

FaOS

Spain

Social Partnerships in Europe

- the role of the employers and trade unions

Report compiled for The Copenhagen Centre

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1. Introduction

In recent years, the role of enterprises and their way of contributing to the social welfare have been put on the European agenda. The debate has been initiated on the part of several actors, including governments, the European Commission, various NGOs, trade unions, and a number of multinational enterprises. At the same time employers and trade unions in Europe increasingly have entered into agreements, which generally comprise social and labour market related problems. Consequently, the agenda has been widened when it comes to negotiations and agreements between employers and trade unions; attention is not solely focused on pay and working conditions.

In an European context these trends have been linked to the concept of social partnerships. There are numerous and often vague definitions of the concept of 'social partnerships'; but generally employers (possibly their organisations), trade unions, public authorities at various levels of society, and possibly NGOs voluntarily co-operate in order to solve social and labour market-related problems.

The focus of this research project is the role of employers and trade unions in social partnerships in Europe. Moreover, the emphasis is on social partnerships whose purpose is to promote inclusiveness, i.e. a labour market with employment possibilities for all. This paper is a first phase report, which focuses on the role of employers' organisations and trade unions in social partnerships in Spain. This report is based on in-dept interviews with representatives of organisations, ministries, etc. involved in partnerships, existing literature as well as written documents.

Essential questions and problems in this paper have been assessed and discussed with Francesc Gibert, Universitat Autònoma de Barcelona, Departament de Sociologia (QUIT). Furthermore, he has assisted in organising interviews and compiling documents, etc. Still, the content of this paper is solely the responsibility of the authors.

The research project focuses on the role of employers and trade unions in social partnerships at bcal, national, and European level. Five countries are included in the study. The second and final phase of the project is to be completed in June 2002. The research project is financed by The Copenhagen Centre and is compiled by The Employment Relations Research Centre, FAOS.

2. State tradition

Like democracy, social partnership has a short history in Spain. That is so, even though the term "corporatism" was originally used to describe the relations between capital, labour and the state in authoritarian regimes like Spain under

Franco. However, since Schmitter & Lembrush (1979) made their distinction between state/ authoritarian corporatism on the one hand and democratic corporatism/neo-corporatism on the other, the term has mostly been associated with social relations in liberal democracies.

Spain after Franco has most often been associated with Etatism, not with neo-corporatism, because of the dominant role of the state and the weakness of the employers and trade unions. Nevertheless, the Spanish government needed support in the beginning of the democratisation process and a number of grand pacts were signed with trade unions and employers' associations. At that time the trade unions were stronger and more militant than now. The employers' organisations needed peaceful relations, which they hoped the grand pacts could provide.

There have been two periods when social partnership has been widely used as a mode of regulation in modern Spain: From 1977 to 1986 a number of income policy agreements were signed – this period was followed by a period of confrontation. The second period began in 1996. This time the agreements have mostly been about welfare issues and other industrial relations issues than wages, including what we call social partnerships on inclusion.

The context of the agreements is important. Contrary to the other countries in this study, Spain has for more than two decades been torn by high levels of unemployment. The unemployment has been dropping recently, but is still as high as 15 per cent of the workforce. This context is important because the high level of unemployment means that the employers' labour incentive i.e. labour shortages to get involved in social partnerships - present in many of the other countries in this study - is not as profound in Spain.

This country report will focus on the relations and the agreements of the 1990s to see how developed social partnerships have become during this last period of rapprochement between the actors.

3. Key actors in social partnerships in Spain

The largest trade unions are UGT (until recently linked to the Socialist party) and CCOO (linked to the Communist party). Both unions organise all kinds of employees – it is therefore not the employment categories but the political links that define the difference between them.

UGT was founded in 1888. It has traditionally been the less radical of the two unions. The CCOO emerged out of the spontaneous semi-clandestine workplace organisation of the dictatorship years. It regained its important role following the transition to democracy (Martínez Lucio 1998: 434-35). However, the first

ten years after the dictatorship became a period of inter-union rivalry and CCOO lost influence among other things because the employers association favoured the UGT (Martinez Lucio, forthcoming).

