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The Youth in the Spanish labour market

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1. INTRODUCTION

Youth unemployment is one of the greatest challenges worldwide, specifically for Spanish society, which has been specially affected by this phenomenon.

In recent years the young population in Spain has gradually fallen by almost 2 million, this decline experienced since the beginning of the crisis responds to various factors, directly linked to the widespread aging process of the population.

About one million young people in our country are currently facing a difficult future in terms of employability due to the lack of job opportunities. This situation became specifically alarming during the Great Recession, causing profound social and economic consequences, which are still lasting nowadays, due to the great amount of young people in long-term unemployment and exclusion. This has been, and continues to be a complex problem, in terms of its causes and most importantly, when considering its solutions, although some of these are exposed at the end of the report. Nevertheless, the information available for 2018 and displayed throughout this project shows a favourable situation, youth employment rate is accelerating which means that unemployment among young people is falling, coinciding with a dynamic period of the Spanish economy and the labour market as a whole.

Youth generations are said to be the future of our country, this statement has been recently affirmed by one of the four most important politicians in our country, in an interview prior to the Spanish elections “a country without children is a country with no future” (Ribera , 2019). He also confirms that this issue along with the Catalanian situation is what worries him the most, as young people currently represent one of the most vulnerable groups with greater risk of social exclusion in Spain. As a result, it has been one of the most studied issues since the beginning of the financial crisis. It has been dealt, among others, by important organisations such as McKinsey, which was the one who aroused my attention about the subject after having attended a recruiting event in which the following topic "young people in the Spanish labour market" was raised. For this reason, I encouraged myself to investigate deeper in order to have a detailed idea. My main objective was to understand the current position of young people in the Spanish labour market, to compare their labour position to the one of the European Union, as well as studying how this situation has evolved in recent years, the main causes of youth unemployment and finally some of its solutions.

2. GLOBAL OVERVIEW OF EMPLOYMENT

2.1 Youth employment as one of the Sustainable Development Goals (SDGs)

The 17 sustainable development goals (SDGs) are based on the well-known Millennium Development Goals (MDGs). This Agenda came into function eighteen years ago in which 189 countries jointly designed a 15-years action plan to overcome worldwide poverty, by 2015 the number of people living under extreme poverty conditions was halved. Aiming to replace the MDGs due to its real success, the renewed SDGs were established on January 2016, looking forward to end all forms of poverty, fight against inequality and address climate change as well as tackling other aspects of today's global challenges. The SDGs are universal objectives, which involve all countries regardless of whether they are considered emerging, developing or developed countries, as worldwide support is needed to promote prosperity in a sustainable manner for future generations as well as for covering the three target dimensions of sustainable development: economic growth, social inclusion and environmental protection.

Unemployment represents a major challenge for most economies in the world and was thus addressed in the MDGs as the following: "achieve full and productive employment and decent work for all, including women and young people" (United Nations, 2000), although it failed to achieve its target by 2015. Due to its failure, it has been included once again as the eight objective of the SDGs list, "Promote inclusive and sustainable economic growth, employment and decent work for all" but this time as a specific and individual goal to continue working towards solving this problem.

Goal 8 includes 12 targets to be achieved most of them by 2030, all of them related with employment quality and conditions. Youth unemployment is one of the main issues addressed in many of these targets due to the difficulties they encounter when accessing the labour market and its subsequent negative effects on the overall economy, representing therefore a major issue for the global society. In comparison with the other objectives, which are comprised in goal 8, youth unemployment has been treated with

urgency as many of them have been established to be achieved by 2020 rather than by 2030.

Specifically, these targets are the following:

- By 2030, achieve full and productive employment and decent work for all woman and men, including for young people and persons with disabilities, and equal pay for work of equal value.
 - By 2020, substantially reduce the portion of youth not in employment, education or training.
 - By 2020, develop and operationalize a global strategy for youth employment and implement the Global Jobs Pact of the International Labour Organization.
- (United Nations, 2015)

As previously shown, youth are one of the predominant cohort groups considered in the 2030 Agenda for Sustainable Development Goals because they are extremely vulnerable when facing the labour market, “there are more than 64 million unemployed youth worldwide and 145 million young workers living in poverty conditions” (International Labour Organization, 2018). Finding a job is a major challenge and many of the young people employed are said to have informal or low-quality jobs with few legal and social protection, all of these factors makes youth unemployment to prevail as a major global challenge.

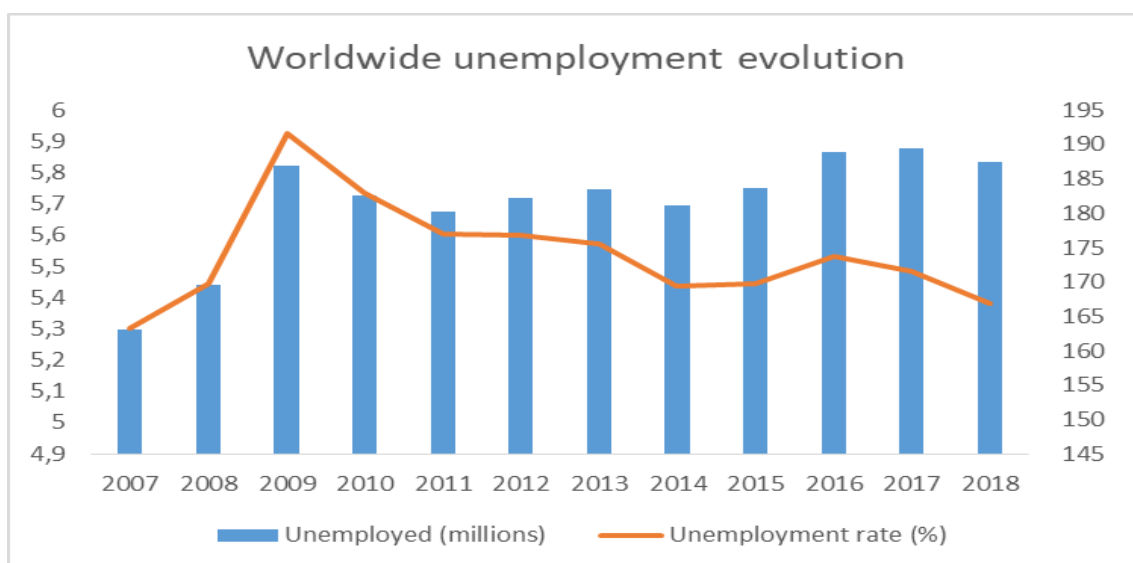
2.2 Current situation

2.2.1 Global unemployment situation

The global economy has experienced an overall recovery since the financial crisis in 2008, however this increase has not been aligned with the employment growth which has been lower. Despite the goals settled and the success achieved in the market through the MDGs, worldwide unemployment remains high, more than 188 million people were unemployed in 2018, exactly representing 24 million more than the pre-crisis level, as it is shown in figure 2.1. Nevertheless, this number has been dropping for three consecutive years in which global unemployment rate has passed from 5.5% in 2017 to 5.4% in 2018 and according to the estimations made, this rate will remain stable

in the following years due to a global increase in the total labour force as well as a slightly rise of the unemployed population. (See figure 2.1)

Figure 2.1: Worldwide unemployment rate approaches pre-crisis levels



Source: International Labour Organization (ILO) Modelled estimates trends Nov. 2018.
Personal production

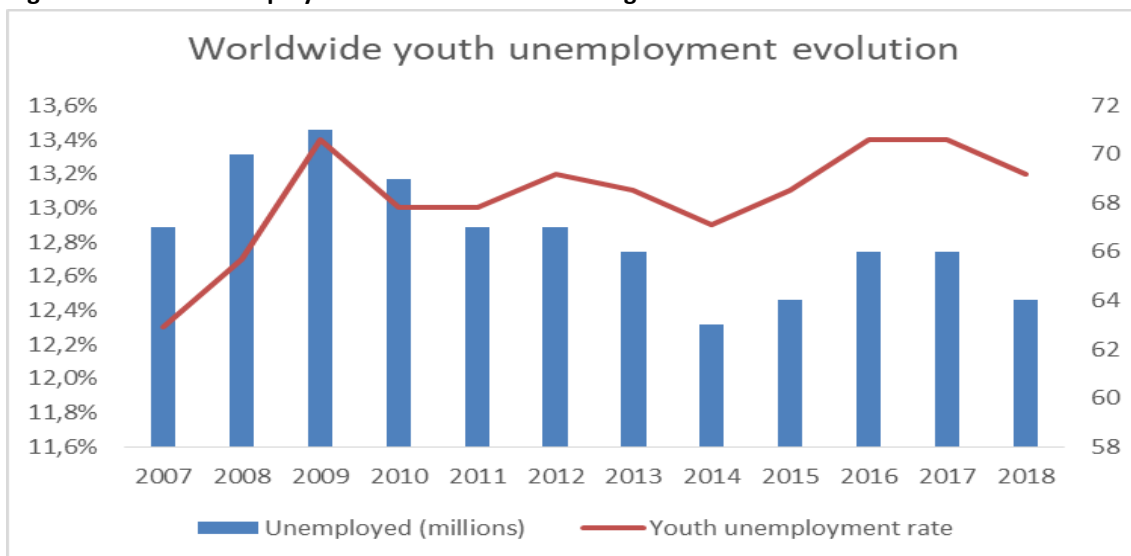
2.2.2 Youth situation in the global labour market

Youth represent around 35% of the total unemployed population in the world, specifically 64 million young people have been estimated not to be employed in 2018. According to the International Labour Organization, “young people are three times as likely as adults to be unemployed and 3 out of 4 young people have informal employments compared to 3 of every 5 adults” (International Labour Office, 2018), unfortunately these ratios have remained stable in the last few years showing once again their poor labour situation.

Globally the youth unemployment rate¹ in 2018 was 13.2%, decreasing compared to last year rate (13.4%) but still being too high in comparison with the pre-crisis levels where unemployment rate reached 12.2%, its minimum since the 1990s. (See figure 2.2)

¹ Youth unemployment rate: is the amount of Young people in the labour force who are unemployed. Young people are generally defined as those people aged between 15 and 24. There is a different definition for the young in the Spanish labour market which will be further explained.

Figure 2.2: Youth unemployment rate follows a declining trend worldwide



Source: International Labour Organization (ILO) Modelled estimates trends Nov. 2018.
Personal production

Regrettably not all young people are affected in the same way, each situation will vary depending on each country. The great number of young people unemployed, especially in those areas where the unemployment rate is higher (highlighting North Africa in which youth unemployment rate has remained close to 30% over the last 20 years), has provoked a general demotivation effect among the youth causing a global 6 percentage points decrease in the labour force participation rate (LFPR) since 2007 (from 48.6% to 42.1%), this means a decline of about 61 million young people.

In order to summarize what it has been exposed until the moment, table 2.1 displays the overall employment situation compared to the one of young people in two different years in order to see how the labour market has evolved.

Table 2.1: Overall employment situation in the world

	2007	2018
	Total	
Labour Force	3,500 million	3,100 million
Unemployment	163 million	188 million
Unemployment rate	5.3%	5.4%
	Youth	
Labour Force	544 million	483 million
Unemployment	67 million	64 million
Unemployment rate	12.3%	13.2%

Source: International Labour Organization (ILO) Modelled estimates trends Nov. 2018.
Personal production

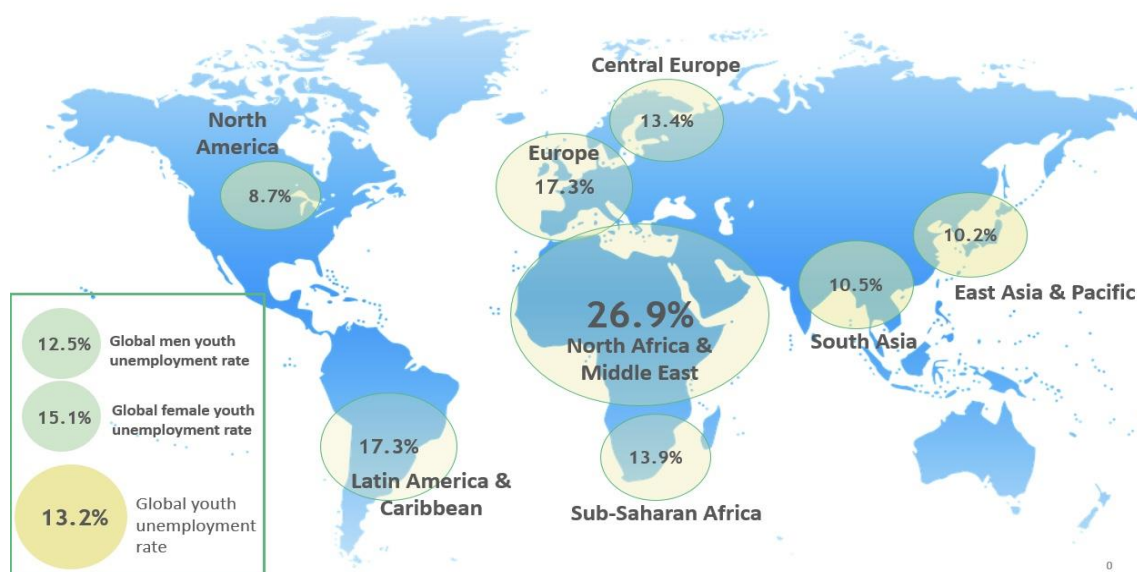
Among others, young people in regions such as North Africa or South Asia represent around 40% of the total unemployed population comprising just the 17% of the total labour force, whereas the youth in other regions such as Europe for example constitute just the 20% of the total unemployed approximately.

