEM was established by Royal Decree-Law 36/1978 of 16.11.1978 and its structure is laid down by Royal Decree 1458/1986 of 6.6.1986³.

INEM is entrusted with the following tasks:

- to organise a national, public job placement service, which is free of charge to users;
- to assist workers in their search for employment and to assist enterprises in concluding employment contracts with suitable workers;
- to promote workers' training by designing and implementing vocational training programmes (*Plan FIP*);
- to administer and monitor unemployment benefits and to support and subsidise the promotion and protection of employment.

INEM and the Ministry of Labour and Social Security are co-signatories to a programme for the period July 1995 to December 1997; the objectives and activities of the programme are focussed on three areas:

- a) improved and speedier placement efforts in the labour market;
- b) support for workers in their search for employment through individual counselling;
- c) decentralisation of the management functions and the personnel of the national employment service.

³ Royal Decree-Law 36/1978 of 16.11.1978 (Government Gazette of 18.11.1978) on the administrative management of social security, health and employment. Royal Decree 1458/1986 of 6.6.1986 (Government Gazette of 16.7.1986 and 30.8.1986) determining the organisational structure of *INEM*.

2.2 Decision-making bodies

INEM has decision-making bodies at national and regional level for each functional area.

2.2.1 Decision-making bodies at national level

The governing bodies at national level are:

- the General Council;
- the Executive Committee;
- the Directorate-General.

General Council (Consejo General)

The General Council is a tripartite body consisting of 13 representatives from the public administration, 13 from the most representative trade union organisations and 13 from the most representative employers' associations.

Among the tasks of the General Council are the formulation of the operating criteria for the Institute, the preparation of the draft budget and the approval of the annual report to be submitted to Government.

Executive Committee (Comisión Ejecutiva)

The Committee is also a tripartite body consisting of three representatives from the public administration, three from the trade union organisations and three from the employers' associations; the members of this Committee are also members of the General Council. It is entrusted with overseeing and monitoring the implementation of the agreements approved by the General Council, carrying out the functions delegated to it by the Council and proposing measures necessary for the improved functioning of the Institute.

Directorate-General (Dirección General)

The Directorate-General is entrusted with directing, co-ordinating, planning and monitoring the activities of the Institute in carrying out its functions and its goals, inspecting the services of the Institute and co-ordinating the above activities with the Ministry.

The following units report to the Directorate-General:

- the Sub-Division for the Management of Resources is responsible for domestic regulations, general affairs, management of assets, administrative management and regulation of human resources;
- the Economic and Budgetary Management Division is entrusted with the economic and financial management of the Institute;
- the Technical Services Division is responsible for technical documentation and drafting of reports, planning and follow-up of the activities of the Institute and for legal affairs;
- the Information Technology and Statistics Division. This includes the management of the Institute's computing centre, which is charged with collecting and computing data in order to produce statistics;

-
- the Employment Promotion Division is entrusted mainly with the preparation and application of employment promotion programmes, follow-up of the management of employment promotion measures, and the regulation of the processes and measures in the field of placement and vocational counselling;
 - the Vocational Training Division, the function of which is vocational training, further training and retraining of workers; and
 - the Benefits Division, the main function of which is to organise and administer the functions and services associated with unemployment benefits.

2.2.2 Decision-making bodies at regional level

INEM's regional bodies are:

- the Provincial Directorates and
- the Provincial and Island Commissions.

Provincial Directorates

Provincial Directors of the Institute carry out their duties under the direction and supervision of the Provincial Director for Labour, Social Security and Social Affairs without affecting the fact that they are functionally dependent on the Director General of the Institute.

Under each Provincial Director there are three decentralised administrative units which are the local managing bodies at the provincial, regional and local levels:

- the Employment Offices (*Oficinas de Empleo – OE*), which are entrusted with vocational qualifications and guidance, job placement, promoting employment and administering unemployment benefits;
- the Vocational Training Centres (*Centros de Formación Ocupacional – CFO*) in the Autonomous Communities, which are entrusted with delivering training authorised by *INEM*, the aim of which is to provide workers with an adequate vocational qualification. On 31.12.1991 there were 697 employment offices and 48 vocational training centres under the control of *INEM*.

Provincial Committees

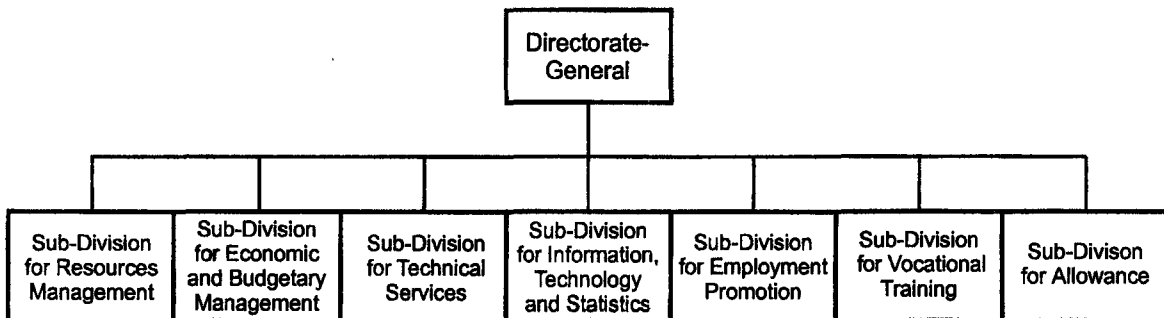
The Provincial Committees are tripartite bodies consisting of three representatives from the public administration, three from the most representative trade union organisations and three from the most representative employers' associations. They are charged with ensuring the smooth enforcement of agreements reached by the General Council and the Executive Commission at provincial and island level.

There are sub-committees within each Provincial Committee for the follow-up of vocational training. Their functions include evaluation and follow-up and drafting of proposals and recommendations to the relevant bodies concerning the situation and the development of vocational training in the provinces.

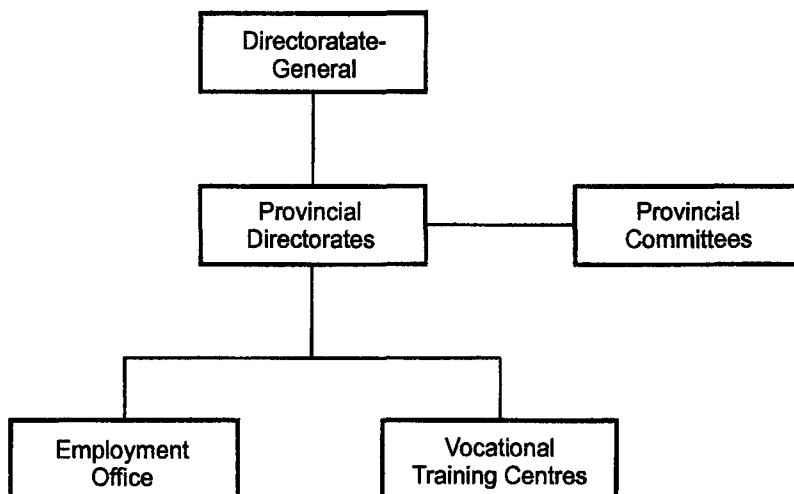
2.3 Organisation chart

National Employment Institute (INEM)

Central level



Regional level



2.4 Personnel

The staff of *INEM* numbered 15,255 officials and employees on 1.1.1995.

2.5 Operational budget

The budget is approved annually by the State's General Budget Law. In 1994 the budget was PTA 2,305,290 million (in 1995 PTA 2,375,615 million), of which PTA 1,979,071 million were allocated to unemployment benefits (1995: PTA 2,020,826 million). PTA 151,964 million were allocated to employment promotion in 1994 and PTA 165,023 million in 1995; PTA 174,255 million were reserved in 1994 for other labour market measures (1995: PTA 189,766 million)⁴.

2.6 Co-ordination and co-ordinated activities

Cf. Section 1.6 above.

2.7 International relations

Cf. Section 1.6 above.

3. Other Public Institutions

3.1 General Vocational Training Council (*Consejo General de Formación Profesional – CGFP*)⁵

The *CGFP* is a tripartite body attached to the *MTSS*; it consists of 13 representatives from the central administration and 13 each from the most representative employers' associations and trade unions.

The *CGFP* is the advisory body to the Government on any questions relating to standard education and vocational training. It is charged with drafting and proposing to the Government a National Programme for Vocational Training (*Plan FIP*). It also has to evaluate and monitor the execution of the Plan, to provide information on drafts of study programmes and of certificates and

4 These activities include vocational training, corporate restructuring and reindustrialisation as well as transfers between Sub-Divisions.

5 Law 1/1986 of 7.1.1986 (Government Gazette of 10.1.1986) creating the *CGFP*. Royal Decree 365/1987 of 27.2.1987 (Government Gazette of 14.3.1987) regulating the functioning of the *CGFP*.

diplomas of technical vocational training, to make proposals and recommendations to the responsible ministerial departments, to propose activities seeking to improve vocational training and to evaluate and follow up measures carried out within the field of vocational training.

3.2 Further Training Foundation (*Fundación para la Formación Continua*)

The Further Training Foundation (*FORCEM*) is a partite organisation at state level; it was established by trade unions and employers' associations for the purpose of providing in-plant vocational training. *FORCEM* was founded in 1992 by the signatories to the National Contract on Further Training; these were the *CEOE* and the *CEPYME* on the employers' side and the central trade union bodies *CCOO*, *UGT* and *CIGA* on the trade union side. The mode of financing and the forms of cooperation to be pursued by the social actors and representatives from the Government were defined in a governmental agreement.⁶

FORCEM's functions include the planning, approval, financing, technical support and follow-up of in-plant further training measures. The Foundation distributes the available funds (deriving from employee and employer vocational training contributions and the Structural Funds of the European Union), which are allocated on the basis of applications submitted annually by individual enterprises or groups of enterprises for aid toward training measures or individual leaves of absence. Additionally, *FORCEM* is charged with promoting the development of training plans, establishing a satisfactory bookkeeping system, drawing up an annual report on the measures carried out under the National Contract on Further Training for the National Tripartite Committee (whose members consist of representatives of the social actors and the Government) and providing the public Inspectorate General with a summary of the Foundation's expenses. *FORCEM* also receives financial means from the municipal structural funds.

The governing body of *FORCEM* seats 16 members, of which 8 are representatives from the employers' associations and 8 representatives from the central trade union bodies. The functions of the governing body include: monitoring the consummation of the Contract, solving disputes that may arise in the course of its implementation; administering the financial means allocated for training measures, developing criteria and setting priorities for the choice of measures and evaluating achievements. The governing body may partially or fully delegate its responsibilities to the standing commission.

In order that it may carry out its administrative functions, *FORCEM* is equipped with two Directorate-Generals and with Sub-Divisions for the following areas: appraisal of training plans, promotion and technical support, planning and evaluation, financial and economic management.

6 The "National Contract on Further Training", an agreement concluded between employers' associations and trade unions, was signed on 16.12.1992 by the employers' associations *CEOE* and *CEPYME* and the central trade union bodies *CCOO* and *UGT* (*CIGA* later became a party to the contract). The "Tripartite Contract on Further Training for the Employed" was signed on the same day by the same organisations and by the Government. Resolution of 25.2.1993 (Government Gazette of 10.3.1993) acceding to the signing and publication of the "National Contract on Further Training".

3.3 Economic and Social Council (*Consejo Económico y Social*)

The Economic and Social Council (*CES*) was established in 1991 on the basis of the Spanish Constitution of 1978.⁷ The *CES* is a corporation under public law with organisational and functional autonomy and is vested with all rights necessary for the accomplishment of its objectives. For budgetary purposes the Council reports to the Ministry of Labour and Social Security.

The *CES* is an advisory body to the Government in the fields of labour and social affairs. It is required to make recommendations concerning the draft bills regulating the following areas: economics and finance; labour relations; employment and social security; social affairs; farming and fisheries; culture and education; health and consumer affairs; environmental matters; transport and communications; industry and energy; housing; regional development; the European market and political cooperation for developmental purposes. The *CES* submits an annual report to the Government on the national socio-economic and employment situation. In addition, the Council produces studies and reports on its own functional areas.

The *CES* numbers 61 members: the president, 20 members from the most representative trade unions, 20 representatives from the employers' associations and 20 representatives from the following sectors: agriculture (3), fisheries (3), consumers (4), social economy (4) and six experts appointed by the Government. The mandate of all members is for a duration of 4 years, though this period of office may be extended. The plenary session, the standing commission and the working parties are the collegial bodies of the *CES*.

The plenary session, which seats all of the members of the Council, defines the Council's mode of procedure, approves the studies and reports produced by the *CES* and regulates the Council's internal modes of organisation and functioning.

The functions of the standing commission, which seats 18 members (6 from each group), include adapting the required measures to the modes of procedure adopted by the plenary session, reaching decisions with respect to the conveyance of requests for advice to the *CES* and monitoring the activities of the Council.

The working parties are established by means of agreement in the plenary session. They are responsible for drawing up draft bills and studies for the Council. Working parties may be standing bodies (6 standing groups are provided for in the Statutes of the *CES*) or task forces established to address particular issues.

⁷ Law 21/1991 of 17.6.1991 (Government Gazette of 18.6.1991) on establishing the Economic and Social Council. Statutes concerning the internal organisational structure of the Economic and Social Council, adopted in the plenary session of 25.2.1993 (Government Gazette of 13.4.1993); modified in the plenary session of 19.1.1994 (Government Gazette of 14.2.1994) and through other agreements reached in the plenary sessions of 23.3.1994 and 21.9.1994 (Government Gazette of 10.11.1994).

4. The Autonomous Communities

In line with the framework laid down in the Constitution of 1978 the various nationalities and regions of Spain have formed Autonomous Communities (CCAAAs). Each Community has its own Statute of Autonomy. The Spanish Constitution envisages two ways of forming an Autonomous Community: one is the extraordinary way for the areas which had pursued autonomous status, as endorsed by referendum, in the past. This was the case in four of the 17 Spanish CCAAs (Catalonia, the Basque Provinces, Galicia and Andalusia). The remaining 13 CCAAs took the other (standard) route to autonomy (Aragon, Asturias, Balearic Islands, Canary Islands, Cantabria, Castile and León, Castile-La Mancha, Valencia, Extremadura, Madrid, Murcia, Navarre and La Rioja).

The Autonomous Communities are charged with the powers defined in their Statutes of Autonomy as well as those devolved to them by the Central Government. One area of authority that can be entrusted to the Communities under the terms of the Constitution of the Autonomous Communities (Article 148) is worth mentioning: "the promotion of economic development in the Autonomous Communities within the defined aims of national economic policy". One of the areas of authority to be exclusively fulfilled by the Central Government is "labour legislation; labour law is nevertheless implemented by the organs of the Autonomous Communities" (Article 149). This division of competence between the Central Government and the Autonomous Communities as regards employment policy and labour legislation applies to all the measures for the territory of Spain described in this report. Over and above these, other employment policy measures (job promotion, vocational training, etc.) may exist in each Autonomous Community, applying expressly to the territory of the respective Community. The aforementioned measures may be complementary to national measures or cover specific areas.

The powers of an Autonomous Community include the establishment of its own administrative structure. In some Communities Offices for Employment and Social Security (*Consejerías de Trabajo y Seguridad Social*) exist in which all relevant functional areas are co-ordinated; in other Communities these functions are the responsibility of offices for the economy, employment institutes or offices for the public welfare.

A regional Economic and Social Council was established in most of the Autonomous Communities; while the structure of these Councils is similar to that of the national CES, they remain under the authority of the Autonomous Communities.

CHAPTER II LEGAL FRAMEWORK AND PROCEDURES

1. Legal Instruments

The sources of rights and duties in employment relationships are the legal and regulatory provisions of the State, collective agreements, the goodwill of the parties expressed in the employment contract, local and occupational customs and usage and the decisions of the courts.

The Spanish Constitution of 27.12.1978, as the supreme law, stipulates essential rights as regards labour relations, including the freedom to organise and to strike, the right to collective bargaining and the freedom of enterprise. All these rights strive to adapt conditions of employment to the level of development and social advance while at the same time fostering workers' qualifications and their full training.

The essential laws under Spanish labour law are the Workers' Statute, the Basic Law on Employment and the General Law on Social Security.

Since its enactment in 1980⁸ the Workers' Statute has undergone numerous amendments. As early as 1984 economic developments and the prospect of Spain's integration into the European economy led to substantial changes in labour regulation, for example, the regulation of recruitment. Some of the incentives behind the labour market reform have been reinforced, while other new grounds for reform have emerged, such as increasing economic globality, the demands of economic harmony in Europe, the increasingly rapid process of technological advance and the effects of the economic recession. Law 11/94 of 19.5.1994 introducing a new reform should be seen in the light of these developments. The essential aims of this law are to secure the regulative powers of collective negotiations with respect to labour relations and working conditions and to introduce mechanisms for adjusting and increasing the flexibility of the different areas of labour relations. The Government is empowered by virtue of this law to draft a workers' statute which incorporates all modifications since 1980 that are still in force.

8 Law 8/1980 of 10.3.1980 (Government Gazette of 14.3.1980) on the Workers' Statute.
Law 32/1984 of 2.8.1984 (Government Gazette of 4.8.1984) modifying certain Articles of Law 8/1980 of 10.3.1980 on the Workers' Statute.
Law 4/1983 of 29.6.1983 (Government Gazette of 30.6.1983 and correction of errors in the Government Gazette of 23.7.1983) setting the maximum legal working week at 40 hours and minimum annual leave at 30 days.
Royal Decree-Law 1/1986 of 14.3.1986 (Government Gazette of 26.3.1986) on urgent administrative, financial, fiscal and employment measures.
Law 3/1989 of 3.3.1989 (Government Gazette of 1.5.1989) extending maternity leave to 16 weeks and laying down measures intended to facilitate equal treatment of women at the workplace.
Law 8/1992 of 30.4.1992 (Government Gazette of 1.5.1992) on amendments concerning leave regulations, as laid down in Law 8/1980, the Workers' Statute and Law 30/1984 on measures to reform the public administration with respect to the adoption of children aged under 5 years.
Law 10/1994 of 19.5.1994 (Government Gazette of 23.5.1994) on urgent employment promotion measures.
Law 11/1994 of 19.5.1994 (Government Gazette of 23.5.1994) on the basis of which certain Articles of the Workers' Statute, the wording of the Law on Labour Procedure and the Law on Social Order Offences and Penalties were amended.
Law 42/1994 of 30.12.1994 (Government Gazette of 31.12.1994) on measures concerning the financial, administrative and social systems.
Royal Decree-Law 1/1995 of 24.3.1995 (Government Gazette of 29.3.1995) approving the revised Workers' Statute.

