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Trade unions strategies in the face of liberalisation: lessons from the Portuguese metal and textile sectors post-2003 Labour Code. Scholars in the Social Sciences have depicted trade unions either as facilitators of two-tier liberalisation processes or solidaristic organisations that reject liberalisation altogether. The purpose of this paper is to understand what determines the different strategies of unions in the face of liberalisation. Focus is put on the Portuguese metal and textiles sectoral unions' strategies in approaching the liberalising reform of collective bargaining in 2003. The results obtained through content analysis and interviews demonstrate the importance of ideological factors, sectoral institutional context, and individual agency in defining and differentiating how trade unions approach liberalisation.
KEYWORDS: collective bargaining; dualisation; liberalisation; trade unions.

Estratégias sindicais face à liberalização: lições dos setores metalúrgico e têxtil portugueses desde a introdução do Código do Trabalho de 2003. Nas ciências sociais, os investigadores descrevem os sindicatos ou como facilitadores de processos de liberalização a dois níveis ou como organizações solidárias que rejeitam totalmente a liberalização. Este artigo tem como objetivo compreender o que determina as diferentes estratégias adotadas pelos sindicatos em resposta à liberalização. O foco é colocar as estratégias dos sindicatos setoriais portugueses nas indústrias metalúrgica e têxtil face à reforma liberalizante da negociação coletiva em 2003. Os resultados obtidos através da análise de conteúdo e entrevistas demonstram a importância dos fatores ideológicos, do contexto institucional-setorial e da agência individual na definição e diferenciação da forma como os sindicatos abordam a liberalização.
PALAVRAS-CHAVE: negociação coletiva; dualização; liberalização; sindicatos.

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ANDRÉ MARQUES PINTO

Trade unions strategies in the face of liberalisation: lessons from the Portuguese metal and textile sectors post-2003 Labour Code

INTRODUCTION

Over the last few decades, Western labour markets have seen a continuous trend of liberalisation and flexibilisation, marked by the decline of stable forms of employment and exponential growth of "atypical work" (Kalleberg, 2009). Those involved in "atypical" forms of employment (or "outsiders") usually face relatively worse working conditions in terms of benefits and pay (Kalleberg, 2012), have less representation and "voice" in the workplace (Gumbrell-McCormick & Hyman, 2019), and bear most of the costs of economic recessions (due to being easier to dismiss). This segmentation is logically a source of increased inequality.

For these reasons, scholars in the Social Sciences have shown plenty of interest in the phenomenon of labour market segmentation. As a result, there has been extensive work on the role of trade unions in either perpetuating or fighting against dualisation. Different theses have been put forward on how trade unions 'behave' towards outsiders – from collusion with centre-left parties to protecting insiders at outsiders' expense (Rueda, 2005) to inclusive strategies that involve outsiders in collective bargaining and welcome them into the core constituencies of unions. The literature on solidarity has also addressed the external conditions that may influence union strategies in the face of liberalisation, such as institutional contexts around collective bargaining, and puts forward that the power resources of unions can affect these strategies (Benassi & Vlandas, 2016; Durazzi, 2017). However, little work exists on how types of union identities, and other factors, may separate the unions that concede to dualisation from those that do not.

This article is meant as a contribution to the literature on solidarity which addresses that gap, by contrasting different union strategies observed in a similar context of liberalisation, as well as the motivations behind them. Empirically, it stems from a larger body of academic work, focused on the effects of the Portuguese Labour Code (a significant critical juncture for labour market liberalisation in this country) on collective bargaining processes and outcomes, which was built through documental analysis and interviews with actors across different sectors of the Portuguese economy. This paper's focus is specifically on trade union strategies in the metal and textiles sectors, which are contrasted in light of a comparative case study of those sectors. The case study stands on a triangulation between the content analysis of 13 collective agreements and expiry notices, an analysis of the Portuguese Labour Code as a reference for said agreements, and five interviews with trade union representatives who were involved in the bargaining process with employers. Its aim is to understand why some of the unions involved conceded to the signing of less-advantageous collective agreements, while others accepted expiry instead.

The remainder of this paper is structured as follows: First, a review of the literature on the liberalisation of industrial relations, the role of unions, and the specifics of the cases chosen is provided. Next, the methods and data used are presented, along with the empirical results for each sector. Finally, the conclusions are discussed.

THE LIBERALISATION OF INDUSTRIAL RELATIONS

The paradigm shift that corresponded to the dismantling of the Fordist model in the late 1970s – and its replacement by what is broadly called neoliberalism (Amin, 1994) – has been a significant subject of interest for Social Sciences scholars in recent years. The financialised capitalism that emerged brought with it a generalised liberalisation of markets in the name of competitiveness, which in turn had visible effects on Western political economies.

The most prominent sphere of this liberalisation process has been the labour market: Western labour markets have been going through a generalised process of institutional transformation, aimed at facilitating "flexible" work arrangements and price competitiveness, as can be documented if one looks at the trajectory of labour law changes in European countries in the last 30 years (Baccaro & Howell, 2011; Baccaro & Howell, 2017). The justifications for it were drawn from economic literature of the 1980s and 1990s (Lindbeck & Snower, 1989), which attributed unemployment and precarious work to 'institutional inflexibilities' that raised the costs of permanent work (this is known as the economic insider-outsider literature). This led to a flexibilisation of employment across Western economies, as previously existing regulatory systems were all progressively changed.

The main vector of change in the configuration of institutions, through their dismantlement or repurposing, was the expansion of employer discretion, i. e., the power of individual employers to unilaterally decide on "wage determination, hiring and firing and the organisation of the workplace" (Baccaro & Howell, 2017, p. 1). This was achieved through a "decentralisation and individualisation of bargaining, deregulation of the labour market and decollectivisation, involving a decline in the strength, size, centralisation and coverage of class organisations, primarily trade unions" (Baccaro & Howell, 2017, p. 1). Such a process can be described as the removal of previously existing barriers – stricter state regulation and strong trade unions with bargaining power and resources for collective action – to power imbalances between employers and employees. With labour law being "flexibilised" and trade unions losing their importance, Western economies have seen a steep decline in the wage share, economic stagnation, and rampant inequality since the end of the 1970s (Pontusson, 2013).

UNION RESPONSES IN THE FACE OF LIBERALISATION

The liberalisation of industrial relations and its consequences attracted attention of scholars in the industrial relations field seeking to explain the phenomenon of "outsiderness". During the period around the 2008 financial crisis – which exacerbated these inequalities and led to a boom in new atypical contracting forms (such as platform work) – a new strand of literature (Emmenegger, 2012; Emmenegger, 2014; Rueda, 2005) reaffirmed the arguments of the insider-outsider theory, attributing segmentation to institutional rigidities and mainly focusing on the conflict between "insiders" and "outsiders". This new "dualisation" literature argues that collusion between trade unions and centre-left parties is at the origin of growing inequality between the two different segments of the working class, because social-democratic parties and trade unions prioritise protecting the interests of their voting base and core constituencies, respectively. This social coalition should then be held responsible for the successive changes to legislation that allowed for "exceptional" forms of employment to become a norm, especially for vulnerable groups such as young people, immigrants, and women.

