



Innovative Social Policies for Inclusive and
Resilient Labour Markets in Europe



Spain

National report on the labour market position of vulnerable groups

The research leading to these results has received funding from the European Community's Seventh Framework Programme under grant agreement No. 320121 (Project INSPIRES)



INSPIRES

Working paper series 2014 no. 4

ISSN 2215-1605

National report on the labour market position of vulnerable groups in Spain

To be cited as: Martínez-Molina, S., Monsonís-Payá, I.; Valía-Cotanda, E.; Durá, E.; Ródenas, F.; Garcés, J (2014). National report on the labour market position of vulnerable groups in Spain. Valencia: University of Valencia.

This report is part of work package number 2 of the INSPIRES project. The INSPIRES project is a collaborative research project of thirteen universities in eleven countries, funded by the European Union. The goal of the INSPIRES project is to contribute to the resilience and active inclusion of labour markets in European countries by identifying innovative policies that contribute to resilience and inclusiveness and by analysing strategies of policy learning that facilitate the development and transfer of these innovations within and across European countries.

<http://www.inspires-research.eu>

Index

1. Introduction	5
2. Statistical overview	6
2.1. Statistical data regarding quantitative indicators	6
2.1.1. Employment rate in Spain	7
2.1.2. Unemployment rate in Spain	10
2.1.3. Long-term unemployment in Spain	12
2.1.4. Inactivity rate in Spain	15
2.2. Statistical data regarding qualitative indicators.....	17
2.2.1. Temporary employment in Spain.....	17
2.2.2. Full-time and part-time employment in Spain.....	19
3. The pre-crisis labour market position of vulnerable groups (2000-2007)	22
3.1. The position of the disabled on the labour market during the pre-crisis period.....	24
3.2. The position of migrants on the labour market during the pre-crisis period	26
3.3. The position of youth on the labour market during the pre-crisis period	29
3.4. The position of elderly workers on the labour market during the pre-crisis period	31
4. The crisis, policies in the crisis and the effect of the crisis on the vulnerable groups (2008-2012)	33
4.1. The position of the disabled on the labour market during the post-crisis period	36
4.2. The position of migrants on the labour market during the post-crisis period.....	40
4.3. The position of youth on the labour market during the post-crisis period	42
4.4. The position of elderly workers on the labour market during the post-crisis period.....	44
5. Factors affecting the position of vulnerable groups.....	46
6. References.....	52
7. Appendix: Map of relevant stakeholders in the country.....	56

Index of tables and figures

Table 1: Quantitative Indicators from Eurostat analysed in D2.1 Spanish National Report.....	7
Figure 1: Employment rate in Spain 2000-2012 – General Population by sex.....	8
Table 2: The evolution of the number of people employed in Spain	8
Figure 2: Employment rate in Spain 2000-2012 – General Population by age	9
Figure 3: Employment rate in Spain 2000-2012 – General Population by nationality.....	9
Figure 4: Unemployment rate in Spain 2000-2012 – General population by sex.....	10
Figure 5: Unemployment rate in Spain 2000-2012 – General Population by age	11
Figure 6: Unemployment rate in Spain 2000-2012 – General Population by nationality	12
Figure 7: Long-term unemployment rate in Spain 2000-2012 – General Population by sex.....	14
Figure 8: Long-term unemployment rate in Spain 2000-2012 – General Population by age	14
Figure 9: Long-term unemployment rate in Spain 2000-2012 – Population from 55 to 64 years by sex.....	15
Figure 10: Inactive population in Spain 2000-2012 – General population by sex	16
Figure 11: Inactive population in Spain 2000-2012 – General population by age	16
Table 3: Qualitative Indicators from Eurostat.....	17
Figure 12: Temporary employment rate in Spain 2000-2012 – General population by sex.....	18
Figure 13: Temporary employment rate in Spain 2000-2012 – General Population by age	18
Figure 14: Temporary employment rate in Spain 2000-2012 – General Population by nationality	19
Figure 15: Part-time employment rate in Spain 2000-2012 – General Population by sex	20
Figure 16: Part-time employment rate in Spain 2000-2012 – General Population by age.....	20
Figure 17: Part-time employment in Spain 2000-2012 – General population by nationality....	21
Figure 18: Evolution of Spanish employment rate.....	22
Figure 19: Evolution of Spanish unemployment rate	23
Figure 20: Evolution of the Spanish temporary contract level	23
Figure 20: Evolution of migrant people in Spain from 2000 to 2013.....	27
Table 4: Number of employed by nationality and economic sector in 2008.....	28
Table 5: Evolution of wages by nationality	28
Table 6: Evolution of gross salary levels in young people.....	30
Table 7: Employed Young people by educational level (thousands of people)	31
Table 8: Evolution of level wages in older workers.....	31
Figure 23: Evolution of temporary employment in Spain (2000-2013)	34
Figure 4: Unemployment rate variations EU-27 and Spain.....	34
Table 10: Summary of the main measures and legislative reforms undertaken during the post-crisis period by the Spanish governments	35
Figure 25: Evolution unemployment rate disabled people (2008-2012).....	36

Figure 26: Evolution employment rate disabled people (2008-2012)	37
Figure 27: Evolution activity rate disabled people (2008-2012)	37
Figure 8: Inter-annual variations unemployment rate disabled people (2008-2012)	38
Figure29: Inter-annual variations employment rate disabled people (2008-2012)	38
Figure 30: Evolution part-time level disabled people (2008-2012)	39
Figure 31: Evolution of migrant active people	41
Table 11: Evolution of the number of migrants employed by sector	41
Table 12: Evolution of AROPE rate by nationality	42
Table 13: Wage level by age.....	44
Table 15: Summary of the labour market position	46
Table 16: Factors affecting labour market resilience	48
Table 17: Type of expert to be interviewed	56

1. Introduction

The financial and economic crisis peaked in 2007 has had a **severe impact** in the Spanish economy and labour market. The unemployment rate doubled in only three years from 8.2% in 2007 to the level of 19.9% in 2010, reaching the highest unemployment rate in the EU-28 countries in 2012 with an unemployment rate of 24.8%. But also, there were two years particularly critical during the crisis where the indicators declined more rapidly (2009 and 2012), suffering the Spanish economy a double recession (Infojobs & ESADE, 2013).

Therefore, the impact of the crisis in Spain has been depth and long-lasting, depicting a **challenge to the Spanish labour market never experienced**. Thus, whilst the Spanish labour market has been characterized by higher rates of unemployment than the EU-28 average during the pre-crisis period¹, the unemployment figures reached during the current crisis has been the highest recorded in the country since 1987 - when this rate was of 19.7%.

In addition to the strong impact of the crisis in the labour market, its effects on the labour workforce have been different between the groups composing it. Some **groups in the labour market have more limited capabilities to respond to the labour risks related with economic crisis, the so-called vulnerable groups**.

Built upon this and in the frame of the INSPIRES project funded by the 7th Framework Programme of the European Commission, the **aim of this report is analysing and explaining the impact of the current economic and financial crisis on the labour market position of vulnerable groups in Spain**.

Specifically, the INSPIRES project focuses on the labour market position of four vulnerable groups: disabled people, migrant people, young people and older workers. The main **objective of the project** is to contribute to the resilience and active inclusion of labour markets in European countries by identifying innovative policies that contribute to resilience and inclusiveness of the before-mentioned vulnerable groups.

The **content of this Report** has been built on the analysis of statistical data and desk research. Moreover, sixteen experts in labour market and vulnerable groups have been interviewed so as to supplement the information collected regarding Spanish labour market. This document is **structured** in five sections. In order to describe the context where it takes place the labour integration of vulnerable groups, the first section gives an overview of the Spanish labour market regulation and performing from 2000 to 2012. In the following section the labour market position of each vulnerable group during the pre-crisis period is described. The third section outlines the main features and causes of the crisis in Spain as well as the policies implemented in order to reduce its effect. Finally, the last two sections describe the impact of the crisis on each vulnerable group and summarize the main factors that can affect to the labour market position of vulnerable groups and the resilience in the Spanish labour market.

¹ The pre-crisis period is defined within the Project as the period from 2000 to 2007.

2. Statistical overview

The study of the labour market position of vulnerable groups requires an **understanding of the context where the labour integration takes place**. Since 1978 a new regulatory framework was introduced with the enactment Spanish Constitution of 1978.

The Fundamental Law states that the State has exclusive jurisdiction over labour law, while the Autonomous Communities the competences to execute it (Article 149.1.7 of the Spanish Constitution). According to the Spanish Constitution and the Employment Law 56/2003, the employment policy is design by the combination of those decisions made by the government and the Autonomous Communities. The Autonomous Communities have competences in the development of employment policies in their regions (Article 2 of the Employment Law 56/2003). Therefore, the **National Employment System** is configured by the Public Service of Employment and the union of the Public Employment Services of the Autonomous Communities (Article 5 of Law 56/2003).

The objective of the employment **decisions** taken by the government and the Autonomous Communities should be aimed at achieving full employment, job quality, quantitative and qualitative adequacy of supplies and demands and the proper protection against unemployment situations (Article 1 of Employment Law 56/2003).

In this last case, the General Law of Spanish Social Security in Article 204 provides two levels of **protection against unemployment (R.D. 1/1994)**. Thereby, there are two types of cash benefits depending on the contribution of the beneficiaries to the Social Security. In the light of this, the employment protection system is configured around two main employment benefits that follow the logic of the contributory and non-contributory level.

As a consequence of the crisis, this last level (non-contributory) has been slightly improved by introducing some new benefits to respond to the high **risk of unemployment**. In Spain the pre-crisis period was characterized by full employment rates and decreasing numbers of unemployment rate, immediately before the crisis, being the number of unemployed people in 2007 of 1,833,900. The need of reviewing non-contributory levels of protection was evident with the increase of unemployed people in the following years, reaching the number of 5,769,000 people in 2012.

The strong impact of the crisis that the previous numbers depict has been linked to **high sensitivity** of the Spanish labour market to economic cycles that translates into high increase of employment during economic expansion period and high destruction of employment in periods of economic downturn (Sánchez, 2009; Recio, 2009). Thus, the aim of the following **section is to give a general overview of these tendencies** in the Spanish labour market in the time frame from 2000 to 2012.

The objective is to offer a first impression about the general labour situation and the concrete situation of some vulnerable groups through the statistical data. With this objective, the **key labour indicators will be analysed** taking into account variables such as age or nationality. The analysis provides information not only about **quantitative aspects** of the employment, such as level of employment or unemployment, but also regarding **qualitative features** like levels of temporary or part-time employment.

2.1. Statistical data regarding quantitative indicators

This section presents a descriptive analysis of the Spanish labour market position of the general population and the vulnerable groups object of study in the Inspires Project. This analysis is based on the main quantitative indicators provided by the Eurostat from the period covered from 2000 to 2012. The data presented has been obtained from the Labour Force Survey of Eurostat (Eurostat, 2013). This section will deepen in the analysis of indicators

providing information about age – related with two vulnerable groups: youth and older workers- and nationality – related with the vulnerable group of migrants- (Table 1). In addition, gender differences will be considered along the analysis.

Due to the lack of indicators in Eurostat to analyse the performance of disable people in the labour market, no statistical data about this vulnerable group will be presented in this section. The available data about the performance of disabled people in the Spanish Labour Market can be obtained from the Spanish National Institute of Statistics, concretely from the survey “Employment of People with Disabilities” (2008-2012)”(INE, 2014a). That national data about disabled workers is only available from year 2008 and it will be analysed later on in section 4 when it is explained the labour market position of disabled people after the crisis as this is the period covered by the national data

Table 1: Quantitative Indicators from Eurostat analysed in D2.1 Spanish National Report

Indicator	General population	Disabled	Migrants	Youth	Older workers
Unemployment rate (lfsa_unemp)	Age: 15-64 (lfsa_urgan) Nationality: all (lfsa_urgan)	X	Age: 15-65 (lfsa_urgan) Nationality: Foreign country (lfsa_urgan)	Age: 15-24 (lfsa_urgan)	Age: 55-64 (lfsa_urgan)
Employment rate (lfsa_emprt)	Age: 15-64 (lfsa_ergan)	X	Age: 15-65 (lfsa_ergan) Nationality: Foreign country (lfsa_ergan)	Age: 15-24 (lfsa_ergan)	Age: 55-64 (lfsa_ergan)
Long-term unemployment (lfsa_unemp)	Age: 15-64 (lfsa_upgal)	X	X	Age: 15-24 (lfsa_upgal)	Age: 55-64 (lfsa_upgal)
Inactivity rate (lfsa_inac)	Age: 15-64 (lfsa_ipga).	X	X	Age: 15-24 (lfsa_ipga)	Age: 55-64 (lfsa_ipga)

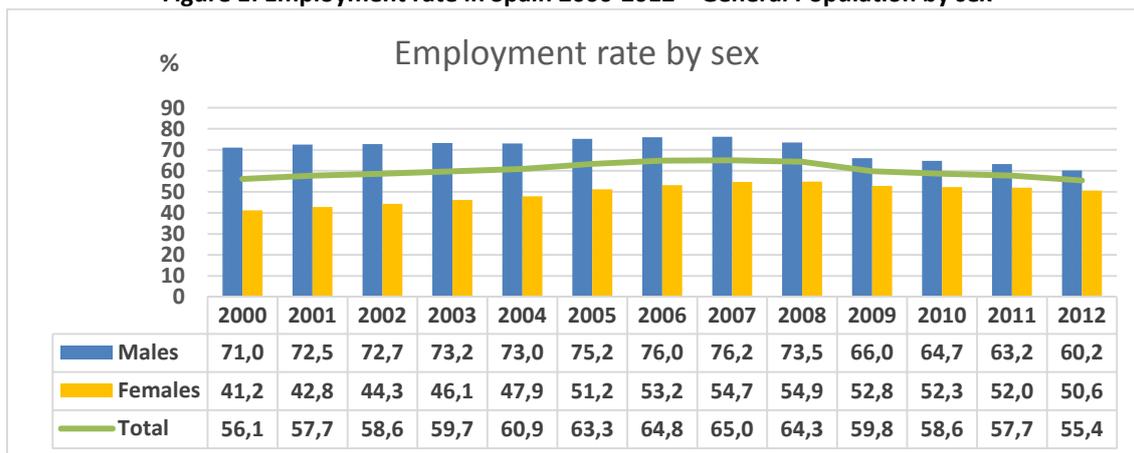
Source: Source: Own elaboration based on Labour Force Survey Eurostat (2013)

2.1.1. Employment rate in Spain

The employment rate represents persons in employment as a percentage of the population of working age and it is a good indicator to determinate the level of employment in a country. In order to understand the impact of the crisis on the labour workforce it is necessary to understand the evolution of employment levels during the period defined. In this study it is relevant to identify what are the concrete characteristics of the performance of vulnerable groups in the labour market during the period 2000 to 2012 so the relation of employment rate with variables as age, nationality and gender will be explored.

As previously mentioned, the Spanish economy experimented a period of economic expansion from 2000 until 2007 that was reflected in an uptrend from 2000s. This trend reversed radically in the years following the beginning of the crisis in Spain with lasting consequences until today's figures. The important impact of the crisis in the labour market is evidenced by the decrease of the employment rate on the general population. This rate fell 10 points from 2007 to 2012, reaching lower values at the end of that period than in 2000 (Figure 1).

Figure 1: Employment rate in Spain 2000-2012 – General Population by sex



Source: Own elaboration based on Eurostat [lfsa_ergan] (2013)

Similarly the data of the Labour Force Survey of the Spanish National Institute of Statistics (INE, 2013) shows that the absolute number of employed people reached the highest number ever since in Spain in 2007 and then declined reaching in 2012 a figure lower than that of 2005 (Table 2).

Table 2: The evolution of the number of people employed in Spain

Total	2005	2006	2007	2008	2009	2010	2011	2012
Population	18,973,200	19,747,700	20,356,000	20,257,600	18,888,000	18,456,500	18,104,600	17,282,000

Source: Own elaboration based on Spanish National Institute of Statistics (INE, 2013)

From the gender perspective, the statistical data shows imbalanced gender results for most of the labour market indicators for all the years analysed. However, the employment rate **gap by gender narrowed** as a consequence of the crisis (Figure 1). The female employment rate has traditionally been lower than the male rate due to some factors as the breadwinner model based on men. Since the beginning of the eighties, it has been observed a gradual increase in the number of women who have entered the labour market in Spain (Tena and Asin, 1991). However, the entry of women into the labour market had not been accompanied by equal policies (Navarro et al, 2011), causing a weaker but gradual labour integration of the women in the Spanish labour market.

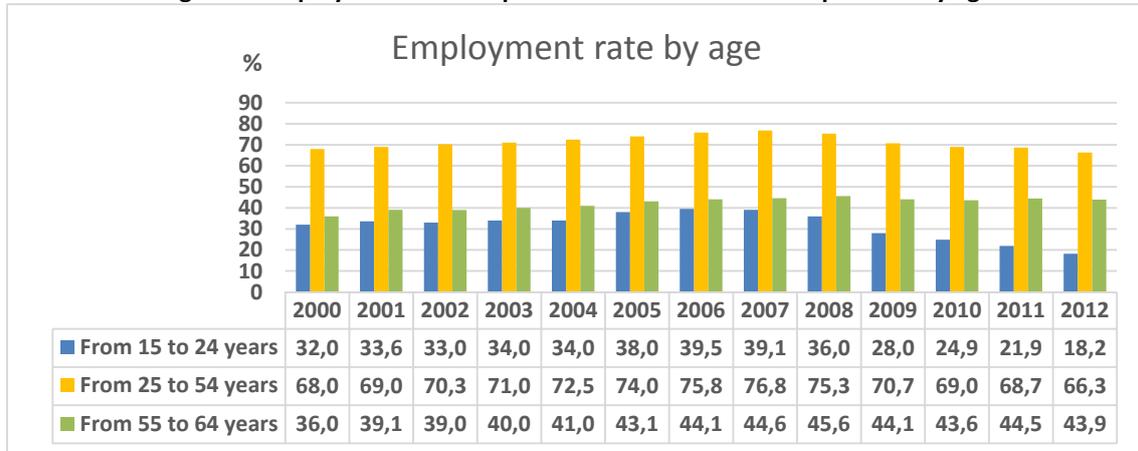
The gendered-based differential impact of the crisis in Spain has been explained by two factors that will be further analysed in following sections. On the one hand, the higher decrease of employment rate in men is related with the bursting in 2008 of the Spain's property bubble, affecting mainly to the construction, a sector overrepresented by men. On the other hand, the long-lasting effect of the crisis has promoted the **incorporation of the inactive women** to the labour market in order to help support families hardly hit by unemployment, showing an opposite effect in respect of other crisis. In fact, in previous crisis, women had been driven out of the labour market due to discouragement effect in the light of the labour difficulties (Sánchez, 2009).

Thus, as show the Figure 1, the female rate decreased 4 points while the male rate fell 16 points from 2007 to 2012.

Regarding the performance of age groups in the labour market from 2000 to 2012, **all the groups were increasing their employment rates during the pre-crisis years** (Figure 2). However, during all the period analysed there have been **differences on employment rate**

performance by age group, being younger workers (from 15 to 24 years old) the less favoured group followed by older workers (from 55 to 64 years old).

Figure 2: Employment rate in Spain 2000-2012 – General Population by age

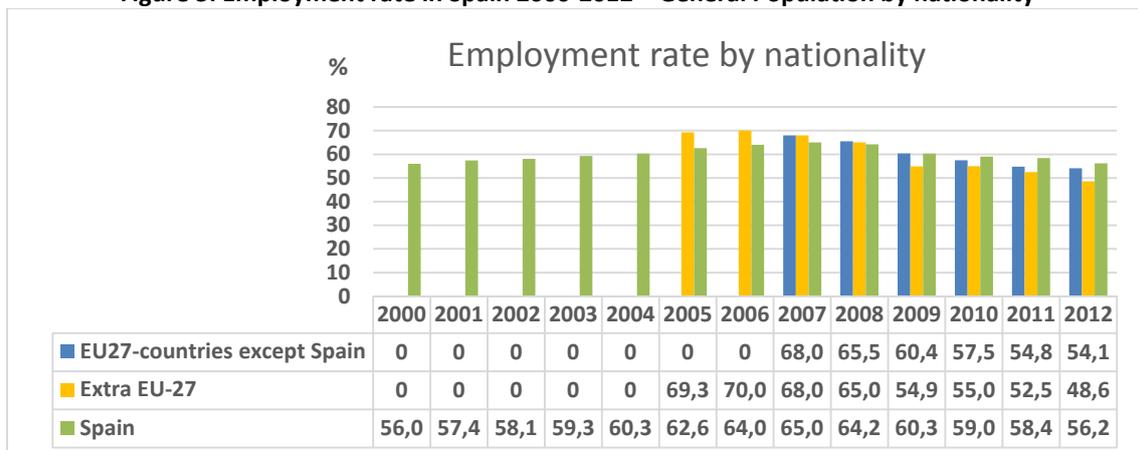


Source: Own elaboration based on Eurostat [lfsa_ergan] (2013)

The great impact of the crisis is depicting in the young people from 15 to 24 years old. Whilst their break point of the employment rate was in 2006 reaching their highest rate of 39.5%, that rate has halved during the crisis. On the opposite, the fall of the employment rate of older workers has been quite soft, decreasing only two points. The rate of the age group of people from 55 to 64 years old reached its maximum record in 2008 with the percentage of 45.6%.