By virtue of Royal Decree-Law 1/1995 of 24.3.1995, through which the amended wording of the Workers' Statute was approved, the unification of the diffuse regulations in the area of labour relations is pursued and the implementation of the revised standards emphasised.

The area covered by the Workers' Statute is limited to workers in the strict meaning of the term: those who voluntarily hire out their services for payment within an organisation and under the direction of another physical or legal person called "the employer" (*empleador* or *empresario*), excluding the self-employed and civil servants. At the same time, the Statute lays down that certain employment relationships must be regulated by special standards.

The Statute stipulates that workers' rights which are recognised as being inalienable by legal provisions or by convention cannot be renounced.

The revised Workers' Statute comprises four chapters:

- Chapter I deals with individual employment relationships. It sets out regulations governing the employment contract and, in particular, everything relating to its sources, form, terms, modification and abrogation. It also comprises provisions concerning matters related to placement and the duration of the employment contract, which can be open-ended or for a fixed term. Chapter I also regulates daily working hours, leave, wages, job titles and promotion.
- Chapter II deals with the right to collective representation and workers' meetings within the company. It sets out the regulations governing the right to workers' participation in the enterprise through representative bodies, procedures for electing staff delegates and members of the works council and the right to hold meetings.
- Chapter III deals with collective bargaining and agreements. It sets out the regulations governing the nature and the effects of collective agreements – through which the employees and the employers determine working conditions and productivity – to which all employers and employees are required to conform in the field concerned for the whole duration of their validity. This chapter also covers persons who are authorised to negotiate and lays down the procedure for negotiating, applying and interpreting collective agreements.
- Chapter IV deals with labour offences. It identifies violations by enterprises in this area.

The Basic Law on Employment regulates some aspects of employment policy, in particular, the promotion of employment; the Law has undergone a number of modifications since its enactment in 1980.⁹

The preliminary chapter of the Basic Law on Employment ("On Employment Policy") defines the concept of employment policy and sets out its objectives. Implementing this policy is the task of the Government, which it does through *INEM*, the National Employment Institute, as the managing body. Employment promotion is covered in Chapter I. This lays down some of the characteristics of national employment programmes and defines the material aspects of programmes for specific

⁹ Law 51/1980 of 8.10.1980 (Government Gazette of 17.10.1980) Basic Law on Employment.
 Law 31/1984 of 2.8.1984 (Government Gazette of 4.8.1984) on protection in the event of unemployment, amending Chapter II of the Basic Law on Employment.
 Royal Decree 3/1989 of 31.3.1989 (Government Gazette of 1.4.1989) on additional measures of a social nature.
 Law 22/1992 of 30.7.1992 (Government Gazette of 4.8.1992) on immediate measures for the promotion of employment and protection in the event of unemployment.
 Law 22/1993 of 29.12.1993 (Government Gazette of 31.12.1993) on tax matters, reforms of the legal system of the public service and protection in the event of unemployment.
 Law 10/1994 of 19.5.1994 (Government Gazette of 23.5.1994) on immediate measures for the promotion of employment.

groups of workers (vocational training, technical assistance, grants toward or exemptions from social security contributions, aids and subsidies).

Placement policy and *INEM's* services are covered in Chapter III. It defines the concept and the basic principles of employment policy and its objectives, describes the character of *INEM*: that it is a national public service provided free of charge which establishes participation with the social partners in its governing bodies. This chapter also covers all questions relating to the functions of *INEM* as well as cooperation with and duties of enterprises and workers as regards placement.

The other laws and legal instruments governing work are (in chronological order):

Royal Decree 2380/1973 of 17.8.1973 on pay regulations¹⁰ lays down wage structures and defines and specifies the legal system relating to pay.

Royal Decree-Law 17/1977 of 4.3.1977 on labour relations¹¹ applies to regulations concerning the right to strikes, lock-outs and collective disputes.

Royal Decree 696/1980 of 14.4.1980 on applying the Workers' Statute¹² lays down the procedure to be followed in cases where there are significant changes to working conditions, suspension or termination of an employment relationship. It was partly amended by Royal Decree 2732/1981 of 30.10.1981.

Royal Decree 2001/1983 of 28.7.1983¹³, regulating working hours, deviations from the normal working day and rest days, contains provisions complementing the Workers' Statute concerning working time, overtime and holidays. It was partly modified by Royal Decree 1346/1989 of 3.11.1989.

Law 27/1984 of 26.6.1984 concerning conversion and reindustrialisation¹⁴ defines the criteria for declaring a sector requiring conversion as well as the ways and means for designing conversion plans. It also sets out fiscal, financial and employment measures which aim to guarantee the viability of conversion programmes.

Royal Decree 505/1985 of 6.3.1985 on the organisation and functions of the Income Guarantee Fund (*FGS*)¹⁵ deals with the procedure of payment of wages, including so-called "replacement wages", payments delayed because of suspension of pay for reasons of insolvency, bankruptcy or as a result of a creditors' meeting, following previous notification of the suspension of payment.

10 Royal Decree 2380/1973 of 17.8.1973 (Government Gazette of 4.10.1973) on pay regulations.

11 Royal Decree-Law 17/1977 of 4.3.1977 (Government Gazette of 9.3.1977) on labour relations.

12 Royal Decree-Law 696/1980 of 14.4.1980 (Government Gazette of 17.4.1980) on applying the Workers' Statute lays down the procedure to be followed in cases where there are significant changes to working conditions, suspension or termination of an employment relationship. It was partly amended by Royal Decree 2732/1981 of 30.10.1981.

13 Royal Decree 2001/1983 of 28.7.1983 (Government Gazette of 29.7.1983), regulating working hours, deviations from the normal working day and holidays, contains provisions complementing the Workers' Statute concerning working time, overtime and holidays. It was partly modified by Royal Decree 1346/1989 of 3.11.1989 (Government Gazette of 7.11.1989).

Royal Decree-Law 1/1995 of 24.3.1995 (Government Gazette of 29.3.1995), through which the revised Workers' Statute was approved, stipulates that regulations concerning rest periods and working hours, as they are defined in Royal Decree 2001/1983, are to remain in force until 12.6.1995. Modifications to the Articles related to working hours which are introduced by the Government in agreement with the relevant social partners (trade unions and employers' associations) are not affected by this Decree-Law.

14 Law 27/1984 of 26.6.1984 (Government Gazette of 28.6.1984) on conversion and reindustrialisation.

15 Royal Decree 505/1985 of 6.3.1985 (Government Gazette of 17.4.1985) on the organisation and functions of the Income Guarantee Fund.

Organic Law 7/1985 of 1.7.1985 on the rights and freedoms of foreigners in Spain¹⁶ lays down regulations on entry conditions, legal status, take-up of employment, settlement in Spain and departure from Spanish territory. It defines, besides relevant special regulations, offences and penalties, guarantees and legal procedure.

Organic Law 11/1985 of 2.8.1985 on trade union freedom¹⁷ governs the right of wage-earners to trade union freedom. It defines the procedure to be followed by organisations to obtain legal status and their legal supervision. Moreover, it introduces the concept of the most representative trade union and regulates all issues relating to competence, entitlements and guarantees as regards trade union action. Royal Decree 1844/1994 of 9.9.1994¹⁸ lays down regulations concerning the election of enterprise-level representative bodies for workers.

Law 8/1988 of 7.4.1988 on social order offences and penalties¹⁹ defines breaches of contract by enterprises which result from actions or negligence contrary to the legal provisions as regards work and sets out the corresponding penalties; it also covers the offences of workers resulting from their failure to fulfil obligations laid down in employment contracts and the corresponding punishments.

Law 2/1991 of 7.1.1991 on the rights to information of employees' representatives in matters relating to recruitment²⁰ elaborates on Articles 15.4 and 64.1 of the Workers' Statute. It regulates the institutional participation of the social partners in monitoring recruitment. It also governs the right to information in other aspects of interest in the field of recruitment and employment in enterprises.

Royal Decree 355/1991 of 15.3.1991 on the Commissions which monitor recruitment within *INEM's* Executive Commissions for the Provinces and the Islands.²¹ It establishes the composition, modus operandi, competencies and functions of the Commissions which monitor recruitment.

Law 14/1994 of 1.6.1994 on enterprises providing part-time employment²² lays down their legal status and guarantees the observance of labour law and social protection by virtue of the relevant conditions, confines and controls.

Law on labour procedure; revised wording approved by Royal Decree-Law 2/1995 of 7.4.1995.²³ This Law regulates all matters concerning court decisions pronounced in cases in the "social" realm of the law and their execution.

16 Organic Law 7/1985 of 1.7.1985 (Government Gazette of 3.7.1985) on the rights and freedoms of foreigners in Spain.

Royal Decree 1119/1986 of 26.5.1986 (Government Gazette of 12.6.1986) by virtue of which the implementing provisions concerning Organic Law 7/1985 are approved.

17 Organic Law 11/1985 of 2.8.1985 (Government Gazette of 8.8.1985) on trade union freedom.

18 Royal Decree 1844/1994 of 9.9.1994 (Government Gazette of 13.9.1994) regulating the election of enterprise-level workers' representative bodies.

19 Law 8/1988 of 7.4.1988 (Government Gazette of 15.4.1988) on social order offences and penalties. Partially amended by the following Laws: Law 22/1992 of 30.7.1992; Law 10/1994 of 19.5.1994; Law 11/1994 of 19.5.1994 and Royal Decree-Law 1/1995 of 24.3.1995.

20 Law 2/1991 of 7.1.1991 (Government Gazette of 8.1.1991) on the rights of employees' representatives in matters relating to recruitment.

21 Royal Decree 355/1991 of 5.3.1991 (Government Gazette of 21.3.1991) on the Commissions which monitor recruitment within *INEM's* Executive Commissions for the Provinces and the Islands.

22 Law 14/1994 of 1.6.1994 (Government Gazette of 11.4.1995) governing enterprises providing part-time employment; developed in Royal Decree 4/1995 of 13.1.1995 (Government Gazette of 1.2.1995).

23 Royal Decree-Law 2/1995 of 7.4.1995 (Government Gazette of 11.4.1995) approving the revised wording of the Law on Labour Procedure.

Royal Decree 735/1995 of 5.5.1995 approving the operation of non-profit-making placement services and the Integrated Employment Services.²⁴ The job placement services are defined by law as collegial bodies of *INEM*. The Royal Decree lays down the licensing procedure and the *modus operandi* as regards renewal and termination of licences. It also regulates the Integrated Employment Services (*SIPES*), which are charged with submitting plans for active employment policy. In addition, centres shall be established which support jobseekers in their search for employment.

2. Labour Relations Bodies

By virtue of the Spanish Constitution of 1978 the following basic rights in the field of labour are guaranteed: the right to organise, the freedom to engage in trade union activity and the right to collective bargaining. The right to organise is recognised as a basic right, and trade union freedom is guaranteed. The right to organise encompasses the right of workers to set up trade unions and to become a member of the union of their choice, as well as the rights of trade unions to come together in confederations and to establish international trade union organisations or to become members of them. Similarly, the right to collective bargaining between workers' and employers' representatives on matters related to work as well as the binding character of agreements are guaranteed.

2.1 Employers' associations

The right to establish professional employers' associations for defending the interests of employers is governed by Law 19/1977 of 1.4.1977 and Royal Decree 873/1977 of 22.4.1977.²⁵ All of these organisations are entitled to participate in collective bargaining in their respective sectors.

The Workers' Statute in its amended form defines the notion of "the most representative employers' association". To be representative, employers' associations must bring together 10% or more of enterprises and workers at the national level (15% at least in the Autonomous Communities). These employers' associations have the full capacity to represent employers in the defence of their interests in relation to the public administration and other entities or bodies of the State or the Autonomous Communities. They are, furthermore, the only groups entitled to conclude agreements which are generally applicable in matters relating to economics, labour, employment, vocational training, social security and occupational health and safety.

The most representative employers' organisations are the Spanish Confederation of Employers' Associations (*Confederación Española de Organizaciones Empresariales – CEOE*) and the Spanish Confederation of Small and Medium-Sized Enterprises (*Confederación Española de la*

²⁴ Royal Decree 735/1995 of 5.5.1995 (Government Gazette of 8.5.1995) regulating non-profit placement services and the Integrated Employment Services.

²⁵ Law 19/1977 of 1.4.1977 (Government Gazette of 4.4.1977) and Royal Decree 873/1977 of 22.4.1977 (Government Gazette of 28.4.1977) on the right to establish professional employers' organisations for defending the interests of employers.

Pequeña y Mediana Empresa – CEPYME), which is affiliated to the *CEOE*. Both are central organisations covering various industries.

2.2 Trade union organisations

Trade union freedom of the workers and of workers' associations is guaranteed by the Organic Law on Trade Union Freedom (*Ley Orgánica de Libertad Sindical – LOLS*) 11/1985 of 2.8.1985. The *LOLS* specifies the group of persons who have the right to trade union freedom, which does not include members of the armed forces and military academies; it defines the contents of this right both at the individual and collective levels, the trade union legal system, trade union representativeness, trade union action within the enterprise and mechanisms for protecting trade union freedom.

The representativeness of trade unions in Spain is measured not by the criterion of membership but according to the results of the elections to works councils or to the staff delegation within companies. This gives rise to a mixed system of trade unions and unitary bodies. The *LOLS* lays down that "the most representative trade unions" are understood to be those that have special representativeness expressed by their receipt at the national level of 10% or more of all the votes in the elections for staff delegates, for members of works councils and for the equivalent bodies of the public administration, entitling them to represent the workers at all national and functional levels. Similarly, the trade unions of the Autonomous Communities which have obtained at least 15% of the votes in the elections for staff delegates and members of works councils are considered to be "the most representative".

During the last trade union elections in 1991, the trade unions recognised as being the most representative according to the terms of the *LOLS* were, at the national level, the General Union of Workers (*Unión General de Trabajadores – UGT*) and the Federated Union of Labour Commissions (*Confederación Sindical de Comisiones Obreras – CCOO*) with respectively 42% and 37% of the representatives at national level, Solidarity of Basque workers (*Eusko Languillen Alkartasuna/Solidaridad de Trabajadores Vascos – ELA-STV*) with 34% of the votes in the Basque Provinces and the Federation of trade unions of Galicia (*Convergencia Intersindical Galega – CIGA*) with 23% of the votes in Galicia. Trade union elections will next be held in 1994-1995.

The trade unions are organised according to geographical area (at the national and provincial level and at the level of Autonomous Communities) and according to sector (economic sectors and branches of industry).

2.3 Collective bargaining

The employers' associations and the trade unions (in some cases also the Government) signed various general social agreements between the end of the 1970s and 1984. Some of these were framework agreements and can be considered the result of collective negotiations between enterprises and trade unions at both the sectoral and enterprise level. Others are agreements concluded between the Government, enterprises and unions with a view to implementing various normative structural reforms in Spain's system of economics; these lay down criteria, guidelines and obligations.

The legal framework of collective bargaining is laid down in Chapter III of the law on the Workers' Statute. This defines the nature and effects of agreements, the parties which are authorised to conclude agreements and the negotiation procedure. The purpose of the reform of the Statute in 1994 was to enhance the content of collective negotiations by providing the bargaining parties with the possibility of modifying and redefining certain aspects of the working conditions laid down in the Statute.

The system of collective bargaining in Spain is characterised by the fact that the statutory collective agreements have the force of law and are generally applicable. Collective bargaining is conducted by the workers' and employers' representatives who are empowered to negotiate and reach a collective agreement, which, from the functional viewpoint, can be of two types:

- the enterprise agreement concluded within the narrowest framework of the enterprise; or
- the sector agreement or that concluded within a framework broader than that of the enterprise.

The collective agreement can regulate economic, occupational, trade union and social support measures and, in general, matters that have an impact on working conditions. The duration of agreements is laid down in the agreement itself by the negotiating parties.

The number of agreements concluded in 1994 was 3,811. These concerned 6,059,600 workers and 800,400 enterprises. The following table shows the development of collective bargaining over the past few years:

| Years | Number of agreements | Number of workers concerned | Number of enterprises concerned |
|-------|----------------------|-----------------------------|---------------------------------|
| 1990 | 4,595 | 7,623,900 | 1,037,900 |
| 1991 | 4,848 | 7,821,800 | 1,006,200 |
| 1992 | 5,010 | 7,921,900 | 1,055,100 |
| 1993 | 4,693 | 7,513,200 | 990,800 |
| 1994 | 3,811 | 6,059,600 | 800,400 |

2.4 Representative bodies within the enterprise

The representative bodies within the enterprise are governed by Chapter II of the Law on the Workers' Statute and Royal Decree 1844/1994 of 9.9.1994.²⁶

It is through the representative bodies of the elected workers that workers exercise their right to participation within the enterprise. Based on the size of the enterprise, there are two bodies for representing workers:

- The staff delegation is the body for collectively representing all of the workers of the enterprise in workplaces employing fewer than 50 but more than 10 people.
- The works council is the elected body representing all of the workers in enterprises or workplaces employing more than 50 people.

These representative bodies have the following powers:

²⁶ Royal Decree 1844/1994 of 9.9.1994 (Government Gazette of 13.10.1994) approving the regulations concerning election to enterprise-level representative bodies of employees and employers.

-
- to receive information on the overall development of the sector to which the enterprise belongs;
 - to receive copies of all agreements, which much be made in writing;
 - to be informed about the balance sheet, the profit and loss accounts and the annual report of the enterprise;
 - to give opinions in advance on developments which are significant for the workers (staff reorganisation and dismissals, reduction in working hours, change in the legal status of the enterprise);
 - monitoring the proper application of social legislation, social security and occupational health and safety;
 - to be informed quarterly of the statistics on absenteeism and on accidents in the workplace and occupational illnesses;
 - to receive information on recruitment of staff in the enterprise, on the expectations of the company concerning the number of new recruitments, as well as to be present, if so requested by the worker concerned, when a final settlement is signed;
 - to inform the recruitment-monitoring Commissions of *INEM's* Executive Commissions for the Provinces and the Islands about recruitment in the corresponding provinces.²⁷

Furthermore, workers who are members of a trade union can, within the framework of the enterprise or workplace, establish trade union sections, which are represented by trade union delegates elected by and from among the unionised workers in enterprises and workplaces employing more than 250 people.

