

## Work Package 3: Industrial Relations pre-Covid19

### SPANISH REPORT

#### Part I: General overview of Industrial Relations in [your country] pre-COVID-19

##### Introduction

The Spanish industrial relations model has been characterized, for many decades, by the following basic features:

- a) High rate of employees (84% of the employed), high relevance of the service sector (75.76% of employees), trend of reduction in the number of employees in the industrial sector (14.74% of employees)
- b) Predominance of small and micro-enterprises (43% of employment, 67% if medium-sized companies are included) and high specialization in activities linked to tourism and construction sector
- c) Highest temporary employment rate in Europe (26.1%)
- d) Significant presence of immigration (Moroccan and Latin American) in certain productive sectors and professions (construction, agriculture, domestic service, agriculture, hotel and catering and commerce)
- e) An unemployment rate above the European average (around 13.96%), particularly high among the young people (30.5 % among the under 25s)
- f) High gender wage gap (around 24%)
- g) A significant difference between *Comunidades Autónomas*, which is narrowing
- h) Tendency to control irregular employment

Spain closed in 2019 a six-year cycle of GDP growth, accompanied by employment growth and declining unemployment rates. At the end of the cycle that began in 2014, 75% of the employment lost during the financial crisis has been recovered.

On a less positive note, the economic recovery was accompanied by a loss in the share of wages in total income, and even a fall in workers' purchasing power. According to the Tax Agency, average wage growth in the period 2007 - 2020 was 10.2%, while in the same period inflation increased by 20.3%, according to the National Statistics Institute. This development has obviously not been linear, as it affects certain sectors and workers at the bottom of the occupational classifications more negatively. Consequently, the second decade of the 21<sup>st</sup> century has had a negative effect in terms of inequality, so that the Gini coefficient in Spain increased by just ending 2019 six tenths above the initial figure for 2008.

In 2012, a far-reaching reform of labour law was passed, without agreement with the trade unions. The reform gave preference to company collective agreements, especially in the area of pay, and established a maximum period of one year for the renegotiation of a collective agreement. At the end of this period, the working conditions provided for in the collective agreement cease to apply. In addition, this reform established a more permissive regime for dismissals for economic reasons. As a result of these reforms, the contractual power of trade unions was negatively affected and there was a significant wage devaluation and immediate job destruction. As a result of these reforms, the

contractual power of trade unions was negatively affected and there was a significant wage devaluation and immediate job destruction. The recovery of previous employment figures and working conditions is very slow.

### 1) Who are the main actors?

#### Most Representative Business Organizations

*Confederación Española de Organizaciones Empresariales (CEOE)*<sup>1</sup> represents the business community as a whole, from all productive sectors, from all territories, from both large and micro companies, with the sole exception of the public sector. It brings together more than 240 business organisations and more than two million companies. Associated with this organization are *Confederación de la Pequeña y Mediana Empresa (CEPYME)*<sup>2</sup> represents smaller companies, and *Asociación de Trabajadores Autónomos (ATA)*<sup>3</sup>, which brings together the largest number of self-employed workers.

However, in some sectors there is a significant disparity of criteria between large, medium and small companies, which leads to the existence of different representative business organizations in these areas depending on the size of the companies concerned: agriculture, commerce, construction, transport. In any case, this business pluralism does not prevent all of them from forming part of the large general business organization (CEOE).

#### Most Representative Trade Unions

*Confederación Sindical de Comisiones Obreras (CCOO)*<sup>4</sup>

It is the leading trade union in Spain in terms of both membership (976.910) and the number of works council members (97.086 or 35%). CCOO is structured in 7 federations that bring together affiliates working in all sectors of economic activity.

*Unión General de Trabajadores (UGT)*<sup>5</sup> is the second largest trade union in Spain, with 941.485 members and 87,663 members of works councils (32%). UGT is structured in 7 federations than bring together affiliates working in all sectors of economic activity.