The dualisation hypothesis states, in sum, that the segmentation of the labour market into "insiders" and "outsiders" or "core" and "periphery" workers is advocated for by centre-left/social-democratic governments as a second-best choice in the face of international pressures to liberalise, through two-tier labour market reforms. These reforms, while granting the security of the more robust segment of the workforce (the insiders, employed in stable conditions and with access to benefits) by maintaining restrictions on employer discretion for "typical" contracts, increasingly indulge such discretion in regards to the hiring, firing, and working conditions of the weaker segment (the "outsiders", under non-standard forms of contract, i.e. fixed-term contracts, agency work, etc.). This differentiation helps ensure that "insiders" – often heavily represented in centre-left voter bases – are kept satisfied.

More importantly to this paper, in the eyes of these scholars this second-best option takes place with the consent and/or support of trade unions and is facilitated by a dynamic of conflict between the workforce itself, in which insiders and outsiders are "opponents". Trade unions, who are usually affiliated with the centre-left/social-democratic parties, and tend to represent the workers of the core (excluding "outsiders" from their ranks and strategic interests), would then rather protect the interests and benefits of the "insiders", even at the cost of forcing the social repercussions of price competitiveness and flexibility upon the weaker segment of the workforce, than completely oppose liberalisation and bear the risks of that opposition. This way, they can manage to protect their institutional role as negotiators and even make concessions while expecting to recover lost ground at a later time. By attributing this role of "facilitators of dualisation", so to say, to trade unions, dualisation literature puts forward that the struggle against this process can only be led by governments, through active labour market policies (ALMP) – such as training programmes – that enable the transition of outsiders into the "better" segment of the labour market, and the deregulation of open-ended contracts.

ALTERNATIVE DEPICTIONS OF UNION STRATEGIES

The arguments of dualisation literature sparked general controversy, as some scholars in the field of industrial relations dispute the notion of widespread collusion between centre-left parties and trade unions, as well as each of the premises behind it. The associated literature is here grouped as solidaristic, since it is founded on the idea that trade unions (and social-democratic parties) can make decisions that go beyond attempts to appease their core constituents, and promote pro-outsider policies and views instead.

In this literature, it has been argued that trade union strategies vary according to certain conditions, and do not necessarily align with the interests of "insiders". Several authors have presented empirical evidence of trade unions being inclusive towards "outsiders", both in terms of structure (by including atypical workers) and bargaining strategies (minding outsiders' interests).

A key explanatory factor in this regard is the power resources (Korpi, 2006) available to trade unions. We draw here on Costa et al.'s (2020, pp. 33-37) synthesis of the power resources literature to identify four main types of union power resources: structural power (the power to disrupt production and capital accumulation); associative power (the capacity of workers to effectively organise, usually proxied for by union density); institutional power (granted by the legal context around trade unionism, which grants unions their rights); and societal power (generally, trade unions' relations with other social movements and acceptance within society at large). The (lack of) power resources seem to play a decisive role for some authors who consider dualisation strategies to be "second-best" for unions. Concessions on atypical work are typically a last resort for structurally, associatively and societally weakened unions to maintain the representational voice that collective bargaining ensures (Palier and Thelen, 2010; Benassi & Vlandas, 2016; Durazzi, 2017) – and with it their institutional power – and can therefore be eschewed by more structurally and associatively powerful unions. The institutional configurations around union activity – labour law, for instance, which frames the realm of possibilities for union activity such as collective bargaining – also hold the potential to cause variations in the outcomes of dualisation that they allow (Pulignano, Meardi & Doerflinger, 2015), precisely through their effects on unions' institutional power resources.

Moreover, the identity of trade unions seems to play a key role in explaining differences in strategy. This paper leans here on Hodder & Edwards' (2015) account of trade union identity, which presents the concept as both product and producer of its defining elements (ideology, purpose, internal and external relationships, and strategies themselves).

In this vein, ideology appears as a particularly important element, within union identity, to explain unions' stances in the face of liberalisation. Class-oriented unions, as per Hyman's (2001, pp. 2-4) framework, would *a priori* be expected to consider outsiders' interests when negotiating working conditions, include them in their constituencies and seek to have them covered by collective agreements. Indeed, empirical studies tell us that an inclusive identity fuelled by class-focused ideology (which implicates the representation of workers' – and not only insiders' – interests as a whole) is an important factor in explaining why some unions practice inclusive strategies (Dorigatti, 2017; Durazzi, 2017; Marques et al., 2025). On the other hand, moderate, social-partnership-style unions should be more sensitive to employers' demands and arguments for more flexibility and competitiveness in the face of a changing economic context and therefore concede more easily to precarity at the fringes. In the cases of Portugal and Spain, for instance, this sort of strategy can be observed empirically through the moderate unions' stances on "dualising" labour law reforms over recent decades (Marques & Fonseca, 2022).

THE PORTUGUESE METAL AND TEXTILES SECTORS – CONTEXTUALISATION

This section is dedicated to a short rundown of the recent history of Portuguese industrial relations, since, in the author's view, it provides some important context for the empirical work done in the paper.

After the Portuguese Carnation revolution, the previously illegal free labour movement "came out" with impressive strength and momentum. Mass mobilisation, both in the streets and in the workplace, resulted in real social change, regarding both material conditions and industrial democracy (Stoleroff, 2016). In revolutionary terms, Portugal, as well as other Southern European countries (Karamessini, 2008), established an adversarial system of industrial relations due to radical differences in ideological positionings – not only between the working class and the existing *bourgeoisie*, but also among the labour movement, which was extremely politicised and fragmented (Lima, 2019). The CGTP,[1] a previously illegal confederation with ties to the Portuguese Communist Party – which we could define as class-oriented, since its ideological underpinnings presumed a class-wide anti-capitalist strategy – was legally established as the only authorised union confederation during the first post-Revolution government, and therefore represented all unionised workers at first (thus reflecting on the relative strength of the CGTP to this day, which represents two-thirds of unionised workers). By 1978, however, the governmental approach to trade unionism changed, enforcing pluralism and freedom of association, and leading to the establishment of the UGT,[2] a confederation linked to the centre-left (PS)[3] and centre-right (PSD)[4] parties which brought to the table a more moderate, social-partnership approach (Costa, 2012; Marques & Fonseca, 2022). In the same year, union density in Portugal peaked historically at 60.8% (Visser, 2015). This meant that, throughout the late 1970s and early 1980s, the labour movement had the power resources (from social and institutional forms such as its influence on the political sphere, to associative power in the form of union density) to sign favourable industry-wide deals in

1 Confederação Geral dos Trabalhadores Portugueses [General Confederation of Portuguese Workers].

2 União Geral de Trabalhadores [General Union of Workers].

3 Partido Socialista [Socialist Party].

4 Partido Social Democrata [Social Democratic Party].

most sectors, with manufacturing/heavy industry and the public sector being the most salient examples (Stoleroff, 2000).

