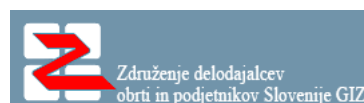




TRGOVINSKA
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Slovenian Chamber of Commerce



TRASDEM

Empowerment of social
dialogue in the trade
sector as contributing to
overarching employment
and social policy
challenges in the EU



TRASDEM – Empowerment of social dialogue in trade sector as a contribution to the overarching EU employment and social policy challenges

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Publikacija je brezplačna.

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TRASDEM

Empowerment of social dialogue in the trade sector as contributing to overarching employment and social policy challenges in the EU

1 ABOUT THE PROJECT

TRASDEM is an initiative of institutions representing employers and which is supported by trade unions. The aim of the project is to empower social dialogue in the Slovenian, Italian, Spanish and Portuguese trade sectors with a view to combating the challenges posed by employment and social policies aimed at achieving goals set at the European level (like Europe 2020, EES), in turn aimed at promoting sustainable economic growth. Bilateral social dialogue will have a transnational dimension. The results of the project will be shared and distributed among national tripartite social dialogue bodies, and to various European institutions and bodies. Topics for which we seek progress in social dialogue are: flexicurity, modernisation of the labour market, quality of work, anticipation, preparation and management of change & restructuring, mobility and migration, youth employment, active ageing, active inclusion and decent work. Attention will be given also to the promotion of equal participation of both men and women in the decision-making bodies of trade unions and employer's organisations, and to synergies between sectorial committees at the inter-professional level.

The initiative is looking to identify new arguments, options, approaches and methods that support measures designed to promote recovery from the current economic crisis and modernise related systems. Activities will be organised on transnational, national and sectorial levels with the participation of employers, employees and representatives from sectorial and national institutions and bodies. The project is expected to produce the following: an e-publication in five languages, articles and a sub-website for the project, four national surveys, findings and recommendations, 12 national round tables, an international workshop, study visits, an international closing conference, and strengthened capacities on the part of social partners and enhanced international cooperation. Surveys will also include impact assessments of the employment and social dimensions of various EU initiatives.

Duration of the project: 1.12.2012 - 30.11.2013

Objectives of the project:

- Raise awareness and strengthen European social dialogue capacities of social partners in Slovenia, Italy, Spain and Portugal with the aim of combating challenges in the European trade sector;
- Promote intensive implementation of European strategies and policies;
- Increase understanding of flexicurity among social partners;
- Establish & strengthen international cooperation among social partners in Slovenia, Italy, Spain, Portugal, and with European institutions, with the aim of contributing to the larger European social dialogue;
- Provide a stock-taking of social dialogue in the trade sectors in Slovenia, Italy, Spain & Portugal, and better integration with developments at the European level.

Focus will centre on the following topics: flexicurity, modernisation of the labour market, quality of work, anticipation, preparation and management of change and restructuring, mobility and migration, youth employment, active ageing, active inclusion and decent work.

Expected outcomes of the project

The following outcomes and results are expected of the TRASDEM action:

- International kick-off meeting in Slovenia for representatives of all project partners;
- Networking day in Brussels (planned by the call), with attendance of 2 TZS experts;
- Study visit to Denmark (participants from CCP, CCC, SDGZ, TZS and one representative from their trade unions);
- International workshop in Spain for representatives of CCP, CCC, SDGZ and TZS;
- International closing conference in Slovenia (wider audience and attendance by all project partners: approx. 100 participants, interpreters expected);
- Preparation of input documents assessing the state of social dialogue in the trade sector with an emphasis on the content of the project (Slovenia, Italy, Spain & Portugal);
- Integrated survey (in English) to be included in the e-publication;
- Round tables with national institutions and organisation representatives (three round tables per country, with a survey);
- Websites containing information about the project in both the national language and documents in the English language. TZS will maintain the project website in the English language;
- Presentation of Danish good practice and know-how related to the project topics;
- Presentation of EuroCommerce: the current situation surrounding the project topics at the EU level;
- Findings and recommendations (to be included in the e-publication) to be given to relevant national and EC bodies, European Economic and Social Committee, etc.;
- E-publication consisting of all major documents (in English, translations into Slovene, Italian, Spanish & Portuguese languages);
- Articles in TZS T-information bulletin in the Slovene language;
- Guidelines for preparation of the evaluation;
- Methodology for preparation of national surveys.

Results have been and will continue to be the subject of the action's continued dissemination.

2 ABOUT THE PARTNERS OF THE PROJECT

2.1 Slovenian Chamber of Commerce (SCC), Slovenia – leading partner

The Slovenian Chamber of Commerce is an independent, voluntary, interest-based, non-profit association of legal persons and sole-proprietors engaged in independent commercial and related activities on the market. The Slovenian Chamber of Commerce has representative chamber status and has been active since 2006 on a voluntary membership basis.

With its operations the Chamber works to ensure quality development and greater visibility of commercial activities in the wider region and to keep government institutions informed of the issues and conditions in commercial and related activities as well as the importance of these activities for the Slovenian economy. The key roles of the Chamber comprise participation in the legislative process, ensuring a comparable and competitive business environment, providing up-to-date information for members, strengthening social partnerships and working responsibly in relation to people, society and the environment. Its expertise, experience and problem-solving capacities make the

Chamber a respected and important partner, and an influential force in the economic and social spheres in both the local and wider regions.

Through collaboration with its members, its specialist staff and, if necessary, external experts, the Chamber has established an efficient, transparent and dynamic form of association for the purposes of running and developing commercial and related activities in today's global marketplace, in full accordance with the principles of an open and competitive market. Through its work, the Chamber enjoys and maintains a solid reputation in the commercial and related spheres, and strives to strengthen social dialogue and partnership at all levels.

A small but efficient team of experts provides members with custom services and works in assisting them to solve problems connected with their everyday business operations.

Contacts:

Slovenian Chamber of Commerce, Dimičeva 13, 1000 Ljubljana, Slovenia

Phone: + 386 1 5898 212/213, Fax: + 386 1 5898 219, E-mail: info@tzslo.si, website: www.tzslo.si, project website: www.tzslo.si/projekti/trasdem

2.2 Portuguese Commerce and Services Confederation (CCP), Portugal

The Portuguese Commerce and Services Confederation was created in 1976, as a result of the associative movement that appeared after the revolution of 25 April 1974. Over the past three decades, the country has seen a considerable evolution of the economy in general, and in service and commercial activities in particular, which have grown much closer. As a result, in 1995, CCP was transformed into the Portuguese Commerce and Services Confederation. Today, CCP represents the aims and interests of commercial employers and entrepreneurs, as well as of several services, gathering some 100 sectorial and regional associations and representing more than 200,000 companies, including micro- and small businesses. These enterprises are responsible for providing more than 1 million jobs (of which 600,000 from the commercial sector). CCP ensures representation of the sector (commerce and services) in national and international operations and activities, provides opinions and takes positions on legal proposals relevant to the sector, organises and develops services for these companies and associations and co-ordinates national training in the sector.

Contacts: Confederação do Comércio e Serviços de Portugal (CCP), Av. Dom Vasco da Gama 29, 1449-032 Lisboa, Portugal, website: www.ccp.pt, e-mail: ccp@ccp.pt

2.3 Confederation of Commerce of Catalonia (CCC), Spain

The Confederation of Commerce of Catalonia, founded in 1985, is a business and a sectorial entity that represents, defends and develops the interests of the Catalan Retail and Services Sectors. CCC gathers 400 retail, service and tourism associations which together represent nearly 90,000 businesses and entrepreneurs all over Catalonia (80% of Catalan commerce). CCC is a member of Spain's most important organizations in the sector, as well as of the Confederación Española de Comercio (Spanish Confederation of Commerce), which gathers together retail and service organizations of all autonomous communities and represents more than 400,000 firms. CCC represents and defends the interests of Catalan commercial and service companies, provides representation in all relevant national and international umbrella organizations, press communication and public/media relations, training (workshops, seminars etc. on topics of interest related to trade) and advise/consulting on labour, legal and fiscal issues.

Contacts:

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Contacts: Via Laietana, 32, 2nd floor, Barcelona, Spain
Tel.: +00 34 93 491 06 06, fax: +00 34 93 268 25 16, e-mail: ccc@confecom.cat,
website: <http://www.confecom.cat>

2.4 Slovenian Regional Business Association (SDGZ), Italy

Since 1946, the Slovenian regional Business Association has been representing and connecting Slovenian entrepreneurs, companies and legal entities in Italy. The main aim of the SDGZ is to promote development of the local economy and to represent the interests of its members in relevant governmental bodies at the local, regional and national levels.

Contacts: Slovenian Regional Business Association, Via Cicerone 8, 34133 Trieste, Italy,
tel.: +390406724812, fax: +390406724850, e-mail: info@sdgz.it, website:
<http://www.sdgz.it/>

2.5 Eurocommerce, Belgium

Eurocommerce represents the voice of the retail sector in the European Union. Eurocommerce members include national commerce federations in 31 countries, Europe's 27 leading retail and wholesale companies, and federations representing specific commercial sectors. The role of Eurocommerce is to bring the entire commercial sector (retail, wholesale, international trade) together, to communicate the role and reach of commerce in the European economy, how companies operate and what they stand for, and to advocate for EU policy and legislation consistent with the organisation's aims and values.

Contacts: Eurocommerce, Avenue des Nerviens 85, 3rd floor, B-1040 Brussels, Belgium,
tel.: + 32 2 737 05 98, fax: +3222300078, e-mail: savoini@eurocommerce.si, website:
<http://www.eurocommerce.be/>

2.6 Association of Employers in Craft and Small Business of Slovenia (ZDOPS), Slovenia

Since 1994, the Association of Employers in Craft and Small Business of Slovenia (ZDOPS) has represented employers in craft and small business. ZDOPS is an independent, non-profit association of employers in the craft sector and of SMEs on a voluntary membership basis.

The main tasks of ZDOPS comprise participation in the legislative process – particularly in the field of labour law – strengthening social partnerships, guiding collective bargaining agreements, and providing information and legal support for its membership.

Contacts: Association of Employers in Craft and Small Business of Slovenia, (ZDOPS),
Slovenia, Celovška cesta 71, 1000 Ljubljana, tel.: + 386 1 5830 572, fax: +386 1
5830 805, e-mail: info@zdops.si, website: <http://www.zdops.si/>

3 GENERAL COUNTRY INFORMATION – PROJECT PARTNERS

	ITALY	PORTUGAL	SLOVENIA	SPAIN
Population	60,626,442	10,521,400	2,058,457	46,200,000

number	(Istat 1/1/2011)				(SURS, as of 1.4.2013)																																														
Active population number	25,793,000 (Istat Q4 – 2012)			5,385,400	909,844 (SURS, August 2013)	22,922,000																																													
Retired population number	16,222,592 (Istat 2010)			1,589,800	602,236 (ZPIZ, September 2013)	7,385,900																																													
Persons in employment - total (in paid employment, self-employed persons)	22,805,000 (Istat Q4 – 2012)			4,433,200	793,244 (SURS, August 2013)	16,957,000																																													
Persons in employment – trade sector (in paid employment, self-employed persons)	7,828,000 (Istat Q4 – 2012)			642,200	103,529 (SURS, August 2013)	2,850,100																																													
Persons in employment – by sex in total	TOTAL: 25,793,000 Men: 13,346,000 Women: 9,459,000 (Istat Q4 – 2012)			TOTAL: 4,433,200 Male: 2,327,300 Female: 2,105,900	TOTAL: 817,311 Men: 452,062 Women: 365,249 (SURS, 2011) TOTAL: 793,244 Men: 437,204 Women: 356,040 (SURS, August 2013)	TOTAL: 16,957,000 Men: 9,238,900 Women: 7,718,100																																													
Persons in employment – by sex in trade sector	TOTAL: 7,828,000 Male: 4,418,000 Female: 3,410,000 (Istat Q4 – 2012)			TOTAL: 642,200 Male: 336,300 Female: 305,900	TOTAL: 109,157 Male: 52,429 Female: 56,728 (SURS, 2011)	TOTAL 2,850,100 Male:1,417,930 (49,75%) Female: 1,432,170 (50,25%)																																													
Registered unemployed persons/total population	Registered unemployed persons: 2,988,000 (Istat, 4Q – 2012) Population number: 60,626,442 (Istat 1/1/2011) 2,988,000/60,626,442 = 4.9%			952,200 unemployed in the first quarter 2013 Total population: 10,521,400 952,200/10,521,400 = 9%	Registered unemployed persons: 116,600 (SURS, August 2013) Population number: 2,058,457 (SURS, as of 1.4.2013) 116,600/2,058,457 = 5.66%	5,965,000/46,200,000 12.91%																																													
Registered unemployed persons/active population	Registered unemployed persons: 2,988,000 (Istat, 4Q – 2012) Active population number: 25,793,000 (Istat, 4Q – 2012) 2,988,000/25,793,000 = 11.6%			952,200 unemployed in the first quarter 2013/ Active population: 5,385,400 = 17.6%	Registered unemployed persons: 116,600 (SURS, August 2013) Active population number: 909,844 (SURS, August 2013) 116,600/909,844 = 12.8%	5,965,000/22,922,000 26.02%																																													
*Registered unemployed persons by age groups	<table><tr><td>15 – 24 years</td><td>674,000</td><td>22.6%</td></tr><tr><td>25 – 34 years</td><td>877,000</td><td>29.3%</td></tr><tr><td>35 – 44 years</td><td>707,000</td><td>23.7%</td></tr><tr><td>45 – 54 years</td><td>541,000</td><td>18.1%</td></tr><tr><td>55 – 64 years</td><td>180,000</td><td>6.0%</td></tr><tr><td>> 65 years</td><td>9,000</td><td>0.3%</td></tr><tr><td>TOTAL</td><td>2,988,000</td><td>100.0%</td></tr></table> (Source: Istat Q4 – 2012)	15 – 24 years	674,000	22.6%	25 – 34 years	877,000	29.3%	35 – 44 years	707,000	23.7%	45 – 54 years	541,000	18.1%	55 – 64 years	180,000	6.0%	> 65 years	9,000	0.3%	TOTAL	2,988,000	100.0%			952,200 unemployed in the first quarter 2013, from which: 15 - 24 years: 165,900 25 - 34 years: 270,500 35 - 44 years: 219,100 > 45: 296,700	<table><tr><td>< 17</td><td>124</td><td>0,1</td></tr><tr><td>18 - 24</td><td>9,359</td><td>8,0</td></tr><tr><td>25 - 29</td><td>17,253</td><td>14,8</td></tr><tr><td>30 - 39</td><td>28,046</td><td>24,1</td></tr><tr><td>40 - 49</td><td>23,539</td><td>20,2</td></tr><tr><td>50 - 59</td><td>34,657</td><td>29,7</td></tr><tr><td>> 60</td><td>3,622</td><td>3,1</td></tr><tr><td>TOTAL</td><td>116,600</td><td>100,0</td></tr></table> Source: Employment service of Slovenia, September 2013	< 17	124	0,1	18 - 24	9,359	8,0	25 - 29	17,253	14,8	30 - 39	28,046	24,1	40 - 49	23,539	20,2	50 - 59	34,657	29,7	> 60	3,622	3,1	TOTAL	116,600	100,0	16 to 19 years 192,700 20 to 24 years 737,500 25 to 54 years 4,504,400 55 years 530,700 1
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TOTAL	116,600	100,0																																																	
Registered unemployed persons by educational attainment	<table><tr><td>Element, school or less</td><td>213,000</td><td>7.1%</td></tr><tr><td>Medium school</td><td>1,132,000</td><td>37.9%</td></tr><tr><td>Second. school</td><td>1,332,000</td><td>44.6%</td></tr><tr><td>University and post-university</td><td>311,000</td><td>10.4%</td></tr></table>	Element, school or less	213,000	7.1%	Medium school	1,132,000	37.9%	Second. school	1,332,000	44.6%	University and post-university	311,000	10.4%			952,200 unemployed in the first quarter 2013, of which: Below secondary: 572,400 Secondary and post-secondary: 231,600 Graduated: 148,200	<table><tr><td>I</td><td>32,713</td><td>28.1</td></tr><tr><td>II</td><td>5,324</td><td>4,6</td></tr><tr><td>III</td><td>904</td><td>0.8</td></tr><tr><td>IV</td><td>27,580</td><td>23.7</td></tr></table>	I	32,713	28.1	II	5,324	4,6	III	904	0.8	IV	27,580	23.7	<table><tr><td>I</td><td>1,086,000</td><td>18.21</td></tr><tr><td>II</td><td>3,580,000</td><td>60.02</td></tr><tr><td>III</td><td>1,299,000</td><td>21.78</td></tr></table>	I	1,086,000	18.21	II	3,580,000	60.02	III	1,299,000	21.78												
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1