Considering the employment rate by nationality both European data of Eurostat and national data of the Spanish Labour Force Survey only provide figures from 2005 on (Figure 3, 6, 14, 17). The employment rate of **migrant people living in Spain, both EU-27 countries and Extra EU-27 countries, was higher than the employment rate of Spaniards** in the years prior to the crisis (68.9% compared to 65.1% in 2007) (Eurostat, 2013). However, **since the beginning of the crisis this trend reversed due to the minor fall of Spanish workers employment rate** (ten points for the Spanish workers compared to twenty points of the Extra EU-27 workers). However, is important to highlight that **there were not important differences between Extra EU-27 migrant people and EU-27 migrant people** in this variable.

Figure 3: Employment rate in Spain 2000-2012 – General Population by nationality



Source: Own elaboration based on Eurostat [lfsa_ergan] (2013)

Concluding, the main findings from the analysis of the labour indicators by workforce groups refer to higher employment losses after 2007 in three groups showing different patterns:

- **Men** experienced a higher fall of employment than women during the crisis period. As showed in Figure 1 the male employment rate decreased 16 points while female employment decreased 4 points from 2007 to 2012.
- **Young people**, who halved their employment rate during the crisis.
- **Migrants** who loosed their pre-crisis employment advantage over Spanish workers during the crisis period.

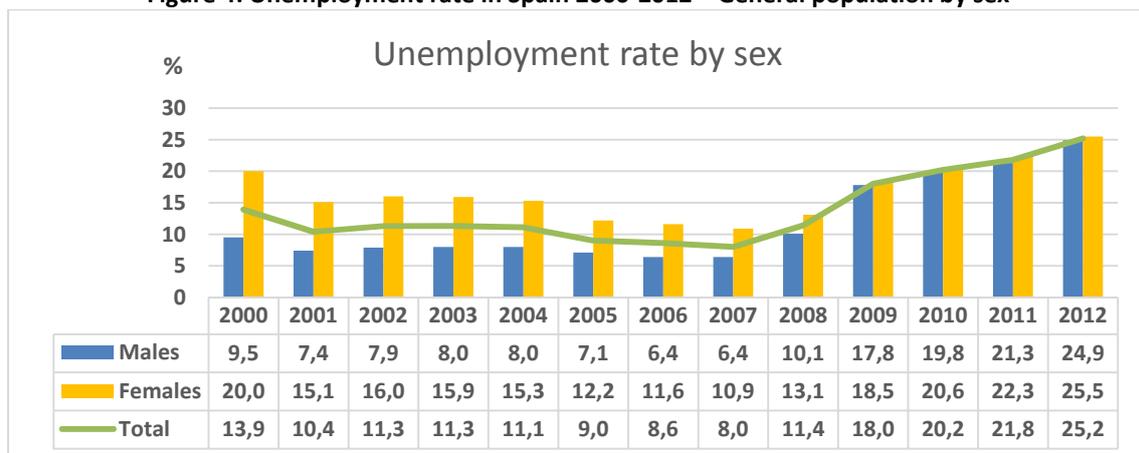
2.1.2. Unemployment rate in Spain

The unemployment rate gives the number of unemployed persons as a percentage of the labour force. This is an important indicator to determinate the performance of labour markets as it gives a picture of how difficult it is to enter or remain in the labour market in a period.

As shows Figure 4, the Spanish unemployment rate reached its minimum of 8.3% in 2007. However, the unemployment rate has been increasing exponentially from the beginning of the crisis, reaching the worst value in 2012 (25.2%). **This fact means that the unemployment rate in 2012 was around three times higher than the unemployment rate in 2007.** However, since 2012 the unemployment figures in Spain continued to get worse. Despite the time frame of the INSPIRES project has been demined until 2012, the worst register of unemployment was reached during the first quarter of 2013 when the unemployed people outreached the figure of 6,000,000 for the first time, attaining the number of 6,202,700 unemployed people, according to the press release of 25 April 2013 of the Labour Force Survey of the Spanish National Institute of Statistics (INE, 2013). These values caused an increase of people registered as job seekers in the Public Employment Services, reaching an increase of 9.64% compared to 2011. In absolute terms this implies 426,364 of new job seekers, being the third highest increase after those recorded in 2008 and 2009 (INE, 2013; Observatorio de las ocupaciones, 2013a).

Therefore, according to the data provided, the evolution of the number of unemployed in the last ten years has experienced two distinct trends in parallel to the trends identified for the employment rate. In the first trend the unemployment rate tends to fall until 2007. The second pattern is represented by a strong and progressive increase of unemployment level from 2008, which has remained until the end of the crisis. Therefore, **the unemployment registered has not ceased to worsen in Spain since the beginning of the crisis.**

Figure 4: Unemployment rate in Spain 2000-2012 – General population by sex



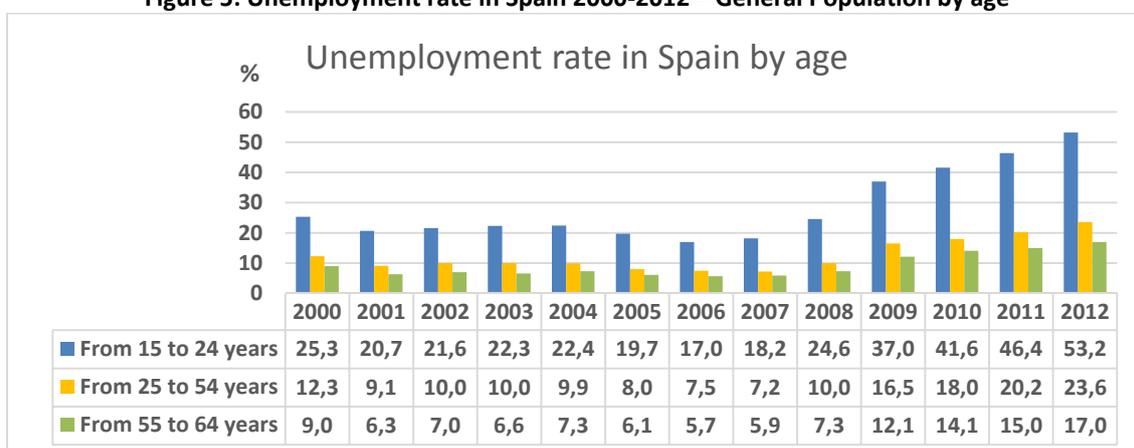
Source: Own elaboration based on Eurostat [lfsa_urgan] (2013)

When considering gender differences in the evolution of the unemployment a similar pattern than the one described in the employment rate evolution is observed. **The female unemployment rate during the pre-crisis period was nearly twice higher than the male rate**, showing the historical disadvantage of the women in the Spanish labour market. **However, the**

female and male unemployment gender gap was progressively narrowed throughout the crisis despite the female unemployment rate was a bit higher than the male in 2012 (25.5% compared to 24.9%). The reason for this trend might be the differential impact of the crisis by economy sectors in Spain. The Construction and Industry sectors, where the losses of employment were higher, were sectors where men are over-represented (Sánchez, 2009).

The study of unemployment rate by age (Figure 5) shows that the unemployment rate was gradually reduced in all groups throughout the pre-crisis years, reaching the minimum values between 2007 and 2008 (18.2% in the case of youth; 7.2% in the case of people from 25-54; 5.9% for older workers in 2007). Nevertheless the crisis had caused that all age groups recorded their worst figure in 2012 (53.2% in the case of young people; 23.6% in the case of people from 25-54; 17.9% for older workers in 2007). Despite the fact that unemployment rate of those from 15 to 24 years was the highest one in 2012, the greatest increase had been registered for those from 25 to 54 years old. In this last group the unemployment rate has increased 327% from 2007 to 2012, followed by the group of people over 55 years old whose employment rate has increased 314%. However, people from 15 to 24 years experienced the lowest growth by 297%.

Figure 5: Unemployment rate in Spain 2000-2012 – General Population by age

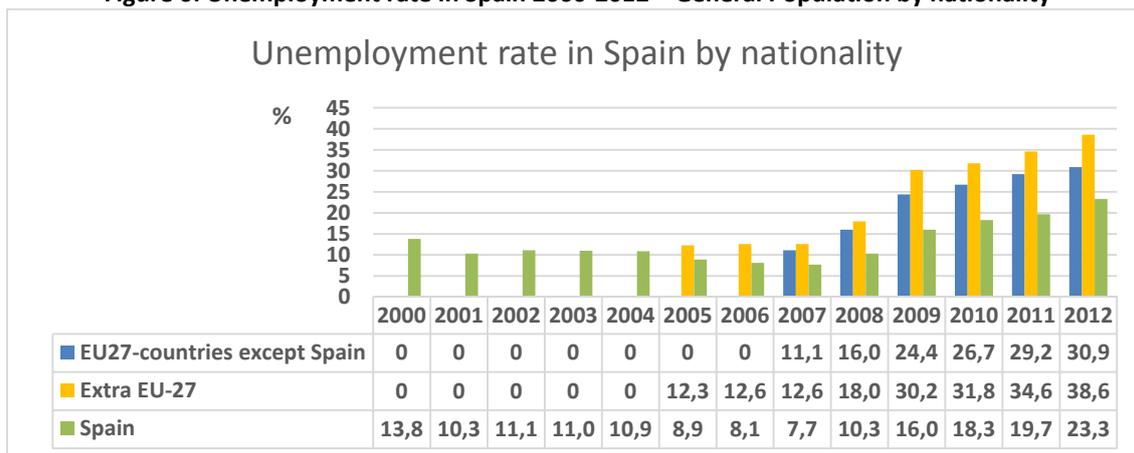


Source: Own elaboration based on Eurostat [lfsa_urgan] (2013)

Regarding unemployment rates by nationality, the Eurostat data is only available from 2005 for the migrant people from Extra UE-27 countries and from 2007 and on in the case of migrant people from UE-27 countries.

Taking into account the available data since 2007, Figure 6 shows that the unemployment rate of **migrant workers both Extra UE-27 countries and UE-27 countries was considerably higher than the one of Spanish workers in 2007** (11.1% in the case of Extra UE-27 migrant and 12.6% in the case of EU migrant compared to 8.1% of the Spanish people). However, **from the start of the crisis the unemployment rate for people from Extra UE-27 countries has grown faster than the rate for people of the UE-27 countries**, especially from 2008 to 2009. The highest unemployment increase affected the group of migrant of Extra UE-27 countries with an increase of 26 points followed by the group of migrant people from UE-27 countries (19.8 points). However, the increase of the unemployment rate among Spanish workers was the 15.6 points.

Figure 6: Unemployment rate in Spain 2000-2012 – General Population by nationality



Source: Own elaboration based on Eurostat [lfsa_urgan] (2013)

Therefore, the evolution of the unemployed rate from 2000 to 2012 has showed that the registered unemployment has not ceased to worsen in Spain since 2008.

Taking into account the different collectives, the biggest increase of unemployment during the crisis years was suffered by men, medium-aged worker and migrant people, especially from Extra-EU countries. However, the unemployment rate was higher in women than in men from 2000 to 2012 and the same applies for young workers. In the case of migrant people from Extra-EU countries the unemployment rate and its increase were the highest one during the crisis.

2.1.3. Long-term unemployment in Spain

According to Eurostat indicators, the long-term unemployment rate is the share of unemployed persons since 12 months or more in the total number of active persons in the labour market. Therefore, this indicator is an appropriate measure to show how difficult is to return to the labour market once a person is unemployed.

In this section the long-term unemployment rate from 2000 to 2012 has been studied taking into account gender and age variables. Due to a lack of statistical data, the long-term unemployment has not been studied taking into account nationality as referred in Table 1.

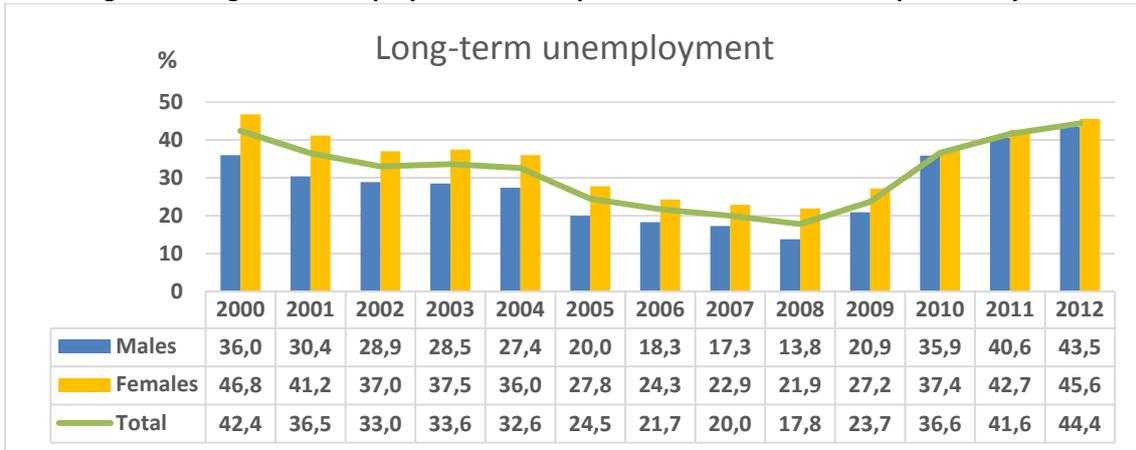
As a general trend, the long-term unemployment rate decreased during the pre-crisis and increased during the crisis years (Figure 7). The lowest long-term unemployment rate was reached in 2007, when this indicator was 20.4%. However, this rate increased 24 points from 2007 to 2012 attaining the value of 44.4% in 2012.

From the gender perspective, the Figure 7 shows that the female long-term unemployment was higher than male rate both during the pre-crisis and post-crisis period². Despite this gendered-based difference, in both cases the lowest long-term unemployment rate was reached in 2007 but, even so, the female long-term unemployment rate was almost 6 points higher than the male long-term unemployment rate (22.9% vs 17.3%).

However, since the beginning of the crisis the long-term unemployment rate grew, especially for men. Thus, the female increase was 22.7% from 2007 to 2012 while the male long-term unemployment increase was 26.2% during the same period. This differential impact of the crisis from this perspective has resulted in a continuous process of narrowing the long-term unemployment gender gap, especially from 2010. Thus, the difference between male and female long-term unemployment rate was only 2.1% points in 2012.

² The post-crisis period is defined within the Project as the period from 2008 to 2012.

Figure 7: Long-term unemployment rate in Spain 2000-2012 – General Population by sex



Source: Own elaboration based on Eurostat [lfsa_upgal] (2013)

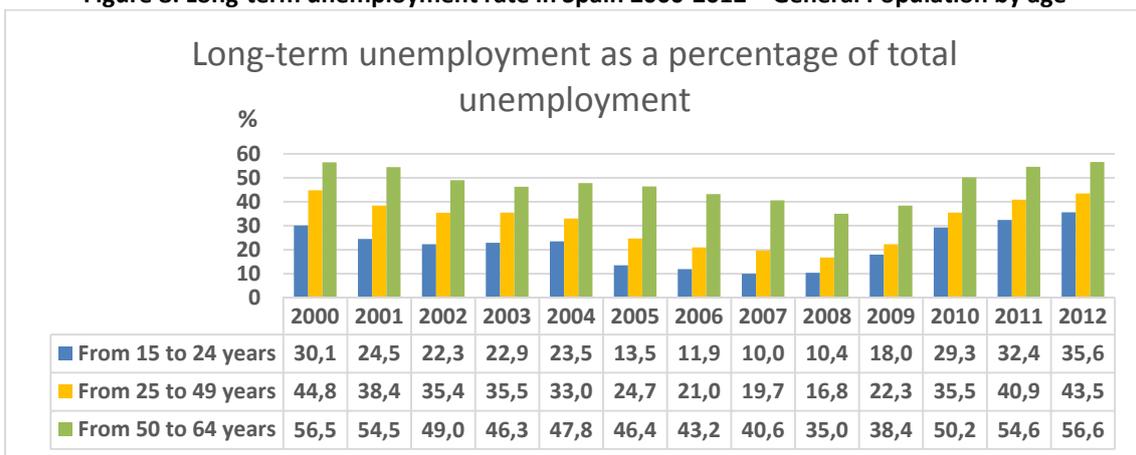
Regarding the long-term unemployment rate analysis by age, the Eurostat (2013) data shows that **the highest long-term unemployment rate has been for people over 50 years old while the lowest rate was the youth rate as a general trend.**

For all groups, the lowest record of the long-term unemployment rate was reached in 2007, when it was 10.2% for people from 15 to 24 years old, 19.7% for people from 25 to 49 and 40.6% for people from 50 to 64 years old.

The long-term unemployment rate of all the age groups increased considerably from 2010. **Whilst the long-term unemployment rate of older workers was the highest, this increase was the lowest** (16 points from 2007 to 2012), depicting a structural trait in this group. As shows Figure 8, the long-term unemployment of older workers was considerably higher than other age groups from 2000 to 2012 without exception.

However, the increase of the long-term unemployment of younger workers was the highest with an increase of 25.4 points from 2007 to 2012.

Figure 8: Long-term unemployment rate in Spain 2000-2012 – General Population by age

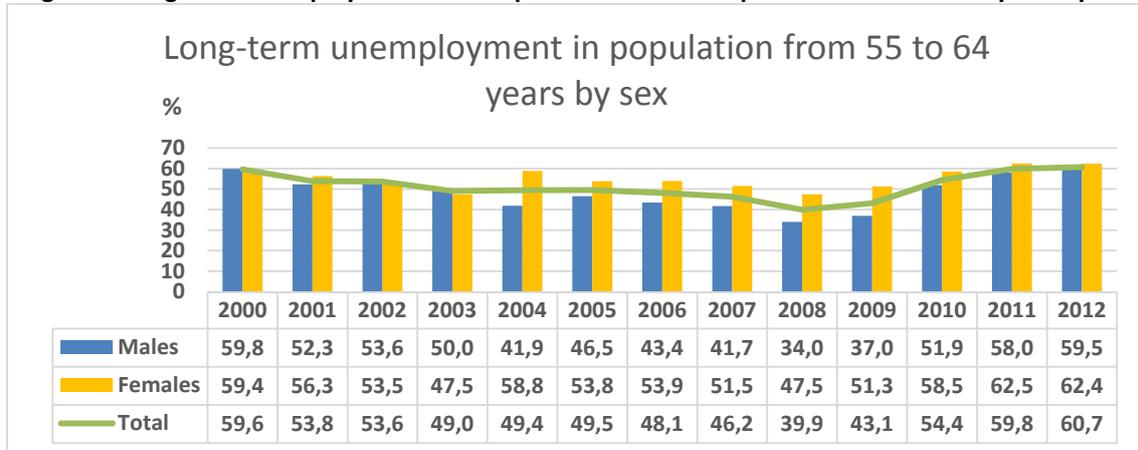


Source: Own elaboration based on Eurostat [lfsa_upgal] (2013)

Taking into account the gender perspective in people over 55 years, Figure 9 shows that the **gender gap became important from 2004, when the gender difference reached 16.9 points.** Nevertheless, from 2009 to 2012 this gap has been reduced, being the female rate only three points higher than the male rate in 2012.

Despite this, in both cases the worst figure was reached in 2012, when the long-term unemployment rate reached values close to the ones reached in 2000 (59.5% in the male case and 62.4% in the female case in 2012).

Figure 9: Long-term unemployment rate in Spain 2000-2012 – Population from 55 to 64 years by sex



Source: Own elaboration based on Eurostat [lfsa_upgal] (2013)

Therefore, the analysis of the long-term unemployment rate from 2000 to 2012 has showed that this rate decreased during the pre-crisis years and increased during the crisis. A gender analysis of this rate shows that the female long-term unemployment was higher than the men rate both during pre-crisis and post-crisis period but the increase of male long-term unemployment was higher than the female one, narrowing the gender gap. Moreover, the analysis has shown that there is a positive relationship between age and long-term unemployment rate: older workers are significantly more affected by long-term unemployment than young people.