Membership density of the Spanish unions is difficult to assess - among other things because of members' unpaid duties. It is nevertheless certain that there has been a sharp decline in the density rate since the late 1970s where survey findings suggested a 40-45 percent density in manufacturing (Martinez Lucio 1998: 435). Today the unions claim a density of 10-13 per cent each, whereas other sources mention a total density as low as 10-15 per cent (Rhodes 1997:105). However, the membership figures give an incomplete picture of union influence. Collective bargaining coverage is much higher than membership density and the political influence of the trade unions does not only depend on the membership figures.

<p><i>The largest trade unions in Spain</i> UGT (General Workers' Confederation) CCOO (Workers' Commissions)</p> <p><i>The employers' confederation and largest employers' federations in Spain</i> CEOE (Spanish Confederation of Employers' Organisations) CEYPME (Spanish Confederation of Small and Medium-sized Enterprises) Catalonian FNT (Formento del Trabajo National)</p> <p><i>Sources: Rhodes (1997); Martinez Lucio (1998)</i></p>
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Unlike employers' confederations in most other countries, the only confederation in Spain (CEOE) was set-up before and not after its member-organisations. The set up was connected to the first wave of social dialogue in the late 1970s. The most important member-organisations are not branch organisations, but regional organisations – such as FNT in Catalonia - and the organisation for SMEs, CEYPME. Estimates on the density of CEOE vary, but rates as high as 75 per cent of all companies can be found (Rhodes 1997: 105).

NGOs should not be forgotten. In Spain, there has always been a large number of voluntary organisations connected to the catholic church, but the number of NGOs have exploded in recent years – 50 per cent of the existing entities have been set up during the 1990s (Kjaer 2001: 6). Many of the organisations are heavily dependent on public funding and like in many other European countries the governments have in recent years become eager to involve them. In relation to policies of inclusion, however, the scope of the involvement and the influence of the NGOs are still limited, especially at national level, despite the fact that they are represented in some consultative bodies for social and labour market policy, for instance in connection with discussions on new fields of unem-

ployment. The NGOs are also often engaged in social partnerships on inclusion financed by the EU, such as case 1 of this study. But in general, the NGOs remains until now a less important partner to the state than the employers and the trade unions.

4. Agreements in the collective bargaining system

Even though agreements in the Spanish collective bargaining system rarely can be classified as social partnerships on inclusion, they form an important context of the latter. The first grand pact was signed in 1977 and linked wage growth to monetary growth rather than inflation. It was followed by pacts reforming the industrial relations system, introducing a 40 hours wage week and limiting wage growth below expected inflation.

In the mid-1980s social dialogue at the national level ran into serious problems. The Socialist government saw only problems in the labour market on the supply side (especially labour cost) and the UGT felt that the government introduced reform without any real compensations to them. Government officials on their part saw UGT's demand for a real wage growth as the core of Spain's inflation problem. This led to a breakdown in the social dialogue and failed attempts to reach agreements on issues such as pensions, public sector salaries, and youth employment. The disagreements culminated in a general strike in 1988.

The trade unions' membership loss and reduced power position was part of the explanation for the weakening of social partnership. By the mid-1980s the state had much less need for the unions than in the first years of democracy, and the employers did not need to compromise with them to the same extent as before because of their reduced power position. With their backs against the wall, the unions fell back on defending their own interests, which became increasingly narrow.

A deterioration of the employment situation in the early 1990s followed by a currency crisis and the Socialist governments slipping support forced them to attempt to re-open a more committing dialogue with the employers and trade unions. However, the unions refused the Government's labour market reform of 1993-94, which was among other things deregulating dismissals. The ensuing unilateral implementation by government of the reform led to a general strike in 1994.

