



Council of Ministers

**The Government is strengthening the legal system for stevedoring in order to facilitate the sector's transformation by guaranteeing workers' rights**

- The Government is enacting a Royal Decree-Act which includes the measures needed to facilitate the sector's transformation toward competitiveness by ensuring job stability.
- The legal framework which envisages Port Employment Centers as temporary employment agencies is thus completed.
- Included therein are the measures necessary to provide the sector with legal security and to maximize its efficiency, in order to achieve a sector that contributes to increases in our ports' international competitiveness.
- Similarly, the Council of Ministers has decided to perform the urgent processing of the planned Royal Decree which establishes the rules on granting special aid to adapt the port stevedoring sector.

Madrid, March 29, 2019 (Ministry of Public Works)

At its meeting today, the Council of Ministers enacted a Royal Decree-Act which furthers improvements in the legal framework applicable to stevedoring activity.

Royal Decree-Act 8/2017 enacted a profound change in the system governing the way stevedoring operations occur, establishing freedom in hiring the workers who provide this service, which up to then had to be provided preferably by Stevedoring Collectives known as "SAGEPs," which dockworkers formed part of as employees.



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After the experience acquired during the first two years in which Royal Decree-Act 8/2017 was in force, the Government has enacted a new Royal Decree-Act in order to complete and strengthen the legal framework, thus ensuring an orderly transition toward the new competitive framework.

For instance, the Royal Decree-Act creates legal enablement, through the Collective Labor Agreement, to determine the obligatory subrogation of workers for those companies which decide to leave the Stevedoring Collectives (the so-called "SAGEPs"), thus ensuring a right which has already been established in other productive sectors while guaranteeing the basic labor rights of workers and facilitating job stability.

Moreover, it includes a modification of the Temporary Employment Agencies ("ETTs") Act, to establish the specific conditions for Port Employment Centers and all other ETTs which carry out some part of their activity in the stevedoring sector, with the objective of:

- Improving its effectiveness, bearing in mind this sector's unique features (specifying bureaucratic requirements, financial guarantees, etc.).
- And, in the specific case of Port Employment Centers, to create the requirement that their owners must have a stevedoring company license, thus ensuring that the owner has ties with the activity being performed, and, as a result, the highest possible level of professionalism.

Similarly, it reinforces business owners' ability to organize and manage labor without setting aside the special role played by collective bargaining in certain organizational matters involved in this productive activity.

Royal Decree-Act 8/2017 has also been amended to allow the use of apprenticeship contracts when training dockworkers, thereby facilitating their access to the profession and increasing their level of qualification.



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By doing this, students seeking to earn the Professional Qualification Certificate that grants access to the profession can benefit from an employment contract while they complete their internship.

This Royal Decree-Act provides a response to the Non-Binding Bill unanimously approved by the Spanish Parliament on February 20, urging the Government to complete the regulatory framework for the activity of stevedoring, with the greatest possible consensus in the sector, while honoring the principles of EU regulation, with the end goal of matching up the principles of freedom in hiring workers and those workers' rights.

The Government has performed a great deal of work to dialogue with both the sector, to ensure the utmost possible consensus, and the European Commission, in order to clarify its objectives and answer any questions about upholding the framework for freedom of hiring that exists at the present time.

## **Regulatory adaptation of the stevedoring sector**

Moreover, the Council of Ministers has also decided to perform the urgent processing of the planned Royal Decree which establishes the rules on granting special aid to adapt the stevedoring sector.

The purpose of this proposed Royal Decree is to establish the regulatory grounds for directly granting special aid to workers in the port cargo handling sector affected by the structural changes which have taken place in labor relations in the sector as a result of the sentence of the Court of Justice of the European Union issued on December 11, 2014, regarding Case C-576/13.

The purpose of this aid system is to facilitate the voluntary retirement of older workers who have no more than 60 months left before reaching the ordinary retirement age, under the best conditions, thereby contributing to the necessary restructuring of the stevedoring sector, providing these workers with economic coverage, provided that they meet the conditions and requirements to be regulated under this Royal Decree. The contents



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of the Professional Qualification Certificate to access the profession are to be modified, as well.