In addition to the above, some trade unions are representative in certain specific areas, for example, at territorial level in País Vasco, Galicia and Navarra, in some sectors like public administrations, as well as in some professions like those that trains drivers, airlines pilots, and air traffic controllers.

### 2) Is your system highly regulated by the state? Here, it would be good to know something about the character of your IR regime, i.e. regulated or voluntarist in character.

In terms of comparative law, in Spain there is an intense regulation by the State of all the institutions of the industrial relations system, both from an individual and collective perspective. State legislation establishes basic working conditions (minimum wage, maximum daily and weekly working hours, minimum breaks and holidays, contracting modalities, dismissal regime).

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<sup>1</sup> <https://www.ceoe.es/es>

<sup>2</sup> <https://www.cepyme.es/>

<sup>3</sup> <https://ata.es/>

<sup>4</sup> <https://www.ccoo.es/>

<sup>5</sup> <https://www.ugt.es/>

Collective bargaining takes on a complementary role, adapting working conditions to sectoral, territorial, professional and business needs.

Collective bargaining achieves a high coverage rate of around 90% of all employees, due to the extensive presence of trade unions, the existence of a wide network of sectoral agreements, and the general and mandatory effectiveness of collective agreements.

Collective agreements must be negotiated in accordance with a regulated procedure, which imposes representativeness requirements on the negotiators and lists minimum matters to be included in the agreement. The negotiators are free to determine both the scope of bargaining and the material content of the collective agreement.

### **3) What kind of employee representation is prevalent in your country?**

Spain has a dual system of worker representation in the company (trade union representation and works councils).

Company trade union sections made up of all those affiliated to a trade union in a company, who are represented by one or more trade union delegates, who must be employees of the company. In companies there may be several trade unions sections of different trade unions.

All workers (members or non-members) in a workplace can elect a works council, in workplaces with 50 or more workers, or *delegados de personal*, in workplaces with 6 to 49 workers. Micro-enterprises cannot choose this type of worker representation. Election is by personal, free, direct and secret ballot. The candidates, who are employees of the company, must be endorsed by trade union organizations or by a group of employees. In any case, the elections require some workers to stand as candidates, so not all companies in Spain, even if they have the minimum number of workers required by law, have general representation. The works council is a collegiate body whose number of members depends on the size of the company and may be members of different trade unions.

In general terms, there is a certain distribution of spaces, so that the representative activity within the company is basically assumed by the works councils or *delegados de personal*, although with a control by the trade union organizations, not only because the people who form part of this representations are strongly unionized, but also because the representative activity in the supra-company spheres is carried out directly by the trade unions.

### **4) What is**

#### **a. Union density in your country**

There are no official membership data in Spain, nor is there a rule that obliges unions to publish the number of members periodically. Information usually handled is obtained from the economic reports that each union must approve in its congresses, in which the number of fees paid by the affiliates must be stated. For this reason, it is relatively easy to obtain reliable data on membership of the major unions. On the other hand, determining the total number of affiliated workers in Spain is a more complicated operation, given the multitude of unions registered in our country.

However, some studies place the affiliation rate in our country at around 17%, a figure that, according to these same sources, has not registered significant variations in recent years<sup>6</sup>.

In any case, it should be noted that in Spain the affiliation data has a relative impact on the functioning of the industrial relations system. The roll of the different trade union organizations depends on the results obtained in works councils and shop stewards' elections. In this way, their percentage of representativeness is determined, which serves as a scale for their union activity as a whole, especially with regard to their leading role in collective bargaining and social dialogue.

#### **b. Employers' organizations rates in your country**

There is no reliable data on membership rates among employers' organizations. The organizational unity of the business associations within the CEOE means that it is considered fully representative for all purposes. The weight of companies within the CEOE is modulated both in terms of the number of affiliated companies (which gives greater value to small companies) and the employment provided by each of the affiliated companies (which gives greater value to medium and large companies).