It was first after the victory of conservative Popular Party in 1996 that social dialogue at the national level succeeded. The first term of the government saw increasing activity in negotiation committees and social pacts. In 1996 a social security agreement and a pension agreement were signed. The bedrock of the consensus lay in the commitment by the government to maintain coverage le v-

els and to channel surpluses into a reserve fund. But later this led to the CEOC's withdrawal from the pact, because it meant that employers were to carry a higher proportion of the financial burdens.

In 1997 all parties signed an important new labour market reform. This was a major breakthrough in the long deadlocked struggle over labour market reform. The most important new concession was a significant reduction in the dismissal costs attached to new permanent contracts (a priority of the employers), but the reform also promoted permanent employment contracts (35 per cent of all contracts in Spain were temporary, which was the highest level in Europe). This element of the reform was a priority of the unions. Moreover, the reform expanded the role of national sector-level bargaining reserving certain issues for this level (wage increases, occupational classification, overall work time reductions) while leaving others (work scales, internal flexibility) to lower levels (Perez 2000).

5. Social partnerships on inclusion

Content and context

Some of the above mentioned agreements and reforms are indirectly related to inclusion, whereas social partnerships directly aiming at including people marginalised in the labour market are a very new phenomenon, and less developed:

In 1993 negotiation on social pact on unemployment broke down after just one meeting, but one of the three agreements from 1997 is explicitly addressed to get people back into work, and could be seen as a social partnership on inclusion. It builds on the labour market reform from 1993-94 and gives high priority to education and training, especially workplace-based training. Some of the measures make incentives for the employers to hire young unemployed by lowering their wages (Aragon et al. 2000: 181-191).

The Spanish NAPs on employment have set up some additional active measures. However, the Spanish NAPs are mostly a collection of programmes already set up years before (Aragón et al. 2000: 192). If there has been any real effect of the European Employment Strategy in Spain it has been the potential rationalisation resulting from a collection of initiatives in a single document and from the introduction of quantitative evaluations.

Other issues remain controversial. For instance, little progress has been made on reaching agreement on unemployment coverage (which has been reduced to cover less than 50 per cent of those registered as unemployed).

Structure

Even though most of the above mentioned attempts to create social partnerships have taken place outside the Economic and Social Committee (CES), this council - established in 1992 - remains the most important national tripartite body. It deals with all kinds of economic, social, and labour market issues. During the 1980s and 1990s there have also been established a number of tripartite bodies in relation to employment, social security, and health policies at both national and regional levels (Rhodes 1997: 113).

The organisation responsible for implementing both active and passive labour market policies was until recently The National Institute of Employment (INEM). Their responsibility covered both unemployment benefits, the promotion of employment, vocational training, careers' guidance and placement services. However, the monopoly of INEM was terminated in 1994 when their service was given free. That happened among other things as a result of pressure from the employers and trade unions, which were dissatisfied with INEM's performance (EIRO 2000). Moreover, since 1997 the remaining responsibilities have gradually been decentralised to the regional governments – but this decentralisation have not been fully implemented yet. INEM are still responsible for the passive measures, e.g. the unemployment benefits.

Hence, the regional governments now have a substantial influence on social and labour market policies, but the decentralisation has not been implemented in all regions. The financial resources of the regions' labour market policies as well as the processes of social partnerships have been supported by ESF's programmes for Territorial Employment Pacts – social partnership to improve employment, not only by active measures, but by a whole range of initiatives. A large part of Spain is entitled to request financial support for social partnerships, and there are several of these pacts in Spain, some covering whole regions (like in Catalonia) but more often covering sub-regional areas with high concentration of unemployment (see case 1).

Also the municipalities, the counties and the provinces are engaged in active policies – not only as employers, but also as policy makers (see case 1 and 2).

Summing up, social partnerships on inclusion as well on broader employment issues have flourished at all levels in Spain during the 1980s and especially the 1990s. However, the multiplicity of levels, the mobility of competencies between the different levels together with lacking or unclear divisions of responsibility make some of the actors involved complain about too little co-ordination.