Some of the youth unemployment rates shown below, in figure 2.3, seem to be too low in comparison with those of more developed countries, nonetheless in most of these cases many of the young people employed in emerging countries find themselves in vulnerable situations, such as in Sub-Saharan Africa where around two-thirds of the youth working population are said to have poor labour conditions, with informal or low quality contracts.

Furthermore, we must highlight that gender inequality between young people continues to be a serious problem in our society being young female the most affected (total youth female unemployment rate in 2018 was 15.1% vs. total youth male unemployment rate of 12.5%), specifically in places such as North Africa and Middle East where youth female unemployment rate is almost doubled compared to the one of men.

Thankfully over the past recent years the gender gap has been converging, improving therefore female situation in the labour market, in which female unemployment rate has passed from 15.3% in 2017 to 15.1% in 2018, although their situation in most of the world regions is still very different to men.

Figure 2.3: Youth unemployment rates by region



Source: International Labour Organization, ILOSTAT database. Data retrieved in September 2018.
Personal production.

3. EUROPEAN UNION LABOUR MARKET OVERVIEW

3.1 European Union total unemployment rate

The European Union was able to recover GDP pre-crisis levels in 2010 and has been experiencing around 1% of annual economic growth since 2007 until today.

Despite this overall increase in the European² economy, the labour market has been recovering much slower, employment has not even achieved 1% of annual increase, more specifically it has been growing at an annual rate of 0,5% approximately.

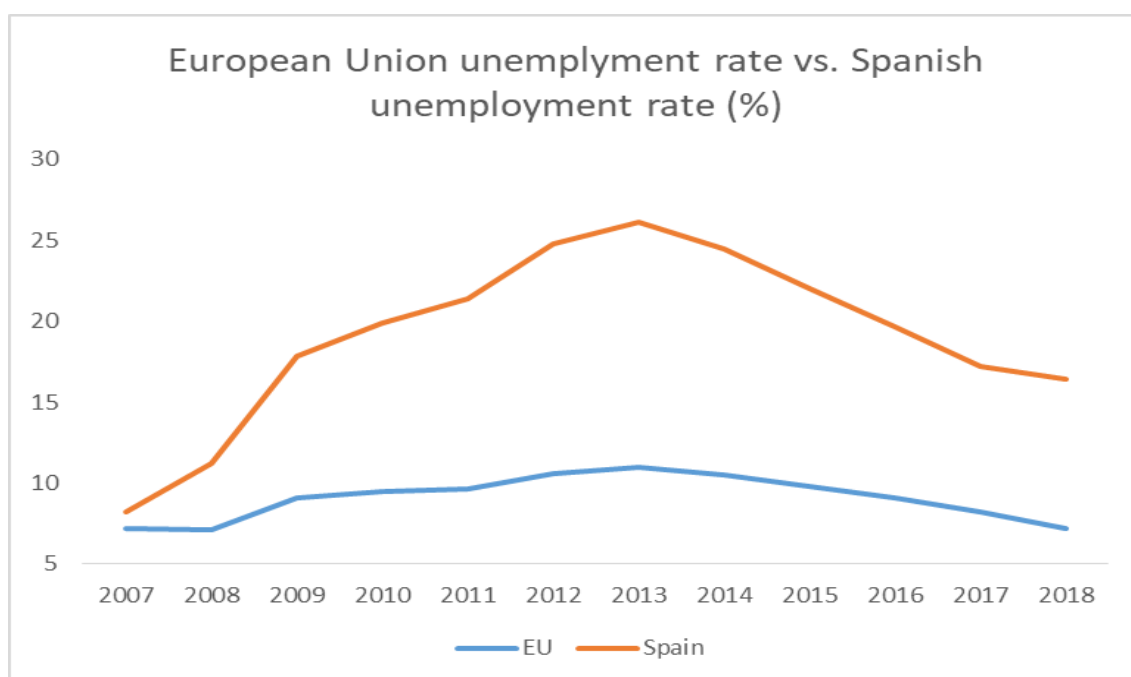
Europe's worst scenario of unemployment was reached in 2013 where total EU unemployment rate attained its maximum peak at 11%, since that date it has been recovering slowly achieving an overall decrease of 4 percentage points, which has finally enable the European Union to return to pre-crisis levels in 2018 approaching a 7.2% of total unemployment rate. The European labour market has returned to normal levels of unemployment 8 years after than the European economy, reinforcing once again the slow labour market recovery progress after the financial crisis.

3.2 Spain's labour market situation compared to the EU

Spain as an EU member state has been one of the most affected countries by the high unemployment rates. Since the start of the financial crisis in 2007, unemployment rates grew 18 percentage points until reaching its maximum value in 2013. After this tremendous growth, unemployment rates have been improving at an annual average of 2 percentage points, finally achieving in 2018 a 16.4%. Nevertheless, despite recovering at the same paste than Europe, Spain presents much higher unemployment rates than the European Union as a whole, mainly because the overall growth of rates presented by the EU during the first 6 years of the crisis was just a total of nearly 4 percentage points, much lower rise than the one experienced by Spain during the same period. (See figure 3.1)

² When speaking about Europe it makes reference to the European Union as a whole, (28 member states).

Figure 3.1: Spain presents much higher unemployment rates than the European Union



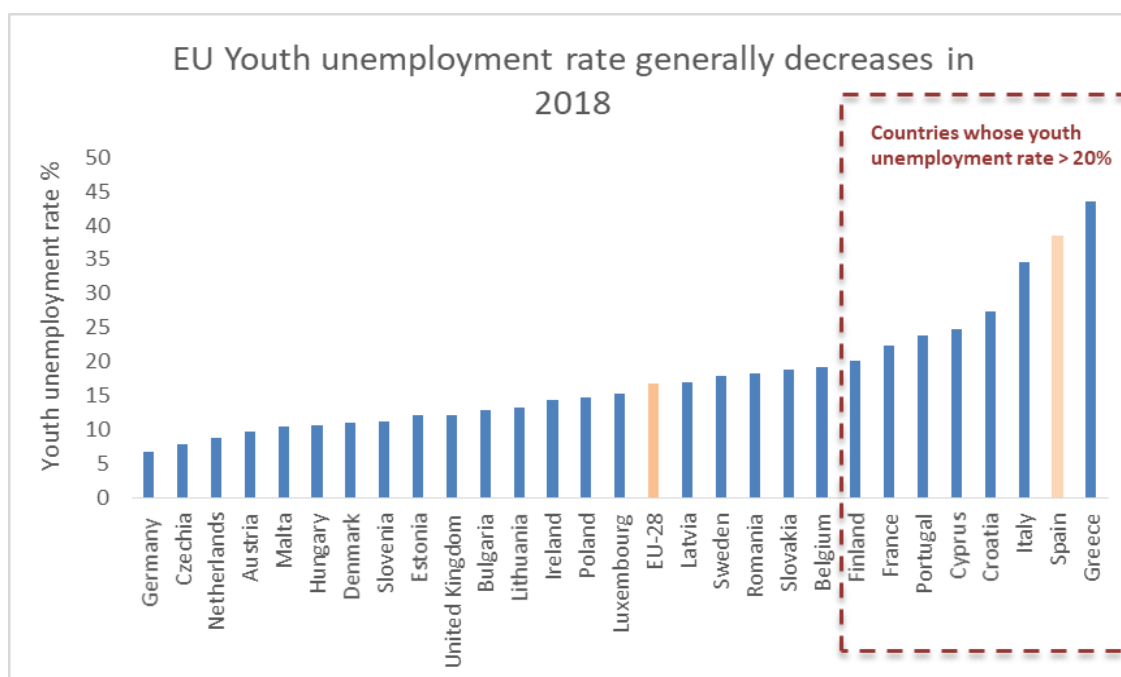
Source: Eurostat
Personal production

3.3 Youth unemployment in the EU

Young people in the EU, just as in the rest of the world, are characterised by being vulnerable when entering the labour market for many of the reasons discussed at the beginning. Nonetheless, the youth find themselves in worst working conditions in some countries than in others. Specifically, in 2018, 30% out of the 28 European Union members presented rates exceeding 20% of youth unemployment, we must highlight that this proportion has decreased compared to the 49% of countries, which presented rates greater than 20% in 2017.

The total youth unemployment rate for the European Union has decreased nearly 2 p.p from the last figure recorded (18.7% to 16.8%), clearly being a sign of an overall progress among the young people in the different member states, as all of them have been able to decrease their youth unemployment rates since 2017. (See figure 3.2)

Figure 3.2: Spain has the EU's second largest youth unemployment rate



Source: Eurostat
Personal production

3.4 Spanish youth unemployment situation compared to the EU

Spain has more than doubled the European Union average rate during the last 7 years (see figure 3.3), being the second country with the largest youth unemployment rate just below Greece as shown in figure 3.2.

Aligned with the Spanish global labour market, the youth unemployment rate reached its maximum in 2013 where the young people not employed represented more than half (55%)³ of the labour force from 15 to 24 years old.

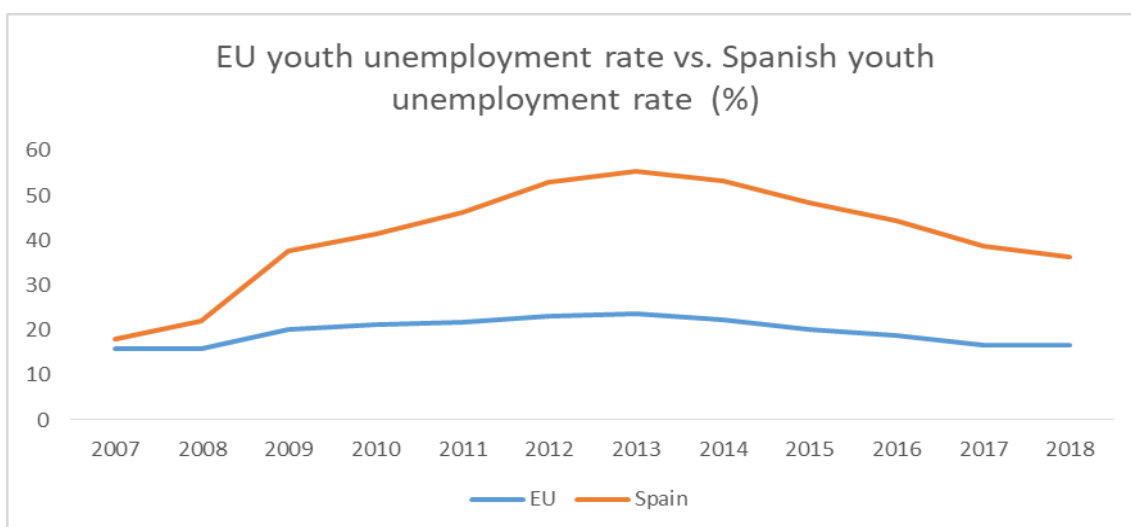
Furthermore, Spain represents one out of the six EU members left which are still trying to reach pre-crisis levels, although it has also been one of the countries recording significant decreases on its youth unemployment rates according to Eurostat data, as it has been falling above the EU average rate.

³ Just considering young people from 15 to 24.

Youth Unemployment rate (%) = (# Unemployed aged 15-24 / # Active population aged 15-24)

Further on, (section 4.2.4) youth unemployment rate changes because young people in Spain are those aged between 16 and 29, the main reason for these two different considerations is also explained below.

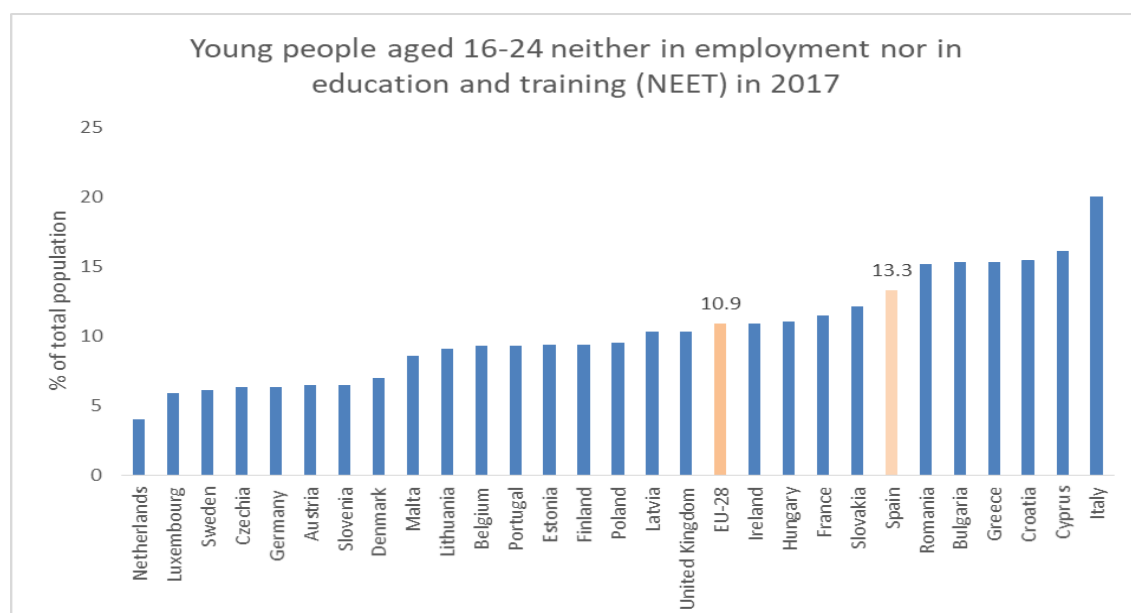
Figure 3.3: Spain's youth unemployment rate more than doubles the one of the EU (16 to 24)



Source: Eurostat
Personal production

Moreover, the number of young people in Spain, which are not employed, nor in education (NEET⁴) is once again above the EU average (see figure 3.4). Nevertheless, it has fall impressively, reaching lower levels than those recorded in 2008, which means that the population between 16 to 24 years old are starting to regain confidence in the Spanish market after the tough crisis period.