Within only a few decades, however, the situation changed, with the labour movement losing momentum and trade unions becoming (much) weaker. Union density was down to 19.3% in 2010, and its decline from 1980-2010 represents the 3rd sharpest drop in density for an OECD country in that period (Pontusson, 2013). Several factors contributed to this. Portugal faced an economic crisis from 1983-1985 – which both "exhausted the CGTP's strategy of political mobilisation" and made the UGT a preferential partner for Portuguese governments due to its contrasting reformism (Stoleroff, 2000) – and then went through a process of "industrial restructuring", from the mid-1980s onwards which involved the reversal of nationalisations in key economic sectors, such as banking and heavy industry (Stoleroff, 2016). As large enterprises (especially in the public sector) were dismantled, and the Portuguese economy's structure changed (with firms being split apart and downsized), a certain "industrial proletariat" that had formed was dismembered and dispersed (Stoleroff, 2016). Deindustrialisation and the growth of precarious forms of employment (fixed-term contracts being the only option at that point) also ate into the critical mass of stable industry workers that had made up the movement at its peak. In the wider manufacturing sector, union density fell from about 40-45% in the late 1990s (Stoleroff, 2000) to around 12% in 2010 (Portugal & Vilares, 2013). It must be noted that, on top of the tertiarisation of Portugal's economy, the manufacturing sector also suffered from external competition that was not active before, due to European integration and Asian countries entering the World Trade Organisation (Streeck & Thelen, 2005; Lima, Latas & Nunes, 2010). These events helped establish the Portuguese economy's – and Portuguese industry's – semi-peripheral position in the international political economy, subjecting these sectors to various liberalizing, flexibilising and (labour) cost-contracting pressures that fragilised workers' bargaining power.

At the turn of the century, with trade unions weakened and the labour movement scattered, employers and a centre-right government saw the opportunity to revise the legal framework of collective bargaining in the employers' favour. Employers had been frustrated in their demands for flexibility for decades, due to a "continuity rule" (Távora, 2019) which stated that collective bargaining agreements could not expire but only be replaced (and so would remain valid unless new ones were signed). This rule, along with the principle of most favourable treatment (which meant that the contents of agreements could not be less favourable to workers than what was stated in the general labour law), made it easier for unions to not make any concessions, and defend the gains achieved in the post-Revolution period, despite the pressures of neoliberal transformation. In 2003, the Portuguese Labour Code instituted by the PSD and CDS-PP[5] (a centre-right coalition) revoked both principles. This allowed employers (who by then had the upper hand in terms of bargaining power) to either substantially revise agreements in their favour or terminate the agreements unilaterally if trade unions did not comply. With clauses negotiated during a different time coming back to the bargaining table, trade unions faced a difficult dilemma: caducity (and the possibility of it) made it hard not only to recruit and retain members (collective agreements and its benefits being a good incentive for workers to unionise, from a utilitarian perspective), but also to negotiate or fight for good conditions, as employers could just opt-out if they felt previous agreements or current union demands to be unfavourable to them. This meant that unions were constantly on the defensive concerning not only the negotiation of workers' rights, but also their own institutional legitimacy as expiry loomed over their heads.

METHODS AND DATA

This paper adopts a case-study methodology to compare union strategies and the motivations behind them, with the two cases under scrutiny being the metal and textiles sectors in Portugal. These were chosen as most-similar cases, in an attempt to somewhat isolate the strategic preferences of trade unions, due to shared institutional characteristics and their similar trajectory in recent decades of the Portuguese economy. This is in spite of some differences in their level of specialisation and sophistication (the metal sector is relatively more technologically advanced and capital-intensive). Specifically, trade unions in these sectors are affiliated to the same two major confederations in Portugal – the CGTP (for FIEQUIMETAL,[6] in metal, and FESETE,[7] in textiles) and the UGT (for SINDEL[8] and SIMA,[9] in metal, and SINDEQ,[10] in

5 Centro Democrático e Social – Partido Popular [Democratic and Social Centre – People's Party].

6 Federação Intersindical das Indústrias Metalúrgicas, Química, Farmacêutica, Eléctrica, Energia e Minas [Inter-union Federation of Metallurgical, Chemical, Pharmaceutical, Electrical, Energy and Mining Industries].

7 Federação dos Sindicatos dos Trabalhadores Têxteis, Lanifícios, Vestuário, Calçado e Peles de Portugal [Federation of Textile, Wool, Clothing, Footwear and Leather Workers' Unions of Portugal].

8 Sindicato Nacional da Indústria e da Energia [National Union of Industry and Energy].

9 Sindicato das Indústrias Metalúrgicas e Afins [Union of Metallurgical and Allied Industries].

10 Sindicato Democrático da Energia, Química, Têxteis e Indústrias Diversas [Democratic Union of Energy, Chemical, Textile and Miscellaneous Industries].

textiles), while the employers' associations (ANIVEC,[11] ANIT-LAR[12] and ATP[13], in textiles, and AIMMAP[14] and FENAME,[15] in metal) are all filiated within the CIP[16] – the biggest employer confederation for Portuguese industry. Moreover, these sectors represent a similar share of Portuguese economic activity in terms of employment – both at around 5% in 2010 (Eurofound, 2013; 2018), are both part of a declining manufacturing sector (which in turn is part of the former industrial core of labour power), and have had low union density (around the 10% mark) and high levels of temporary employment – around 20% of total workers – throughout the period of interest for this paper (Quadros de Pessoal, GEP/MTSSS).

The main reason for the interest in the cases chosen is that, despite their institutional similarity, different bargaining outcomes were reached in the two sectors – presuming different bargaining strategies – since the introduction of caducity for collective agreements. While in the textiles sector unions affiliated with both the CGTP and UGT agreed to sign new agreements with employers' associations that contained clauses more unfavourable to workers – and especially to "outsiders" – than what was set in general labour law, in the metal industry the scenario was quite different. UGT-associated trade unions did concede on these subjects, but the CGTP-filiated FIEQUIMETAL did not, and its agreements ended up expiring, with "insiders" losing acquired benefits from previous negotiations. These different outcomes reveal differing strategies, which this paper seeks to explain.