Relations

Despite the large number of failed agreements most observers - and the employers and trade unions themselves - agree that the employers and trade unions have moved closer to each other during the last decades (Perez 2000: 350). However, tensions remain, also in relation to the active policies, where the unions called for a more proactive role for the employers' associations.

Trade unions have become more proactive in employment issues in recent years and disagreements between them and the government are common. The trade unions are sceptical about the redistribution between active and passive measures. In 1998 and 1999 the unions wanted the Government to use the surplus of contributory unemployment service insurance for non-contributory unemployment benefit, but the Government chose to use them for active policies (Perez 2000: 354). Moreover, even if there is a consensus on the main lines of the active policies, the trade unions' point of view is, that the financial resources used are far from sufficient and UGT disagree with the calculations of the government which shows increasing spending on active measures.

However, the unions' monopoly of representing the unemployed has been questioned. In 1998 the unemployed formed an association that threatening to dilute the labour confederations' role in bargaining with the government.

While the employers' associations have not complained much about lack of influence the trade unions are disappointed by the development on the level of social partnership after the success in 1997. Even though they appreciate the existence of the formal tripartite bodies and admit that the employers and trade unions have been consulted to varying degrees in connection to the yearly NAPs, the trade unions general impression are that they are talked to, but not listened to. This view was supported by the bargaining process on the renewal on the 1997 agreements, which took place in spring 2001. After the Government - which now has an absolute majority in Parliament - and the employers and trade unions had failed to reach an agreement, the Government decided to implement the reform unilaterally.

Outcome

Even though unemployment is still the highest in EU and the proportion of temporary employees have remained unchanged, Spain has managed to lower the unemployment rate from 24 per cent in 1994 to 15 per cent in 1999.

To what extend can social partnerships on inclusion be honoured for this? Like everywhere, it is hard to say, but in Spain it is even harder. Representatives of both trade unions and the employers' associations' point to missing evaluations of most measures. Those who estimate the effects of the policies are mostly

sceptical (Aragón et al. 2000; Rhodes 1997). Considering the limited scope and the newness of active policies in Spain it is maybe too early for broader assessments. It will probably take more time to build up active policies, which could have a real impact on unemployment.

Maybe the most positive outcome of social partnership on inclusion in Spain is related to the processes themselves more than to their employment effects. There is no doubt that even though the level of disagreements and conflicts is quite high, the employers and trade unions have moved closer to one another during the last decades. Social partnership is maybe not only a result of, but also one of the reasons for this.

6. Case 1: Vallés Occidental Employment Pact

Context and content

Vallés Occidental is a *comarca* (county) with 700 000 inhabitants made up of 23 municipalities. It is situated in Catalonia, 40 kilometres from Barcelona. The area is highly industrialised, until recently specialised in textiles industry, but now undergoing a process of industrial diversification to metallurgy, chemicals and food industry. There have been no real crises in the area, but unemployment was 11 per cent in 1998, 3 per cent above the Catalan average.

The Vallés Occidental Employment Pacts is a pilot project of the EU's Territorial Employment Pact initiative in Spain. It has been hailed by the EU-Commission as one of the most successful Territorial Employment Pacts.

The pact contains a large number of measures to improve the employment situation in the area and it attempts to co-ordinate and to rationalise existing policies as well. The negotiations on the pact started in 1996, and took more than a year. The pact was signed in March 1997 and was valid from 1998-1999.

Not all the 29 mill. Euro spent in the first action plan (the pilot project) of the pact came from EU. The Catalan government has spent 11,5 mill. Euro whereas the European Regional Fund and the European Social fund have spent 14,0 mill. Euro. The rest of the budget is coming from the county and the municipalities as well as from private investors. In the second action – valid for 2002- 03 – the EU funding will be much more limited.

