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# THE YOUTH GUARANTEE IN SPAIN: A WORRYING SITUATION AFTER ITS IMPLEMENTATION

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**ABSTRACT**. This article presents a critical assessment of the application of the Youth Guarantee programme, oriented toward young people under the age of 30, in Spain from 2013 to 2018. It analyses the effectiveness of programme enrolment and coverage of young people classified as "NEETs" (not in employment, education or training), the adaptation of the catalogue of proposed measures to young people's reality, and whether or not these measures have addressed different intersections, such as gender, social class and origin, as indispensable elements for integration into society that make it possible to shape young people's experiences. Finally, through the 2017 Continuous Sample of Working Lives, which provides a representative extract of anonymised individual data the non-parametric bootstrap sampling technique, this article will analyse the level of youth employment precarity by gender, educational attainment, and province. Overall, the conclusion is that the Youth Guarantee has not succeeded in changing the precarious position of young people.

*Keywords*: youth guarantee, youth policies, labour market, precarity

#### **Introduction. The Youth Guarantee Programme**

Because of the economic and social crisis which began in 2008, the position of young people in the Spanish job market has deteriorated even more, considering that high unemployment, instability, temporality and low wages are not recent characteristics of youth employment (Cabasés et al., 2016; Moreno, 2012a; Moreno, 2012b; Úbeda et al., 2020a; Úbeda et al., 2020b). In fact, in recent years, the increase of youth unemployment has been considered a European problem led by southern countries (O'Reilly et al., 2015; Pal'ová & Vejačka, 2018; Podmenik & Gorišeck, 2020; Verd et al., 2019). In response, the European Union has proposed various initiatives oriented toward the establishment of "youth guarantees" to ensure that all young people work or study (European Commission, 2012; European Council, 2012; Milana & Vatrella, 2020; Rojo, 2018).

The European Council of February 2013 proposed a Youth Employment Initiative (YEI), open to all European regions with a youth unemployment rate of over 25%. Finally, the Council of the European Union passed the Council Recommendation of April 2013 on establishing a Youth Guarantee (European Council, 2013a; European Council, 2013b) urging

member states to design a system of Youth Guarantee (YG) as an instrument to guarantee that all young people under 25 years of age who are neither in employment, education or training ("NEETs") receive a decent offer of employment, continued education, an apprenticeship or an internship within a period of four months after leaving formal education or becoming unemployed (European Commission, 2013). The YEI, initially with a budget of 6.4 billion euros and later augmented with an additional 2,000 million euros (European Commission, 2016) has provided help to over 2.4 million young people in Member States with high youth unemployment rates. Between 2014 and 2020, Spain received 2,723 million euros.

The implementation of the YG in Spain started in 2013 with the approval of the National Plan for the Implementation of Youth Guarantee in Spain (NPIYGS), which brought together a set of measures that had been previously approved for the Strategy for Young Entrepreneurship and Employment 2013-2016 (SYEE) and which extended through the 2014-2020 planning period. In 2014, Act 18/2014 established the rules for implementing the National System of Youth Guarantee (NSYG). In 2018, some management improvement measures were introduced by means of the Shock Plan for Youth Employment 2019-2021.

Following several publications about the inception and operational problems of the YG in Spain (see Cabasés et al., 2016; Cabasés et al., 2018; Strecker & Cabasés, 2019; Úbeda et al., 2020a and 2020b), this paper attempts to analyse how the YG has not achieved the expected results, as stated in the reports by the European Commission (EC), European Court of Auditors (ECA) and the Spanish Government, based on data from the public Spanish administration (Social Security, National Institute for Statistics and the Tax Agency). Moreover, through bootstrap sampling techniques, the situation of precariousness within the youth labour market after five years of YG implementation is explained in detail.

## 1. Methodology

This article aims to analyse whether the goal proposed by the European Recommendation with the YG of reaching all young people in a NEET situation has been met in Spain, considering their heterogeneity, to offer them a good job or a training offer within a maximum period of 4 months. To do this, the study is based on a mixed methods research (Brady et al. 2006; Wolf, 2010) approach that allows the analysis and evaluation of the most important youth employment policy in recent years.

First, characteristics of the youth labour market and the YG monitoring indicators are analysed in the results section of the YG implementation in Spain for the 2013-2018 period. These indicators were proposed by the Commission's Employment Committee and are based on data coming from different statistical sources (Eurostat, Labor Force Survey, State Employment Service) to corroborate or expand the information provided by different evaluation reports on the application of the YG.

Second, based on the information provided by the Continuous Work History Sample for the year 2017 (MCVL CDF 2017) - anonymized individual data extracted from the Social Security databases, with data from the Continuous Municipal Register (INE) and the annual summary of income tax deductions and payments (Model 190) from the Tax Agency- the average annual contribution base and the duration of the contracts of young people under 30 have been calculated for 2017. The variables considered are the number of days worked, level of education, province of residence, gender and contribution bases (in the general scheme, employed, which correspond to the average monthly real remuneration, without overtime (which is listed separately), within certain minimum and maximum limits). This information aims to raise awareness of the worrying situation in the youth labour market following the introduction of the YG.