2.1.4. Inactivity rate in Spain

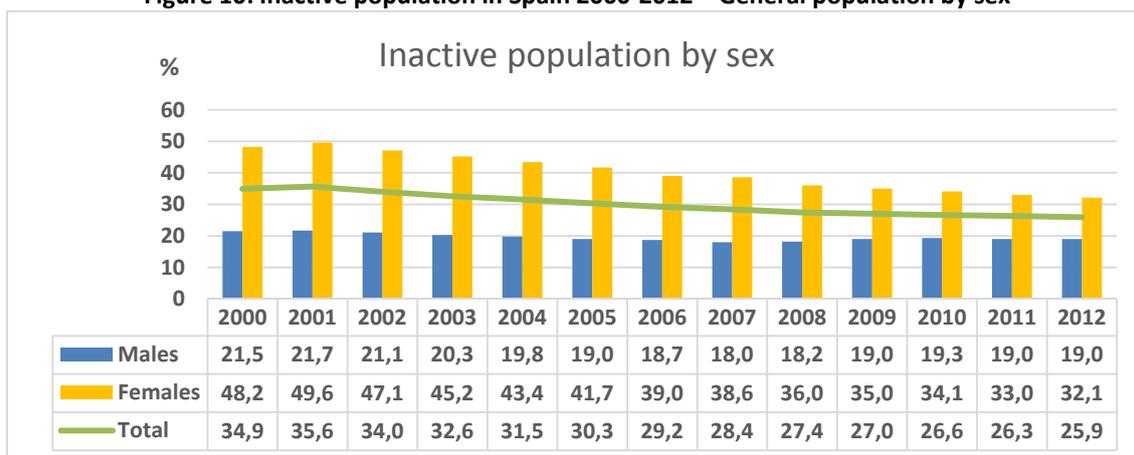
According to Eurostat, the inactivity rate indicates the percentage of those who are not considered employed or unemployed. Therefore, this is a proper indicator to analyse how many citizens are out of the labour market. In this section the inactivity rate from 2000 to 2012 has been analysed taking into account only gender and age due to the lack of inactivity rate data concerning nationality.

Figure 10 presents the percentage of inactive population that has been reduced from 2000 to 2012 (34.9% in 2000 compared to 25.9% in 2012), reaching its lowest value in 2012

The study of the inactivity rate by gender shows that during the pre-crisis period the female inactivity rate had been twice higher than the male inactivity rate. However, this gap reduced due to the slight increase in the inactivity male rate and the progressive decline of the female inactivity rate throughout the post-crisis period. Thus, while the male inactivity rate has had a more stable behaviour, the female rate has fluctuated more, going down from 49.6% in 2001 to 32.1% in 2012. The fall of the male inactivity rate just reached two points from 2000 to 2012.

Hence, the minimum gap was reached in 2012 when the male inactivity rate was 19.9% compared to 32.1% of female rate.

Figure 10: Inactive population in Spain 2000-2012 – General population by sex

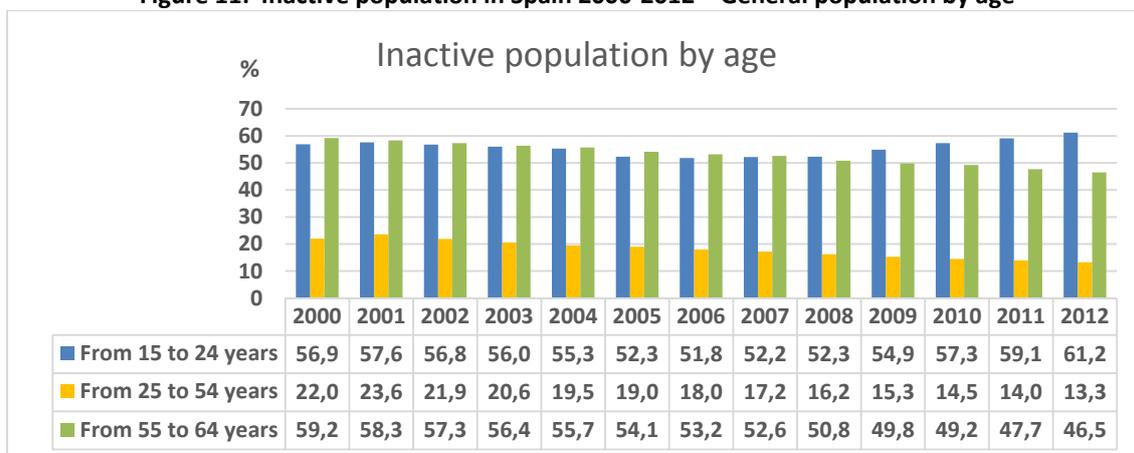


Source: Own elaboration based on Eurostat [lfsa_ipga] (2013)

Taking into account the variable age (Figure 11), the evolution of the young people inactivity rate reveals the year 2012 as the most critical, reaching 61.2% of inactivity in this group. In fact, from 2006 inactivity rate of younger workers has not ceased to grow.

The contrary trend can be observed for people from 25 to 54 years old and people from 55 to 64 who had lowest values during the crisis than during the pre-crisis years. Therefore the inactivity rate in those over 55 years has decreased compared to pre-crisis years in 12.7% from 2000 to 2012.

Figure 11: Inactive population in Spain 2000-2012 – General population by age



Source: Own elaboration based on Eurostat [lfsa_ipga] (2013)

In conclusion, the evolution of inactivity rate in Spain has showed a reduction from 2000 to 2012 as a general trend. However the decrease has been differential by gender. While the reduction was slightly in the male case, it was sharper in female case. Taking into account the age of the workforce, there are two age groups which are most affected by inactivity. People from 54 to 64 had more than three times higher inactivity rate than people from 25 to 24 years old in 2012. The rate of young people is the more significant as was almost five times much higher than the one of workers from 25 to 54 years old.

2.2. Statistical data regarding qualitative indicators

As in the previous section, a descriptive analysis is presented of the Spanish labour market position of the general population and the INSPIRES project vulnerable groups.

The indicators studied in this section are presented in Table 3 and aim to provide information of the qualitative features of the vulnerable group labour market position through the analysis of temporary and part-time employment structure. These indicators, temporary and part-time employment, have been analysed to general population and youth, older workers and migrant workers through the data of Labour Force Survey of Eurostat from 2000 to 2012 (INE, 2013). Due to the lack of Eurostat statistical data concerning to the performance of disabled people in the labour market, the section 4 will analyse the disabled labour market position taking into account the information provided by from the Spanish National Institute of Statistics (INE, 2014a) which covers from 2008 and on.

Table 3: Qualitative Indicators from Eurostat

Indicators	General population	Disabled	Migrants	Youth	Older workers
Temporary employment (lfsa_emptemp)	Age: 15-74 (lfsq_etpga)	x	Age: 15-74 (lfsa_etpgan) Nationality: Foreign country (lfsa_etpgan)	Age: 15-24 (lfsq_etpga)	Age: 55-74 (lfsq_etpga)
Full-time and part-time employment (lfsa_empftpt)	Age: 15-74 (lfsa_eppgan)	x	Age: 15-65 (lfsa_eppgan) Nationality: Foreign country (lfsa_eppgan)	Age: 15-24 (lfsa_eppgan)	Age: 55-74 (lfsa_eppgan)

Source: Own elaboration based on Labour Force Survey Eurostat (2013)

2.2.1. Temporary employment in Spain

The temporary employment indicator shows the temporary employees as a percentage of the total number of employees. According to Laparra et.al (2004) temporary employment could be considered as a variety of employment included in the precarious employment. As mentioned the European Commission, having a temporary work increases the risk of poverty in 1.5 times comparing with people with permanent contracts (European Commission, 2011).

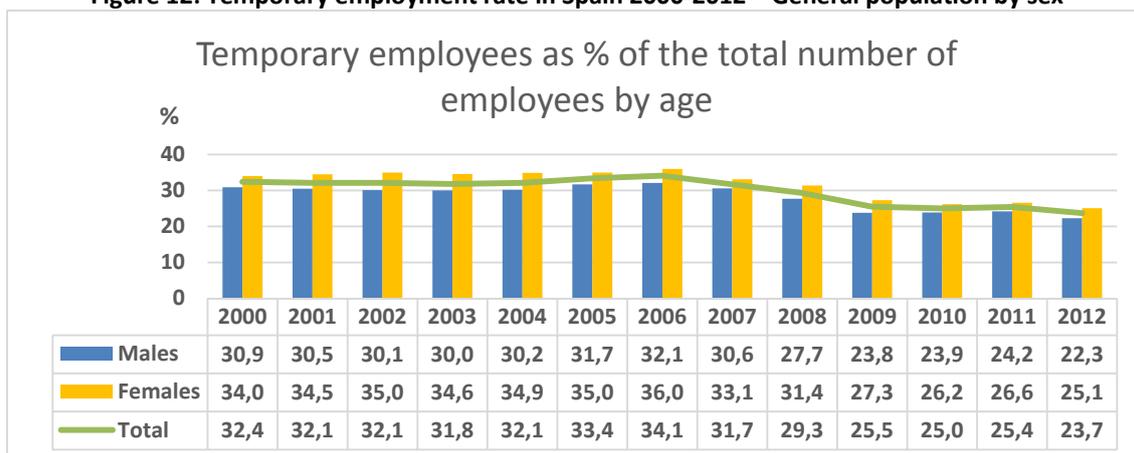
The level of temporary contract has been studied bearing in mind the gender, age and nationality variables.

The study of the evolution of the temporary employment rate in Spain from 2000 to 2012 (Figure 12) shows that **the temporary employment level kept constant around 32% during the pre-crisis years, with a slight rise from 2004 to 2006. However, the crisis has led to a decrease in this type of employment.** Such employment started to decrease in 2007, reaching its lowest figure in 2012, going down eight points from 31.7% to 23.7%. This data depicts that the labour market adjustment was mainly done in temporary employment in the light of the crisis (Sánchez, 2009), playing a role as “buffer” in the post-crisis period (Rueda, 2011). In addition, it should be mentioned that Construction sector, as a main sector affected by the crisis at the beginning of the post-crisis period, concentrated an important number of temporary contracts and self-employed workers, making easier this labour adjustment (Recio, 2009). Therefore, the temporary employment losses in Spain might be related to the sectorial

impact of the crisis and the fast adjustment that these contracts facilitate in the light of economic instability period.

From the gender perspective, the highest male level of temporary rate was reached in the pre-crisis year 2007 with 32.1% of temporary contracts. This level has fallen almost ten points throughout the crisis until the value of 22.3% in 2012. Regarding female case, the level of temporary employment was higher than male rate both in the pre-crisis and post-crisis period. Its maximum level, 36.8%, was reached in 2006. However, the female decrease of temporary level from 2008 to 2012 was lower than male case (around 6 points).

Figure 12: Temporary employment rate in Spain 2000-2012 – General population by sex



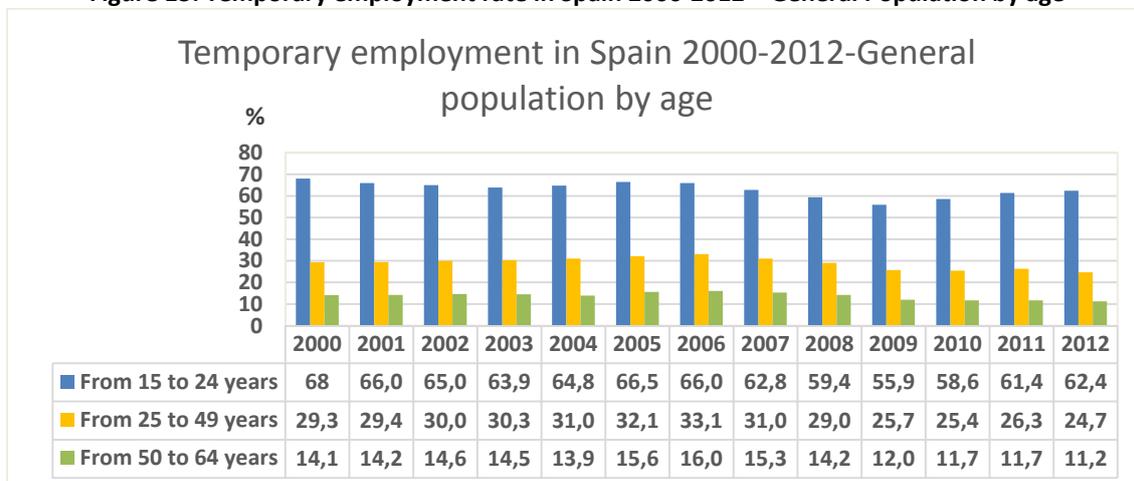
Source: Own elaboration based on Eurostat [lfsa_emptemp] (2013)

Taking into account the age groups, Figure 13 shows that people from 15 to 24 years old were strongly represented during pre-crisis and post-crisis period by holding temporary contracts. The highest youth level was 68.9% reached in 2000. This level went down between 2001 and 2003, but in 2004 it started to grow.

This level decreased from 2007 to 2010 among young people until the value of 58.6% but it was increased in the last years of the crisis until 62.4% in 2012.

For people over 55 years old, the level of temporary contracts has been relatively stable around the 14%. The year with the highest level of temporary contracts for this group was in 2006 (16.4%). However, during the crisis this level has not ceased to decrease until it reached the lowest value of 11.2% in 2012.

Figure 13: Temporary employment rate in Spain 2000-2012 – General Population by age

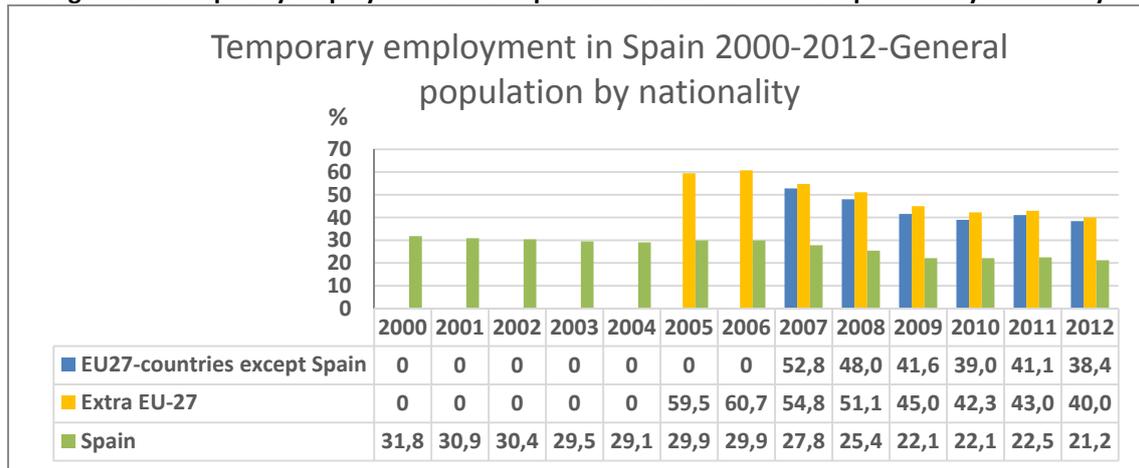


Source: Own elaboration based on Eurostat [lfsq_etpga] (2013)

Considering nationality, the temporary employment among the immigrant population has been twice higher as a general trend than among Spanish workers (Figure 14). Comparing the levels of temporary contracts of migrant people, there is a little difference between population from EU27 countries and from Extra EU-27 as the latter has always had a higher level of temporary employment. Thus, the level of temporary contracts was 52.8% for Extra EU-27, 54.8% for migrant people from the EU-27 countries and 27.8% for the Spanish workers in 2007.

However, the minimum figure for all groups was reached in 2012 when it was reached the figure of 38.8% for migrant people from the EU-27 countries, 40.7% for Extra EU-27 migrants and 21.2% for the Spanish workers.

Figure 14: Temporary employment rate in Spain 2000-2012 – General Population by nationality



Source: Own elaboration based on Eurostat [lfsa_etpgan] (2013)

As a conclusion, the study of the temporary contract level evolution has showed that the crisis has led to a decrease of this type of employment, as mentioned before. However, there are **some collectives more affected** by this kind of contract. Thus, the **female** level of temporary contract was higher than male case during the pre-crisis and post-crisis period. The same applies for **young workers** as they have more temporary contracts than older workers. In addition, **migrant workers from the EU-27 countries and Extra EU-27** had higher level of temporary contract than Spanish workers.

2.2.2. Full-time and part-time employment in Spain

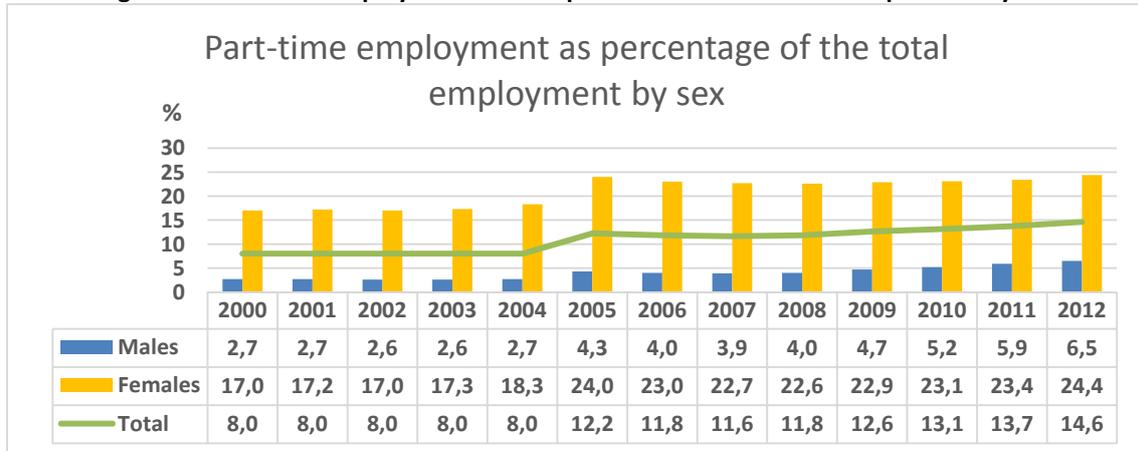
In this section the level part-time contracts is studied from 2000 to 2012. This indicator shows the percentage of the total employees who are affected by these kinds of contract. Thus, it gives information regarding the labour conditions of employed people as a dimension of the quality level of employment due to the part-time contracts often lead to labour insecurity situations (European Commission, 2012c).

The evolution of the level of **part-time employment in Spain (Figure 15) shows that this typology of contract was less common during pre-crisis years than throughout the post-crisis period**. Thereby, part-time contracts have increased by 6.6 points from 2000 to 2012 (8% in 2000 compared to 14.6% in 2012).

From a gender perspective, the Figure 15 shows that the female part-time level was around 15 points higher than male part-time level during the pre-crisis period. In addition, **the gender part-time employment gap grew during the crisis reaching a difference of 18 points in 2012**. This gap between female and male workers in this indicator could be one of causes of the gap in the pensions in the Spain. According to the European Commission (2013) there is a general

pensions gap by gender which was slightly lower than EU-27 in Spanish case in 2010 (39% compared to 34% in Spain).

