

## No country for young men

This is no country for young men. We see it in our environment and the data increasingly expose the reality. The labour force survey for the first quarter of the year has reminded us once again: Spain's youth unemployment rate, the benchmark for assessing the situation of people aged under 25, remains extraordinarily high, at 40%.

These messages should not fall on deaf ears. The high rate of unemployment endured by young people only provides a partial view of the difficulty of their situation. Since they had more precarious working conditions before the crisis, they have received a lower level of protection: they have had less access to furlough (ERTE) schemes and, ultimately, a high proportion of them have been left with no income. According to CaixaBank Research's real-time inequality tracker ([www.inequality-tracker.caixabankresearch.com](http://www.inequality-tracker.caixabankresearch.com)), much of the increase in inequality that has occurred during the crisis is due to the deterioration in the economic situation of younger workers.

Young people are suffering the most from the economic crisis, and this is only rubbing salt into the wound. Their employment situation has been deteriorating for years. The increase in temporary employment and part-time employment has been particularly pronounced for those who, having completed their studies, want to start working. This makes them much more vulnerable when economic crises occur. It has also led to a reduction in their wage incomes and has made their employment prospects more limited and uncertain. The data help us to take stock of the situation. The median monthly wage income, in real terms, of young people between the ages of 18 and 20 in 2019 was 50% lower than that received by the young people of 1980, according to a recent study by Samuel Bentolila and co-authors. For people between the ages of 30 and 34, the decline has been 26%. The reason for these reductions is not a decrease in wages per hour worked, but the collapse in monthly wage incomes due to the shorter duration of contracts and the increase in part-time employment. What is more, this is ultimately what determines young people's decision to leave home or start a family. The picture becomes bleaker still when we consider the greater difficulties they have in accessing a home.

This situation requires action to bolster the safety net available to young people. In previous crises, the lack of adequate support has made the consequences particularly persistent for people who were joining the labour market. Although the encouraging rate of vaccination that is being achieved will imminently allow the economic recovery to gather strength, it will still take a long time to reach the entire population.

These actions must be accompanied by profound changes that once and for all improve young people's ability to integrate into the labour market. Action must be taken in the education system, connecting it better with the world of work. The knowledge acquired through short internships is of great help in choosing the training itinerary best suited to each person's interests and abilities. In this regard, there is room for improvement at all levels of education, but it is surely in vocational training that this aspect is most relevant and the potential for improvement is highest. It is here that the need for action is most urgent.

It is also essential to reshape certain areas of the labour market. The ultimate goal: to reduce its high duality. It is not optimal from an economic standpoint, nor is it just from a social point of view, to have such a big gap in the levels of protection available to different groups of workers. Formulae must be sought to help people who are joining the labour market to obtain more stable jobs and higher levels of protection. In other words, it would be very helpful to have a contractual framework that makes permanent contracts more attractive. A redundancy cost per year worked that gradually increases according to the worker's length of service could help in achieving these goals.

The Recovery Plan presented by the Government highlights young people as one of the groups in need of urgent support and points out some of the above aspects as ways to improve their situation. Over the coming months it will be time to negotiate and reach agreements, to refine specific plans and turn words into action. Young people deserve a country that pays them attention.

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May 2021