

## **An overview of Spanish labour market reforms, 1985-2002**

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Most European countries are affected by high unemployment rates. Among the OECD countries, the performance of the Spanish labour market is among the worst as far as employment activity is concerned, with unemployment rates during the 1990s having reached levels far exceeding 20%. Accordingly, employment creation has been one of the primary challenges facing the Spanish government since 1980.

We follow the approach used by the OECD, by which a division into passive and active policies is established, which is used by a significant<sup>1</sup> number of scholars. While passive policies are those which act as a buffer against unemployment, active policies are geared towards solving the labour-related problems from their roots, so to speak.

The present report is organised as follows. First, we will introduce the nature of the unemployment problem in Spain and explore its main causes. In Section II, we go on to survey the current state of the Spanish labour market, dividing the labour reforms into passive and active policies. Upon discussing passive policies, we will analyse in some detail the reform of May 2002, which has provoked a general strike in Spain. Section III provides the historical context and identifies the paradigms at work, laying particular emphasis on the Reforms of 1994 and 1997, as well as the different reforms carried out on part-time work. We will also discuss there what constitutes in our opinion two of the most important features of the Spanish labour market: the issues of segmentation and collective bargaining in Spain. This discussion could serve as a

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<sup>1</sup> This classification is to some extent ambiguous: thus, the European Commission has repeatedly included the competition policy inside the agenda of active policies aimed at promoting employment. The reform of the education system undertaken within the period we are to analyse, or the importance of the high accidental rate in Spain constitute on the contrary issues of crucial importance when it comes to studying the market labour performance and its consequences in terms of welfare. Even though these latter issues will most likely be analysed within the WRAMSOC project, we will follow in the sequel a minimalist approach throughout this study.

basis for stimulating future research on the idiosyncratic features of the Spanish labour market<sup>2</sup>.

### **Some Possible Causes of Spanish Unemployment**

Examining the potential causes of unemployment is essential for understanding the scope and the drawbacks of the reforms undertaken in Spain. Account must be taken of the fact that there is no general consensus on the main causal channels at work. Since there are countless studies that attempt to tackle this issue, we feel obliged to be selective. Lack of flexibility was among the major causes which policymakers by and large agreed to exert an upward pressure on labour costs back in the 1980s. Since wage labour costs are not especially high in Spain, we shall concentrate on non-wage labour costs and shall omit from this section all the analysis focusing on the lack of wage moderation in the Spanish labour market. Neither will we consider the explanations based on technological change, as they depend on the very nature of the change, and no salient conclusion has thus far been achieved as to the impact of technological change on employment.

As far as non-wage labour costs are concerned, high hiring and firing costs could potentially be a cause of unemployment since they deter firms from hiring new workers in the face of economic growth. This may help explain the low elasticity of employment with respect to economic growth displayed in Spain during the 1990s.

Other strand of the literature lays stress on the negotiation process where core workers exert upward wage pressure, which in turn leads firms to make job conditions of outsiders more precarious in order to make up for the high insider wage-costs. Not only does this process help to explain the high unemployment rate, as noted by Bentolila and Dolado (1994), but it is also responsible for the segmentation of the Spanish labour market, since firms often make up for the high insiders' wages by cutting outsider's wages down.

In the economic literature, a labour market is said to exhibit *hysteresis* whenever temporary shocks (especially adverse historical events) appear to have permanent effects on employment or earnings. Traditionally, two plausible types of propagation mechanisms have been discussed for assessing the possible explanation of hysteresis: the insider-outsider effects described above, and the human capital erosion, mostly affecting long-term unemployed and which, as we have just noted, might be related to the bargaining power of core workers<sup>3</sup>. Orthodox economic theory, both theoretical and empirical, has hitherto ignored the interplay between these two causal channels: the two probably reinforce each other, so that the impact of the insider-outsider channel, proven to be more relevant than the human capital explanation, might be underestimated in the empirical research. The phenomenon of hysteresis in Spain has been unanimously traced back by scholars to the oil crisis of 1974, when inflationary

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<sup>2</sup> This report must be complemented with the education reform taken place in Spain during the 1990s and earlier 2002. As pointed out before, we will not touch upon this issue but in the future for lack of space.