3. Benefits in the Event of Unemployment

Aim

The unemployment protection scheme provides benefits – temporarily or on a permanent basis – to compensate for the loss in income to workers who are recognised as unemployed by the law, and guarantees a minimum level of subsistence through unemployment assistance.

There are various sub-levels of assistance under the system:

- A) General: unemployment benefit and unemployment assistance.
- B) Special: assistance for casual agricultural workers.

²⁷ Royal Decree 355/1991 of 5.3.1991 (Government Gazette of 21.3.1991) regulates the activities of the Commissions which monitor recruitment within *INEM's* Executive Commissions for the Provinces and the Islands.

Legal basis

General Law on Social Security (Section III).²⁸

Contents

Unemployment protection covers all paid workers who are subject to the general social security system and wage-earners under special systems for coal mining, agriculture and fisheries. It also covers those wage-earners who render services on fishing boats up to 10 gross tonnes; prisoners released from jail; returning emigrants; and persons who have the same legal status as wage-earners (employees of the legal administration and civil servants in the public administration; the members of co-operatives of associated work; and the personnel of the reserve troops, naval reserve and ranks of the professional army and professional navy).

There are two levels of unemployment protection: the insurance level and the assistance level. Both are public and compulsory.

Protection consists of two types of benefits:

1. Cash benefits:
 - unemployment benefit;
 - unemployment assistance;
 - payment of social security contributions.
2. Benefits in kind:
 - health-care benefits;
 - specific training, further training, vocational guidance and retraining.

Financial resources

The two types of unemployment protection (benefit and assistance) are financed by employee and employer social security contributions (the current contribution rate is 7.8%, of which 6.2% is from

²⁸ Royal Decree-Law 1/1994 of 20.6.1994 ((Government Gazette of 29.6.1994) approving the revised wording of the General Law on Social Security. Royal Decree 1167/1983 of 27.4.1983 (Government Gazette of 9.5.1983) which includes personnel hired for temporary work and civil servants employed by the public administrations in the unemployment protection system. Royal Decree 1990/1984 of 17.10.1984 ((Government Gazette of 9.11.1984) on work schemes for industrial restructuring. Royal Decree 322/1985 of 20.2.1985 (Government Gazette of 15.3.1985) on benefits in the event of unemployment for civil servants and personnel hired for temporary work in the administrative law divisions of the local authorities. Royal Decree 625/1985 of 2.4.1985 (Government Gazette of 7.5.1985) which develops Law 31/1984 of 2.8.1984 on Protection in the event of Unemployment. Royal Decree 1043/1985 of 19.6.1985 (Government Gazette of 2.7.1985) increasing the protection in the event of unemployment for the associated workers of Co-operatives of Associated Work. Royal Decree 2363/1985 of 10.12.1985 (Government Gazette of 21.12.1985) by virtue of which temporary personnel in the legal administration are also entitled to protection in the event of unemployment. Royal Decree 2621/1986 of 24.12.1986 (Government Gazette of 30.12.1990) on integrating into the general system for social security the special systems for railway employees, professional football players, representatives in the commercial sector, bullfighters and artists. Royal Decree 474/1987 of 3.4.1987 (Government Gazette of 10.4.1987) extending protection against unemployment to the reserve troops, the naval reserve and ranks of the army and professional navy. Royal Decree 1387/1990 of 8.11.1990 (Government Gazette of 14.11.1990), regulating unemployment assistance for casual agricultural workers included in the special agricultural social security scheme. Royal Decree 273/1995 of 24.2.1995 amending Royal Decree 1387/1990 of 8.11.1990. This Decree regulates protection in the event of unemployment for casual workers covered by the special agricultural social security scheme.

employers and 1.6% is from workers) and a contribution from the State. The State's contribution is set annually in the General Budget Law.

Institutional support

National Employment Institute – *INEM*.

4. Matching Labour Supply and Demand

4.1 Principles of placement policy

Placement policy covers activities carried out with a view to providing workers with work corresponding to their skills and to proposing to employers the manpower needed to carry out their normal production activities.

The principles governing placement policy are equality of opportunity and of treatment at work, without discrimination, exclusion or preference based on race, sex, religion, political opinion, trade union affiliation, nationality or social background.

The Basic Law on Employment establishes the following objectives for placement policy:

- to promote the placement of workers in jobs corresponding to their skills;
- to match supply and demand for jobs;
- to provide sufficient and concrete general information on the manpower needs of enterprises and on employment opportunities for workers;
- to contribute to the study and preparation of programmes aimed at achieving the highest possible level of employment;
- to promote the occupational mobility of workers by implementing plans for retraining, training and further training;
- to participate in the preparation of vocational training programmes which are in accordance with the labour market situation and prospects;
- to prepare statistics on the employment and unemployment situation; and
- to contribute to the vocational information, guidance and training of workers.

4.2 Placement

In Spain placement is governed by the Basic Law on Employment. This entrusts *INEM* with rendering the national service of placing workers free of charge. The Law on Immediate Measures to Promote Employment 10/1994 of 19.5.1994 removed the obligation previously placed on enterprises to only recruit personnel via *INEM*. However, the employer is still obliged to register employment contracts and to inform *INEM* of new contracts which have been concluded.

Royal Decree 735/1995 regulates the existence of non-profit-making job placement agencies. Provision of placement services is subject to the following conditions: no profit may be made; the principle of equality on take-up of employment must be guaranteed; the licence for operation of a placement service must have been acquired through a cooperation agreement with *INEM*; the scope of activities must be limited to the content of the agreement and sub-contracts for the authorised services may not be concluded with third parties. The services provided in these placement agencies are paid for by the user; the fee may not exceed the incurred costs.

4.3 Placement procedure

The Basic Law on Employment lays down matching labour supply and demand as one of the aims of employment policy. To this end, it entrusts *INEM* with, in particular, helping workers to find a job which suits them and helping employers to hire workers whose skills correspond to their needs for the proper functioning of their production activities.

For the smooth functioning of placement management, a distinction is made between two types of vacancies:

- unspecified vacancies: the employer makes vacancies known to the Employment Office without requesting a particular worker by name so that the Employment Office can put the employer in touch with persons registered as jobseekers; and
- specified vacancies: the employer specifies in advance by name the worker(s) requested for the job(s), for instance, persons who previously worked for this employer.

Real matching happens only for unspecified vacancies for which the Employment Office intervenes actively by pre-selecting those applicants who fit the characteristics of the vacancy specified by the employer. *INEM*'s technical services for vocational guidance are involved in this pre-selection phase.

Mention should also be made of self-search experiments carried out in some Employment Offices. The workers in question receive guidance and training to this end.

4.4 Services provided by Employment Offices

Persons seeking employment may obtain the following services from the Employment Offices:

- enrolment and registration as jobseekers;
- offer of jobs suited to their skills;
- information on employment promotion measures (self-employment, co-operatives, workers' companies, types of recruitment, etc.);
- information on vocational training;
- information on and processing of contributory unemployment benefits and unemployment assistance benefits;
- vocational guidance, encompassing selection of workers for job offers; professional qualifications for workers; group vocational counselling – information sessions on the labour market, the various vocational options and techniques for finding employment; publications on options for completing the various cycles of the education system; individual vocational guidance through

in-depth interviews and aptitude and motivation tests; motivation and guidance of the long-term unemployed, etc.

Other activities organised by the Employment Offices include:

- study of the labour market as related to the registered supply and demand of labour;
- pre-selecting and sending those candidates who meet the conditions and characteristics of a vacancy to a company offering employment;
- visits to enterprises located within the area served by the Employment Office to supply information on the possible measures for promoting employment and to acquire information on the employment needs of the employers;
- registration of supply and demand of labour, as well as the registration of employment contracts, which must be approved by the Employment Office;
- compilation of employment statistics and collection of the data related to the vocational characteristics of jobseekers;
- administration and management of unemployment benefit and assistance, capitalisation of unemployment benefits and processing of applications to participate in vocational training courses;
- training of teachers, carrying out tests aimed at classifying and verifying the level of vocational qualification of jobseekers (Vocational Training Centres).

4.5 Integrated Employment Services (SIPes)

The *SIPes* strive, through their organisations, to organise and implement active employment policy in the area of assistance for jobseekers. The organisations may be either public or non-profit-making private bodies which have concluded an agreement with *INEM*.

The *SIPes* may pursue the following functions:

1. Labour market analysis.
2. Introduction of measures to enhance the employment prospects of the jobseekers, including:
 - a) vocational counselling;
 - b) vocational qualification;
 - c) individual training and employment plans;
 - d) expert information on employment;
 - e) development of personal characteristics which may be useful in employment;
 - f) active jobsearch;
 - g) mixed vocational training schemes;
 - h) specific work-experience schemes;
 - i) information and counselling on self-employment or other entrepreneurial activities;
 - j) other forms of initiatives which enhance the jobseeker's chances of integration into the labour market.

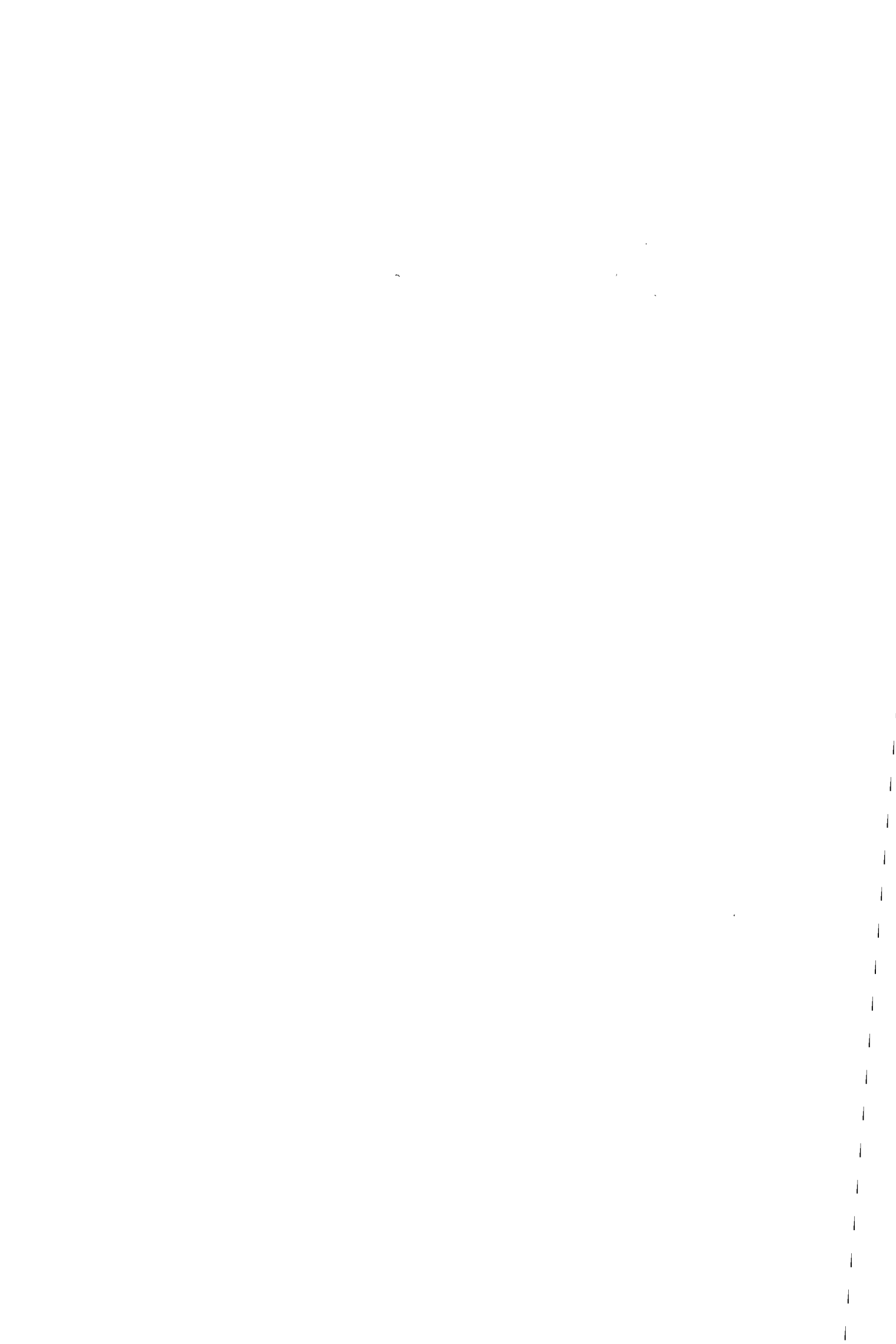
5. Equal Treatment at the Workplace

Concerning the legislation on equal treatment for men and women, the following are the main modifying provisions which have introduced changes in the field of labour relations:

- In the area of labour relations the principle of no discrimination on the grounds of sex is regulated by Article 95 of the Workers' Statute. The Article explicitly describes cases which infringe on this principle, both concerning access to employment and actual employment.
- The main objective of Law 3/1989 of 3.3.1989 is to guarantee the right of workers to make employment activities compatible with motherhood and fatherhood. It increases maternity leave from 14 to 16 weeks, of which at least 6 are taken after the birth. At the same time, this Law guarantees that the post will be reserved for one year for those workers who apply for reduced pay to rear their children. For the first time the Law also equates, from an employment point of view, the situation of adopting children to that of giving birth to children.
- This same Law lays down regulations seeking to prevent sexual harassment at work. Although the current legislation respects rights with regard to the privacy of the worker and respect for his or her dignity in the workplace and could therefore serve to prevent these situations, the new Law explicitly brings situations of sexual harassment within the scope of the legal protection of these precepts by introducing the explicit and specific prohibition of behaviour which involves sexual harassment.

The fourteenth additional provision of Royal Decree-Law 1/1995 of 24.3.1995 allows for the possibility of concluding new employment contracts in order to complement or replace jobs that are listed as vacant in cases of parental leave. These type of contracts are accompanied by the right to reduce the employer's share of the social security contribution with a view to removing some of the difficulties connected with hiring married women or women of child-bearing age and to stimulating recruitment.

- By virtue of Law 7/1989 of 12.4.1989, which approved the basis for the procedure in cases of industrial dispute, the principle of reversal of the burden of proof in cases where sex discrimination is alleged by the plaintiff was integrated into the legislation.
- The General Law on Social Security stipulates that, while rearing a child under 3 years of age, the first year in which the worker is in this situation will be made equivalent to the effective period of contributions to social security. This means that the social insurance of workers who avail of the above right will not be interrupted, supplementing in this way the protection given by Law 3/1989 of 3.3.1989, which increases maternity leave to 16 weeks and establishes measures for favouring equality in the treatment of women at the workplace.



CHAPTER III MEASURES

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- E-ii.1a Employment Promotion Funds
- E-ii.1b Zones Requiring Urgent Reindustrialisation
- E-ii.1c Aid to workers affected by conversion or restructuring

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- E-ii.2a Public support for employment maintenance in co-operatives and workers' companies
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- E-v.10 Recruitment of women in occupations where they are under-represented or women who are re-entering the labour market after 5 years' interruption of employment

E-v.11 Conversion of contracts for practical work experience or apprenticeships to open-ended contracts

E-v.12 Temporary contracts to promote employment in 1995

Promotion of employment in the public sector

E-v.13 INEM-Public Administration accords

E-v.14 Rural Employment Plan

Support measures for job creation

E-v.15 Capitalising unemployment benefits

E-v.16 Promotion of self-employment

E-v.16a Aid to the unemployed

E-v.16b Aid to disabled unemployed

E-v.16c Financial aid towards integrating returned emigrants

E-v.17 Promotion of employment in co-operatives and workers' companies

E-v.18 Promotion of local employment initiatives

E-v.19 Vocational integration for the disabled

6. Special categories of workers

Youth

Training

cf. E-iv.1 The National Plan for Vocational Training and Integration (*Plan FIP*)

cf. E-iv.2 Scheme for workshop schools and youth training centres

Employment

cf. E-v.5 Apprenticeship contracts

cf. E-v.4 Contracts for practical work experience

cf. E-v.7 Open-ended employment for young long-term unemployed

cf. E-v.11 Conversion of contracts for practical work experience or apprenticeships to open-ended contracts

Women

Training

cf. E-iv.1 The National Plan for Vocational Training and Integration (*Plan FIP*)

Employment

cf. E-v.10 Recruitment of women in occupations where they are under-represented or women who are re-entering the labour market after 5 years' interruption of employment

Disabled

Training

cf. E-iv.1 The National Plan for Vocational Training and Integration (*Plan FIP*)

Employment

E-vi.1 Selective employment

E-vi.2 Jobs reserved for the disabled

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- cf. E-ii.b Labour market integration of disabled persons through special employment centres and self-employment
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- cf. E-v.9a Open-ended employment within the framework of employment promotion
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Long-term unemployed

Training

- cf. E-iv.1 The National Plan for Vocational Training and Integration (*Plan FIP*)

Employment

- cf. E-v.7 Open-ended employment for young long-term unemployed
- cf. E-v.8 Employment for workers aged over 45
- cf. E-v.12 Temporary contracts to promote employment in 1995

Favoured categories of unemployed

Employment

- cf. E-v.12 Temporary contracts to promote employment in 1995

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Training

- cf. E-iv.1 The National Plan for Vocational Training and Integration (*Plan FIP*)

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- E-viii.3 Positive action towards emigrants
- E-viii.4 Positive action towards immigrants

1. Principles of Employment Policy

The primary aim of the economic policy of the Spanish Government is optimisation of stable, non-inflationary economic growth as a basis for employment promotion. To this end a series of measures has been taken concerning both monetary policy and fiscal policy combined with a series of structural reforms in employment and economic legislation.

Initially, employment policy was inspired by social concertation. This had its origins in the "Moncloa Agreements" of October 1977. The joint approach is considered to be the appropriate way of coming out of a crisis. Designed as an instrument for participation and consensus between the social partners (employers and employees) and, in some cases, the Administration (depending on whether the agreements were bi- or tripartite), the purpose of this consultation was to get the economy moving again and to create jobs. This social concertation policy culminated in the AES, the economic and social agreement signed on 9.10.1984.