Figure 3.4: Spain presents greater amount of young people NEET than the EU average



Source: Eurostat
Personal production

⁴ NEET: latest data available from 2017

4 SPANISH LABOUR MARKET OVERVIEW

4.1 Introduction to the Spanish labour market:

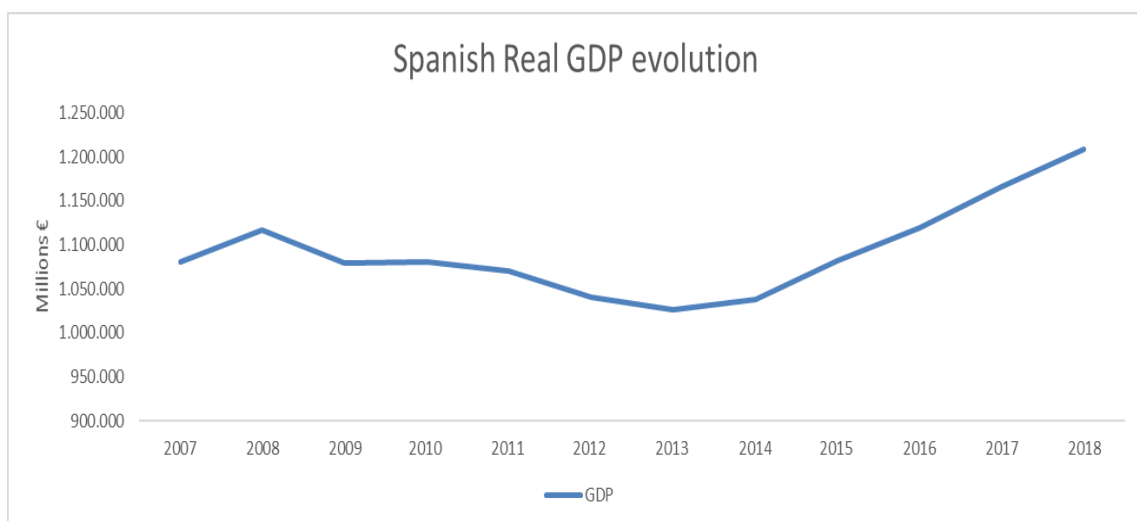
The main differences between Spain and the EU can be explained in part by the regulation and functioning of certain institutional elements in the market.

Labour regulations have been changing since mid-1980s becoming increasingly liberalized and contrasting with the inflexible labour market Spain had until the moment. Furthermore, extensive reforms had to be undertaken due to the financial crisis consequences in the economy, which lead to the approval of the last Spanish labour reform in 2012.

The Spanish economy grew enormously from 1995 until 2007 in which employment was increased by 8 million exceeding any figures previously recorded and representing 30% of the total amount of jobs created in the European Union. Such increase in the economy was mainly due to activities in sectors with high growth potential such as construction or tourism.

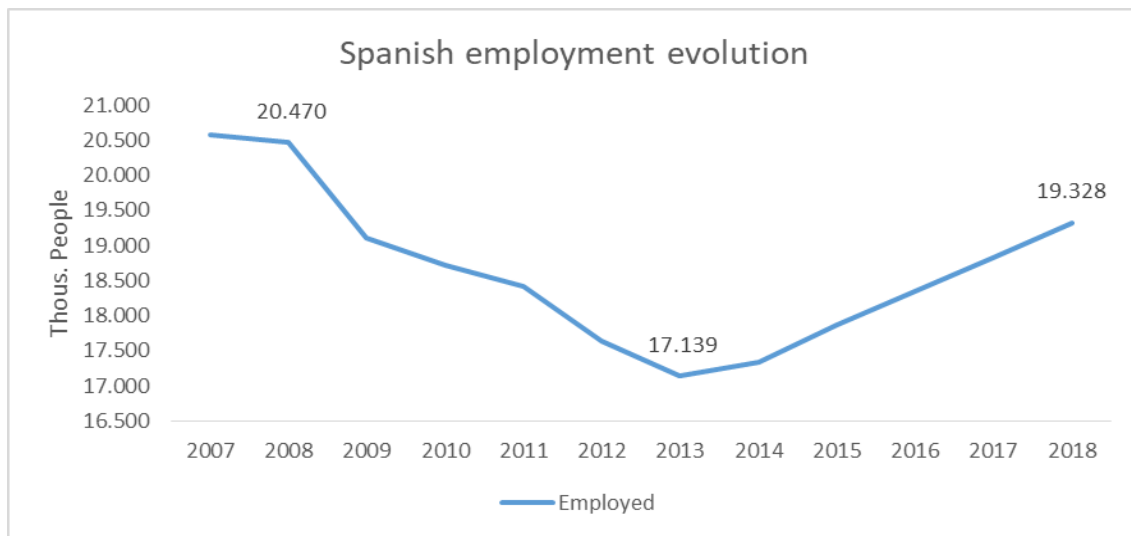
Nevertheless, the outbreak of the economic crisis in 2008 had a harsh effect on the whole Spanish economy causing an overall decrease in GDP as it is clearly shown in figure 4.1, being the labour market one of the most affected sectors, where almost 3.4 million jobs were destroyed until 2013.

Figure 4.1: Spanish GDP continues to follow its upward trend in 2018



Source: Instituto Nacional de Estadística (INE)
Personal production

Figure 4.2: Spanish employability grows for its fifth consecutive year

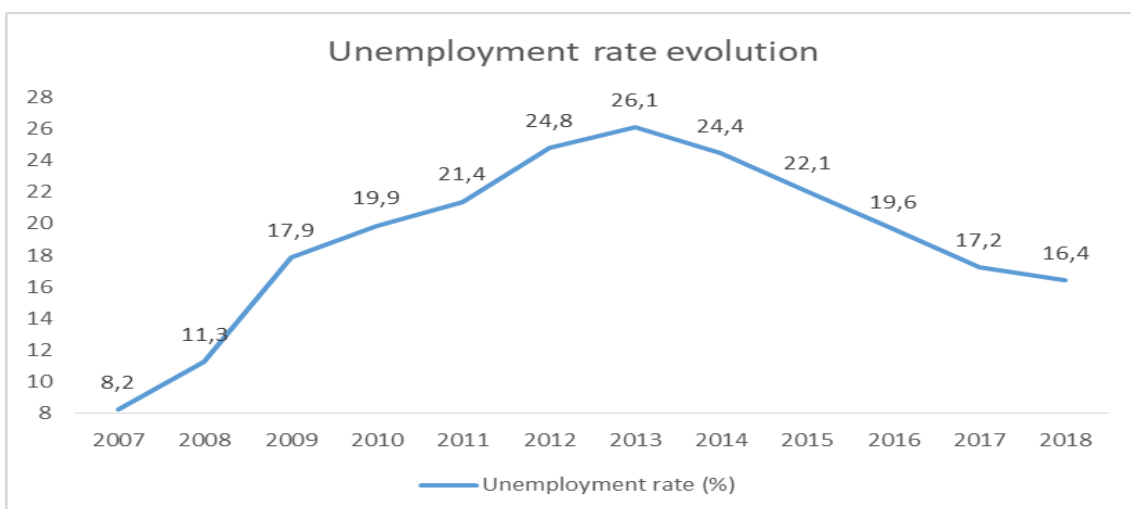


Source: Instituto Nacional de Estadística (INE)
Personal production

The Spanish labour market is mainly characterised by high employment volatility, in which the number of people employed increases in expansionary periods and decreases during recessions, causing therefore unemployment rate to increase.

It specifically grew almost 18 percentage points during the first six years of the financial crisis, reaching its maximum in 2013 (~ 26%), this increase was much more aggressive in comparison with other European Union countries as we have already seen in point 3. Nonetheless, the economic recovery from 2014 onwards has made the unemployment rate to fall nearly 10 percentage points in total, creating around 1.9 million jobs until 2018 especially in manufacturing, hostelry and trading sectors.

Figure 4.3: Spanish unemployment rate continues to decrease approaching pre-crisis levels



Source: Instituto Nacional de Estadística (INE)
Personal production

Figures 4.1 and 4.2 show that GDP and Employment are procyclical variables as they move towards the same direction, since 2014 both of them have been growing positively but at different rates. Employment has increased at an average of 3% annually although the number of people employed is still behind the figure recorded in 2008, whereas GDP has experienced an average annual growth of 4%, exceeding pre-crisis levels in 2015. This means that the Spanish economy as a whole has been recovering faster than the labour market, as well as highlighting that employability in general suffered a much steeper total decline until 2013 in comparison with Spain's GDP (-17% vs. 5% respectively) as it is exhibited in the previous graphs.

Furthermore, the Spanish labour market is also characterised by some other critical factors which are the following, a higher incidence of unemployment among women, significant differences in unemployment rates between the autonomous regions and a very high rate of youth unemployment.

Some of the economic policy objectives such as, generation of employment by boosting the economy capacity, facilitating young people access to the labour market or the improvement of unemployed training to ease their reintegration into the market, are being established to address many of the above mentioned problems.

Further on, we will make a deeper analysis on the youth labour population in Spain as they represent one of our country's major challenge. (García Delgado & Myro, 2017)

4.2 The Youth in the Spanish labour market

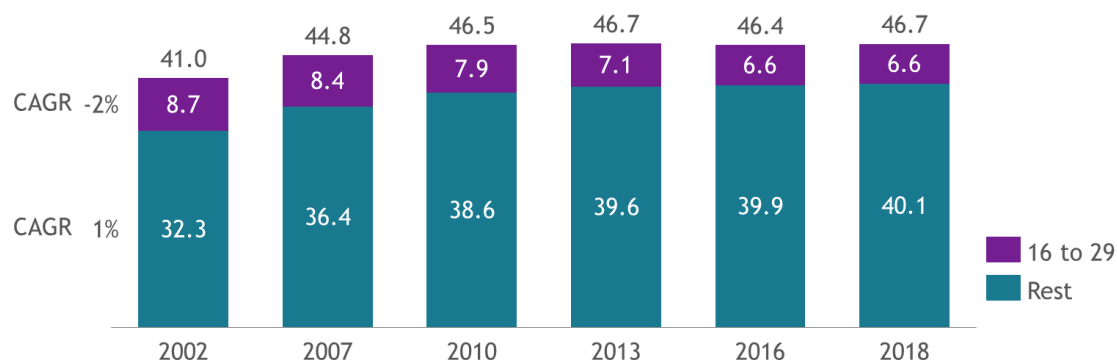
Young people from 16 to 29⁵ years old in Spain represent around 14% of the entire Spanish population and it has been steadily decreasing since the last 15 years, more specifically it has fallen by more than 2 million people, whereas the whole population has increased by nearly 6 million.

This is mainly due to three main reasons, in one hand the Spanish fertility rate registered in 2017 has been the lowest for the past 40 years (El Confidencial, 2018), in the other, Spanish life expectancy has increased surprisingly since 1975, which according to a study

⁵ Spain considers young people aged from 16 to 29, the main reason is explained in page 17.

made by the Washington's Institute of Health (IHME), Spain could occupy the first place in the world's longevity ranking reaching an age average of 85.5 years old in 2022, (El Mundo, 2018) and finally due to continuous changes in migratory flows.(See figure 4.4)

Figure 4.4: Evolution of Spanish population (Million people)



Source: Instituto Nacional de Estadística (INE)
Personal production

Changes in migratory flows have been produced not so much by a massive outflow of young people abroad but due to the decline of previous inflows. As it is displayed in the following table 4.1, the latest data available shows that these flows have been increasing in recent periods.

According to INE statistics about migration, in 2008 the net migratory balance of young people aged between 16 and 29 years old was +148.352, gradually decreasing since that date until recording negative net values in 2012 and 2013 (with a total departure of -56.369 young people). However, since 2014 Spain has been experiencing slightly positive flows again, accelerating until nowadays. (See table 4.1)

Table 4.1: Migratory balance

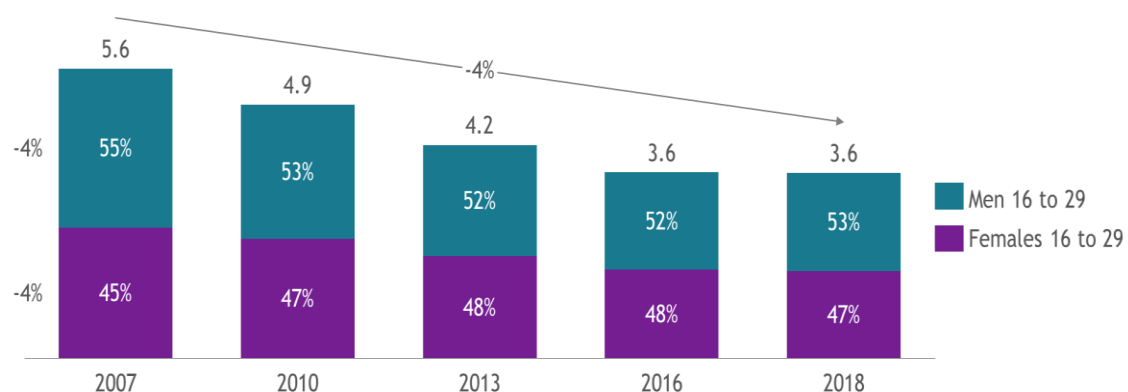
Year	Migratorybalance (16-29)
2017	104.644
2016	61.152
2015	31.357
2014	3.301
2013	-43.932
2012	-12.437
2011	21.387
2010	16.133
2009	33.222
2008	148.352

Source: Instituto Nacional de Estadística (INE)
Personal production

Out of the 6.6 million young people in Spain, 55% of them, (approximately 3.5 million) are included as part of the Spanish labour workforce. This amount has been dropping 4% annually since 2007 in which the youth labour force accounted for almost 67% of the young population.