Given the amount of data in the MCVL CDF 2017, and in order to obtain significant results, a non-parametric *bootstrap sampling* test has been carried out with the selected personal data, adapting the criteria of each variable (Davison & Hinckley, 1997). By means of this procedure, smaller samples have been randomly selected from which the mean (the sought statistics)<sup>1</sup> has been obtained, repeating the process (up to 1,000 times) for each category of the variable considered, so that any resampling with a shorter length have been chosen at random from a mean geometric distribution of 10% of the original data (which varies for each category). The bias between the statistics of the original data and those of each replica is then extrapolated into the bias of the actual population and the original data. This second bias is corrected by obtaining a statistic from the real population. In the process, a variance estimation is obtained from the resampling individual variances. Once the statistical behaviour of these estimates determined, a normal distribution of the bootstrap statistics is accepted, and the following hypothesis is contrasted by a bilateral test for each pair of statistics:  $H_0: \mu_1 - \mu_2 = 0$ , considering  $\sigma_{12} = \sigma_1 + \sigma_2$ , with a level of significance of  $\alpha = 0,10$ . The hypothesis will be rejected when the confidence intervals for each variable do not overlap.

#### 2. Results

Materials and Methods should be described with sufficient details to allow others to replicate and build on published results. Please note that publication of your manuscript implicates that you must make all materials, data, computer code, and protocols associated with the publication available to readers. Please disclose at the submission stage any restrictions on the availability of materials or information. New methods and protocols should be described in detail while well-established methods can be briefly described and appropriately cited.

## 2.1. The application of the Youth Guarantee in Spain in the 2013-2018 period

In February 2013, the Ministry of Employment and Social Security passed the SYEE to respond to the occupational status in which many young people were finding themselves in Spain (Fernández & Calvo, 2013).

According to the SYEE, in Spain, eight main structural weaknesses related to youth employment were identified: a high rate of early school-leaving, marked polarization of the labour market according to qualification level, an insignificant presence of middle-grade professional training, low levels of foreign language knowledge, a high percentage of temporary hiring and part-time shifts, difficult access to the labour market for groups at risk of social exclusion and a need to improve the levels of self-employment and entrepreneurial initiative. However, gender differences went unnoticed, as shown in Table 1; consequently, gender was not a relevant variable among the measures proposed by the SYEE. Women presented higher percentages of inactivity and part-time hiring, especially involuntary, whereas men had higher rates of unemployment and NEET status before age 25.

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<sup>&</sup>lt;sup>1</sup> The programme used has been *R Project for Statistical Computing*, more specifically, see: https://cran.r-project.org/web/packages/boot/boot.pdf.

Table 1. Population according to relationship with job market by age range (%). Spain 2013

|   | M          | en         | Wo         | men        |
|---|------------|------------|------------|------------|
|   | [16 to 24] | [25 to 29] | [16 to 24] | [25 to 29] |
| Employed  | 19.1       | 60.6       | 18.0       | 57.5       |
| Unemployed  | 24.6       | 31.9       | 21.6       | 27.1       |
| Inactive  | 56.3       | 7.4        | 60.4       | 15.4       |
| Unemployment rate   | 56.2       | 34.5       | 54.6       | 32.0       |
| Employed part-time (PT)   | 33.2       | 15.3       | 47.2       | 27.2       |
| Involuntary PT/total employed                                     | 19.1       | 11.7       | 27.8       | 20.3       |
| Employees with temporary contract                                 | 64.6       | 63.1       | 64.7       | 63.1       |
| Technical employees and scientific and intellectual professionals | 5.5        | 13.0       | 11.4       | 22.9       |
| NEETS   | 21.5       | 28.4       | 19.6       | 28.9       |

Source: Own computation on EPA data.

In turn, the rate of early school-leaving (from 18 to 24 years) in 2013 of the male population was 29.9% and 22% among the female population, according to Eurostat (reaching 19.3% and 15.3%, respectively, among the unemployed). In addition, as shown in Table 2, the educational level of unemployed young people presented a similar structure by gender, with a higher percentage among those with less educational attainment.

Table 2. Youth unemployment rate (ages 15 to 29) by gender and educational level (%). Spain 2013

| Educational level  | Men  | Women |
|--|------|-------|
| Less than primary, primary and lower secondary             | 51.4 | 54.2  |
| Higher secondary education and non-tertiary post-secondary | 41.6 | 40.4  |
| Tertiary education   | 30.6 | 30.1  |

Source: Own computation on Eurostat data.