#### **c. Collective bargaining rate in your country**

Disputes about the coverage rates of Spanish collective bargaining are also frequent. In this area, there are official data on the number of workers covered by collective agreements. The problem stems from the weakness of the source that reports the number of workers affected by each collective agreement, a statistical sheet filled in by the negotiators. Sometimes negotiators do not know the exact number of employed persons, sometimes this number changes significantly during the term of the collective agreement and, above all, there is often a double counting of the persons affected by company collective agreements. In any case, in the data published at European level, the coverage rate in Spain is between 70 % (ETUI) and 98 % (ECS), while some national studies place it at around 87 %, the most reliable estimate being above 90 %.

#### **5) How strong are unions, respectively employers' organisations vis-à-vis the state?**

Social dialogue in Spain has played a major role since the return to democracy, although it has gone through periods of greater or lesser intensity in its development. The design of the basic institutions of the democratic system of industrial relations, since the end of Franco's dictatorship, was built on fairly extensive processes of social concertation between the government and the social partners. For a long time, the most important milestones of labour reforms were preceded by intense processes of social dialogue, regardless of the fact that in some cases the intended consensus was not achieved, and the measures were adopted unilaterally.

The dynamics of social dialogue on structural reforms were interrupted during the financial crisis from 2010 onwards. Some labour law reforms were carried out without consultation processes with the social partners and with the opposition of the most representative trade union organisations.

In the run-up to the COVID-19 pandemic, social dialogue practices began to recover as a result of the change of Government. The recent labour reform of December 2021 (RDL 32/2021) culminates a process of social dialogue in which consensus is reached by all parties, which is indicative of an increased willingness to engage in social dialogue, although not all labour issues

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<sup>6</sup> Vandaele, K. "Estudio de la Afiliación Sindical en Europa desde 2000", Fundación 1º de mayo, 2019.

are reached (for example, employers have rejected the recent increase in the minimum interprofessional wage). In any case, it should be noted that Spanish legislation provides for the presence of stable bodies for consultation on the management of public policies in a wide range of areas, including labour, economics and the management of certain public services.

#### **6) What is the balance between social partners and the state?**

The agreements on labour legislation and social security, frequent during the previous years, disappeared during the years of the financial crisis in which the Partido Popular Government imposed a reformist agenda, based on the idea of austerity, promoted by the institutions of the European Union, especially the European Central Bank. These reforms, together with the sharp rise in unemployment rates, led to a significant loss of trade union influence.

#### **7) How important is legislation vs. collective agreements in regulation of labour market?**

Spain is traditionally characterised by a model of extensive interventionism of public power in its triple expression: legislative, executive and judicial. Labour legislation covers almost all labour institutions, from the design of the functioning of the labour market to the regime of termination of employment contracts and the establishment of minimum working conditions. State legislation also regulates the basic institutions of collective law: freedom of association, participation and representation in the company, collective bargaining, strike and collective conflict measures, as well as mediation and arbitration procedures for the resolution of collective conflicts.

Collective bargaining, which is strongly encouraged by the public authorities, plays a complementary role in managing wage income policy and adapting legally established working conditions to the specific characteristics of sectors, companies, regions and occupations. Recently, collective bargaining and, more specifically, information and consultation procedures have been given important roles in corporate restructuring processes and, therefore, in the control of corporate flexibility policies.

#### **8) How is the bargaining primarily organized - sector, industry/branch and/or company level – and what does that mean for the power balance?**

The Spanish model gives the social partners full freedom in the choice of bargaining levels. The most representative trade union and employers' organisations determine the structure of collective bargaining through inter-federal collective bargaining agreements.

The current structure of collective bargaining maintains the historically dominant model, with the introduction of some changes. Initially, the system was characterized by a network of sectoral collective bargaining agreements at the provincial level, oriented towards small companies, on the one hand, and company agreements for large companies, on the other. This duality determined the existence of a markedly decentralized model of collective bargaining, with the aim of dispersing labor conflicts and fragmenting union activity.