This comparative study is carried out using both primary and secondary sources of data. The secondary data used consists of a total of 13 sectoral-level collective agreements (*contratos coletivos de trabalho*) and expiry notices (*notas de caducidade*) signed between the early 1980s and the late 2000s (and so, before and after the Labour Law revision of 2003), along with all versions of the Portuguese Labour Code in effect at the time of publication of these agreements. The collective agreements and expiry notices were obtained through the monthly *Boletins de Trabalho e Emprego*, which are published by the Gabinete de Estratégia e Planeamento (GEP –Cabinet of Planning of the Ministry of

11 Associação Nacional das Indústrias de Vestuário e Confecção [National Association of Clothing and Apparel Industries].

12 Associação Nacional das Indústrias de Têxteis-Lar [National Association of Textile Industries-Home].

13 Associação Têxtil e Vestuário de Portugal [Textile and Clothing Association of Portugal].

14 Associação dos Industriais Metalúrgicos, Metalomecânicos e Afins de Portugal [Association of Metallurgical, Metalworking and Related Industries of Portugal].

15 Federação Nacional do Metal [National Metal Federation].

16 Confederação Empresarial de Portugal [Portuguese Business Confederation].

Labour) on its website. The various versions of the Labour Code were found in the online version of *Diário da República*, the official periodical of the Portuguese Republic. In order to understand how collective agreements changed in the aftermath of the introduction of the 2003 Labour Code, which expanded the scope of possibilities for pro-employer clauses in the agreements, and presented unions with the threat of expiry if they did not concede to those clauses, a content analysis was conducted of the last agreement signed by each trade union and employer association pair in the two sectors before 2003, and also of the first agreement signed after it. The content analysis focused on finding clauses that are different (whether more, or less favourable to workers) from what is stated in the Labour Code at the date of signing of the agreement. These differences regard the parameters that the OECD uses to calculate their Employment Protection Legislation indicator (OECD, 2020), and also other matters such as wages and career progression (Table 1).

By comparing the agreements signed by each union that precede and follow the change to labour law, it was possible to identify which favourable and unfavourable clauses (for workers) were added or subtracted from the

TABLE 1
Items taken into consideration to compare clauses in collective agreements to the labour law

Acronym	Item
<6	Conditions to sign FTC under 6 months
AR	Special “adaptability” regime for working hours
BPH	Bonus pay on holidays
CFTC	Conditions to sign FTC
DW	Inclusion criteria for disabled workers
EH	Bonus pay on extra hours
HB	Hour banks
MA	Meal allowance
NW	Bonus pay on nighttime work
PS	(Automatic) progression by seniority
SFTC	Conditions to sign successive FTC
SH	Extra pay for working in shifts
TP	Length of the trial periods
TWA	Cases for which TWA work is allowed
UWT	Updating of wage scales - nominal wage increase
VD	Number of vacation days
WA	Complement to the insurance on work accidents
WV	Wage variation relative to the minimum wage

agreements that were revised following this change, and by analysing the contents of agreements that expired it was also possible to compile what was lost by unions in that case.

Primary data, on the other hand, was compiled in the form of five interviews with trade union representatives who were involved in the bargaining process at the time of the 2003 Labour Law revision. The interviewees were questioned regarding the clauses introduced after 2003 and the motivations for conceding, or regarding the expiry of agreements and the motivations for refusing to concede (depending on the results of the content analysis). More general questions, regarding the changing context of collective bargaining, and how labour law changes affect trade unions' bargaining power, were also asked. After transcription, the excerpts that best illustrated the reasoning behind observed outcomes and the attitudes of representatives towards the reform were selected. This data provided insights into the motivations behind the choices of trade unions and a deeper understanding of the impact of the reform on collective bargaining (from the unions' point of view).

RESULTS

In this section, the results of the content analysis are presented for each case, preceded by a contextualisation of the labour relations and economic context – and by a depiction of the status of collective agreements before the introduction of the Labour Code. As these results are presented in detail, excerpts of the interviews conducted with union leaders are introduced to provide context. Generally, these interviews help shed further light on the process of bargaining that led to agreements being revised or not, by exposing these actors' motivations and the role of their individual agency in defining strategies for the unions that they lead at such a critical moment, as well as some idiosyncrasies that affect collective bargaining in each of these sectors beyond the confederations' ideological positioning and other factors of context discussed in previous sections.

TEXTILES – MODERATE AND ALIGNED

In the textiles sector, there were three employer associations (ATP, ANIT-LAR, and ANIVEC) that had collective agreements in force by the date of introduction of the Labour Code. These agreements were signed by three main trade unions (FESETE – affiliated with CGTP, and SINDEQ and SINDETEX, which were affiliated with UGT and eventually merged, as SINDETEX became extinct in 2006).

As for most sectors of the Portuguese economy, the trade union affiliated with the CGTP – in this case FESETE – is the largest and therefore most representative union in the textiles sector. In 2012, FESETE's membership stood at 18,550 members, more than double SINDEQ's 7,000 – pertaining to several sectors in manufacturing, since SINDEQ, unlike FESETE, represents manufacturing workers in general, and not just textile workers (Eurofound, 2013). To put these numbers into perspective, there were 159,110 workers in the sector in 2010, which indicates union density to be fairly low, with FESETE's at a little over 10% and SINDEQ's considerably lower than 5% (which would be the correct value if all SINDEQ members were in textiles). On the other hand, employers are represented at the bargaining table in the textiles sector by ANIVEC, ANIT-LAR, and ATP – all part of CIP, the biggest employer association confederation for Portuguese industry/manufacturing. With ATP's members accounting for 40,000 employees in the sector, and ANIVEC's for 32,000 employees (Eurofound, 2013), total employer association density can be measured as being in the 40-50% range.

The textiles sector faced a steep decline over the 2000s, with its share of total employment in the Portuguese economy dropping from 8.6 to 5.7% (Eurofound, 2013). This shrinking of the sector means that conditions were particularly detrimental to unions' bargaining power at the time of introduction of the Labour Code. According to the union representatives that were interviewed, temporary employment is also naturally prevalent in the textiles industry due to fluctuations in demand:

> (…) we work in sectors that have very 'seasonal' seasons. We have periods of the year when there is almost no work. [FESETE representative, 16-11-2022]

Before the 2003 Labour Code, the agreements in force for the sector all dated back to the 1980s (see Table 2), with only pay scales being negotiated annually. This fact is telling, to illustrate the stalemate having an impact on collective bargaining over these past few decades, due to the exhaustion of labour's power resources (and therefore of the capacity to obtain better work conditions) on the one hand, and the way that Portuguese labour law protected the gains of trade unions in bargaining, seen as "acquired rights", on the other (effectively impeding the introduction of liberalising clauses in collective agreements).