This year a reform of important labour market institutions will be carried through, the purpose being to enhance their flexibility. The main lines of current Spanish employment policy, inspired by this reform, are as follows:

- creation of a clear, stable and flexible framework of contractual formulae facilitating employment promotion and adjustment of the demand to the requirements of the supply;
- establishing positive actions to stimulate employment promotion and enterprise start-ups;
- increasing and diversifying the supply of vocational training and its adaptation to new technologies and to demand within production systems;
- defining lines of action aimed at sharing work; and
- extending the system of protection in the event of unemployment, linked with positive actions (vocational training, promotion of employment), moving from a protectionist and assisting conception of employment policy to a more active sense of social protection and employment policy.

The impact of the grievously difficult economic situation on the labour market led the Government to propose to the Parliament at the end of 1993 a package of measures targeting a reform of labour relations. The aim of the proposals was to improve the competitiveness of enterprises, to strengthen the capacity for job creation within the Spanish economy and to combat unemployment more effectively. To this end measures with the following objectives were adopted:

- a) to strengthen the role of the Employment Offices as mediators in the labour market;
- b) to facilitate the integration of young people in the labour process;
- c) to increase the share of part-time employment;
- d) to increase the emphasis of future employment promotion schemes on job creation.

The basic aim of the Labour Market Reform is to facilitate job creation through enhanced flexibility in the management of human resources both in firms and on the labour market in general. In principle, two techniques are applied to this end: the first enhances the adaptability of legal regulations concerning the various phases of development in labour relations, especially in work organisation (functional mobility, flexible working time, changes in working conditions, etc.); the second redefines the relationship between the law and the collective contract: regulation by contract is afforded more scope in that problems which were previously regulated by virtue of State norms are now covered by collective contracts. Certain legal norms may also be amended by contracts. The following fundamental reforms were carried out in some basic areas of the labour market:

-
- Enhanced flexibility in labour relations was achieved through various measures: abolition of intervention and approval by the Labour Administration as regards geographical mobility and changes in working conditions; increased functional mobility through the broadening of occupational categories from an individual to a group classification and the introduction of the term "equivalent occupational category".
 - Reorganisation of working time. By virtue of the recognition, on principle, that the weekly working time of maximum 40 hours is calculated on an annual basis, the possibility of random distribution of the hours over the year now exists. Thus, collective negotiations may stipulate, for instance, that working hours are extended on certain weekdays and the number of leave days consequently increased.
 - The legal regulation of the wage structure is to be replaced by collective bargaining. A distinction is made between the basic wage and supplementary payments; here, the personal circumstances of the worker, productivity or output and the company's economic situation are taken into account.
 - Previous to the reform, the approval of the Labour Administration was required in cases of dismissals on economic grounds. The reformed regulations retain a partial intervention by the Administration in cases of mass dismissal. However, and in line with EU Guidelines 75/129 and 92/56, the term "mass dismissal" was redefined in two respects: a certain number of workers must be affected within a certain period of time for the layoffs to constitute a mass dismissal requiring approval by the Administration; and the range of permitted motives for mass dismissal has been extended. If the motives for mass dismissal do not apply, layoffs are considered "individual" dismissals; the same settlements are then paid as in the case of mass dismissal, whereby here the approval of the Administration is not required; however, the decision of the enterprise must be vetted in court. In addition to economic and technical grounds, organisational and production-related matters now count as motives for mass dismissal. The competitiveness of enterprises is explicitly strengthened by these possibilities to dismiss workers with a view to guaranteeing the continued existence of the enterprise, and not least, to securing jobs.
 - The following are the most important new changes as regards "justified" dismissals (*despidos disciplinarios*): a dismissal is no longer considered invalid (i.e. the worker has to be reinstated) if its invalidity was purely the result of formal errors. Such a dismissal is now considered an "unjustified" dismissal; the employer may choose between reinstatement and settlement. Dismissals are considered invalid if formal irregularities and procedural errors can be proven, or if the basic rights (e.g. equal treatment) or freedoms of the worker have been violated. The labour (time and complexity) that ensues in cases of dismissal is reduced with a view to curbing costs.
 - Of the measures adopted to enhance labour market flexibility, those concerning part-time employment deserve particular mention. These were adopted with a view to increasing the use of part-time workers and are intended to raise the employment rate and to permit greater flexibility in the organisation of working time (the needs of workers and enterprises are to be afforded greater consideration).

The basic law which provides the overall framework for labour relations in Spain is Law 8/1980 on the Workers' Statute of 10.3.1980. It defines the different types of employment contracts and sets out the rules governing aspects connected with working hours, holidays, workers' remuneration and career advancement in accordance with the principle of "collective autonomy of the social partners".

The law more specifically governing employment policy is the Basic Law on Employment. It begins with an introductory chapter on the concept of employment policy and its objectives. Chapter I deals with "employment promotion" by means of programmes fostering the maximum use of the available human and economic resources. Chapter III is devoted to the aims of the placement

policy and the services of *INEM*, the National Employment Institute. The Basic Law on Employment covers employment policy measures within the framework of the economic policy of the Government. These measures aim at achieving and maintaining full employment, improving the structure of employment and promoting the improvement of working and living conditions through co-ordinated action by the various Ministerial Departments and the *INEM* as governing body on employment policy.

In Chapter III General Law on Social Security governs protection in the event of unemployment. The purpose of this regulation is to ensure payment of wage compensation to the unemployed and to foster active jobsearch by the unemployed themselves.

2. Employment Maintenance

- E-ii.1 Conversion and reindustrialisation (*Reconversión y reindustrialización*)
 - E-ii.1a Employment Promotion Funds (*Fondos de Promoción de Empleo – FPE*)
 - E-ii.1b Zones Requiring Urgent Reindustrialisation (*Zonas de Urgente Reindustrialización – ZUR*)
 - E-ii.1c Aid to workers affected by conversion or restructuring (*Ayudas a los trabajadores afectados por procesos de reconversión y/o reestructuración de empresas*)
- Public support for employment maintenance (*Ayudas publicas para el mantenimiento del empleo*)
- E-ii.2a Public support for employment maintenance in co-operatives and workers' companies (*Ayudas al mantenimiento de puestos de trabajo en cooperativas y sociedades laborales*)
 - E-ii.2b Financial support for special employment centres (*Compensaciones económicas a los Centros Especiales de Empleo*)
 - E-ii.3 Temporary suspension and short-time working and unemployment protection (*Suspensión temporal o parcial y prestaciones por desempleo*)

Conversion and reindustrialisation (*Reconversión y reindustrialización*)

Aim

To increase the competitiveness of industrial sectors experiencing grave difficulties by reorienting their human and financial resources towards sectors which have a future and by the subsequent reindustrialisation of the converted sectors.

Legal basis

Law 27/1984 of 26.07.1984 on conversion and reindustrialisation. The implementation of the labour measures provided for under this Law features in Royal Decree 1990/1984 of 17.10.1984 and the Ordinance of 31.7.1985 on development and application. The measures foreseen by the Ministry of Labour and Social Security for those affected by the processes of restructuring in enterprises are determined annually by Ministerial Decree.²⁹

Contents

Simultaneously with the regulation of the drafting and implementation of the conversion plans, a series of measures was established of a fiscal, financial and labour nature to be applied in the said processes. Furthermore, the Funds for the Promotion of Employment and Zones of Urgent Reindustrialisation were set up as instruments of the policies for social and labour protection and reintegration of surplus personnel, and as instruments for the industrial promotion of areas which are affected by the conversion plans.

Among the measures of a labour nature which are provided for under Law 21/1984 are those for assistance equivalent to early retirement and the increase of unemployment benefit for the maximum legal period, independent of the contributions already paid; these measures are aimed at the protection of surplus personnel.

²⁹ Law 27/1984 of 26.7.1984 (Government Gazette of 28.7.1984) on conversion and reindustrialisation, which brings together the industrial conversion plans and programmes. This Law was valid until 31.12.1987, although the development of several plans and programmes took place later. Employment measures in the social field then adopted, therefore, still apply.

Royal Decree 1990/1984 of 17.10.1984 (Government Gazette of 9.11.1984) on employment measures in the case of industrial conversion.

Ordinance of 31.7.1985 (Government Gazette of 10.8.1985) stipulating the regulations for the development and application of the Royal Decree 1990/1984 of 17.10.1984, Article 10 being modified by the Ministerial Ordinance of 8.5.1991 (Government Gazette of 17.5.1991).

Employment Promotion Funds (*Fondos de Promoción de Empleo – FPE*)*Aim*

These Funds were set up with the aim of:

- increasing the level of protection in the event of unemployment and/or early retirement of surplus personnel arising from conversion, by increasing the amount of the said benefits and increasing the period of duration of the same;
- complementing (for workers under 60 years of age) the social security contributions of these workers, with the aim of guaranteeing a final retirement pension equal to that which they would have received in the service of the original company;
- promoting the placement of workers, younger than 55 years of age, through their vocational readaptation with the *INEM* and stimulating their employment; this in co-ordination with the Zones of Urgent Reindustrialisation.

*Legal basis*³⁰

- Royal Decree 335/1984 of 8.2.1984;
- Royal Decree 341/1987 of 6.3.1987.

Institutional support

The *FPEs* are autonomous non-profit-making associations which are established as co-operative bodies of *INEM* to carry out economic restructuring.

Financial resources

These Funds are financed by employers' and employees' contributions and by subsidies from public and private bodies.

Effects

There are four Employment Promotion Funds for the sectors of special steels, the entire iron and steel industry, shipyards and domestic electrical appliances. Since the completion of the Conversion plan 40,322 persons have joined the *FPEs* (9,781 in the *FPE* for Iron and Steel, 7,177 in the *FPE* for Special Steels, 19,634 in the *FPE* for Shipyards and 3,730 in the *FPE* for Domestic Electrical Appliances).

30 Royal Decree 335/1984 of 8.2.1984 (Government Gazette of 21.2.1984) regulating the Employment Promotion Funds.
Royal Decree 341/1987 of 6.3.1987 (Government Gazette of 10.3.1987) modifying Royal Decree 335/1984 of 8.2.1984.

E-ii.1b

**Zones Requiring Urgent Reindustrialisation
(Zonas de Urgente Reindustrialización – ZUR)***Aim*

The Government can create a *ZUR* by decree after receiving the agreement of an Autonomous Community in areas which are worst hit by the crisis in sectors undergoing conversion.

Legal basis

Law 27/1984 of 26.7.1984 on conversion and reindustrialisation.

Contents

Enterprises carrying out activities which can draw on aids in *ZUR* regions can receive:

- grants;
- priority in obtaining an official loan;
- tax advantages;
- special plans for amortisations.

Financial resources

The general budget of the State.

Institutional support

Management is by a Management Committee composed of representatives of the Ministries concerned and the corresponding Autonomous Community.

Effects

98,605 out of a total of 297,864 workers are affected by the process of industrial conversion.

E-ii.1c

Aid to workers affected by conversion or restructuring
(Ayudas a los trabajadores afectados por procesos de reconversión y/o reestructuración de empresas)

Aim

To provide aid with the purpose of relieving the effects of conversion and/or restructuring.

Legal basis

Ordinance of 5.4.1995.³¹

Financial resources

The general budget of the State.

Institutional support

Ministry of Labour and Social Security.

Effects

Number of beneficiaries

| | |
|------|--------|
| 1990 | 9,639 |
| 1991 | 6,954 |
| 1992 | 12,722 |
| 1993 | 7,925 |

³¹ Ordinance of 5.4.1995 (Government Gazette of 19.4.1995) stipulating the aid to be granted by the Ministry of Labour and Social Security to workers affected by conversion and/or restructuring in enterprises.

E-ii.2a

Public support for employment maintenance in co-operatives and workers' companies (*Ayudas al mantenimiento de puestos de trabajo en cooperativas y sociedades laborales*)

Aim

To provide financial support for job maintenance through increasing membership in co-operatives and workers' limited companies and to subsidise technical support and further training, which will improve management in enterprises.

Legal basis

– Ministerial Decree of 21.2.1986, of 6.4.1987, of 18.5.1988, of 29.7.1992 and of 18.3.1993.³²

Contents

Grants are given towards reducing interest on loans for investment in fixed capital. Financial aids for technical assistance of up to 50% of the costs. The *INFES* provides information sessions and brochures in support of the co-operatives and the social economy.

Financial resources

General budget of the State.

Institutional support

Management is by *MTSS* or the Autonomous Communities to whom authority has been devolved.

Effects

Between 1990 and 1994 11,847 co-operatives with 119,854 shareholders and 4,345 workers' companies with 30,994 shareholders were established.

Co-operatives

| | Co-operatives | Shareholders |
|------|---------------|--------------|
| 1990 | 1,729 | 19,308 |
| 1991 | 1,583 | 18,540 |
| 1992 | 2,186 | 22,091 |
| 1993 | 3,146 | 35,700 |
| 1994 | 3,203 | 24,215 |

³² Ordinance of 21.2.1986 (Government Gazette of 27.2.1986) laying down various support programmes for employment promotion. Ordinance of 6.4.1987 (Government Gazette of 10.4.1987) complementing the support programme for employment in co-operatives and workers' companies laid down in the Ordinance of 21.2.1986. Ordinance of 18.5.1988 (Government Gazette of 7.6.1988) regulating various forms of support for co-operatives and workers' companies. Ordinance of 29.7.1992 (Government Gazette of 13.8.1992) complementing the regulatory instruments which are determined by the charter of the National Institute for the Social Economy and the support and subsidies financed by the "co-operative development" scheme. Ordinance of 18.3.1993 (Government Gazette of 2.4.1993) extending the period of validity of the Ordinance of 29.7.1992 and partially amending it.

Workers' limited companies

| | Companies | Shareholders |
|------|-----------|--------------|
| 1990 | 572 | 4,335 |
| 1991 | 582 | 5,132 |
| 1992 | 820 | 5,772 |
| 1993 | 1,077 | 7,493 |
| 1994 | 1,290 | 8,262 |

E-ii.2b

Financial support for special employment centres (Compensaciones económicas a los Centros Especiales de Empleo)

Aim

To ensure the viability of specialised centres for disabled workers which support workplaces for and the vocational integration of disabled workers.

Legal basis

- Law 13/1982 of 7.4.1982 concerning the social integration of the disabled;
- Ministerial Decree of 21.2.1986 and of 22.3.1994.³³

Contents

Centres can receive the following support for maintaining employment:

- contributions to wage costs of up to 50% of the minimum national ("interprofessional") wage;
- 100% exemption from employers' social security contributions;
- technical assistance grants of 100% or 50%, depending on the degree of qualification;
- grants for adapting workplaces and premises of up to PTA 300,000 per job;
- one-off capital grants to enable special centres' income and expenditure to be balanced or their finances to be restructured so that they reach acceptable levels of productivity and profitability;
- grants for balancing the budgets of non-profit public utility centres.

Financial resources

The general budget of the State.

Institutional support

Management is by *MTSS* or by the Autonomous Communities to whom authority has been devolved.

³³ Law 13/1982 of 7.4.1982 (Government Gazette of 30.4.1982) on the social integration of disabled people.

Ordinance of 21.2.1986 (Government Gazette of 27.2.1986) laying down various support programmes for employment promotion.

Ordinance of 22.3.1994 (Government Gazette of 12.4.1994) determining the regulatory instruments on the basis of which aid and subsidies are granted from the "promotion of self-employment" and "social integration for the disabled through special employment centres and independence" schemes, which are regulated in the Ordinance of 21.2.1986.

Temporary suspension and short-time working and unemployment protection (*Suspensión temporal o parcial y prestaciones por desempleo*)*Aim*

Employment contracts may be temporarily or partially suspended in order to prevent job losses. By virtue of this measure, and having submitted a petition for employment regulation, enterprises experiencing grave economic difficulties of an exceptional nature as a result of economic, technological, organisational or production-related circumstances or due to a temporary *force majeure* may temporarily suspend the employment contracts of the entire workforce or a part of it, or temporarily reduce the normal working hours by one third.

During the period of temporary suspension and short-time working, the worker receives unemployment benefit in accordance with the regulations governing total unemployment (cf. Chapter III, E-iii.1).

3. Aid to the Unemployed

General system

- E-iii.1 Unemployment benefit (*Prestación por desempleo – nivel contributivo*)
- E-iii.2 Unemployment Assistance (*Subsidio por desempleo – nivel asistencial*)

Special system

- E-iii.3 Grants for unemployed casual agricultural workers (*Subsidio por desempleo para los trabajadores eventuales agrarios – REASS*)

Unemployment benefit (*Prestación por desempleo – nivel contributivo*)

Aim

Unemployment benefit is a payment within the framework of aid to the unemployed to persons registered as fully or partially unemployed. The amount of the benefit depends on the length of the contributory period and the sum of the contributions paid.

Legal basis

General Law on Social Security (Section III).

Contents

The unemployment benefit consists of cash payments for total or partial unemployment, the employers' contributions and 35% of the workers' social security contributions.

The conditions for eligibility are:

- to be affiliated to the social security system or an equivalent scheme which insures against the event of unemployment;
- to have paid contributions for a minimum period of 360 days during the 6 years preceding unemployment;
- to be unemployed as recognised by the law;
- not to have reached the age legally giving the right to a retirement pension, with the exception of cases where the worker cannot justify having completed a sufficient number of years of work or in cases of employment relationships having been suspended or the reduction of working hours having been authorised on the basis of a petition for employment regulation.

The amount of the benefit is determined by applying the following to the average contributions in the six months previous to the unemployment as recognised by the law:

- 70% during the first 180 days;
- 60% for the following days.

The monthly amount of the contributory unemployment benefit may under no circumstances be less than 100% or 75% of the national "interprofessional minimum wage" which applies when eligibility to compensation begins, including two extraordinary payments, regardless of whether the beneficiary has dependent children or not; nor may it exceed 170% of this amount except when the worker has dependent children, in which case the maximum ceiling can be raised to 220%, depending on the number of children.

Financial resources

Cf. Chapter II, 3.

Institutional support

INEM.

Duration

The duration of the benefit depends on the period for which the beneficiary has worked and contributed during the six years preceding the beginning of the unemployment according to the following table:

| Length of contributory period | Duration of benefit |
|-------------------------------|---------------------|
| From 360 to 539 days | 120 days |
| From 540 to 719 days | 180 days |
| From 720 to 899 days | 240 days |
| From 900 to 1,079 days | 300 days |
| From 1,080 to 1,259 days | 360 days |
| From 1,260 to 1,439 days | 420 days |
| From 1,440 to 1,619 days | 480 days |
| From 1,620 to 1,799 days | 540 days |
| From 1,800 to 1,979 days | 600 days |
| From 1,980 to 2,159 days | 660 days |
| 2,160 days and more | 720 days |

The right to the benefit starts on the day following the beginning of unemployment as recognised by the law provided that the worker submits his/her claim within 15 days of this date. Should the claim be made later, the right to benefit starts from the day following the claim for benefit.