This decrease has been mainly because of two main reasons, more precisely due to long-term youth unemployment and a continuous decrease in school dropout rates, but these will be further discussed in detail. Moreover figure 4.5 shows that this decline has affected both, men and women equally as they have been falling at the same rate than the market as a whole, although we must highlight that men are more numerous than women in the Spanish labour market.

Figure 4.5: Evolution of the Spanish youth labour force (Million people)

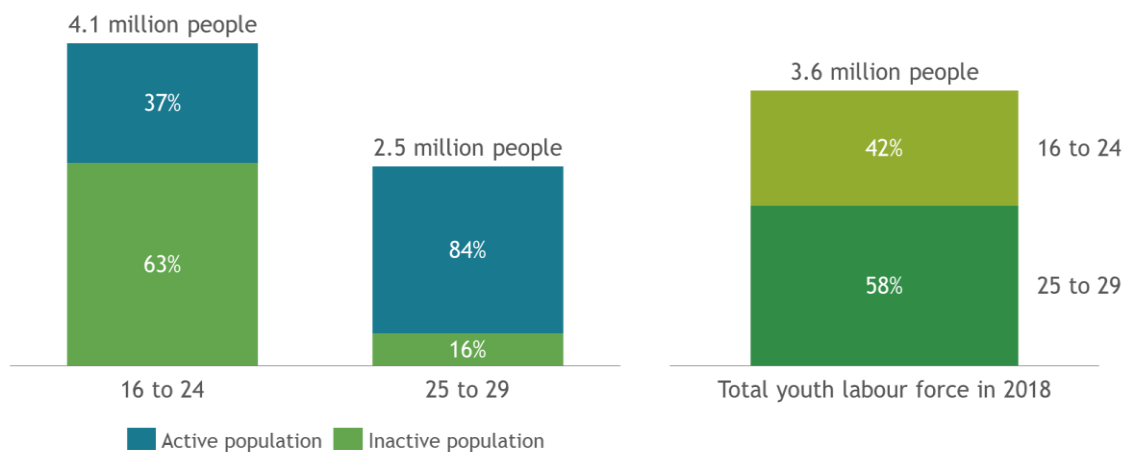


Source: Instituto Nacional de Estadística (INE)
Personal production

In order to make extensive analysis on further points a distinction among young people will be made, these will be divided into two different cohort groups depending on their age, mainly for one unique reason which has been the high young unemployment rates in Spain. As a result of the high rates achieved, the existing labour policies focused on the young have been modified reconsidering youth until the age of 29 until achieving an overall rate of 15%. Therefore, the first group will comprise people between 16 and 24 years old, whereas the second group includes young people from 25 and 29.

Youth labour force is composed of a combination of both, consisting of ~40% of young people between 16-24 and ~60% aged from 25 to 29. As we can see in figure 4.6, the Spanish youth active population is constituted by a greater amount of people belonging to the second age group, although these represent a much smaller amount in the entire young population, they are approximately half the amount of the first group, which means that out of the total number of people in Spain between 25-29, around 84% are part of the youth labour force compared to just a 37% of the young between 16 to 24 years old. (See figure 4.6)

Figure 4.6: Spanish youth labour force in 2018 by age groups



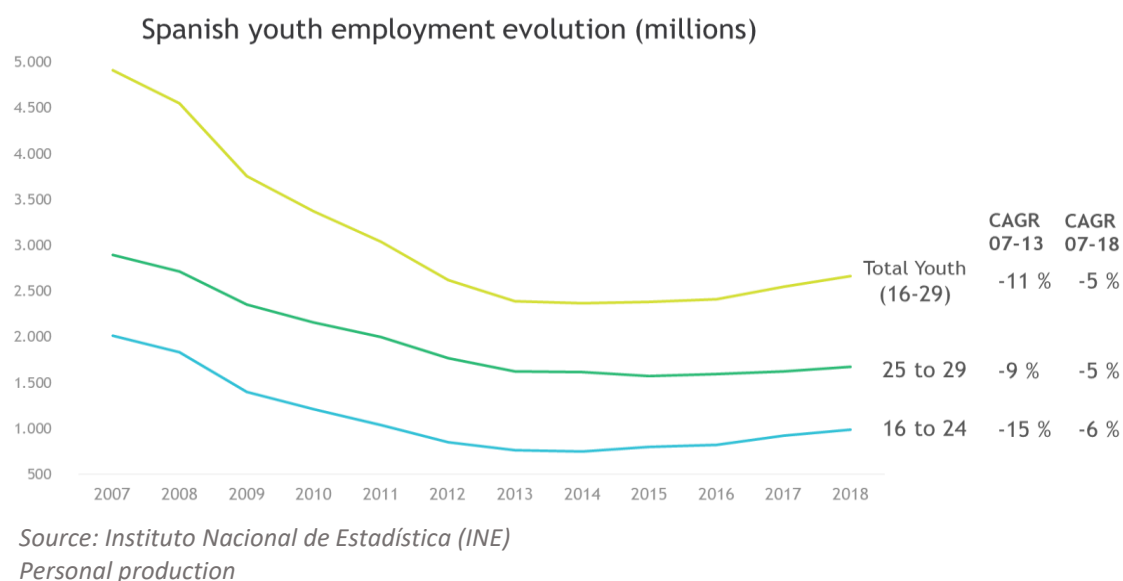
Source: Instituto Nacional de Estadística (INE)
Personal production

4.2.1 The youth employment situation

Spain currently has around 2.7 million young people employed, although the total youth employment has been decreasing 5% annually since the financial crisis breakout until today. This drop has been steeper among young people aged 16 to 24 years old who have experienced a total compounded annual growth of -6%.

The number of young people employed belonging to this cohort group between 2007 and 2013 was decreased by 15% whereas those aged between 25 to 29 experienced a much more moderate decrease of 9% during the same period. (See figure 4.7)

Figure 4.7: Employability among Spanish young people increases since 2014



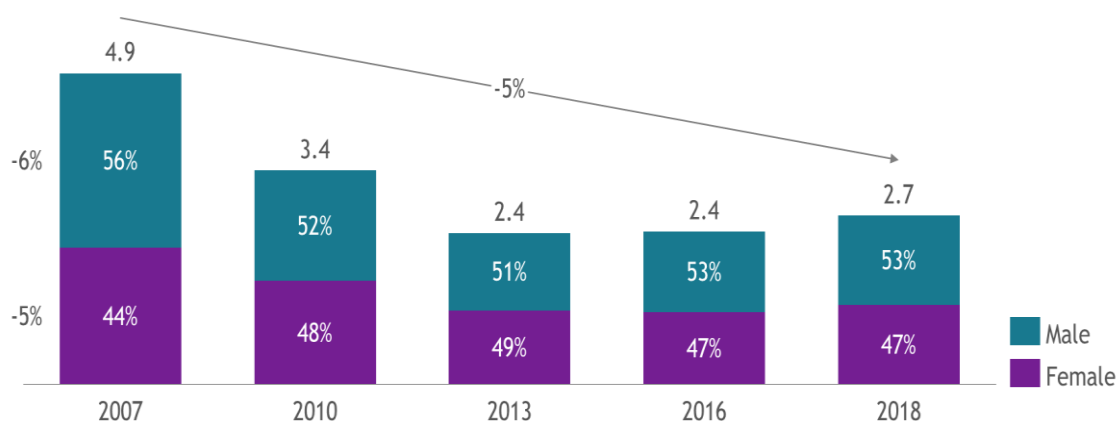
Furthermore, there are more differences among the young in the Spanish labour market other than those between the different age groups, unfortunately there are also significant gender singularities as already exposed in figure 4.5, which shows that there are more men engaged in the active population compared to female. Moreover, these inequalities are also reflected in both, young women employed and unemployed as it will be further discussed.

Overall employment in Spain among the Young, decreased 11% until 2013 as a result of the financial crisis, as shown in figure 4.7, this decrease smoothed during the last five years improving Spain youth employment situation as a whole.

From the following graph (figure 4.8) we can see that this situation affected primarily young men who suffered a major decline above the overall market (-6% vs -5%), mainly because the crisis predominantly affected sectors mostly occupied by men such as construction.

In the other hand we can also remark the convergent pattern between genders, there are currently around 1.3 million young female (47%) employed in Spain in comparison with 1.4 million (53%) young male, this difference has been gracefully narrowing during the past few years, improving therefore female employment in the Spanish market.

Figure 4.8: Spanish employment evolution by gender (million people 16-29)



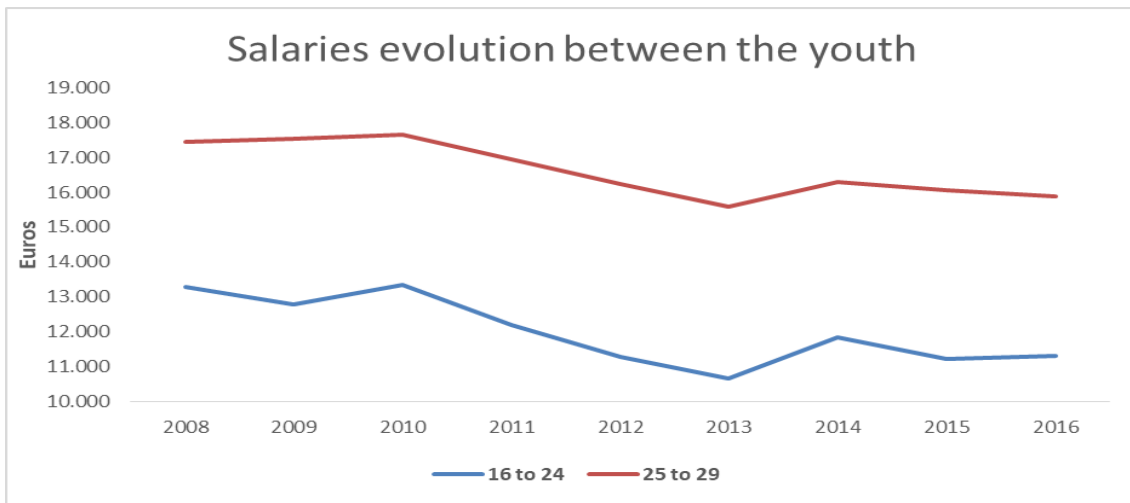
Source: Instituto Nacional de Estadística (INE)
Personal production

Other important factor to have in mind when speaking about employment is the salary obtained, according to the INE wage survey done in 2016 (latest data available), the wages received by young people were lower than the total population average wage. Age is one of the factors determining the level of wage remuneration obtained, in addition to other many factors such as, the level of qualifications acquired or the different types of contract.

Young people between the ages of 16 and 24 were the ones who received the lowest salary, they earned an average gross salary of about 11 thousand euros, whereas young people comprised between 25 and 29 years old obtained an average remuneration of around 15 thousand euros in 2016.

Furthermore, youth wages have also followed a declining path since 2008, salaries for people in the first age cohort group (16-24) have exactly decreased by nearly 2 thousand euros which means a negative compounded annual growth of 2%, in comparison with a lower remuneration decrease of 1% (1.500 €) for those young people in between 25 and 29 years old. (See figure 4.9)

Figure 4.9: Age determines the salary perceived in Spain



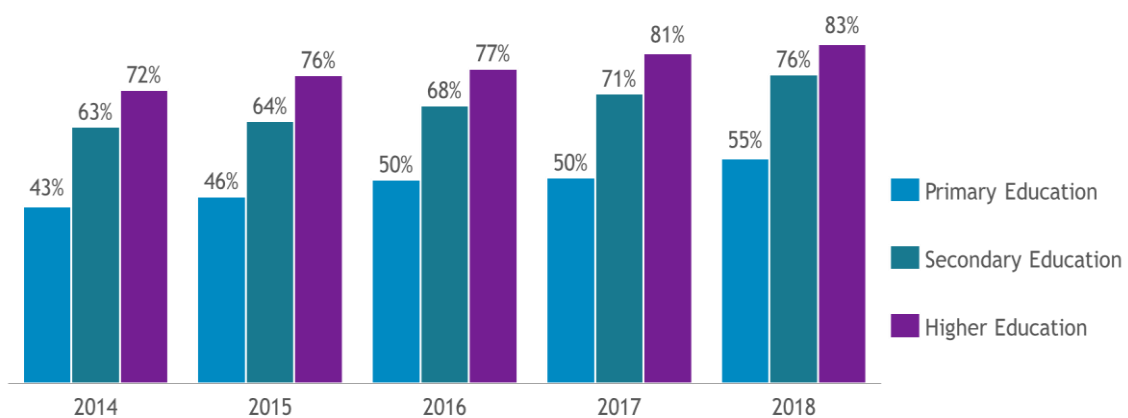
Source: Instituto Nacional de Estadística (INE)
Personal production

4.2.2 Youth employment by educational level achieved

Other main factor through which young people differentiate among themselves when entering the labour market is their educational level and training.

Education is directly proportional to employment as it is shown in figure 4.10, the higher the level of studies, the higher the young employment rate and vice versa.

