

TWICE THE EUROPEAN AVERAGE

# ABUSING THE TEMPORARY CONTRACT

It is now more than a year ago that the latest labour reform approved by the Spanish Government came into force. The reform was aimed at improving the quality of jobs in a setting where temporary contracts accounted for over 90% of the total contracts registered. The figures have barely changed.

Between January and August 2007, 90.6% of the contracts registered in the Basque Country were temporary contracts. This figure continues to reflect an abusi-

ve use of temporary contracts, which is the main reason why the temporary employment rate in the Basque Country, and in Spain as a whole, continues to be double the European average despite the successive labour reforms.

In the last year, the rate of temporary employment has fallen from 28.7% to 28.3% in The Basque Country (according to sources of the Spanish National Statistics Institute), which is barely significant. This is even more

so given that it does not mark a clear trend, as there are quarters when the rate rises and others when it drops.

Meanwhile, the temporary employment rate of the population of the UE-15 (14.3%) as a whole is 14 points lower than the rate for the Basque Country, practically half, and these figures are even worse for women (33.8%) and immigrants (74.1%).

How much more flexibility do they want?



## CONGRESS OF FEDERATIONS

In October and November of this year, the Hainbat and Gizalan federations will hold their respective congresses. The Hainbat Federation represents key industrial sectors: Chemical, Construction, Transport, Energy, Press, Fisheries, Timber, Paper, Telecommunications and Graphic Arts, among others. According to official May figures, its trade union representation in the Autonomous Community of the Basque Country stood at 37.46% and over 24% in Navarra.

Gizalan represents the public sector as a whole (Health, Education, local councils, government, police...), along with the private welfare and social-health sector. It is the second ELA federation in terms of number of members and its trade union representation stands at 38.70% for The Basque Country as a whole.



## HELPING THE AGED



### ■ Agreement in Villa Sacramento

The lack of a framework regulating the employment conditions of the workers at Residential Homes for the Elderly in Gipuzkoa is the reason behind the action undertaken in many of the homes to end the job insecurity in the sector: double salary scales, long working days, very low salaries, no subrogation, involuntary and abusive part-time contracts...

The provincial agreement aimed to block any negotiation option in the company, but wherever possible, ELA opened up negotiation channels with successful outcomes such as at Residencia Villa Sacramento at Donostia-San Sebastian. After eight long months on strike, the company agreement has been renegotiated and the provincial agreement significantly improved, both in terms of the social and economic conditions. This nego-

tiation model has yet again been proven to be successful, but requires the foundations to be laid prior to the negotiating of the company agreement: the effort by the workers, the level of membership and the conviction of the workers themselves to dignify their working conditions.

## SOCIAL POLICY

### ■ Family decree

Last July, the Basque Government approved a decree with new measures to find a balance between work and family life. The approved measures are exclusively in the form of financial aid. Prior to the enactment of this decree, Rodriguez Zapatero, the Spanish Prime Minister, had announced a subsidy of 2,500 euros per child. Financial aid is always welcome, but ELA has repeatedly stressed that the best family-support policy is the development of public services, such as crèches and care homes, which cover the social needs of looking after children or the elderly. This is the best help to improve the problems faced when combining family, work and personal life. .

## METAL SECTOR COLLECTIVE BARGAINING

### ■ LOOKING AT ALTERNATIVES

The uncertainties of the crisis affecting the collective bargaining in the metal sector, due to the exhaustion of the model and the search for one to replace it, are being cleared up thanks to the implementation and trying out of alternative channels.

Sectorial negotiation was thwarted when management decided to change the *raison d'être* of the provincial agreement to limit trade union

demands, where structural aspects are considered to be the exclusive authority of the company (employment, organization, mobility...) and to legitimize the gradual destructuring of the work conditions by means of extending the unilateral flexibility to all levels. They are looking for cheaper workers, in worse conditions, who face job insecurity and accept changes without question, to ensure that their profits continue to grow

at an unprecedented level.

At ELA, we have not abandoned the provincial agreement, but given the current stalemate, we are looking for ways to change things: negotiating in the companies where our trade union is the major representative, resorting to confrontation wherever possible, without limitations, either in terms of the goals or the sizes of the companies. It is a dynamic process that we have to consolidate and implies difficulties and risks. Negotiating so far in 2007 is going to clarify the panorama.

In order to achieve this, recruiting and trade union membership is a determining factor. Trade unionism is an organizational element that strengthens the collec-

tive power and group feeling to negotiate. In the case of ELA membership, it means that a clear dynamics based on high demands can be established, and its fundamental tool is the Strike Fund coverage. It is not strange that ELA membership is over a third of the workforce in 53.5% of the companies in the metal sector that have called the workers to strike, and the figure rises to 77.3% in the case of the companies that went on strike. The outcome of the agreements confirm that there is a margin for action.

The traditional collective bargaining model is in crisis, but the alternatives are increasingly clearer.

*Dani Gomez, ELA-Metal  
Secretary General*



## CONFEDERAL ACTION

### ■ Gernika, 10 years on

October is the 10th anniversary of ELA's declaration in Gernika. ELA then clearly defined its political and social priorities for a new scenario. We thus specified the need for ETA to abandon its strategy based on violence – "ETA is unnecessary and a nuisance" we said. We also identified the need to use civil and democratic channels to work towards a legal framework based on the right to decide. And we also stated that the current statutory framework was no longer valid and did not provide the necessary guarantees. Ten years on, at a meeting to be held in Bilbao in October, ELA will take stock of that period and will specify its political position with respect to the situation of the self-government and the society model that is emerging in The Basque Country.