Not only the amount of money spent in the programme but also the number of measures (18) has been significant. The measures are not limited to social and labour market policy issues. They include measures related to a number of so-called lines of action:

- 1) infrastructures

- 2) competitiveness of SMEs
- 3) promotion of stable employment (data base on collective bargaining and employment; arbitration centre; task force to improve quality of employm.)
- 4) training and integration (co-ordination of guidance service; aims of Luxembourg summit; combat social exclusion; Youthstart; NOW; white paper of training needs of SMEs)
- 5) new sources of employment (care service for elderly; jobs in tourism)
- 6) employment in the information society
- 7) co-operation between territorial institutions and agents (Pacte per L'ocupacio del Vallés Occidental 2000:13).

As it will appear, the scope of this first action plan has been very broad. The aim of it was basically to create as many jobs as possible. The second action plan is still not signed, but according to the representatives it will be more focused on special measures and target groups - among other reasons because unemployment has dropped in the area.

Actors

There is a multiplicity of actors involved in the partnership.

The actors involved at the strategic level of the pact are basically the county, the regional government of Catalonia, the trade unions and the employers' associations. They are all represented in the different bodies at the strategic level (executive committee, standing commission, technical office, and boards of directors). Moreover the European Social Fund and the European Regional Fund have representatives in these bodies.

The County has been the initiator and the promoter of the pact in relation to the Catalan government. However, one could also see the pact as a top-down partnership in that the concept of territorial employment pacts is developed in EU - therefore the EU-commission could be seen as the real initiator. The county's role has also been to mediate and establish a context for building trust between employers and trade unions. Estimating the strength of each actor, all representatives agree that even though the county does only finance a minor part of the pact, it has been the dominant actor in the partnership.

In addition to these bodies an advisory body has been set up with representatives from actors involved in the implementation of the action plan: universities, financial bodies, chamber of commerce, social and volunteer organisations (organisations to support job creation for the marginalised, organisations for the disabled, etc.)

There is a division of responsibility between the actors. Basically, the actor(s) who propose(s) an initiative is/are also responsible for the implementation of it through the boards of directors. Hence, the social partners are more than controllers – they are initiators of certain measures and responsible for the implementation as well.

The roles of new actors have been discussed in relation to the second action plan. As a result of the narrowing of the focus and a more pronounced targeting on weaker unemployed people, more weight will be given to third sector organisations, for instance organisations for mentally sick people and for the disabled, in the implementation of the action plan. However, at the strategic level the core actors will remain the same.

Relations

The employer representatives are the only representatives who do not agree that the relations between the employers and trade unions in the area have traditionally been tense. Moreover - according to the county representatives - in the beginning of the negotiation process the employers and trade unions were sceptical about the pact, simple because it came from the administration. The viewpoint of the trade unions representatives is that the county in the beginning of the negotiation process also suffered from a lack of tradition for co-operation. Hence, all in all, it is not any surprise that the pre-signing negotiations took so long.

There were also substantial disagreements about the content of the pact during the negotiation process. One of the first steps in the process was to establish a common understanding of the problems of the labour market. But the employers associations' and the trade unions had - initially at least - very different views on the labour market situation in the area. The employers had a more positive view on the state of affairs and wanted less intervention than the trade unions.

Because of the level of disagreement an important aspect of the pre-signing bargaining process was to exclude the most conflict-related issues – such issues were left out of the pact. The measures related to policies on inclusion like training, education, and job-creation were not difficult to reach agreement on. However, the focuses of the actors have been different, also related to these measures. The employers have mostly been occupied with issues concerning vocational training and financial and other kinds of support to private companies, whereas the trade unions have had a wider focus, both on employment opportunities for the unemployed, the quality of the employment, and the level of wages and working conditions.

The three core actors do not point to any disagreements with the Catalan government and see no overlap or missing division of responsibility between the all-Catalan Employment Pact and the Vallés Occidental Employment pact. The all-Catalan pact is a very general pact, not dealing with concrete measures, as the Vallés Occidental pact does.

Outcome

Unemployment has dropped from 11 to 7 percent between 1998 and 2000 - a change from 3 per cent above to only one per cent above the Catalan average. The involved actors take that as proof of the success of the partnership.