	<table><tr><td>TOTAL</td><td>2,988,000</td><td>100%</td></tr></table> (Source: Istat Q4 – 2012)			TOTAL	2,988,000	100%		<table><tr><td>V</td><td>31,121</td><td>26.7</td></tr><tr><td>VI</td><td>5,031</td><td>4.3</td></tr><tr><td>VII+VIII</td><td>12,615</td><td>10.8</td></tr><tr><td>Bologna prog.</td><td>1,312</td><td>1.1</td></tr><tr><td>TOTAL</td><td>116,600</td><td>100.0</td></tr></table> Source: Employment service of Slovenia, September 2013			V	31,121	26.7	VI	5,031	4.3	VII+VIII	12,615	10.8	Bologna prog.	1,312	1.1	TOTAL	116,600	100.0																																												
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4 GENERAL INFORMATION ON SOCIAL DIALOGUE – PROJECT PARTNERS

4.1 Italy

4.1.1 National level

There is no legislative framework in place on the national level. There is only a legal basis in the trade sector, and only contractually through the National Observatory.

In the past decade Italian politics has been marked by a public consultation strategy. The origins of the strategy date back to 1993, when the Protocol on incomes policy and employment, on contractual arrangements, on labour policies and support to the production system was signed. In the Protocol, public consultation has been defined as a method by which relations between government, trade unions and employer associations are maintained. With this method social partners guaranteed support for government policies and reforms were the result of common agreement.

Initially social dialogue was managed through trilateral agreements between confederations. The Constitutional Court of Italy abolished the contractual value of public consultation agreements. As a result, these agreements have only political value but carry no legal authority.

Owing to the lack of codified rules and written procedures, the value of public consultation has diminished. Moreover, centre-right governments introduced a new platform for social dialogue, inspired by the European model, out of the need for a framework by which to approve social reforms, which have been opposed by trade unions.

This transition was defined by the labour reforms instituted by Law No. 30/2003 and the Legislative Decree 276/2003 that implements the law. The current labour market reform (Fornero reform) defined in Law No. 92 of 28 June 2012 retained and employed the new social dialogue methodology.

4.1.2 Sectorial level – Trade Sector

On the sectorial level the National collective labour agreement constitutes the legal framework for the facilitating of social dialogue.

Participants are workers' trade unions and employers' associations.

The agreements are binding on the national level.

4.2 Portugal

4.2.1 National and regional level

On the national level the legislative framework for conducting social dialogue is based on:

- Lei (Law) 108/91, of 17/08 and D.L. nº 90/92, of 21/05,
- Constituição da República Portuguesa (Constitution of the Portuguese Republic), Artº 92º (Conselho Económico e Social/Portuguese Economic and Social Council - ESC):

The ESC is the consultation and coordination body in the field of economic and social policies, participating in the preparation of plans and proposals related to economic and social development, and enjoys other functions as well, as defined by law.

The law defines the composition of the ESC, which includes representatives of the government, workers representative organisations, and defines the conditions and frameworks for economic activity as it relates to families, autonomic regions and municipalities.

The law also defines the functions, organisation and statutes of the ESC.

Participants:

- Employers' Confederations: Confederation of Portuguese Farmers (CAP), CCP (Portuguese Commerce and Services Confederation), CIP (Confederation of Portuguese Industry) and CTP (Confederation of Portuguese Tourism);
- Trade unions: General Union of Portuguese Workers (UGT), General Confederation of Portuguese Workers (CGTP-IN).

Scope of action: promotion of consultation, dialogue and social bargaining.

On the regional level collective bargaining involves negotiation between regional associations and trade unions.

4.2.2 Sectorial level – Trade Sector

On the sectorial level the legal framework for conducting social dialogue is defined in Código do Trabalho (Labour Code), Artº 440º to 475º.

Participants: workers' associations (trade unions), employers' associations and individual employers.

Scope of action:

Collective labour bargaining aims at the recognition of collective labour “conventions” (collective contracts, collective agreements and company agreements) which regulate, in the (collective) scope of its implementation, relations between employers and employees, as applied hierarchically to individual labour contracts.

4.3 Slovenia

4.3.1 National level

On the national level, the legislative framework for conducting social dialogue is embodied in the **Rules on the Operation of the Economic and Social Council (ESC)**.

ESC members:

- Government of the Republic of Slovenia;
- Employers’ associations: Slovenian Chamber of Commerce, The Association of Employers of Slovenia, Chamber of Commerce and Industry of Slovenia, Chamber of Craft of Slovenia, Association of Craft Activity Employers of Slovenia;
- Unions: Association of Free Trade Unions of Slovenia, Pergam Confederation of Trade Unions of Slovenia, The Confederation of Unions '90 of Slovenia, The Confederation of New Unions of Slovenia – Neodvisnost, The Slovenian Federation of Unions – Alternativa, The Union of Workers of Slovenia – Solidarnost (Solidarity), Confederation of Public Sector Trade Unions of Slovenia.

ESC scope of action:

The ESC monitors the economic and social spheres, raise issues for discussion and forms relevant positions and proposals related to these areas and areas of broader importance for all three partners. In particular, the basic fields of ESC operation are: the social agreement; social and compulsory insurance rights, such as pensions, disability allowances, social assistance, compensation, etc.; employment and labour relations issues; collective bargaining systems; prices and taxes; economic system and policy, legal security; co-operation with the International Labour Organisation and the Council of Europe and other related institutions within the European Union and EU Member States; workers’ co-management; and trade union rights and freedoms. Apart from those areas that call for tripartite dialogue, the ESC may also discuss other issues that are not subject to tripartite dialogue but are related to economic and social matters.

Within the scope of its work, the ESC: participates in the preparation of legislation and forms opinions and recommendations; provides initiatives for the adoption of new acts or the amendment of those already in force; forms positions and opinions concerning working documents, drafts of and proposals for decrees, orders and acts; forms positions and opinions on budget memorandums and the state budget. The ESC submits its proposals, recommendations and opinions to the National Assembly, the National Council, and to expert and the wider publics.

Decisions adopted by the ESC are binding for the authorities and working bodies of all three partners.

4.3.2 Sectorial level – Trade Sector

On the sectorial level the legal framework for conducting social dialogue is The Collective Agreements Act and statutes or acts of the parties thereto.

Participants:

- Employers’ associations: Slovenian Chamber of Commerce, The Association of Employers of Slovenia, Chamber of Commerce and Industry of Slovenia;

Project »TRASDEM: Empowerment of social dialogue in trade sector as a contribution to the overarching EU employment and social policy challenges« has been funded with financial support from the European Union. This publication reflects the views only of the author, and the Commission cannot be held responsible for any use which may be made of the information contained therein.

- Trade unions: Trade Union of Retail Workers of Slovenia – Association of Free Trade Unions of Slovenia, Confederation of Trade Unions 90, Council of Trade Unions Gorenjska.

Scope of action: Collective agreements in and for Slovenia's trade sector.

4.4 Spain

4.4.1 National and regional level

On the national level the legislative framework for conducting social dialogue is state legislation published in the Official Bulletin of the State (BOE).

Participants:

- Administration;
- Spanish Confederation of Business Organizations (Confederación Española de Organizaciones Empresariales) (CEOE);
- Spanish Confederation of Small and Medium-Sized Business (Confederación Española de la Pequeña y Mediana Empresa) (CEPYME);
- Trade Union Confederation of Workers' Commissions (Confederación Sindical de Comisiones Obreras) (CCOO);
- General Union of Spanish Workers (Union General de Trabajadores de España) (UGT).

Scope of action: The general framework includes negotiating collective bargaining agreements (CBA), Interconfederal agreements, occupational risk prevention, ongoing training.

On the regional level the legislative framework for conducting social dialogue is the State legislation published in the Official Bulletin of the State (BOE).

Participants:

- Foment del Treball Nacional;
- Trade Union Confederation of Workers' Commissions (Confederación Sindical de Comisiones Obreras) (CCOO);
- General Union of Spanish Workers (Union General de Trabajadores de España) (UGT).

Scope of action: Autonomous framework, including Negotiation CBA, Consortium for the Continuous Training of Catalonia, Council of Professional Training of Catalonia.

4.4.2 Sectorial level – Trade Sector

On the sectorial level the legislative framework for conducting social dialogue is the state legislation published in the Official Bulletin of the State (BOE).

Participants:

- Consejo Empresarial para la Competitividad (CEC);
- Trade Union Confederation of Workers' Commissions (Confederación Sindical de Comisiones Obreras) (CCOO);
- General Union of Spanish Workers (Union General de Trabajadores de España) (UGT).

Scope of action: The Commerce Framework Agreement (February 2, 2012), signed by trade unions and business organizations at the State level.

5 PUBLIC AUTHORITIES COVERING LABOUR RELATIONS, THE LABOUR MARKET AND EMPLOYMENT

5.1 Italy

Ministry: Ministry of Labour and Social Policies

Directorates/Sectors:

- Directorate-General for personnel, innovation, budget and logistics policies;
- Directorate-General for communication and information related to labour and social policies;
- Directorate-General for active and passive labour policies;
- Directorate-General for industrial relations and employment relationships;
- Directorate-General for employment services policies;
- Directorate-General for social security and insurance policies;
- Directorate-General for inclusion and social policies;
- Directorate-General for the third sector and social entities;
- Directorate-General for immigration and integration policies;
- Directorate-General for inspection activities;
- Carabinieri police institution for labour protection;
- Regional labour directorates;
- Local labour directorates.

Bodies within the Ministry:

- National Documentation and Analysis Centre for Childhood and Adolescence;
- Commission of Enquiry on Social Exclusion;
- ChildOn Europe;
- L'Europe dell'Enfance;
- National Observatory on associations, voluntary work, childhood and adolescence and people with disabilities.

Other organisations/institutions:

- Employment Service;
- INPS – National Institute of Social Security and INAIL – National Institute for Insurance against Accidents at Work.

5.2 Portugal

Ministry: Ministry of Solidarity, Employment and Social Security

Traditionally, labour and employment issues are dealt with in Portugal by a so-called Ministry, which also includes social affairs. Nevertheless, instances of labour issues being dealt with inside the Ministry of Economy have been known to arise.

Directorates/Sectors:

- Ministry of Solidarity, Employment and Social Security:
 - Gabinete de Estratégia e Planeamento (Cabinet for Strategy and Planning);
 - Direção-Geral da Segurança Social (Directorate-General for Social Security);
- Ministry of Economy:
 - Gabinete de Estratégia e Estudos (Cabinet for Strategy and Studies);
 - Direção-Geral do Emprego e Relações do Trabalho (Directorate-General for Employment and Labour Relations);
 - Autoridade para as Condições de Trabalho (Authority for Labour Conditions).