The SYEE marked as a priority young people under 30 who were unemployed and had never been employed (in 2013, 23.6% of total unemployed men and 27.6% of total unemployed women) or had less than three months of prior experience. Priority was also given to underemployed employed active young people and inactive young people who were studying. The Strategy contained 100 measures geared toward promoting youth labour insertion, through hiring or entrepreneurship, 15 of which were to be implemented in an urgent way and 85 over a medium- and long-term period.

In December 2013, said measures were incorporated into the NPIYGS, whose passing fulfilled the European Recommendation. This Plan emerged from the structural weaknesses identified by the SYEE and focused on the NEET population -- from young people who had prematurely abandoned their studies and possessed neither qualifications nor work experience, to university graduates with a range of skills and even prior work experience who were unsuccessfully searching for jobs -without considering all the variables that would have been included in a more holistic approach. It may be noted that the aforementioned Plan was initially oriented toward all NEETs under 25, an age limit extended, in 2015, to 29. Consequently, during the first two years after the Plan was passed, some SYEE measures were applied to a wider age range than the one set by the EU (youths aged 16 to 24), covering young people up to age 30. However, the NSYG was not put into operation until October 2014 through Act 18/2014, which established the requirements that young people under age 25 had to meet in

order to receive programme benefits. In other words, the NSYG did not come into effect until a year after the Plan was passed

In December 2016, given the low number of NSYG enrolments produced since October 2014 and the low percentage of execution of the resources assigned to YG, Royal Decree-Act 6/2016 was passed to modify the requirements for receiving YG benefits, thereby making it possible to immediately apply a projected NSYG measure to unemployed young people and optimize the European resources assigned to Spain. Thus, it can be affirmed that from the time the Plan was passed until December 2016, an opportunity to comply with the European Recommendation on early activation and intervention was lost. The highest number of NSYG enrolments was produced in 2017, a consequence of the change in the requirements for accessing YG aid (they were simplified so that to receive aid, the only requirements were to have been neither studying nor working on the day before applying for enrolment). In 2018, in comparison to 2017, the number of enrolments dropped by 258,066, whereas the number of NEETs only dropped by 64,872, as shown in Table 3.

Table 3. Number of young people enrolled in NSYG and NEETs. Spain 2014-2018

| Year | NS      | YG enrolm | ents    |           | NEETs   |         | - Covered by appelment |
|------|---------|-----------|---------|-----------|---------|---------|------------------------|
|      | Total   | Men       | Women   | Total     | Men     | Women   | - Covered by enrolment |
| 2014 | 20,660  | 12,091    | 8,569   | 1,482,552 | 744,042 | 738,510 | 1.4%                   |
| 2015 | 158,501 | 82,526    | 75,975  | 1,373,191 | 688,519 | 684,672 | 11.5%                  |
| 2016 | 225,680 | 114,738   | 110,942 | 1,262,319 | 618,577 | 643,742 | 17.9%                  |
| 2017 | 601,208 | 295,639   | 305,569 | 1,148,208 | 558,550 | 589,658 | 52.4%                  |
| 2018 | 343,142 | 172,110   | 171,032 | 1,083,336 | 528,116 | 555,220 | 31.7%                  |

Source: Own computation on SEPE and EPA data.

By gender, it seems that in 2018, 49.8% of young people enrolled in NSYG were women, whereas in the same year, the estimated percentage of female NEETs comprised 52.3% of the total population of women under 30. In particular, the data shows that only 29.6% of male and 26.8% of female in a NEET situation were in enrolled in the NSYG. Significantly, the published data on enrolment only includes the variables of gender and geographic location. Some evaluations reveal that young people who have been YG beneficiaries return to their initial NEET state once the help they were receiving from the programme is over. In particular, the European report of 2017 (European Commission, 2017a) showed that in 2016, the proportion of participants in YG measures who later returned to their initial situation was 48.3%. For its part, the European Court of Auditors (European Court of Auditors, 2017) exposited that between the first trimesters of 2013 and 2016, the NEET population fell as a result of the increase in young people engaged in study, arguing that "this increase may be explained because young people tend to continue studying for a longer time and delay their entry into the workforce during periods of low economic growth". The European report of 2018 (European Commission, 2018) emphasized that half of all young people served in 2017 had already received the help of some measure in the past. Consequently, in both 2016 and 2017, an elevated percentage of young people did not leave the YG circuit. More than changing the immediate necessities of young people, YG has contributed to delaying their complete immersion into the world of adults, in addition to transforming different forms of precarity and vulnerability into chronic states (Úbeda & Sánchez, 2018).

The Second Evaluation by the Youth Employment Initiative (Ministry of Labour, Migrations and Social Security, 2018) presents a profile of the young people in the programme throughout the 2013-2017 period, calculated by cross-referencing data from the NSYG, the

Public Employment Services Information System (PESIS, SISPE in Spanish) and the General Treasury of Social Security (GTSS, TGSS in Spanish). Out of all participants: 58% were aged 20 to 25; 58% had completed studies up to compulsory secondary education; 75% were actively searching for work at the time they joined the programme; women had a higher level of education than men:13 percentage points more with superior studies and 15 points less with studies only up to compulsory secondary education and women were more likely than men to not be actively searching for work.

