

The current crisis follows the same patterns as in 1991

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"At least until the middle of 2010, the period up to which the article

covers, we have seen that the sequence of events is quite similar not just in terms of labour market results but also in the response of the government when dealing with the crisis," explains Carlos García Serrano, lecturer and researcher at the University of Alcalá.

According to García Serrano, both the current crisis and that of the 1990's saw labour reforms adopted at the same point in time and the measures taken were also quite similar.

As the researcher explains, "all the measures can be put into four groups: those that affect hiring and job stability; those relating to labour intermediation; those involving collective negotiation; and lastly those to do with dismissal. Although the measures are not exactly the same, their aims are similar."

In this respect, hiring and dismissal are relaxed during both crises. With regards to collective negotiation, in the 1994 crisis the intention was to grant more power to collective agreements so that they could regulate more labour matters. However in 2010 it was intended to relax the conditions under which companies can "escape" of these agreements.

García Serrano points out that "they are not the same measures but go down the same road: providing more flexibility for companies both in the entry and exit of workers as well as in internal workforce management.

The most affected: qualified construction workers

In terms of employment development by sectors or types of jobs, similarities can be drawn in both senses but the researchers highlight some differences. "It is evident that the evolution of the construction industry is different in the current and previous crises. In the 1990's the most significant job losses were felt in industry whereas in the current

crisis, mainly during its early stages, a substantial reduction in activity and employment in the construction sector was seen."

In fact, six of the occupations that experienced the most growth during expansion of the Spanish economy (1997 to 2007) and eight of the occupations that were most badly affected during the recession were directly or indirectly linked to the construction industry.

Between 1996 and 2007 jobs seeing the most increases in Spain included cleaning staff in homes and other buildings (654,000 jobs), qualified construction workers (531,000) and administrative management support staff (445,000). Jobs seeing the most reductions between 2007 and 2010 were qualified construction workers (453,000 less jobs), labourers (269,000 less) and construction finishing workers and similar employees (226,000 less). On the other hand, the services sector remains stable and "cushions" job losses.

According to the study, there is no comparison with the rest of Europe when it comes to employment and employment fluctuations in Spain. For the researcher, one of the factors that explains this is Spain's production structure itself. He says that "it depends on some seasonal activities like tourism and the hotel industry, which are labour intensive. This means that they require more workers when experiencing growth but they feel the effects more when [economic activity](#) stagnates." In addition, another factor is that the majority of businesses in [Spain](#) are small and more exposed to changes in the economic situation and in credit allocation.

Lastly, the greater weight placed on temporary hiring, which is higher than the average in Europe, also means that the state of employment is more sensitive to economic activity. The researcher states that "when the situation worsens, it is possible to get rid of temporary workers; when the economy improves, workers are contracted on a temporary basis

meaning employment grows quickly."

Carlos García Serrano upholds that the effects of the current crisis will be more lasting largely due to the fiscal cutbacks adopted in May 2010 and then in 2011. As the author concludes, "it seems that these changes are having a very negative effect on economic activity. In any case, comparing the labour regulation changes is necessary for calculating the possible influence of reforms on labour market results and for assessing whether they can reduce the extent to which employment is sensitive to the characteristic production of the Spanish economy."

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