Following the introduction of the Labour Code, three new agreements were hammered out in the sector, in the year of 2006: FESETE signed with all three associations, while SINDEQ only did so with ANIVEC and ANIT-LAR. A content analysis of these agreements was made, comparing them to both the previously standing agreements and the relevant version of the Labour Code, regarding the 18 items described in the previous section (Table 1). This content analysis is summarised in Table 3.

TABLE 2
Agreements in force in the textiles sector before 2003

Employer association – trade union pair	Collective agreement in force by 2003
ANIVEC/APIV – FESETE (CGTP)	Agreement in **1986** and **1987** (pre-merging of ANIVEC and APIV)
ATP – FESETE (CGTP)	Sector-wide agreement in **1980**
ATP – SINDETEX (UGT)	Agreement in **1981** (SINDETEX merged with SINDEQ in 2006)
ANIVEC/APIV – SINDEQ (UGT)	Sector-wide agreement in **1980**
ANIT-LAR - FESETE	Sector-wide agreement in **1980**
ANIT-LAR - SINDEQ	Sector-wide agreement in **1980**

Source: Gabinete de Estratégia e Planeamento (GEPa).

The content of all three agreements is identical in the matters of interest pertaining to this paper, with the same new clauses appearing. While those considered most relevant for which former agreements had 'pro-worker' clauses (such as the number of paid holiday days, which for some agreements was set at 30, significantly higher than the more recent standard of 22) were equated to the dispositions of the new Labour Code, restrictions on agency work, temporary contracts, and a new "adaptability regime" set a lower standard then what was in the Code. Notoriously, a clause was introduced stipulating that firms were free to hire up to 20% of their employees (or four employees for smaller companies, those with 20 employees or less) on fixed-term contracts, without having to justify use of these contracts as the Labour Code demands. Conversely, the most noticeable 'gain' for unions in this revision is that pay scales continued to be revised yearly, keeping workers' wages above the minimum wage (which might not have happened in the case of caducity). In general, the content analysis shows that the new agreements worsened the position of both "insiders" and "outsiders" in the textiles sector – although outsiders seem to have been more heavily affected – both through the loss of former perks for workers (such as the aforementioned extra week of holidays per year) and through the expansion of employer discretion in hiring "outsiders" and defining work schedules (through the 'adaptability' regime).

The interviews revealed that there was a coordinated strategy in the textiles sector in this period, which is rare in Portuguese trade union politics. FESETE wished to avoid competition from SINDEQ (specifically, losing its agreements while SINDEQ kept theirs) which, for other CGTP unions, led to a loss of membership to UGT unions – and so decided to concede on some of the employers' demands, while, in the representative's view, "keeping the essential [rights] that were negotiated in the revolutionary period". This is because of the perceived

TABLE 3
Changes to agreements in the textiles sector after 2003

Employer association – trade union pair	Outcome after 2003	Changes in content (clauses that were added/removed/ modified)*	New clauses that are less favourable than the labour code**	New/remaining clauses that are more favourable than the labour code
ANIVEC/APIV – FESETE (CGTP)	Revision in 2006	AR; CFTC; SFTC; TWA; UWT; VD; WV	AR; CCT; CCTS; TWA	UWT
ATP – FESETE (CGTP)	Revision in 2006	AR; CFTC; SFTC; TWA; UWT; WV	AR; CCT; SFTC; TWA	UWT; VW
ANIVEC/APIV – SINDEQ (UGT)***	Revision in 2006	AR; CFTC; SFTC; TWA; UWT; WV	AR; CCT; SFTC; TWA	UWT; VW
ANIT-LAR – FESETE	Revision in 2006	AR; CFTC; TWA; UWT; WV	AR; CFTC; TWA	UWT; VW
ANIT-LAR – SINDEQ	Revision in 2006	AR; CFTC; TWA; UWT; WV	AR; CFTC; TWA	UWT; VW

Source: GEPa; *Diário da República*, Law no. 99/2003.
* In this column, changes in content that make workers worse-off (through removal of beneficial clauses or introduction of detrimental ones) are marked in red; changes that make workers better-off (by the introduction of more beneficial clauses are marked in green.
** In the penultimate and last column, red and green are code colors for matters that are respectively worse and better for workers in comparison with the labour code's rule on the item.
*** Since the SINDETEX was made extinct and merged into SINDEQ in 2006, this agreement is considered to replace SINDETEX's previous one.
Legend: AR – Special "adaptability" regime for working hours; CFTC – Conditions to sign fixed-term contracts; NW – Bonus pay on nighttime work (green when added); SFTC – Conditions to sign successive fixed-term contracts; TWA – Cases for which TWA work is allowed; UWT – Updating of wage scales – nominal wage increase (red if lost); VD – Number of vacation days; WV – Wage variation relative to the minimum wage (red if lower).

importance of collective bargaining as a staple of institutional legitimacy to attract members to the union:

> There is no doubt that collective bargaining in these sectors is the most binding element to keep members and attract new ones. [FESETE representative, 16-11-2022]

Although UGT-filiated unions were the usual preferred partners for employers in this period, in the case of textiles it was FESETE that actually negotiated and signed the liberalising and dualising revisions to collective agreements with ANIVEC and ATP, with SINDEQ signing on after-the-fact (this was disclosed in our interview with a representative of SINDEQ, which was not recorded, therefore not allowing for a direct quote).

On the specific issue of the new adaptability regime that was introduced (this being the clearest "liberalising" clause included in the new contract, and contrary to CGTP's usual "red lines" in negotiations), the seasonality of the sector that was mentioned above was used as a justification by the FESETE representative:

> (…) let's see, we know that the adaptability regime is meant to transform overtime work at high peaks [sic] into normal work [in terms of pay] (…). [FESETE representative, 16-11--2022]

> So, what happens? Footwear, for example… up to December there is work, but come January and February there is none. The tanneries from February to March have no work (…) We solved that by finding a balance between high and low peaks, meaning when people are at a low peak they go home to do training etc. (…) Then when there is more work, then you work one or two hours more a day to compensate for that. And this is the balance that we have. [FESETE representative, 16-11-2022]

Despite the coordinated strategy and similar outcomes, however, the rationales behind these trade unions concessions were revealed in interviews to be slightly distinct: the FESETE representative recognised that the Labour Code, as well as the process of liberalisation and "social regression" that ensued after the shockwaves of the 1974 revolution, left trade unions in a very precarious position, giving them no choice but to concede, so as to maintain representation (through bargaining) and a few favourable clauses:

> Trade union power has faded. Macro-political conditions have also changed: there is no longer a vision of social progress, but of deregulation and social regression, because that is what it is all about. These are decades of "defence". The time of "being on the offensive" is many years behind us. [FESETE representative, 16/11/2022]

Similarly, the representative admitted that "unity in action" among trade unions of the sector was important for FESETE, to avoid what happened in other sectors – CGTP-filiated unions being replaced by UGT unions which signed agreements with employers without their presence. On the other hand, the SINDEQ representative praised the reform of collective bargaining that took place for "breaking the stalemate" and allowing the labour market to be "modernised", while also repeatedly affirming the union's stance on collective bargaining as being a compromising, "realistic" measure – in contrast to some CGTP unions', deemed as "populist". While, in the end, both trade unions adopted a "pragmatic" stance and conceded on the deregulation of – in particular – outsiders' working conditions to keep their collective agreements in existence, their discourses still reveal some fundamental differences in ideology. This was evident especially through how they evaluated this turning point on collective bargaining that was the introduction of the 2003 Labour Code, labelling their own pragmatist strategy as either a question of survival, or choice.