Having reached this point, it must be remarked that this information is insufficient if it is compared with what could be obtained from the NSYG administrative file. Act 18/2014 created the file, which it defined as "the official system of information and monitoring on YG implementation and, as such, the only list of demand and support for the enrolment of the subjects of the measures executed in the context of Youth Guarantee" (Article 92.1). The Act added that this archive was "the tool for monitoring the measures and programmes of the System and for evaluating results" (Article 92.2). The file is administrative and is integrated into the NSYG (Article 92.1). The information on young people with NSYG membership (Articles 95 and 111) must include: a) personal information (name, surnames, national ID number, date of birth, home address/contact, date of municipal registration, telephone, email address, family information, gender, nationality, and civil status); b) other personal information (housing characteristics, driver's licence and vehicle ownership; Disability yes/no and degree); c) academic information (education and diplomas and academic transcript); d) professional experience (occupational history, places of work and beneficiary status with respect to the Social Security System in the last twenty-four months) and d) information on preferences or professional interests. If the file had been implemented as was indicated in the regulations, it would have been possible to establish an accurate profile of the young people enrolled YG, having taken advantage of the file's significant potential. The Second Evaluation of the Youth Employment Initiative itself remarks that problems with the NSYG file databases have been detected, mainly due to the quantity and quality of the information.

#### 2.2. The NSYG measures and its consequences in NEET population

As for the catalogue of NSYG measures, according to the NPIYGS they were designed to address different profiles of NEETs, as has already been mentioned, those who had prematurely abandoned their education and those with superior degrees and a wide range of skills who were unsuccessfully looking for work. In other words, in the Plan it was stated that the aforementioned measures were intended to prevent long-term unemployment and correct, as soon as possible, any mismatch between the capacities and qualifications the young person may have and the demands of the job market. It should be noted that many of the measures in the aforementioned catalogue came from the YEES, in which the unemployed youth population was given priority.

However, an intersectional view was not taken into account (Crenshaw, 1989; Yuval-Davis, 2006). That is, other factors -such as gender, social class and ethnicity- were ignored and not recognized as interrelated elements which configure people's lives and experiences and which, along with educational attainment, occupational status or work experience, would have made it possible to identify a greater heterogeneity of problems and needs faced by the youth population. In this vein, the Second Evaluation of the Youth Employment Initiative asserts that "except in the case of young people with low qualifications and those with disabilities, the remaining profiles of the most vulnerable youths and those at risk of social exclusion have been under-represented in YEI measures", referring to, among others, young people of international

origin and/or belonging to ethnic minorities, who live in households in which no member works or who live in single-parent households.

As shown in Table 4, some measures were designed for poorly-qualified and unemployed individuals -employability improvement- and others for more well-educated individuals -incentives for hiring and entrepreneurship-, which in the 2013-2017 period have represented 11.7% and 7.5% of funded measures. On the other hand, the measures designed for young people in general -improvement in intermediation- have represented 80.7% of the total, and the group which has most benefited has been that of unemployed individuals actively looking for work. This result clearly shows that Point 8 of the European Recommendation, reaching young people at the most vulnerable situation has not been complied.

