



# ELA announces new action AGAINST SLASHED PENSIONS AND WORKERS' RIGHTS

apatero's Government has announced two proposals to overhaul Pension Reform and Labour Reform. The announced measures are a major setback to workers' rights. Spanish government proposes cutting public spending on pensions as a way out of the crisis, which would, obviously, involve slashing them in a country were the average pension is 772 euros/month (958 in the Basque Country). Different measures are therefore being considered, but they all aim to lower and reduce spending on pensions. The labour reform aims to make it cheaper to get rid of a worker and make the job market more flexible.

This is all happening at a time when companies are laying off large numbers of workers, at a higher rate than in any other country of the EU. Over the last 18 months, the number of unemployed has doubled in the Basque Country and has shot up from 6% to 11.5%. Over that same 18-month period, employment fell by 7.5%, while the downturn did not even reach 3% for the EU as a whole. At the same time, management is exerting great pressure on the collective bargaining processes to slash the rights won by the workers after years of struggle.

And not satisfied with attacking the contents of the collective bargaining process, they have turned their sights on the process it self. They claim that collective bargaining is a hindrance and they want to get rid of it. Faced with these attacks, ELA, along with the other trade unions that make up the Basque trade union majority, will continue with their plan of action that began with the general strike on 21 May 2009. We warned at the time that if there was no radical U-turn in the policies being applied, lay-offs would be inevitable. And now that is occuring. As we predicted, management has expected the workers to bear the burden of a crisis for which we are not responsible. There are more than enough reasons to take a stance. Only trade union action will manage to stop this wave of cut backs.

# WE WANT DECENT PENSIONS AND DECENT JOBS

When ELA convened the general strike on 21 May 2009, which was followed by the campaign to support our proposals to deal with the crisis, we were already warning that if there was no change in public policies, the restructuring would result in workers losing their rights (derechos). And it did not take long for the government to come forward with proposals that involved slashing pensions and labour reform. Both are part of a plan to reduce job and social rights, while it is business as usual when it comes to looking after economic interests and banking.

## **PENSION REFORM**

### **Proposed measures**

Increase the retirement age from the current 65 to 67.

Reduce the new pensions, by modifying the system used to calculate them. (Increasing the number of years of contributions)

Increase the contribution period (currently 15 years) to be entitled to a pension.

- Delay early retirement (currently 52 years old).
- Cut widow's pensions.

### Assessment

- The goal is to slash new pensions.
- Public pensions to be reduced and greater emphasis placed on private pension systems.
- Any discussions regarding funding rejected.
- These measures are further proof of the neo-liberal approach of public policies.

## **LABOUR REFORM**

### **Proposed measures**

- Dismissals cheaper, compensation slashed.
- Greater employment flexibility.
- Greater use of temping agencies and introduction of private employment agencies.
- Collective bargaining structure changed.

## Assessment

- These measures make dismissals easier and cheaper, increase flexibility and job insecurity and privatise job centres.
- The result will be a job market with more unemployment, job insecurity and low salaries.
- The measures give even more power to management. .



In order to react to the attacks on our rights, ELA, along with the other trade unions that make up the trade union majority, have started to take action to demand that the government withdraws the reform proposals and a change in approach in public policies. On 2 March, a meeting was held with 3,500 delegates, followed by a demonstration in Vitoria-Gasteiz. On 8 March, acts and demonstrations were held in the main cities. The next scheduled date for action will be on Saturday 27 March, when demonstrations will be held in the provincial capitals.

Shop opening times: Not one open the Basque Country

## **"TIME OFF FOR EVERYONE ON PUBLIC HOLIDAYS"**

In recent years in the Basque Country, as in other places, there has been a significant increase in the number of large retail outlets, thanks to the opportunities offered by the authorities. Despite that and the great pressure applied and which continues to be applied to open their centres on public holidays, these large retail outlets are not opening on any public holiday, even though they are allowed to open 8 times a year on bank holidays, thanks to trade union pressure in the Basque Country.

It is a crucial trade union battle from different points of view. From the perspective of the working conditions of the sector's workers, working on Sundays and public holidays goes against balancing home and work, threatens job stability and leads to job losses in small stores. From the perspective of the model of society, it foster consumerism, an unsustainable model that is not environmentally friendly, is detrimental to the use of local products and threatens traditional stores, which leaves the villages and urban centres without life.

As the Federal Constitutions Court of one of the German Länders pointed out:

"A merely economic interest to sell by the large retail outlets and a driving desire to buy by potential customers are not sufficient, in principle, to justify the opening of stores on public holidays....".