The democratic model of labor relations, without breaking with the previous design, produced an evolution towards the centralization of collective bargaining in two ways. On the one hand, through sectoral collective bargaining agreements at the national level; on the other hand, through interconfederal agreements at the top for all sectors, which set the bargaining guidelines for all bargaining levels. Notwithstanding the foregoing, there are around 5,000 collective bargaining agreements in force in Spain, which determine a collective bargaining structure with a high degree of decentralization. It has been proposed either the progressive elimination of

provincial agreements or their replacement by collective bargaining agreements of the *Comunidades Autónomas*. Neither of these proposals has materialized beyond specific experiences. The 2012 labor law reform was intended to strengthen the weight of collective bargaining at the company level, although this has generally not been successful. After ten years in force, company-level collective bargaining agreements account for barely 8% of workers, while sectoral (provincial or national) collective bargaining accounts for around 90%.

Regardless of the dominant bargaining structure in Spain, for the purposes of assessing the balance of power, what is most relevant is that the vast majority of collective bargaining agreements are negotiated with the joint intervention of the two major trade union organizations (CCOO and UGT), and that in sectoral bargaining there is almost always a business interlocutor who is part of the major employers' organization (CEOE). This is complemented by the fact that since the introduction of the euro, these most representative organizations have been periodically concluding Interconfederal Collective Bargaining Agreements, which establish the guidelines that are subsequently transferred to the collective bargaining tables as a whole.

#### **9) Are certain branches leading in negotiations?**

Although there are sectors with better working conditions in Spain, no sector can be considered to assume any kind of leadership in collective bargaining processes. Interconfederal collective bargaining agreements assume the role of setting the guidelines for collective bargaining. However, on certain occasions the negotiation of some specific collective bargaining agreements is presented as emblematic or symbolic of what is later transferred to other collective bargaining agreements.

#### **10) What has changed over the 10 years leading up to COVID-19?**

The organizational and technological changes that have taken place in recent years have had an impact on the industrial relations system, both in the internal organization of trade unions and employers' organizations and in the structure of collective bargaining.

Among the organizational changes, the intensification of outsourcing processes in companies has led to the fragmentation of company workforces, the weakening of certain collective bargaining agreements, and the emergence of new collective bargaining agreements.

Technological changes, especially those resulting from digitalization, have led to the emergence of businesses that are not easily incorporated into more traditional sectoral agreements. As a result of these changes, new collective bargaining agreements appear, at the sectoral or company level, but also certain types of companies are left outside of collective bargaining.

In any case, neither organizational nor technological changes seem to be causing a drop in the collective bargaining rate.

It is also worth noting that since some time ago there has been a significant reduction in the public business sector and, with the emergence of new business opportunities in the private sector, which has also led to the emergence of new collective bargaining agreements, in this case mainly at the company level.

Moreover, pressure from the 2010 financial crisis and some elements of the 2012 labour reform have led to a certain weakness in the bargaining power of trade unions.

## Part II: Industrial Relations in aviation pre-COVID-19 (7-8 pages)

### 1) Who are the main actors in aviation?

The company structure in commercial aviation is characterised by a significant plurality both in terms of airlines in the strict sense of the term and of companies in the sector's value chain. In contrast, air traffic control activities are carried out by a public company.

#### Employers' organisations

**Asociación de Líneas Aéreas (ALA)**<sup>7</sup> Although it groups most of the airlines, it is not involved in industrial relations. The leading role in industrial relations is played by companies, because collective bargaining takes place at the company level and at the level of one profession (pilots, crews, etc.).

No state-owned airline operates in Spain, nor are the most important airlines owned by Spanish capital. In this sense, no legacy carrier operates in Spain. Some companies are clearly low cost, although the rest are not strictly traditionally managed, as they either have low cost subsidiaries (Iberia express) or are consortiums with other low-cost companies for certain routes.

The main airlines by volume of passengers in 2019 would be the following:

RYANAIR (43.704.621)

Grupo IBERIA (16.982.210 + 6.238.218 Iberia Express)

VUELING (29.076.503)

EASYJET (17.860.171)

AIR EUROPA (13.075.556)

TUI Group (10.150.729)

Norwegian (8.333.619)

Jet2.com (8.035.409)

Eurowings (5.617.964)

Iberia and Vueling belong to the IAG group, although they act externally as fully autonomous companies.