Figure 15: Part-time employment rate in Spain 2000-2012 – General Population by sex

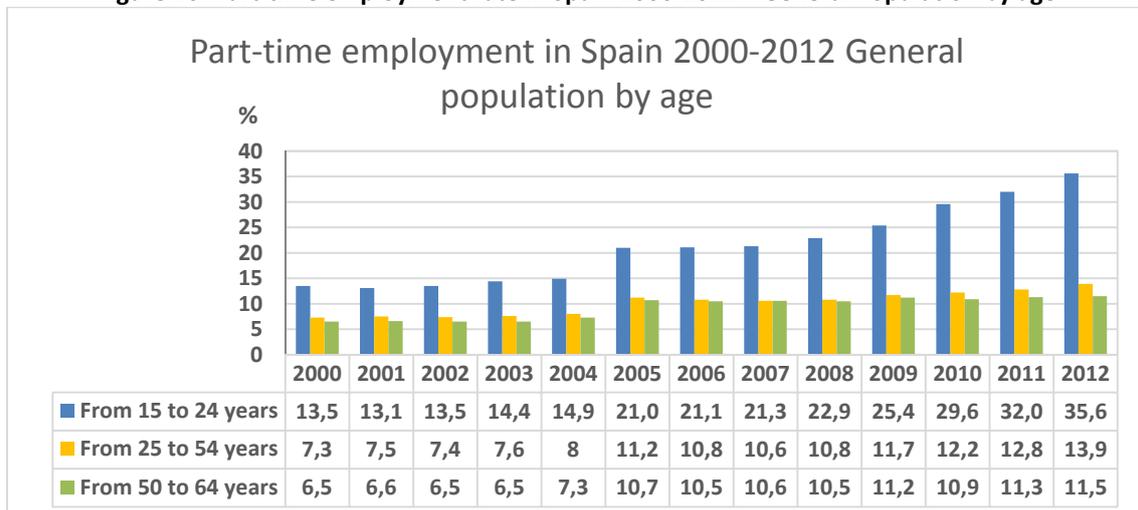


Source: Own elaboration based on Eurostat [lfsa_empftpt] (2013)

The analysis by age group (Figure 16) shows that the age group with the highest level of part-time is the one of people from 15 to 24 years old as general trend during all the period analysed. In this group this kind of employment has not ceased to increase since 2000 from 13.5% in 2000 to 35.6% in 2012.

For the rest of the groups, the level of part-time jobs was slightly increased during the crisis years. Therefore, the highest figure was reached in 2012 when it was 13.9% for people from 25 to 54 years and 11.5% for people over 55 years old compared to the figure of 10.8% of people from 25 to 54 and 10.5% for people over 55 years old in 2008.

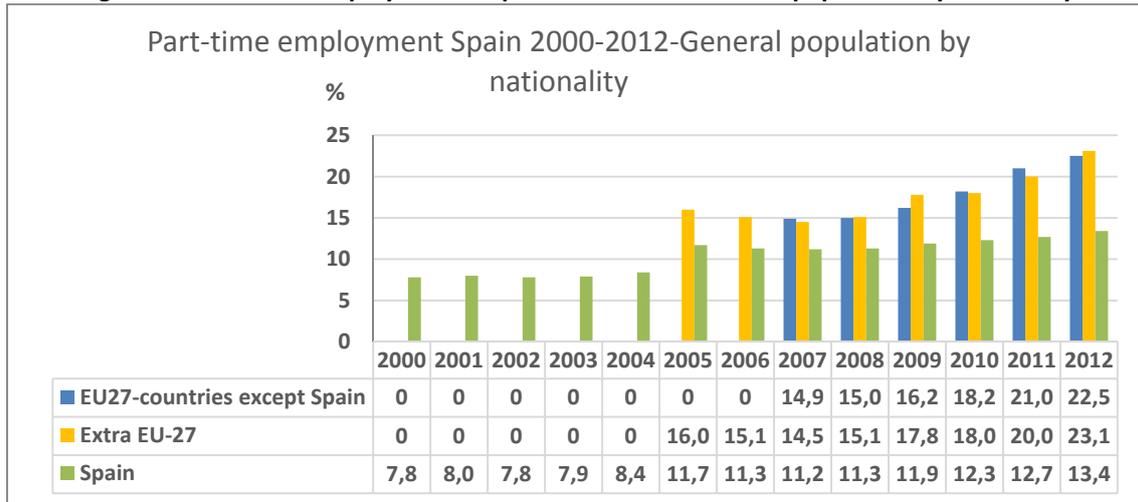
Figure 16: Part-time employment rate in Spain 2000-2012 – General Population by age



Source: Own elaboration based on Eurostat [lfsa_eppgan] (2013)

Taking into account nationality (Figure 17) the level of part-time started to grow in 2007 to reach the maximum value in 2012 in all groups. Therefore this level increased from 15% in 2008 to 22.5% for EU-27 migrant in 2012 and from 15.1% in 2008 from 23.1% for Extra EU-27 migrant in 2012. The rate of Spanish workers was around 8% until 2004. Since 2005 the behavior of this rate has been quite stable, but it has undergone a slight growth since 2009 to reach the highest percentage in 2012, when it was 13.4%.

Figure 17: Part-time employment in Spain 2000-2012 – General population by nationality



Source: Own elaboration based on Eurostat [lfsa_eppgan] (2013)

As a conclusion, the evolution of part-time level shows that it was an uptrend from 2000 to 2012. The female part-time rate was considerably higher than male rate during the pre-crisis and post-crisis period. In addition, as a consequence of the crisis, the gender gap was increased. Moreover, young people from 15 to 24 years had the highest level of part-time during all the period studied. Similarly, the part-time level of migrant people is higher than Spanish people as a general trend. However, there was almost no difference between Extra EU-27 migrant and migrants from EU-27.

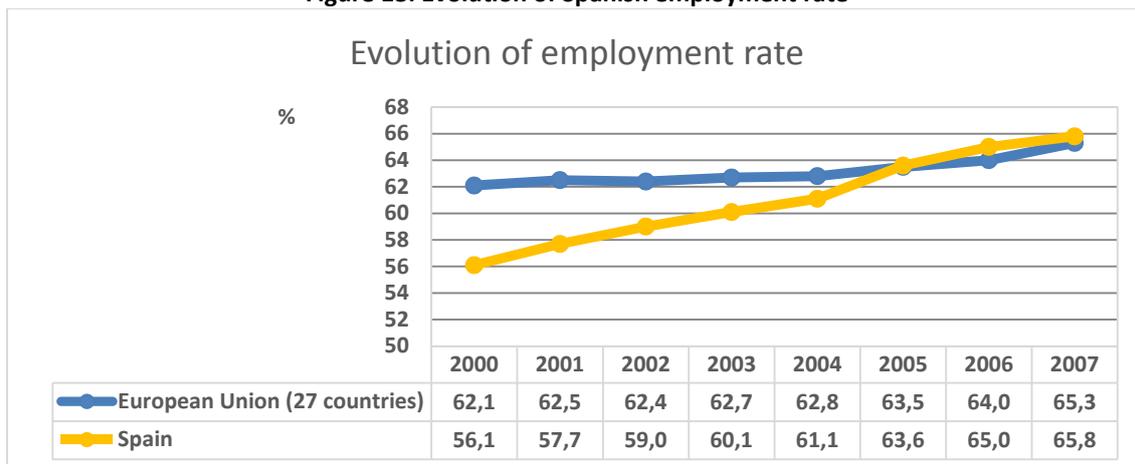
3. The pre-crisis labour market position of vulnerable groups (2000-2007)

During the pre-crisis period Spain experienced a large period of economic growth which led to improvements in the outcomes of labour indicators such as the employment and unemployment rate both for the general population rates and for the so-called vulnerable groups.

Despite this improvement, the Spanish labour market was characterized by lower employment and higher unemployment rates compared to other European countries and also by the dualization of the labour market between insiders-outsiders (Rueda, 2011). In addition, other relevant features during this period were the strong increase of temporary employment (Recio, 2009), the wage and productivity moderation, the intersectorial imbalance and the low levels of the economic strategies related to innovation and add value (Sánchez, 2009).

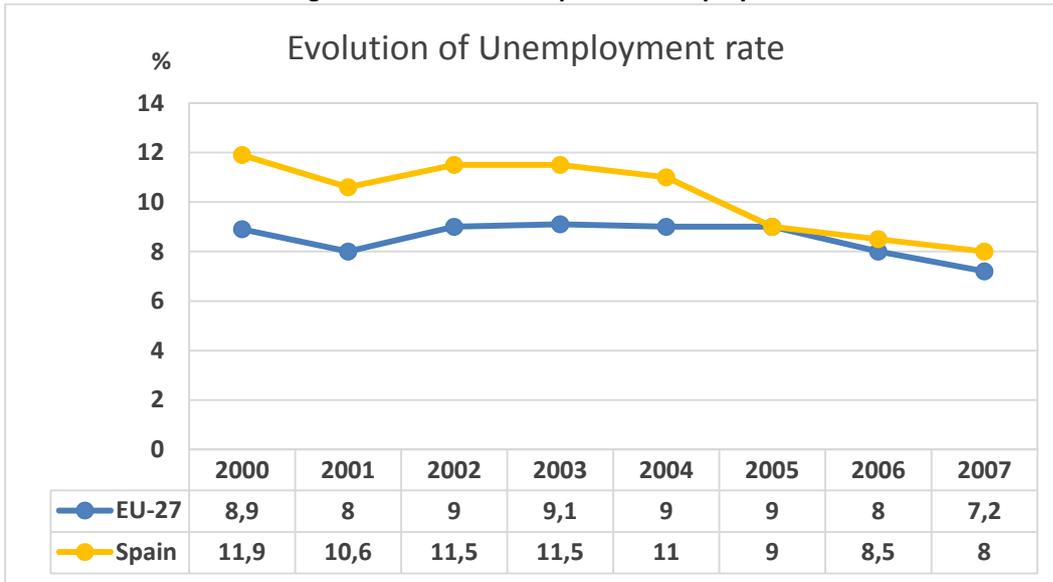
Based on the foregoing, from 2000 to 2007 the Spanish employment rate experienced an uptrend, showing a process of convergence with the EU-27 average (Figure 18). During this period there was remarkable of employment levels that resulted from 2005 to 2007 in Spanish employment rates higher than the EU-27 average. Also, the evolution of the employment rate during the pre-crisis in Spain had an inverse correlation with the trend of the unemployment rate (Figure 19)

Figure 18: Evolution of Spanish employment rate



Source: Own elaboration based on Eurostat (2014)

Figure 19: Evolution of Spanish unemployment rate



Source: Own elaboration based on Eurostat (2014)

During this period of economic growth, an increase of temporary employment took place in Spain as an important trait of the labour market performance. This was considerably higher than EU-27 average as shown in Figure 20, presenting the potential flexibility of the Spanish labour market.

Figure 20: Evolution of the Spanish temporary contract level



Source: Own elaboration based on Eurostat (2014)

This important increase of temporary employment has been mainly linked to those activities undemanding in skills and labour intensive activities as the services and construction sector characterized by high level of temporary contract (Sánchez, 2009). This fact could be a consequence of the historical Spanish pathway. From 1991 to 1994 Spain suffered an economic crisis which affected especially to the industry sector. One way to deal with the crisis was strengthening the construction sector (Recio, 2009).

As a consequence, during the pre-crisis period there was a high demand for housing which led to an increase of housing supply, boosting the investment in the construction sector as a

feedback effect. Besides, the arrival of immigrants, the increase of private consumption and the ease of financing and the low rates in credits favoured the generation of new jobs in this sector (Bernardos, 2009; Benllod, 2007).

Withal, these features had led to a model highly sensitive to the economic cycles which generates employment in times of expansion economy and destroys employment during the recession periods (Recio, 2009).

However, as it is explained below, these traits of the Spanish labour market have been manifested in a different manner according to the diverse groups who participate in labour market, producing different degrees of protection or vulnerability.

Therefore the following section have the aim to describe the labour market position of each INSPIRES vulnerable groups and to explain the reasons or factors that can affect to their labour situation during the pre-crisis period. With this purpose, not only the data gathered by statistical sources and desk research has been taken into account, but also the information provided by 16 experts in labour market through deep interviews as well.

3.1. The position of the disabled on the labour market during the pre-crisis period

In this section the labour market position of disabled people during the pre-crisis period (2000-2007) is described based on the information collected through research desk and the information gathered through experts interviews.

With the aim of studying the labour market position of disabled people it is necessary to framework what is consider in the Spanish context a worker with a disability according to the Royal Legislative Decree 1/2013, of 29 November, approving the revised text of the General Law on the Rights of Persons with Disabilities and its social inclusion and the Royal Decree 1971/1999. In Spain it is consider that a person has a formal disability when the degree of disability is greater than or equal to 33%, a percentage that is determined by technical criteria according to different medical and social indicators and their impact in the daily activity.

The study of disabled labour market position in the pre-crisis period is a difficult issue in Spain due to the lack of statistical data covering the period 2000-2008. Currently, the Spanish Labour Force Survey only provides data of disabled people from 2008 onwards. Even though there is a lack statistical data regarding the labour performance of this collective during the pre-crisis period, some Spanish studies have analysed the labour market position of disabled people during the period. Therefore, there is a relevant corpus of studies providing contributions to the understanding of the labour market position of disabled people in our country, stressing the most common labour features of the disabled people. The Global Strategy of Action to Promote the Employment of People with Disabilities that established the framework of the disabled people labour employment from 2008 to 2012, elaborated an important diagnosis about the labour market situation during the pre-crisis period.

Considering all the different sources of information about this group in the Spanish labour market some peculiarities of the situation of people with disabilities can be highlighted in the Spanish context during the pre-crisis period, mainly related with the lower activity rate and their tendency have shorter periods of permanence in the labour market.

Spanish data show that people with disabilities have more difficulties to access to the labour market and to remain in it than people without disabilities, and Spanish literature have defined disabilities as a vulnerability factor that determines the labour participation of the people affected by them (CERMI, 2009; Rodríguez & Cueto, 2013) and their permanence in the labour market (Clayton et al., 2011; Red2Red, 2009; Observatorio de las ocupaciones, 2013).

This labour vulnerability factor is not a result of economic downturns but a structural problem of this group of the labour workforce that results in considering people affected by disabilities as part of a vulnerable group. In fact, this vulnerability was evident in the Spanish labour market even before the crisis and when the Spanish economy was expanding. Whilst the number of the employed people in Spain increased from 1999 to 2007, disabled people maintained **low levels of activity and employment** (Ministry of Health and Social Policy, 2008).

The study of López-Pino & Seco-Marín (2005) indicated that the disabled activity rate was 24% compared to the 54% of the people without disabilities in 2004. Those differences were identified much earlier by the study of Del Cabo, et al. (2003) that analysed data from the Survey of Impairments, Disabilities and Health Status of the Spanish National Institute of Statistics. This study showed not only that the disabled activity rate was half of the rate of general population (32.2% compared to 66.2%) but also that the unemployment rate of disabled workers was higher than the rate of workers without disabilities (26% compared to 16.58%).

All this data suggests that disabled people had a weakest labour market position than their peers without disability even before the period of economic expansion we are studying in this section.

However, the experts' interviews framed within the Inspires project described the labour situation of people with disabilities in the period 2000-2007 as better than the period after the crisis (2008-onwards) due to some positive factors that occurred in the pre-crisis period.

On the one hand the increase of the **Corporate Social Responsibility (CSR)** awareness was underlined as one helpful factor in the labour integration of disabled people:

"...if something helped to improve the labour integration of disabled people and other groups was the staging of Social Responsibility. Since 2000, just when the European Commission published the Green Paper of CRS, it began a tendency to work on social responsibility issues. That helped somehow to increase companies' awareness and make them realized that integrating groups with difficulties could improve their reputation and help them to communicate what they were doing in the field" (Expert nº1).

"Regarding disability we were aware of a fundamental aspect such as Corporate Social Responsibility and to what extent the socially responsible company made an effort so as not to discriminate and to improve the vulnerable group's employment performance. So we perceived that the best-in-class companies had this corporate philosophy..." (Expert nº5)

In addition, the diagnosis made by the Global Strategy of Action to Promote the Employment of People with Disabilities 2008-2012 underlined the important increase of **special employment centres** as one of the most relevant fact promoting labour inclusion of workers with disabilities. Thus, in 2006 the number of special centres had tripled in comparison to the number of them in 1996, being the special employment centres one of the most important components of the disabled labour policy. The importance of the special employment centres was identified by the experts as well as a contributing factor to the inclusiveness of disabled people:

"..It has always been a collective outside the labour market and we have kept it away from schemes of labour inclusion. Excluding some entities, the special employment centres were the ones who did a great jog regarding their labour inclusion" (Expert nº12)

"If solidary companies do not facilitate the labour inclusion of disabled people, there are some entities whose business is organized round activities with the objective of promoting labour inclusion. These are the special employment centres" (Expert nº2)

In addition to these positive aspects mentioned by the experts interviewed, some other experts showed a sceptical vision about the improvements of disabled people in the labour market integration during this period. It was argued that the disabled people still had more difficulties and few alternatives to get labour inclusion compared with other groups from 2000 to 2007 for several reasons.

On the one hand, experts referred to **the limited role and impact of the Social Integration of the Disabled Law 13/1982 of 7 April (LISMI)** regarding the inclusion of workers with disabilities. This Law established the obligation of public and private companies with more than 50 employees to hire a 2% of their workforce with people with disabilities in order to facilitate the labour inclusion of this group. However, the limited or unknown impact of it was highlighted by the experts:

“The LISMI, which is the Law of Social Integration of the Disabled, indicates that 2% of the workforce of some companies must be disabled people. But it is said that this Law is the Spanish law more broken...”(Expert n°2)

In the same line, the diagnosis made of the pre-crisis period by the Global Strategy of Action to Promote the Employment of People with Disabilities 2008-2012 (Ministry of Health and Social Policy, 2008) emphasized that 25 years after the LISMI endorsement, and considering that there is not official data, it seems that the minimum quota of the 2% hiring of disabled people was not achieved.

On the other hand, other sceptical experts highlighted the difficulties associated with the economic specialization acquired before the crisis. An expert mentioned that the expansion period lived in Spain during the period 2000 to 2007 did not benefit disabled workers as the sector creating more employment was the construction:

“If we see the economic sectors which were creating jobs, we see that the integration of people with disabilities is complicated. I'm thinking of the construction sector which was one of the sectors that has generated more jobs. It is not easy to integrate groups with disabilities in these sectors” (Expert n°1)

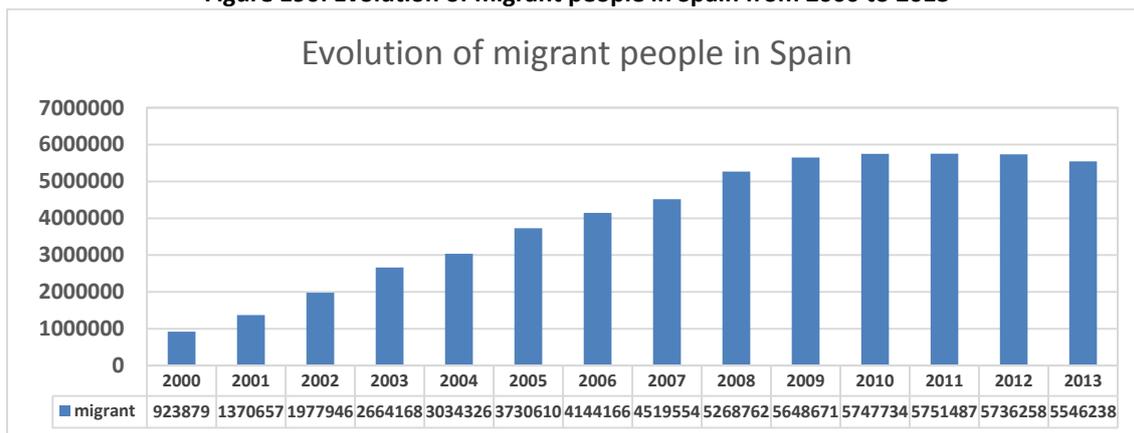
Finally, cultural factors as attitudes related with discrimination have been pointed out as a barrier to the labour inclusion of disabled people during the pre-crisis by Global Strategy of Action to Promote the Employment of People with Disabilities 2008-2012 (Ministry of Health and Social Policy,2008).. In some way, the pre-conceptions of employers regarding people with disabilities were mentioned by the experts as well.

“Employers continue to refuse having disabled workers. I am thinking not only about mental disabilities but also physical ones. The physics disabled people because it involves changes in the company and adaptations... etc. (...)” “I think there is a lack of education on how to deal with people with disabilities. And this is something that has never been addressed. It has implemented legislative measures but I think that is culture matter, and culture is something that is not change it from a legislative perspective. It change it with other way” (Expert n°15)

3.2. The position of migrants on the labour market during the pre-crisis period

The immigration phenomenon became important in Spain since 2000 coinciding with the economic growth period. Thus, Spain experienced a large and deep increase of migrant population, increasing nearly 5,000,000 migrant people in 10 years, from 923,879 in 2000 to 5,751,487 in 2011 as represented in the Figure 22. In 2013 the total population of Spain was 46,704,314 inhabitants and the **number of migrants** increased up to 5,546,238 residents (INE, 2014c). That implied that Spain had 11.8% of migrant people in 2013.