Figure 4.10: Spanish employment rate evolution by educational levels (people 16-29)



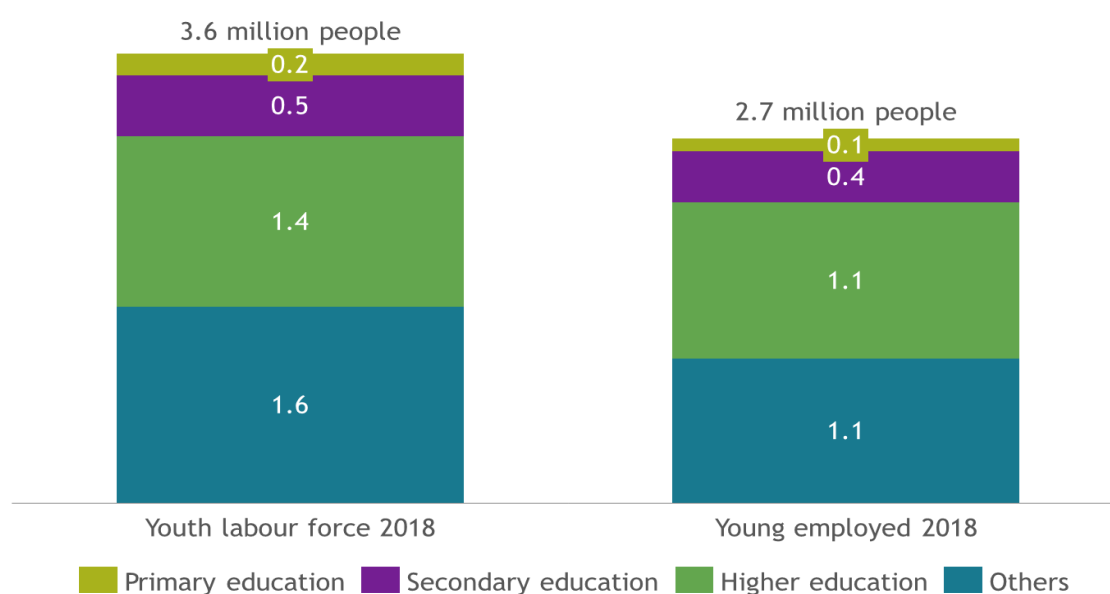
Source: Instituto Nacional de Estadística (INE)
Personal production

The number of young people employed has followed a general upward trend since 2014 increasing at a compounded annual growth of 3%. This growth has been more pronounced for those with superior educational levels, in absolute terms, the number of young people with higher education have experienced an annual growth of 5% compared to a 4% presented by the ones with secondary education.

As a result of the rise mentioned, young employment rates have increased for all of the three educational levels compared to the previous years. However, figure 4.10 shows that the degree of training among the young does have a determining influence on their employability.

Out of the entire active population aged between 16 and 29, an 83% of those presenting a higher educational level, which are around 1.1 million, have found themselves employed in 2018, this percentage progressively decreases as the educational level diminishes, 76% for young people with secondary education and 55% for those with a primary educational level, which shows how demanding the labour market is becoming in terms of young people academic levels. (See figure 4.10 and figure 4.11)

Figure 4.11: Young people employed in 2018 by educational levels (16-29)



Source: Instituto Nacional de Estadística (INE)
Personal production

4.2.3 Youth employment by economic sectors

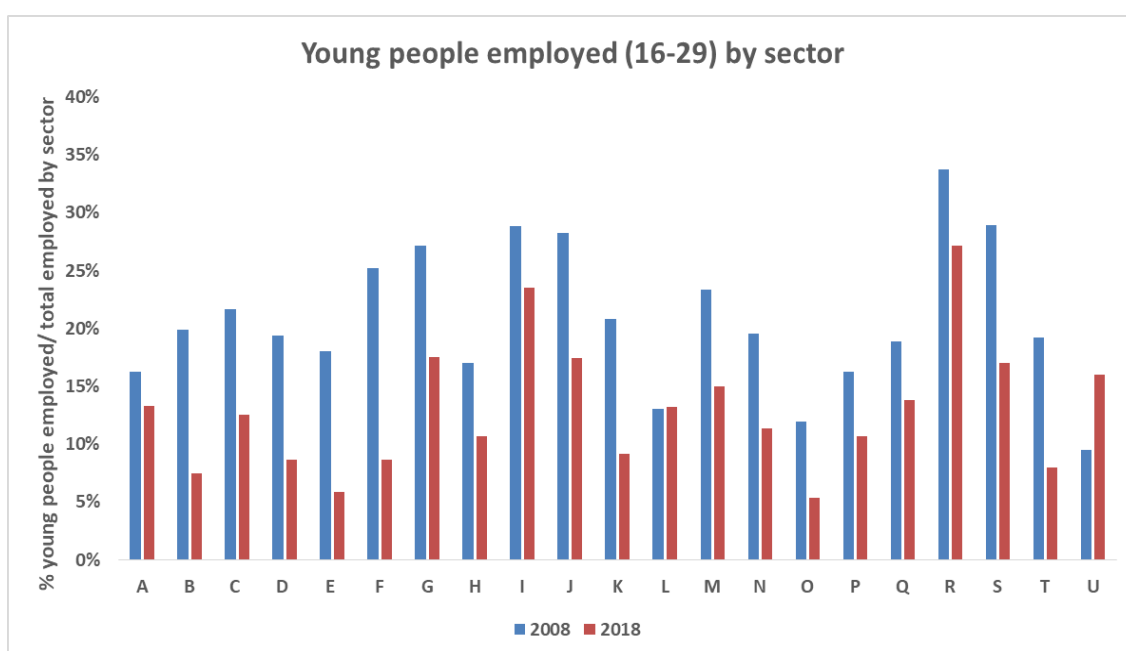
In order to emphasize shared characteristics among the youth employed in Spain, we have discussed that young people currently employed are often males, since they represent 53% of the youth employed (see figure 4.8), however this difference with young female has been declining for about ten years due to a favourable trend for women in the labour market.

Furthermore 42% of the young employed have high educational levels, having increased 3 percentage points since 2014, which means that companies are increasingly employing those with better training, so the higher the level of education, the more job opportunities they will have.

In terms of economic sectors, young people aged between 16 and 29 are mostly found in artistic and entertainment industries (represent 27% of the total population employed in branch R), it is also important the presence of young people up to 29 years old in the hostelry sector (branch I, they represent 24% of the total) and to a less extent in trade and commerce activities (branch G), in which they represent about 17% of the entire employed population in Spain.

On the other side, it is also important to mention the impressive decline of young people concentration in some of these sectors such as construction, their presence decreased 17 percentage points from 2008 until 2018, they were used to represent one-fourth of the entire working population and they have passed to represent just a 9% nowadays. Other sectors such as industrial areas (branch B) or services (S) have also loose an important amount of young people during the same period, they have gone from one-fifth of the employed population to a 7% in the first business area and from representing a 29% to just a 17% in the second one respectively, (total drop of 12 percentage points in both economic sectors). (See figure 4.12)

Figure 4.12: young employability varies depending on each economic sector



Source: Instituto Nacional de Estadística (INE)
Personal production

4.2.4 The youth unemployment situation

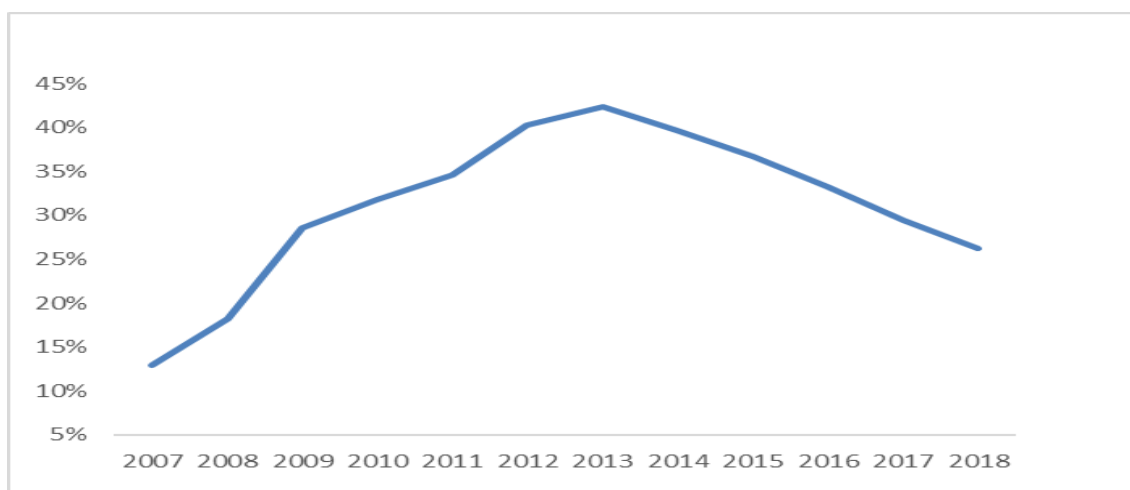
Spain currently has nearly 1 million young unemployed, this amount has exactly decreased by one hundred thousand people aged between 16 and 29 years old compared to the previous year.

The number of unemployed young people in Spain as well as its subsequent unemployment rate has been following a declining trend for the past six years. In 2018 Spain has been able to decrease its rate by 3 p.p compared to the last year's figure (26% vs.29%), however we have not yet reached pre-crisis levels (13%) although we are getting nearer.

As it has been discussed in point 3.4, Spain has been characterised for many years now, by its surprisingly high youth unemployment rates, especially during the crisis period in which it reached 42%, its maximum until the moment, becoming therefore one of the main, if not the biggest, problems of Spanish society since then.

However due to last's year more than one hundred thousand hiring's, the youth unemployment rate has been reduced to 26%. (See figure 4.13)

Figure 4.13: Spanish youth unemployment rate evolution (young people from 16 to 29)

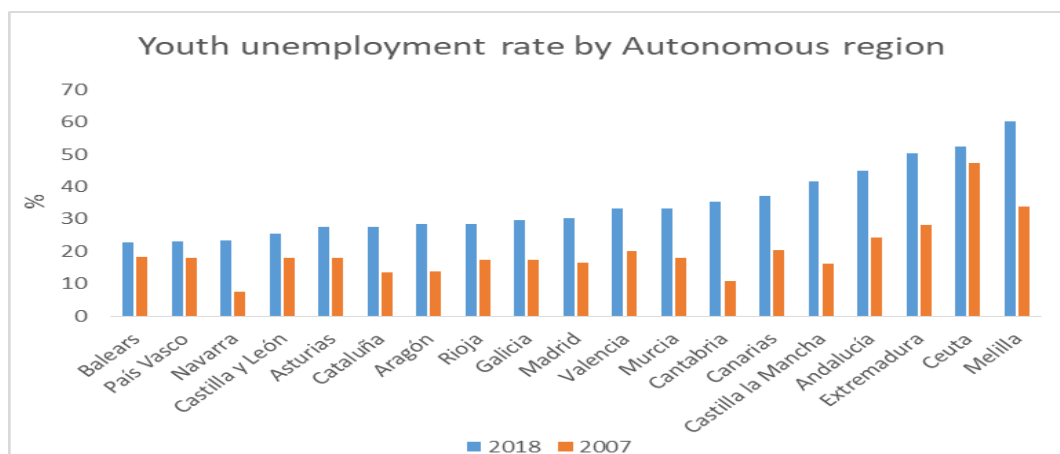


*Source: Instituto Nacional de Estadística (INE)
Personal production*

These rates will vary depending on the different Spanish Autonomous regions we focus on. Youth unemployment rates have impressively increased across the whole country as it is expected, nevertheless this rise has been in some places more pronounced than in others.

In first place Melilla has been the most affected Spanish region in terms of youth unemployment, it has been the one recording the highest rate (60%) at the moment, as well as being the one to experience the greatest rise since 2007, its youth unemployment rate growth has been overwhelming, it has presented an increase greater than 26 percentage points. Melilla is then followed by Ceuta and Extremadura presenting 52% and 50% youth unemployment rates respectively. Nonetheless these two are not characterised by having the greater growths, other Spanish regions such as Castilla La Mancha or Cantabria have recorded more aggressive increases (25 and 20 p.p respectively). (See figure 4.14)

Figure 4.14: young people from 16 to 29



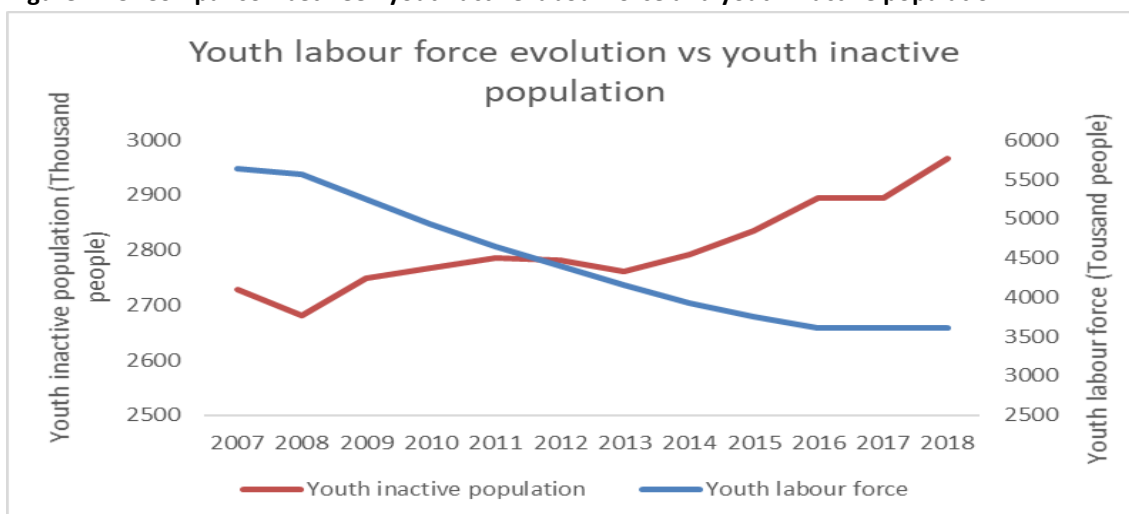
Source: Instituto Nacional de Estadística (INE)

Personal production

4.2.5 Inactive population among the young

Out of the total 6.6 million young people in Spain aged between 16 and 29 years old, just 3.6 million are either employed or willing to be employed, which means that there are 45% of young people left, 3 million approximately, who are not considered as part of the labour force (inactive population). As opposed to the youth active labour force, which has been steadily decreasing as it is displayed in figure 4.15, the youth inactive population has been increasing 1% annually for more than a decade. This rise can be translated as young people being demotivated due to the negative consequences the crisis had on the market, nonetheless, some other reasons will be further discussed for which young people find themselves out of the labour market. (See figure 4.15)

Figure 4.15: Comparison between youth active labour force and youth inactive population



Source: Instituto Nacional de Estadística (INE)

Personal production

Dividing young population once again into our two different age cohort groups, youth inactive population has been historically composed predominantly of young people from 16 to 24, who have represented around 80% of the total. This percentage has gradually increased since 2007; it has gone from 81% to 87% in 2018, which is an exact increase of 2.6 young million people.