**ASEATA**<sup>8</sup> is an employers' organization that brings together companies dedicated to providing handling services for third parties. The main companies in the subsector, such as IBERIA and GROUNDFORCE, form part of this association. Other airlines, RYANAIR and EASYJET, would be the main operators in the self-service format.

**ENAIRE**<sup>9</sup> is a public company that provides air navigation services in almost all Spanish airports.

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<sup>7</sup> <https://www.alaspain.com>

<sup>8</sup> <https://aseata.es>

<sup>9</sup> <https://www.enaire.es/home>

## Trade Unions

**CCOO** and **UGT** have a significant presence in the value chain of the sector, although with little representation in the airlines themselves, where the unions of pilots and flight crews have more influence.

Among the Pilots, **SEPLA**<sup>10</sup>, (*Sindicato Español de Pilotos de Líneas Aéreas*) due to its status as the majority union in the group of airline pilots, has union sections in all the airlines. **UPPA**<sup>11</sup> (*Sindicato Profesional de Pilotos*) formed in 2013 by a group of pilots from the Air Europa company, which is presented as an alternative to the SEPLA.

Among Flight Crew, **STAVLA**<sup>12</sup> (*Sindicato de Tripulantes Auxiliares de Vuelo de Líneas Aéreas*), the most representative airline in some airlines such as Iberia and Vueling. **SITCPLA**<sup>13</sup> (*Sindicato Independiente de Cabina de Pasajeros*).

The field of air traffic control is highly fragmented and there are a variety of unions (OCCA; SPICA), but by far the most representative is **USCA**<sup>14</sup> (*Unión Sindical de Controladores Aéreos*) for air traffic controllers, both for the public company which assumes the management of most of the activity (ENAIRES), as well as the private towers.

### 2) How has the financial situation and employment situation in aviation in your country developed prior to COVID-19?

In 2019, the Spanish air transport sector employed approximately 34,169 people within the Spanish market, which represented an increase of more than 1,600 workers compared to 2018. The evolution in the period 2008 to 2019 is shown in the following table.

2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
37.965	34.103	32.560	31.121	29.683	28.748	28.256	28.646	29.627	29.783	32.508	34.169

VUELING achieved profits of 132 million euros in 2019, compared to 149 the previous year. As of December 2017, the last document on staff published, VUELING employed 3,278 people, a figure that increases by 204 those employed in the previous year.

IBERIA achieved profits of 497 million euros, an increase of 60 million over the previous year. IBERIA employs 17,458 people, a figure that increases by 490 those employed in the previous year.

Ryanair closed the year 2019 with profits 4.2% higher than the previous year. Obtained a net profit of 88 million euros in the last fiscal quarter of 2019 (from October 1 to December 31, 2019)

### 3) What kind of employee representation is prevalent in the aviation industry in your country?

Although the general rule of predominant representation through work council, with strong union influence, is followed in the sector as a whole, there is significant union representation among pilots, cabin crew and air traffic controllers.

<sup>10</sup> <https://www.sepla.es/es/>

<sup>11</sup> <https://uppa.es>

<sup>12</sup> <https://www.stavla.com>

<sup>13</sup> <https://www.sitcpla.es>

<sup>14</sup> <https://www.usca.es>

#### **4) What is**

##### **a. Union density in aviation**

Union density in the aviation sector is much higher than in other sectors, because in the negotiation of agreements for specific groups of professionals, the representation by way of vote in the elections to works councils is not decisive, so that representativeness in these cases is measured by affiliation.

Among the pilots, the union density, in some companies such as IBERIA, reaches 100%. In the rest of the professions, the union density is also very high, although these figures are not reached. As an example, also in IBERIA, the ground crew reaches densities of 63.55%, while the cabin crew shows a much lower rate of 33%.