Bodies within the Ministry:

- Ministry of Solidarity, Employment and Social Security:

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- Instituto da Segurança Social, I. P. (Institute of Social Security);
- Instituto de Gestão Financeira da Segurança Social, I. P. (Institute for Financial Management of Social Security);
- Instituto de Gestão de Fundos de Capitalização da Segurança Social, I. P. (Institute for Management of Social Security Funds);
- Instituto Nacional para a Reabilitação, I.P. (National Institute for Rehabilitation).

Other organisations/institutions:

- Instituto do Emprego e da Formação Profissional (IEFP) – Public Institute for Employment and Vocational Training; serves as the national public employment service;
- Centro Nacional de Proteção contra os Riscos Profissionais (National Centre for Protection against Professional Risks);
- Comissão para a Igualdade no Trabalho e no Emprego (CITE) – Commission for Equality at Work and in Employment; aims at equality and non-discrimination of men and women in the workplace, in employment in general and in vocational training;
- Centro de Relações Laborais – The Labour Relations Centre was only recently created and is not yet functional. Its mission will be to support collective bargaining, as well as to monitor developments in employment and vocational training.

5.3 Slovenia

Ministry: Ministry of Labour, Family, Social Affairs and Equal Opportunities

Directorates/Sectors:

- Labour and Labour Rights Directorate:
 - Division for employment relationships and other forms of work
 - Pension and Labour Rights Division
 - Health and Safety at Work Division
- Labour Market and Employment Directorate:
 - Division for Employment, Social Entrepreneurship and Migration
 - Lifelong Learning Division
 - Finance Division
 - European Social Funds and other EU Financial Instruments Services
- Family Affairs Directorate
- Social Affairs Directorate
- Disabled, Veterans and War Victims Directorate

Body within the Ministry: Labour Inspectorate of the Republic of Slovenia

Other organisations/institutions:

- Employment Service of Slovenia
- Pension and Disability Insurance Institute of the Republic of Slovenia
- Public Fund for Human Resources Development and Scholarship
- Public Guarantees Maintenance and Disability Fund RS

5.4 Spain

Ministry: Ministry of Employment and Social Security

Directorates/Sectors:

- Cabinet Minister
- Secretary of State for Employment
- Secretary of State for Social security

- Secretary of State for Immigration and Emigration
- Assistant Secretary of Employment and Social Security

Other organisations/institutions:

- Social Security Institute
- Public Service for Employment
- Labour and Social Security Inspection
- National Institute for Safety and Health at Work
- Wage Guarantee Fund
- Administrative Unity European Social Fund
- Economic and Social Council
- "Labour Court of Catalonia"

6 EU VIEW

Council recommendations on the National Reform Programme 2013 and a Council opinion on the Stability Programme for several EU countries is to be published in the Official Journal of the European Union of 30.7.2013. Below is a summary for Italy, Slovenia and Spain.

6.1 EURO AREA

The challenge facing fiscal consolidation across the euro area is to see the debt-to-GDP ratio steadily decline over time.

Structural reforms are needed across the euro area to improve the functioning of goods and labour markets in order to promote competitiveness, strengthen the ongoing adjustment process and guarantee a sustainable reallocation of resources.

In the absence of a fast and effective absorption mechanism for cyclical unemployment, hysteresis-like effects, whereby unemployment becomes entrenched and less sensitive to wage dynamics, may materialise. Structural reforms in the labour market therefore remain of particular importance to mitigate risks threatening social cohesion and future growth potential in the euro area.

Some Council recommendations for 2013-2014 for euro area Member States:

- Take responsibility for the aggregate policy stance in the euro area in order to ensure proper functioning of the euro area in order to increase growth and employment, and in order to push forward work on deepening economic and monetary union.
- Tackle the social consequences of the crisis and rising unemployment rates; unemployment among young people is particularly worrying. Bold action is recommended along the lines of the Compact for Growth and Jobs and the EU Youth Guarantee.
- Further reforms to facilitate access to employment, prevent early withdrawals from the labour market, reduce the cost of labour, combat labour market segmentation and support innovation are recommended. The Council recommendations do not cover Portugal.

6.2 ITALY

In April 2013 the Commission published the results of its in-depth review for Italy. The Commission's analysis leads it to conclude that Italy is experiencing certain macroeconomic imbalances that require determined policy action – in particular, diminished external competitiveness as well as high public indebtedness in an

environment of protracted low growth continue to be seen as Italy's main macroeconomic imbalances.

A wide-ranging labour market reform was adopted in June 2012, addressing the rigidity and segmentation of the labour market. A new wage-setting framework was defined by social partners in successive agreements over 2011-2013. It is supported by tax incentives to better align wages with productivity and with local labour-market conditions. This framework should be effectively implemented. Youth unemployment and the proportion of young people not in employment, education or training continued to increase, reaching 37% and 21.1% respectively by the end of 2012. Both tertiary education attainment and employment rates for young tertiary graduates are the lowest in the Union, which indicates that the skill sets of young graduates are not properly aligned with job market requirements. Although slowly declining early school dropout rates remain high, which raises concerns as regards the performance of the education system.

Some Council measure recommendations for 2013-2014 for Italy:

- Reinforce the efficiency of public administration and improve coordination between levels of government.
- Ensure the effective implementation of labour market and wage-setting reforms to allow better alignment of wages to productivity.
- Take further action to foster labour market participation, especially of women and young people, through initiatives like Youth Guarantee.
- Strengthen vocational education and training, ensure more efficient public employment services and improve career and counselling services for tertiary students.
- Step up efforts to prevent early withdrawal from school and improve schooling quality and outcomes, also by improving teachers' professional development and diversifying career development.
- Pursue the fight against tax evasion, improve tax compliance and take decisive steps against the shadow economy and undeclared work.

6.3 SLOVENIA

In April 2013, the Commission published the results of its in-depth review for Slovenia. The Commission's analysis led it to conclude that Slovenia is experiencing excessive macroeconomic imbalances; therefore urgent policy action is required to halt the rapid and continued growth of these imbalances. The levels of private and public debt remain below the alert thresholds and net external debt too is relatively contained, but the problem is not in the level of debt but in its structure, which is highly concentrated in the corporate sector. In the context of accelerating negative economic trends, this undermines the stability of the financial sector and complicates the deleveraging process. These risks are compounded by limited adjustment capacity in labour and capital markets and by an economic structure dominated by state-ownership.

In May 2013, the authorities took important steps towards consolidating public finances. They struck an agreement with social partners on an additional 1¼% reduction in basic gross wages in the public sector, on top of the 3% reduction that was agreed in the May 2012 Act on Balancing Public Finances. Measures to boost productivity growth and sustained progress in reducing unit labour costs would help to regain competitiveness. International and domestic estimates suggest that the size of the shadow economy in Slovenia is above the EU average, which indicates room for improving tax compliance.

A pension reform was passed in December 2012 and entered into force in January 2013. While this pension reform is an important step, it does not provide specific measures to contain age-related costs beyond 2020; therefore, further reform efforts are required to

improve the sustainability of pension expenditures in the long term, including doing so by aligning the statutory retirement age with gains in life expectancy and by further restricting early retirement.

A labour market reform was adopted in March 2013 to reduce labour market segmentation and increase flexibility on the labour market. The reform eases the rigid protection of permanent contracts by simplifying dismissal procedures in cases of individual and collective dismissals, and by reducing dismissal costs. Regulation of fixed-term contracts has been further tightened to reduce abuse, while the use of temporary agency work is restricted. No sufficient measures have yet been taken to address the dual labour market caused by student work regulations and no measures have been taken to adapt work environments to longer working lives. The unemployment rate in 2012 in Slovenia rose to 9%, while youth unemployment in 2012 grew markedly, to 20.6%.

Slovenia has a high number of regulated professions and there is scope for a significant reduction of entry barriers that would have a positive effect on both employment and competitiveness. The Slovenian authorities launched a reform process in 2012 to review numerous regulated professions with the objective of better defining existing regulated professions, reducing administrative costs and simplifying access to professions.

Some Council measure recommendations for 2013-2014 for Slovenia:

- Strengthen the long-term sustainability of the pension system beyond 2020 by further adjusting all relevant parameters, including linking the statutory retirement age to gains in life expectancy, while preserving the adequacy of pensions.
- Ensure that wage developments, including the minimum wage, support competitiveness and job creation.
- Take further measures to increase employment of young tertiary graduates, older persons and the lower-skilled by focusing resources on tailor-made active labour market policy measures while improving their effectiveness.
- Address the skills mismatch by improving the attractiveness of relevant vocational education and training programmes and by further developing cooperation with the relevant stakeholders in assessing labour market needs.
- Accelerate the reform of regulated services, including a significant reduction of entry barriers.

6.4 SPAIN

On 10 April 2013, the Commission published the results of its in-depth review for Spain. The Commission's analysis leads it to conclude that Spain is experiencing heightened and excessive macroeconomic imbalances. In particular, very high domestic and external debt levels continue to pose risks for growth and financial stability; the banking sector is undergoing a process of recapitalisation and restructuring, also with public money; rigidities in product and labour markets contribute to high and rising unemployment, and more generally hinder adjustment measures to the economy.

The situation in the labour market remains critical. The readjustment of the economy away from domestic demand and construction in the context of market rigidities and skills mismatch, among other things, have contributed to a rise in unemployment to 27% in early 2013. Of particular concern is the marked increase in youth unemployment to 56%, and the rise of long-term unemployment to 44.4% of total unemployment at the end of 2012. Available data suggests that the 2012 labour market reforms have started to take effect and to lead to higher internal (workplace) flexibility, to some reduction in dismissal costs and to increasing wage moderation.

A high share of those unemployed without formal qualifications (35%) and inadequate labour market relevance of education and training continue to contribute to the high youth unemployment rate, as well as to long-term unemployment. The national Youth Employment and Entrepreneurship Strategy 2013-2016, presented in March 2013, incorporates a range of short- and longer- term measures intended to improve employment opportunities for young people. At the same time, dual vocational training has been introduced and pilot projects already started in 2012. The 2013 National Reform Programme also highlights the importance of swift reforms to the educational system and to improving the overall quality of education and training.

Reforms in the field of active labour market policies have lagged, and actions to modernise and reinforce the Public Employment Service itself are still needed. The recently adopted opening for private placement agencies remains to be made fully operational as well as cooperation between national and regional public employment services (Single Job Portal).

Mainly as a result of the labour market situation, but also due to the limited effectiveness of social protection mechanisms in reducing poverty, Spain remains below the EU average in the main key indicator areas measuring poverty and social exclusion, with children being particularly exposed. The key challenges lie in the need to rationalise targets and resources within an adequate policy framework, to improve governance and inter-institutional coordination at the national, regional and local levels, to simplify procedures for social assistance claimants and to review mobility barriers.

Weaknesses in the business environment such as segmentation of the domestic market or entry barriers in the service industries impede job creation. In spite of the expected effects of reforms (draft of the law on professional services by the end of June 2013, final adoption of the law on entrepreneurship and on company internationalisation before the end of 2013), there is still room for further easing of market entry and exit conditions, in particular by reducing the time needed for business licensing and by reviewing the insolvency framework. Removing the tax deductibility of mortgage interest payments and re-payments in 2012 was essential to shifting incentives away from home ownership, but efforts to create a larger and more efficient rental market, which would also support labour mobility, are still at an early stage.

Some Council measure recommendations for 2013-2014 for Spain:

- Intensify the fight against the shadow economy and undeclared work.
- Adopt the 2013 national Employment Plan and swiftly enact the result-driven reform of active labour market policies, including strengthening the targeting and efficiency of guidance ...
- Reinforce and modernise public employment services to ensure effective, individualised assistance to the unemployed according to their profiles and training needs.
- Reinforce the effectiveness of re-skilling training programmes for older and low-skilled workers. Fully operationalise the Single Job Portal and speed up the implementation of public-private cooperation in placement services to ensure its effective application already in 2013.
- Implement and monitor closely the effectiveness of measures to fight youth unemployment, through Youth Guarantee and similar. Continue with efforts to improve the labour market relevance of education and training, to reduce early withdrawal from school, and to enhance life-long learning, namely by expanding the application of dual vocational training beyond the current pilot phase and by introducing a comprehensive monitoring system of pupils' performance by the end of 2013.
- Adopt and implement measures necessary to reduce the number of people at risk of poverty and/or social exclusion by reinforcing active labour market policies to

improve the employability of people away from the labour market and by improving the targeting and increasing the efficiency and effectiveness of support measures including quality family support services.

- Reduce the number of and shorten licensing procedures, including those for industry-related activities, and spread the use of the 'express licence' approach to activities beyond merely retail. Remove unjustifiable restrictions to the establishment of large-scale retail premises.

7 LATEST DEVELOPMENTS AT EU LEVEL: FLEXICURITY, YOUTH EMPLOYMENT, QUALITY OF WORK – THE EUROCOMMERCE POINT OF VIEW

7.1 FLEXICURITY

The crisis persists and unemployment is at record levels: the EU average at 10.3%, and the Eurozone at 11% (April 2012). Meeting the employment target of 75% set by Europe 2020 requires the creation of 17.6 million jobs within 8 years. Fiscal consolidation needs to go hand in hand with economic and employment recovery plans aimed at kick-starting labour demand, and employment policies are key to generating favourable conditions for job creation. There is a need to mobilise all actors and resources towards a common goal.

This agenda is embodied in the Commission policy communication "Towards a job-rich recovery" and nine Commission Staff Working Documents, of which two are consultation papers. It is a medium-term agenda for action in and by EU Member States, and lays down proposals for employment as a driver for growth, by:

- Triggering job creation by stimulating labour demand through well-designed measures, and outlining balanced reforms to make EU labour markets more inclusive and the importance of investing in skills policies to improve workforce mobility and adaptability prospects.
- Strengthening the employment and social dimensions of EU governance by involving social partners more closely in decision-making. See <http://www.eurocommerce.be/content.aspx?PageId=42315>.