THE METAL INDUSTRY – CLASS-ORIENTED UNIONS PUT TO ONE SIDE

When it comes to the metal sector, the largest and therefore most representative trade union (FIEQUIMETAL) is also affilliated with the CGTP. The UGT is represented at the bargaining table in the sector by smaller unions – SIMA and SINDEL. Meanwhile, employers are represented at the bargaining table in the sector by AIMMAP and FENAME, also both part of CIP. With AIMMAP's members accounting for 50,000 employees in the sector in 2015, and FENAME's for 60,000 (Eurofound, 2018), employer association density can be measured as in the 60% range, since in the same year there were about 170,000 metal workers.

At the time of introduction of the Labour Code, AIMMAP, FENAME, FIEQUIMETAL, SIMA and SINDEL were the organisations that had collective agreements in force. As Table 4 shows, and differently from what is observed in the textiles sector, there was a fairly lively dynamic of collective bargaining in place in its counterpart: the agreements in force in 2003 had all been signed in the previous decade. The difference between the sectors in this regard could be attributed to the stronger position of the labour movement in the metal sector, due to the differentiating factors discussed throughout this paper.

The changes to collective bargaining enacted in the Labour Code meant that previous contracts were all renegotiated post-2009. A curious fact regarding this sector is that, with unions raising doubts about the legality of expiry (due to clauses in the collective agreements that explicitly prohibited it), there was a stalemate until a new version of the Labour Code (introduced in the said year) addressed the issue by invalidating such clauses.

TABLE 4
Agreements in force in the metal sector before 2003

Employer association – trade union pair	Collective agreement in force by 2003
AIMMAP – SINDEL (UGT)	CCT in 2002
AIMMAP – SIMA (UGT)	CCT in 1998
AIMMAP – FIEQUIMETAL (CGTP)	CCT in 2002
FENAME – SIMA (UGT)	CCT in 1996
FENAME – SINDEL (UGT)	CCT in 2003
FENAME – FIEQUIMETAL (CGTP)	CCT in 2000

Source: GEPa.

After the stalemate was broken, collective agreements signed by different unions met different outcomes. Initially, employers imposed caducity for all the agreements, and while FIEQUIMETAL's agreements remain expired to this day, SIMA and SINDEL conceded to signing revised versions of theirs. The content analysis of these agreements (Table 5) shows that, while they are not particularly more unfavourable to workers than the Labour Code – since only one clause goes "under" it, expanding the possible justification for the use of very short-term contracts (under six months) – they remove a number of clauses that were part of previous agreements and granted additional perks, especially ones for insiders. In comparison to what was previously in force, the bonus pay for working overtime and holidays was lowered, as were

TABLE 5

Changes to agreements in the metal sector after 2003

Employer association – trade union pair	Outcome after 2003	Changes in content (clauses that were added/removed/modified)*	New clauses less favourable than the LC**	New/remaining clauses more favourable than the LC
AIMMAP – SINDEL (UGT)***	New CCT in 2010	‹6; BPH; EH; HB; MA; PS; TP; UWT; WV	‹6	UWT
AIMMAP – SIMA (UGT)****	New CCT in 2010	‹6; BPH; EH; HB; MA; PS; TP; UWT; WV	‹6	UWT
AIMMAP – FIEQUI-METAL (CGTP)	Caducity in 2009	EH; MA; NW; PS; SH; UWT	—	—
FENAME – SIMA (UGT)	Caducity in 2009	EH; BPH; MA; NW; PS; SH; TP; UWT; WA	—	—
FENAME – SINDEL	New CCT in 2005	PS; BPH; DW; DA; VD; UWT; WV	—	UWT; WV; VD
FENAME – FIEQUI-METAL (CGTP)	Caducity in 2009	EH; BPH; DW; MA; NW; PS; SH; TP; UWT; WA	—	—

Source: GEPa; *Diário da República*, Law no. 99/2003.

* In this column, changes in content that make workers worse-off (through removal of beneficial clauses or introduction of detrimental ones) are marked in red; changes that make workers better-off (by the introduction of more beneficial clauses are marked in green.

** In the penultimate and last column, red and green are code colours for matters that are respectively worse and better for workers in comparison with the labour code's rule on the item.

*** This agreement ended in caducity in 2009, before a new one was signed.

**** This agreement ended in caducity in 2009, before a new one was signed.

Legend: HB – Hour banks (looser rules); EH – Bonus pay on extra hours; PS – (Automatic) progression by seniority, red if removed; WV – Wage variation relative to the minimum wage (red if lower); BPH – Bonus pay on holidays; MA – Meal allowance (red if removed, green when added); NW – Bonus pay on nighttime work (green when added); ‹6 – Conditions to sign FTC under 6 months ; DW – Inclusion criteria for disabled workers (red if removed); WA – Complement to the insurance on work accidents; TP – Length of the trial periods; SH – Extra pay for working in shifts; UWT – Updating of wage scales - nominal wage increase (red if lost).

meal allowances (in relation to the minimum wage). The length of trial periods was expanded, and new "hour banks" (mechanisms similar to the adaptability regimes instituted in textiles) were instituted allowing employers more flexibility in setting timetables without paying for overtime. Lastly, and perhaps more importantly, clauses that dictated automatic progression by seniority were erased.

For the other three agreements, caducity meant that not only were these favourable contents for workers lost, but also pay scales stopped being updated, setting the minimum standards at the national minimum wage. Other contents that were part of these agreements, but not of the ones that were revised, were also lost, such as clauses on extra pay for nighttime work and work in shifts. On the other hand, FIEQUIMETAL avoided the clause on fixed-term contracts shorter than six months by not signing the agreements that SIMA and SINDEL did sign.