Under these circumstances those days between the date on which the right originated if he/she had claimed it in due time and form, and that on which the claim was actually submitted, are lost.

The right to benefit can be suspended by the governing body in cases laid down by the law, and be re-established only when the reason for the suspension has been resolved. The right normally ceases on expiry of the duration of the benefit and in cases explicitly laid down by law. In either case (of suspension or expiry) the obligation of *INEM* to pay the benefit as well as the social security contributions ends.

Effects

Number of fully or partially unemployed beneficiaries (monthly average)

| Year | Total | Full unemployment | Partial unemployment |
|------|---------|-------------------|----------------------|
| 1990 | 503,637 | 498,590 | 5,047 |
| 1991 | 616,159 | 613,148 | 3,011 |
| 1992 | 730,882 | 728,342 | 2,538 |
| 1993 | 837,847 | 834,413 | 3,434 |
| 1994 | 739,094 | 738,365 | 729 |

Unemployment Assistance (*Subsidio por desempleo – nivel asistencial*)

Aim

Unemployment assistance is payable to unemployed workers whose entitlement to unemployment benefit has expired and who are liable to provide for family dependants. Those unemployed who are in exceptional circumstances (see conditions for eligibility) are also entitled to unemployment assistance.

Legal basis

General Law on Social Security (Section III).

Contents

This allowance comprises:

- the unemployment assistance benefit;
- the payment during the duration of the benefit of the social security contributions for health care, for possible family protection and for pension.

The conditions for eligibility are:

- to be registered as a jobseeker, not to have refused an offer of suitable work or participation in a funded training or retraining scheme during the month following registration as a jobseeker or following the exhaustion of the entitlement to the contributory unemployment benefit (except for a justified cause) and not to have income above 75% of the national interprofessional minimum wage; special benefits are excepted.
- to be in some of the following situations:
 - to have exhausted the entitlement to the contributory benefit and have family responsibilities;
 - to have exhausted the entitlement to the contributory benefit during a period of at least 360 days, to have no family responsibilities and to be over 45 years of age;
 - to be unemployed as recognised by law and have family responsibilities;
 - to be unemployed as recognised by law with no entitlement to contributory unemployment benefit, have paid contributions for a minimum period of 6 months and have no family responsibilities;
 - to be a returning emigrant worker without rights to contributory unemployment benefit, having worked 6 months abroad since last leaving Spain;
 - to be a released prisoner after at least 6 months imprisonment without rights to contributory unemployment benefit;
 - to be declared to be severely, permanently or partially disabled following a procedure of revision);
 - workers aged over 52 years who, at the time of submitting their claim, are in any of the above situations and fulfil all the conditions required except that of age for obtaining any sort of pension, and have paid unemployment contributions during at least 6 years of their working life.

The amount of the benefit is equal to 75% of the national interprofessional minimum wage applicable at that moment; partial exceptional payments are excepted.

Financial resources

Cf. Chapter II, 3.

Institutional support

INEM.

Duration

In general, the duration for which the benefit is paid is 6 months, renewable every half-year for a maximum of 18 months, depending on the circumstances of age and family responsibilities of the beneficiary.

- a) For workers who have paid contributions for less than 6 months but longer than 3 months and have family responsibilities, the duration is 3, 4 or 5 months depending on the contributory period.
- b) When the worker has paid contributions for 6 months or more and has family responsibilities, the duration of the unemployment assistance is 21 months.
- c) When the worker has no family responsibilities and has paid contributions for at least 6 months, the duration of the unemployment assistance is 6 months.
- d) For workers over 52 years of age, the benefit is paid until they reach retirement age.

The right to benefits starts on the day following the waiting period of one month provided that the claim was submitted during the following 15 days. If the claim is submitted outside this period, the right starts from the day after the claim was submitted, with the loss of those days between the day on which the right originated if he/she had claimed it in due time and form and that on which the claim was submitted.

The rules for the suspension and exhaustion of the unemployment assistance are the same as those for the contributory unemployment benefit.

Effects

Number of beneficiaries (monthly average)

| | |
|------|---------|
| 1990 | 508,540 |
| 1991 | 575,504 |
| 1992 | 700,579 |
| 1993 | 871,198 |
| 1994 | 793,074 |

E-iii.3

**Grants for unemployed casual agricultural workers
(Subsidio por desempleo para los trabajadores eventuales agrarios – REASS)**

Aim

This measure is financed exclusively from the State budget. It has special characteristics and applies to casual wage-earners covered by the Special Agricultural Social Security Scheme (*Régimen Especial Agrario de la Seguridad Social – REASS*) of the Autonomous Communities of Andalusia and Extremadura.

Legal basis

- General Law on Social Security (Section III);
- Royal Decree 1387/1990 of 8.11.1990;
- Royal Decree 237/1995 of 24.7.1995.³⁴

Contents

The conditions for eligibility are:

- to be unemployed;
- to be a casual worker and affiliated to the special agricultural scheme as an active contributor or having an equivalent status;
- to prove a number of days of work laid down by the *MTSS* for which contributions have been paid into the Special Agricultural Scheme;
- not to have the right to a retirement pension for reasons of age, with the exception of those who have not paid contributions;
- not to have an income higher than the annual minimum interprofessional wage (with the exception of extraordinary payments). If the worker lives with other family members, the total for the family is calculated to determine the income limit.

The amount of this benefit corresponds to 75% of the daily national interprofessional minimum wage in force, calculate on the basis of age; the proportional share of extraordinary payments is exempted, however, the wage-earner's contribution to the *REASS* is included.

Financial resources

The general budget of the State.

Institutional support

INEM.

³⁴ Royal Decree-Law 1/1994 of 20.6.1994 (Government Gazette of 29.6.1994) approving the revised wording of the General Law on Social Security.

Royal Decree 1387/1990 of 8.11.1990 (Government Gazette of 14.11.1990) regulating protection of casual workers in the event of unemployment within the framework of the *REASS*.

Royal Decree 6/1994 of 27.5.1994 (Government Gazette of 28.5.1994) on urgent measures to combat damages ensuing from drought.

Duration

The duration of the benefit is dependent on age and family responsibilities, varying according to the number of days actually worked and the days of contribution in the 12 months preceding the unemployment.

The maximum duration is 300 days for workers aged over 60.

The right to benefit begins from the day after submission of the claim.

Effects

Number of beneficiaries (monthly average):

| | |
|------|---------|
| 1990 | 294,677 |
| 1991 | 236,327 |
| 1992 | 201,372 |
| 1993 | 223,924 |
| 1994 | 227,215 |

4. Training, Retraining and Occupational Mobility

- E-iv.1 The National Plan for Vocational Training and Integration (*Plan FIP*) (*Plan nacional de formación e inserción profesional – Plan FIP*)
- E-iv.2 Scheme for workshop schools and youth training centres (*Programa de escuelas-taller y casas de oficio*)
- E-iv.3 Further training for the employed (*Formación profesional continua de los trabajadores ocupados*)

The vocational training reform was carried out until 1994 and began with the founding of the General Vocational Training Council; further milestones were the announcements of the General Legal Ruling for the Education System in 1990, and that of the government-passed National Vocational Training Programme (*PNFP*) in February 1993. Stipulated in the *PNFP* for the period 1993-1996 are several guidelines, which are intended to make possible a harmonious and complementary development of the vocational training offered by the State. The two leading traditional training systems in Spain are to be reconciled with one another: the regular vocational training scheme, through which compulsory schoolgoers receive a basic training (under the ambit of the Ministry of Education and Science and of the Autonomous Communities) on the one hand, and on the other, the vocational training schemes for adults – those in employment and jobseekers – for labour market integration, re-qualification or refreshing of qualifications (under the ambit of the Ministry of Labour and Social Security and of the Autonomous Communities to whom the authority has been devolved). The *PNFP*, as a consequence of the 1992 resolutions on further training, led to the establishment of *FORCEM* (Further Training Foundation), a new partite body in the system of further training for the employed.

In order to attain a co-ordinated integration of the vocational training systems, the *PNFP* assumes the following principles: the educational aim must be oriented towards conveying specialist knowledge which is of significance for employment; vocational training must be actively offered to jobseekers, where the necessity of integration of the population into the labour market or the qualification requirements of enterprises are more important than personal preferences or expectations; a closer cooperation between firms, on the one hand, and on the other, schools and training centres; the introduction of training modules in order to ease the integration of those members of the population with practical modules which they have already gained while at work; better quality of vocational training, both with regard to a greater co-ordination with the demands of the production system, as well as in relation to the improvement of methods and materials in order to elevate the reputation of vocational training in society; a strengthening of the various training systems as transitions into working life to thus integrate those people that are assumed to be marginalised and those who have failed at school, as well as young people without career qualifications who must be reintegrated.

The concrete goals of the *PNFP*, which have been defined especially since 1994, consisted of a re-organisation – by regulation and the creation of a management model – of the training on offer: vocational training, basic training and specialisation – whether compensatory or with a social guarantee, apprenticeship contracts, workshop schools and youth training centres, the National Plan for Vocational Training and Reintegration (*Plan FIP*) and the National Contract on Further Training. In addition, the various vocational training programmes must fit together under a unified national definition of vocational qualifications which satisfy the actual demands ensuing from the country's economic situation. Leading on from this postulation, the *PNFP* has started to work out a catalogue of occupational categories in the basic training system and a register of vocational qualifications in the vocational training system. Subsequently, a system of correspondence and mutual recognition of qualifications, syllabi and knowledge of the various phases of vocational training and work experience will be introduced. The final versions of both the catalogue and the register are now available: large parts of the catalogue have already been published, although it will be introduced gradually; the register will be used in the vocational training system as of 1996. In addition, an inter-ministerial council for vocational qualifications was formed; it co-ordinates the process of recognition of qualifications and the setting up of links between the vocational training systems.

The Ministry of Labour and Social Security passed the National Plan for Vocational Training and Integration (*Plan FIP*) and revised the schemes for workshop schools and youth training centres.

Vocational training for the employed was structured with the founding of *FORCEM*. Furthermore, at the end of 1993 new regulations for training contracts in Spain were introduced in order to offer a vocational qualification to unskilled young people between the ages of 16 and 25; the training includes practical training in industry and theoretical and practical training in specialised centres.

The National Plan for Vocational Training and Integration (Plan Nacional de Formación e Inserción Profesional – Plan FIP)

Aim

Plan FIP comprises a series of vocational training measures which are aimed at the unemployed who lack a specific form of vocational training or whose qualifications are insufficient or inappropriate. Through these measures, the qualifications required by industry are passed on so that the unemployed can be integrated into the labour market.

Legal Basis

- Royal Decree 631/1993 of 3.5.1993;
- Decree of 13.4.1994 and norms regulating the transfer of functions and services in the field of vocational training to the Autonomous Communities.³⁵

Contents

INEM and the Autonomous Communities which are authorised to do so develop a course programme annually; in so doing they are complying with the aims laid down in the Ministry of Employment and Social Security's plans, and at the same time match them to the training needs in the respective regions and branches of industry.

The plan is directed at all unemployed persons, however, the following groups are given preference:

- a) unemployed persons in receipt of unemployment benefit;
- b) unemployed persons over the age of 25, especially those who have been registered as unemployed for over one year;
- c) unemployed persons who were previously employed for at least six months;
- d) unemployed persons with special difficulties in integrating or reintegrating into the labour market, especially women who wish to return to working life, as well as people with disabilities and emigrants.

New entrants are now only assisted through the *Plan FIP* if the companies who request support take on at least 60% of those that have completed training.

The participants in these training schemes are entitled to claim for support in the areas of transport, living expenses and accommodation, and disabled unemployed persons have the added right to a grant.

Financial Resources

The programmes are financed from 0.45% of the contributions to vocational training which in 1995 totals 0.70% of the wage bill as well as from the European Social Fund.

³⁵ Royal Decree 631/1993 of 3.5.1993 (Government Gazette of 25.6.1993) regulating the National Plan for Vocational Training and Integration.

Ministerial Order of 13.4.1994 (Government Gazette of 28.4.1994) laying down the guidelines for development on the basis of Royal Decree 631/1993 of 3.5.1993, which itself regulates the National Plan for Vocational Training and Integration.

Institutional Support

The *Plan FIP* is largely implemented by *INEM* or by the Autonomous Communities to whom the responsibility for carrying out the *Plan FIP* has been transferred. Several measures are carried out by the National Institute for the Promotion of the Social Economy (*Instituto Nacional de Fomento de la Economía Social – INFES*), the National Institute for Social Services (*Instituto Nacional de Servicios Sociales – INSERSO*) and the Directorate-General of Migration. The Ministry of Education and Science and the Ministry of Defence likewise participate in putting this plan into effect.

Scheme for workshop schools and youth training centres (Programa de escuelas-taller y casas de oficio)

Aim

Within the framework of this scheme young people under the age of 25 are to be integrated into the labour market by means of a dual training scheme. The practical vocational activities will be carried out in the areas of renovation work of national and cultural heritage – art treasures, historical buildings, nature – as well as through activities to improve the quality of life in the cities – social services, the environment – and other activities of general public interest which are suitable if they offer practical vocational experience to those taking part, and if they integrate them into the labour market.

Legal Basis

- Decree of 3.8.1994;
- Royal Decree 1593/1994 of 15.7.1994.³⁶

Contents

Training comprises two phases: in the first basic skills are taught, in the second, specialist knowledge in combination with practical activities (apprenticeship, qualification, acquisition of work experience). In the case of workshop schools, the two phases together should not last less than one year and not longer than two; the first phase should have a duration of at least six months. In the case of youth training centre projects each phase lasts six months.

The programme participants are entitled to claim support in the areas of transport, living expenses and accommodation, and disabled unemployed persons have the added right to a grant.

The organisations responsible for these measures may include the Public Administration, the municipalities, the Autonomous Communities, independent organisations, public companies, other public service institutions, and non-profit associations and foundations.

The aim of the grants is that the organisations responsible will finance:

- the training activities (teachers, teaching materials, reduction of the fixed costs for premises, etc.);
- the wage costs or allowances of participants who are in the first phase of training (depending on whether a contract of employment exists or not);
- the personnel costs of the workshop schools and youth training centres;
- the transport costs as well as the costs for accommodation and meals (where necessary) of the participants and staff.

The workshop schools and youth training centres can partially finance their expenses by offering their services or through the sale of their products without, however, practising unfair competition.

³⁶ Ordinance of 3.8.1994 (Government Gazette of 11.8.1994) regulating the schemes for workshop schools and youth training centres, support and development initiatives (*Unidades de Promoción y Desarrollo*) and centres for employers' initiatives. In addition, the regulatory instruments for the allocation of public subsidies for these schemes are defined.

Royal Decree 1593/1994 of 15.7.1994 (Government Gazette of 30.7.1994) revising certain directives of Royal Decree 2317/1993 of 29.12.1993 on workshop schools and youth training centres.

During the course of further training, the participants receive career guidance and information. Furthermore, they are taught business skills with the aim of drawing out and stimulating their entrepreneurial spirit. They receive technical advice on finding employment and information on possible career prospects. After the end of the programme, the organisation responsible offers an advisory service for a minimum of six months, in order to assist the participant in looking for employment, either as an employee or as a self-employed individual.

After having completed the course, the participants receive a certificate which stipulates the acquired knowledge and skills.

Financial Resources

Contributions from the MTSS, the organisation responsible for the workshop schools and youth training centres and from the European Social Fund.

Institutional Support

MTSS and sponsors.

Further training for the employed **(Formación profesional continua de los trabajadores ocupados)**

Aim

Improvement of the competence and qualifications of employed individuals – for example, re-qualification and adaptation of employees to present-day technological requirements. This allows the increased competitiveness of companies to be reconciled with the individual vocational training of the workers.

Legal Basis

- Resolution of 25.2.1993;
- Tripartite Agreement on Further Training for the Employed of 16.12.1992;
- Ministerial Order of 4.6.1993;
- Royal Decree 797/1995 of 19.5.1995.³⁷

Contents

- Company training intentions: sponsored by companies with 200 or more employees.
- Community intentions: sponsored by employers' associations and/or trade union federations for companies with a total of at least 200 employees.
- Training intentions that apply to all sectors: the development of training schemes focussing on a common element found in all sectors. These can be applied for by the most representative employers' associations and trade union federations through the Mixed State Commission for Further Training.
- Individual training leave: training schemes which the employee is free to choose, which are officially recognised and in which compulsory attendance is required. These schemes have a duration of 150 hours and, in order to be allowed to participate in them, the individual must have worked in the same sector for more than a year and have at least 6 months' service in the same company.

Financial Resources

The programmes are financed from 0.45% of the contributions to vocational training which in 1995 totals 0.70% of the wage bill and from the European Social Fund.

Institutional Support

Further Training Foundation (*FORCEM*).

³⁷ Resolution of 25.2.1993 (Government Gazette of 10.3.1993) agreeing to the registration and publication of the National Contract on Further Training.

Tripartite Agreement on Further Training for the Employed of 16.12.1992

Ministerial Order of 4.6.1993 (Government Gazette of 5.6.1993) defining the regulatory instruments for allocating funds to finance training measures under the framework of the National Contract on Further Training.

Royal Decree 797/1995 of 19.5.1995 (Government Gazette of 10.6.1995) defining the guidelines for vocational qualifications and the provision of the corresponding minimal syllabi of further training courses.