The latest related EU document, the so-called employment package – Communication "Towards a job-rich recovery" (COM(2012) 173 final) <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2012:0173:FIN:EN:PDF>.

7.2 Youth employment

The goal of the EU is to support unemployed young people. In particular it aims to help:

- people who left school or training without having achieved upper-secondary education to return to school or enrol in vocational training for in-demand skills; graduates gain their first work experience.

Methods for better youth employment

Promoting youth employment through:

- greater use of the [European Social Fund](#);
- innovative approaches;
- making it easier for young people to find jobs in other EU countries;
- stronger partnerships between political authorities, business and trade unions at the EU, national, regional and local levels;
- policy guidance and assistance from the European Commission.

Key actions

European Social Fund (ESF):

- increased use of ESF by national governments: €1.3 million in ESF technical assistance to set up [apprenticeship schemes](#).
- €3 million in ESF technical assistance for [young business starters](#) and social entrepreneurs.

Other EU-level actions:

- **Youth guarantees** – €4 million to help EU countries get young people into employment, further education or (re)training within four months of leaving school
- [European quality framework on traineeships](#)
- [Your First Eures Job](#) – preparatory action to help 5,000 young people find a job in another EU country (2012-13)
- [Erasmus](#) & [Leonardo da Vinci](#) – 130,000 [company placements](#) in 2012 in other EU countries for university-level and vocational students
- [Erasmus for Entrepreneurs](#) – 600 placements for young entrepreneurs in small businesses in other EU countries
- [The Youth Opportunity Initiative](#): a set of measures to drive youth unemployment down; see <http://ec.europa.eu/social/main.jsp?catId=1006>

7.3 Quality of work

It is sometimes difficult to agree among social partners on a definition of this term: link with typology of contracts, etc.

Health and safety at the workplace is one of the main priorities related issues here. A new strategy is due to be published later this year. See also studies implemented by Eurofound on commerce, including:

<http://www.eurofound.europa.eu/docs/ewco/tn1109058s/tn1109058s.pdf>.

The commerce sector has often faced criticism over “quality of work”; the importance of gathering, exchanging and building on good practices!

7.4 Mobility and migration

Communication on the Global Approach to Migration and Mobility (GAMM). The EU's Global Approach to Migration was adopted in 2005. The Global Approach was evaluated in the first half of 2011 through an online public consultation and several dedicated consultative meetings.

Main sub-items:

- Enhancing the integration of non-EU nationals in EU societies
- Fighting irregular migration
- Managing migration through partnership with non-EU countries, see http://ec.europa.eu/dgs/home-affairs/what-we-do/policies/immigration/index_en.htm

See also the link with “internal mobility” from one EU country to another (transferability of skills, targeted policies, mobility of apprenticeships, etc.), EURES Website: <http://ec.europa.eu/eures/home.jsp>.

8 DANISH LABOUR MARKET MODEL

Legal framework:

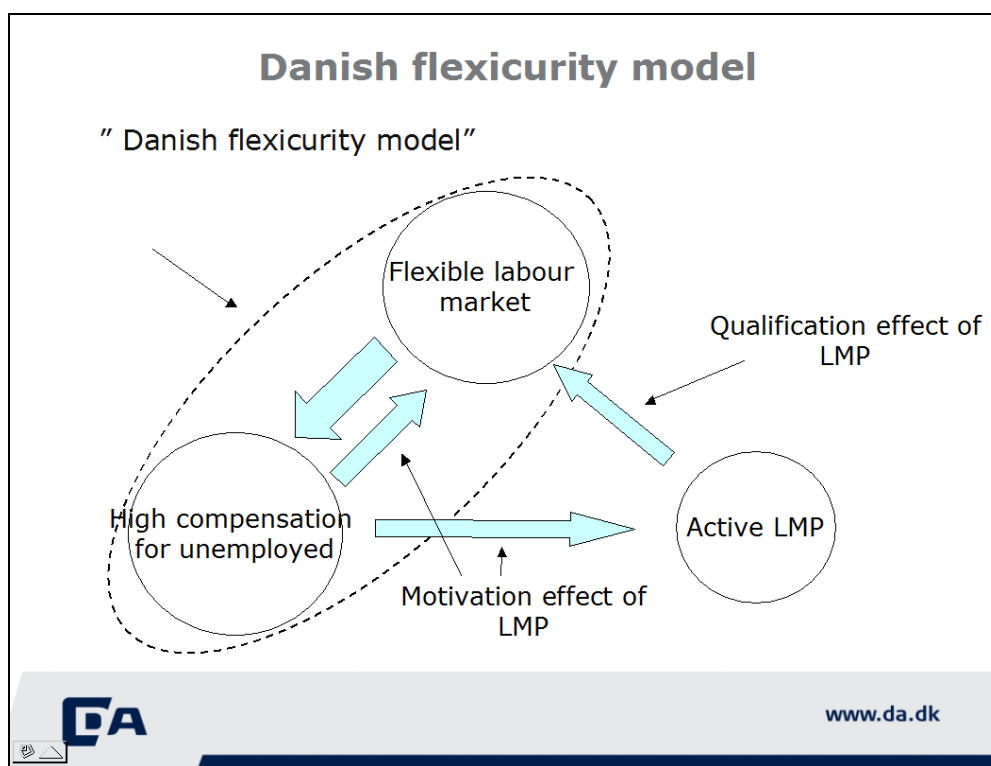
- General Agreement
- Collective agreements within the trade sector
- Danish statutory law
- EU Charter

Flexibility: Right to manage, free enterprise rights.

Unemployment insurance: Low entry barriers, high compensation, two years of benefits, strict control of dismissal for job openings.

Re-education and training: Unemployed – the right and duty to acquire new skills for employment; Employed – right to education on/with leave.

Employment protection: Employer must pay unemployment benefit for the first 3 days, protection against unfair dismissal.



Elements of the Danish Labour Market model

- A flexible labour market with easy access to both hiring and firing
- A high level of social security
- An active labour market policy – with focus on jobs
- Understanding of mutual interest between social partners and the government
- Well functioning "rules" for tripartite negotiating
- Common striving for consensus rather than conflict

Danish pathways to a mobile labour market

- Mobile and secured rights: right to occupational pension, right to education, right to holiday pay
- Right & duty: strict availability rules, early, targeted employment initiatives

- The Danish system for handling labour disputes
- Individual wage settlements
- Continuing vocational education and training, educational competence funds
- Collective agreements: 2 weeks continuing education during resignation period
- Progressive scheme for foreign workers
- Active labour market policy – company-targeted skill development
- Individual and flexible working hours
- Maternity fund
- Dual system in vocational education and training
- Partial fitness-for-duty certificate
- Job schemes for immigrants

SOME LEGAL INSTITUTES IN DANISH LABOUR MARKET MODEL

Dismissals in Denmark – principles

- Employers are entitled to terminate an employee, and to decide who and how to terminate
- No regular principle of re-hiring
- Period of dismissal and compensation only according to law or collective agreement
- Dismissals must generally be well reasoned (compensation only if agreed in advance)

The daily cash benefit system and flexicurity

- Compensation of up to 90% for low-income groups
- Low compensation for high-income groups compared to the rest of Europe
- Benefit period of 2 years

What tasks must be solved?

- Unemployed should have a job as soon as possible
- Enforce the requirement that the unemployed must be available for work
- Supporting a flexible and mobile workforce
- Close contact with unemployed motivate job search
- Education reduces the job search, but can be used if it is targeted to specific job
- Wage subsidies and work experience have the largest effect

9 LEGISLATION FRAMEWORK – labour relations, labour market and employment

9.1 Italy

9.1.1 International documents

Italy has not ratified ILO Convention 158 – Termination of Employment Convention, 1982, but has ratified European Social Charter (revised) – 1996.

9.1.2 National laws and regulations

Laws in force:

- **Law 68/1999**
 - Integration and reintegration into the world of work of differently abled people and disadvantaged individuals
- **Legislative Decree 181/2000 and 297/2002** – Management of ordinary employment
- **Law 30/2003** – Defines the tasks and requirement of Employment Agencies
- **Law 92/2012** – Reform of the labour market

Project »TRASDEM: Empowerment of social dialogue in trade sector as a contribution to the overarching EU employment and social policy challenges« has been funded with financial support from the European Union. This publication reflects the views only of the author, and the Commission cannot be held responsible for any use which may be made of the information contained therein.

9.1.3 Regional laws and regulations

- **Regional Law No. 18 of 9 August 2005** - Employment, labour protection and labour quality

9.1.4 Collective Agreements for Trade Sector

- **National Collective Labour Agreement for Third Sector Employees in the Field of Distribution and Services:**
 - Parties on the employees' side: Italian Federation of Trade, Tourism and Services workers (Filcams-Cgil); Italian Federation of Trade Unions for Trade services and Tourism (Fisascat-Cisl); Italian Association of Tourism, Trade and Services Workers (Uiltucs-Uil)
 - Parties on the employers' side: Confcommercio (General Italian Confederation of Trade, Tourism, Services, Professionals and SMEs)
 - Signed in Rome on 18 July 2008 and concluded for three years.
- **Agreement for the Renewal of the National Collective Labour Agreement for Third Sector Employees in the Field of Distribution and Services:**
 - Ratified on 6 April 2011, in force since the 1 January 2011, legislative deadline: 31 December 2013. There is no economic deadline.
 - The agreement was signed by Confcommercio and the Italian Federation of Trade Unions for Trade Services and Tourism (Fisascat-Cisl) and the Italian Association of Tourism, Trade and Services Workers (Uiltucs-Uil).
 - Valid for parties to a collective agreement or its members and does not extend and is not binding for all (other) employers in an activity or activities for which it has been concluded.
- **National Collective Labour Agreement for Third Sector Employees in the Field of Distribution and Services - Confesercenti**
 - Parties on the employees' side: Italian Federation of Trade, Tourism and Services Workers (Filcams-Cgil); Italian Federation of Trade Unions for Trade Services and Tourism (Fisascat-Cisl); Italian Association of Tourism, Trade and Services Workers (Uiltucs-Uil).
 - Parties on the employers' side: CONFESERCENTI – Italian Confederation of SMEs in Trade, Tourism and Services
- **Agreement on the renewal of the national collective labour agreement for employees in the field of cooperative distribution**
 - Signed on 22 December 2011, legislative deadline: 31 December 2013. There is no economic deadline
 - The agreement was signed on one side by: National Association of Consumer Cooperatives (ANCC Coop); National Federation of Consumption and Distribution Cooperatives Italian Association of Consumption Cooperatives; and Italian Federation of Trade, Tourism and Services Workers (Filcams-Cgil); Italian Federation of Trade Unions for Trade Services and Tourism (Fisascat-Cisl); Italian Association of Tourism, Trade and Services Workers (Uiltucs-Uil) on the other side.
 - Valid for the parties to the collective agreement and/or its members and does not extend to all employers in an activity or activities for which it has been concluded.

The guiding principle of the three above mentioned national collective labour contracts is the **“Protocol on incomes policy and employment, on contractual arrangements, on labour policies and support to the production system”**, signed on 23 July 1993, as stated in the general preamble.

The commitments made in the Protocol were implemented in a process of collective bargaining, which regulates bargaining at the national, local and company level, and through the development of social dialogue through national tools.

The contract has legal force between the parties and is effective only between the direct signatory contracting parties (employers’ and employees’ associations) and the individual subject-members of these associations.

The national collective labour contract consists of an economic, a normative and an obligatory section.

- Economic section: includes remunerative treatment (minimum wage, seniority treatment, overtime bonuses, etc.). This treatment is applied to all workers, regardless of whether they belong to the organizations that signed the contract;
- Normative section: includes the norms that regulate employment relationships. The norms included in the contract, with certain exceptions, cannot subvert national laws and requirements (working hours, holiday period, sick leave, maternity etc.). This treatment is also applied to all workers;
- Obligatory section: only regulates the relationship between the parties that signed the collective contract; e.g. adherence to bilateral bodies and consequent payment of contributions.

9.1.5 Recently adopted reforms or changes to legislation

- **Law No. 92 of 28 June 2012 - “Dispositions in terms of labour market reform from a growth perspective” (so called RIFORMA FORNERO), modified by the Legislative Decree 83/2012, converted with modifications by the Law No. 134 of 7 August 2012.**

- **Social shock absorbers:**

New unemployment benefits have been introduced (**Aspi** – Social Insurance for Employment). These measures will come into full force in 2015 and provide for gradually extending unemployment benefit periods according to the age of the employee when the employment relationship is terminated. Currently the unemployment benefits period lasts 8 months if the person is up to 50 years of age, and 12 months if the person is 50 years of age or older. Over the next three years the unemployment benefits period will be extended and will last 12 months if the worker is up to 54 years of age, and to 18 months if the person is 55 years of age or older.

Mini Aspi – for those who have not met minimum requirements. A funding contribution scheme to be borne by the employer has been introduced in cases of dismissal and fixed-term employment.

Social Insurance for Employment is to replace the mobility allowance provided in case of dismissals carried out by industrial companies with more than 15 employees in the last semester; trading enterprises which on average employed more than 200 employees in the last semester; trading enterprises which on average employed between 50 and 200 employees in the last semester.

- **Apprenticeships:**

Have been reformed by the Legislative Decree 167/2011 and will have to become the primary path for integrating young people into the working world.