In the interview conducted with a representative of SINDEL, on the other hand, it was argued that caducity was the least desirable outcome for the union, which motivated the concessions that were made:

> What did the workers – and the shop stewards – ask for in all companies? Not to have a "negotiating vacuum" [the non-existence of an agreement]. [SINDEL representative, 17-05-2023].

> We were asked by several sides not to slip into expiry… or to end up having nothing, which was the worst thing of all. [SINDEL representative, 17-05-2023]

Another important subject of discussion was the fact that wage scales were still enforced and updated yearly:

> (Question) We could say that – in terms of the issues that it was possible to maintain – the most important issue is the updating of the wage scales. It's enabling that to continue.
>
> (Answer) Those were the ones that… otherwise it was total meltdown. In those contracts where they really fell through – which were not ours – there are places where there was never any updating of wage scales. That to me is something… [SINDEL representative, 17-05-2023)]

The interview with a FIEQUIMETAL representative revealed that the agreements signed by SINDEL and SIMA were presented by employers to the CGTP-filiated trade union as their only option to keep their role as a bargaining partner, by preserving a collective agreement. However, in contrary to what happened in the textiles sector, FIEQUIMETAL refused to concede and sign the revised agreements. Instead, this union's strategy was to attempt to preserve the rights defined in their 2000 agreement, even after employers decided on caducity:

> We sought refuge in lists of demands [*cadernos reivindicativos*] (…) the lists of demands were the instrument we found to, company by company, with the pressure of the workers, force the employers to [go] "ok, the contract from the administrative point of view has expired, but the rights do not expire". [FIEQUIMETAL representative, 11-04-2023]

This was done both through the courts (FIEQUIMETAL, 2016) – since, as explained above, a clause in the previous agreement deemed caducity impossible, a situation which was generally resolved when the 2009 Labour Code invalidated clauses of that sort from pre-2003 agreements – and at the company level, since FIEQUIMETAL claimed the agreement to be in force, insisted that its clauses were respected at firm-level, and attempted to incorporate them in individual contracts. The union also resorted to holding protests and strikes – which are an important part of its strategy, as FIEQUIMETAL put out 79 strike notices between 2013 and 2019 (DGERT, 2022) – as forms of putting pressure on employers away from the bargaining table. As admitted by other representatives, FIEQUIMETAL was the only trade union in the sector for which this course of action was possible, due to its relative strength:

> The UGT, and I'm referring in particular to SINDEL – although I'm in the UGT (…) – we would lose on the streets. The CGTP [FIEQUIMETAL is here referred to by its confederation] does the job well, we can only do it if we join them. [SINDEL representative, 17-05-2023]

The FIEQUIMETAL representative we interviewed justified, by way of an explanation, that it would have been "unnatural" for a CGTP union, historically tied to the class conflict between labour and capital, to sign what were referred to as "the employers' agreements", and claimed that taking matters to the company level was a long-term strategy so as not to "betray" workers and union members, and maintain the critical mass needed to face employers at the bargaining table again, in the future:

> We stuck to the Code and (…) we went for confrontation. We had no other alternative. And I believe that, despite everything, it was positive. Now the time has yet to come when we can make room to build up collective bargaining again (…) we will not give up, and we believe that in a few years we will succeed. (…) These employers' associations and these companies are "doomed" to have to relate to the CGTP unions, they have no other way. [FIEQUIMETAL representative, 11-04-2023]

In the case of the metal sector, the reform of collective bargaining resulted in a loss of rights for both insiders and outsiders, regardless of the approach taken (which, here, differed between the CGTP and UGT-associated unions). In terms of union density, however, the smaller unions that upheld agreements gained from the caducity of FIEQUIMETAL's agreements, as admitted by the SIMA representative we interviewed:

> As you know, FIEQUIMETAL said no (…) Of course that played in our favour (…) there is no doubt that the fact that one didn't sign was beneficial to the others. [SIMA representative, 05-07-2023]

The FIEQUIMETAL representative confirmed such a scenario more explicitly, alluding to members switching from FIEQUIMETAL to SINDEL and SIMA:

> We lost membership in that period, I won't deny it (…) it was a period in which many workers, in order to see their wages increased, couldn't say no and were forced to [switch their membership]. [FIEQUIMETAL representative, 11-04-2023]

Generally, the interviews revealed a fundamental difference in ideological beliefs, and also in mobilisation power, which helps explain the difference in strategies. Additionally, and despite the concern over pay scales expressed from SINDEL's side, a particular quote from the interview with a SIMA representative seems to place their importance in a different light:

> (…) we know the tables are a minimum, firms are not obliged to pay only that, and most firms pay above the scales (…). [SIMA representative, 05-07-2023]

This statement somewhat substantiates the data presented in Table 6: the percentage of workers earning minimum wage or less was considerably lower in metal than in textiles over the 2003-2010 period, as was the percentage of workers only slightly (less than 10%) above the minimum wage. This means that pay scales (and the minimum wage itself) are accurate predictors for wages in the textiles sector, while wages in metal tend to be significantly higher than the minimum wage (and, subsequently, than what is issued by the wage scales). As it is explored in the final section of this paper, this gap in income may be an additional explanatory factor for the differences in union strategies we found.

TABLE 6
Percentage of workers earning minimum wage or in the vicinity, in the metal and textiles sectors

% of workers…	…earning MW or less		…earning up to 10% more than MW	
Year/Sector	Textiles	Metal	Textiles	Metal
2003	9.5%	2%	37.9%	3.1%
2004	6.6%	2.5%	31.8%	4.1%
2005	8.1%	2.0%	33.2%	4.6%
2006	11.4%	2.3%	34.8%	5.4%
2007	19.3%	4.2%	32.0%	5.5%
2008	26.5%	4.8%	28.3%	7.4%
2009	23.6%	5.0%	34.6%	8.5%
2010	36.0%	9.6%	26.8%	9.5%

Source: GEPb (Quadros de Pessoal).

CONCLUSIONS, POINTS FOR DISCUSSION, AND FUTURE RESEARCH

The aim of this empirical study was to contribute to the industrial relations literature on dualisation and solidarity, by establishing differentiating factors in the adoption of strategies by trade unions to deal with liberalisation. A main hypothesis was tested, deriving from the literature on solidarity (Dorigatti, 2017; Durazzi, 2017), stating that the "identities" of trade unions – their ideological positionings – tend to influence above all the strategies chosen to contend with liberalisation of both collective bargaining and industrial relations significantly, with more "radical" trade unions choosing to actively fight this trend and more "moderate" trade unions conceding to dualising reforms and restructuring – sacrificing protective measures in favour of "outsiders" to safeguard those of the "insiders". The comparison of relatively similar sectors – here chosen as case studies, with trade unions affiliated to the two different corresponding confederations (collective bargaining in textiles and metal thereby illustrating CGTP and UGT's ideological differences, and even the tension between them), was chosen precisely to gauge the significance of union ideology in determining more 'dualising' or, on the other hand, 'solidaristic' strategies to combat liberalisation.