5. Job Creation

Promotion of employment in the private sector without financial incentives

- E-v.1 Fixed-term employment contracts (*Contratos de duración determinada*)
- E-v.2 Temporary work as an employment promotion measure (*Contratos temporales como medida de fomento del empleo*)
- E-v.3 Part-time employment (*Contratos a tiempo parcial*)
- E-v.4 Contracts for practical work experience (*Contratos en prácticas*)
- E-v.5 Apprenticeship contracts (*Contratos de aprendizaje*)
- E-v.6 Replacement contracts (*Contrato de relevo*)

Promotion of employment in the private sector with financial incentives

- E-v.7 Open-ended employment for young long-term unemployed (*Contratos por tiempo indefinido de trabajadores jóvenes desempleados de larga duración*)
- E-v.8 Employment for workers aged over 45 (*Contratos para trabajadores mayores de 45 años*)
- E-v.9 Contracts for disabled workers (*Contratos de trabajadores minusválidos*)
- E-v.9a Open-ended employment within the framework of employment promotion (*Contratos indefinidos acogidos a medidas de fomento del empleo*)
- E-v.9b Training contracts: contracts for practical work experience and apprenticeships (*Contratos formativos: contrato de aprendizaje y contrato en prácticas*)
- E-v.10 Recruitment of women in occupations where they are under-represented or women who are re-entering the labour market after 5 years' interruption of employment (*Contratación de mujeres en oficios que se encuentran subrepresentadas o que se reincorporan al trabajo tras cinco años de inactividad laboral*)
- E-v.11 Conversion of contracts for practical work experience or apprenticeships to open-ended contracts (*Transformación en indefinidos de los contratos en prácticas o aprendizaje*)
- E-v.12 Temporary contracts to promote employment in 1995 (*Contratación temporal acogida al fomento del empleo para 1995*)

Promotion of employment in the public sector

E-v.13 *INEM-Public Administration accords (Convenios INEM-Administraciones Públicas)*

E-v.14 *Rural Employment Plan (Plan de Empleo Rural)*

Support measures for job creation

E-v.15 *Capitalising unemployment benefits (Capitalización de las prestaciones por desempleo)*

E-v.16 *Promotion of self-employment (Promoción del empleo autónomo)*

E-v.16a *Aid to the unemployed (Ayudas a trabajadores desempleados)*

E-v.16b *Aid to disabled unemployed (Ayudas a minusválidos desempleados)*

E-v.16c *Financial aid towards integrating returned emigrants (Ayudas económicas para facilitar la integración laboral de los emigrantes retornados)*

E-v.17 *Promotion of employment in co-operatives and workers' companies (Promoción del empleo en cooperativas y sociedades laborales)*

E-v.18 *Promotion of local employment initiatives (Promoción de iniciativas locales de empleo)*

E-v.19 *Vocational integration for the disabled (Integración laboral del minusválido)*

E-v.1

Fixed-term employment contracts (*Contratos de duración determinada*)

Aim

To hire workers for a limited period for activities which justify an employment contract being limited in time.

Legal basis

- Royal Decree-Law 1/1995 of 24.3.1995;
- Royal Decree 2546/1994 of 24.12.1994.³⁸

Contents

The following types of contract are covered:

- employment contracts for the performance of a specific work or service;
- casual employment contracts determined by market and production requirements;
- employment contracts for temporary replacement of workers;
- fixed-term employment contracts associated with the start-up of new activities.

Financial resources

No financial incentives.

Institutional support

INEM.

Effects

The following employment contracts were concluded between 1990 and 1994:

- 7,754,691 contracts for the performance of a specific work or service;
- 6,129,300 contracts for temporary replacement of workers;
- 1,385,105 contracts associated with the start-up of new activities
- 426,602 contracts determined by market and production requirements.

| | Work or services | Replacement | New activities | Production requirements |
|------|------------------|-------------|----------------|-------------------------|
| 1990 | 1,329,070 | 1,231,709 | 254,690 | 52,418 |
| 1991 | 1,353,733 | 1,203,277 | 266,710 | 48,405 |
| 1992 | 1,430,289 | 1,187,989 | 277,775 | 64,065 |
| 1993 | 1,431,865 | 1,084,859 | 278,556 | 79,734 |
| 1994 | 2,209,734 | 1,421,466 | 307,374 | 181,980 |

³⁸ Royal Decree-Law 1/1995 of 24.3.1995 (Government Gazette of 29.3.1995) approving the revised wording of the Law on the Workers' Statute.

Royal Decree 2546/1994 of 24.12.1994 (Government Gazette of 26.1.1995) elaborating on Article 15 of the Workers' Statute on recruitment.

E-v.2

Temporary work as an employment promotion measure (*Contratos temporales como medida de fomento del empleo*)

Aim

To stimulate the recruitment of unemployed workers as an employment promotion measure. The scheme covers contracts which were concluded before the 24.5.1994.

Legal basis

- Royal Decree 1989/1984 of 17.10.1984;
- Royal Decree 3/1993 of 26.2.1993;
- Law 10/1994 of 19.5.1994.³⁹

Contents

Temporary work contracts for carrying out all types of work can be concluded with unemployed workers registered at the Employment Office (valid until 24.5.1994). The duration of these contracts cannot be less than 12 months, nor longer than 3 years. They can be renewed up to the maximum authorised period of time. The contract is terminated when this period expires, with notice being given by one or other party, the worker having the right to compensation corresponding to 12 days of wages per year of service.

Specific limiting clauses cover the area of temporary work with the aim of preventing the replacement of permanent workers by temporary workers and the repeated renewal of temporary contracts.

Financial resources

No financial incentives.

Institutional support

INEM.

Effects

Number of contracts:

| | |
|------------------|-----------|
| 1990 | 1,174,884 |
| 1991 | 1,142,774 |
| 1992 | 856,503 |
| 1993 | 544,812 |
| 1994 (up to May) | 266,500 |

³⁹ Royal Decree 1989/1984 of 17.10.1984 (Government Gazette of 9.11.1984) regulating temporary recruitment as an employment promotion measure. Royal Decree 3/1993 of 26.2.1993 (Government Gazette of 2.3.1993) on immediate financial, budgetary and fiscal and employment measures. Law 10/1994 of 19.5.1994 (Government Gazette of 23.5.1994) on immediate employment promotion measures abolishes this form of contract and lays down that contracts concluded prior to this Law are subject to the previous agreed norms for protection. The Law also defines the conditions and the temporal framework under which an extension of the contract is possible.

Part-time employment (*Contratos a tiempo parcial*)

Aim

To facilitate the conclusion of employment contracts when production is not required for a whole day or when workers cannot work full time.

Legal basis

- Royal Decree 2317/1993 of 29.12.1993;
- Royal Decree-Law 1/1995 of 24.3.1995.⁴⁰

Contents

Part-time contracts are concluded if the worker is employed for a limited number of hours daily, weekly or annually, which is less than the normal working hours for this activity at the time.

- The contract can be open-ended or fixed-term.
- Social security contributions are proportional to the wages received for the hours or days actually worked.

Financial resources

No financial incentives.

Institutional support

INEM.

Effects

Number of contracts:

| | |
|------|---------|
| 1990 | 410,953 |
| 1991 | 470,884 |
| 1992 | 539,682 |
| 1993 | 635,880 |
| 1994 | 935,428 |

⁴⁰ Royal Decree 2317/1993 (Government Gazette of 31.12.1993) regulating contracts for practical work experience and apprenticeships and part-time contracts.

E-v.4

Contracts for practical work experience (*Contratos en prácticas*)

Aim

The purpose of contracts for practical work experience is to enable persons who have completed university, intermediate or higher-level schooling to gain suitable work experience in line with their studies.

Legal basis

- Royal Decree 2317/1993 of 29.12.1993;
- Royal Decree-Law 1/1995 of 24.3.1995.⁴¹

Contents

The contract is concluded between an employer and any person with a recognised intermediate- or higher-level academic or occupational diploma or an equivalent officially recognised qualification in order to gain work experience in line with his/her studies. The contract must be concluded in the four years following the completion of studies for a period of time of not less than 6 months and not more than 2 years.

Financial resources

No financial incentives.

Institutional support

INEM.

Effects

Number of contracts:

| | |
|------|---------|
| 1990 | 212,872 |
| 1991 | 187,118 |
| 1992 | 109,324 |
| 1993 | 55,649 |
| 1994 | 50,962 |

⁴¹ Royal Decree 2317/1993 (Government Gazette of 31.12.1993) regulating contracts for practical work experience and apprenticeships and part-time contracts.

Apprenticeship contracts (*Contratos de aprendizaje*)

Aim

To provide the theoretical and practical knowledge required for a person to enter corresponding employment or take up a skilled job. This form of contract replaces the training contract previously in use.

Legal basis

- Royal Decree 2317/1993 of 29.12.1993;
- Royal Decree-Law 1/1995 of 24.3.1995;
- Ordinance of 19.9.1994.⁴²

Contents

Apprenticeship contracts may be concluded with workers aged between 16 and 25 years, provided that they are not entitled by virtue of previous training to receive a contract for practical training. The age limit does not apply to disabled persons. Apprenticeship contracts are concluded for a duration of not less than six months and not longer than three years. Theoretical and practical training are to alternate with each other; any other procedure must be set out in the corresponding agreements or in the employment contract. The time spent on theoretical training must amount to not less than 15% of the total training time.

The number of apprentices that a firm may recruit is calculated on the basis of the total number of staff (e.g. one apprentice if there are less than six employees in the firm and up to 30 apprentices or 40% of the staff in a firm with over 500 employees).

Apprentices are paid in accordance with the collective contract and may not be less than 70% of the minimum wage in the sector in the first year, not less than 80% in the second year and not less than 90% in the third year of training. Apprentices aged under 18 years may not earn less than 85% of the minimum wage set for their age group.

On termination of the contract the employer is obliged to provide the apprentice with a certificate specifying the duration and the content of the practical training received. The apprentice may apply to *INEM* (or the Autonomous Communities to whom the relevant powers have been devolved) for conferment of the occupational designation pursued on completion of the required examinations.

The social security contribution during the apprenticeship period is payable as a lump sum amounting to PTA 4,050 in 1995; it is reduced by 50% for disabled persons.

Financial resources

No financial incentives.

⁴² Royal Decree 2317/1993 (Government Gazette of 31.12.1993) regulating contracts for practical work experience and apprenticeships and part-time contracts. Ordinance of 19.9.1994 (Government Gazette of 28.9.1994) regulating various aspects of the apprenticeship contracts related to training. Training contracts were abolished and replaced by apprenticeship contracts by virtue of Law 10/1994 of 19.5.1994 (Government Gazette of 23.5.1994) on immediate measures for the promotion of employment.

*Institutional support**INEM.**Effects*

Number of training contracts:

| | |
|------|---------|
| 1990 | 303,918 |
| 1991 | 262,841 |
| 1992 | 137,706 |
| 1993 | 55,114 |

Number of apprenticeship contracts:

| | |
|------|---------|
| 1994 | 208,975 |
|------|---------|

E-v.6

Replacement contracts (*Contrato de relevo*)

Cf. Chapter III, E-vii.2 (Early retirement).

E-v.7

Open-ended employment for young long-term unemployed (*Contratos por tiempo indefinido de trabajadores jóvenes desempleados de larga duración*)

Aim

To promote the recruitment under open-ended contracts of young people aged under 25 years and of people between the ages of 25 and 29 who have not worked previously for longer than 3 months.

Legal basis

- Law 22/1992 of 30.7.1992;
- Ordinance of 6.8.1992.⁴³

Contents

This type of contract concerns full-time work and can be concluded between an employer and a young person under 25 years of age who has been unemployed for some length of time or young persons between the ages of 25 and 29, if, in the latter case, they have not worked previously for longer than three months.

Each open-ended contract is subsidised to the tune of PTA 400,000.

Financial resources

MTSS and European Social Fund.

Institutional support

INEM and European Social Fund.

Effects

Number of contracts:

| | |
|------|-------|
| 1992 | 1,872 |
| 1993 | 1,885 |
| 1994 | 2,284 |

⁴³ Ministerial Order of 6.8.1992 (Government Gazette of 15.8.1992) defining the regulation of the allocation of funds to promote open-ended employment, in accordance with Law 22/1992.

Employment for workers aged over 45 (Contratos para trabajadores mayores de 45 años)

Aim

To promote open-ended recruitment of workers aged over 45 who have been registered as unemployed for more than one year.

Legal basis

- Law 22/92 of 30.7.1992;
- Law 42/1994 of 30.12.1994;
- Ordinance of 6.8.1992.⁴⁴

Contents

Enterprises which conclude a contract of this type are given a grant of PTA 500,000 for every worker taken on and a 50% reduction of employers' social security contributions for common contingencies for the entire term of the contract. The allowances granted to enterprises are not compatible with other grants from the State to the same end.

Financial resources

MTSS and European Social Fund.

Institutional support

INEM.

Effects

Number of contracts:

| | |
|------|-------|
| 1990 | 8,870 |
| 1991 | 7,394 |
| 1992 | 6,427 |
| 1993 | 4,726 |
| 1994 | 8,016 |

⁴⁴ Ministerial Order of 6.8.1992 (Government Gazette of 15.8.1992) defining the regulation of the allocation of funds to promote open-ended employment, in accordance with Law 22/1992.

E-v.9a

Open-ended employment with the framework of employment promotion (*Contratos indefinidos acogidos a medidas de fomento del empleo*)

Aim

To promote the integration into enterprises and co-operatives of disabled workers through open-ended full-time employment contracts.

Legal basis

- Royal Decree 1451/1983 of 11.5.1983;⁴⁵
- Law 22/1992 of 30.7.1992;
- Law 42/1994 of 30.12.1994.

Contents

- Each employment contract concluded is subsidised by a grant of PTA 500,000. For the duration of the contract the employer's social security contributions, including those insuring against accidents at the workplace and occupational illnesses, and the tax contributions of the employer and the disabled employee are reduced by 70% or 90%, depending on whether the disabled worker is younger than 45 years of age.
- Grants towards vocational training for disabled persons.
- Grants amounting to PTA 150,000 for the adaptation of workplaces and towards individual protective devices.

Financial resources

MTSS and European Social Fund.

Institutional support

INEM.

Effects

Number of contracts:

| | |
|------|-------|
| 1990 | 3,941 |
| 1991 | 3,980 |
| 1992 | 4,508 |
| 1993 | 5,803 |
| 1994 | 8,549 |

⁴⁵ Royal Decree 1451/1983 of 11.5.1983 (Government Gazette of 4.6.1983) regulating selective employment and employment promotion measures for disabled workers.

E-v.9b

**Training contracts: contracts for practical work experience and apprenticeships
(Contratos formativos: contrato de aprendizaje y contrato en prácticas)***Aim*

To foster the employment of disabled persons by the combination of a paid activity and unpaid vocational training.

Legal basis

- Law 22/1992 of 30.7.1992;
- Royal Decree 2317/1993 of 29.12.1993;
- Royal Decree-Law 1/1995 of 24.3.1995.⁴⁶

Contents

These are either contracts for practical work experience or for apprenticeships (cf. Chapter III, E-v.4 and E-v.5) with the following special criteria:

- Contracts for practical work experience:
 - the enterprises are entitled to reduce the employer's social security contribution by 50%.
- Apprenticeship contracts:
 - do not specify an age limit;
 - in calculating the total number of apprentices in an enterprise, contracts with disabled persons are not counted;
 - the enterprises are entitled to reduce the employer's social security contribution by 50%.

Institutional support

INEM.

⁴⁶ Royal Decree 2317/1993 of 29.12.1993 (Government Gazette of 31.12.1993) regulating contracts for practical work experience and apprenticeships and part-time contracts.

E-v.10

Recruitment of women in occupations where they are under-represented or women who are re-entering the labour market after 5 years' interruption of employment

(Contratación de mujeres en oficios que se encuentran subrepresentadas o que se reincorporan al trabajo tras cinco años de inactividad laboral)

Aim

To promote the recruitment, under an open-ended contract for a full working day, with a net increase of personnel, of long-term unemployed women in those professions and functions in which they are under-represented or of unemployed women older than 25 years of age who, having had previous employment, wish to re-enter the labour market after an interruption of employment of at least five years.

Legal basis

Law 22/1992 of 30.7.1992.⁴⁷

Contents

A grant of up to PTA 500,000 is allocated for recruitment of this kind.

Financial resources

MTSS and European Social Fund.

Institutional support

MTSS and European Social Fund.

Effects

Number of beneficiaries:

| | |
|------|-----|
| 1990 | 205 |
| 1991 | 400 |
| 1992 | 460 |
| 1993 | 513 |
| 1994 | 577 |

⁴⁷ Law 22/1992 of 30.7.1992 (Government Gazette of 4.8.1992) regulating the immediate measures for the promotion of employment and protection in the event of unemployment.

E-v.11

Conversion of contracts for practical work experience or apprenticeships to open-ended contracts
(Transformación en indefinidos de los contratos en prácticas o aprendizaje)

Aim

To promote the conversion of contracts for practical work experience or apprenticeships into full-time open-ended contracts with a net increase of personnel.

Legal Basis

- Law 22/1992 of 3.7.1992;
- Law 42/1994 of 30.12.1994;
- Royal Decree-Law 1/1995 of 24.3.1995.⁴⁸

Contents

A subsidy of up to PTA 550,000 for a practical work contract or apprenticeship contract which is converted into an open-ended contract.

Financial resources

MTSS and European Social Fund.

Institutional support

INEM and European Social Fund.

Effects

| Year | Contracts for practical work experience | Apprenticeship contracts |
|------|---|--------------------------|
| 1992 | 14,219 | 6,628 |
| 1993 | 21,886 | 8,976 |
| 1994 | 22,255 | 10,065 |

⁴⁸ Law 22/1992 of 30.7.1992 (Government Gazette of 4.8.1992) regulating the immediate measures for the promotion of employment and protection in the event of unemployment.

Law 42/1994 of 30.12.1994 (Government Gazette of 31.12.1994) on measures concerning the financial, administrative and social systems.

E-v.12

**Temporary contracts to promote employment in 1995
(Contratación temporal acogida al fomento del empleo para 1995)***Aim*

To promote job creation for workers aged over 45 years, disabled persons and long-term unemployed recipients of unemployment assistance.

This measure is revised annually in the State's General Budget Law, which defines the categories concerned.

Legal basis

- Royal Decree-Law 1/1995 of 24.3.1995;
- Law 42/1994 of 30.12.1994.⁴⁹

Contents

Enterprises may recruit jobseekers on fixed-term contracts for any type of work between 1 January and 31 December 1995 from the following categories:

- a) workers aged over 45 years;
- b) disabled persons;
- c) recipients of unemployment assistance who have been registered as unemployed at the Employment Office for a minimum period of one year.

The contracts have a minimum duration of 12 months and a maximum duration of 3 years.

The enterprises' compulsory social security contributions may be reduced by between 50% and 100%.

Institutional support

INEM.

⁴⁹ Law 42/1994 of 30.12.1994 (Government Gazette of 31.12.1994) on measures concerning the financial, administrative and social systems.

Royal Decree-Law 1/1995 of 24.3.1995 (Government Gazette of 29.3.1995) approving the revised wording of the Law on the Workers' Statutes.

E-v.13

***INEM-Public Administration accords
(Convenios INEM-Administraciones Públicas)***

Aim

To enable unemployed workers registered at the Employment Office to carry out work or services of a general and social nature through collaboration between *INEM*, on the one hand, and municipalities, Autonomous Communities and other public administration bodies, on the other.