The three types of contracts related to apprenticeship will not be modified:

- Apprenticeship when alternating study and work for the qualification part of a professional degree (age: 15 – 25 years);

- Profession contract (professionalizing) – this contract is related to the world of work (age: 15- 29 years);
 - Advanced training contract – aims at higher-level qualifications and study path.
- **Dismissals:**
Compulsory notification of reasons for dismissal.
In cases where a company with more than 15 employees (Article 18) wants to dismiss an employee for a justified objective reason (e.g. economic reasons) the instrument of conciliation has been reintroduced.
The terms for appeal of the dismissal have been cut back: 60 days after notification; issue must be brought to court within 180 days.
- **Project contracts:**
Contracts for independent workers: Owing to their comparatively lower cost compared to employment contracts, project contracts can be abused by employers. Project contracts are implemented when there is a project that has to be carried out independently by the worker. Some parameters in terms of authenticity have been revised.
- **Self-employed persons:**
Also in this case the question of authenticity of self-employment services comes to bear. If certain conditions are not met, the employment relationship is converted into a subordinate employment relationship.
The conditions as regards the above-mentioned are:
 - work performance with the same client/employer for more than 8 months in the last two years;
 - the income of the work performance exceeds 80% of the total income of the worker in the last two years;
 - the work is performed in a fixed location.
 These indicators are not taken into account if the person is enrolled in a professional order, has an income that exceeds €18,000, and carries a high level of theoretical knowledge.
- **Validation procedure for resignation:**
Laws to combat the practice of blank resignation.
- **Compensation for unlawful disciplinary dismissal – from 12 to 24 months salary.**
- **Time range between contracts:**
The time range between fixed-term contracts has been modified – minimum 60 days if the previous contract lasted less than six months, and 90 days if the previous contract lasted six months or longer.
- **Voucher:**
Vouchers are prepaid, with fixed annual limits: €5000 for the employee, €2000 for the employer.
- **On-call jobs:**
The worker is available to the employer for a period of time sufficient to carry out the service. On-call workers must be younger than 24 years of age or older than 55 years of age. On-call workers can also be certain professionals, as defined by law. Before the performance of work the employer must notify controlling bodies of the activation of the contract.
- **Pensions:**
After 40 years of paid contributions the pension allowance increases progressively.
The retirement age will rise from 67 to 70 years for men over the next 35 years (2047); for women, the retirement age will rise from 62 to 70 years, eventually reaching par with the retirement age for men.

9.2 Portugal

9.2.1 International documents

Portugal has ratified:

- ILO Convention 158 – Termination of Employment Convention, 1982
- European Social Charter (revised) – 1996

9.2.2 National laws and regulations

Laws in force:

- Código do Trabalho (Labour Code), approved by Law nº 7/2009, of 12.02. (Last amendment: Law nº 47/2012, of 29.08)

9.2.3 Regional laws and regulations

- **“Programa Formação-Algarve” (Portaria nº 297/2012, de 28 de Setembro)**
This programme aims to respond to seasonal unemployment in the Algarve region (touristic region in the south), reinforcing the qualification of the employers of those economic sectors that are most affected by seasonal changes in business. It assures financial support to employers that make fixed-term contracts, renew them, or convert these fixed-term contracts to non-fixed-term, simultaneously providing vocational training to the respective in question.

9.2.4 Most important collective agreements signed for the trade sector:

Regional scope:

- Aveiro: Ass. Comercial de Aveiro, Ass. Comercial de Ovar e S. João da Madeira, Ass. Comercial de Oliveira de Azeméis e Vale de Cambra/CESP; Global revision published 8.1.2007; last salary update published 22.2.2011
- Aveiro: Ass. Comercial de Aveiro, Ass. Comercial de Ovar e S. João da Madeira, Ass. Comercial de Oliveira de Azeméis e Vale de Cambra/SINDCES; Global revision published 8.1.2007; last salary update published 28.2.2011
- Braga: Ass. Comercial de Braga, Ass. Comercial e Industrial de Barcelos, Ass. Emp. de Fafe, Cabeceiras de B. e Celourico de Basto, Ass. Com. e Ind. de Guimarães, Ass. Com. Vila Nova Famalicão, Ass. Com. Ind. Vizela/SITESC e outro; consolidated text published 22.8.2006; last salary update published 15.2.2009
- Bragança: Ass. Com. Ind. e Serv. de Bragança, Ass. Com. Ind. de Mirandela, Ass. Com. Ind. de Macedo Cavaleiros/FEPCES; Global revision published 15.3.2010; last salary update published 8.7.2011
- Beja: Ass. Comercial de Beja/CESP; consolidated text published 29.1.2008; last salary update published 8.12.2009
- Coimbra: Ass. Comercial de Coimbra, Ass. Com. Ind. Figueira da Foz/CESP e outros; consolidated text published 8.7.2006; last salary update published 22.8.2009
- Évora: Ass. Comercial do Distrito de Évora/CESP; consolidated text published 29.3.2010
- Faro: Acral e Associação Comercial de Portimão/CESP; consolidated text published 15/07/2011; last salary update published 8.8.2012
- Guarda: Ass. Com. Serv. Distrito da Guarda, Ass. Gouveia, Seia, Fornos de Algodres, Ass. Trancoso/CESP; consolidated text published 15.8.2009; last salary update published 29.4.2011

- Leiria: Ass. Com. Leiria, Batalha e Porto de Mós, Ass. Com. Concelho de Bombarral, Ass. Com. Caldas da Rainha e Óbidos, Ass. Com. Ansião, Ass. Com. Marinha Grande, Ass. Com. Ind. Ser. Conc. Peniche, Ass. Com. Nazaré, Ass. Com. Pombal/CESP; consolidated text published 8.1.2009
- Lisboa: União das Ass. de Com. e Serviços e Ass. Empresarial de Cascais/Fetese; consolidated text published 15.7.2004; last salary update published 8.4.2007
- Lisboa: União das Ass. de Com. e Serviços e Ass. Comercial de Cascais/CESP e outros, Associação E. Concelho de Cascais; consolidated text published 22.10.2008; last salary update published 8.6.2011
- Oeiras: Ass. Com. Emp. Conc. de Oeiras e Amadora, Ass. Com. Mafra Associação Emp. Conc. Loures e Odivelas/FETESE e outros; consolidated text published 29.8.2008; last salary update published 22.6.2010
- Oeiras: Ass. Com. Emp. Conc. de Oeiras e Amadora, Ass. Com. Sintra, Ass. Com. Vila Franca de Xira, Ass. Alenquer, Associação Emp. Conc. Loures e Odivelas/CESP; Global revision published 8.9.2008; last salary update published 8.9.2011
- Região Oeste: Ass. Com. Ind. da Região Oeste/CESP e outros; consolidated text published 8.8.2008; last salary update published 15.8.2010
- Portalegre: Ass. Comercial de Portalegre, Ass. Com. e Industrial de Ponte de Sor/FETESE; consolidated text published 22.8.2009; last salary update published 29.10.2011
- Porto: Ass. Comerciantes do Porto e outras/CESP; Global revision published 22.10.2007; last salary update published 22.9.2011
- Santarém: União das Ass. Emp. Dist. de Santarém/CESP; consolidated text published 22.10.2004
- Setúbal: Ass. Com. Serv. Distrito de Setúbal, Ass. Com. Serv. Barreiro e Moita/CESP e outros; consolidated text published 29.1.2012, with the amendments published on 22.4. and 22.7.2012
- Viana do Castelo: Ass. Emp. Viana do Castelo, Ass. Com. Ponte de Lima, Ass. Com. Ind. Arcos de Valdevez e Ponte da Barca, Ass. Com. Monção e Melgaço União Emp. de Vale do Minho/CESP; consolidated text published 8.2.2013
- Viseu: Ass. Com. Distrito de Viseu, Ass. Emp. Lamego/CESP; Global revision published 29.11.2008; last salary update published 8.4.2011

Sectoral Scope:

- Pescado (comércio por grosso): ACOPE/Sindepescas; Global revision published 22.1.2008
- Fornecedores de Artigos Óptica: APFAO/FETESE; Global revision published 22.12.2004
- Fornecedores de Artigos Óptica: APFAO/FEPCES; Global revision published 8.2.2005
- Profissionais de Farmácia: ANF/Simprofarm; Global revision published 8.6.2010
- Farmacêuticos: ANF/SNF; Global revision published 22.6.2012
- Grossistas de Produtos Químicos e Farmacêuticos: GROQUIFAR/FEPCES; consolidated text and last salary update published 15.12.2012
- Grossistas de Produtos Químicos e Farmacêuticos: GROQUIFAR/FETESE; consolidated text published 22.4.2011; last salary update published 8.12.2012
- Ópticos: Associação Nacional dos Ópticos/FEPCES; Global revision published 15.1.2005; last salary update published 29.12.2007
- Ópticos: Associação Nacional dos Ópticos/FETESE; Global revision published 8.1.2005
- Comércio por Grosso Material Eléctrico, Electrónico: AGEFE/FEPCES; Global revision published 8.10.2008; last salary update published 22.2.2011
- Distribuição de Produtos Alimentares: ADIPA, ANAIEF, Casa do Azeite/FEPCES; Notice of the termination date published 15.11.2009
- Distribuição de Produtos Alimentares: ADIPA, ANAIEF, Casa do Azeite/FETESE; salary update and consolidated text published 22.5.2011
- Comércio Automóvel: ACAP e outras/Fiequimetal; Notice of the termination date published 22.3.2010

- Comércio Automóvel: ACAP e outras/SINDEL; Global revision published 8.10.2010
- Empresas Distribuição: APED/FEPCEs, Global revision published 15.6.2008, last salary update published 15.5.2010.
- Revendedores Combustíveis: ANAREC/FEPCEs; consolidated text published 8.4.2010
- Materiais de Construção: APCMC/SITESC, Global revision published 8.9.2010
- Grossistas de aços, tubos, metais, máquinas e ferramentas: AÇOMEFER/SITESC; Global revision published 29.12.2008

Cabeleireiros (Porto, Aveiro, Bragança, Guarda, Vila Real, Viana do Castelo):
Associação dos Cabeleireiros de Portugal/CESP; consolidated text published 29.6.2005;
last salary update published 22.9.2008

Segurança: Associação de Empresas de Segurança, Associação Nacional de Empresas de Segurança, Roubo e Fogo/FETESE; salary update and consolidated text published 28.2.2011

Merchandising:
ANESM/FETESE; salary update and consolidated text published 29.3.2011

Serviços de Limpezas: Ass. Empresas Prestadoras de Serviços de Limpeza e Actividades Similares/FETESE; Global revision published 28.2.2010

Serviços de Limpezas:
Ass. Empresas Prestadoras de Serviços de Limpeza e Actividades Similares/STAD;
consolidated text published 29.3.2004

Contabilidade: APECA/SITESC; consolidated text published 22.7.2004; last salary update published 15.10.2008

Seguros: ANACS/STAS: Global revision published 15.7.2007; last salary update published 8.11.2009

Lavandarias: ANASE/FETESE; consolidated text published 28.2.2010

Centros de Inspeção Automóvel: ANCIA/FETESE; contract published 29.7.2007; last salary update published 8.7.2010

Agentes e Corretores de Seguros: ANACS/STAS, Global revision published 15/07/07, Last salary update published 8.11.2009

Produtos Alimentares
ANACPA/FEPCEs; consolidated text published 8.7.2005; last salary update published 8.9.2008

Restauração
ARESP/FETESE; Global revision published 22.1.2011

Restauração (Hotelaria)
ARESP/FETESE; new contract 15.12.2011.

As a rule (not including the recent/present crisis period) there is a yearly revision (update) of the *salary table* in almost every collective contract. Other issues then vary, depending on each specific collective contract (CCT).

As regards this updating/revision of contracts (namely in terms of *salary* updates), we should bear in mind that Portugal is, at present, experiencing a very particular period in terms of collective bargaining, due to the difficult economic situation.

Only very recently has the "lapse" of CCTs ("caducidade" – implying termination) been introduced, but this instrument is very difficult to apply, resulting in the fact that contracts are usually made for fixed periods.

Collective Agreements are valid and binding for members of signatory parties to the agreements (CCTs are negotiated by associations, on behalf of their members).

Until recently, the usual policy extended the validity of Collective Agreements to practically 100% of the CCTs (via the administrative process). In 2012 (Resolução do Conselho de Ministros 90/2012, of 31 October), due to the MoU (Agreement with the Troika), far stricter rules for this extension have been introduced, making it very difficult: wider representative criteria have been imposed, the most significant of which states that *"...the Association must represent at least 50% of the sector's workers"*. In practice, this has led to the extension of very few contracts.

9.2.5 Recently adopted reforms or changes to legislation

- **Pensions:**
D.L. 85 A-2012, of 5 April 2012: suspended the rules that allowed anticipation of the retirement age.
By 2009, a significant reform had already taken place, after which some small adjustments were introduced, namely resulting from the MoU. These included the already-mentioned suspension of the flexibility regime (that allowed anticipation) and stricter rules for the public sector (raising of the retirement age).
- **Labour relations:**
The most important recent amendment to the Labour Code was introduced by Law nº 23/2012, of 25/06.
- **Labour market and employment:**
 - **"Estímulo 2013"**, replacing a similar measure implemented in 2012 (Portaria nº 106/2013, of 14 March):
Financial support to employers who hire unemployed workers registered in the Public Employment Services, with full-time or part-time contracts, fixed- or non-fixed term. This support is provided for a maximum period of 6 months (fixed-term contracts) or 18 months (non-fixed term contracts), corresponding to 50% of the salary (60% for specific situations, like unemployed below 25 or over 50 years-old, with low income, for people with disabilities, poorly qualified and similar).
 - **"Apoio à contratação de trabalhadores por empresas startups"** (Portaria nº 432/2012, of 31 December)
This measure provides reimbursement of the social tax (TSU) paid by employers that hire qualified workers with a full time contract, fixed-term or otherwise, but for a minimum period of 18 months. For people unemployed for 4 or more months, the level of support is: 75% of the TSU for fixed-term contracts and 100% for others, for a maximum period of 18 months, with a maximum monthly amount of €300/worker, for a maximum of 20 workers/employer.
 - **"Programa Nacional de Microcrédito"** (Portaria nº 985/2009, of 4 September, amended by Portaria nº 58/2011, of 28 January, and Portaria nº 95/2012, of 4 April)

This measure gives technical and financial support to business ideas that create sustainable employment, for a maximum of 10 workplaces and €20,000 in investment.