<sup>3</sup> Which is related to the position of unions in the framework of industrial relations.

pressures led central banks to sacrifice short-term employment for the sake of price stability.

### **The Labour Market in Spain: Active and Passive Policies**

As reported in the OECD Employment Outlook, the distribution of public expenditure on employment policy in Spain over the period 1991-2000 shows that it is markedly biased towards passive policies. Active policies currently account for around 1% of GDP, while in 1991 it was 0.76%. Despite this improvement, countries such as Germany (1.23% of GDP allocated to active policies), the Netherlands (1.57%) or France (1.46%) performs more active-oriented policies than Spain. The high level of provides a simple explanation for this phenomenon. Also of significance is the low proportion of workers affected by active measures compared to other OECD countries and the increasing weight of active policies with respect to passive policies in the government budget. This trend is starting to reverse: while in 1993 passive policies represented 87.1% of total expenditure, as of 2000, they represented 57.6%<sup>4</sup>.

The Spanish government has nonetheless shown a great concern with fostering employment through active policies. As a matter of fact, the GDP elasticity of employment has increased in Spain (Toharia, 1997), even though the segmentation experienced by the labour market has greatly limited this achievement.

#### ***Passive Policies***

Passive policies<sup>5</sup> in Spain are divided, according to the Basic Law of Employment (LBE, 1980), into two categories: *insurance benefits* and *assistance benefits*. The former entitles the worker to a benefit computed on the basis of the *time* and the *level* of contribution while the latter are a complement of insurance benefits provided the worker has accomplished a minimum time of contribution. The details are reflected in the table below (Toharia, 1997).

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<sup>4</sup> Source, OECD Employment Survey: [www.oecd.org](http://www.oecd.org)

<sup>5</sup> The agricultural sector deserves itself another section. Agricultural workers benefit a special scheme (PER) whose description is for the moment beyond the scope of this report.

Months of Contribution (C)	Insurance Benefit	Assistance Benefit			
		With family responsibility		Without Family responsibility	
		Under 45	Over 45	Under 45	Over 45
3		3	3		
4		4	4		
5		5	5		
6-11		21	21	6	6
12-17	4	18	24		
18-35	[2C/6] (6-10) <sup>6</sup>	24	30		
36-71	[2C/6] (12-22)	24	30		6
72	24		36		12
Older 52		Until retirement			
Others		18			

#### *A Comment on the Reform of 2002*

As a result of an upward trend in the coverage rates during the period 1998-2001, the Decree Law (RDL 5/2002) was passed in May 2002. An unemployed worker is, under the new rule, obliged to accept any job offer whose workplace is within a distance of 50 kilometres (rather than 30 km., as prescribed previously) from the worker's address, unless the worker must spend 20% of his wage earnings in transport costs, or it takes him two hours to get to the workplace. At the same time, the state commits itself to promoting geographical mobility to compensate this regulation. Besides, an important measure has been introduced with a view to cutting wage labour costs down at the aggregate level, which consists in abolishing the *salario de tramitación* (back pay awarded after dismissal appeal hearings) in the case of unfair dismissal if the worker is reinstated. The first 60 days of the 'salario de tramitación' was previously paid by the firm according to art. 56 of the Workers' Statute (LET). This measure aims at reducing the budgetary burden of Social Security, since it reduces the period of contribution of the worker, as well as incentivising workers to put more effort into their job search. The Spanish government claims that this reform will make firms increase the number of fixed-term contracts. The category of permanent intermittent, with 180,000 workers laying into it, was abolished in the reform of 1994 and rescued again in the Reform of 1997. The RDL 5/2002 distinguishes, in line with the reform of 2001, permanent intermittent workers who are certain of the job period and those who do not ('llamada cierta' and 'llamada incierta', respectively). The 2002 reform plans to abolish employment insurance to those workers belonging to the former category. Even though the decree foresees further regulation to determine the intermittent permanent worker, a certain degree of social unrest has generated among this minority group, as well as on other disadvantageous groups such as immigrants or those over 52 who have ever benefited from a severance payment over 4639 euros, since the decree hinders this group pre-retirement.

<sup>6</sup> This figure and the one below are reduced to the minimum integer less than or equal to 2C/6. The former lies between 6 and 10, while the latter ranges from 12 to 22.