##### **b. Employers' organizations rates in aviation**

The structure of collective bargaining, geared towards the company level, reduces the relevance of employers' organizations. A notable exception occurs with respect to Handling companies, the majority grouped around the ASEATA organization. Something similar happens with the sectoral negotiation of private air traffic control, negotiated on the business side by APCTA.

##### **c. Collective bargaining rate in aviation**

The high rates of union density and the specificity of the structure of collective bargaining help to guarantee a high degree of coverage of collective bargaining, which reaches 100% of companies and workers. As an exception to this, Ryanair maintains an open conflict with the union representatives of the majority of the workforce, although it has reached an agreement with the pilots.

#### **5) What is the role of the state in aviation in your country?**

During the last decades of the last century, the Spanish government has privatised most of the large companies that were part of the public sector. The exit of IBERIA from public capital, and its integration into the IAG group, means that there are no flag carrier airlines in Spain. Notwithstanding the above, public aid has had an important promotional function and has reached all companies in the sector, including low-cost airlines. However, the vast majority of air traffic control activities, as well as the ownership and management of airports for commercial aviation, remain in the hands of the State.

#### **6) Has legislation been passed that specifically affects IR in the aviation industry in your country?**

European regulations on the liberalisation of passenger air transport have had an enormous effect on the evolution of the sector in Spain. In addition, there are non-strictly labour regulations for the sector that indirectly affect the management of the sector from this perspective, for example, regulations on occupational risk prevention and safety or regulations on academic qualifications for those who have to perform certain tasks in commercial aviation (pilots, air traffic controllers), regulations on compulsory retirement of pilots, regulation on working time, etc).

**7) How is bargaining primarily organized in the aviation industry, that is, sector, industry/branch and/or company level, and does Ryanair comply with the traditional mode of bargaining?**

Sectoral collective bargaining in the field of air transport began in 1995, when the process of replacing the *Ordenanzas Laborales* began<sup>15</sup>. UGT, representing the workers, and AECA, representing the employers, considered that it was not possible to negotiate a sectoral agreement, which led to an arbitration award of 12 March 1996 laying down rules governing certain matters. However, with the exception of the sectoral agreement in the handling activity and in the activity of air traffic control by private companies, collective bargaining in this area shows an almost exclusive prominence of company agreements, pilot agreements and cabin crew agreements.

Handlig

[CC GENERAL DEL SECTOR DE SERVICIOS DE ASISTENCIA EN TIERRA EN AEROPUERTOS](#)

In the case of IBERIA and IBERIA express, the following agreements apply:

Ground staff:

[XXI Convenio colectivo del personal de tierra de Iberia, Líneas Aéreas de España, SA, Operadora S Unipersonal](#)

Pilots:

[X Convenio colectivo entre Iberia, Líneas Aéreas de España, Sociedad Anónima Operadora, Sociedad Unipersonal y sus tripulantes pilotos.](#)

[Compañía Operadora de Corto y Medio Radio Iberia Express, Sociedad Anónima Unipersonal” \(trabajadores pilotos\)](#)

Cabin Crew:

[XVII Convenio colectivo de Iberia, LAE, SA, y sus tripulantes de cabina de pasajeros.](#)

[Compañía Operadora de Corto y Medio Radio “Iberia Express, Sociedad Anónima Unipersonal”](#)

In the case of VUELING, the following agreements apply:

Pilots:

[III Convenio colectivo de Vueling Airlines, SA, y sus tripulantes pilotos](#)

Caving Crew and Ground Staff

[Convenio Colectivo de Vueling Airlines, SA](#)

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<sup>15</sup> Ordenanzas Laborales or Labour Regulations issued by the Ministry of Labour, which set the minimum conditions for labour relations in the different branches of production. They are a reflection of the intense intervention of the State in labour relations and a consequence of the suppression of collective bargaining. They were important under Franco's regime (from 1938) and survived provisionally even after the adoption of the Spanish Constitution of 1978 until they were replaced by agreed rules.