Moreover, most of the measures have been evaluated. According to the actors, the pact can be credited for the creation of 1000 temporary jobs, the consolidation of more than 600 permanent jobs and the integration of 4,700 people through the extraordinary measures. Most of the jobs have been created in connection to measure 4) (training and integration), whereas the job-creation effects of the other measures has been limited (Pacte per l'ocupació del Vallés Occidental 2000). However, not all actors see these quantitative aspects as especially impressive in view of the resources used. Still, they all agree that the most important outcome has been the improvement in the relationships between the social partner.

7. Case 2: The Mataró Employment Pact

Context and content

Mataró council, the capital of county of Maresme in the Catalonia region, has around 100.000 inhabitants and is situated some 50 kilometres from Barcelona. Textiles industry has been important in this area, but is now in decline and unemployment in the area is above the Catalan average. Moreover, it has a high concentration of immigrants, especially from Africa.

To improve the employment situation in the area negotiations on an employment pact started in 1997. The pact was concluded in 1998. The first action plan of the pact was valid for 1999-2000, the second is valid for 2001-2003.

The pact is a declaration of intent, which focuses on co-ordinating existing policies – not only on social and labour market policy but also industrial, educational and technological policies - by setting up an umbrella framework. In addition, the pact contains a number of new measures and ensures the employers' and trade unions' commitment to both old policies and new measures.

The pact has five main objectives: 1) improvement of employment, 2) training of workers, 3) establishing an overview of working conditions (an observatory),

4) creating new sources of employment, 5) taking action to integrate marginalised people (women, elderly people, immigrants etc).

The measures include training and education (including retraining of former textile workers, language training for immigrants, special education for handicapped) job-creation (service-jobs to assist old people) and economic and technical support to self-employment.

Actors

The initiative to set-up this bottom-up partnership was taken by the Mataro city councils' department for economic promotion. Various ESF funds (Territorial Employment Pacts and HORIZON among others) were applied for funding, but the applications were all rejected. 70 per cent of the funds now come from the local council, the rest from the regional government and the provincial government.

The partnership is basically tripartite in that the actors on the strategic level only include the local council, the trade unions and the employers' association. The roles and the interests of the trade unions are described by themselves as defending the workers' rights by controlling wages and conditions in relation to actions taken. Moreover, they have also shown great awareness of the job-creation measures. The employers have primarily been interested in the vocational training dimensions. The interests of the local council have been to improve the employment by getting the employers' and the trade unions' support of their policy. Apart from initiating, funding and chairing the partnership, they have also in some cases a role of mediating between the employers and the trade unions.

Despite the tripartite core, more actors have played a role in the partnership. The regional government has provided statistical information about the local labour market and inspiration in that the pact is inspired by the all-Catalonian Territorial Employment Pact, set up in 1997.

Volunteer organisations have been involved in the delivery of the measures, but not on the strategic level. Some of these organisations are JIM – an organisation for disabled people - and a volunteer organisation exclusively for blind people. They have been involved in training and in connection to measures for finding new sources of employment.

Relations

After a large number of meetings consensus on the content of the pact was established. Nevertheless, both during the pre-signing negotiations and after the signing of the pacts a number of disagreements have appeared.

One of the controversies has been associated to one of the most discussed issues in the Spanish labour market: temporary employment. The trade unions representatives in the partnership have been sceptical about the wages and working conditions in the jobs which the temporary employment agency procure – this was one of the reasons why an observatory was established.

There have also been disagreements between the municipality and the trade unions. They both have an immigration office, but the local council planned to amalgamate the two into one as part of the pact, under the jurisdiction of the council. The trade union representatives disagreed and threatened to block the pact if the council implemented it.

According to the representatives, there have been no tensions with the Catalan government over problems with the division of responsibility between this pact and the all-Catalan one.

Apart from the disagreements, there is also to some extent mutual dissatisfaction with the level of commitment among the actors. According to the trade union representative, the employers' representatives are devoid of interest in the partnership and their representativity is limited as there are no representatives of the service sector in the partnership.