Figure 190: Evolution of migrant people in Spain from 2000 to 2013



Source: Own elaboration based on figures from Spanish National Institute of Statistics (INE, 2014c)

Whilst the INSPIRES project is not only focused on migrant people but also on the labour market position of second generations, it makes difficult to obtain information of them due to the Spain only have decade of experience as migrant host country . On the grounds that there is a lack of statistical data to obtain information about this new phenomenon in Spain, the labour market position of migrant people during the pre-crisis period (2000-2007) is studied taking into account the data available. Consequently, in this section the labour market position of migrant people has been analysed according to the statistical data available in Eurostat, drawing a distinction between migrant from EU-Countries and Extra-EU migrant countries.

The motivation behind this important growth of migrant people during the pre-crisis period were working reasons (Colectivo IOE, 2011b), attracting mainly working age migrant people. Thus, before the crisis hit the Spanish labour market, the 76.31% of migrant people were active people in 2007 (INE, 2014b).

In the analysis of statistical data of labour indicators in Spain (section 2) some features of the position of migrant workers in the pre-crisis period were presented. Specifically, the migrant position in the Spanish labour market has been characterised by high employment rates (nearly 4 points higher than the one of Spanish workers) but also by higher unemployment rate compared to nationals in the pre-crisis period (11.1% in the case of Extra UE-27 migrant and 12.6% in the case of EU migrant compared to 8.1% of the Spanish workers). Regarding this fact the experts' speech, note that vulnerable groups as migrant population still had difficulties to join the labour market in the long run, moving more frequently between employed and unemployed situation.

“The vulnerable groups, even in a situation of full employment can have difficulties in order to access to stable employment. If they get a job it is usually for short time because they have low educational level. Not in the case of all migrants, as many of them had high level of education, but other migrants with lower educational levels had difficulties to adapt”(Expert nº2).

“The situation of migrant people was relatively good due to the fact there were labour opportunities in agriculture, construction and the service sector. It depended on the origin country” (Expert nº5)

This argument acquires further significance when the features of the migrant people jobs are considered. The previous section showed that the employment of migrant people was characterized by considerably higher level of temporary contracts than Spanish workers (52.8% for Extra EU-27, 54.8% for migrant people from the EU-27 countries and 27.8% for the Spanish workers in 2007) and also by slightly higher levels of part-time jobs (around 3 points higher

than Spanish population in 2007). In addition, the important presence of migrant people in sectors like construction compared to Spanish people from 2000 to 2004 has been referred by Spanish studies (Carrasco & Ortega, 2005). Table 4 shows that migrant people were mainly occupied in the services sector, followed by the construction sector in 2008 when the crisis started.

Table 4: Number of employed by nationality and economic sector in 2008

Sector	Spanish people	Migrant people
Agriculture	657,400	158,900
Industry	2,837,700	336,700
Construction	1,825,900	605,000
Services	11,801,900	1,829,100

Source: Own elaboration based on figures from Spanish National Institute of Statistics (INE, 2013)

In addition, the evolution of wages in the pre-crisis period shows that migrant were, in general, paid lower than Spanish workers, specifically the Extra EU Migrants.

Table 5: Evolution of wages by nationality

Year	Spanish people	EU Migrants	Extra EU Migrants
2004	18497,55	17775,83	14130,75
2005	18905,66	18238,64	14606,26
2006	20123,44	20424,18	13595,27
2007	20876,78	17137,2	14140,9

Source: Own elaboration based on figures from Spanish National Institute of Statistics (INE, 2013)

It has been argued that during the pre-crisis years the migrant people were employed in high-demand jobs as labourers in construction, household workers, agriculture workers and other services in which there was no supply of Spanish workers (De la Rica, 2014). Thus, migrants provided cheap labour to the sectors of construction and services (Recio, 2009; 2010).

Therefore, the economy sectors where migrant people were integrated influenced in the manner in which labour inclusion took place. Thus, the construction sector was characterized by high level of temporary contracts, having as a result a weak labour inclusion in low-skilled sectors due to the poor labour conditions offered. This aspect was emphasized by the experts interviewed: *“Migrant people who came to Spain in this expansive period were working in activities like construction or agriculture without knowledge of the language. So, the educational requirement was very low. If you can work in a place without knowing Spanish or you cannot understand your colleagues, it implies that you are highly replaceable”* (Expert nº10)

“The migrant people had low-skilled jobs in that period [2000-2007] as intensive jobs in construction and other sectors like agriculture as well” (Expert nº1)

“Migrant people who came to Spain did it due to fact that they could find a job, basically. A job which Spanish people will not do because they were considered as underemployment, so to speak” (Expert nº12)

“It was generated a lot of jobs for migrant people but, what kind of employment? They were the most precarious employment with lower-skills requirements...in this sense vulnerable groups were the same as always.”(Expert nº10)

Therefore, it has been pointed out the contradictory situation of migrant people in the Spanish labour market during the pre-crisis period: the data suggests that whilst the employment figures were better than the ones of Spanish workers, they were overrepresented in activities or sectors with low labour conditions: low salaries, higher level of temporary and part-time employment. Thus, their labour inclusion was weak compared to Spanish people. And also, the higher unemployment rate might indicate that an important part of migrant people were already a vulnerable group having more difficulties to join the labour market.

3.3. The position of youth on the labour market during the pre-crisis period

In the Spanish labour context young people are those over 16 years that is the minimum legal age to join the labour market. Thus, according to the Article 6 of Statute of Workers Rights it is not allowed the admission to contract people under 16 years old.

Young people was a vulnerable group in the Spanish labour market during the period 2000-2007 as they had worse labour performance than other age groups. The labour fragility of young people was portrayed in youth unemployment rate and in their worse labour conditions. Whilst the lowest young unemployment rate was attained in 2006 with a value of 17.9%, this was three times higher than the one of workers aged +55 and twice higher than the one of workers aged from 25 to 54 years old. This data shows a clear structural disadvantaged even during in pre-crisis years and in a period of economic expansion. In addition, age has been revealed as an element affecting to the unemployment rates, even in countries with low youth unemployment, as the European Commission (2012a) has reported.

The weak labour market position of young people during the pre-crisis period was clearly underlined by the experts:

“The problem was that the occupancy rate and the unemployment rate were high whilst the good performance of the labour market in general. In this collective, as women, the employment is more temporary, part-time with a higher concentration of part-time employment and precarious employment (Expert nº11)

In addition, they were strongly affected during pre-crisis by temporary contracts and part-time and lower levels of wages. Thus, temporary level of young people in 2007 was four times as much as older workers and twice as high as them (Eurostat, 2013).

During this period it became popular the term “mileuristas” to refer to young people from 25 to 34 years with university studies and with low wages (around 1.000 euros/month) (Freire, 2010). This trend became especially evident with the change from pesetas to euros (Gentile, 2014). Regarding wages, the gross salary level of young people during the pre-crisis has always allocated under the level wage of general population, as shown Table 6:

Table 6: Evolution of gross salary levels in young people

Year	Less 20 years	From 20 to 24	General population
2004	10,414.27	12,282.45	18,310.11
2005	11,035.72	13,040.23	18,676.92
2006	10,150.32	12,646.16	19,680.88
2007	10,326.63	12,758.98	20,390.35

Source: Own elaboration based on data from Spanish National Institute of Statistics (INE, 2013)

Besides, the experts' speech distinct between the labour market position of skilled youth workers and unskilled youth workers throughout pre-crisis period. Experts argued that young people could join the labour market easily due to the increase of job demand by firms during the economic expansion period, encouraging unskilled young to leave the educational system in order to work in the construction and services sectors.

"Talking about young people with university studies, during the period there was good access to university education but the difficulties arise when trying to find a skilled job. And then, the collective of non-skilled young people who left the school because it was easy to find a job, mainly in the construction sector or non-skilled jobs with high wages. It was a constant and now we have observed the consequences. There were a lot of young people who left school in order to work because of it was easy to work in those sectors" (Expert nº 9)

"I think that in this period there still were great difficulties to finding a job. I am talking about skilled young people, it was difficult to find a job according to their studies. And then, it was easy to work on the services or construction sector and in addition, with relatively high salaries, probably with higher salaries that the ones of young people with university studies working in qualified jobs" (Expert nº 15)

"In the young people case, there was already a problem of over-qualification, that from my point of view it was instead a problem of underemployment. It was problem before and after crisis... () during these years you can see a percentage of skilled population who were not working, young people unskilled and there was a low percentage of profiles with medium level of education, which were the profile that the labour market was demanding" (Expert nº 13)

According with these arguments, Table 7 shows that during the pre-crisis the main part of the young people employed had just finished Primary School while the number of young people with university studies was significantly lower.

In the case of skilled young workers, the experts considered that there was an "over qualification" due to the fact that there was a part of qualified young people who could not find a job according to their studies. These arguments are depicting the skill mismatch of the young Spanish labour market. In the case of skilled young people there was named as a generation with many studies that joined the labour market with very low wages, but with good prospects for promotion. As well as noted García-Montalvo and Peiró (2011), during the housing boom with the increase of the low-skilled jobs which required equal or higher wages than the required by qualified jobs, many young people were encouraged to leave their studies. Indeed, the unemployment rate among university students has traditionally been higher than other educational groups although the youth unemployment began to grow strongly in groups with lower educational levels from 2003.

Table 7: Employed Young people by educational level (thousands of people)

Educational level	From 16 to 19		From 20 to 24	
	2007	2006	2007	2006
Primary School	78,7	66,5	146,4	121,1
1º Phase of Secondary Education	230,3	229,5	585,8	618,6
2º Phase of Secondary Education	75,6	77,4	512,6	528,6
University studies	0,6	0,3	175,2	177,1

Source: Own elaboration based on figures from Spanish National Institute of Statistics (INE, 2013)

Finally, some experts concluded that during this period the culture of effort was not transmitted to young people who left school early to join the labour market.

“I’d define the situation as “perverse”. I think they were unlucky because they were joining the labour market when it seemed that all could be possible, without training, without effort, without qualification it was possible to find a job, a well-paid job. We did not appreciate the culture of effort. We did not know how transmit the culture of effort to this generation because it used to be easy for them and now they take a hard blow” (Expert nº12)

Therefore, the labour situation of this collective has been defined as “perverse” due to the effect that the crisis had later on, specifically, in those younger low-skilled workers who could join the labour market easily in the pre-crisis period.

3.4. The position of elderly workers on the labour market during the pre-crisis period

Despite the collective of older workers in INSPIRES project is defined as those over 55 years old, in the Spanish labour market, people over 45 years old are considered as one the segment of the workforce with difficulties of labour inclusiveness insertion (Observatorio de las ocupaciones, 2014). Thereby, some employment policies have considered this collective as a relevant target group.

In general terms, the statistical data of the previous section has showed that older workers had a more advantageous situation than other vulnerable groups like young people. This circumstance is portrayed in their lower level of unemployment, presenting the lowest rate among all groups and their lower level of temporary contracts. In addition, wages were higher among older workers renders that had an advantageous employment situation in relation with other age groups (Table 8).

Table 8: Evolution of level wages in older workers

Year	General population	From 45 to 49	From 50 to 54	From 55 to 59	From 60 to 64
2004	18,310.11	22,409.48	24,207.17	23,379.15	20,839.12
2005	18,676.92	22,636.66	24,418.75	25,416.47	21,317.12
2006	19,680.88	22,586.73	23,883.06	25,187.63	21,813.47
2007	20,390.35	22,953.53	24,640.36	25,468.86	21,047.36

Source: Own elaboration based on figures from Spanish National Institute of Statistics (INE, 2013)

This fact depicts the dualization of the Spanish labour market between those who have high labour protection and permanent contracts and those who have precarious labour conditions or are in an unemployment situation (Rueda, 2011). Taking on this perspective, the Spanish labour market present a situation in which older workers are those who have better labour conditions, especially against young people, already in pre-crisis years.

These features about the employment situation of older workers were underlined as significant factors triggering that older workers had a better labour condition compared to other groups during the pre-crisis period. Thus, the speeches of the expert highlighted:

“It was a good period [2000-2007] because in Spain it seemed people would be working in the same company basically all their life. You could expect to retire in the same company and that your job will not be in danger” (Expert nº 4)

“They [elderly workers] did not face as much difficulties as now. But they have always been a collective that, in case of unemployment, is extremely vulnerable because it is difficult for them to find a job. They were vulnerable but they had some labour benefits as antiquity included in collective agreements. I understand that they had a good labour situation regardless of their educational level” (Expert nº13)

However, the older workers already presented difficulties to join the labour market, once they were unemployed. Thus the statistical data nuanced that older workers had the highest long-term unemployment rate both during the pre-crisis period and later on. Likewise the European Commission (2012b) noted that older workers in EU-27 are less likely to transition from employment to unemployment than younger workers, although they are more likely to stay unemployed for longer.

“Before the crisis, I think that older workers and the long-term unemployed who were outside of traditional sectors had the greatest difficulty. Mainly workers from the industry sector. They worked whilst they did not have studies and they had maintained their professional experience and the qualifications required working throughout the years. Also there was not capacity to move them to other similar activities. I think that it was difficult to help them. So, they were the most worrisome collective here” (Expert nº 9)

“In this sense, disabled people and people over 55 years old were the people who benefited less from expansive cycle. They were the least-favoured ones due to the productive specialization that had been extended during these years. They had more difficulties to join to the labour market. Finally, this collective tried whether entering in the public sector or joining or core activities” (Expert nº10)

These arguments underline some factors that might have made weaker the labour market position of older workers in pre-crisis period such as they were the least-favoured ones due to the productive specialization and the lack of studies and skills. Moreover, the difficulty of labour older worker’s mobility was highlighted.

As mentioned before, older workers had better labour condition than other age groups in the main labour market indicators. Thus, during the pre-crisis years they had better labour performance than other vulnerable groups.

However, the data has shown that the main older workers’ labour vulnerability is linked to the loss employment due to the difficulty to return to the labour market. In an unemployment situation older workers are likely to be long-term unemployment.

4. The crisis, policies in the crisis and the effect of the crisis on the vulnerable groups (2008-2012)

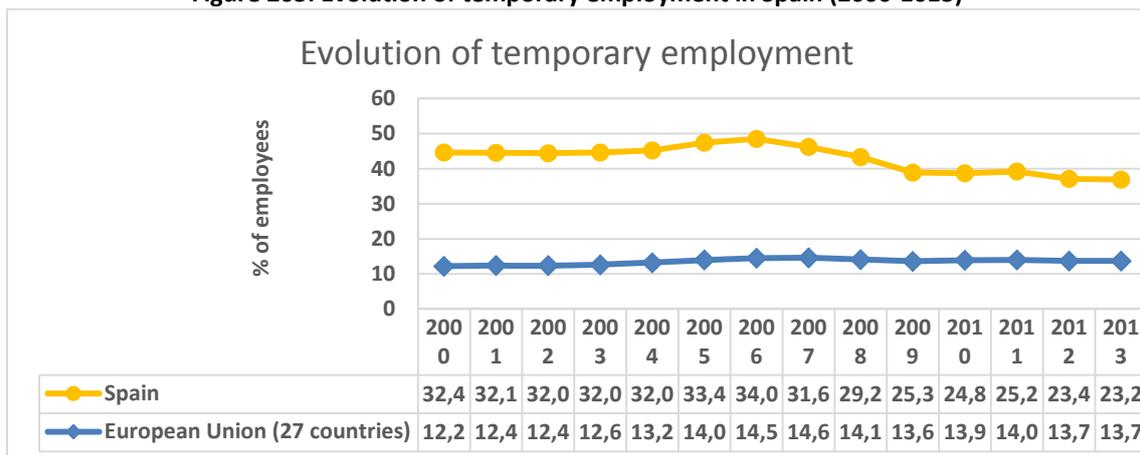
The crisis has had a severe impact not only on the Spanish economy but also in the Spanish labour market, showing an important repercussion on the labour indicators which have not ceased to worsen. During the period from 2008 to 2012 (post-crisis period), the labour performance of the Spanish labour market was primarily portrayed in three labour indicators: unemployment, employment rates and the level of temporary employment. These indicators worsened considerably during the following years, showing the bitter face of the crisis in the records of them. In this section the behaviour of the main labour indicators will be analysed in order to establish some labour features of the crisis impact in Spain compared to EU countries.

The data of the previous sections of this report show that the Spanish labour market reached its best employment figures in 2007 when Spain had 20,356,000 of workers and the unemployment rate reached the 8.3%. However, the crisis impacted strongly in the Spanish labour market causing a massive destruction of employment. Therefore, the Spanish labour market has shown to be very sensitive to the economic changes, depicting not only the possibility to create employment during the economic growth but also to destroy employment in recession economic period. Specifically the evolution of employment rate shows the adverse decline experienced during the crisis (Figure 1 in section 2.1.1).

As mentioned before, the crisis had a severe impact mostly indicators such as employment, unemployment and the level of temporary contracts. The data indicates that from 2006 the fall of temporary employment has been more intense in Spain than in the other EU-27 countries, not ceasing to decrease until 2013 (Figure 24).

According to Vaughan-Whitehead (2011), temporary employment can be considered as an important factor explaining both the differences in unemployment among countries and different groups. In this way, 90% of the lost jobs in Spain were temporary during the period 2007 to 2009.

Figure 203: Evolution of temporary employment in Spain (2000-2013)

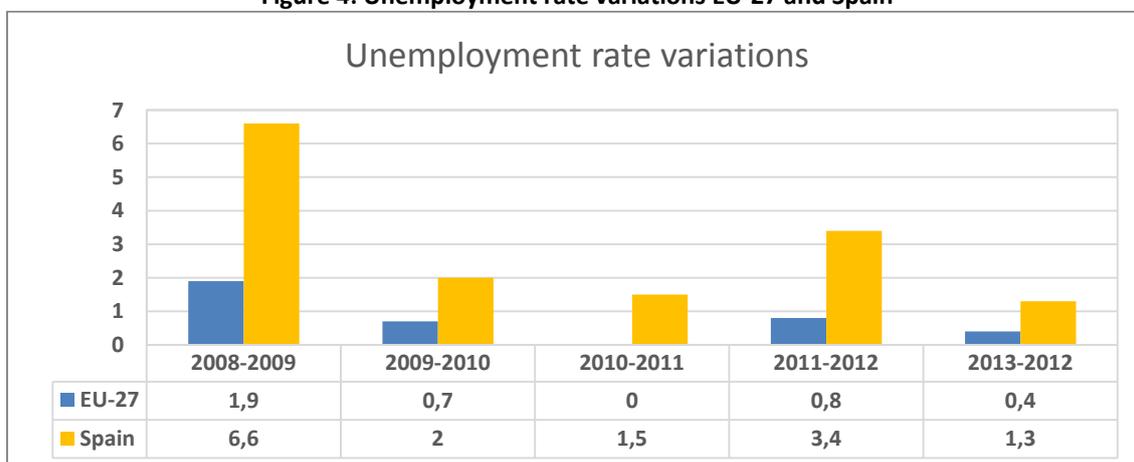


Source: Own elaboration based on Eurostat (2014)

Thus, the fall of the unemployment rate in Spain has not ceased to increase above the average of EU-27 (Figure 24). By comparison, the increase of unemployment in Spain has been significantly higher than the EU-27 average (Figure 23).

Whilst the severity of the crisis effects on the labour market throughout the crisis has been argued, the data shows the existence of two years where the indicators declined more rapidly: 2009 and 2012 (Figure 24), portraying the deep impact of the crisis on the Spanish labour market. These two years were particularly critical. As a matter of fact some reports (Infojobs & ESADE, 2013) have indicated that Spain suffered a double recession in the post-crisis period. Hence, when a small recovery was discerned in the main indicators from 2008 to 2011, they felt again in 2012 as Eurostat data (2013) shows.

Figure 4: Unemployment rate variations EU-27 and Spain



Source: Own elaboration based on Eurostat (2014)

The deterioration of the main labour indicators could have an explanation in the economic-labour model which was brewed throughout the pre-crisis period (Recio, 2009). Thus, the impact of the crisis on the Spanish labour market has been linked to several facts which go beyond the financial sphere such as the sectorial specialization, the characteristics of productive fabric and competitiveness models (Sanchez, 2009).

During the pre-crisis period the construction and activities related to the service sector acquired an important relevance, being the branches of the economy. These sectors in Spain are less demanding in relation to the educative requirements of workers (Sánchez, 2009).

Therefore, the Spanish labour market experienced an increase of the economic activities undemanding in human capital. In addition the expenditure in innovative activities showed a deficit compared to the EU-27 average in 2007 (1.27% of GDP compared to 1.85% of EU-27 GDP) (Sánchez, 2009).

Given that situation, since the beginning of the crisis in Spain, several measures and legislative reforms have been undertaken by the Spanish government as a response to the situation. During the crisis Spain has had a change of government. Thus, from 2008 to 2011 remained in power the PSOE – Spanish Socialist Workers Party with a left or Social Democratic ideology and from 2011 to the present, the PP – Popular party with a right or liberal ideology.