The results do not, at first glance, validate this hypothesis, since FESETE's representative union in the textiles sector acquiesced to signing new agreements that were both detrimentally liberalising and dualising (since they permitted greater employer discretion in the recourse to atypical employment beyond what was stated in the labour code). On the contrary, the heterogeneity of sectoral institutional contexts and union power resources, as well as individual agency, seems to emerge as a convincing explanation for differing union strategies adopted to deal with liberalisation. Three main proposals stand out in the light of these case studies.

Firstly, and as the interviews have demonstrated, it seems that trade unions belonging to the same confederation do not necessarily adopt the same ideological approach to unionism. It was discussed previously that interviews in the textiles sector revealed different rationales, with FESETE seemingly conceding to revised agreements only reluctantly – its arm having been twisted by undesirable reforms – while SINDEQ framed the reform as desirable and necessary to 'modernising' collective agreements. However, FESETE was closer to the UGT-associated SINDEQ than to FIEQUIMETAL, not only in terms of strategy (as has been discussed already) but also in discourse: the interview with a FIEQUIMETAL representative – framed within a narrative of class struggle that was absent in the case of the other four – was also the only interviewee showing a clear concern for the working conditions of outsiders, and the inclusion of their interests in decision-making processes. It became clear in the interviews that FIEQUIMETAL was ideologically incompatible, so to say, with the fresh agreements that were being signed, while FESETE showed more willingness to negotiate, and generally a more social-partnership-like, or 'pragmatic' approach to trade unionism, as described by Távora and González (2016). An interesting indicator of this diversity in approaches to trade unionism within the CGTP is the frequency of strike action in the case of FETESE and FIEQUIMETAL: in the 2013-2019 period FETESE announced four calls for strikes, even less than SINDEQ's five. On the other hand, as stated in the previous section, FIEQUIMETAL's strike motions stand at 79 (DGERT, 2022). This variation in desired levels of conflict seems to illustrate the range of responses among different confederations – and in this case, the CGTP – quite well, which in turn contributes to different approaches to liberalisation and dualisation processes.

Secondly, there are also institutional factors and constraints here that contribute to a variation in outcomes by limiting trade unions' institutional power, as accounted for in the solidarity literature (Pulignano, Meardi & Doerflinger, 2015). In our cases, sectoral differences regarding the fragility of workers' rights and of the labour movement suggest that they play an important role in explaining why FESETE was more willing to compromise. While wages and the preservation of pay scales were important issues in both sectors, this seems to have been more important in the textiles sector because of the relatively lower wages and their proximity to the pay scales.

Additionally, the apparently more robust associative and structural power (through union density and workplace bargaining power) of FIEQUIMETAL in the metal sector, compared both to its 'competitors' and to FESETE in textiles, seem to play a part in the viability of their "no-compromise" strategy, since it enabled more effective mobilisation to defend rights at firm-level – through collective action at the workplace and on the streets – regardless of the expiry of collective agreements. For other unions, their lower density and weaker organising capacity inside firms meant that such a path was not so feasible, and the expected loss in membership due to not having reached an agreement would have been more damaging. The importance of associative and structural power resources in enabling inclusive strategies has been highlighted in the literature (Palier & Thelen, 2010), and was emphasised in the interviews with union representatives, as discussed in the previous section. Thirdly and lastly, individual agency appears to play a greatly impactful role here, as the actors involved in collective bargaining on labour's behalf (union leaders) clearly saw competition among the labour movement differently: while FETESE's representative was adamant in avoiding competition between members in the textiles sector and was successful in doing so by aligning its strategy with SINDEQ's, a different dynamic emerged in the metal sector. FIEQUIMETAL's representative, more in line with CGTP's usual brand of class unionism, interpreted the way negotiations were being conducted as an ultimatum and prioritised upholding certain ideological convictions over competition between members. In parallel, SINDEL and SIMA capitalised on the expiry of said agreements to seize part of FIEQUIMETAL's membership. With FESETE holding a weaker position in terms of density than FIEQUIMETAL, the prospect of competing for (and a decline in) membership was probably deemed even less attractive, which made a unified strategy a priority.

To sum up, the main takeaway of this paper is that union strategies – and their ideation – are complex and non-linear. Both these strategies and the outcomes of liberalisation and dualisation processes reflect not only the identity and ideological alignment of unions, but also other institutional factors that can prove decisive (in the cases presented here, sectoral differences, power resources and individual agency being of note). The dualisation and concessionary paths adopted by some unions might also, to some degree, reflect structural constraints typical of semi-peripheral economies and sectors – an idea that could inspire further theorisation (regarding unions' resistance to liberalisation in semi-peripheral economies) and cross-country comparison (of union responses across different countries in different 'tiers' of the international political economy). Having come to these conclusions, two additional points seem relevant to the author in contemplating the bigger picture, although they could be seen as a slight detour from the answer to the research question here addressed.

The first is to do with the impact of this reform on working conditions. Contrary to expectations, the new agreements that were signed by unions that did concede were detrimental not only to "outsiders" – who were most targeted by the new clauses, but also to "insiders", who also lost the favourable clauses which they had achieved in more favourable bargaining periods. Instead of dualisation, these changes in collective agreements seem to reflect a broader process of liberalisation, which fortified employer discretion and flexibility in relation to both worker-types.

The second, which logically follows on from the first, is that workers in general were – at least in these two sectors – the 'losers' in this transformation in collective bargaining. The elimination of the continuity rule and of the "most favourable treatment principle" meant that the representatives of labour and capital were made to negotiate working conditions 'freely', without mediation, with the balance of power being heavily in capital's favour. Naturally, this allowed employers to make greater use of their own discretion through collective bargaining, an institution which had previously served as a means of limiting said discretion. If Streeck and Thelen's (2005) conceptual framework of institutional change is applied, one could go on to identify the patterns of institutional drift (through decades of erosion of the labour movement's strength) and conversion (through the 2003 reform) of the institution of collective bargaining in Portugal.

This insight could prove valuable in opening up paths for future research: in the same way that a state-made institution designed to promote increased workers' rights – and protect them – was here, through state-led liberalising reform, led to produce outcomes that further deregulate employment, this pattern may also be verifiable for other study cases.

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André Marques Pinto » ampos@iscte-iul.pt » DINÂMIA'CET / Iscte-Instituto Universitário de Lisboa » Avenida das Forças Armadas — 1649-026 Lisboa, Portugal » https://orcid.org/0009-0009-9845-9103.