- 8) What is the balance of power between employee representatives and employers? Here you should focus on agreements, specifically whether they involve employees having to agree to concessions. Naturally, there will be quite huge differences between the legacy airlines and Ryanair.**

The huge changes in the sector, with the entry of new low-cost companies and the privatisation of IBERIA, have brought about an unprecedented transformation. Under the threat of disappearance, the traditional companies have undertaken major cost-cutting plans that have had a clear effect on the working conditions that IBERIA workers had been enjoying.

In this context, the strong trade union membership has allowed the development of numerous negotiation processes that have enabled a broad restructuring process to be tackled without major conflicts.

At the same time, the emergence of new companies, with clearly lower standards of working conditions, has been favoured by the lack of workers' representation and the high degree of decentralisation of collective bargaining. The setting of abusive minimum services by the government, as subsequently declared by the courts, minimised the effects of the strike.

- 9) What tensions and conflicts (e.g. strikes, lock-outs or other labour conflicts) can be identified in the decade before 2020?**

In September 2019, Ryanair embarked on a nationwide restructuring process in which it decided to close four work centres and make 150 pilots redundant. The SEPLA union responded by calling several days of strike action.

The same company was involved in another conflict with the cabin crew during the summer of 2018 and the month of January 2019. On this occasion, the people belonging to this professional category requested the application of Spanish labour legislation.

Disputes in the aviation sector also affected other companies. In the case of IBERIA, ground staff at El Prat airport (Barcelona) went on strike in December 2017 and in July and August 2018, with the aim, among others, of improving the stability of employment contracts and the regulation of work times. Similar problems were addressed in the strike processes that took place at Gran Canarias airport in March 2017. But perhaps the most serious conflict in this company took place between November 2021 and March 2013, in which the management proposed the collective dismissal of almost 4,000 people. The process ended with a mediation agreement that led to the termination of 3,141 contracts.

Meanwhile, pilots at VUELING called a strike in April and May 2018. In SEPLA's view, the company was in breach of the applicable collective agreement on pay.

But, without a doubt, the most relevant conflict in the sector has been that of the air traffic controllers led by USCA, during the long weekend of December 2010. This conflict had such far-reaching repercussions and led to the near paralysis of airspace that socialist government decreed the first state of emergency in Spain's democratic history. The origin of the conflict lay in the government's decision to impose a reduction in the working conditions of traffic controllers, after

years of tension and fruitless negotiations. Air traffic controllers walked off the job en masse, resulting in the closure of Spanish airspace. Faced with this situation, the government decreed the state of alarm, which allowed the army air traffic controllers to take control of the airports. 130 controllers were criminally prosecuted, some of them reached an agreement with the Public Prosecutor's Office recognising a crime of abandonment of public service with a commitment to pay 15 million euros, which ended with agreements on the extent of liability. The lower court sentence condemned those who did not reach an agreement. A few days ago, the First Section of the Madrid Provincial Court acquitted the controllers. Although it considers that the action was a measure of pressure against ENA and the government as a reaction to the legislative measures, it has declared that the facts lacked criminal relevance and that the evidence was not effectively examined as there was no neglect or complete abandonment. This judgment is still subject to appeal.

**10) What has changed over the 10 years leading up to COVID-19 in the aviation industry and are these developments in line with the overall way the industrial relations system has changed?**

The uniqueness of the sector in Spain is very strong both in terms of the evolution of the sector and in terms of the collective bargaining system. In this respect, as mentioned above, the virtual absence of sector-wide collective agreements means that the collective bargaining system is extremely decentralised, with two main axes. On the one hand, company collective agreements, which affect ground workers and, in some cases, cabin crews; on the other hand, there are collective agreements for pilots, and in some companies also for cabin crew, which only affect this professional category that are part of the same company. Therefore, the 2012 labour reform, which, among other matters, modified the legal regulation of the structure of collective bargaining, has not had a significant effect in this area, as it was already a sector with a high degree of decentralisation.