The measures implemented by both governments have been assorted, introducing some important structural changes not only regarding labour market, but also in the economic field. Thus, from the beginning of the crisis two Labour Reforms have been implemented by the Law 35/2010 under the PSOE government and the DRL 3/2012 under the PP government.

Table 10 provides a summary of the main measures and legislative reforms undertook by each government:

Table 10: Summary of the main measures and legislative reforms undertaken during the post-crisis period by the Spanish governments

PSOE government	Austerity Plan 2008 (June 23th of 2008) 21 measures	Financing of small and medium enterprises, the growth line for midsize companies, and financing support Housing public; Promoting to the rehabilitation of homes, buildings and tourist facilities; Reform of vocational training, which would be particularly aimed at strengthening emerging and innovative industries; 30% of reduction in public jobs in 2009 and freezing the salaries of senior officials.
	The economic recovery Plan (November 28th of 2008)	11,000 million extraordinary credit to finance investment and lead to the creation of 300,000 jobs in 2009.
	The Spanish E Plan or Plan to Stimulate the Economy and employment (2008)	Royal Decree-Law 9/2008, to improve the economic situation of certain strategic sectors and undertake projects with high impact on job creation.
	The Plan of 24 measures (2008-2009)	24 economic reforms carried out in 2008 and 2009 and focus their actions on housing, SMEs, among others.
	Rise of I.V.A. 2009 and delaying the age of retirement	
	Fiscal adjustment measures (2010-2011)	Measures highlighted the 5% reduction in the wages of public sector employees by 2010 and 15% for members of the government and senior officials, freezing of pensions for 2011, the extinction of the "baby check" or reduction of state public investment 6,400 million between 2010 and 2011.
	The first labour reform (2010)	Its main objective is to combat excessive labour turnover labour market. The measures are aimed at reducing the gap in severance.
	The Constitutional Reform (2011)	Maintenance of balanced budgets of public administrations.
PP government	Policy austerity (2012)	The reduction of social spending and unemployment benefits, higher taxes and the onset of rates or co-payments due to 612 points of the risk premium on July 25, 2012.
	The second labour reform (2012)	Decree Law 3/2012 on urgent measures to reform the labour market, which was finally approved with Law 3/2012, of July 6, on urgent measures for Labour Reform aims to reach a correct level of <i>flexisecurity</i> in the Spanish labour market implementing different protective measures such as the incorporation of overtime to partial contracts or promote permanent contracts in firms with fewer than fifty employees, but relaxing dismissal, introducing a new cause for dismissal for economic, technical, organizational or production reasons.

Source: Own Compilation

In general terms, the policies set out during the post-crisis period were associated with the economic situation and the political and ideological changes. Thus, in Spain were mainly two groups of crisis responses: 1) policies focused on maintaining social expenditure in the first phase of the crisis and 2) policies focused on transversal austerity to control the debt due to the fact that the % of public debt made public in the second phase of the crisis increase the risk premium.

Therefore, during the post-crisis period the main labour indicators in Spain become worse. In an attempt to cope with the crisis impact, several measures were implemented. In this regard, it is important to stress the two Labour Reforms implemented as well as structural policies trying to encourage the labour recovery. However, the labour indicators did not improve, reaching their worst figures of the period in 2012.

4.1. The position of the disabled on the labour market during the post-crisis period

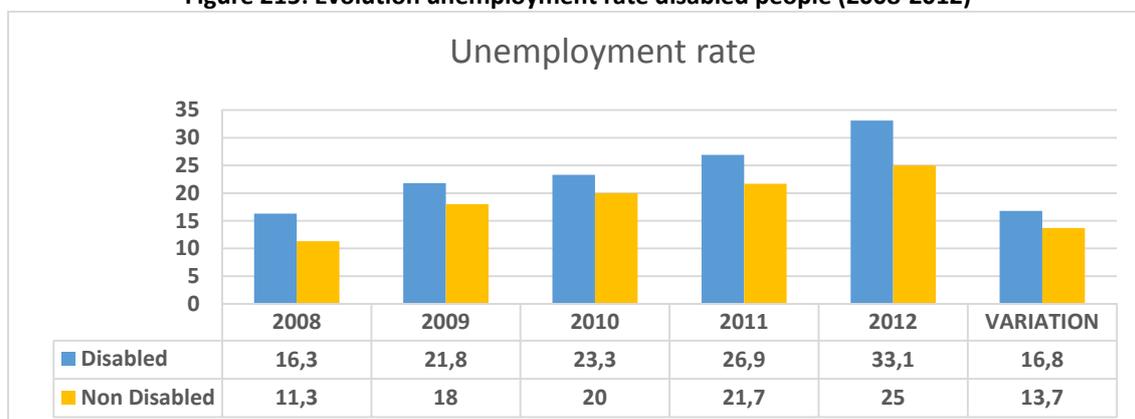
The economic crisis in Spain has shown a severe impact that has overreached the traditionally structural vulnerable groups in the Spanish labour market, as disabled people. During the crisis some labour indicators had worse output for this group than for the general population. Thereby, disabled people suffered higher unemployment (Alcover de la Hera & Pérez Torres, 2010; CERMI, 2009; Del Cabo et.al., 2003; Mercado et.al, 2013; Pagán, 2009; Red2Red, 2009; Rodríguez & Cueto, 2013), higher levels of part-time employment (Pagán, 2009; Observatorio de las ocupaciones, 2013b), lower employment rates and wage levels (Pagán, 2009; Huete, 2013) than non-disabled people during the crisis years.

The data of the survey “Employment of People with Disabilities” (2008-2012) from the Spanish National Institute of Statistics gathered information about the labour performance of the disabled people in the Spanish labour market. This data makes it possible to study of the labour situation throughout the crisis.

The impact of the crisis on disabled people has been characterised by some peculiar traits characterized by higher unemployment rates and low employment and activity rate compared to non-disabled people. Moreover, it is worth noting the differential impact of the crisis in disabled employment and unemployment rate compared to people with disabilities as will be explained in more detail below.

In the group of quantitative indicators, the unemployment rate of people with disabilities has remained higher than the one of people without disabilities during the whole of post-crisis period (Figure 25). The worst unemployment rate was reached in both groups in 2012 when the unemployment rate of non-disabled people was 25% compared to 33.1% of the disabled people.

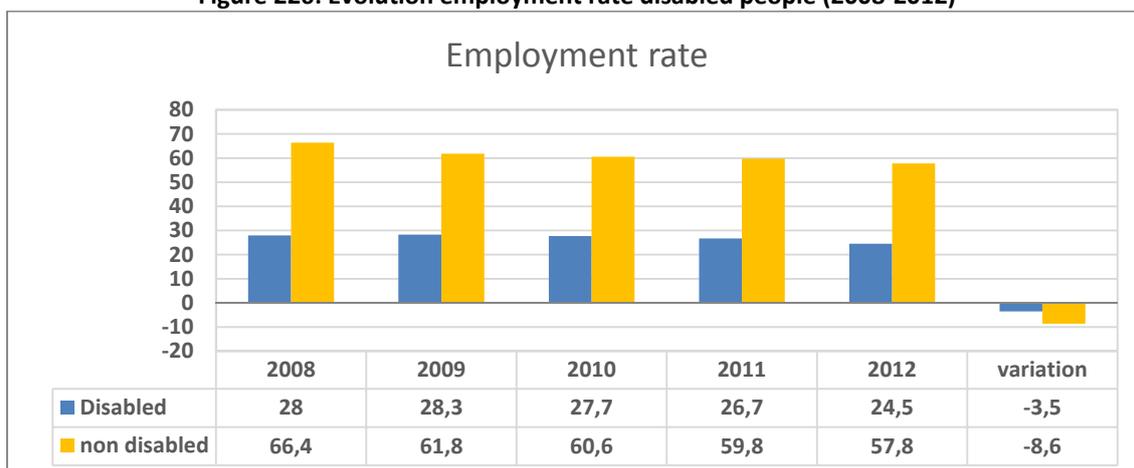
Figure 215: Evolution unemployment rate disabled people (2008-2012)



Source: Own elaboration based on figures from Spanish National Institute of Statistics (INE, 2014a)

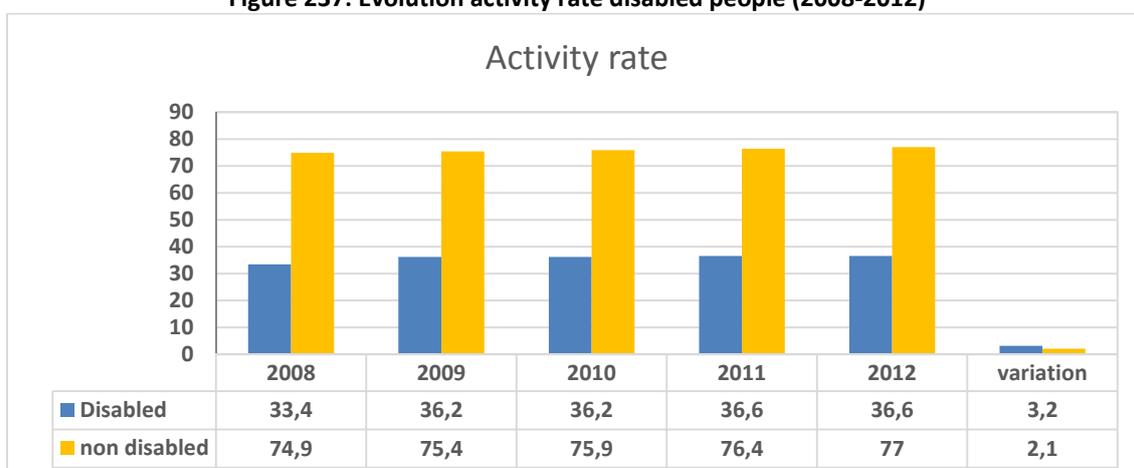
In addition, the data suggests that the low employment and activity rate of disabled people are one of the most important challenges in this group. The activity rate of disabled workers was more than twice lower than the non-disabled rate during all the post-crisis period (77% compared 36.6% of the disabled people in 2012) and, as a general trend, the employment rate of the general population was more than twice higher than the rate of people with disabilities (57.8% compared to 24.5% in 2012) (Figure 26).

Figure 226: Evolution employment rate disabled people (2008-2012)



Source: Own elaboration based on figures from the Spanish National Institute of Statistics (INE, 2014a)

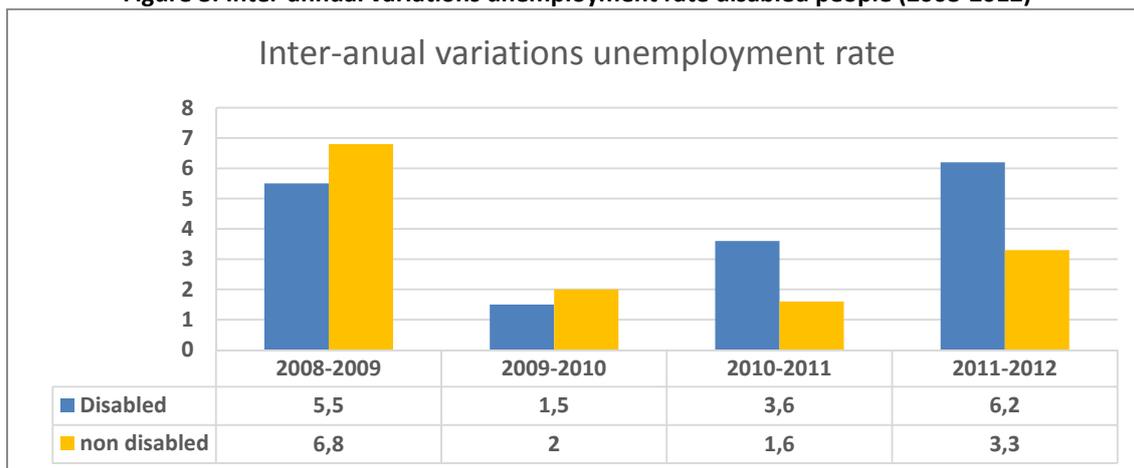
Figure 237: Evolution activity rate disabled people (2008-2012)



Source: Own elaboration based on figures from the Spanish National Institute of Statistics (INE, 2014a)

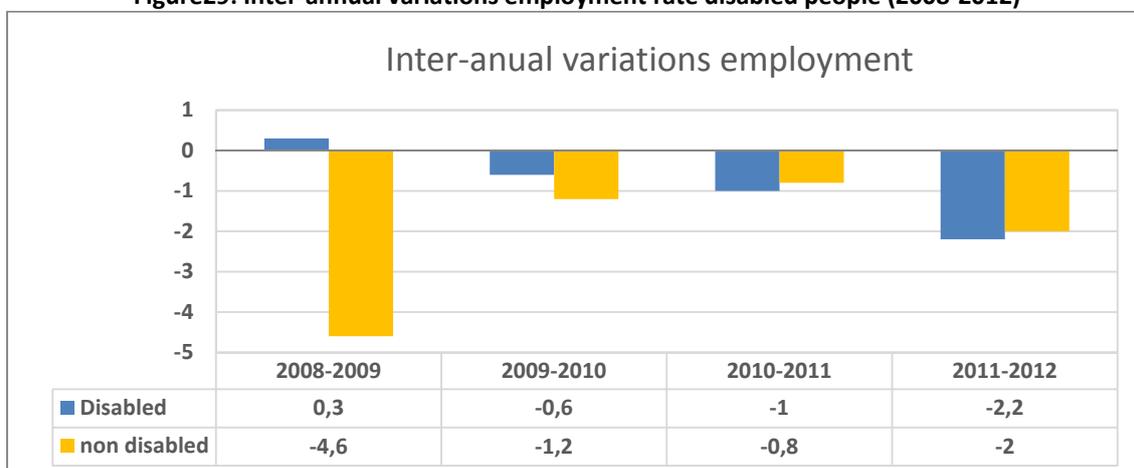
However, the evolution of unemployment and employment in disabled people compared to non-disabled people has not been parallel (Figure 28). The data suggests that non-disabled people were more affected by unemployment and the loss of employment in the onset of the crisis, while disabled people suffered the consequences of the crisis in the last years of the period. Thus, since 2010 the impact of the crisis was more adverse on the disabled people. The unemployment rate of people with disability increased 6.2 points from 2011 to 2012. The increase experienced by disabled people from 2011 to 2012 (6.2 points) was similar to the increase experienced by people without disabilities on the onset of the crisis (6.8 points).

Figure 8: Inter-annual variations unemployment rate disabled people (2008-2012)



Source: Own elaboration based on figures from the Spanish National Institute of Statistics (INE, 2014a)

Figure29: Inter-annual variations employment rate disabled people (2008-2012)



Source: Own elaboration based on figures from the Spanish National Institute of Statistics (INE, 2014a)

This fact has been explained by the experts because of the **differential effect of the crisis on the productive sectors** on Spanish economy. Thus, it has been argued that in the early years, the impact was mainly in the construction sector where disabled people were often underrepresented (Observatorio de las ocupaciones, 2013b).

“The crisis impacted firstly to the construction sector and then it affected to the industry. It took some time until it had an impact on services. [It was then when] the impact of the crisis affected to disabled people” (Expert nº10)

“The impact [of the crisis] in people with disabilities appeared when the resources of the administration were reduced and that affected to the special centres and resources to promote employment among this group. These entities promoting this type of employment saw the public resources cut” (Expert nº15)

Regarding qualitative indicators, the analysis of the kinds of contracts indicates that disabled people are more affected by part-time contracts as a general trend (Pagán, 2009). In addition this propensity has been reinforced since 2011 in non-disabled people, reaching the maximum level in 2012. Thus, in 2012 the level of part-time contracts among disabled people was 17.6% compared to 14.6% of non-disabled people (Figure 30).

Figure 240: Evolution part-time level disabled people (2008-2012)



Source: Own elaboration based on figures from the Spanish National Institute of Statistics (INE, 2014a)

In general terms, the statistical data suggests that disabled people are a structural vulnerable group in Spanish labour market due to the fact that they have had more unfavourable starting figures in activity, employment, unemployment and part-time contract compared to non-disabled people. According to the speech of the expert and the literature, some factors that may impact on the disabled labour market position are related to the Spanish productive model which is formed by smaller companies with less of 50 employees without obligation to fill a quota of its labour force with disabled people (Alcover de la Hera & Pérez Torres, 2010; López-Pino & Seco-Martín, 2005), the ineffectiveness of the LISMI (Law of Social Integration of the Disabled) and restrictions in public budget to the special centres of employment (CERMI, 2009).

“LISMI has not been properly implemented. If this law were so important, companies would had covered that 2%. If they do not fulfil the minimum quota of workers with disability, it is because we have failed integrating these groups in companies and we did not know how to sensitize companies in their role collaborating with this collective” (Expert nº2)

“A large company is more likely to survive and the economic conditions are better in these companies. Regarding social responsibility there are companies that hire people at risk of social exclusion and also according to the LISMI they should hire people with disabilities” Expert Nº 6

“And we have perceived that it is not just that it has become more difficult to find a job but that those who work in companies with this type of workers, as we need the grants of the administration to compensate the lower productivity and now they have been reduced, we also have higher difficulties to go on. Many special centres of employment, not just right now but from some years ago, have faced very difficult situations and many finally closed. Those, as us, who remain are facing lots of problems” (Expert nº 2)

The statistical data presented in this section suggests that the crisis has impacted in the labour market position of disabled people on the grounds that they had worse figures in indicators such as activity, employment, unemployment and part-time contract compared to non-disabled people. In addition, as the experts’ speech stressed, some reasons underlined the labour market position of disabled people during the crisis as could be the difficulties faced by the special employment centres due to the impact of the austerity policies and the reduction of grants by the Public Administration as well as the reduction of social responsibility criteria by the companies.

4.2. The position of migrants on the labour market during the post-crisis period

Migrant people have been a collective who has been strongly hit by the economic crisis. The impact of the crisis has had an effect not only on the labour but also on the social conditions of this group (Laparra et.al., 2012). Thereby, the coup of the crisis has been broad and varied.

As mentioned before in Section 3.1, the labour market position of migrant workers was characterized by higher employment and unemployment rates than Spanish workers. However, the crisis has had some important effects on their labour performance, worsening these labour indicators.

On the one hand, the effects of the crisis in this collective have been depicting by the loss of their **employment advantage** over Spanish people during the crisis. Specifically this advantage remained until 2008 when the employment rate of migrant people had still been around 1 point higher than the one of Spanish workers. According to some studies the fall of employment was not produced until 2009 in migrant people, affecting to a large extent to migrant from Africa instead of people from EU-25 or people from South America (Colectivo IOE, 2011a). The destruction of the employment was higher in migrant from Extra-EU-27 countries (Colectivo IOE, 2012). According to the statistical data available, the minimum value regarding employment rate was reached by all collectives in 2012, portraying that the migrant from Extra EU-27 countries had the lowest employment rate (54.1% in the case of EU-27 migrants, 48.6% of Extra EU-27 migrants and 56.2% of the Spanish people in 2012).

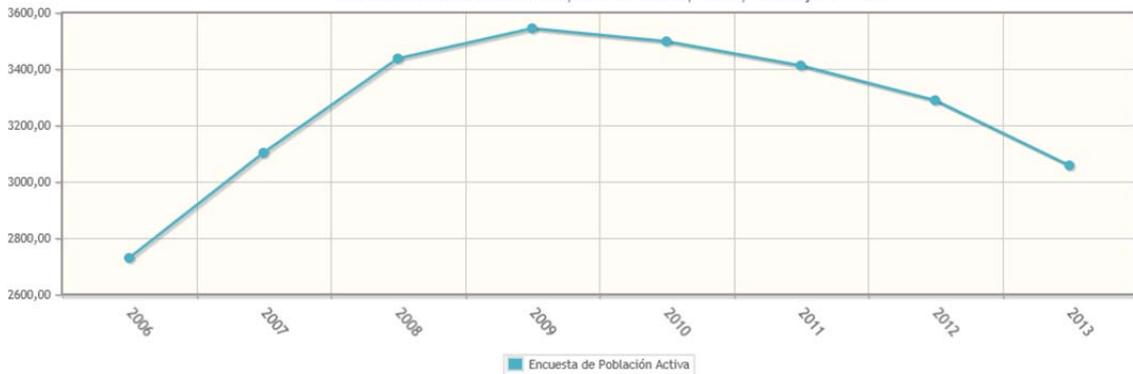
However, the crisis not only reduced the employment rate of migrant people but also increased their **unemployment rate** which was already twice higher than the one of Spanish workers in 2007. During the crisis these differences were increasing specifically in 2009, reaching the 26.7% of unemployment in EU-27 migrants and 30.2% in Extra EU-27 migrants compared to the 16.1% of Spanish people. The last data of Eurostat (2013) has presented an even worse scenario regarding the labour performance of Extra EU-27 workers. The Extra EU-27 unemployment rate was 38.6%, the 30.9% in EU-27 migrants and the 23.3% of the Spanish people in 2012 (Eurostat, 2013). According to the Observatorio de las ocupaciones (2013b), the number of migrant unemployed has increased in 48.93% from 2008 to 2012.