In the other hand, people between 25 and 29 not engaged in the Spanish labour force has decreased, they currently represent about a 13% of the total compared to a 19% before the crisis.

4.2.6 Main causes of inactivity among the young

There are different reasons for which young people find themselves out of the labour market, one of the most highlighted causes is the fact of being a student, through which we can explain the previous reasoning of having a large amount of inactive people especially between 16 and 24.

A great amount of the young who are inactive in Spain are still studying, more precisely students represent an 86% of the total young inactive people. This amount has increased impressively in the last ten years where just 78% of the young were not part of the labour force due to this same reason.

Spain has been one of the EU countries historically recording high school dropout rates, mainly due to the large salaries paid in booming sectors such as construction.

However, the crisis arrival turned the situation around making children to prefer staying at school and causing these rates to decrease to such point that Spain has reached in 2018 its historical lowest point (17.95%) according to the latest EPA data.

Another main factor that explains one of the reasons for which young people do not participate in the labour market is the requirement to help in domestic activities.

They have represented about 15% of the entire inactive young population in recent years, however this amount has been falling progressively and nowadays the number of

young people not participating in the labour market because of domestic reasons are just an 8% of the total.

Furthermore, domestic activities explain many of the gender inequalities we have mentioned above. Historically young men have been more numerous in the labour market mainly because a greater number of young females were required to help with housekeeping tasks. From the total amount of young people excluded from the active population due to domestic reasons, around 85% were woman against only a 15% of men. Gracefully we can see once again that the gender gap in this aspect has been decreasing, bringing closer the differences between females and males, young females in housekeeping activities nowadays represent 78% in comparison with a 22% of young men. (See table 4.2)

Table 4.2: Inactive young due to domestic activities by gender

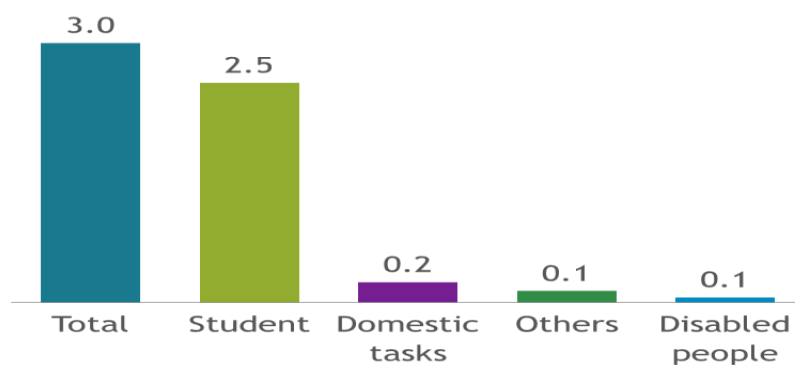
	Young people out of the labour force due to Housekeeping activities											
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Total	387	366	357	313	287	282	386	358	290	300	270	235
	Male (Thous people)											
Young 16-29	57	62	73	69	61	63	116	106	74	79	73	52
%	15%	17%	21%	22%	21%	22%	30%	30%	25%	26%	27%	22%
	Female (thous people)											
Young 16-29	330	304	283	243	226	219	270	252	216	221	197	183
%	85%	83%	79%	78%	79%	78%	70%	70%	75%	74%	73%	78%

*Source: Instituto Nacional de Estadística (INE)
Personal production*

Moreover, apart from students and housekeeping tasks being major reasons for youth inactivity, there are some others we must highlight.

In one hand there is a certain amount of disable young people who exactly represent a 2% of the entire young inactive population. On the other hand, the 4% left, are those young people who are inactive due to “other” reasons such as charity, social activities or receiving pensions other than retirement, as it is shown in figure 4.16.

Figure 4.16: Total youth inactive population by its main causes (million people 16-29)



Source: Instituto Nacional de Estadística (INE)
Personal production

In order to summarize all the ideas argued in section 4.2, the youth population in the Spanish labour market is divided into two main groups, in one hand the active labour force which comprise about 55% of the total, and in the other, the inactive population highlighting studies as the main reason for their inactivity.

Furthermore, the youth labour force is once more divided into two subgroups, firstly those 2.6 million young people employed, and secondly the unemployed, who currently represent 26% of the total active population and are one of the country's major challenges. (See table 4.3)

Table 4.3: Distribution of young people in the Spanish labour market

Youth in the Spanish labour market (millions)						
	Active labour force (16-29)		Inactive population (16-29)			
	Employed	Unemployed	Students	Domestic Tasks	Disabled	Others
2018	2.7	0.9	2.5	0.2	0.1	0.1
Total	3.6		2.9			

Source: Instituto Nacional de Estadística (INE)
Personal production

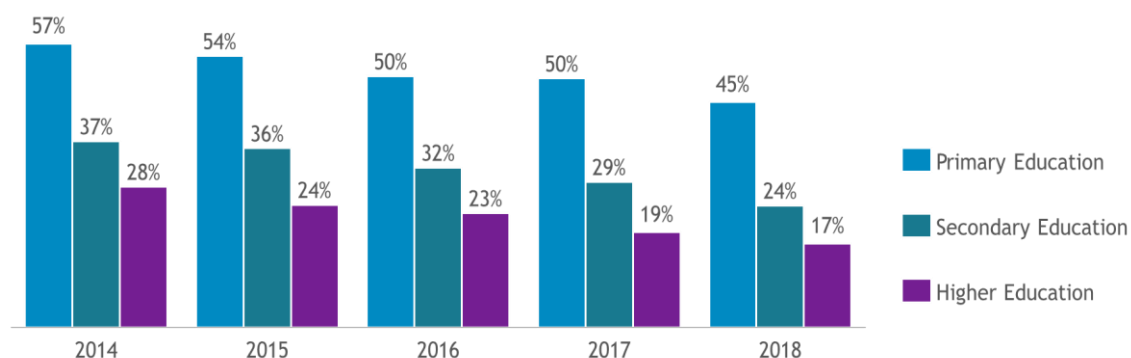
4.3 Possible causes of youth unemployment in Spain

One of the most remarkable consequences that the financial crisis has had in Spain has been a clear mismatch between the demand and supply in the labour market, especially among the youth, causing therefore unemployment rates to increase in an impressive manner. Young people nowadays must overcome different barriers of entry to youth employment which will be further examined.

4.3.1 Spanish educational system

Academic skills and training are crucial factors when entering into the labour market, since employment is positively correlated to the level of studies presented by the young (see point 4.2.2). This means that unemployment rates are expected to be lower for those with greater skills and a higher level of qualifications. (See figure 4.17)

Figure 4.17: Spanish unemployment rate evolution by educational levels (people 16-29)



Source: Instituto Nacional de Estadística (INE)
Personal production

As expected, unemployment rates are much lower for people with greater levels of education, just a 17% of people having “higher studies” have not been employed in 2018, in comparison with nearly half (45%) of those who just have primary education.

Education has been and continues to be one of Spain’s major problems. The quality and quantity of the academic skills acquired by young people are crucial because they often facilitate their entry in the labour market. Therefore, the lack of an adequate training or knowledge implies not being able to meet the necessary tasks, which companies demand.

The Spanish educational system has been always characterized by being very theoretical, in fact according to the Programme for International Student Assessment (PISA) carried out by the OCDE each year, our country has been historically badly positioned in terms of mathematics, science or reading compared to the OCDE total average. (El País, 2016). Therefore, as a result of the difficulties the Spanish educational policies encounter to match companies’ requirements, young people present a great

shortage of practical skills and a lack of experience when they start to work. We can say that there is still a noticeable disagreement between what the Spanish educational system is teaching to young people and what companies are demanding, for this reason the lack of a qualified system represents one of the principal barriers that are imposed to young people when acceding the labour market for first time.

“24% of Spanish top managers claim to have difficulties to find the required talented people for their organizations.” (ManpowerGroup, 2018)

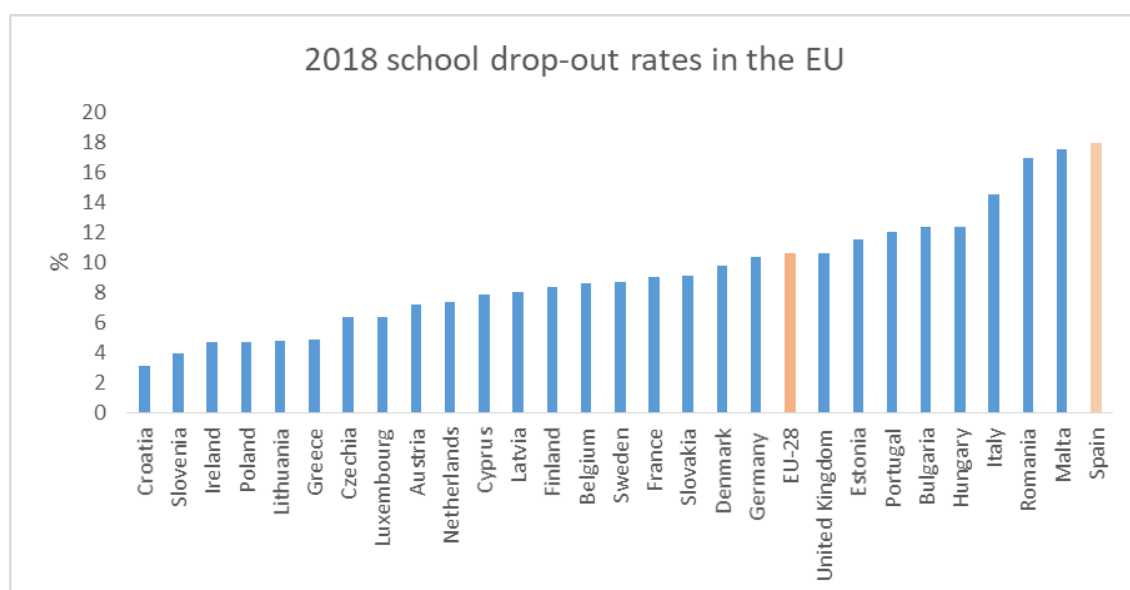
As already mentioned, there is a clear mismatch in terms of educational levels, the Spanish young population is not as well formed or prepared as companies would like.

In fact, Spanish firms have been founding difficult to cover certain types of jobs due to the lack of different skills that young people present. According to this same study done by ManpowerGroup about talent shortage, organizations have affirmed that the most difficult jobs to fill, have been those related with qualified manual professions which includes, electricians or plumbers for example. Technicians have been ranked as second in 2018, although they have always presented difficulties to occupy vacancies due to the lack of required qualifications among the young. Professions such as lawyers, project leaders and others referred to as professionals have occupied the third position on the list, followed by engineers' financial analysts, auditors, commercials and executives.

According to the one thousand responses collected by ManpowerGroup from different Spanish human resources top managers, two of the main reasons for the talent shortage among young people are, in one hand the insufficient experience, and in the other, the lack of required skills.

Spain, as already pointed out in section 4.2.5, has been one of the EU countries historically recording high school dropout rates, although it has finally achieved in 2018 its lowest rate so far (17,9%), we remain poorly positioned compared to the other 28 EU members. Spain still has the highest school drop-out rate in the European Union, and it has not yet achieved the EU 2020 objective rate which consists in recording a minimum rate of 15%. (See figure 4.18)

Figure 4.18: Comparison of 2018 schooling dropout rates among EU countries



Source: Instituto Nacional de Estadística (INE)
Personal production

Schooling dropout rates have been the cause of one of today's most important youth labour challenges in Spain, which is the underperformance of young people in the labour market.

Before the financial crisis arrival, young people (predominantly men), left school at early stages more often than nowadays because they were employed with ease in sectors with high potential growth where they could obtain decent salaries.

Nonetheless, the crisis had a severe impact on these sectors, which caused unemployment to rise exponentially, mostly affecting the youth as they are highly vulnerable in comparison with adults. This has been the main reason for which young male experienced a great increase in unemployment (or higher unemployment rates) compared to female during the Great Recession. However, it is worth highlighting that they have also recorded a higher growth during the recovery process (2014 to 2018), especially in sectors such as tourism or services, whereas construction continues to decline.

Due to the high number of young people unemployed during the crisis period, a great amount returned to their studies and subsequent generations have not considered as

much as before dropping school at early stages because of the difficult employability situation in the labour market. This has caused therefore a progressive decline in dropout rates, as well as a considerable decline in the youth labour force and an increase in higher academic standards acquired.

The over-qualification of an increasing number of young people in Spain, results in additional difficulties for those who abandoned school at earlier stages, because they often present educational deficits, which affect their employability situation. They would have to compete with a more prepared generation presenting the required professional skills. Therefore, in a labour market in which supply is much greater than demand, those presenting less experience will find themselves in a worst situation, directly competing with workers that are more knowledgeable.