Table 4. Distribution of completed YEI measures. Years 2013-2017

| Table 4. Distrit | butio |                   | El measures. Years 2                           |                |                                       |          |
|------------------|-------|-------------------|--|----------------|---------------------------------------|----------|
| Measures         |       | Origin of the     | Projected youth                                | % of funded    | Youth beneficiaries                   |          |
| - Tricusares     |       | measures          | beneficiaries                                  | measures       | in the period                         |          |
| Improvement      | in    | SYEE. Measures:   |  |                | 549,920                               |          |
| Intermediation   | 111   | 11-49-56-57-59-   | -All   | 80.7%          | <ul> <li>Higher proportion</li> </ul> |          |
| Intermediation   |       | 60-64-68-85       |  |                | as job seekers                        |          |
|                  |       |                   | - Students                                     |                | 96,017                                |          |
| Improvement      | in    |                   | - Students who                                 |                | - More men                            |          |
| Employability:   |       | SYEE.Measures:2-  | have prematurely                               | 7.3%           | - More with                           |          |
| Education        |       | 19-27-28-29-30-31 | left education                                 | 7.570          | disability                            |          |
|                  |       |                   | <ul> <li>Poorly qualified</li> </ul>           |                | <ul> <li>Higher proportion</li> </ul> |          |
|                  |       |                   | - Unemployed                                   |                | as job seekers                        |          |
|                  |       |                   |  |                | 83,016                                |          |
|                  |       |                   |  |                | <ul> <li>Higher average</li> </ul>    |          |
| Improvement      | in    |                   | - Unemployed                                   |                | age                                   |          |
| Employability:   | ***   | SYEE.Measures:1-  | - Students who                                 |                | - More with low                       |          |
| Learning         |       | 11-12-13-15-19-   | have prematurely                               | 3.8%           | qualifications                        |          |
| Learning         |       | 20-22-            | left education                                 |                | - More with foreign                   |          |
|                  |       |                   | iert education                                 |                | nationality                           |          |
|                  |       |                   |  |                | <ul> <li>Higher proportion</li> </ul> |          |
|                  |       |                   |  |                | as job seekers                        |          |
| Improvement      | in    |                   |  |                | 11,489                                |          |
| Employability:   |       | SYEE.Measures:25  | <ul> <li>Have finished<br/>studying</li> </ul> | 0.6%           | <ul> <li>Higher median</li> </ul>     |          |
| Internship       |       |                   |  |                | age                                   |          |
|                  |       |                   |  |                | <ul> <li>Highly educated</li> </ul>   |          |
|                  |       |                   | - Unemployed with                              |                | 113,657                               |          |
|                  |       |                   | less than three                                |                | - Higher proportion                   |          |
|                  |       |                   |  | months of work |                                       | of women |
|                  |       | SYEE.Measures:9-  | experience                                     |                | - Higher median                       |          |
|                  | for   | 10-12-13-14-15-48 | - Researchers                                  | 6.4%           | age                                   |          |
| hiring           |       |                   | - Who have                                     | 211,1          | - Highly educated                     |          |
|                  |       |                   | finished their                                 |                | - With disability                     |          |
|                  |       |                   | educational period                             |                | - Higher proportion                   |          |
|                  |       |                   | and may have some                              |                | as job seekers                        |          |
|                  |       |                   | work experience                                |                |                                       |          |
|                  |       |                   | _  |                | 18,248                                |          |
| Incentives       | for   | SYEE.Measures:3-  | - Entrepreneurs                                | <b>.</b>       | - Higher average                      |          |
| entrepreneurship | )     | 4-5-7-8-10        | - University                                   | 1.1%           | age                                   |          |
|                  |       | . 5 , 6 10        | students                                       |                | - Higher level of                     |          |
|                  |       |                   |  |                | qualification                         |          |

Source: own computation from SYEE and the Second Evaluation of the Youth Employment Initiative

In general, the Second Evaluation by the Youth Employment Initiative also indicates that young women have been under-represented in certain disadvantaged profiles, such as the inactive, with low educational attainment, with disability, of immigrant origin or belonging to ethnic minorities and homeless or affected by housing insecurity. Meanwhile, the percentage of women who have been offered subsidised temporary contracts has been higher, although they have been offered part-time contracts more often than have men.

After five years of NPIYGS implementation, the rates of youth unemployment and NEETs have decreased, as may be observed in Table 5. This data could be taken as evidence of the programme's effectiveness. However, the figures show an increase in the number of inactive people who are studying and a decrease in the total population, especially in ages 25-29.

Table 5. Population according to relationship with job market by age range. Spain, 2013-2018. Thousands of people

|       | isunus of people        | Under 24 years old From 25 to 29 ye |       |           | years old |       |           |
|-------|-------------------------|-------------------------------------|-------|-----------|-----------|-------|-----------|
|       |                         | 2013                                | 2018  | Variation | 2013      | 2018  | Variation |
|       | Inactive NEET           | 110                                 | 108   | -2        | 62        | 58    | -4        |
|       | Unemployed NEET         | 340                                 | 195   | -144      | 336       | 167   | -169      |
|       | Total NEET              | 450                                 | 304   | -146      | 398       | 225   | -173      |
| Men   | Employed                | 401                                 | 531   | 129       | 821       | 874   | 53        |
| men   | Unemployed and studying | 176                                 | 93    | -82       | 96        | 44    | -52       |
|       | Inactive and studying   | 1,069                               | 1,159 | 90        | 86        | 111   | 25        |
|       | Total population        | 2,096                               | 2,087 | -9        | 1,401     | 1,253 | -148      |
|       | Unemployment rate (%)   | 56.2                                | 35.2  | -21.0     | 34.5      | 19.6  | -14.8     |
|       | Inactive NEET           | 133                                 | 131   | -2        | 126       | 126   | 1         |
|       | Unemployed NEET         | 262                                 | 134   | -128      | 280       | 164   | -116      |
|       | Total NEET              | 395                                 | 265   | -131      | 405       | 290   | -115      |
| Ш/    | Employed                | 362                                 | 459   | 97        | 807       | 799   | -8        |
| Women | Unemployed and studying | 174                                 | 95    | -79       | 100       | 53    | -46       |
|       | Inactive and studying   | 1,085                               | 1,173 | 88        | 90        | 101   | 11        |
|       | Total population        | 2,016                               | 1,991 | -25       | 1,402     | 1,244 | -158      |
|       | Unemployment rate (%)   | 54.6                                | 33.3  | -21.4     | 32.0      | 21.2  | -10.8     |

Source: own computation on data from the National Institute of Statistics.