On the other hand, the analysis of the qualitative indicators of employment has showed the strong impact of the crisis as well. Initially the crisis reduced the temporary employment. This downtrend has been marked in migrant people considering that their temporary level in pre-crisis years was significantly higher than the one of Spanish workers. However, there was not a constant downward trend among migrant temporary contracts. There was a bit increase of them in 2011 which has been by the access of migrant women to the Spanish labour market (Colectivo IOE, 2012). Nevertheless, the migrant part-time employment level experienced an increase, reaching the higher level in 2012.

Moreover, the worse labour performance of the migrant people in the Spanish labour market during the post-crisis period had a directly consequence of the reduction of the migrant workforce. According to Spanish National Institute of Statistics (INE, 2014c) the number of migrant active people has been reduced from 3,544,000 in 2009 to 3,057,700 in 2013 (Figure 31). In addition, the number of migrant during the 2012 decreased around the 2.3%. This implies that after the experience of large increases in migrant population in Spain since 2000, nowadays the migrant population is decreasing (Observatorio de las ocupaciones, 2013c).

Figure 251: Evolution of migrant active people

Activos por nacionalidad, sexo y grupo de edad
Encuesta de Población Activa, Ambos sexos, Total, Extranjera: Total



Source: Spanish National Institute of Statistics (INE, 2014c)

Thereby, the data suggests that migrant people have had a lower capacity to absorb the crisis consequences compared to the Spanish population, specifically people from Extra EU-Countries, becoming in a labour market vulnerable group during the crisis. However, as mentioned, this collective had a weak labour integration during the pre-crisis years which has got worse because of the impact of the crisis (Sánchez, 2009).

This increase of the labour vulnerability has been stressed by the Experts, mainly related to effect of the crisis on the sectors where they were overrepresented and their kind of contract:

“The crisis, due to the sectors structure, has affected more negative to those who were positive affected in the pre-crisis period who were migrant and young people. In the period of economic growth they find a job easily but since the crisis started those jobs have been destroyed” (Expert Nº 10)

“Normally, they have more instable jobs, here [In Spain] there were a lot of migrant people in the construction sector and they have been more affected. Migrants, I told that before, were the first people who lost their jobs due to the kind of contracts they had and sectors in which they worked. They were more affected [than other groups], like young people” (Expert Nº 11)

“Migrants [were especially affected by the crisis] due to the kind of contracts they had, mainly temporary contracts, and also because of the sectors where they found jobs, that were the ones firstly affected by the crisis, so they, having those temporary contracts were the first affected: migrants and migrants without legal permission” (Expert Nº 15)

In line with the expressed by the experts, Table 11 presents how the construction sector suffered the highest decrease of migrant workers during the crisis.

Table 11: Evolution of the number of migrants employed by sector

Sector	2008	2009	2010	2011	2012	Var 2008-2012
Agriculture	158,900	164,300	172,700	169,400	180,000	+21,100
Industry	336,700	266,000	229,700	208,100	180,900	-155,800
Construction	605,000	399,300	332,800	258,100	179,200	-425,800
Services	1,829,100	1,814,300	1,814,300	1,747,800	1,649,100	-180,000

Source: Own elaboration based on figures from Spanish National Institute of Statistics (INE, 2013)

In addition, the effects of the crisis on the migrant community impacted on their social sphere and conditions. According to Spanish National Institute of Statistics (INE, 2013b) the AROPE³ rate was from the beginning of the crisis the double in non-EU migrant than in Spanish people and the rate of risk and exclusion of migrant from EU countries was also higher than the national population, as shows Table 12:

Table 12: Evolution of AROPE rate by nationality

	2008	2009	2010	2011	2012
Spanish	21.5	21.8	23.9	24.6	25
Migrant (EU)	32.9	33.3	31.3	33.5	34.9
Migrant (other countries)	43.6	42.5	48.2	51.7	53.3

Source: Own elaboration based on figures from Spanish National Institute of Statistics (INE, 2013)

Thus, the experts' speech stressed the difficulties of migrant during the crisis not only in the labour sphere, leading to return processes to the country of origin but in other cases when this was not possible, they opted to stay in the country in poor conditions:

"For a worker who is migrant and has not support networks it is more difficult [to have a good position in the labour market]. And this situation makes vulnerable people more vulnerable now" (Expert n°2)

"In countries which experienced an economic growth, such as Spain, there was a quite important return process. In cases with social roots, with more than one generation the process of return has been more difficult. Then, there were several cases. Some people decided to stay here with important difficulties. Most of them were affected by the mortgages and eviction crisis. I think that this one of the collectives more affected" (Expert n° 9)

Therefore, the crisis showed the potential labour vulnerability of migrant people gained during the pre-crisis period as a result of poor contractual arrangements. The impact of the crisis not only affected their labour market position but also their social conditions in comparison with Spanish people.

4.3. The position of youth on the labour market during the post-crisis period

Young workers have been one of the collective worst hit by the financial crisis that seems to be a general trend in the labour market effect of the crisis due to most of the European countries have experienced an increase in their youth unemployment rate during the crisis (Eurostat, 2014). Although the unemployment rate was already higher for youth workers in the pre-crisis period, the financial crisis just made the differences between age groups much notable.

Thereby the crisis has had a strong impact in this collective increasing the unemployment rate (Vaughan-Whitehead, 2011) and reducing the level of employment and activity rate. The crisis has caused that young people recorded their worst figure in 2012 with 53.2% of unemployment rate compared to the 18.2% of 2007. This figure implies that the unemployment rate of young people tripled in five years. In addition, the increase of the long-

³ AROPE-At Risk Of Poverty and Exclusion, refers to the situation of people either at risk of poverty, or severely materially deprived or living in a household with a very low work intensity. Therefore, the value of the rate is calculated taking into account these three dimensions in order to provide an indicator which can measure both poverty and exclusion

term unemployment among younger workers was the highest, increasing 25.4 points during the same period (2007 - 2012) and evidencing the difficulties of young people to return or join the labour market during the post-crisis period.

Regarding labour conditions, the statistical data suggest that young people in Spain are strongly affected by **temporary and part-time contracts**. The level of temporary contracts decreased from 2007 to 2010 among young people until the value of 58.6% but it was increased in the last years of the crisis until 62.4% in 2012. Young people were the age group with the highest level of part-time both during the pre-crisis and crisis period. Thus, this type of employment has not ceased to increase and represented the 35.6% of jobs in 2012.

Moreover, young people presented lower levels of wages. According to the Wage Structure Survey of the Spanish National Institute of Statistics (INE, 2013c) the gross salary level of people from 20 to 24 was 12,210.47, being the lowest of all groups in 2010.

Given that, the experts agreed in consider the group of young workers as the most vulnerable group of the Spanish labour market in the post-crisis period from 2008 to 2012. Especially remarkable were considered the situation of low-skilled young workers who left school to work in low-skilled jobs (see section 3.3)

“In this collective there was a negative effect because they could join the labour market easily [prior to the crisis], they left school without having developed capabilities. Now they are in a weak situation, a very weak situation towards the effort and work culture” (Expert N°9)

“[The crisis] affected in a more negative way to young people. Not just referred to statistical data, but also because from 2000 to 2008, we did not promote the culture of effort... the importance of training” (Expert n°12)

Moreover, the crisis has had an impact in NEETs⁴ group. The impact of the crisis in young people has been depicting in the evolution of NEET group as well. According to Eurostat (2013) the progression of this rate has been worse than EU-27 average during the crisis years. Thus, in 2012 the worst figure was reached (17% EU-27 compared to 23.8% of Spain).

The increase of the NEETs in Spain during the crisis might be related to the idea of work as something difficult to obtain and the perception that education is usefulness to obtain an acceptable job (Observatorio de la Juventud en España, 2011). Indeed, according to Eurostat data the inactivity rate between Spanish young people has not ceased to growth from 52.3% in 2008 to 62.2% in 2012, probably due to the return to the educational system by those with low education and the discouragement effect (Observatorio de la Juventud en España, 2011) factors that were also referred by the expert speech:

“I have observed a process of return to the educational system a great number of them [young people]. Other young people is very discouraged, especially those who left the educational system without any qualification” (Expert n°2)

“Most of them are living the consequences of not having studies” (Expert n° 13)

In addition, it has been emphasized that the problem is more serious. There is a stoppage of the labour market which is not due to a problem of lack of qualifications but a problem of lack of demand of jobs. According to the study of Infojobs and ESADE (2013) the 22.6% of Spanish university graduates worked in jobs below their qualifications. As mentioned by experts and also highlighted in the study of Infojobs and ESADE (2013) Spanish labour market seems to have a problem of “over-qualification” of the labour workforce.

⁴ NEET- young person who is Not in Education, Employment, or Training.

In addition, the impact of the crisis on young people transcended the limits of work. The speech of the expert has underlined the social effect of the crisis in this group, increasing the return to the familiar home. Therefore, family has been an important support during this crisis.

“I think those young people who were still dependent of their parents as they were studying or still not working could better resist due to their family’ support. The family was and is the resource-provider in this crisis” (Expert nº 8)

“They are unemployed, without studies, with an internal crisis, with a domestic crisis too because most of them bought a house. And it is a dramatically situation” (Expert nº 12)

Therefore, young people has been one of the collectives more affected by the crisis impact, especially those low-skilled people who left school in order to work in low-skilled sectors due to their lack of educational resources to deal with over qualify labour market in a context of scarcity of vacancies.

4.4. The position of elderly workers on the labour market during the post-crisis period

Older workers were one of the vulnerable groups with better labour performance during the pre-crisis period, characterized specially by lower unemployment rates and temporary contracts as well as higher level of wages. These healthier starting labour conditions may have repercussion in their labour market position evolution during the crisis.

Thereby, despite the unemployment worst figure was reached in 2012 for all age groups, the older workers not only have had the lowest value of all of them but also their unemployment increase during the post-crisis period has been lower than people from 25 to 54.

In addition, their level of temporary contracts has not ceased to decrease until it reached the lowest value of 11.2% in 2012. Moreover, during the crisis older workers have been less affected by the reduction in full-time contracts.

Even throughout the crisis, the inactivity rate in those over 55 years has decreased compared to pre-crisis period. According to Adecco (2014) nowadays the figure of inactivity older workers searching a job has been three times higher than in 2007. The great part of new active people was as this report mentioned. This fact is related to a characteristic effect of crisis in Spain as the loss of job of the men as the “breadwinner” (Sánchez, 2009) that was highlighted by the experts:

“With the crisis fell the central breadwinner. Therefore, the position of the rest of the family was affected. In this sense, the impact of unemployment is higher in men because they respond to this profile but the rest of population is also affected. With the crisis the labour market participation of older women increased considerably. The activity rate of woman from 55 or 45 years old increased, in some extent due to this phenomenon. The men lost their jobs and women try to join the labour market in order to go out of the situation” (Expert Nº10)

In addition, according to the data of the Spanish National Institute of Statistics (INE, 2013) the wage level in this group is the highest in 2010. As shown the Table 13, it seemed to be a positive relationship between age and wage in Spanish labour market.

Table 13: Wage level by age

Age	Wage
Under 20 years	8148.49* (not statistically representative figure)
From 20 to 24 years	12,210.47

From 25 to 29 years	16,938.06
From 30 to 34 years	20,782.77
From 35 to 39 years	23,136.49
From 40 to 44 years	24,598.45
From 45 to 49 years	25,265.23
From 50 to 54 years	26,522.82
From 55 to 59 years	27,846.00
From 60 to 64 years	22,877.58

Source: Own elaboration based on figures from Spanish National Institute of Statistics (INE, 2013)

Therefore, whilst the crisis in Spain had had rough effects on the labour market, older workers seems to be less affected by the crisis in comparison, what represents a sign of the Spanish dualization of labour market due to the better labour conditions of older workers compared to young people (Rueda, 2011).

Despite this, the figure of older workers unemployed has not ceased to increase from 265,300 in 2007 to 1,137,000 in 2013 (INE, 2014b). It is also important to highlight the increase of the long-term unemployment rate of those over 50 years old which was 56.6% in 2012. This figure implies that for every two persons who were unemployed in 2012, one was long-term-unemployed. Without doubt, this data reveals the bitterest side on this collective, depicting a structural trait which was already relevant in pre-crisis years. Thus, whilst the long-term unemployment rate of people over 50 years old was the highest, its variation was the lowest, being quite stable.

Thereby, the speech of the experts underlined the deterioration of older workers labour condition during the crisis, having serious difficulties to find a job once they have been dismissed.

“For people over 55 years the situation is even more difficult because they have a black horizon. We had some voluntary person here that said: I know that I will not go back to work” (Expert nº2)

“The collective of people over 55 years with the crisis had a worse position as they have more difficulties to find job” (Expert nº10)

According to the experts, the impact of the crisis on this collective conducted to early retirement as an option against dismissals - they were the most expensive workers for companies- in the cases in which this option was possible. However, when the early retirement option was exhausted, older workers were more affected by the crisis impact:

“In the workers over 55 years the first impact was strong. And an agreement of early-retirement pension was reached. Companies tried to retire those workers, not hire them in order to control costs. But finally it arrived a moment when the bank did not lend money anymore and if in addition your consumers are not paying...You are assuming costs and finally you have two options: to reduce working days or declaring bankruptcy” (Expert Nº 3)

“There have been a lot of dismissals of people over 45 years old. Why? Because they were those people more expensive for the companies and they have been unprotected” (Expert nº 13)

“At the beginning [of the crisis] there were differences between sectors and there was a policy of early-retirement. Then with cases such as the early retirements in Telefonica, a set of normative was passed to restrict such early retirement with absolutely advantageous conditions” (Expert nº15)

As a conclusion data indicates that older workers have been affected by the crisis due to the deterioration of their labour conditions. However, they still have even better labour outcomes by comparison. This fact may have been related to the best labour starting conditions and the higher labour protection of older workers with respect to other groups as young people.

5. Factors affecting the position of vulnerable groups

The object of this report is to analyse and explain the impact of the economic and financial crisis started in 2007 on the labour market position of the four vulnerable groups considered in the INSPIRES project in the Spanish context: disabled, migrants, youth and older workers. The previous sections have shown the differential behaviour of quantitative and qualitative indicators for these four vulnerable groups during the pre-crisis period (2000-2007) and in the post-crisis period (2008-2012), illustrating the diverse impact of the crisis on their labour market position. This section outlines the performance of the main labour indicators studied in the INSPIRES project by vulnerable group with the aim of shaping the impact of the crisis on them and the most relevant factors affecting in their labour market position.

In order to explain which factors might have specially impacted on the labour market position of the INSPIRES vulnerable groups in Spain, a summary of the data provided in the previous sections of this report will be presented. As a synthesis, Table 15 offers a comparison between the labour indicators of the vulnerable groups and those attained by the general population. The years considered for this comparison have been 2007 and 2012 as the figures corresponding to these years are the best and worst ones respectively within the whole time frame studied by the INSPIRES project (2000-2012). The comparison between these years provides evidence of the extent of the crisis impact on each group.

Table 15: Summary of the labour market position

Indicators	Quantitative						Qualitative			
	Employment rate		Unemployment rate		Long-term unemployment rate		Temporality		Part-time	
Group	2007	2012	2007	2012	2007	2012	2007	2012	2007	2012
General population	65.6%	55.4%	8.3%	25.2%	20.4%	44.4%	31.7%	23.7%	11.6%	14.6%
Disabled	---	24.5%	---	33.1%	---	---	---	21.7%	---	17.6%
Extra EU migrant	68.9%	48.6%	12.6%	38.6%	---	---	54.8%	40.7%	14.5%	23.1%
EU migrant	68.9%	54.1%	11.1%	30.9%	---	---	52.8%	38.8%	14.9%	22.5%
Young people	39.1%	18.2%	18.2%	53.2%	12.2%	35.6%	62.8%	62.4%	21.3%	35.6%
Older workers	44.6%	43.9%	5.9%	17.9%	40.6%	56.6%	15.3%	11.2%	10.6%	11.5%

Source: Own elaboration based on figures from Spanish National Institute of Statistics (INE, 2013) and Eurostat (2013)

Table 13 illustrates that all the vulnerable groups studied presented worse figures in 2012 than in 2007. This fact leads to the conclusion that the labour market position of all vulnerable groups in Spain has been negatively impacted by the crisis. The main labour indicators got considerably worse. This deterioration is depicted in the increase of the general unemployment rate, 16.9 points from 2007 to 2012, and the simultaneous decrease of the employment rate, 10 points for the same period.

Moreover, it can be stated that none of the labour market indicators – neither quantitative nor qualitative – of any vulnerable group were better in 2012 than before the crisis in 2007. The highest loss of employment and increase of unemployment levels were experienced by young workers followed by Extra-EU migrants. Table 15 shows how the young people employment rate varied between 2007 and 2012, falling 23.9 points while the same rate for the general population only fell 10.2 points in the same period. In addition the youth unemployment rate increased around 35 points while the growth of the unemployment rate of the general population was only 16.9 points for the same period. In the case of migrant workers the decrease of the employment rate among Extra EU migrants was nearly twice as high as among the general population (-20 points compared to -10 points) and the unemployment rate fell from 2007 to 2012 by 10 points, twice as high as for the general population. Hence, the statistical data suggests that young people and Extra EU migrants recorded the worst labour indicators in terms of employment and unemployment level, showing a clear labour disadvantage towards the general population.

As aforementioned, young people had a remarkable unfavourable labour market position even before the crisis. This weakness was showed by the youth unemployment and temporary employment level which were significantly lower than those for the general population in the pre-crisis period. This unfavourable labour market position has been deteriorated by the crisis effect. Young people recorded the highest level of unemployment among all vulnerable groups and their employment level was considerably damaged. Even so, the high temporary employment – together with the high level of part-time employment - in young people before the crisis remained high after the crisis, revealing a structural potential trait of poor labour conditions. Therefore, age has been an element affecting unemployment rates in some EU countries as Spain due to the positive relationship between age and unemployment rates detected (European Commission, 2012a).

The labour market position of migrant people in 2007 can be considered as twofold as it was characterized by positive and negative elements. This ambivalence was depicted by the level of their employment rate, which presented better figures than the general population, in conjunction with the high level of their unemployment rate as well, which was higher compared to the general population. Moreover, in qualitative terms, migrants' indicators showed a trend based on weak contractual arrangements such as temporary employment in 2007 (Table 13). In addition, the data shows that migrant people have been strongly hit by the crisis in Spain, primarily portrayed as unemployment rate after the crisis although the rest of indicators worsened as well.

In the Spanish labour market, the group “older workers” has some remarkable specificity that is not present in other vulnerable groups. The data shows the labour advantage of the older workers compared to the general population and the other vulnerable groups in some labour indicators. Thus, they had, as a general trend, better labour outcomes concerning unemployment levels and qualitative indicators, both before and after the crisis. However, the major weakness of older workers, and this is the feature that make them a vulnerable group, is the long-term unemployment outcome. Older workers in Spain had a long-term unemployment rate twice higher than the general population in 2007, being the main labour challenge of this group during the period studied in this project. The long-term unemployment rates of Spanish older worker evidence the difficulty they face in returning to the labour market once they are unemployed. It is worth to remark that the experts interviewed in this study made a distinction between the labour market position of older workers employed and older workers unemployed in the Spanish labour market. Thus, the labour market vulnerability of older workers seems to be linked to the loss of employment, as this is the moment in which their labour fragility increases. This idea is in line with the remark of the European Commission (2012b) about the situation of older workers in the EU-27 countries as it is highlighted that

older workers are less likely to get unemployed than younger age cohorts whilst they are more likely to stay unemployed for longer.

Finally, the comparison of the pre-crisis and post-crisis labour market position of disabled people presents some difficulties due to the lack of statistical data especially for the pre-crisis period. However, the data available showed that the two main labour challenges of disabled people are their low employment rate, which was twice lower than the one of the general population, and their unemployment level which was around 8 points higher than general population rate in 2012 (Table 13).