4.3.2 Long-term youth unemployment

Long-term unemployment refers to all those people who have been not employed but have been actively looking for employment for a specific period of time, normally one year or more.

This phenomenon is one of the most important aspects in defining employment vulnerability among young people. Fortunately, it has adopted a downward trend since 2014 coinciding with global employment recovery process.

The total youth (16-29) who have been unemployed for at least one year, has finally dropped to 317 thousand people, this is a total decrease of 37 thousand people since 2009, period in which they began to grow.

Nonetheless, if we consider young people as two different age groups, long-term unemployment is higher for those aged between 25 and 29 than for young people in between 16 and 24 years old. From the total 1.7 million Spanish people who have been out of work for more than 12 months, about 164 thousand (10%) are young people corresponding to the older cohort group compared to the 9% of those belonging to our first age group (16 to 24), who have exactly been 153 thousand people. (See table 4.4)

Table 4.4: Long-term unemployed population in Spain (Thousand people)

	Long-term unemployment (at least 1 year)											
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Whole population	438	557	1.186	1.975	2.415	3.043	3.534	3.466	3.076	2.566	2.060	1.706
16-24	58	86	197	299	352	418	454	419	327	246	199	153
% out of total population	13%	15%	17%	15%	15%	14%	13%	12%	11%	10%	10%	9%
25-29	55	66	158	264	316	395	438	392	349	270	209	164
% out of total population	12%	12%	13%	13%	13%	13%	12%	11%	11%	11%	10%	10%
Total Youth	113	152	355	564	668	813	892	811	676	516	407	317

Source: Instituto Nacional de Estadística (INE)

Personal production

Despite the declining pattern followed by long-term youth unemployment rates in Spain, the figures recorded until the moment are still behind those of the European Union.

According to EUROSTAT latest data available (2017) Spain has achieved 10.2% rate in comparison with a much lower EU rate of 4.7%.

These figures describe a worrying overall picture because employment probability will decrease as the time spent as unemployed increases, as a result of human capital and skills competences starting to become obsolete with time. The long-term unemployed will become less attractive for companies the longer he spends out of work, as well as having to deal with those new well-prepared generations entering the active labour force, against which they are in a disfavoured position because they will exactly know how to adapt to market changes.

4.3.3 Temporariness of contracts

Among the different factors that have made the 16 o 29-year-old group of workers to be so severely punished by the economic crisis are the high temporariness rates, which weakness to some extent the presence of young people in the labour market.

It is important to highlight that temporal contracts are not harmful as a whole for the one being employed, as it offers the opportunity to enter the labour market, gain experience inside the business and demonstrate their different qualities and skills acquired.

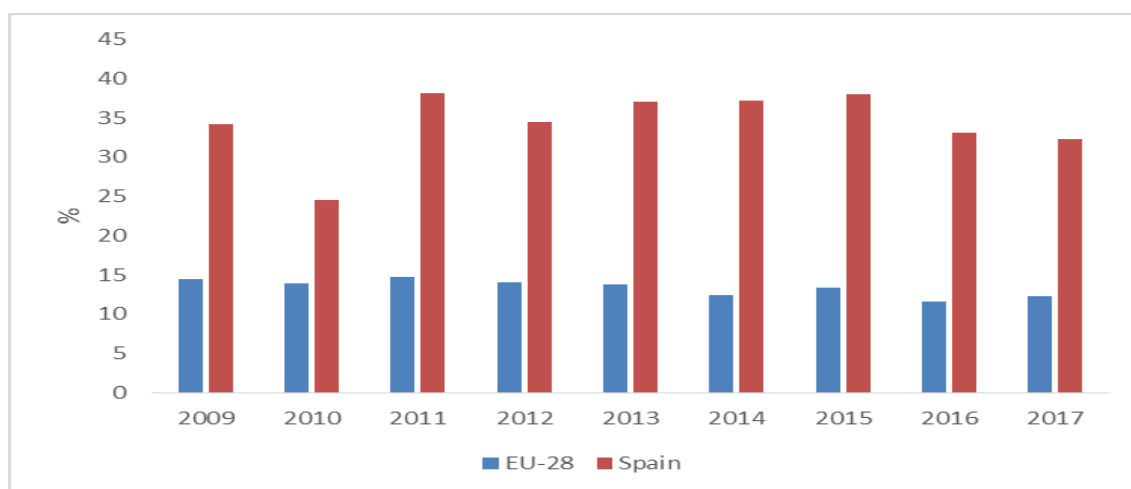
Nevertheless, the vulnerability of these type of contracts during crisis periods, as well as an abuse usage of them can result a negative way of hiring often done by companies.

Currently more than half (52%) of the young working population in Spain are employed under temporary or definite contracts, therefore we can say that Spain does abuse of these types of hiring among young people.

These contracts are the ones to be firstly discarded during difficult periods inside organisations due to two main reasons, in one hand the ease to cancel the contract and in the other, the lower costs they involve compared to permanent contracts.

Another phenomenon that affects young people in a pronounced manner, is the underemployment due to insufficient hours of work. Part-time contracts are a way that enables young people to combine their studies with working hours, nonetheless, many of them are attached to this type of contract because they have not been giving other options, therefore due to involuntary reasons. More precisely in Spain about 30%⁶ of the entire youth population working under part-time conditions are attached to this type of contract in an involuntary manner, although this amount has been gradually decreasing, we are still far behind reaching EU figures, Spain has been one of the countries mostly affected by temporariness.

Figure 4.19: : Involuntary part-time employment as percentage of the total part-time employment for young people (16-29)



Source: EUROSTAT
Personal production

There are two main reason for which young people are assigned to temporary contracts, in first place, a large amount of them are employed in economic sectors with greater temporary or seasonal needs (section 4.2.4), and secondly, due to their lack of professional experience and skills they tend to occupy less qualified jobs.

⁶ Last data available from 2017

4.4 Proposals for improvement

During expansion periods, some important aspects such as educational levels among young people are negatively affected, as it has already been exposed throughout the document, schooling dropout rates tend to rise worsening their academic and professional skills in the labour market. Therefore, one of our country's major challenges in first place, is to continue working in order to reduce the rates of early school leavers until reaching the target set by the EU, since according to the European Commission, "Only by reducing the average rate of schooling drop-out rates by one percentage point, the European economy would each year acquire an additional potential of almost half a million young skilled workers." (Nevala & Hawley , 2011)

This could be achieved by adapting the educational Spanish system to the new changes in the labour market, as more than half of young people claim to have dropped school for work-related reasons, most of them to enter the labour market and the others because they thought that their training was not helpful in finding employment.

It is serious not being employed when finishing the studying period, but it is equally grave to abandon school before entering the labour market. For this reason, the next action plan relies on companies, in which their help is needed in order to reduce the number of young people unemployed in Spain.

In first place, they could collaborate throughout their main activity, that is to become more directly involved in the training process of young people, throughout agreements with training centres or through the creation of institutions to provide their own training. They could also get involved by incorporating into their organisations young people who are still in training or who have recently graduate, by providing scholarships, "training and learning contracts" or "work-experience contracts".

Finally, companies could also help through social initiatives, in this sense, firms could provide support through the development of social actions, such as financially supporting social entities or social action programs, in which the company gets involved with the problem resolution in the long-term. (Herrando Prat de la Riba, 2016)

5. CONCLUSION

Youth population is very sensitive to economic cycles as it has been revealed throughout this entire document, which clearly shows the harsh effect that the Great Recession has had among young people in Spain.

Since the 1990s Spain experienced an economic expansionist period until the arrival of the financial crisis, which has been considered a great turning-point in our country's economic history due to its severe impact. The labour market was characterised by suffering its great consequences in which the youth found themselves in a more disadvantageous position compared to the rest of the population. During this period, more than 2.5 million employments were destroyed among people aged between 16 and 29, furthermore, youth unemployment rate reached 42% in 2013, which has been the highest figure historically recorded until the moment and youth active population was decreased by about 2 million young people, as the majority of them returned to their studies due to the difficulties they encounter inside the labour market. These figures have positioned Spain as one of the worst countries in comparison with the rest of the European Union members, although it is still fighting to improve its ranking.

However, it is also important to point out that it has been experiencing an economic recovery since 2014 onwards, in which employment has been increasing at an annual average rate of 3% and the number of young people unemployed has fallen in more than 6 hundred thousand people, reaching a total youth unemployment rate of 26% in 2018. Despite the overall progress of the Spanish economy, the figures recorded by the youth labour market have not yet achieved pre-crisis levels, although they are progressively getting closer. There are still some factors to polish such as the great amount of young people in long-term unemployment, as well as the high number of temporary contracts among the youth.

It is also important to highlight that although young people are the most affected during recession periods, they are equally receptive to macroeconomic improvements.

Therefore, it is worth emphasising that although youth employment situation tends to recover much quicker during expansionist business cycles, the damaging impact that unemployment has among the young population, are reflected throughout the entire person's lifetime. For this reason, it is important to consider some of the previous solutions highlighted in order to improve what it has been until the moment one of Spain's biggest challenges. "It is time to scale up action in support of youth employment" (Elder, 2017).

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8. ANNEXES

Figure 2.1:

WORLDWIDE LABOUR MARKET SITUATION				
Year	Labour force	Unemployment rate	Unemployed	Employed
2007	3.077.400.429	5,3%	163.102.223	2.914.298.206
2008	3.113.780.410	5,4%	169.576.481	2.944.203.929
2009	3.156.673.746	5,9%	186.990.405	2.969.683.341
2010	3.182.457.605	5,7%	182.513.682	2.999.943.923
2011	3.216.144.358	5,6%	180.188.479	3.035.955.879
2012	3.252.910.477	5,6%	182.158.931	3.070.751.546
2013	3.293.960.373	5,6%	183.491.609	3.110.468.764
2014	3.332.364.995	5,4%	181.114.463	3.151.250.532
2015	3.372.399.410	5,4%	183.675.953	3.188.723.457
2016	3.416.527.078	5,5%	188.969.234	3.227.557.844
2017	3.452.865.141	5,5%	189.393.948	3.263.471.193
2018	3.485.917.371	5,4%	187.510.229	3.298.407.142

Figure 2.2:

Worldwide youth unemployment evolution		
Year	Unemployed (millions)	Youth unemployment rate
2007	67	12,3%
2008	70	12,7%
2009	71	13,4%
2010	69	13,0%
2011	67	13,0%
2012	67	13,2%
2013	66	13,1%
2014	63	12,9%
2015	64	13,1%
2016	66	13,4%
2017	66	13,4%
2018	64	13,2%

Figure 2.3:

		Unemployment, youth total (% of total labor force ages 15-24)								
		MUNDIAL WORLD BANK								
		2009	2010	2011	2012	2013	2014	2015	2016	2017
Arab World		23,2	24,5	25,9	27,4	26,9	26,5	27,1	26,1	26,1
Central Europe and the Baltics		21,6	24,5	25,5	26,2	26,6	23,6	20,7	17,6	15,0
East Asia & Pacific		10,4	10,0	10,1	10,0	10,1	10,2	10,4	10,2	10,2
European Union		20,8	22,2	23,1	25,0	25,8	24,5	22,7	21,0	18,9
Latin America & Caribbean		15,6	14,7	14,2	14,0	14,0	13,8	14,9	17,4	18,1
Middle East & North Africa		23,3	25,4	26,2	27,7	26,6	26,6	27,3	26,8	27,0
North America		17,2	18,0	16,9	16,0	15,3	13,3	11,7	10,6	9,4
South Asia		10,2	8,9	9,1	9,7	9,8	9,6	10,2	10,3	10,4
Sub-Saharan Africa		14,2	14,2	13,7	13,4	13,2	12,8	12,8	13,8	13,9

Figure 3.1 and figure 4.3:

		Total unemployment rate (%) (Spain vs EU)											
		2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
EU		7,2	7,1	9,1	9,5	9,6	10,6	11,0	10,5	9,8	9,1	8,2	7,2
Spain		8,2	11,3	17,9	19,9	21,4	24,8	26,1	24,4	22,1	19,6	17,2	16,4

Figure 3.2:

	Youth Unemployment rate by country								
	2010	2011	2012	2013	2014	2015	2016	2017	2018
Germany	11,2	9,8	8,5	8,0	7,8	7,7	7,2	7,1	6,8
Czechia	16,6	18,3	18,1	19,5	19,0	15,9	12,6	10,5	7,9
Netherlands	10,2	11,1	10,0	11,7	13,2	12,7	11,3	10,8	8,9
Austria	10,7	9,5	8,9	9,4	9,7	10,3	10,6	11,2	9,8
Malta	14,5	13,2	13,3	13,8	12,7	11,7	11,6	10,7	10,6
Hungary	26,4	26,4	26,0	28,2	26,6	20,4	17,3	12,9	10,7
Denmark	11,8	14,0	14,2	14,1	13,1	12,6	10,8	12,0	11,0
Slovenia	13,6	14,7	15,7	20,6	21,6	20,2	16,3	15,2	11,2
Estonia	27,4	32,9	22,4	20,9	18,7	15,0	13,1	13,4	12,1
United Kingdom	19,1	19,9	21,3	21,2	20,7	17,0	14,6	13,0	12,1
Bulgaria	16,2	21,9	25,0	28,1	28,4	23,8	21,6	17,2	12,9
Lithuania	29,6	35,7	32,6	26,7	21,9	19,3	16,3	14,5	13,3
Ireland	24,5	28,1	29,6	30,8	26,7	23,4	20,2	16,8	14,4
Poland	20,6	23,7	25,8	26,5	27,3	23,9	20,8	17,7	14,8
Luxembourg	17,2	14,2	16,8	18,8	15,5	22,6	17,3	18,9	15,4
EU-28	20,1	21,2	21,7	23,2	23,7	22,2	20,3	18,7	16,8
Latvia	33,3	36,2	31,0	28,5	23,2	19,6	16,3	17,3	17,0
Sweden	25,0	24,8	22,8	23,6	23,5	22,9	20,4	18,9	17,9
Romania	20,8	22,1	23,9	22,6	23,7	24,0	21,7	20,6	18,3
Slovakia	27,3	33,6	33,4	34,0	33,7	29,7	26,5	22,2	18,9
Belgium	21,9	22,4	18,7	19,8	23,7	23,2	22,1	20,1	19,3
Finland	21,5	21,4	20,1	19,0	19,9	20,5	22,4	20,1	20,1
France	22,9	22,5	21,9	23,7	24,1	24,2	24,7	24,6	22,3
Portugal	20,3	22,8	30,3	37,9	38,1	34,8	32,0	28,0	23,9
Cyprus	13,8	16,6	22,4	27,7	38,9	36,0	32,8	29,1	24,7
Croatia	25,2	32,4	36,7	42,1	50,0	45,5	42,3	31,3	27,4
Italy	25,3	27,9	29,2	35,3	40,0	42,7	40,3	37,8	34,7
Spain	37,7	41,5	46,2	52,9	55,5	53,2	48,3	44,4	38,6
Greece	25,7	33,0	44,7	55,3	58,3	52,4	49,8	47,3	43,6

