

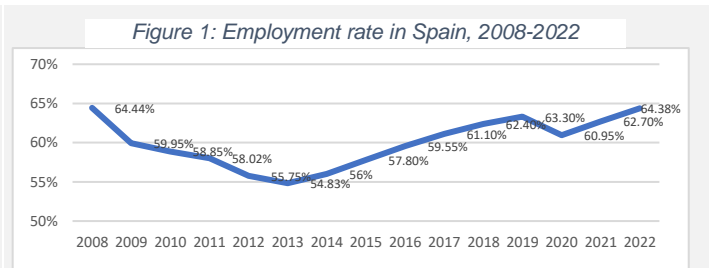
# Social Dialogue in Defence of Vulnerable Groups in Post-COVID-19 Labour Markets (VS/2021/0196)



## Spain

### COVID-19 labour market developments

- In 2019, the unemployment rate stood at 14.1%, and in 2020, it rose to 15.5%.
- The labour force participation rate fell by more than 1 percentage point, dropping from 81.03% to 79.94%, during the year the pandemic started.
- In both the second and fourth quarters of 2020, there was a reduction in actual weekly hours worked, with a decrease of -0.4 hours during each of those quarters.
- In the second quarter of 2020, there was a significant increase in temporary absence from work, amounting to a 20.6 percentage point rise.



### COVID-19 and vulnerable groups

- Individuals with non-standard contracts
- Low-wage workers
- The lower educated
- Unemployed
- Self-employed
- People in a vulnerable situation due to digitalisation

- Migrants
- Disabled people
- Young individuals
- Women

### Social dialogue in defence of vulnerable groups

- During the pandemic, Spain witnessed a substantial surge in social dialogue as social partners actively participated in crafting measures to safeguard vulnerable groups through negotiations and collaborative efforts, ultimately bolstering their credibility and legitimacy.
- This boost in social dialogue was not limited to the national level; it extended to regional levels as well, with multiple tripartite agreements being reached.
- The regulation of Spain's temporary job retention schemes (ERTEs) emerged as a focal point of tripartite social dialogue, highlighting its importance during the pandemic.

- Role of NGOs in social dialogue: a new aspect was the involvement of NGOs by trade unions, to try to reach out more effectively to certain pockets of poverty and vulnerability.
- Innovation in negotiation methods: agreements in a telematic way.
- In the post-pandemic period, negotiations among social partners slowed down, with concerns raised by trade union representatives about employer representatives disengaging from critical discussions on reforms related to minimum wage, pensions, and post-crisis labor market issues.

### Policy relevance

- Through the signing of six tripartite agreements (Social Agreements in defence of employment), the ERTE measures were consistently extended to provide ongoing protection for unemployed individuals and non-standard workers.
- In the 3rd tripartite agreement, provisions were made to provide preferential access to training courses for individuals affected by ERTE, with a particular focus on low-skilled workers, young individuals, and those with non-standard contracts.
- Under the 3rd social agreement, an extraordinary unemployment benefit was established for workers with fixed-discontinuous contracts or those engaged in indefinite and periodic work that was affected by ERTE during their scheduled work periods.

- In the 4th social agreement, flexibility was introduced to the eligibility criteria for joining the Sistema Nacional de Garantía Juvenil. This change allows young people and unaccompanied foreign minors affected by an ERTE to participate, with a focus on promoting intermediation, employability, support for hiring, and entrepreneurship for these vulnerable groups.
- The 4th Social Agreement for the preservation of employment extended the MECUIDA Plan, granting the right to flexible working hours during the pandemic period to assist non-self-sufficient family members.
- Furthermore, the 4th Social Agreement established that self-employed workers forced to suspend their activities due to COVID-19 containment measures can benefit from an extraordinary cessation of activity allowance, subject to specific requirements. Additionally, self-employed workers who received this benefit on May 31 will be exempt from contributions between June and September 2021, with the exemption gradually decreasing.

### Further information

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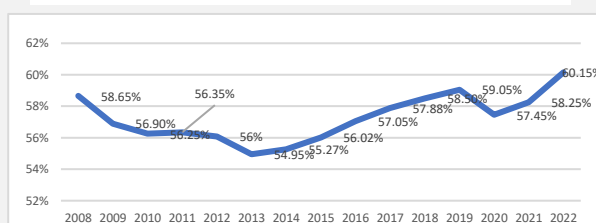


### Italy

#### COVID-19 labour market developments

- In the second quarter of 2020, Italy reported a fall in employment levels of -3,6%.
- When the pandemic firstly appeared in the second quarter of 2020, Italy witnessed a decrease in the actual weekly hours worked of -1.3 hours.
- During the same period, there was a significant increase in the temporary absence from work, i.e. 16.3 percentage points. The total number of jobs supported by governmental measures actually used by the local units amounted to 1.086.470 from June to December 2021, with the same figure recurring in every above-mentioned month.

Figure 1: Employment rate in Italy, 2008-2022



#### COVID-19 and vulnerable groups

- Individuals with non- standard contracts
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- The lower educated
- Migrants
- Disabled people
- Young individuals
- Women

#### Social dialogue in defence of vulnerable groups

- Social partners primarily engaged in information sharing and consultation with the government holding political control.
- During the pandemic period, the social partners were engaged in different moments of dialogue, listening and discussion with the government.
- The Health and Safety Protocol, a result of strong synergy between social partners and the government, marked the pinnacle of social dialogue during the pandemic, while the government played a dominant role in other measures.
- The active participation of all trade union organizations in signing the Health and Safety Protocol was a significant departure from the prevailing trend of abandoning tripartism. A shared willingness to adopt a cooperative approach emerged from the protocol.
- SD improved where it was already mature, where labour relations were not strong there was no progress.
- Several important measures to support income and employment and to protect health at the workplace were also established at sectoral level by social partners.
- All representatives of the social partners interviewed emphasized a strengthening of social dialogue during the pandemic period.

#### Policy relevance

- Health and Safety Protocol: a tripartite agreement signed by the main Italian social partners to counter and contain the spread of the Covid-19 virus in workplaces.
- Stop of Layoff: a measure initiated by the government at the onset of the emergency and subsequently extended multiple times, even beyond the pandemic's peak.
- Income maintenance schemes: largely provided in the form of a one-time bonus ranging from 600 to 1000 euros, were implemented for an indiscriminate range of dependent and autonomous workers possessing specific requirements.
- Measures to support parenting and work-life balance: Extraordinary Parental Leave for private employees, Bonus baby-sitter, Extension of leave for assisting disabled family members.
- Emergency income (REM), introduced with the article 82 the Law Decree n. 34, 19 May 2020, is an economic support measure in favor of families in difficulty due to the epidemiological emergency from Covid-19. It represented an important response to the most disadvantaged and vulnerable families.
- Instruments from bilaterality. For example, inclusion of individuals with non-standard contracts in the *Fon.Te.* pension fund. Originally established as a complementary pension fund exclusively for employees in the service sector, it was subsequently extended to encompass freelancers and self-employed individuals. Other examples are the interventions provided by bilateral funds in other sectors, such as "fondo bilaterale per la somministrazione", "fondo bilaterale dell'artigianato", "Ente Bilaterale Nazionale del Turismo (EBNT)", "Ente bilaterale nazionale per gli studi professionali (EBIPRO)", "Fondo di solidarietà bilaterale per le attività professionali", "Fondo di solidarietà per il settore del credito" and many others.

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