Despite the increase in the number of employed young people observed (129,000 men and 97,000 women), according to the analysis conducted by the Second Evaluation in relation to the subsidized contracts, no sustainable integration of young people in the job market has been achieved. The report points out that between 2013 and 2017, out of the total 169,078 contracts subsidized by the YEI, 76% were temporary full-time, 20% were temporary part-time and only 3.3% indefinite. The same report asserts that said contracts were of lower quality in terms of length (considering the moment of subsidization), given that the general average of indefinite contracts formalized by young people reached 4.4%. Furthermore, it indicates that more young women formalized temporary part-time contracts than young men did.

The European Commission made a similar statement in its February 2019 report (European Commission, 2019), asserting that the hiring subsidies in the YG context had been a limited success and had not succeeded in promoting quality employment. Moreover, young workers with subsidized indefinite contracts were more likely to leave their jobs within a two-

year period than those working with non-subsidized contracts, casting doubt on the effectiveness of these subsidies. In December 2018, Royal Decree-Act 28/2018 was passed, repealing the subsides conditioned by an unemployment rate of over 15%, the indefinite contract designed to support entrepreneurs and measures projected in the SYEE (incentives to offer part-time contracts with links to educational programmes; incentives for small businesses and freelancers to offer indefinite duration contracts to young people; hiring incentives in new youth entrepreneurial projects; first jobs for young people; incentives for internship contracts and incentives for the incorporation of young people into social economy entities). The NPIYGS was modified, ignoring the fact that the youth unemployment rate had risen, and was continuing to rise, with respect to the general unemployment rate.

Furthermore, this Royal Decree-Act also served to repeal a measure, passed a few months earlier in Act 6/2018, of 3 July, which consisted of a financial aid programme designed for young people under 30 years of age with low educational levels who were registered in the NSYG and were initiating a training process through a training-learning contract. This was due to the paradoxical situation produced when apprentices were given higher wages than actual professionals in the field.

Table 6 shows the YG monitoring indicators proposed by the Employment Committee of the European Commission (European Commission, 2017b), disaggregated by sex and with no other type of classification possible. The youth unemployment rates, numbers of NEETs aged 25 to 29, proportion of youths aged 20 to 29 with low educational attainment and school dropout rates all stand out, with clearly observable differences between sexes.

Table 6. Aggregated monitoring indicators, 2013 and 2018

|                   |  |               | 2013 |       | 2018 |       |
|-------------------|--|---------------|------|-------|------|-------|
|                   |  |               | Men  | Women | Men  | Women |
| Principal         | NEET rate (15-24) (%)  | Total         | 19.4 | 17.8  | 13   | 11.9  |
|                   | NEET rate (15-24) (%)  | Unemploy ed   | 14.7 | 11.8  | 8.4  | 6     |
| 7 (1              |  | Inactive      | 4.8  | 6     | 4.6  | 5.9   |
| ary               | Employment rate (15-24) (%)  |               | 17.3 | 16.3  | 22.7 | 20.5  |
| Supplementary (1) | Youth unemployment rate (in function number of people) (15-24) (%)                     | tion of the   | 21.6 | 19.3  | 12.4 | 10.4  |
| IddnS             | Youth unemployment rate (15-24) ir adult unemployment rate (25-74) (%)                 | 1.21          | 1.23 | 1.35  | 1.02 |       |
|                   | Youth educational level (20-24) (%)  | 58.4          | 69.4 | 67.7  | 77.9 |       |
|                   | Youth unemployment rate (15-24) (in the number of active people) (%)                   | function of   | 56.2 | 54.6  | 35.2 | 33.3  |
|                   | NEET rate (25-29) (%)  |               | 28.4 | 28.9  | 17.9 | 23.3  |
|                   | Employment rate (25-29) (%)  |               | 58.6 | 57.5  | 69.7 | 64.3  |
| Supplementary (2) | Employment rate among graduates (have dropped out of education and three years ago (%) | 60.4          | 59.4 | 75.9  | 75   |       |
|                   | Proportion of people with low educational attainment (20-29) (%)                       |               | 42.6 | 30.1  | 33.3 | 23.9  |
| pplem             | Proportion of people with tertiary education (%)                                       | ation (30-34) | 37.1 | 47.5  | 36.1 | 48.6  |
| Sul               | Education and training dropout rate (18  | 8-25) (%)     | 27.2 | 19.8  | 21.7 | 14    |

Source: Eurostat

Finally, the Second Evaluation reveals that from 2013 to 2017, only 1.1% of young people re-joined the educational/training system upon completing their participation in YG programmes, with a clear descending trend throughout the period.