- **“PAECPE – Apoio ao Empreendedorismo e à Criação de Empresas”** (regulated by the same legislation as the previous measure)

This incentive, created in 2009, was changed in 2011 and 2012. It supports small entrepreneurial projects that create employment, through technical advice and specific bank credit lines.

- **“Incentivo à aceitação de ofertas de emprego”** (Portaria nº 207/2012, of 6 July)

This measure aims to promote the return to the labour market of unemployed people receiving unemployment benefits registered at the public employment service (PES) for more than 6 months.

The measure provides financial support to these unemployed if they accept employment offers from the Public Employment Service, for a full-time contract (3 or more months) with a salary level below the unemployment benefit they are receiving.

Financial support can be provided for a maximum period of 12 months for each period of unemployment benefit conceded, and decreases over that period.

- **Collective Agreements:**

The first rules that foresaw the collective contracts “lapse” (termination) due to the deadlock in negotiations appeared in the Labour Code of 2003, but very few results have been achieved. In 2009, amendments were introduced but results have remained minimal. Of the CCTs we analysed, only two employers’ associations – ADIPA and ACAP – have managed to make their collective contracts, signed with CGTP-IN, lapse/terminate.

9.2.6 Predicted changes of legislation

- **Pensions:**

In the scope of the process of wider “State Reform”, the first draft of a new law aimed at making changed to the *retirement age* and the *pensions’ sustainability factor* was recently presented to the social partners, but has not yet been discussed.

- **Labour market and employment:**

- Active Labour Market Policies:

A tripartite working group for the revision of the existing measures was created some months back, in order to analyse which measures should be removed, which maintained and which redrawn. The group met several times, but no conclusions have yet been reached.

- Fixed-term contracts renewal:

In July 2013, a proposal was agreed between the Government and the Social Partners allowing the renewal (for one more year) of fixed-term contracts terminating in the coming 2 years.

This represents the second legal amendment related to extraordinary renewal that has been introduced since the signing of the MoU.

9.3 Slovenia

9.3.1 International documents

Slovenia has ratified:

- ILO Convention 158 – Termination of Employment Convention, 1982
- European Social Charter (revised) – 1996

9.3.2 National laws and regulations

Laws in force

- **Employment Relationship Act (OG RS, No. 21/13)**

This Act regulates employment relationships entered into on the basis of employment contracts between workers and employers. The aim of this Act is to achieve the inclusion of workers in the working process, to ensure a harmonised running of the working process and to prevent unemployment, taking into account the right of workers to freedom of work and dignity at work, and to protect the interests of workers in the employment relationship. Unless stipulated otherwise by a special act, this Act also regulates employment relationships of persons employed with state bodies, local communities and institutions, other organisations and private persons carrying out a public service. This Act also regulates the employment relationships of mobile workers, where in respect of working hours, night work, breaks and rest periods this is not otherwise provided for by a special act.

This Act applies to:

- employment relationships between employers established or residing in the Republic of Slovenia and the persons employed with them;
- employment relationships between foreign employers and persons concluded on the basis of an employment contract on the territory of the Republic of Slovenia;

In the case of workers posted to the Republic of Slovenia by a foreign employer on the basis of an employment contract pursuant to foreign law, this Act shall apply in accordance with the provisions regulating the position of workers posted to work in the Republic of Slovenia.

Definition of Employment Relationship:

An employment relationship is a relationship between the worker and the employer, whereby the worker is voluntarily included in the employer's organised working process, in which he/she, in return for remuneration, continuously carries out work, in person, according to the instructions and under the control of the employer.

Definition of the Worker and the Employer:

For the purposes of this Act, the worker is any natural person who has entered into an employment relationship on the basis of a concluded employment contract.

The employer is a legal and natural person or another entity such as a state body, local community, subsidiary of a foreign company and a diplomatic and consular mission employing the worker on the basis of an employment contract.

A smaller employer is an employer employing ten or less workers.

- **Pension and Invalidity Insurance Act (OG RS, No. 96/12)**

The pension and invalidity insurance system in the Republic of Slovenia shall cover:

- a compulsory pension and invalidity insurance scheme on the basis of intergenerational solidarity;
- compulsory and voluntary supplementary pension and invalidity insurance schemes; and
- a pension and invalidity insurance scheme on the basis of personal pension savings accounts.

- **Minimum Wage Act (OG RS, No. 13/10)**

This Act lays down the right to a minimum wage; it also stipulates the conditions under which a provisional minimum wage may be paid, the method of determining its amount and its publication.

Definition of the right to the minimum wage:

A worker employed full-time by an employer in the Republic of Slovenia shall have the right to be paid at least the minimum wage determined according to this Act for work performed.

The minimum wage shall be monthly pay for full-time work.

A worker working part time shall be entitled to a proportionate share of the minimum wage.

Minimum (monthly) wage for the year 2013: 783.66 EUR

- **Labour Market Regulation Act (OG RS, No. 80/10, 21/13)**

This act regulates government measures in the labour market with which the performance of public services in the field of employment and active employment policy measures as well as the functioning of the unemployment insurance system are provided, the providers of measures are determined, the conditions and procedures for exercising certain rights and services determined hereunder are prescribed, the method for financing measures, the monitoring, assessment and supervision of their implementation is determined, and shall also regulate the referral of workers to another user.

The measures shall be carried out under the terms herein for unemployed and employed persons, other job-seekers, employers and other persons seeking information and advice on employment terms and possibilities in the Republic of Slovenia and European Union.

- **Law on Health and Safety at Work (OG RS, No. 43/11)**

This Act lays down the rights and duties of employers and workers with respect to healthy and safe work and measures to ensure health and safety at work.

This Act also determines the competent bodies in the field of health and safety at work.

Regulations concerning health and safety at work shall be implemented by the minister competent for labour and the minister competent for the field to which a given implementing regulation shall pertain, after consultation with social partners within the Economic and Social Council.

The employer shall ensure health and safety at work in accordance with this Act, other regulations and guidelines.

The provisions of this Act shall apply to all sectors of activity and to all persons present in a work process.

The provisions of this Act shall not be applicable to work related to the military activity of the Slovenian Armed Forces, to police work and to protection, rescue and relief activities during natural and other disasters carried out by the Civil Protection Service and other rescue services, nor to mining, where individual issues of health and safety at work are governed by special regulations.

- **Collective Agreements Act (OG RS, No. 43/06)**

This act regulates the parties, content and procedure for the signing of a collective agreement, its form, validity and termination, the peaceful settlement of collective labour disputes and the register and publication of collective agreements.

For issues related to collective agreements that are not regulated by this act or other acts, the general rules of civil law shall be reasonably applied.

9.3.3 Collective Agreements for Trade Sector

- **Collective Agreement for Slovenia's Trade Sector (OG RS, No. 111/06, 94/08)**

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- Parties on the employees' side: Trade Union of Retail Workers of Slovenia – Association of Free Trade Unions of Slovenia, Confederation of Trade Unions 90 Council of Trade Unions Gorenjska;
- Parties on the employers side: Slovenian Chamber of Commerce, The Association of Employers of Slovenia, Chamber of Commerce and Industry of Slovenia;
- The collective agreement is concluded for a definite period from 1.1.2007 to 31.12.2013 and whose validity extends to all employers in an activity or activities for which it has been concluded.

9.3.4 Recently adopted reforms or changes to legislation

- **Pension and Invalidity Insurance Act (OG RS, No. 96/12)**

The amended legislation stipulates stricter retirement conditions. Via transitional periods, the reform raises the retirement age to 65 years for both genders (retirement will also be possible at 60 years of age on the basis of 40 years of service without the purchase of additional years).

It also extends the period for calculating the pension basis from the current 18 to 24. The introduction of so-called informative accounts will, for the first time, enable access to data on the value of the projected pension.

Implemented: 1.1.2013

- **Employment Relationship Act (OG RS, No. 21/13)**

The new legislation, which social partners negotiated for five months, enables easier hiring and firing, which should contribute to the greater competitiveness of the economy:

- measures to increase the flexibility of the labour market by loosening employment and dismissal procedures,
- measures to reduce segmentation in the labour market by restricting fixed-term employment,
- severance pay for fixed-term employment contracts,
- a clearer wording to prevent successive fixed-term employment contracts
- agency work quotas – max 25% of workers at the user
- the possibility of reassigning workers to other suitable posts without their consent,
- lower compensation for the waiting period (80% of the basis) and the obligation of workers to educate themselves according to the employer's requirements during this time,
- a measure whereby a worker must already actively seek employment during their notice period, thereby increasing their chances of finding a new job with no period of unemployment.

Implemented: 12.4.2013

- **Amendment on Labour Market Regulation Act (OG RS, 21/13)**

- A measure whereby a worker must already actively seek employment during their notice period, thereby increasing the chances of their finding a new job with no period of unemployment.
- The temporary and casual work of pensioners.

Implemented: 12.4.2013

9.4 Spain

9.4.1 International documents

Spain has ratified:

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- ILO Convention 158 – Termination of Employment Convention, 1982
- European Social Charter (revised) – 1996

9.4.2 National laws and regulations

- Royal Legislative Decree 1/1995 of March 24, approving the revised text of the Workers' Statute Law.
- Royal Decree 713/210 of May 28, on registration and deposit of contracts and collective work agreements.
- Royal Decree Law 3/2012 of February 10, for urgent action to reform the labour market.
- Law 3/2012 of July 6, on urgent labour market reform measures

9.4.3 Regional laws and regulations

Regulations of Autonomous Communities (regions), reflected in the corresponding Official Journals.

- Decree 352/2011 of June 7 to restructure the Department of Business and Employment (Autonomous Government of Catalonia).
- Law 26/2010 of August 3, on the legal system of government of Catalonia

9.4.4 Collective Agreements in the Trade Sector

There are approximately 450 collective bargain agreements (CBA) in Spain. Most are province-wide agreements and are made according to the criterion of activity (CNAE). In the trade sector there are nationwide agreements for department stores and supermarket chains, company-wide agreements, and regional scope agreements.

Example: Trade Agreement of Catalonia

- Parties on the employee side: CCOO-UGT
- Parties on the employers side: CCC
- Validity for the year 2013-2014
- Collective agreements are concluded for 1-2 years (according to the economic situation)
- Applies to all trade sub-sectors of activity without its own CBA

9.4.5 Recently adopted reforms or changes to legislation

- Reform of the pension system, raising the retirement age from 65 to 67 years and lengthening the period of calculation
- Labour reform

9.4.6 Foreseen changes to legislation

- Changes to terms of sick leave
- Transfer of workings from employment offices to private temporary employment agencies
- Development of professional skills

10 ACTIONS TO ENCOURAGE FLEXICURITY

10.1 Italy

10.1.1 Actions to encourage youth employment

Youth employment: in cases of apprenticeship there is a reduction in costs borne by the employer, down to 11.61% from the former 30%; for companies with up to 9 employees the corresponding reduction is 1.61%.

10.1.2 Actions to encourage employment of elderly people

Contributions by the employer for the employment of workers on extraordinary layoff have been eased (employer contributions have been reduced to 10% of salary, the employer receives an additional 50% of the mobility allowance owed to the worker for a maximum period of 9 months, or a maximum of 21 months if the employee is older than 50 years of age).

Unemployed persons or workers on extraordinary layoff for at least 24 months: 50% reduction in employer contributions for 36 months, 100% reduction of employer contributions for craft businesses.

Mobility workers: if the worker is employed under a fixed-term contract, the employer contribution is reduced to 10% for a maximum of 12 months. The reduced employer contribution is extended for an additional 12 months if the fixed-term contract is converted into a contract of indefinite duration. The employer receives an additional 50% of the mobility allowance owed to the worker for a maximum period of 12 months, extended to 24 months if the employee is older than 50 years of age).

Unemployed executives: 50% reduction of employer contribution for social security.

Bonuses for the employment of workers older than 50 years of age, for those unemployed for at least 12 months and women: if the worker is employed under a fixed-term contract, a 50% reduction of the employer contribution is applied for a maximum of 12 months. The reduced employer contribution is extended for an additional 18 months if the fixed-term contract is converted into a contract of indefinite duration. And there is a 50% reduction in the employer contribution for a maximum of 18 months if the worker is employed under a contract of indefinite duration.

10.1.3 Lifelong learning actions and incentives

Companies pay a contribution to the regions for training purposes. If the company is registered to an inter-professional fund for training purposes, the contribution goes directly to the fund that organizes training courses on behalf of the company.

The fund's finance company training plans for the employees. In order to access the fund, the company must organize training courses during working hours.

National legislation and labour contracts provide for relief for working students who can make use of permits and particular arrangements for the implementation of the right to education. In this framework working students have the right work leave for exams or for lifelong learning purposes.

10.1.4 Mobility and migration actions and incentives

There are no incentives for mobility and migration.

10.1.5 Planned future flexicurity-related actions

- CIGO – ordinary layoff: valid only for certain types of companies (e.g. industry, construction); granted when temporary crises occur and lasts up to 52 weeks out of 104;
- CIGS – extraordinary layoff: valid only for certain types of companies according to size; granted when complex crises occur and when recovery of the activity is foreseen; extraordinary layoff lasts up to 36 months;
- CIG IN DEROGA: exceptional layoff; Bilateral Solidarity Funds ensure protection for the workers who are not entitled to ordinary or extraordinary wage subsidies; used by smaller companies working in the handicraft or third sector.
- Solidarity contracts

10.2 Portugal

10.2.1 Actions to encourage youth employment

Portugal has a very high youth unemployment rate (37.1%, 2nd trimester 2013). Following related EU recommendations, the Government, in dialogue with the Social Partners, created in 2012 a specific new programme to promote youth employment, called "IMPULSO JOVEM". Its main measures/actions are described below.