## 8 MARCH REFORMS: GREATER JOB INSECURITY AND POVERTY

Demonstrations against the cuts announced by Zapatero's government and job insecurity were organised by the trade union majority on International Women's Day (8 March). Demonstrations and meetings Parity achieved after 16 months on strike

## SABECO: WOMEN FIGHTING FOR THEIR RIGHTS

After 16 months on strike, the women employed by Sabeco supermarkets in the town of Errenteria reached an agreement on 16 February for parity with the Gipuzkoa food sector provincial wage agreement. For over four years, the company's wage agreement for Spain as a whole, which envisaged an average salary of 730 euros a month, bonuses included, was applied to the workers. The workers therefore went out on indefinite strike on 13 October 2008 to demand that the Gipuzkoa food sector wage agreement be used. This agreement significantly improves the wages and working conditions of the Sabeco nationwide company agreement. And thanks to their struggle, they have achieved it.

The agreement, which will be in force for four years, means the workers' job conditions have significantly improved. In terms of salaries, we are talking about a 27% increase, which means an extra 5,000 euros a year. The working week has also been considerably reduced, as it drops from 1,784 hours in the nationwide agreement to the 1,731 hours in the provincial one, i.e., 53 hours less. The part-time workers have also seen the percentage of their working week increased, with the ensuing advantages. Then, of course, there are other improvements such as 100% of the Temporary Disability benefits, for example. It is a historic event. 52 workers have broken the unbending attitude of one of the largest European multinationals -

Sabeco is owned by Aucham, the French multinational – and have dealt a decisive blow to one of the stingiest nationwide agreements. This victory shows that the trade union model that ELA defends is successful: trade unionism defending the working class, workers'



rights and which takes a militant stance.

were held in Vitoria-Gasteiz, Iruña-Pamplona, Donostia and Bilbo.

Jone Bengoetxea, the Gender Equality Officer, stressed that the reforms announced by Zapatero's Government would lead to greater job insecurity and poverty for women. "The proposed measures will help to heighten the differences between men and women. They ignore many of the realities of job insecurity and will lead to poorer living and working conditions for women, as they continue to be aimed at a job market based on the sexual division of work".

## ELA newsletter Solidarity of Basque Workers

# Adolfo Muñoz, Txiki, secretary general "MANAGEMENT SEE COLLECTIVE BARGAINING AS A NUISANCE"



Adolfo Muñoz, Txiki, ELA Secretary General, analyses the collective bargaining situations and management's attacks against workers' rights.

#### -What is the current situation of collective bargaining?

-We have spent time getting ready to take on, from an organized stance, management's excessive ambition. The crisis situation is being used to attack the rights that we have won and to pressure and blackmail companies and sectors. It is obvious that, with the backing of political power, they are positioning themselves to get more benefits once the crisis is over. We have decided to fight against this situation by making sure our organisation is more effective.

## -Is the Collective Bargaining process under strong attack?

-It is. Management wants to get rid of anything that might threaten the huge profit margins of the shareholders. They are setting their sights on the collective bargaining progress, as it makes things difficult for them. They want to end collective bargaining, as it is a wealth distribution instrument, and they therefore try to write it off as something that no longer serves its purpose. Management is proposing that they should get rid of it.

## -What does ELA think about these attacks?

-They are totally unacceptable and we are therefore going to fight against that position. It is not acceptable that management, with the backing of the governments, dare to do what they are now doing. There are specific proposals to increase the working week significantly, more flexible conditions for the benefit of the company and with no quarantees for the workers, freezing salaries, loss of seniority, getting rid of ultra-activity (ultraactividad which means that, according to law, a collective agreement remains valid after its expiry, if it has not been renewed), refusing to respect trade union rights... all of which are contained in a single proposal. They are becoming defiant and they have to be stopped in their tracks.

#### -And what is ELA demanding?

-Nosotros le seguimos dando -We are continuing to spotlight the collective bargaining process. We

were very aware what we would be facing when we prepared this year's process and even though we know it is going to be hard, we are ready to fight. We are demanding wage increases over the CPI, decent and stable jobs, a lower working week, occupational health and safety, and fighting against discriminations are the key contents of our platforms and underpin our work.

#### -It does not seem that it is going to be easy to taken on these attacks from management....

-It is not and it is not going to be easy. But the trade unionism that we represent, trade unionism based on militant action, knows that our success lies in being organised. Our own limits regarding our organisational capacity are the only brake on our trade union action and on achieving far-reaching contents in favour of the worker. The SABECO example is a benchmark in what can be achieved when a workforce, mainly made up of women, comes together and gets organised to force a multinational to improve their working conditions. We know we are right and we must remain strong. That is our challenge.

MANAGEMENT ON THE ATTACK. THEY WANT TO GET RID OF COLLECTIVE BARGAINING TO STOP WEALTH DISTRIBUTION. OUR CHALLENGE IS TO GET ORGANISED TO STOP THEM IN THEIR TRACKS.



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