## 2.3. The Emergency of Youth Employment Plan (2019-2021)

Finally, in December 2018, the Council of Ministers passed the 2019-2020 Emergency Youth Employment Plan, which contains a set of measures and interventions intended to restore job quality, fight the gender employment gap and reduce youth unemployment (from here on, Emergency Plan). A few considerations stand out when the Plan is analysed. In the first place, it asserts that it aims "to serve workers under the age of 30 who lack both employment and training, in order to promote their insertion into the job market, in quality and stable jobs", implementing the measures contained in the NSYG by means of this Plan. The YG is oriented toward young people classified as NEETs, including the inactive and unemployed. Thus, in its declaration of commitment to young people, it reduces the group it is aimed at in comparison to the group defined by the NSYG.

Secondly, the Plan asserts that the measures "make it possible to serve the individual needs of different youth populations which clearly and under no circumstances comprise a homogeneous group" and which, "from a comprehensive and holistic viewpoint, [are] concrete but combinable". In other words, the Plan's measures were not designed according to a cross-sectional approach.

Thirdly, the Plan makes it evident that the set of measures it contains does not represent an increase in spending, given that it will be funded "at the expense of the budgetary applications earmarked in the expenditure statements of the Public State Employment Service and the Ministry of Science, Innovation and Universities". This is contradicted by the second agreement of the Resolution passing the Emergency Plan, according to which "all commitments derived from the application of this Plan will be conditioned by the existing budget availabilities in the 2019, 2020 and 2021 fiscal years, in compliance with the fiscal consolidation route established by the Government". The question that arises is up to what point the Plan is priority or emergency as indicated by its name.

And, finally, the Plan reduces the NSYG to a mere administrative tool and not in the way it was conceived: as a comprehensive system that included programmes or measures, the administrative capacity to help all young people in a NEET situation gain access to them, and evaluation of the YG implementation.

## 2.4. A worrying situation after the Youth Guarantee implementation

As revealed in the Second Evaluation, the quality of the jobs offered to young people through the YG scheme have coincided with the state of the labour market, although less so in the case of subsidised contracts. Thus, the impact of the YG on the labour market is questionable. In 2017, as shown below, after five years of programme implementation an alarming degree of precarity remains.

The results obtained on a national level based on the analysis of MCVL CDF 2017, point to a worrying situation. In Table 7, it can be clearly observed that the older and better educated, the higher the average salary and the longer the time of enrolment. Men and women between the ages of 24 and 29 with higher education degrees earned monthly salaries of over a thousand euros, but in no case reached twelve months of average membership. Finally, it is significant that in both age ranges and at all educational levels, a gender-based pay gap persists.

Evidently, how to produce contracts long enough to permit continuous professional careers is a challenge that must be addressed.

Table 7. Average monthly salary and months of enrolment by sex and educational attainment. Spain, 2017

|        | Age         | Salary/Enrolment          | Primar<br>y | Secondar<br>y | Lower<br>degrees | Upper degrees | Tota<br>1 |
|--------|-------------|---------------------------|-------------|---------------|------------------|---------------|-----------|
|        | [16-        | Average monthly salary    | 403         | 507           | 439              | 686           | 466       |
|        | 24]         | Average months affiliated | 5.3         | 6.7           | 6.4              | 8.4           | 6.2       |
| Men    | [25-<br>29] | Average monthly salary    | 778         | 937           | 1,032            | 1,350         | 983       |
|        |             | Average months enrolled   | 7.9         | 9.1           | 9.6              | 10.2          | 9.0       |
|        | [16-        | Average monthly salary    | 311         | 423           | 355              | 622           | 400       |
| Wome n | 24]         | Average months enrolled   | 5.3         | 6.9           | 6.3              | 8.5           | 6.5       |
|        | [25-<br>29] | Average monthly salary    | 612         | 743           | 914              | 1,247         | 913       |
|        |             | Average months enrolled   | 8.3         | 9.5           | 9.9              | 10.5          | 9.6       |

Source: own computation on MCVL CD 2017 data.

The disaggregation of data by Spanish regions has made it possible to create different maps that make it possible to visually observe young people's situation in the different territories.

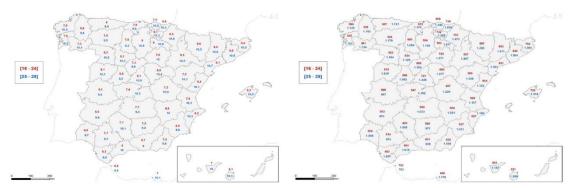


Figure 1. Young people, high educational levels: average months of enrolment and average monthly base rate.

Source: own computation on MCVL CD 2017 data.

Figure 1 considers all educational levels and effectively demonstrates the low stability experienced by young people. They continue to work for only short amounts of time, with maximum averages of 7.7 months for the age range of 16 to 24 years in the region of Barcelona and 10.3 months for the age range of 25 to 29 years in the region of Álava. In general, the figures point to a high degree of contract temporality and a disparity between months worked and salary earned throughout the Spanish territory. According to the data, relative stability fails to arrive until entering the age range of 25-29 years, with a significant increase in months

worked and salary. However, in some southern and southwestern provinces, wages never rise above 1,000 euros, which indicates a more serious level of precarity.