10.2.2

"Apoio à contratação via reembolso da Taxa Social Única" (Portaria nº 204-A/2013, of 18 June)

This measure provides reimbursement of the social tax (TSU) paid by employers that hire young people (18-30 years-old) under a part- or full-time contract, fixed term or otherwise, for a minimum period of 18 months. Support is 75% of the TSU for fixed-term contracts and 100% for others, for a maximum period of 18 months, with a maximum monthly amount of €200/worker, maximum 25 workers/employer in the case of fixed-term contracts.

10.2.3 Internships

- "Estágios Emprego" (Portaria nº 204-B/2013, of 18 June)
This measure provides financial support for 12-month internships for young people (18-25 years-old; 18-35 years-old in the agriculture sector; more than 30 years-old, if they obtained a new qualification level in the last 3 years). Grant amounts depend on the trainee's level of qualification.
- "Passaportes Emprego 3i" (Portaria nº 408/2012, of 14 December)
This measure provides financial support to 12-month internships for young people (18-34 years-old and different levels of qualification) in the areas of *Industrialisation*, *Innovation* or *Internationalisation*, which include vocational training and may be complemented by other financial support if the trainee is hired at the end of his internship (under a non-fixed-term contract).
These internships must be part of "integrated investment projects" involving a minimum of 10 companies and a promotional entity that will develop an internship programme in this group of companies composed largely of SMEs.

10.2.4 Entrepreneurship

- **“Passaporte para o Empreendedorismo”** (Portaria nº 370-A/2012, of 15 November)
This action provides several technical and financial tools for qualified young entrepreneurs to develop their entrepreneurship project, including: a financial grant for the development of the company project, easier access to financing instruments (credit), and access to a network of supporting mentors.
- **“Coop-Jovem – Programa de Apoio ao Empreendedorismo Cooperativo”** (Portaria nº 432-E/2012, of 31 December)
This incentive provides technical and financial support to young people creating cooperatives or involved in investment projects that will create employment in already existing cooperatives.

10.2.5 Vocational Education and Training

- **“Vida Ativa”** (Portaria nº 230/2008, of 7 March; Portaria nº 283/2011, of 19 May)
This incentive aims at the return of unemployed young and adult people to the labour force, regardless of their educational qualifications, providing them with short-duration certified training actions (25 to 300 hours), based on the National Qualifications Catalogue, and/or dual processes of skills recognition, validation and certification (RVCC) - at the professional and, complementarily, school levels.
- **“Apprenticeship Courses”** (Portaria nº 1497/2008, of 19 December)
These courses are initial vocational training courses for young people aged 25 years or less (some exceptions allowed), in transition to the labour market or already working, who have finished the 3rd cycle of basic school (9th year) but no secondary education/training.
Courses are organised in socio-cultural, scientific, technological and practical components, integrated in curricula that are predominantly job-oriented and suitable for the level of qualification and for several professional areas. They recognise the potential of on-the-job training and the company role in this process.
Courses last 2,800 to 3,700 hours and provide a Level 4 Qualification (corresponding to 12th year secondary education).
- **“Vocational Education and Training Courses for Young People”** (Despacho Conjunto nº 453/2004, of 27 July; Retificação nº 1673/2004, of 7 September)
These courses are aimed at young people (15 to 22 years-old) who dropped out of school or are at risk of dropping out of school before finishing secondary school. They guarantee a qualification level of 1, 2 or 4, are linked to school progression, and provide 6th, 9th or 12th year school equivalency.
The curriculum is job-oriented and comprises the four above-mentioned components of the apprenticeship courses. In specific situations, and when the training area or target-public advises, the trainee may gain a post-training internship (maximum duration 6 months).

10.2.6 Actions to encourage employment of elderly people

- **“Apoio à contratação de desempregados com idade igual ou superior a 45 anos, via reembolso da TSU”** (Portaria 204-A/2013, of 18 June)
This measure provides total/partial reimbursement of the employers’ social tax for those who hire unemployed workers aged 45 or more – under fixed- or non-fixed-term contracts, part- or full-time – for a maximum period of 18 months (similar support as above-mentioned for young people).

10.2.7 Other incentives for employment

- **Programa de Emprego e Apoio à Qualificação de Pessoas com Deficiências e Incapacidades** (created by Decree-Law nr. 290/2009, of 12 October, as amended by Law nr. 24/2011, of 16 June, and regulated by Normative Order nr. 18/2010, of 29 June)
This programme provides "Support for Placement", which aims to promote integration into the labour market of people with disabilities, registered at job centres, through a process of mediation between them and employers, and, among other things, helping support the beneficiary to actively search for a job or get involved in a self-employment scheme.
This type of support, provided by entities like Resource Centres for IEFP, IP, covers people with disabilities who are unemployed job-seekers looking for their first job, and provides financial support for the development of the process, by providing payments for travel expenses, food, accommodation, care of dependents and an insurance policy.

10.2.8 Lifelong learning actions and incentives

- **Education Training Courses for Young People** (Despacho n.º 18228/2008, of 8 July)
Main goal: to promote double certification training for young people at risk of early school withdrawal, integrating goals for professional qualification with continued studying.
- **Education Training Courses for Adults** (Portaria n.º 283/2008, of 24 October)
Main goal: to raise the qualification levels of the persons – employed and unemployed – with secondary school qualifications.
- **Certified Modular Training** (Portaria n.º 283/2008, of 24 October)
Main goal: to guarantee the capitalization of short-term training schemes carried out in the framework of certain training paths in order to obtain relevant qualification corresponding to certain job opportunities.
- **Training-Action Programme for SMEs** (Despacho n.º 18363/2008, of 9 July)
Main goal: to support organizational modernization and innovation processes by training workers /entrepreneurs of micro- and SME's and by providing consulting services. This intervention scheme-type is addressed to companies with 100 or less employees.

10.2.9 Quality of work – actions and incentives

The ongoing present national situation of very high levels of unemployment has made labour market actions more focused on the quantity of work. The incentive aims to create as many workplaces as possible. Nevertheless, active labour market policies have retained the scheme of providing greater financial support to permanent contracts.

The body responsible for inspection activities related to working conditions in Portugal is ACT – Autoridade para as Condições de Trabalho – whose work also provides a pedagogical approach in overall terms of quality of work to the organisations involved.

Specific bodies that intervene in cases of non-discrimination also exist, namely CITE (Commission for Equality in Labour and Employment – www.cite.gov.pt) in gender equality issues; and CICDR (Commission for Equality and Against Racial Discrimination; www.acidi.gov.pt/cicdr).

10.2.10 Mobility and migration actions and incentives

Two mobility- and migration-related measures (below) exist and are in place, though the Government has recently proposed abolishing them and – due to serious national financial restraints – have not been carried out in recent years:

- Incentives for Geographical Mobility - 1979 (Decreto-Lei n.º 206/79, of 4 July; Despacho Normativo n.º 302/79, of 28 September):
 - for people willing to accept jobs offered through public employment services, in a region where they don't reside;
 - labour contracts have to be permanent or be made from more than one year, and are renewable for at least 6 months.
- Incentives for Geographical Mobility - 1987 (Decreto-Lei n.º 225/87, of 5 June; Portaria n.º 474/87, of 5 June; Portaria n.º 475/87, of 5 June)
 - for unemployed people who reside in regions of high unemployment and agree to move to regions offering better employment prospects;
 - employment contract for at least a 2-year period or permanent;
 - for those unable to find a job in the area in which they live (within a 50 km-distance).

10.3 Slovenia

10.3.1 Actions to encourage youth employment

- **Labour Market Regulation Act** – 2-year exemption from employer's unemployment contributions in cases where an employment contract for an indefinite period is concluded
- **Pension and Invalidity Insurance Act:**
 - for self-employed persons: lower employer and employee pension contributions – 50% in the first 12 months from registration, and 30% for an additional 12 months
 - for young persons and mothers: lower employer contributions – 50% for the first year and 30% for the second year – for persons in first indefinite employment arrangement, for persons younger than 26 years-of-age and for mothers who care for children up until the age of 3

10.3.2 Actions to encourage employment of elderly people

- **Labour Market Regulation Act** – 2-year exemption from employer's unemployment contributions in cases where employment contracts for an indefinite period are concluded.
- **Pension and Invalidity Insurance Act:**
 - for elderly people: 30% reduction in employer's contributions for persons older than 60 years-of-age and a 50% reduction in employer's contributions for persons that have fulfilled conditions for early retirement pension.

10.3.3 Other incentives

Programs and calls of Employment Service of Slovenia and EU funds.

10.3.4 Lifelong learning actions and incentives

- **Labour Market Regulation Act (ZUTD)** (OG RS, 80/10, 40/12, 21/13)

Lifelong career orientation includes activities enabling the identification of abilities, competencies and interests for making decisions in the field of employment, education, training and profession selection, and enable guidance through various paths of life in such a manner that an individual becomes aware of his/her abilities and competencies and uses them accordingly.

Lifelong career orientation activities include the following:

- providing information on the labour market;
- independent career guidance;
- basic career consultancy;
- in-depth career consultancy;
- study of career guidance skills.

10.4 Spain

10.4.1 Actions to encourage youth employment

- **Royal Decree Law 4/2013**, of 22 February, the support of entrepreneurs, growth stimulation and job creation measures:
 - 85 measures with medium-long-term effects.
 - These measures are designed to adapt education and training for young people to the needs of the labour market, to improve guidance and information they receive in their job search, and other measures designed to encourage recruitment and promote flexibility and equal opportunities.
 - These shock measures will benefit more than one million young people during the four-year development of the strategy – a figure to which must be added the beneficiaries of medium- and long-term measures, as well as recipients of additional initiatives driven by various agencies, both public and private.
 - New financial resources amounting to 3.485 million euros are expected for the development of measures included in the strategy.
- **Reduction of contributions/taxes**
 - Self-employed and entrepreneurs
 - Flat rate for young self-employed
 - Compatibility provision of unemployment and registration with RETA
 - Improved financing
 - Resumption of unemployment benefit payments after performing a (work) activity for their own account
 - Offices of the public employment services reference
 - Contract “Generations”
 - Collective entrepreneurship
 - Recruitment incentives
 - Incentive for part-time contracts linked to training
 - “Micro SMEs and autonomous” - removal of quota for the young people recruitments
 - Young “first job” contract
 - Contract practices; incentives for practical first employment contract

10.4.2 Lifelong learning actions and incentives

- Every year the Tripartite Foundation for training in employment develops a continuing training programme (financed by contributions to Social Security and the European Social Fund).
- Within the Foundation, the Joint Committee on trade develops annually a continuing training programme for the trade sector.
- Labour reform measures recognize vocational training as an individual right, recognizing the workers’ right to paid vocational training.

- Also provides that public employment services grant all workers a training account.

10.4.3 Planned future flexicurity-related actions

The reform aims to guarantee flexibility for entrepreneurs in company human resource management, and the job security of workers in employment with an adequate level of social security.

11 SPECIFIC LEGISLATIVE SOLUTIONS REGARDING EMPLOYMENT RELATIONS AND EMPLOYMENT MARKET – LEGAL INSTITUTES

11.1 Conditions for a fixed-term employment contract

11.1.1 Italy

The traditional fixed-term labour contract can only be made by an employer for the following reasons:

- technical reasons
- production and organizational reasons
- substitution

“Acausal” contracts are also possible; and can be made for any kind of task with the following conditions:

- must be the first contract with the same employee;
- cannot last more than 12 months, and cannot be extended.

A fixed-term contract can also be made in the framework of the organizational processes defined in Article 5, Paragraph 3 of the Legislative Decree 368/2001.

11.1.2 Portugal

Fixed-term contracts can only be made in order to fulfil certain temporary labour needs on the part of companies, and only during a strictly defined period in which these needs be fulfilled, including the replacing of a worker who is temporarily unable to work.

11.1.3 Slovenia

Employment Relationships Act – Article 54

A fixed-term employment contract can be concluded in cases of:

- work which by its nature is of limited duration
- replacing a temporarily absent worker
- temporarily increased volume of work
- employment of a foreigner or person without citizenship who was granted a work permit for a definite period, except in the case of a personal work permit
- managerial staff
- executive personnel who manage a business field or organisational unit at the employer and are authorised to conclude legal transactions or to make independent personnel and organisation-related decisions
- seasonal work
- preparation for work, vocational training or advanced study for work and/or education

- employment for a definite period of time due to the performance of work during the accommodation period on the basis of awaiting a final decision and certificate issued by the competent body in the procedure of recognizing qualifications pursuant to a special law
- performance of public works and/or inclusion in active employment policy measures pursuant to law
- preparation or realization of work organised as a project
- work required during the period of introduction of new programs, new technology and other technical and technological improvements of the working process or for training workers
- transfer of work
- elected and appointed officials and/or other workers related to the term of office of a body or official in local communities, political parties, trade unions, chambers, associations and related federations
- other cases as laid down by law and/or branch collective agreement

The branch collective agreement may stipulate that a smaller employer can conclude fixed-term employment contracts for a definite period regardless of specifically defined restrictions.

11.1.4 Spain

Temporary contracts can be made in cases of replacing an employee on sick leave, and/or to develop a work process or specific service.

11.2 Limitation of duration of fixed-term employment contract

11.2.1 Italy

The contract may be extended only once for a total of 3 years, provided that the worker agrees on it, and that the objective reasons and tasks for such are the same as those defined in the first contract.

The overall duration of a fixed-term contract by the same employer (including the extension) cannot exceed 36 months.

11.2.2 Portugal

Maximum duration is 3 years for fixed-term contracts, and 6 years for non-fixed-term contracts.