The only exception to this rule is that it promotes hiring women, as it implies a full discount of the social security costs to hiring women who go back to work within the first 24 month after the childbirth no matter whether the contract is full- or part-time. Under the Law 12/2001 the contract had to be permanent, so as to encourage employers to use this type of contracts. Probably this reform has been undergone as the government did not perceive a change in the after the Law 12/2001 came into effect, notwithstanding it seems that the reaction to a reform like this the reaction period could take longer. In our opinion, the unions' claim that this may promote temporary contracts among young women is well founded.

The unions UGT and CC.OO summoned a general strike on 20 June against this reform, which seemingly has been successful, despite the contradictory statements of the social partners make it difficult to evaluate its impact objectively. It remains to explore the real effects of such measures, though; and whether the savings they convey to the government will be allocated to foster active measures. As far as we know there has been no such statement on the part of the Spanish government as of today. Although the most evident reforms concern the procedure to benefit unemployment benefits, there is a measure deserving a special mention: a dismissal becomes now effective before the courts find it fair: seemingly, the government is more worried about cutting down firms' costs than to tackle seriously the segmentation of the labour market.

### *Active Policies*

Following the OECD classification, active labour measures include labour market training, subsidies to foster employment, measures in favour of disadvantaged social groups and the efforts aimed at improving the public employment services.

#### *Labour Market Training*

Labour market training are financed by the European Social Fund, since 1986, and also by the vocational training levy, whereby firms are due to pay 0.7% of payroll. The main policy for labour market training has been through the Plan FIP set up in 1985 with a view to planning vocational training expenditures together with the EU and managed by the INEM<sup>7</sup>. With the reform of 1993, training of employed workers was transferred to a private foundation (FORCEM), which was managed by the social partners. The rate of integration in the labour market among students trained under the Plan FIP is almost 75%, though only 2% gained a full-time contract.

Vocational training was reorganised in the period 1993-1996 to increase the quality of training, as well as to bring it closer to firms' needs. The National List of Professional Certificates aims at providing information on skills awarded within the different sectors of vocational training in order to foster mobility among the workforce.

At a local level, the Workshop Schools and Trade Houses ('Programas de Escuelas-Taller y Casas de Oficio') started in 1985 so as to address youth unemployment among school dropouts. The real boost of the programme came in 1988, when it allowed the number of students to triple from 1987 reaching 30,000 students. On

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<sup>7</sup> It stands for National Institute for Employment. It underwent a process of decentralisation started in the earlier nineties.

average, the number of students enrolled on this program has been relatively steady, near 40,000, from early 1990.

It is worthwhile noting that the share of employed trainees has barely reached the one per cent ever since 1988. Moreover, while the INEM manages the training programmes, they are mostly carried out by private firms.

#### *Employment Promotion by Contract Design*

The government has created various types of contracts to facilitate hiring and to improve employment conditions (see next Section below). Following Toharia's taxonomy (Toharia, 1997), these contracts can be classified according to whether they are endowed or not with direct or indirect incentives (for instance, when it allows firms to evade the 'regulatory framework for usual contracts'). These contracts will be explained in some detail in next Section.

#### *Other Activation Measures*

The following programmes are to be considered as well as active policies.

1. Improving information systems.  
These measures aimed at articulating the labour market, and avoiding existing mismatching between supply and demand. They consist of networks, which in the case of job clubs, set out for the first time in England, are co-ordinated by a monitor.
2. Capitalisation of unemployment benefits.  
It consists of a payment in advance of the full unemployment benefit to set up businesses. Since 1992, this programme included self-employed and cooperatives and worker-limited firms<sup>8</sup>. Since 1992, the former, apart from the handicapped, were excluded from the programme. These projects are exempted of social security contributions. The RDL 5-2002 has limited the payment to the amount of the legal contribution ('aportación social'). The rest can be acquired on a quarterly basis to pay the workers' social security benefits.
3. Promotion of employment in firms.  
It aims at providing financial assistance to workers' limited companies (SALs) and cooperatives. It includes services such as technical assistance, and management training.
4. Promotion of self-employment.  
This programme is geared toward auditing and advising services as well as access to soft credit. The number of participants is modest, around 10-15 thousand per year.
5. Fiscal policies and investment incentives at a regional level.  
Carried out by several regional governments in order to stimulate investment. Thus, the governments of the Basque Country and Navarre, under the auspices of historical rights, and Catalonia have implemented incentive measures including tax exemptions on firms to foster capital inflow in their respective headquarters.