Legal basis

Ordinance of 2.3.1994.⁵⁰

Contents

Subsidies towards total wage costs, including employers' social security contributions for the unemployed workers recruited.

Institutional support

INEM.

Effects

Number of contracts:

| | |
|------|---------|
| 1990 | 209,397 |
| 1991 | 187,879 |
| 1992 | 141,265 |
| 1993 | 175,801 |
| 1994 | 156,772 |

⁵⁰ Ordinance of 2.3.1994 (Government Gazette of 14.3.1994) establishing the basis for cooperation between *INEM* and the municipalities and the allocation of subsidies through *INEM* for the recruitment of unemployed workers to provide work and services of public interest.

E-v.14

Rural Employment Plan (*Plan de Empleo Rural*)

Aim

Public investment is to create jobs for workers in rural regions, especially for casual agricultural workers who are covered by *REASS*. The casual agricultural workers are to be provided with stable employment of a necessary agricultural nature or its equivalent, which can be developed in rural parts of the Autonomous Communities of Andalusia and Extremadura.

Legal basis

- Royal Decree 1387/90 of 8.11.1990;
- Royal Decree 274/1995 of 24.2.1995.⁵¹

Contents

At least 75% of the new employment contracts for unskilled work under the projects to be implemented by virtue of the Rural Employment Plan are concluded for casual workers registered as unemployed at the respective Employment Office.

- The workers are selected from *INEM*'s general register.
- Remuneration is at least equal to the wages set by the relevant collective contract.

Financial resources

Mixed public financing: loans for financing investment projects of the State come out of the general budget of the State; loans for financing projects under the responsibility of the Autonomous Communities of Andalusia and Extremadura are financed by these Autonomous Communities and by the Inter-territorial Compensation Fund. In addition, there are *INEM* credits.

Institutional support

INEM.

Effects

| Year | Original investment | Number of contracts |
|------|---------------------|---------------------|
| 1990 | 106,642.2 | 173,988 |
| 1991 | 127,699.4 | 160,943 |
| 1992 | 114,119.7 | 138,294 |
| 1993 | 120,141.7 | 162,406 |
| 1994 | 135,447.0 | 155,128 |

⁵¹ Royal Decree 1387/1990 of 8.11.1990 (Government Gazette of 14.11.1990), as amended by Royal Decree 273/1995 of 24.2.1995 (Government Gazette of 26.2.1995). Royal Decree 31/1991 of 18.1.1991 (Government Gazette of 19.1.1991) regulating the 1992 Rural Employment Plan. Royal Decree 6/1994 of 27.5.1994 (Government Gazette of 28.5.1994) on urgent measures to combat damages ensuing from drought. Royal Decree 274/1995 of 24.2.1995 (Government Gazette of 25.2.1995) regulating the 1995 Rural Employment Plan.

Capitalising unemployment benefits **(Capitalización de las prestaciones por desempleo)**

Aim

To support unemployed workers who want to practice their occupation as associated workers of a co-operative or as shareholders of a holding company or a workers' limited company. Up to 1992 there was also the possibility of capitalising unemployment benefits for persons who wished to set up on their own.

Legal basis

Royal Decree 1044/1985 of 19.6.1985.⁵²

Contents

Beneficiaries receive the following aid:

- receipt in a lump sum of the total amount of unemployment benefit to which they are entitled at the time of payment;
- reduction in the social security contribution (100% of the employee social security contributions for the relevant area of coverage and the amount of unemployment benefit which would have been payable had payment in a lump sum not been granted);
- this scheme is compatible with other aids seeking to promote employment.

Financial resources

INEM.

Institutional support

INEM.

Effects

| Year | Number of beneficiaries | Lump sum paid (PTA millions) |
|------|-------------------------|------------------------------|
| 1990 | 76,451 | 92,756.0 |
| 1991 | 81,513 | 108,500.2 |
| 1992 | 44,609 | 64,404.8 |
| 1993 | 10,798 | 17,882.8 |
| 1994 | 10,930 | 18,931.3 |

⁵² Royal Decree 1044/1985 of 19.6.1985 (Government Gazette of 2.7.1985) regulating the lump-sum payment of unemployment insurance benefit as an employment promotion measure; partially amended by virtue of Law 22/1992 of 30.7.1992.

E-v.16a

Aid to the unemployed (*Ayudas a trabajadores desempleados*)*Aim*

To promote and contribute towards the financing of projects which help unemployed persons registered at Employment Offices to set up in business on their own.

Legal basis

- Ordinance of 21.2.1986;
- Ordinance of 22.3.1994.⁵³

Contents

- Grants of up to 100% (for official bodies) or 50% (on application) of the costs for studies on the viability of the project, for auditing and consultation.
- Grants of up to 6% towards the interest rate set by the creditor for loans of up to PTA 500,000, with the aim of facilitating fixed capital formation.
- Grants of up to PTA 250,000 for subsistence income. The sum is doubled for persons aged under 25 years and long-term unemployed aged over 25 years when the European Social Fund is co-financing the project.

Financial resources

MTSS and European Social Fund.

Institutional support

INEM.

Effects

Number of beneficiaries:

| | |
|------|--------|
| 1990 | 13,626 |
| 1991 | 13,233 |
| 1992 | 10,867 |
| 1993 | 12,667 |

⁵³ Ordinance of 21.2.1986 (Government Gazette of 27.2.1986) regulating various support programmes for job creation.

Ordinance of 22.3.1994 (Government Gazette of 12.4.1994) regulating the conditions for the receipt of aid and subsidies from the "promotion of self-employment" and "labour market integration for the disabled" schemes through special employment centres and self-employment.

E-v.16b

Aid to disabled unemployed (*Ayudas a minusválidos desempleados*)

Cf. Chapter III, E-v.19 (Vocational Integration for the disabled).

E-v.16c

Financial aid towards integrating returned emigrants (*Ayudas económicas para facilitar la integración laboral de los emigrantes retornados*)*Aim*

To support returned emigrants in setting up as self-employed.

Legal basis

- Ordinance of 9.1.1991;
- Ordinance of 27.12.1994.⁵⁴

Contents

Beneficiaries are returned Spanish emigrants who have worked abroad for at least 12 months since last leaving Spain, who are registered as unemployed at the Employment Office and who have been in this situation for at least 6 months on submitting their claim.

- Grants of up to PTA 700,000.

Financial resources

MTSS and Ministry of Social Affairs.

⁵⁴ Ordinance of 9.1.1991 (Government Gazette of 22.1.1991) introducing the support schemes for emigrants.

Ordinance of 27.12.1994 (Government Gazette of 10.1.1995) introducing and regulating the support schemes for Spanish emigrants.

E-v.17

Promotion of employment in co-operatives and workers' companies
(Promoción del empleo en cooperativas y sociedades laborales)

The measures in this programme are the same as those for helping to maintain employment in co-operatives (cf. Chapter III, E-ii.2a). To these are added a grant of up to PTA 500,000 as subsistence income per associated worker who is aged under 25 years or is an older long-term unemployed person.

Assistance of an exceptional nature can also be given for newly created co-operatives established exclusively for young people aged under 25, as well as for those in education; up to PTA 500,000 per participant as a benefit in kind towards the project.

E-v.18

Promotion of local employment initiatives
(Promoción de iniciativas locales de empleo)*Aim*

To promote, launch and finance local initiatives which have the following characteristics:

- they create permanent employment through the establishment of small enterprises which plan to draw on unused resources in the area in which they are being established. Activities should be innovative and stimulating as regards the local economy and employment. The participation of and co-financing and promotion by the local authorities or the Autonomous Communities should be available.

Legal basis

- Ordinance of 21.2.1986;
- Ordinance of 12.4.1994.⁵⁵

Contents

- Grants of up to PTA 700,000 for every worker taken on under an open-ended employment contract and a proportional share of the grant for every open-ended part-time contract.
- An initial grant amounting to a reduction by 6% of the interest rate fixed by a public or private creditor for a loan of not more than PTA 700,000 for every permanent job.
- Aid to sponsors for their management activities in setting up the enterprise. 75% of a project may be financed; however, this may not exceed PTA 500,000 per project. Aid can be allocated for consultation services.

Financial resources

MTSS and European Social Fund.

Institutional support

MTSS.

⁵⁵ Ordinance of 21.2.1986 (Government Gazette of 27.2.1986) regulating various support schemes for job creation. Ordinance of 12.4.1994 (Government Gazette of 4.5.1994) regulating the conditions for receipt of subsidies, which are defined in Article 17 of Royal Decree-Law 3/1993 of 26.2.1993.

Vocational integration for the disabled ***(Integración laboral del minusválido)***

Aim

To finance initiatives generating employment, if possible permanent jobs, for the disabled who are unemployed. This is done either by creating or expanding special employment centres or by self-employed workers setting up their own business.

Legal basis

- Ordinance of 21.2.1986;
- Ordinance of 22.3.1994.⁵⁶

Contents

The aids obtainable by the special employment centres aimed at the maintenance of jobs are set out in Chapter III, E-ii.2b.

Special Employment Centres which are aimed at financing actions which assist in starting up projects which generate work or are of an innovative nature, without the total being more than PTA 2 million for stable work created, may also receive the following types of assistance:

- subsidies for technical assistance up to 100% of the cost if it is officially initiated and up to 50% if it is requested by the beneficiary;
- financial subsidies for the reduction of interest on loans for investments in fixed capital;
- subsidy in the case of projects of recognised social interest, to partly finance the corresponding fixed investment.

The aids which are available to those wishing to become self-employed are:

- partial grants towards interest on investment loans of up to 6% of the interest rate on a loan of maximum PTA 500,000;
- grants of up to PTA 400,000 for investment in fixed capital.

Financial resources

MTSS and European Social Fund.

Institutional support

MTSS.

⁵⁶ Ordinance of 21.2.1986 (Government Gazette of 27.2.1986) regulating various support schemes for job creation.

Ordinance of 22.3.1994 (Government Gazette of 12.4.1994) regulating the conditions for the receipt of aid and subsidies from the "promotion of self-employment" and "labour market integration for the disabled" schemes through special employment centres and self-employment.

Effects

Number of beneficiaries:

| | |
|------|--------|
| 1990 | 8,415 |
| 1991 | 10,485 |
| 1992 | 11,199 |
| 1993 | 12,265 |

6. Special Categories of Workers

Youth

Training

- cf. E-iv.1 The National Plan for Vocational Training and Reintegration (*Plan FIP*) (*Plan nacional de formación e inserción profesional – Plan FIP*)

Young people are given priority for the courses under the *Plan FIP*.

- cf. E-iv.2 Scheme for workshop schools and youth training centres (*Programa de escuelas-taller y casas de oficio*)

Employment

- cf. E-v.5 Apprenticeship contracts (*Contratos de aprendizaje*)
- cf. E-v.4 Contracts for practical work experience (*Contratos en prácticas*)
- cf. E-v.7 Open-ended employment for young long-term unemployed (*Contratos por tiempo indefinido de trabajadores jóvenes desempleados de larga duración*)
- cf. E-v.11 Conversion of contracts for practical work experience or apprenticeships to open-ended contracts (*Transformación en indefinidos de los contratos en prácticas o aprendizaje*)

Women

Training

- cf. E-iv.1 The National Plan for Vocational Training and Reintegration (*Plan FIP*) (*Plan nacional de formación e inserción profesional – Plan FIP*)

Women are given priority for the courses under the *Plan FIP*.

Employment

- cf. E-v.10 Recruitment of women in occupations where they are under-represented or women who are re-entering the labour market after 5 years' interruption of employment (*Contratación de mujeres en oficios que se encuentran subrepresentadas o que se reincorporan al trabajo tras cinco años de inactividad laboral*)

Disabled

Training

- cf. E-iv.1 The National Plan for Vocational Training and Reintegration (*Plan FIP*) (*Plan nacional de formación e inserción profesional – Plan FIP*)

Disabled persons are given priority for the courses under the *Plan FIP*.

Employment

- E-vi.1 Selective employment (*Empleo selectivo*)

- E-vi.2 Jobs reserved for the disabled (*Reserva de puestos de trabajo para minusválidos*)
- E-vi.3 Fiscal incentives (*Incentivos fiscales*)
- cf. E-v.9 Contracts for disabled workers (*Contratos de trabajadores minusválidos*)
- cf. E-v.9a Open-ended employment within the framework of employment promotion
- cf. E-v.9b Training contracts: contracts for practical work experience and apprenticeships (*Contratos formativos: contrato de aprendizaje y contrato en prácticas*)
- cf. E-ii.b Labour market integration of disabled persons through special employment centres and self-employment (*Integración laboral del minusválidos en centros especiales de empleo y trabajo autónomo*)
- cf. E-v.12 Temporary contracts to promote employment in 1995 (*Contratación temporal acogida al fomento del empleo para 1995*)

Long-term unemployed

Training

- cf. E-iv.1 The National Plan for Vocational Training and Reintegration (*Plan FIP*) (*Plan nacional de formación e inserción profesional – Plan FIP*)

The long-term unemployed are given priority for the courses under the *Plan FIP*.

Employment

- cf. E-v.7 Open-ended employment for young long-term unemployed (*Contratos por tiempo indefinido de trabajadores jóvenes desempleados de larga duración*)
- cf. E-v.8 Employment for workers aged over 45 (*Contratos para trabajadores mayores de 45 años*)
- cf. E-v.12 Temporary contracts to promote employment in 1995 (*Contratación temporal acogida al fomento del empleo para 1995*)

Favoured categories of unemployed (Beneficiarios de prestaciones por desempleo)

Employment

- cf. E-v.12 Temporary contracts to promote employment in 1995 (*Contratación temporal acogida al fomento del empleo para 1995*)

Other categories

Migrants

Training

- cf. E-iv.1 The National Plan for Vocational Training and Reintegration (*Plan FIP*) (*Plan nacional de formación e inserción profesional – Plan FIP*)

Migrants are given priority for the courses under the *Plan FIP*.

Selective employment (*Empleo selectivo*)

Aim

To facilitate the employment of disabled persons through the creation of conditions that allow firms to reinstate their own disabled employees following recuperation.

Legal basis

Royal Decree 1451/1983 of 11.5.1983.⁵⁷

Contents

- Workers who are declared to be in a state of partial permanent disability have the right to reinstatement.
- Workers who have left their firm on the grounds that they are declared to be permanently unfit for work, but who after a period of recuperation have recovered completely or are partially disabled, have a preferential right to re-occupy a vacancy in the company in which they last worked. In these cases the enterprises receive a reduction of 50% in the employers' social security contributions in respect of common contingencies for a period of two years.

Financial resources

No financial incentives.

Institutional support

MTSS.

⁵⁷ Royal Decree 1451/1983 of 11.5.1983 (Government Gazette of 4.6.1983) regulating selective employment and measures to promote the employment of disabled workers.

E-vi.2

Jobs reserved for the disabled
(Reserva de puestos de trabajo para minusválidos)

Aim

Employment of disabled persons.

Legal basis

Royal Decree 1451/1983 of 11.5.1983.

Contents

Public and private enterprises employing more than 50 permanent workers are required to employ a specified number of disabled workers (not less than 2% of their total workforce) registered at the Employment Office.

Financial resources

No financial incentives.

Institutional support

MTSS.

Fiscal incentives (*Incentivos fiscales*)*Aim*

To promote an increase in the net employment of disabled workers in enterprises.

Legal basis

- Law 21/1993 of 29.12.1993;
- Law 41/1994 of 10.12.1994.⁵⁸

Contents

Reduction of PTA 700,000 on taxes accrued by companies or professionals due to the performance of their work for each additional disabled person employed with an open-ended contract.

Financial resources

General Budget of the State.

Institutional support

MTSS.

⁵⁸ Law 21/1993 of 29.12.1993 (Government Gazette of 30.12.1993) on the State's General Budget for 1994.
Law 41/1994 of 10.12.1994 (Government Gazette of 31.12.1994) on the State's General Budget for 1995.

7. Other Measures

Measures regulating working hours

E-vii.1 Regulations concerning working hours, overtime and leave (*Regulación de la jornada, horas extraordinarias y tiempo de trabajo*)

Cf. E-v.3 Part-time employment (*Contratos a tiempo parcial*)

Early retirement

E-vii.2 Early retirement with replacement by another worker (*Jubilación anticipada mediante sustitución por otro trabajador*)

E-vii.3 Replacement contracts (*Contrato de relevo*)

E-vii.1

Regulations concerning working hours, overtime and leave
(Regulación de la jornada, horas extraordinarias y tiempo de trabajo)

Aim

Drafting social policy based on solidarity with the aim of promoting employment.

Legal basis

Royal Decree-Law 1/1995 of 24.3.1995.⁵⁹

Contents

Working hours are fixed by collective agreement or by employment contract, with the maximum working hours being set by law at 40 hours a week. The Government can decree an extension or reduction of the working hours for sectors or tasks on grounds of certain special circumstances.

Overtime must not, as a rule, exceed 80 hours a year. The Government can abolish or reduce the number of overtime hours for a specified period in order to increase the placement opportunities for workers who have been forced into unemployment.

The amount of annual paid leave is fixed by collective agreement or individual contract, but can under no circumstances be less than 30 calendar days a year.

⁵⁹ Royal Decree-Law 1/1995 of 24.3.1995 (Government Gazette of 29.3.1995) approving the revised wording of the Law on the Workers' Statute.

Early retirement with replacement by another worker
(*Jubilación anticipada mediante sustitución por otro trabajador*)

Aim

To encourage the recruitment of unemployed workers who replace workers who retire early at 64 years of age with no decrease in their pension.

Legal basis

- Royal Decree 1194/1985 of 17.7.1985;
- Royal Decree-Law 1/1995 of 24.3.1995.⁶⁰

Contents

The minimum age of full retirement has been lowered to 64 years for workers whom the enterprise agrees to replace immediately by workers registered as unemployed. These unemployed workers can be hired under any type of employment contract except those covering part-time or casual work.

Financial resources

MTSS.

Institutional support

INEM.

Effects

Number of contracts:

| | |
|------|-------|
| 1990 | 997 |
| 1991 | 1,070 |
| 1992 | 1,305 |
| 1993 | 1,320 |
| 1994 | 1,534 |

⁶⁰ Royal Decree 1194/1985 of 17.7.1985 (Government Gazette of 20.7.1985) concerning the regulations on early retirement as an employment promotion measure.