11.2.3 Slovenia

Employment Relationships Act – Article 55

An employment contract shall be concluded for that definite period of time required for the realization of the work. The employer may not conclude one or more successive fixed-term employment contracts for the same job, for an uninterrupted period of longer than two years, except in cases laid down by law and in those cases referred to in the second, fourth, fifth, sixth and fourteenth indent of Article 54(1).

Irrespective of the restriction referred to in the preceding paragraph, in cases of project work a fixed-term employment contract may be concluded for a period exceeding two

years if the project lasts more than two years and if the employment contract is concluded for the entire duration of the project. A branch collective contract shall serve to determine what is deemed to be project work. Interruptions of three months or less do not represent an interruption of the uninterrupted two-year period.

11.2.4 Spain

Two years, extendable.

11.3 Reasons for termination of employment contract

11.3.1 Italy

Objective reasons:

- Objective reasons linked to the employer:
 - elimination of the work position
 - termination of business
- Objective reasons linked to the employee:
 - Excessive morbidity (when exceeding the threshold)
 - Occurrence of inability to work (infirmary, withdrawal of administrative authorizations (e.g. driving license)
 - Imprisonment

Subjective reasons:

- Employee's shortcomings:
 - justified subjective reason (minor damage to the trust relationship, severe breach of contractual duty), termination of the employment relationship with notice

Just cause:

When the reason for dismissal does not allow the continuation, including temporary, of the work relationship (irreparable damage to the trust relationship, extremely severe breach of contractual duty), immediate dismissal without notice is allowed. Reasons are linked to the seriousness of the (mis)conduct, the employee's intentional conduct and damage to the trust relationship.

Reasons:

- insubordination;
- refusal to perform tasks;
- disparaging criticism towards the employer;
- abandoning the workplace;
- breach of duty of diligence;
- breach of duty of loyalty (competitive activities against the employer);
- commission of a crime.

11.3.2 Portugal

Employment contracts may be dissolved by:

- mutual agreement;
- termination (namely, because they have come full-term);
- dismissal based on justified grounds related to disciplinary reasons;

- dismissal based on objective reasons (e.g. elimination of position);
- collective dismissal.

Extraordinary termination of employment contracts may only result from dismissal based on justified grounds (subjective or objective reasons).

11.3.3 Slovenia

Employment Relationships Act – Article 89

Valid reasons for ordinary termination of a worker's employment contract by the employer are as follows:

- cessation of the need to carry out certain work, under the conditions pursuant to the employment contract, owing to economic, organisational, technological, structural or similar reasons on the employer's side (hereinafter: business reason), or
- non-achievement of expected work results because the worker failed to carry out the work in due time, professionally and with due quality, or non-fulfilment of the conditions for carrying out work, as provided for by laws and other regulations issued on the basis of law, for which reason the worker fails to fulfil or cannot fulfil the contractual or other obligations arising from the employment relationship (hereinafter: reason of incapacity);
- violation of contractual obligation or other obligation arising from the employment relationship (hereinafter: reason of culpability);
- inability to carry out the work under the conditions set out in the employment contract owing to disability in accordance with the regulations governing pension and disability insurance, or with the regulations governing employment rehabilitation and the employment of disabled persons;
- employee fails to successfully pass the probation period.

The employer may terminate the worker's employment contract only if there is a substantiated reason referred to in the previous paragraph that prevents the continuation of work under the conditions set out in the employment contract between the worker and the employer.

Employment Relationships Act – Article 110

The employer may extraordinarily terminate the worker's employment contract if the worker:

- violates the contractual or any other obligation arising from the employment relationship and the violation has all the characteristics of a criminal offence;
- intentionally or by gross negligence violates the contractual or any other obligations arising from the employment relationship;
- provided, as a candidate in the selection procedure, false data or documents related to the fulfilment of conditions;
- if, for at least five days in succession, the worker does not come to work, and does not inform the employer of the reasons for his absence, although he should and could have done so;
- is prohibited by some final judgement from carrying out certain works included in the employment relationship or if he violates an educational, safety or protection measure or commits a minor offence as a result of which he cannot carry out the work for a period of longer than six months, or if due to serving a prison sentence he must be absent from work for longer than six months;
- if the worker refuses a transfer and the actual carrying out of work with the transferee;
- unjustifiably fails to return to work within five working days after the cessation of the original reason(s) for initial suspension of the employment contract;

- during an absence from work due to illness or injury fails to respect the instructions of the competent doctor and/or of the competent medical authority, or if he during this period carries out gainful work or leaves his residence without the approval by the competent doctor and/or by the competent medical authority.

11.3.4 Spain

Reasons for ordinary termination can be objective of disciplinary in nature.

Reasons for extraordinary termination are regulated according to agreements that determine the kind of serious or very serious transgressions a worker can commit.

11.4 Minimum periods of notice

11.4.1 Italy

The period of notice is defined in the national collective labour agreement, and may last from several days to 8 months.

11.4.2 Portugal

60 days in case of dismissal based on justified grounds for objective reasons (termination of employment contract).

11.4.3 Slovenia

According to the new Employment Relationship Act (OG RS, No. 21/13):

In case of termination of the contract by the worker during the probation period or by employer by reason of unsuccessfully completed probation, the period of notice shall be 7 days.

- **Termination by the worker**

If the employment contract is terminated through ordinary procedure by the worker, the period of notice shall be:

- 15 days if the worker's period of service with the employer is under 1 year
- 30 days if the worker's period of service with the employer exceeds 1 year

Longer periods of notice may be agreed in the employment contract or collective agreement, but may not exceed 60 days.

- **Termination by the employer**

If the employment contract is terminated through ordinary procedure by the employer due to business reasons or due to reasons of incapacity the period of notice shall be:

- 15 days if the worker's period of service with the employer is less than 1 year
- 30 days if the worker's period of service with the employer is from 1 to 2 years

For working service periods with the employer of more than two years the notice period of 30 days increases by two days for each completed year of service with the employer, up to a maximum of 60 days.

For more than 25 years of service with the employer the notice period is 80 days, unless otherwise stipulated by the branch collective agreement, but shall not be less than 60 days.

If the employment contract is terminated through ordinary procedure by the employer for reasons of worker culpability the period of notice shall be 15 days.

The period of service at the employer shall also include the period of service with the employer's legal predecessors.

11.4.4 Spain

15 days.

11.5 Breaks for lunch during and included in working hours

Included in working hours:

- **Portugal**
- **Slovenia**

According to the Labour Market Regulation Act, a worker who works full-time shall have the right to a break of 30 minutes during daily work.

A worker who works part-time but for at least four hours in a day shall have the right to a break during daily working time in proportion to the time spent at work.

In case of uneven distribution or temporary redistribution of working time, the break time shall be fixed in proportion to the length of daily working time.

A break time may be determined not earlier than after one hour of work and not later than one hour prior to the end of the working time.

A break during daily work shall be included in the working time.

Not included in work time:

- **Italy**
- **Spain**

11.6 Extra compensation for years of service

Yes:

- **Italy:** For prolonged service at the same company the employee is entitled to 10 length-of-service increments, which are applied every three years
*(e.g. a sales clerk's salary increases by €20.66 every three years).
- **Portugal:** Called seniority payments, amount varies, determined by collective bargaining.
- **Slovenia:** According to the Labour Market Regulation Act the amount of extra payment for years of service shall be laid down by the branch collective agreement. Unless otherwise stipulated in a branch collective agreement workers receive extra payment for years of service in the amount of 0.5% of the basic wage for each completed year of service.

No:

- **Spain:** In the past the concept of "seniority in the company" on a three-year basis was in place; but since 2002 this has been eliminated in the most of the CBA.

11.7 Employer's obligation to reimburse worker's expenses for meals, travel to and from work

Yes:

- **Slovenia:** According to the Collective Agreement for Slovenia's Trade Sector (OG RS, No. 111/06, 94/08) the employer must reimburse worker's expenses for:
 - Transport to and from work: amount no less than 70% of the price of public transport; in the case there no public transport is available the worker shall be entitled to reimbursement in the amount no less than €0.16 per each kilometre of travel;
 - Meals during work: reimbursement in the amount of no less than €4.16 per each day worked;
 - Business trips.
- **Spain:** Travel compensation is established in the CBA; meals and changes in workplace location are determined in the CBA and can be both fixed or based on expenses actually incurred.

No:

- **Italy**
- **Portugal:** In some cases, a meal allowance is provided, which amount is variable and determined in the employment contract or in a collective agreement.

12. CONCLUSIONS AND FINDINGS:

12.1. Joint findings of the project partners:

- Individual legal institutes are regulated very differently in the partner countries and the systems as such are thus difficult to compare. The recession further compounded the situation, as practically all countries in question implemented and underwent various individual reforms, both in the field of labour law and in the labour market, as well as in the field of pension legislation, during the period in which the project was carried out.
- There are also essential differences among individual countries as to what extent individual institutes are regulated by legislative decrees or to what extent they operate under the jurisdiction of or are regulated by collective agreements, whether at the branch or entrepreneurial level. In the exchange of opinions and experiences, all participants agreed that the better, more effective regulations were those that allowed more room for social dialogue and the regulation of institutes in collective agreements. In this way, individual regulations better correspond to the actual needs, circumstances and specifics of a given branch. Slovenia, among all the partner countries, has the most detailed and specifically regulated individual institutes that are party to its Employment Relationships Act, leaving little manoeuvring room for negotiations branch collective agreement level.

The rights and obligations of employers are also regulated differently with regard to their size. In Slovenia, the new labour law legislation has even reduced the number of institutes that can be regulated differently in collective agreements for smaller employers.

- ### 12.2. Countries that have not ratified the ILO Convention 158 on Termination of Employment at the Initiative of the Employer are characterised by substantially simpler proceedings for termination of an employment contract of indefinite duration. In practice, these simple proceedings for the termination of an employment contract mean that there are far fewer judicial disputes arising therefrom, and consequently less ambiguity both on the side of the employers as well as the employees (the possibility of a termination being annulled by a court and the employee reinstated). As the proceedings for the termination of an

employment contract are simple, employers are not afraid of concluding indefinite duration employment contracts. It would be prudent to consider the possibility of simplifying termination proceedings for employment contracts, especially for reasons of incompetence, and allow the termination of the employment contract on the basis that the employee and employer simply cannot work in cooperation (also for subjective reasons such as personal differences).

- 12.3. Termination of the employment contract in cases of long-term sick leave: Such a regulation is present in Italy, where the employee is guaranteed his/her position for a period of not longer than 180 days of absence due to sick leave. If the sick leave lasts longer than this, the employment contract is terminated after 180 days, unless otherwise mutually agreed by the employee and the employer.

12.4. Seniority bonus

Seniority bonus is a term known only in Slovenia. Pursuant to the Employment Relationships Act, workers who at the time of entry into force of the new Employment Relationships Act (ZDR-1) receive a seniority bonus in the minimum amount of 0.5 per cent of the basic salary for each completed year of service, retain the right to that bonus unless otherwise stipulated by a branch collective agreement. The seniority bonus means that two workers who perform the same work and concluded an employment contract for the same basic salary are paid entirely different salaries already on the basis of this bonus. Consequently, this means that as employment seekers, those persons with more years of active employment are "more expensive" and thus less competitive. If individual countries have a seniority bonus specified, it is always a bonus for years of employment with the last employer (longevity bonus), which can be stipulated either as a percentage or a nominal sum, and also differently for individual tariff groups. The periods for obtaining this bonus also differ (in Italy, for example, the branch collective agreement for the trade sector stipulates the bonus in terms of nominal sums according to individual tariff groups and is acquired after spending three years in service with the same employer).

- 12.5. In order to facilitate youth employment, more emphasis should be placed on companies reviving the traineeship institute. The branch collective agreement for the trade sector is one of those that regulate traineeship in detail.

- 12.6. In order to provide young people who are entering the labour market with better qualifications and in order to enhance the connections between educational institutions and the economy, it would be sensible to study the possibility of reintroducing the traineeship system.

12.7. Efficiency of the Labour Court of Catalonia model

The Labour Court of Catalonia is a non-profit organisation funded by the Government of Catalonia. The Court provides an additional legal channel for solving labour law disputes, which can be resolved using different methods (conciliation, mediation and arbitration), all with the aim of finding fast and efficient solutions. The Labour Court is available to all employees and employers who are signatories of a collective agreement. The Court thus represents a welcome instrument for solving disputes, as the number of disputes has been rapidly increasing in recent years. In 2000, there were 483 disputes filed; and in 2012 the number had already grown to over 1,000. More than 50% of all filed disputes end with an agreement. The number of disputes filed differs according to sector, with the largest share of disputes arising from the metalworking industry, healthcare and the transport sector. The main point of this Court is that all

individual senates are comprised of representatives of trade unions and employers' organisations that have concluded an individual collective agreement.

In light of the presented activities of the court, the project partners agreed that it would be sensible to consider the possibility of implementing similar ways for solving labour law disputes, also in the national legislations of the project partner countries.

- 12.8. A major part of employment subsidies for employing youth and elderly workers in individual countries is financed by the European Social Fund. It has been established that the proceedings of and assembly of documents required to secure the subsidies are complicated, especially for smaller employers, which often keeps them from applying for such subsidies.
- 12.9. In the light of stiff regulations on terminating employment relationships, especially in countries that have ratified the ILO Convention 158 on Termination of Employment at the Initiative of the Employer, and which is reflected in the employers' reluctance to conclude employment contracts, it would be sensible to regulate a new form of temporary and occasional work of unemployed persons, who would thus have the opportunity to become familiar with the work and the employer and to prove themselves, thus improving their position and prospects on the labour market. Employers would gain in flexibility and get become better familiar with the competencies of the unemployed person; and such a scheme could lead to enhanced employability of unemployed persons.

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