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<sup>8</sup> Sociedades Anónimas Laborales

The fiscal differences between regions with historical rights (the Basque Country and Navarre) and the neighbouring regions Aragón and La Rioja ranges between 0.8 and 32%. These differences constitute a source of conflict, which have led the governments of La Rioja to answer back with similar measures. Other programmes have been spread in Andalusia, Castille-Leon. The government of Aragon has launched a programme (EXPORTA) to foster exports of SMEs with a view to making up for the comparative drawback of the historical-rights neighbouring regions. It includes commercial and technological advice and translation services, as well as access to an internet. Of remarkable interest is also the agreement between the Basque Government and the Mondragón Cooperative Corporation to create 8,000 jobs by 2000. The agreement dealt with training, risks at labour, consolidation of temporary contracts and market co-ordination among other measures.

6. Promotion of local employment initiatives.

This programme, co-ordinated by the Ministry of Labour and local governments, seeks to promote entrepreneurial spirit among under 25s, or over 25s who have ever happened to be long-term unemployed. It includes incentives to hire workers on a permanent basis and soft-credit and management assistantship. Since there is no published information it is impossible to assess the impact of this programme on the economic activity in the short-term (Toharia, 1997).

7. Labour integration for the handicapped.

The various reforms have implemented fiscal incentives to hire disabled people. Also, grants are provided to disabled people wishing to set up their own business.

## **The Changing Legal Framework in the period 1985-2002**

### ***From the Workers' Statute to 1994***

As discussed above, employment creation is one of the major issues that has confronted Spanish governments since 1980. This goal has been combined with the parallel aim of bringing about a degree of labour market harmonisation with the rest of its EU partners.

Labour market flexibility became part of the orthodox paradigm adopted by international organisations as well as the European Commission. The industrial relations scheme envisaged under the 1978 Constitution and the 1980 Workers' Statute (LET) became the target of reform before these norms had taken root. Thus, in 1984 the tripartite Economic and Social Agreement (AES) introduced a wide range of measures for temporary employment, which are probably responsible for the good record of labour creation that came about between 1984 and 1991. These measures amended the LET and included fixed-term contracts free of hiring costs and temporary contracts which until then were confined to unemployed and to workers under 25 years old. As the protection of permanent workers remained essentially unchanged this deregulation has brought about labour market segmentation: temporary employment, being mostly involuntary, make the causality principle inherent in the hiring process break down. Aside from damaging the most

disadvantaged social groups, this process of labour market segmentation may well have produced adverse effects for at least two reasons:

1. It may result in a shift from taxes into labour costs through a reduction in labour productivity, which may have increased the cost of disinflationary policy imposed by the EMU in terms of employment.
2. It may produce worker detachment which in turn may have detrimental effects on training and on the formation of human capital (Jimeno and Toharia, 1992). Besides, as some workers stand low chance to be kept in the firm (the turnover rate stands high), little effort is put into job and productivity may end up lowering.

According to Farrel (2001), following the LET reform policy lacked resolution for ten years, due to principally three reasons, (a) the process of industrial restructuring that took place during the 1980s (b) reasonably healthy employment creation levels and (c) the high degree of interventionism inherent in the LET and the Spanish Constitution. During this period the government tried to incorporate youths into the labour market by introducing *insertion* contracts. The UGT and CC.OO trade unions called for a general strike on 14 December 1988 and managed to abolish these types of contracts, on the basis that it would not help to counter labour market segmentation.

In 1992 passive policies amounted to 84.5% of the budget allocated to employment policies. The Law 22/1992, which was passed on 4 August, implemented a reduction of employment benefits and provides incentives for the unemployed to put more effort into the job search process. The subsequent Decree Law 5/2002 appearing in Section II resembles in spirit the earlier policy. Given that two years later the balance between active and passive policies remained essentially unchanged no substitution between the two occurred after the law came into effect<sup>9</sup>.

