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For Spaniards, Having a Job No Longer Guarantees a Paycheck

By **SUZANNE DALEY**

VALENCIA, Spain — Over the past two years, Ana María Molina Cuevas, 36, has worked five shifts a week in a ceramics factory on the outskirts of this city, hand-rolling paint onto tiles. But at the end of the month, she often went unpaid.

Still, she kept showing up, trying to keep her frustration under control. If she quit, she reasoned, she might never get her money. And besides, where was she going to find another job? Last month, she was down to about \$130 in her bank account with a mortgage payment due.

“On the days you get paid,” she said at home with her disabled husband and young daughter, “it is like the sun has risen three times. It is a day of joy.”

Mrs. Molina, who is owed about \$13,000 by the factory, is hardly alone. Being paid for the work you do is no longer something that can be counted on in Spain, as this country struggles through its fourth year of an economic crisis.

With the regional and municipal governments deeply in debt, even workers like bus drivers and health care attendants, dependent on government financing for their salaries, are not always paid.

But few workers in this situation believe they have any choice but to stick it out, and none wanted to name their employers, to protect both the companies and their jobs. They try to manage their lives with occasional checks and partial payments on random dates — never sure whether they will get what they are owed in the end. Spain’s unemployment rate is the highest in the euro zone at more than 25 percent, and despite the government’s labor reforms, the rate has continued to rise month after month.

“Before the crisis, a worker might let one month go by, and then move on to another job,” said José Francisco Perez, a lawyer who represents unpaid workers in the Valencia area. “Now that just isn’t an option. People now have nowhere to go, and they are scared. They are afraid even to complain.”

No one is keeping track of workers like Mrs. Molina. But one indication of their number can be

seen in the courts, which have become jammed with people trying to get back pay from a government insurance fund, aimed at giving workers something when a company does not pay them.

In Valencia, Spain's third-largest city, the unemployment rate is 28.1 percent and the courts are so overwhelmed that processing claims, which used to take three to six months, now takes three to four years.

Since the start of the crisis in 2008, the insurance fund has paid nearly a million workers nationally back pay or severance. In 2007, it paid 70,000 workers. It is on track to pay more than 250,000 this year, and experts say the figures would be much higher if not for the logjam in the courts.

Often the unpaid workers, like Mrs. Molina, whose company is now in bankruptcy proceedings, hope their labor will keep a struggling operation afloat over the long run. Unemployment benefits last only two years, they point out, and they wonder what they would do after that. But in the meantime, they cannot even claim unemployment benefits. And no amount of budgeting can cover no payment at all.

Beatriz Morales García, 31, said she could not remember the last time she went shopping for herself. A few years ago, she and her husband, Daniel Chiva, 34, thought that they had settled into a comfortable life, he as a bus driver and she as a therapist in a rehabilitation center for people with mental disabilities. His job is financed by the City of Valencia, and hers by the regional government of Valencia.

They never expected any big money. But it seemed reasonable to expect a reliable salary, to take on a mortgage and think about children. In the past year, however, both of them have had trouble being paid. She is owed 6,000 euros, nearly \$8,000. They have cut back on everything they can think of. They have given up their landline and their Internet connection. They no longer park their car in a garage or pay for extra health insurance coverage. Mr. Chiva even forgoes the coffee he used to drink in a cafe before his night shifts. Still, the anxiety is constant.

"There are nights when we cannot sleep," he said. "Moments when you talk out loud to yourself in the street. It has been terrible, terrible."

Mrs. Morales said it was particularly hard to watch other mothers in the park with their children while she must leave her own toddler to go to work, unsure she will ever get paid.

"We are working eight hours, and we're suffering more than people who are not working," she said.

The couple's pay has been so irregular that they are having a hard time even keeping track of how much they are owed, because small payments show up sporadically in their account.

The regional government would not address the dimensions of the problem, when questions were submitted in writing. Instead, it offered a statement saying it was doing its best to pay its debts. "We are aware of the difficulties faced by many associations and suppliers caused by the delay in payments from the public administration," the statement said. The Region of Valencia, it said, was working to "overcome this crisis at the earliest opportunity," understanding that "paying contributes towards activating the economy."

Often enough the workers' patience has not paid off — more than 300,000 companies have gone bankrupt in Spain over the last few years.

On a recent morning, workers began lining up outside the Valencia offices of the government insurance fund even before it opened. The mood was grim. Most would get only a fraction of what they were owed. Recently, the government reduced the maximum reimbursement of \$1,700 a month to four months, rather than five.

Many in line were second-guessing their decision to keep working, feeling that their employers had taken advantage of them. Some could barely contain their fury. Several construction workers described how they had lived at a job site, working 12- to 16-hour days because the construction company assured them that getting a job done early would guarantee payment. It did not.

"I know I will never get what I am owed," said Tudu Vrendicu, 38, who moved to Spain from Romania nearly a decade ago and worked on the construction site free for months, occasionally getting \$65 from his boss. "We came here for a better life, but this is a nightmare."

It is unclear how many workers are being taken advantage of by unscrupulous employers. Officials of the insurance fund, which seeks to retrieve the money it has paid out from companies that are behind in paying salaries, said they simply did not consider this question. However, it is one that gnaws at many unpaid workers.

Cristóbal Hernández, a chef at a 750-room hotel in the resort town of Benidorm south of Valencia, said the hotel had been totally booked and still the workers were owed money. It is the same, he said, for most of the other big hotels in town.

"We keep trying to figure it out," he said. "Where is the money going? We think it may be going to hold up the owner's other businesses."

Mr. Hernández said the hotel workers had recently threatened to go to the press, a threat that got them some of their back pay. But, he said, none of the workers were eager to take that route, for fear it would kill the hotel's business and with it their jobs. He asked that the hotel not be named for that reason.

"This is our living," he said.

Some employers say that they are doing their best, but that their customers frequently pay late, or not at all. Others say they have gone to great lengths to pay their employees. One, who refused to be identified because he did not want to advertise his real estate company's financial problems, said his family had sold a beach house and a space in a parking garage to pay employees their commissions earlier this year.

"We know that all our employees have their own obligations: mortgages, families," he said. "Paying wages on time is sacred. It is an act of faith."

Some worker advocates worry that the backup in the courts is giving abusive employers extra leverage. Workers hang on longer because they know that giving up and going to the courts will not get them any cash soon. "The companies understand all this," said Mr. Perez, the lawyer, who said some workers were simply pressured into accepting less than they were owed. "It's shameful."

At home recently, Mrs. Molina said she had sometimes used her credit card to pay her mortgage. But she considered herself luckier than most. At least her family has been able to lend her money when she needed it, at least for now.

Still, she has to fight off anger as she puts in the hours and has nothing to show for it. "I try not to let it get to me and, over all, not to pass the bitterness on to my family," she said. "That's not going to feed us."

Rachel Chaundler contributed reporting.

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