The Council for its part complains about the fact, that new representatives from the employers and trade unions have not sufficient information about the partnership and unnecessary re-negotiations occur. Moreover, it is the impression of the council's representative that the power of the employers and trade unions is centralised on regional level so that the local organisations are not sufficiently strong.

Whether one agrees to this last statement or not, there is no doubt that the city council is the strongest and the most active part in the partnership.

Outcome

Some, but not all objectives of the pact have been reached. For instance the objective of supporting self-employment, some of the objectives for improving employment for women and immigrants, together with a number of other objectives, have not been reached. Some of the other measures have not been evaluated, but according to the representatives that will be changed in the second action plan so that all measures are evaluated every year.

In addition to the outcome directly linked to the objectives, there has also been a more indirect positive outcome of the pact. Both employers and trade unions

agree, that the pact has moved the employers and trade unions closer to one another, though there still are substantial disagreements about a number of questions.

8. Preliminary conclusions

The development of social partnership in Spain after Franco questions the state tradition of etatism. However, Spain has not developed into a country of neo-corporatism – the social partners and their influence is too weak to justify such a re-classification and there are too many examples of failed attempts to establish partnerships.

A number of factors could consolidate the development of social partnership in Spain. Firstly, if membership of the trade unions increased it would strengthen their legitimacy and resources and thereby their power as a negotiation partner. Secondly, if the employers and trade unions developed more common understanding and common goals on labour market issues, less attempts to establish social partnerships would fail. Thirdly, the present situation of a majority government makes the power relation between the employers and trade unions on the one side and the government on the other too unequal. A minority government would *ceteris paribus* be a better context for partnerships.

Apart from the three traditional actors, the EU must be mentioned as a “shadow actor” in Spanish social partnerships. More than in the other countries included in this study, EU has been a dynamic factor in the development of social partnership. The influence of EU has worked through making the partnership approach obligatory in connection to the social and regional funds, the setting up of framework for and financial support to various territorial pacts as well as other programmes. As case 1 demonstrates the positive outcomes related to these pacts and programmes are not only their employment effects, but also their support to processes of social partnership. Moreover, the European Employment Strategy has had some impact on the institutional set-up of social and labour market policy in Spain – which is not the case in all countries.

A last actor to be mentioned is the volunteer organisations (the third sector). Like in most other countries in this study they are far from being equal in importance to the employers and trade unions where social partnerships on inclusion are concerned, but their role is increasing – as illustrated in case 1. Falling unemployment as well as political trends and the professionalisation of the organisations themselves are some of the explanations for this development.

9. Abbreviations

ESF European Social Fund

CEOE *Confederación Española de Organizaciones Empresariales* - Spanish Confederation of Employers' Organisations

CCOO *Comisiones Obreras* - Workers' Commissions

CES *Consejo Economico y Social* - The Social and Economic Council

CEYPM *Confederación Española de la Pequeña y Mediana Empresa* - Spanish Confederation of Small and Medium-sized Enterprises

FNT Formento del Trabajo National -

INEM *Instituto Nacional del Empleo*- National Institute of Employment

UGT *Union General de Trabajadores* - General Workers' Confederation

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11. Interviewees

Ministry of Work and Social Affairs: Ascención Maravall, Vice-director & Manuel Lloredo Alvarez, Vice-director

UGT: Jesús Pérez Martínez, Executive Secretary

CCOO: Dolores Licerias, Executive Secretary

CEOE: Roberto Suárez, Labour Relations Department

Vallès Occidental County Council: Olga González, Coordinator & Adolfo Moreno Sansano, Director

CCOO Vallès Occidental: Àlex Toledo, Secretary

UGT Vallès Occidental: Xavier Blanca, Secretary

Multi-Industry Employers' Council of Sabadell and Council: Gabriel Torras, Director

Municipal Institute for Economic promotion of Mataró: Antoni Merino Orejón,

UGT Mataró: Xavier Baburés, Secretary

Federation of Associations and Guilds of Mataró and Maresme: José Manuel Moya Catilla, Lawyer