In addition, although companies have disappeared in the sector (20 companies since 2000), leaving more than 22,000 people unemployed, new ones have been incorporated to absorb the employment. Gradually, both the most representative unions at national level and the most representative pilot unions have been established in these companies and have replicated the collective bargaining structure inherited from IBERIA.

The liberalisation of the sector has also allowed the entry of numerous handling companies, a circumstance that has allowed the conclusion of a sector collective agreement for these companies. However, on this point it seems that the 2012 labour reform has had a notable effect, as some of the companies that, in principle, could be affected by the sectoral agreement have maintained their own company agreement.

Within this framework of transformation, both the emergence of new companies and the disappearance of the dominant position and privatisation of the public company that for many years almost monopolised the airline industry, has facilitated the loss of the intense bargaining power that for years the trade union organisations that form part of this sector have exercised. At the same time, the government's abuse of minimum services in strikes in the sector, which has been criticised by the courts on several occasions, has further weakened the position of the IBERIA's trade unions.

With regard to the other companies, if at the time of their entry into the sector the absence of trade union representation facilitated the establishment of working conditions much lower than those established in IBERIA, the workers have progressively generated organisational processes that have culminated in collective conflicts and, in most cases, the improvement of working conditions through the signing of collective bargaining agreements.

Apart from these specifics, the trade unions present in Ryanair, which is trying to avoid the application of Spanish labour regulations by locating its activity in Ireland and applying Irish legislation, have shown fierce opposition, even with the support of the Ministry of Labour. In some cases, pilots' unions from different European countries have managed to sign some agreements, although the rest of the pilots' unions have not been able to achieve their demands to date.

## Conclusion

The Spanish model of industrial relations is built from the transition from dictatorship to democracy, on the basis of the design of the Spanish Constitution of December 1978; this model has been very stable since the 80s of the last century until the present.

From the collective perspective, it is characterised by the strong presence and representativeness of two large trade unions (CCOO and UGT), which have almost always acted jointly and with few disagreements between them, particularly in recent decades, while business representation is grouped around a single large business organisation, although very diverse sectoral and business interests are present within it.

Collective bargaining that is complementary to state regulations, very dispersed and generalised throughout the labour market;

From an individual perspective, there is a high rate of salaried employment, a tendency towards a reduction in irregular employment, a high rate of temporary employment and a notable precariousness of employment among certain groups of workers (women, young people, immigrants and, in general, workers with low professional qualifications).

On contrast to the general model, the aviation sector is characterised by a prevalent presence of pilots', air traffic controllers' and cabin crew unions as opposed to general unions whose scope of power is reduced to ground staff in a broad sense. Union density in the sector is much higher than in other sectors, particularly among pilots and air traffic controllers.

As a result, the structure of collective bargaining has pivoted around the company collective agreement and, within it, the coexistence of this agreement with specific collective agreements for a restricted scope of personnel for technical professionals such as pilots, cabin crew or air traffic controllers.

The liberalisation of the sector, the privatisation of IBERIA, and the emergence of low-cost airlines have led to a total transformation of the sector in this century. This development has led to the disappearance of 20 companies since 2000, with the consequent loss of employment.

The incorporation of new companies and the growth of the market have made it possible to maintain part of the employment, although in 2019 the figure for 2008 has not yet been reached. In any case, the new working conditions are inferior to the previous ones.

Gradually, both the most representative unions at national level and the most representative pilot unions have been established in the new companies and have replicated the collective bargaining structure inherited from IBERIA.

Ryanair's prominence, and its resistance to applying Spanish labour legislation, puts downward pressure on working conditions in the sector as a whole.

The aviation sector in the last decade in Spain has been enjoying good health as a result of an economy mainly based on services and tourism. The number of passengers had reached a record high in 2019, demonstrating the growing importance of this sector.

Before the pandemic, however, the bankruptcy of the world's second largest and oldest tour operator, the British Thomas Cook, had a negative impact on tourism. Despite this, annual forecasts and profits did not suffer as large a decline as expected.

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