### ***The Reform of 1994***

During the period 1992-1994 years real wages and unit labour costs had been falling (see Appendix). At the same time unions also started to lose their social representativeness. Nonetheless, the unemployment rate did not experience a noticeable reduction. By 1994 one third of the Spanish workforce was hired under temporary contracts, one of the highest levels in the EU. In contrast part-time employment increased slowly and at 7% amounted to half of the EU average. There was a pressing need for combining flexibility and security in Spain, where 32.5% of total employment was on a fixed-term basis, and more than 90% of all new contracts were temporary. This situation brought about a high turnover rate. The main dilemma confronting policymakers from 1985 onwards was how to substitute flexibility and security for rigidity and vulnerability in the labour market.

Furthermore, in 1992 and 1993, a good part of the employment created during the preceding years was destroyed. The PSOE government recognised the urgent need for

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<sup>9</sup> There seems to be no technical reason for such a delay, since no lag is likely to occur from the moment when the law comes into effect and the budgetary effects. Moreover, in this period, there continued to be few beneficiaries of active policies as compared with other Member States.

further actions to resolve these problems and set out to increase the flexibility of the labour market. The basic elements and objectives of this reform are the following:

1. Fostering part-time contracts and lowering the high rate of temporality, which in practical terms (Cachón and Palacio, 1997), meant a rupture of the causality principle in the hiring process.
2. Introduction of private employment agencies, which entailed a process of decentralisation given the *de facto* monopoly of employment services by the National Employment Institute (INEM). The main goal of these reforms was to improve existing information systems to better co-ordinate labour demand and supply.
3. One of the central goals of the reform was to strengthen collective bargaining at a decentralised level. According to some authors this was subsequently improved by the reform of 1997.

Also of noteworthy effect training contracts were substituted by apprenticeship contracts and temporary contracts were abolished, so that the causality principle did not apply contrary to what the reform invoked. Furthermore, the increase of part-time contracts took place at the expense of intermittent permanent jobs<sup>10</sup>. The UGT and CC.OO complained that these measures would not bring about the desired reduction of the temporary rate, and that the introduction of learning contracts would lead to greater precarious employment among young workers. Unfortunately, many of the unions' prophecies were fulfilled: the contracts that were abolished were simply replaced by equally precarious contracts, such as the apprenticeship contract itself, resulting in no marked effect on the temporary rate. At any rate, the unemployment rate dropped after the second quarter of 1994 which could be partly due to the reform.

As for collective bargaining the main issues concerned the autonomy in terms of wage, working day and mobility-related questions. The limitations of the reform stemmed from the inability of the social partners to come to agreement on the subject of dismissal costs and the ambiguity inherent in the concept of objective causes of dismissal. We shall come back to this issue when dealing with the 1997-reform below.

### ***The Reform of 1997: the April Agreements***

In April 1997, the social partners from the outset showed a noticeable display of unity, in contrast with the previous 1994 reform passed under the socialist government, and agreed on a major labour reform. The April agreements consisted of three main goals, namely reducing the instability of the labour market, promoting collective bargaining and plugging the void in sectoral regulation due to the abolition of labour ordinances.

With a view to promoting stable employment contracts, the government passed two decree laws (RDL 8/1997 and RDL 9/1997), ratified on 5 June 1997. The starting point for this reform was an unemployment rate of 21.49% at the beginning of 1997, and a high level of insecure employment. By abolishing the temporary contract for employment promotion the socialist government had unsuccessfully attempted to

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<sup>10</sup> The RDL 5/2002 hinders the unemployment benefits payments to intermittent permanent workers. See the 2<sup>nd</sup> section for more details.

reduce the temporary rate: at 34% it was still three times higher than the EU average while the new permanent contracts only represented 4% of total hiring.

Dismissal costs had long been regarded as one of the major hurdles inhibiting firms from adjusting employment in response to economic prosperity. Being aware of this the government introduced a new sort of contract ('contrato para el fomento de la contratación indefinida', CFCI) with low firing costs. It would be implemented for a period of four years with a subsequent evaluation process to decide whether to adopt it, abolish it or reform it. The CFCI applies to young workers (under 30), long-term unemployed (over 12 months) and over-45 unemployed. Under certain conditions, this contract could be used to turn a temporary contract into a permanent one. The firing costs inherent in the CFCI differ from those of the ordinary permanent contract only in the case of unfair dismissal for objective reasons. With the previous contracts, fired workers were entitled to a 33-day pay for every year worked with a two-year salary ceiling, compared to a 45-day pay and a ceiling of four-year. An unfair collective or individual dismissal for objective reasons continued to involve a lower compensation of 20-day pay per year with a one-year ceiling. These measures were complemented with a two-year cut of 40%-80% in the social security contributions of employers in case of *common* contingencies associated to the CFCI<sup>11</sup>.