Royal Decree-Law 1/1995 of 24.3.1995 (Government Gazette of 29.3.1995) approving the revised wording of the Law on the Workers' Statute.

Replacement contracts (*Contrato de relevo*)

Aim

To promote the employment of unemployed workers who replace workers who take early partial retirement.

Legal basis

- Royal Decree 1991/1984 of 31.10.1984;
- Royal Decree 2317/1993 of 29.12.1993;
- Royal Decree-Law 1/1995 of 24.3.1995.⁶¹

Contents

Replacement contracts are concluded with workers on the unemployment register to take over that part of the time made available by workers who enter partial retirement with whom a part-time employment contract is concluded at the same time.

The social security contribution is proportional to the wage received for the hours and days in which work is actually carried out.

Financial resources

MTSS.

Institutional support

INEM.

Effects

Number of contracts:

| | |
|------|-------|
| 1990 | 2,283 |
| 1991 | 2,611 |
| 1992 | 2,182 |
| 1993 | 1,582 |
| 1994 | 219 |

⁶¹ Royal Decree 1991/1984 of 31.10.1984 (Government Gazette of 9.11.1994) regulates the system of part-time contracts, replacement contracts and partial retirement.

Royal Decree 2317/1993 of 29.12.1993 (Government Gazette of 31.12.1993) regulates the formulation of contracts for practical work experience, apprenticeships and part-time employment.

8. Placement

E-viii.1 Managing placement, vocational guidance and retraining (*Gestión de la colocación, orientación y readaptación profesional*)

Aids to geographical mobility

E-viii.2 Support of domestic migration (*Apoyo a las migraciones interiores*)

E-viii.3 Positive action towards emigrants (*Acciones en favor de los emigrantes*)

E-viii.4 Positive action towards immigrants (*Acciones en favor de los inmigrantes*)

E-viii.1

Managing placement, vocational guidance and retraining (*Gestión de la colocación, orientación y readaptación profesional*)

Aim

To offer workers suitable work and provide employers with the manpower required to enable their production facilities to operate properly.

Legal basis

- Law 51/1980 of 8.10.1980;
- Royal Decree-Law 1/1995 of 24.3.1995;
- Royal Decree 735/1995 of 5.5.1995.⁶²

Contents

Placement policy is based on the fundamental principles of equality of opportunities and treatment at the workplace.

Its purpose is to:

- promote the appointment of workers to activities corresponding to their skills;
- match labour supply and demand;
- make the labour market as transparent as possible;
- contribute to the study and production of programmes to achieve the highest level of employment possible;
- promote the occupational mobility of workers by bringing in retraining, qualifying and development plans;
- participate in preparing vocational training programmes;
- produce statistics on the employment and unemployment situation; and
- contribute to workers' vocational information, guidance, skills and classification.

Financial resources

MTSS.

Institutional support

INEM is responsible for placement, vocational guidance and retraining. It provides its services free of charge as a public national service. Non-profit placement agencies – co-operative bodies of *INEM* – and the Integrated Employment Services (*SIPes*), founded on the basis of contracts with *INEM*, may also offer the aforementioned services.

⁶² Law 51/1980 of 8.10.1980 (Government Gazette of 17.10.1980) on the basic regulations on employment.

Royal Decree-Law 1/1995 of 24.3.1995 (Government Gazette of 29.3.1995) approving the revised wording of the Law on the Workers' Statute.

Royal Decree 735/1995 of 5.5.1995 (Government Gazette of 8.5.1995) regulating the licensing of non-profit placement services and the Integrated Employment Services.

Support of domestic migration (*Apoyo a las migraciones interiores*)*Aim*

To facilitate the movement of workers registered at the Employment Office and their families from their usual place of residence to another location within the country (at a distance of over 200 km) in order to take up employment.

Legal basis

Ordinance of 28.2.1986.⁶³

Contents

The programme comprises the following economic and social aids:

- reimbursement of removal expenses of the workers and their family dependants;
- partial or full reimbursement of removal expenses for personal effects and furniture if the employment contract has been concluded for a minimum period of one year;
- social aids towards housing, crèches, health-care aid and social integration and studies to provide detailed knowledge on these possibilities;

Contracts of cooperation for temporary migration may be concluded between the Ministry of Social Affairs and the Autonomous Communities.

Financial resources and Institutional support

Ministry of Social Affairs: Directorate-General for Migration.

⁶³ Ministerial Ordinance of 28.2.1986 (Government Gazette of 11.3.1986) regulating financial aid for domestic migration.

Positive action towards emigrants (*Acciones en favor de los emigrantes*)

Aim

To develop action programmes aimed at the social assistance, promotion and labour market integration of emigrants and those returning to Spain.

Legal basis

Ordinance of 27.12.1994.⁶⁴

Contents

This programme contains the following financing and support schemes:

Support schemes:

- standard financial aid to emigrants resident in the Spanish Americas and Morocco who are unfit for work;
- special individual aid to emigrants and returned emigrants;
- health-care aid.

Social integration and vocational guidance:

- support scheme to facilitate the integration into the labour market of returned emigrants;
- support scheme for the development of measures to provide information on social/employment matters, vocational guidance and training for Spanish emigrants and returned emigrants;
- support scheme aimed at promoting the participation of Spanish emigrants and returned emigrants in vocational training programmes;
- contracts of cooperation to support and integrate Spanish emigrants and returned emigrants into the labour market;
- assistance for placement abroad and for free choice of place of residence for young workers.

For social promotion:

- support scheme to follow university and post-graduate studies;
- support scheme for the social promotion of emigrant families;
- support scheme to stay at holiday camps;
- support scheme to stay in hostels and camps;
- support scheme for cultural trips within Spain;
- support scheme for travel to Spain of persons aged over 65 years.

Of an associative and cultural nature:

- support scheme for bodies which develop concrete projects in the area of migration;
- support scheme for institutes which carry out cultural and social programmes;
- support schemes for subscriptions to publications of emigration centres and organisations;
- programme of cooperation with the Autonomous Communities for the realisation of cultural schemes;
- support scheme for institutes for work projects and equipment.

⁶⁴ Ordinance of 27.12.1994 (Government Gazette of 10.1.1995) introducing and regulating the support schemes for Spanish emigrants.

Financial resources

Ministry of Social Affairs: Directorate-General for Migration, other organisations and public institutions.

E-viii.4

Positive action towards immigrants (*Acciones en favor de los inmigrantes*)*Aim*

To develop action programmes aimed at facilitating the social integration into Spanish society and professional promotion of immigrants and their families.

Legal basis

Ordinance of 13.3.1995.⁶⁵

Contents

This programme contains the following measures, which are both economic and supportive in nature:

- various subsidies, the amount depending on the type of activity, to support projects and actions;
- extraordinary support for immigrant families to resolve situations of extreme need.

Financial resources and Institutional support

Ministry of Social Affairs: Directorate-General for Migration, other organisations and public institutions.

⁶⁵ Ordinance of 13.3.1995 (Government Gazette of 20.3.1995) regulating the support schemes and subsidies for programmes in favour of immigrants, and the approval of individual aid.

CHAPTER IV INFORMATION AND RESEARCH

1. Statistical Sources on Employment and Unemployment

There are three official bodies in Spain which regularly publish statistics on employment and labour market analyses: the National Statistical Institute (*Instituto Nacional de Estadística – INE*), the *MTSS* and the National Employment Institute (*INEM*).

The National Statistical Institute

The *INE* was set up by the Law of 31.12.45 as a State autonomous body which falls under the Ministry of Economics and Finance (Secretariat of Economics). Since 1964 it has been carrying out the Labour Force Survey (*Encuesta de Población Activa – EPA*). This survey used to be carried out at varying intervals, but has been quarterly since the third quarter of 1975.

The *EPA* shows the structure and development of the labour market. This is done by means of a quarterly survey of a sample of about 64,000 households obtained on the basis of the last national or municipal census, with one sixth of the households being renewed each quarter. By means of a questionnaire, information is obtained on the personal characteristics of the members of a household and a set of variables concerning the economic activity of all persons of working age who belong to the household. The survey provides information on the non-active population and the labour force (employed and unemployed), according to sex, age bracket, civilian status, level of qualification, economic sector and branch of activity, occupational situation, the duration and methods of job search, the previous situation and other variables. Information is provided for the whole of the country, by province and by Autonomous Community.

Since its introduction, the *EPA* has undergone several methodological changes. The most important was in the second quarter of 1987. It now consists of a more extensive and complex questionnaire with new definitions adapted to EUROSTAT and the XIII International Conference of Labour Statisticians of the ILO. This reform brings in additional information which is more complete and broken down according to the type of employment contract (open-ended or fixed-term), the working hours (full-time or part-time work). It also provides information on, for example, the under-employed population and on those in receipt of unemployment benefit or unemployment assistance.

The results of the *EPA* are presented in three publications:

- *EPA*. Essential Results (quarterly publication)
(*Encuesta de Población Activa. Principales resultados*)
- *EPA*. Detailed Results (quarterly publication)
(*Encuesta de Población Activa. Resultados detallados*)
- *EPA*. Statistics on Labour Market Fluctuations (annual publication)
(*Encuesta de Población Activa. Estadística de flujos*)

In addition to the *EPA*, the *INE* also prepares other statistics on the labour market, of which the following are significant:

- national census every ten years;
- statistics on wages and salaries in the industrial and services sectors (quarterly publication);
- distribution of wages and salaries in Spain (1992);
- survey on labour costs (1992);
- monthly statistical bulletin;
- quarterly economic bulletin;
- statistical yearbook of Spain;
- working hours in Spain (1992);
- survey on the family budget (1990-1991);
- survey on socio-demographic trends.

The *INE*'s statistical surveys are available as electronic data.

The Ministry of Labour and Social Security

MTSS's work in managing, designing and co-ordinating statistics is entrusted to the Directorate-General for Information Technology and Statistics. This Directorate prepares a range of statistics dealing with the labour market and labour relations. The information is mainly compiled from the Directorate's own data.

The *MTSS* regularly publishes statistical series on the economy, employment, unemployment and labour relations. The most important are:

- The monthly Labour Statistics Bulletin (*Boletín de Estadísticas Laborales*) summarises all the statistics of the *MTSS* as well as other statistics dealing with the world of work. It consists of four sections: the section on employment summarises the registered flows onto and out of the labour market, measures for regulating employment, work permits issued to foreigners, co-operatives and workers' companies. The remaining sections provide statistical information on labour relations and collective bargaining, social security and other statistical data (wages, consumer price indices, etc.).
- Yearbook of Labour Statistics (*Anuario de Estadísticas Laborales*);
- The Survey of Labour Market Trends (*Encuesta de coyuntura laboral*) (quarterly publication) summarises the results of a sample survey of 10,000 enterprises.
- Statistics on Collective Agreements (*Estadísticas de Convenios Colectivos*) is an annual publication.
- Statistics on Employment Regulations (*Estadística de Regulación de Empleo*) is also an annual publication.
- Statistics on Work Permits Issued to Foreigners (*Estadísticas de permisos de trabajo a extranjeros*) appears twice a year.
- Summary of the Main Statistical Data (*Resumen de los principales datos estadísticos*) from the Treasury General of Social Security (*Tesorería General de la Seguridad Social*) appears monthly. It collects data on the number of persons affiliated and contributing to the social security system.

The *MTSS*'s statistical surveys are available as electronic data.

National Employment Institute (*INEM*)

INEM prepares a range of statistics, reflecting its management function in the various areas of employment policy:

- Employment Statistics (*Estadística de Empleo*), which appears monthly, contains the following data, on the basis of labour market fluctuations registered at the Employment Offices: registered unemployed, vacancies and demand for jobs, recruitments and employment contracts concluded, results of the policy of employment promotion in the Provinces and data on recipients of unemployment benefits. The data are broken down according to sex, age bracket, level of education, branch of activity and occupation and are provided for the both the national and the regional – Autonomous Communities and Provinces – level.
- Statistics on Vocational Training (*Estadística de Formación Profesional Ocupacional*) contains data on periodic training courses, students participating in training schemes, graduates by age, sex, working situation and scheme, broken down by Autonomous Community and Province.
- Statistics on Registered Contracts (monthly publication);
- Monthly Results from Basic Data;
- Profile of Users (quarterly publication).

Other statistical sources

Other public and private institutions also publish important statistics on labour market trends. The most significant State publications are:

- Statistical bulletin (*Boletín Estadístico*) is a monthly publication of the Bank of Spain. Chapters XV and XVII are devoted to social security, and employment and wages, respectively.
- Survey of the Economic Situation of Industry (*Encuesta de Coyuntura Industrial*) is a monthly publication of the Ministry of Industry and Energy. It is an opinion poll amongst businessmen about the economic situation and the activities of enterprises.

2. Labour Market Analyses

Analyses of information on the labour market are carried out on an official level within the *MTSS* (Directorate-General for Employment, Sub-Directorate General for Employment and Labour Market Studies). The Directorate-General for Employment prepares a periodic report "The Labour Market Situation" (*Coyuntura laboral*). This reproduces the quarterly *EPA* data and the monthly data of registered flows onto the labour market. Until 1987 it also published the annual report "Labour Market in Spain: Situation and Measures" (*Mercado de Trabajo en España: coyuntura y programas de actuación*); this publication studied the annual development of the labour market according to the development of the labour force, employed and unemployed, and analysed the results of the employment and vocational training policies through sample surveys. The aim of these surveys was to study phenomena which are difficult to grasp on the basis of statistics produced by the *INEM* administration.

Since 1993 the Economic and Social Council (*CES*) has been publishing an annual paper on the socio-economic situation and employment trends entitled "Economy, Labour and Society" (*Economía, trabajo y Sociedad*), which reports on the following aspects (among others): labour market, labour market policy and labour relations. In addition, the *CES* publishes information on the busi-

ness cycle on a monthly basis: "Panorama of the Socio-economic Situation in Spain" (*Panorama económica-social de España*).

Other studies on employment are published on a quarterly basis by the Ministry of Economics and Finance: "Monthly Summary of Economic Indicators" (*Síntesis Mensual de Indicadores Económica*), "Information on the Business Cycle" (*Informe de Coyuntura Económica*). "Annual Information" (*Informe Anual*) is published annually by the Bank of Spain.

The employers' associations and the trade unions regularly publish commentaries on the current labour market situation.

There are also a number of university centres, private foundations and other institutes which carry out theoretical and empirical studies on economic and legal aspects of the labour market.

Appendix 1: Abbreviations

| | |
|---------|--|
| AES | Economic and Social Agreement (<i>Acuerdo Económico y Social</i>) |
| BOE | Government Gazette (<i>Boletín Oficial del Estado</i>) |
| CCOO | Federated Union of Labour Commissions (<i>Confederación Sindical de Comisiones Obreras</i>) |
| CEOE | Spanish Confederation of Employers' Associations (<i>Confederación Española de Organizaciones Empresariales</i>) |
| CEPYME | Spanish Confederation of Small and Medium-Sized Enterprises (<i>Confederación Española de la Pequeña y Mediana Empresa</i>) |
| CES | Economic and Social Council (<i>Consejo Económico y Social</i>) |
| CFO | Vocational Training Centres (<i>Centros de Formación Ocupacional</i>) |
| CGFP | General Council of Vocational Training (<i>Consejo General de Formación Profesional</i>) |
| CIGA | Federation of Trade Unions of Galicia (<i>Converxencia Intersindical Galega</i>) |
| ELA-STV | Solidarity of Workers of the Basque Provinces (<i>Eusko Languillen Alkartasuna/Solidaridad de Trabajadores Vascos</i>) |
| EPA | Survey of the Working Population (<i>Encuesta de Población Activa</i>) |
| FPE | Employment Promotion Fund (<i>Fondos de Promoción de Empleo</i>) |
| INE | National Statistical Institute (<i>Instituto Nacional de Estadística</i>) |
| INEM | National Employment Institute (<i>Instituto Nacional de Empleo</i>) |
| INFES | National Institute for the Promotion of the Social Economy (<i>Instituto Nacional de Fomento de la Economía Social</i>) |
| INSHT | National Institute for Occupational Health and Safety (<i>Instituto Nacional de Seguridad e Higiene en el trabajo</i>) |
| LOLS | Organic Law on Trade Union Freedom (<i>Ley Orgánica de Libertad Sindical</i>) |
| MTSS | Ministry of Labour and Social Security (<i>Ministerio de Trabajo y Seguridad Social</i>) |
| OE | Employment Offices (<i>Oficinas de Empleo</i>) |
| OTP | Organisation of Port Labour (<i>Organización de Trabajos Portuarios</i>) |

| | |
|----------|--|
| Plan FIP | The National Plan for Vocational Training and Integration <i>(Plan Nacional de Formación e Inserción Profesional)</i> |
| REASS | Special Agricultural Social Security Scheme <i>(Régimen Especial Agrario de la Seguridad Social)</i> |
| UGT | General Union of Workers <i>(Unión General de Trabajadores)</i> |
| ZUR | Zones of Urgent Reindustrialisation <i>(Zonas de Urgente Reindustrialización)</i> |

Appendix 2: National Correspondents

Belgium

Joseph Remy, Ministère de l'Emploi et du Travail

Denmark

Karen Thryssøe, Arbejdsministeriet

Germany

Jochen Jahn, Bundesministerium für Arbeit und Sozialordnung

Detlef Hein, Bundesanstalt für Arbeit

Greece

Ekaterini Kritikou, Ministry of Labour

Spain

Delmira Paz Seara Soto, Ministerio de Trabajo y Seguridad Social

Finland

Tuuli Raivio, Ministry of Labour

France

Henri Roux, Ministère de l'Emploi

Claudine Elhaïk, Agence Nationale pour l'Emploi

Ireland

Vincent Landers, Department of Enterprise and Employment

Italy

Mariarosaria Damiani, Ministero del Lavoro e della Previdenza Sociale

Luxembourg

Jean Hoffmann, Administration de l'Emploi

Netherlands

Ronald van Bekkum, Arbeidsvoorzieningsorganisatie

Austria

Johannes Schweighofer, Bundesministerium für Arbeit und Soziales

Marius Wilk, Arbeitsmarktservice

Portugal

Victor Viegas, Ministério do Emprego e da Segurança Social

Sweden

Mats Wadman, Arbetsmarknadsdepartementet

Palle Landin, Arbetsmarknadsstyrelsen

United Kingdom

Graham Archer, Department of Employment

John Frankham, Employment Service

European Commission

Sergio Piccolo, DG V/A/2

