# Workshop on the Crisis, Austerity and its Consequences

Dublin, 11 November 2014



### Austerity and its Consequences

- Labour reform and its impacts
- Stability plan- Adjustments and impacts
- Impacts on Postal Sector



### Labour Reform 3/2012

- Collective bargaining processes
- Suspension of CLA application
- Costs lowering in dismisals
- Trial period lengthening



Impact

- Job destruction
- Devaluation in salaries
- Lengthening of precarious job modalities



## Stability plan- Adjustments

- Adjustments on budget plan (€102.149 Mill)
- Cuts on public funds for social policies
  - o Health
  - Education
  - Unemployement
  - Social services, culture, environment...
  - Salaries devaluation
- Public Administrations reform
- Privatisations



### Stability plan-Consequences

- Estimated GDP growth: 1,5%
- Public debt: 103%
- Private debt: 323%
- Public deficit: 5,5%
- New comming adjustments 2015-2017: €50,000 mill



### Stability plan-Impact

- Unemployement rate: 26,03%, 5,5 mill people
- Temporary work rate: 23,92%
- - 468,000 public jobs
- Protection for unemployment reduction (-20% since 2010)
- 687,000 families with no incomes
- 2015 Budget Act:
  - € 3,671 mill for Public Employement Service
  - o Great tax burden



### **Postal outlook**

#### Private sector

- Less-unionized
- Labour Reform application

#### Public sector

- Protection through Union Action
  - No labour reform application
  - No privatisation
- But no political proyect to afford crisis and the changes on business model
  - Turnover lowering
  - Decreasing letter volumes
  - - 8,000 jobs
  - Rights and salary adjustments
    - 5% (civil servants)
    - o Wage freeze
    - 0 ...



### Union (re-)action

- Rethinking adjustment policies
- Tax model improvement
- Fundamental role of the public services
  - On the society
  - As an employement generator

#### Postal sector

- No laboral dumping
- Investment to improve the competitiveness
- Quality employement
- Political initiative enabling viability





#### Against Government inaction / CLA negotiation blockade / Cuts





# Workshop on the Crisis, Austerity and its Consequences



### servicios a la ciudadanía postal