The April agreements also attempted to improve industrial relations, which had been characterised by a worrying lack of structure, a situation that could be traced back to the Franco regime. It was based on provincial agreements, mostly sectoral, coexisting with other sort of agreements whether state- or firm-wide. The agreement sought to distribute functions among the different negotiating areas according to their area of specialisation. The social partners are committed to speed up the bargaining process.

### ***The Part-Time Reform (1998 and 2001)***

Since 1984 employers were dissuaded from signing part-time contracts and part-time workers in Spain were essentially subject to the same rules, pro rata, as full-time workers. For the most part these workers ended up with temporary contracts. The policy dilemma was how to address the trade-off between the quantity and quality of part-time work, the search of new combinations of flexibility and security. The Labour Reform introduced in 1994 increased labour market flexibility in response to the new demands for greater competitiveness arising from globalisation, economic restructuring and the single market. This reform lifted important restrictions on part-time work concerning maximum daily and weekly hours and the absolute ceiling of two-thirds of standard full-time hours.

The Spanish National Action Plans for employment of 1998 and 1999 included the options suggested by the 16 and 17 EES Guidelines, which focused on a greater degree of flexibility. Since 1998 regional governments have been developing their employment plans and have implemented measures to facilitate the reorganisation of working time. These measures include arrangements for working-time flexibility agreed at the regional level through social dialogue, subsidy programs.

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<sup>11</sup> The firm would benefit permanently of this cut if the employee is over 45 years old.

At the national level the government and the main trade unions signed the Agreement on Promoting Stable Part-time Employment on 13 November 1998 displaying yet again a notable willingness to dialogue. This agreement laid down regulations to promote stable part-time employment, permanent intermittent employment and replacement contracts combined with early retirement. It sought to combine flexibility with protection of part-time workers, the voluntary election of part-timers, and the equal treatment in relation with full-time. Still, the Confederation of Employers (CEOE) did not sign it, a fact that helps explain why part-time figures have remained stagnant since 1995, around 8 % on average.

The Labour Reform of 2001 again substantially modified the regulation of part-time employment contracts. The PP government that signed the 1998 Agreement changed important criteria, in a new attempt to promote part-time jobs. These changes were in line with employers' preferences, such as the suppression of the ceiling for number of part-time hours, established at 77% of a standard full-time employment contract, and a more flexible distribution of working hours groups. On this occasion the unions together with the left-wing political parties strongly opposed the reform. According to these groups the new changes would deteriorate the employment conditions of the disadvantageous social groups rather than supporting non-discriminating forms of stable part-time contracts. No doubt this continues to be a contentious issue on the political agenda.

## **Conclusion**

It is perhaps too early to assess the effects of the labour reforms on the Spanish labour market. The 2001 and 2002 reforms certainly will not help to fight against either segmentation (subemployment) or unemployment, unless a replacement of passive with active policies is achieved. Thus far, the government has not given any credible signal that this will be the case.

On the other hand the countless reforms adopted during the last years make it difficult to evaluate the appropriateness of certain laws and it is expected that firms will delay their hiring decisions until a more stable legal framework is set up. At the same time the Spanish government seems to be eager to implement new reforms in a context where employers are slow to respond to legal innovations.

More comparative analysis is required on the degree of labour market flexibility; whereas a notable institutional convergence is apparent this is not yet reflected by a convergence of economic indicators such as unemployment rates. This means that we must point to other idiosyncratic aspects of Spanish labour market for explaining its poor performance, such as the low degree of human capital formation as compared with other OECD members, or even historical factors as put forth in the second section.