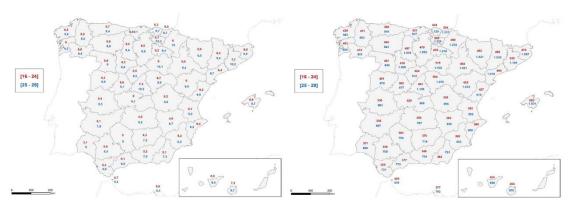


Figure 2. Young people, all educational levels: average months of enrolment and average monthly base rate.

Source: own computation on MCVL CD 2017 data.

Among young people with higher levels of training (Figure 2), the situation is repeated, with average maximum figures of 9.6 months worked for the age range of 16 to 24 years in the region of Barcelona and 12 months for the age range of 25 to 29 years in the region of Soria. This indicates that a model of precarious employment prevails within this sector of the population, making it difficult to establish long-term and stable professional careers. Young people with higher levels of training generally end up earning higher salaries, but their contracts are less stable. The analysis of the different maps makes it possible to compare the average salaries earned in different regions.

#### **Conclusions**

This article has aimed to assess the implementation of the YG in Spain, taking into account the available data on enrolment and the measures developed. In the end, the general conclusion is that after three years of YG implementation, not only has the problem of youth unemployment in Spain not been palliated but precarity has increased. The measures included in YG have placed occupation at the centre. While work is an essential element, this approach has ignored other factors of people's lives, such as health and housing. It has also failed to treat factors like gender, social class or origin as elements that shape people's life experiences and are necessary for integrating into society. Thus, this article concludes that the measures in the NPIYGS, such as the most recent Emergency Plan, have not taken into account a thorough analysis of the situation faced by the youth population from a comprehensive point of view that analyses these individuals' ways of life as well as their difficulties. This has given rise to training programmes of little value, designed to justify EU investments, which fail to bring about greater stability in the lives of young people. Most of the measures have been based on the acquisition of competencies and individual skills, leaving the young person responsible for his or her precarious situation and vulnerability. It has been demonstrated that one of the central elements has been the reduction in unemployment figures, but temporality, low wages and, above all, instability have persisted in the lives of young people, who have not seen their situation improve in the medium and long term. The situation is serious and worrying, as shown by the data analysed from the MCVL: the highest average monthly salary barely reaches 1,400 euros after entering the age range of 25 to 29 years, a significant gender pay gap still exists, hiring is highly unstable, and the differences between the north and south of Spain are visible. All this makes it

possible to assert that the current model of youth employment is a model of precarious employment and that the Youth Guarantee has not served, in essence, to change the situation of young people. On the contrary, the form in which the Youth Guarantee has been applied in Spain has managed to underscore a model, based on work and on the individualization of labour relations, which has destabilized even further, if possible, the already precarious situation suffered by young people in Spain.

#### **Discussion**

The YG in Spain aroused initial expectations that overestimated it as a solution to the high rates of youth unemployment. In addition, worryingly, the lack of quality data has made the assessment of the efficiency and effectiveness of the implementation of the YG difficult.

The objectives set by the Recommendation, among which stands out guaranteeing an early intervention and activation to prevent young people from becoming NEET, have not been met. As shown throughout the article, the YG programme has failed to have a comprehensive approach, that is, to take into account different aspects of people's lives beyond occupation, like intertwined mechanisms of social inequality and multiple exclusion, like gender, ethnicity, age and social class. Actions have only been designed taking into account the young YG beneficiaries' level of education, level of professional qualification and need to acquire certain competences and abilities.

Given the situation of greater vulnerability of young people in the labour market and that youth unemployment is a structural problem in Spain, it is necessary to articulate policies and measures that boost their labour and social insertion. This analysis aims to offer a critical vision on how the YG has been implemented with the aim of overcoming the problems detected and promoting that young people can start their life project.

The European employment policy plays a very important role, as has been demonstrated with the YG in Spain, since it has acted as an engine in the national policy aimed at young people, despite the mistakes made and the lack of transparency in its implementation. It would therefore be necessary, as recommended by the European Parliament, to transform the YG from a temporary to a permanent instrument. However, this should be accompanied by adequate financing and greater commitment from the Spanish government, as the YG promoted in 2013, according to international organizations such as the ILO and as pointed out by some of the international reports, was insufficient.

For years, the situation of structural unemployment, precariousness and uncertainty for young Europeans in some countries (Podmenik & Gorišek, 2020; Yeung & Yang, 2020), had put them in a situation of vulnerability that has been increased by the social consequences of the COVID-19 (Tamesberger & Bacher, 2020). Therefore, we suggest policymakers that the Youth Guarantee be rethought so that it guarantees a stable future for all young people.

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