Jose Elorrieta, secretary general, during the act celebrated 10 years ago in Gernika

## CONFEDERATION

### ■ Emotional farewell to German Kortabarria

On 19th June, ELA held its National Council – the maximum organ between Congresses – in Bilbao. In addition to presenting the ELA analysis document entitled "Working the Political and Social Space for Self-determination", which established the trade union's position regarding the country's current socio-political situation, German Kortabarria, a long-term member of ELA, was also honoured. Germán had retired from his duties on the Executive Committee, due to his age, in accordance with the internal regulations of the trade union.

German Kortabarria has been one of the key figures in the ELA trade union movement. His involvement in the trade union can be traced back to its period underground. He held key positions in ELA, with the most recent being Deputy Secretary General and Communications Officer. Adolfo Muñoz Txiki will replace him as Deputy Secretary General and Patxi Agirrezabalas as Communications Officer.



## POLITICS

### ■ ELA condemns the ETA attack in Durango

ELA has condemned ETA's attack in Durango on 24th August, "which has yet again generated indignation and concern in the Basque society". ELA reiterated that ETA should abandon its strategy of violence and coercion, "as it hinders the work of those of us that are committed to social and political change and to overcoming the conflict facing this country".

## OPINION

### "FURTHER TAX CUT FOR COMPANIES"

Basque institutions are racing to see who will cut the corporation tax the most. Gipuzkoa Provincial Council has therefore approved a project to reduce it. The political majority argues that company taxes need to be cut, because that will allow them to be more competitive. This approach is completely unfounded and only benefits the business class, which pays increasingly less tax.



Much could be done with the million of euros that are no longer collected. For example, expenditure on social services could be increased, which is really needed. But the political option is not to cover social needs and to give that money to the business community, despite the fact that we are at the bottom of the EU league in terms of social protection and that this distance gets bigger every year.

There is no reason to lower this tax. First of all, as despite the years of economic growth and huge profits, the majority of Basque companies, 55.1%, do not pay even one euro in tax as they post losses. This rather unbelievable fact is just further proof of the huge tax fraud to be found in non-working income.

On the other hand, the corporate tax pressure is 2.1% of the GDP, the lowest of the EU-15, except for Germany. The distance will increase with the proposed reform instead of being reduced. The real tax rate paid by the companies is also way below the nominal 30%: the real rate is 15.8% and will drop to 12% with the proposal.

Competition is not an excuse. Companies that are not competitive do not make profits and, therefore, do not have to pay the tax. Therefore, increasing or decreasing corporation tax does not affect their competitiveness. And a new cut to the corporation tax has been announced for next year. The race continues.

Mikel Noval,  
ELA Head of Studies

# ELA newsletter

## Solidarity of Basque Workers

**Janire Dominguez, Occupational Health Officer**

### **“THE ADMINISTRATION IS NOT DEALING WITH THE ACCIDENT RATE”**



**A total of 72 workers have died in The Basque Country so far this year. The constant trickle of victims has continued through the summer. The figures are revealing: 14 people have died in July and August as the result of different accidents in the workplace. Janire Domínguez, the Occupational Health Officers, talks to about this serious problem.**

**-Yet again, the accident figures are alarming this year.**

-According to the figures up to 21st September, 72 workers have died in The Basque Country. If this trend continues to the end of the year, the figures will be similar to those of 2006. The figures are very worrying. However, it seems that the authorities do not seem consider them to be very important.

The situations surrounding accidents in the workplace are usually the same time and time again: young workers in the majority, with temporary contracts, sub-contracted, in precarious work conditions, that work many hours, with a lack of safety measures...

**-ELA has repeatedly condemned the reluctance shown among politicians to tackle the situation.**

-Management repeatedly fails to comply with the law and the authorities look the other way. The companies thus feel as they are outside the law. This government's line has been not to tackle the fundamental causes of the accident rates, not to tackle the employers, and approve and foster this job market: deregulation and deterioration of the work conditions: temporary contracts, sub-contracts, cheap lay-offs, many new jobs with salaries under a thousand euros, quite a way under...

**-July and August are usually when most workers are on holiday. However, the number of deaths in the workplace is very high. What is the reason for this.**

-There are many reasons, but it is obvious that the main ones at that time of year are the rush to finish the project or tasks, the high temperatures, the increase in job insecurity...

**-The Basque Government recently approved the**

**2007-2010 Health and Safety Strategy. What does ELA think of it?**

--The goals are poor and insufficient and are in line with the lack of allocated funds. The budget that has been allocated to Osalan over the year is very low and has not been raised. This means that there are not enough thorough inspections and checks. It all goes on bureaucracy, but we need to look at what has been done so far, analyse the results and ensure there is a real desire to find a solution.

It is not enough to announce that health and safety in the workplace is a priority. They have to act, deal with the underlying causes and provide the necessary resources to solve them. It is unacceptable to announce that this is the matter for everyone, and thus avoid their responsibilities. They are more concerned about creating the conditions to allow the companies to make record profits, even though this is at the cost of the health and safety of the workers.