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## Appendix<sup>12</sup>

**Table 5.2: Index wage rates (1976-2000) in the WRAMSOC countries**

Country	Spain	Finland	Germany	United Kingdom	Sweden	Switz.	France
Year							
1976	100.000	100.000	100.000	100.000	100.000	100.000	100.000
1977	101.843	96.701	103.405	96.207	98.455	101.100	102.018
1978	105.305	95.307	106.056	100.027	95.659	104.406	104.977
1979	107.684	98.657	107.546	101.796	96.032	104.008	106.008
1980	104.793	100.344	108.330	105.589	96.223	105.741	107.463
1981	108.585	102.565	106.924	106.546	92.736	106.605	108.293
1982	108.171	103.752	105.824	107.157	89.413	108.024	109.479
1983	110.957	106.196	105.857	110.613	86.386	109.396	108.794
1984	109.545	109.528	106.396	112.217	87.466	109.458	108.441
1985	111.265	113.231	107.617	115.618	88.279	110.108	107.680
1986	110.305	118.013	112.112	120.906	91.594	113.061	109.210
1987	107.434	123.169	115.097	123.796	93.837	114.570	109.260
1988	107.668	127.520	116.958	126.878	94.558	116.399	110.665
1989	107.991	132.762	117.035	131.528	97.526	145.937	110.768
1990	110.741	135.585	118.940	134.710	98.983	146.778	112.288
1991	114.819	135.681	103.125	135.868	94.199	149.018	113.371
1992	118.737	133.086	109.074	136.451	97.340	152.285	114.314
1993	120.914	128.337	109.618	136.269	95.781	149.722	114.351
1994	120.806	129.328	108.968	137.336	98.212	150.396	113.739
1995	120.142	134.241	110.378	136.999	98.640	150.610	114.148
1996	120.209	137.184	110.120	136.880	103.175	128.110	114.664
1997	119.570	138.409	108.241	139.752	105.829	130.074	115.493
1998	120.262	141.668	108.133	142.378	110.199	130.648	117.289
1999	120.652	143.201	109.266	146.982	112.478	132.075	119.611
2000	121.581	144.951	109.426	151.441	116.398	132.261	120.961

<sup>12</sup> Source: OECD Labour Market Statistics.

**Table 5.2.1: Average rate of growth within five-year periods among WRAMSOC countries**

<b>Country</b>	<b>Spain</b>	<b>Finland</b>	<b>Germany</b>	<b>United Kingdom</b>	<b>Sweden</b>	<b>Switz</b>	<b>France</b>
<b>Year</b>							
1980-85	1.20	2.42	-0.13	1.81	-1.72	0.81	0.04
1985-90	-0.09	3.60	2.00	3.06	2.29	5.75	0.84
1990-95	1.63	-0.20	-1.49	0.34	-0.07	0.52	0.33
1995-00	0.24	1.54	-0.17	2.00	3.31	-2.60	1.16

Source: Administrative data provided by OECD, *Labour Market Statistics*.

**Table 5.3: Unemployment rates (Standardised)**

<b>Country</b>	<b>Spain</b>	<b>Finland</b>	<b>Germany</b>	<b>United Kingdom</b>	<b>Sweden</b>	<b>Switz.</b>	<b>France</b>
<b>Year</b>							
1984	20.20	5.93	7.10	11.15	3.27		9.71
1985	21.60	6.05	7.17	11.50	2.89		10.14
1986	21.30	6.66	6.53	11.53	2.67		10.28
1987	20.60	4.90	6.33	10.60	2.20		10.45
1988	19.50	4.22	6.22	8.72	1.80		9.93
1989	17.20	3.13	5.60	7.27	1.55		9.39
1990	16.20	3.16	4.77	7.05	1.73		8.99
1991	16.40	6.65	4.16	8.82	3.12	1.95	9.48
1992	18.40	11.59	6.59	10.02	5.57	3.06	10.41
1993	22.70	16.40	7.90	10.46	9.04	3.98	11.73
1994	24.10	16.72	8.41	9.58	9.36	3.84	12.28
1995	22.90	15.23	8.19	8.73	8.81	3.46	11.68
1996	22.20	14.55	8.90	8.17	9.58	3.90	12.34
1997	20.80	12.63	9.87	7.04	9.90	4.19	12.30
1998	18.80	11.36	9.31	6.34	8.34	3.52	11.80
1999	15.90	10.17	8.60	6.08	7.18	3.02	11.17
2000	14.10	9.72	7.91	5.54	5.91		9.50

Source: Administrative data provided by OECD, *Labour Market Statistics*.