Figure 3.3:

	Youth unemployment rate (Spain vs EU)											
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
EU-28	15,9	15,8	20,1	21,2	21,7	23,2	23,7	22,2	20,3	18,7	16,8	16,8
Spain	18,1	22	37,7	41,5	46,2	52,9	55,5	53,2	48,3	44,4	38,6	36,3

Figure 3.4:

Young people neither in employment nor in education and training 2017			
Netherlands	4,0	Latvia	10,3
Luxembourg	5,9		
Sweden	6,1	United Kingdom	10,3
Czechia	6,3	EU-28	10,9
Germany	6,3	Ireland	10,9
Austria	6,5	Hungary	11,0
Slovenia	6,5	France	11,5
Denmark	7,0	Slovakia	12,1
Malta	8,6	Spain	13,3
Lithuania	9,1	Romania	15,2
Belgium	9,3	Bulgaria	15,3
Portugal	9,3	Greece	15,3
Estonia	9,4	Croatia	15,4
Finland	9,4	Cyprus	16,1
Poland	9,5	Italy	20,0

Figure 4.1:

REAL GDP											
2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
1.080.807	1.116.225	1.079.052	1.080.935	1.070.449	1.039.815	1.025.693	1.037.820	1.081.165	1.118.743	1.166.319	1.208.248

Figure 4.2 and 4.7:

TOTAL EMPLOYED BY AGE (THOUSANDS)												
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Employed	20.580	20.470	19.107	18.725	18.421	17.633	17.139	17.344	17.866	18.342	18.825	19.328
16 a 24	2.014	1.837	1.397	1.210	1.042	853	763	749	803	820	921	989
25 a 29	2.895	2.715	2.357	2.161	1.999	1.771	1.628	1.617	1.578	1.593	1.626	1.673
Jovenes total	4.909	4.552	3.754	3.371	3.040	2.624	2.391	2.365	2.380	2.413	2.547	2.662
RESTO	15.671	15.918	15.353	15.353	15.381	15.009	14.748	14.979	15.486	15.929	16.278	16.665

Figure 4.5 and 4.6:

	Población Activa total												
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Total active population	21.780	22.426	23.066	23.260	23.365	23.434	23.444	23.190	22.955	22.922	22.823	22.742	22.807
Total 16 a 24	2.487	2.459	2.431	2.244	2.069	1.936	1.809	1.714	1.599	1.554	1.476	1.499	1.507
Females	1.108	1.086	1.089	1.016	953	911	854	798	745	723	681	692	687
Males	1.379	1.373	1.343	1.228	1.116	1.025	955	917	855	831	795	808	819
Total 25 a 29	3.201	3.180	3.133	3.009	2.870	2.712	2.585	2.440	2.321	2.207	2.141	2.111	2.101
Females	1.469	1.461	1.464	1.421	1.378	1.302	1.246	1.187	1.130	1.074	1.044	1.031	1.016
Males	1.732	1.719	1.669	1.588	1.492	1.410	1.339	1.253	1.191	1.133	1.096	1.080	1.084
Youth total	5.688	5.639	5.564	5.253	4.938	4.648	4.394	4.154	3.920	3.760	3.617	3.610	3.607

Figure 4.8:

	Poblacion ocupada hombres											
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
16 a 24	531	488	445	427	398	401	438	531	635	748	1.026	1.164
25 a 29	874	843	825	806	826	821	891	1.027	1.105	1.218	1.446	1.590
Total	1.404	1.331	1.270	1.232	1.224	1.222	1.329	1.558	1.740	1.966	2.472	2.754
	Poblacion ocupada mujeres											
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
16 a 24	459	433	375	376	351	362	414	510	575	649	811	850
25 a 29	799	783	768	772	791	807	880	972	1.056	1.139	1.269	1.305
Total	1.258	1.216	1.143	1.148	1.141	1.169	1.295	1.483	1.632	1.788	2.080	2.155

Figure 4.9:

	Salaries remuneration by age								
	2008	2009	2010	2011	2012	2013	2014	2015	2016
20 to 24	13.293	12.784	13.349	12.210	11.296	10.668	11.835	11.229	11.316
25 to 29	17.434	17.530	17.638	16.938	16.244	15.587	16.306	16.046	15.876

Figure 4.10 and 4.11:

Employed by educational level															
	Educación primaria					Segunda etapa de educación secundaria					Educación Superior				
	2018	2017	2016	2015	2014	2018	2017	2016	2015	2014	2018	2017	2016	2015	2014
De 16 a 24 años	32	31	39	48	52	155	141	134	136	122	281	265	233	211	198
De 25 a 29 años	62	64	74	70	70	219	191	205	194	196	858	804	746	745	728
Young total	94	95	113	119	122	373	332	339	330	318	1.139	1.070	979	956	926

Figure 4.12:

	Employed by economic sector	
	2008	2018
A	16%	13%
B	20%	7%
C	22%	13%
D	19%	9%
E	18%	6%
F	25%	9%
G	27%	17%
H	17%	11%
I	29%	24%
J	28%	17%
K	21%	9%
L	13%	13%
M	23%	15%
N	20%	11%
O	12%	5%
P	16%	11%
Q	19%	14%
R	34%	27%
S	29%	17%
T	19%	8%
U	10%	16%

Figure 4.13:

	Youth unemployment rate in Spain												
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Total youth unemployed	767	730	1.012	1.499	1.567	1.608	1.770	1.763	1.555	1.380	1.204	1.063	945
Youth active population	5.688	5.639	5.564	5.253	4.938	4.648	4.394	4.154	3.920	3.760	3.617	3.610	3.607
Youth unemployment rate	13%	13%	18%	29%	32%	35%	40%	42%	40%	37%	33%	29%	26%

Figure 4.14:

	Youth unemployed by autonomous región (%)		
	2018	2007	Var 07-18
Baleares	22,66	18,43	4,23
País Vasco	23,12	18,10	5,02
Navarra	23,37	7,66	15,71
Castilla y León	25,47	17,88	7,59
Asturias	27,47	18,12	9,35
Cataluña	27,64	13,64	14,00
Aragón	28,59	13,92	14,67
Rioja	28,62	17,34	11,28
Galicia	29,70	17,34	12,36
Madrid	30,42	16,38	14,04
Valencia	33,16	20,22	12,94
Murcia	33,29	17,98	15,31
Cantabria	35,31	10,75	24,56
Canarias	37,30	20,29	17,01
Castilla la Mancha	41,74	16,08	25,66
Andalucía	45,09	24,27	20,82
Extremadura	50,37	28,06	22,31
Ceuta	52,56	47,33	5,23
Melilla	60,21	33,95	26,26

Figure 4.15:

	Active population												
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Población ACTIVA total	21.780	22.426	23.066	23.260	23.365	23.434	23.444	23.190	22.955	22.922	22.823	22.742	22.807
16 a 24	2.487	2.459	2.431	2.244	2.069	1.936	1.809	1.714	1.599	1.554	1.476	1.499	1.507
25 a 29	3.201	3.180	3.133	3.009	2.870	2.712	2.585	2.440	2.321	2.207	2.141	2.111	2.101
Jovenes total	5.688	5.639	5.564	5.253	4.938	4.648	4.394	4.154	3.920	3.760	3.617	3.610	3.607

	Inactive population												
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
De 16-24	2.231	2.224	2.205	2.293	2.345	2.371	2.402	2.398	2.440	2.454	2.520	2.518	2.571
25-29	513	505	477	456	423	415	379	364	352	382	376	376	396
Total	2.745	2.729	2.682	2.748	2.768	2.786	2.781	2.761	2.793	2.836	2.896	2.894	2.968

Figure 4.18:

Early leavers from education and training 2018			
Croatia	3,1	France	9,0
Slovenia	4,0		
Ireland	4,7	Slovakia	9,1
Poland	4,7	Denmark	9,8
Lithuania	4,8	Germany	10,4
Greece	4,9	EU-28	10,6
Czechia	6,4	United Kingdom	10,6
Luxembourg	6,4	Estonia	11,5
Austria	7,2	Portugal	12,0
Netherlands	7,4	Bulgaria	12,4
Cyprus	7,9	Hungary	12,4
Latvia	8,0	Italy	14,5
Finland	8,4	Romania	16,9
Belgium	8,6	Malta	17,5
Sweden	8,7	Spain	17,9

Figure 4.19:

Involuntary part-time employment as percentage of the total part-time employment for young people by sex and age									
GEO/TIME	2009	2010	2011	2012	2013	2014	2015	2016	2017
European Union - 28 countries	14,5	13,9	14,7	14,1	13,8	12,5	13,4	11,6	12,3
Spain	34,2	24,5	38,1	34,5	37,1	37,2	38,0	33,1	32,3

Additional data used:

	Full time employed											
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Total population full time employed	16.006	15.551	15.054	14.585	14.432	15.078	15.923	16.286	16.710	18.064	18.195	17.589
16 to 24	569	503	498	457	459	551	702	851	1041	1415	1586	1611
% of young people (16-24) full-time employed out of the total	4%	3%	3%	3%	3%	4%	4%	5%	6%	8%	9%	9%
25 to 29	1.284	1.247	1.221	1.250	1.279	1.443	1.681	1.854	2.056	2.415	2.573	2.550
% of young people (25-29) full-time employed out of the total	8%	8%	8%	9%	9%	10%	11%	11%	12%	13%	14%	14%

	Active population by educational level														
	Educación primaria					Segunda etapa de educación secundaria					Educación Superior				
	2018	2017	2016	2015	2014	2018	2017	2016	2015	2014	2018	2017	2016	2015	2014
De 16 a 19 años	24	27	29	32	31	29	25	23	25	24	4	2	3	3	2
De 20 a 24 años	54	53	69	89	114	194	197	203	221	209	356	356	337	327	325
16-24	78	80	99	121	144	223	222	226	246	233	360	358	340	330	327
De 25 a 29 años	93	109	128	137	136	270	245	272	267	273	1008	963	927	936	961
Young Total	170	189	226	258	280	493	467	498	513	506	1368	1321	1268	1266	1288

	Youth long-term unemployment rate (12 months or longer) by sex and age								
	2009	2010	2011	2012	2013	2014	2015	2016	2017
European Union - 28 countries	4,6	6,0	6,5	7,5	8,0	7,8	6,5	5,4	4,7
Spain	6,9	12,1	15,0	18,9	21,9	21,5	16,9	12,8	10,2

Tables:

Table 2.1:

	2007	2018
	Total	
Labour Force	3,500 million	3,100 million
Unemployment	163 million	188 million
Unemployment rate	5.3%	5.4%
	Youth	
Labour Force	544 million	483 million
Unemployment	67 million	64 million
Unemployment rate	12.3%	13.2%

Table 4.1

Year	Migratory balance (16-29)
2017	104.644
2016	61.152
2015	31.357
2014	3.301
2013	-43.932
2012	-12.437
2011	21.387
2010	16.133
2009	33.222
2008	148.352

Table 4.2

	Young people out of the labour force due to Housekeeping activities											
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Total	387	366	357	313	287	282	386	358	290	300	270	235
	Male (Thous people)											
Young 16-29	57	62	73	69	61	63	116	106	74	79	73	52
%	15%	17%	21%	22%	21%	22%	30%	30%	25%	26%	27%	22%
	Female (thous people)											
Young 16-29	330	304	283	243	226	219	270	252	216	221	197	183
%	85%	83%	79%	78%	79%	78%	70%	70%	75%	74%	73%	78%

Table 4.3:

	Youth in the Spanish labour market (millions)					
	Active labour force (16-29)		Inactive population (16-29)			
	Employed	Unemployed	Students	Domestic Tasks	Disabled	Others
2018	2.7	0,9	2.5	0.2	0.1	0.1
Total	3.6		2.9			

Table 4.4:

	Long-term unemployment (at least 1 year)												
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Total population	471	438	557	1.186	1.975	2.415	3.043	3.534	3.466	3.076	2.566	2.060	1.706
16 a 19	18	17	27	53	66	65	76	72	61	49	36	30	26
20 a 24	50	42	59	144	234	288	342	382	358	277	210	168	127
16-24	67	58	86	197	299	352	418	454	419	327	246	199	153
25 to29	69	55	66	158	264	316	395	438	392	349	270	209	164
Total youth	136	113	152	355	564	668	813	892	811	676	516	407	317