As a conclusion, the data showed that the labour market position of vulnerable groups worsened considerably after the crisis although the nature of the labour weakness of each group was different. Whilst the labour indicators got worse in general terms for all the Spanish labour force throughout the post-crisis period, young people and Extra EU27 migrants were the groups most affected. Nevertheless, the labour performance of older workers has been the best of the four vulnerable groups studied and even when comparing the labour performance of this group with the general population. It is also important to stress that the lack of data in the pre-crisis period has not allowed the comparative study of the labour market position of disabled people, not being able to establish conclusions about them.

Aiming at explaining which factors can have especially impacted in the different labour behaviour by each vulnerable group, the contributions of Bigos et al (2013) enumerating several factors that can affect to the labour resilience have been considered in order to expound the impact of the crisis on each of them. In the factors classification of Bigos et.al (2013), these are grouped in three categories as Table 16 shows: institutional factors, socio-economic factors and demographic factors.

Table 16: Factors affecting labour market resilience

Kind of factor	Factor
Institutional factors	Unemployment benefits
	Active labour market policies
	Employment protection legislation
	Types of labour contracts
	Number of working hours
	Wages and minimum wages
	Labour taxation
Socio-economic factors	Average firm size in the country
	Regional disparities
	Industry structure
Demographic factors	Education and skills
	Labour migration

Source: Bigos et al. (2013)

Considering the factors presented, three dynamics, one affecting each group of factors, have been underlined by the experts interviewed as the most relevant ones affecting to the labour market position of vulnerable groups in Spain: the industry structure, the kind of contracts, and the education level. The influence of the factors of table 14 will be described, with particular attention to the three identified as most relevant.

Regarding the institutional factors proposed by Bigos et al. (2013), the employment legislation has been one of the main institutional factors stood out by the experts that might have had a general impact on the total population labour market position. The employment legislation is a key element that configures the frame where the industrial relations take place. For this reason, according to the experts interviewed, this factor is considered to affect to the quality of employment.

“The employment legislation is decisive. The employment protection has been reduced in detriment of workers. When there is strict labour market legislation, protecting more the workers, which guarantees the stability in wages...etc. That generates a different model of competitiveness in the long term, where firms appreciate the human capital as something limited. Therefore, they will be more worried about productivity and technology innovation. This is just the opposite model to the one we are promoting. We are emerging from the crisis by reducing salaries and rights... Are we going to compete better in this way? With who?” (Expert nº 11)

Thus, the last labour reform, specifically, introduced in Spain after the crisis (see section 4) has modified the industrial framework of collective bargaining and conditions of dismissal with the objective of increasing the labour flexibility (Fundación IDEAS, 2012). However, the experts warned against the potential erosion of the working conditions triggered by measures and policies implemented. According to the IDEAS study (2012) the last labour reform in Spain could have an important impact on the labour workforce at quantitative and qualitative level, deteriorating the quality of employment and being incapable to increase neither the number of jobs created nor the competitiveness of the labour market.

“In Spain, we have implemented about fifty labour reforms since 1984. There is a common element in all of those reforms associated with a trend towards reducing the cost of laying-off employees and to facilitate the use of temporary contracts. The main change in the last reforms is that these reforms have not just affected to the conditions for dismissals and the promotion of temporary contracts, Changes in the industrial relations have been introduced, there have been changes in the collective bargaining regulation. The rights achieved over the years have been lost in some sectors” (Expert nº 10).

However, the impact of the Spanish active labour market policies on the vulnerable groups has been considered inexistent or even negative mainly due to their weakening effect as a result of the austerity policies of austerity and the lack of demand of workers by companies. Moreover, their effect has been questioned in a context with an important lack of vacancies and increasing unemployment as consequences of the crisis. Thus, according to the Observatorio de las Ocupaciones (2013a), the vacancies in 2012 Spain decreased by 36.28% compared to 2011. This last factor could have a special impact on disabled according to the experts' opinion. As mentioned in section 4.1., the labour market position of disabled people has become worse during the crisis due to the difficulties faced by the *special employment centres* to keep employees working after the austerity policies implemented, the reduction of grants by the Public Administration and the abandonment of social responsibility by the companies.

Also the kind of contract is an important factor which could make a distinction in the labour market position of vulnerable groups. According to Vaughan-Whitehead (2011), the temporary nature of employment is an important factor which may explain both the differences between countries and between different groups in the same country. In this way, 90% of the lost jobs in Spain were temporary jobs. The data showed that young people and migrant people were strongly affected by temporary contract. In this regard, the European Commission (2012b) points out that young workers accessing to the labour market with fixed-term contracts may be trapped in jobs with reduced prospects for them. Therefore, this kind of contract not only

affects to the unemployment levels but also to the qualitative dimension of a job, as it has happened in Spain.

“There is an overuse of part-time contracts for people working full-time. There are people working without contract. There are a lot of precarious conditions in our labour market. But I must say that these facts already happened before the crisis. The precarious conditions had increased with the crisis, for instance by avoiding celebrating fix-term contracts through chaining contracts for work or services. Anyway, this is not new, especially for young workers. These practices reduced the access to some rights as those related with seniority in companies” (Expert nº 13). In a similar way, migrant people showed a tendency to have weak contractual arrangements according to the statistical data presented. As the European Commission (2012b) pointed out, the employment of migrant people is more sensitive to economic cycles and they have lower-quality jobs. Therefore, the labour market position of migrant people can be partly explained by the specific economy sectors they work in and the weak contractual and working arrangements where they were working already before the crisis. Thus, migrant people were overrepresented in activities or sectors with low labour conditions compared to the Spanish people’s average. As mentioned before, services and the construction sector were characterized by a high level of temporary contract (Sánchez, 2009)

Consequently, in the socioeconomic group of factors, the three factors more referred by the experts were the industry structure, the business network and the firm size. As cited, the industry structure could be an important factor affecting to unemployment among the vulnerable groups, such as migrants or young people. Their presence in cyclical sector as construction and services with weak contractual arrangements led to important losses of employment in times of economic recession due to the contraction of the economy and the kind of contracts generated, that allowed easily the adjustment between labour demand and supply. As it was indicated in section 3.1., the features of the Spanish economic model made it highly sensitive to the economic cycles which generated employment in times of expansion economy and destroyed it during recession periods (Recio, 2009).

Both young and migrant people are overrepresented in cyclical sector, being their unemployment level more sensitive to the economic recession. In addition, regarding the business network and firm size, there has been highlighted that larger firms are more involved in promoting the labour inclusion of vulnerable groups such as the disabled people. Thus, large firms are friendlier to vulnerable groups, such as disabled people due to requirements of LISMI Law on fulfilling a quota of the workforce with disabled people.

Regarding demographic factors, the relevance of the educational level and skills in the labour market position of vulnerable groups has been widely stressed by the experts and the literature. The education and skills have been considered as a protective factor against unemployment, which contribute to the recruitment and maintenance of the job in general terms. Moreover, the educational factor was mentioned as a strategic factor that could make the competitiveness of the economy stronger and improve the labour market position of the vulnerable groups.

The data presented in this report has showed the impact of education especially in young people. As experts revealed, low-skilled young people, who joined the labour market easily in the pre-crisis period, had more difficulties to find a job after the crisis in the resulting overqualified labour market. As the data of INE (2013a) showed, the evolution of the number of jobseekers by level of employment shows that the number of unemployed people was declining with increasing level of training in 2012. Therefore, there seems to be an inverse relationship between the educational level and the unemployment rate. Thus, while the unemployment rate among people with Primary School was 37.54% in 2012, people with higher education without PhD had 15.22% of unemployment. During the interviews with

experts they underlined that low-skilled young people who left school to work in low-skilled jobs was one of the most affected collectives by the crisis. In the line of this argument Kuddo (2012) noted that youth is especially likely to be more affected by negative output shocks as their productivity is generally lower given differences in skills and experience.

As a conclusion and considering the factors presented, the three factors that had higher influence on the labour market position of the vulnerable groups during the post-crisis period are the industry structure, the kind of contracts and the educational level. These factors are related to the structure of the Spanish labour context generated during the pre-crisis period. However, some political responses to the crisis have been stressed as important elements also affecting to the labour market position of these groups such as the weak labour active employment policies and the austerity measures.

Therefore, the impact of the crisis has been stronger on those collectives who accumulated more risk factors. The analysis has shown that young people and migrant have been strongly affected by the crisis. Some factors especially represented among these groups may be associated to the higher level of temporary work, overrepresentation in cyclical sectors or low educational level, having been also negatively affected by the political responses to the crisis.

Hence the starting labour condition of each vulnerable group is revealed as an important factor which can determine the performance of the labour market position of vulnerable groups throughout economic recessions, at least in a short-term after the outbreak of the crisis as the effect of the political responses usually cannot be appreciated in short-term. The labour market position of older workers seemed to be more resilient –except for the older workers who were already unemployed before the crisis- than any other vulnerable groups and the general population. Consequently, the hypothesis of the starting labour condition and the strong contractual arrangement as key factors for resilience in the Spanish context is validated for the analysis of the most resilient group in the Spanish labour market such as older workers.

6. References

- Adecco Fundación (2014). VI Informe mayores de 45 años en el mundo laboral. Retrieved from: http://www.fundacionadecco.es/_data/SalaPrensa/SalaPrensa/Pdf/621.pdf
- Alcover de la Hera, C.M. and Pérez Torres, V. (2010). *Integración de las personas con discapacidad en el mercado de trabajo ordinario. Aspectos psicosociales*. Retrieved from: http://www.fundacionadecco.es/_data/SalaPrensa/Estudios/pdf/207.pdf
- Benllod, F.R. (2007). *Crecimiento y especulación inmobiliaria en la economía española. Principios*, 8, 59-82.
- Bernardos, G. (2009). Creación y destrucción de la burbuja inmobiliaria en España. *ICE: Revista de Economía en España*, 850, 23-40.
- Bigos, M. et al. (2013). *Review Essay on Labour Market Resilience*. INSPIRES Working Paper No.1. Retrieved from: [http://www.inspiresresearch.eu/userfiles/D1_1%20Review%20Essay%20on%20Labour%20Market%20Resilience\(1\).pdf](http://www.inspiresresearch.eu/userfiles/D1_1%20Review%20Essay%20on%20Labour%20Market%20Resilience(1).pdf)
- Carrasco, R. and Ortega, C. (2005). La inmigración en España: características y efectos sobre la situación laboral de los trabajadores nativos. Retrieved from: <http://www.falternativas.org/laboratory/documentos/documentos-de-trabajo/la-inmigracion-en-espana-caracteristicas-y-efectos-sobre-la-situacion-laboral-de-los-trabajadores-nativos>
- CERMI. (2009). *El impacto de la crisis económica en las personas con discapacidad y sus familias*. Retrieved from: <http://sid.usal.es/libros/discapacidad/23209/8-1/el-impacto-de-la-crisis-economica-en-las-personas-con-discapacidad-y-sus-familias.aspx>
- Clayton, S. et.al. (2011). Effectiveness of return-to-work interventions for disabled people: a systematic review of government initiatives focused on changing the behaviour of employers. *European Journal of Public Health*, 22(3), 434–439.
- Colectivo IOE (2011a). Efectos sociales de la crisis. Una evaluación a partir del Barómetro social de España. *Papeles de relaciones ecosociales y cambio global*, 113, pp: 177-188.
- Colectivo IOE (2011b). Notas sobre los efectos socioeconómicos de la crisis para la población inmigrada. *Papeles de relaciones ecosociales y cambio global*, 113, pp: 85-95.
- Colectivo IOE (2012). Impactos de la crisis sobre la población inmigrante. Retrieved from: http://www.colectivoioe.org/index.php/publicaciones_libros/show/id/101
- De la Rica, S. (2014). Los parados de larga duración en España en la crisis actual. Retrieved from: www.falternativas.org/en/content/download/21718/.../185_2014.pdf
- Del Cabo, G. et al. (2003). *La Situación Laboral de las Personas con Discapacidad en España*. Retrieved from: <http://sid.usal.es/idocs/F8/FDO6524/sitactpcdespana.pdf>

- European Commission (2012a). Communication from the commission to the European parliament, the council, the European economic and social committee and the committee of the regions-Towards a job-rich recovery. Strasbourg. Retrieved from: <http://eurlex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2012:0173:FIN:EN:PDF>
- European Commission. (2012b). Labour Market Developments in Europe, 2012. Economic and Financial Affairs. Retrieved from: http://ec.europa.eu/economy_finance/publications/european_economy/2012/pdf/ee-2012-5_en.pdf
- European Commission. (2012c). New skills and jobs in Europe: Pathways towards full employment. Luxembourg: Publications Office of the European Union, 2012.
- European Commission (2013). The Gender Gap in Pensions in the EU. Retrieved from: http://ec.europa.eu/justice/gender-equality/files/documents/130530_pensions_en.pdf
- Eurostat Unemployment Statistics (2014). Labour Force Survey (LFS). Retrieved from: http://epp.eurostat.ec.europa.eu/portal/page/portal/labour_market/introduction
- Eurostat Unemployment Statistics (2013). Labour Force Survey (LFS). Retrieved from: http://epp.eurostat.ec.europa.eu/portal/page/portal/labour_market/introduction
- Freire, M.L. (2008). Mileuristas: la generación de las mil emociones. Cátedra "Jorge Juan": ciclo de conferencias : curso 2007-2008 / coord. por Julia Pérez Iglesias. Retrieved from: <http://ruc.udc.es/bitstream/2183/9041/1/CC115art7.pdf>
- Fundación Ideas (2012). Reforma Laboral y crisis. Efectos sobre la economía española. Retrieved from: <http://ep00.epimg.net/descargables/2012/03/27/4d7c811f8439a44fbca0eb5a041cac4e.pdf>
- García-Montalvo, J. and Peiró, J.M. (2011). *Crisis económica e inserción laboral de los jóvenes: Resultados del Observatorio de Inserción Laboral de los Jóvenes 2011*. Retrieved from: <http://www.ivie.es/downloads/docs/mono/mono2012-01.pdf>
- Gentile, A. (2014). Inestabilidad laboral y estrategias de emancipación. Una tipología de jóvenes adultos mileuristas. *Acciones Investigación Sociológica*, 34, pp: 127-153
- Huete, A. (2013). La exclusión de la población con discapacidad en España. Estudio específico a partir de la Encuesta Social Europea. *Revista Española de Discapacidad*, 1 (2), 7-24.
- INE - Spanish National Statistics Institute (2013a). Encuesta de Población Activa (EPA). Serie 2005-2012. Retrieved from: <http://www.ine.es/jaxiBD/menu.do?L=0&divi=EPA&his=3&type=db>
- INE - Spanish National Statistics Institute (2013b). Encuesta de Condiciones de vida. Available at: <http://www.ine.es/jaxi/menu.do?type=pcaxis&path=%2Ft25%2Fp453&file=inebase&L=0>
- INE - Spanish National Statistics Institute (2013c). Encuesta de Estructura Salarial. Serie 2008-2011. Retrieved from: <http://www.ine.es/jaxi/menu.do?type=pcaxis&path=/t22/p133/cno11/serie/&file=pcaxis>
- INE - Spanish National Statistics Institute (2013e). Nota de Prensa del 25 de Abril de 2013. Retrieved from: <http://www.ine.es/daco/daco42/daco4211/epa0113.pdf>

- INE - Spanish National Statistics Institute (2014a). El empleo de las personas con discapacidad (2008-2012). Retrieved from:
<http://www.ine.es/jaxi/menu.do?type=pcaxis&path=/t22/p320&file=inebase&L=0>
- INE - Spanish National Statistics Institute (2014b). Encuesta de Población Activa (EPA). Serie 2005-2013. Retrieved from:
http://www.ine.es/inebaseDYN/epa30308/epa_resultados_2.htm
- INE - Spanish National Statistics Institute (2014c). Padrón Continuo. Retrieved from:
<http://www.ine.es/jaxi/menu.do;jsessionid=5080F76846DE3B0E492785E8E55E0B3D.jaxi03?type=pcaxis&path=%2Ft20%2Fe245&file=inebase&L=0>
- Infojobs and ESADE. (2013). *Informe InfoJobs y ESADE 2012. Estado del mercado laboral en España. Mayo 2013*. Retrieved from:
<http://nosotros.infojobs.net/sites/default/files/informe-infojobs-esade-2012.pdf>
- Kuddo, A. (2012). Public Employment Services, and Activation Policies. Washington DC: World Bank.
- Laparra, M. et al (2004). Precarious Employment in Europe: A Comparative Study of Labour Market related Risks in Flexible Economies. Final report. Retrieved from:
ftp://ftp.cordis.europa.eu/pub/citizens/docs/kina21250ens_final_esope.pdf
- Laparra, M. et. al. (2012). Crisis y fractura social en Europa. Causas y efectos en España. Colección de estudios sociales nº35. Barcelona: La Caixa.
- López Pino, C. and Seco Martín, E. (2005): Discapacidad y empleo en España: su visibilidad. *Innovar Revista de Ciencias Administrativas y Sociales*, 15 (26), 59-72.
- Mercado, E., Aizpurúa, E., and García, L. M. (2013). Avanzando hacia la igualdad de oportunidades en la inclusión socio-laboral de las personas con discapacidad. *Cuadernos de Trabajo Social* 26-1, 96-104.
- Ministry of Health and Social Policy (Spain). (2008). *Estrategia Global de Acción para el empleo de personas con discapacidad 2008-2012*. Retrieved from:
http://www.empleo.gob.es/es/sec_trabajo/Estrategia_global_personas_discapacidad_2008_2012.pdf
- Navarro, V., Torres, J. and Garzón, A. (2011). *Hay alternativas. Propuestas para crear empleo y bienestar social en España*. Madrid: Ediciones Sequitur
- Observatorio de la Juventud en España. (2011). *Desmontando a ni-ni. Un estereotipo juvenil en tiempos de crisis*. Madrid: Instituto de la Juventud.
- Observatorio de las Ocupaciones (2013). *2013 Informe de Mercado de Trabajo Estatal. Datos 2012*. Madrid: Servicio Público de Empleo Estatal.
- Observatorio de las Ocupaciones (2013b). *2013 Informe de Mercado de Trabajo de las personas con discapacidad. Datos 2012*. Madrid: Servicio Público de Empleo Estatal.
- Observatorio de las Ocupaciones (2013c). *2013 Informe de Mercado de Trabajo de las personas con discapacidad. Datos 2012*. Madrid: Servicio Público de Empleo Estatal.
- Observatorio de las Ocupaciones (2013d). *2013 Informe de Mercado de Trabajo de los extranjeros en España. Datos 2012*. Madrid: Servicio Público de Empleo Estatal.

- Observatorio de las Ocupaciones (2014). 2014 Informe de Mercado de Trabajo de las personas mayores de 45 años. Datos 2013. Madrid: Servicio Público de Empleo Estatal.
- Pagán, R. (2009). Part-time work among older workers with disabilities in Europe. *Public Health* 123, 378–383.
- Recio, A. (2009). La evolución del trabajo en crisis. Papeles de relaciones ecosociales y cambio global, 108, 89-97.
- Recio, A. (2010). Capitalismo Español: La inevitable crisis de un modelo insostenible. *Revista de Economía Crítica*, 9, pp: 198-222.
- Red2Red Consultores. (2009). *El empleo de las personas con discapacidad ante el nuevo paradigma de la flexiguridad*. Retrieved from: <http://riberdis.cedd.net/handle/11181/3451>
- Rodríguez, V. and Cueto, B. (2013). *El trabajo de las personas con discapacidad ante la crisis: permanencia y salarios*. X Jornadas de Economía Laboral. Retrieved from: http://www.uam.es/otros/jaeet13/comunicaciones/05_SalariosI/Rodriguez_Cueto.pdf
- Rueda, D. (2011). Dualización, socialdemocracia y políticas activas de Mercado de trabajo. Laboratorio de alternativas. Retrieved from: <http://www.falternativas.org/laboratorio/libros-e-informes/politica-comparada/dualizacion-socialdemocracia-y-politicas-activas-del-mercado-de-trabajo>
- Sánchez, A. (2009). Crisis y Empleo: del mercado de trabajo al modelo económico. *Revista de Trabajo U.Huelva BIBLID 1136-3819* 22, 17-46.
- Tena, G. and Asin, M. (1991). La Mujer. Los por qué de su discriminación en los estudios históricos y los cambios habidos en su participación en el mundo laboral. *Acciones e investigaciones sociales*, 1, pp: 61-68
- Vaughan-Whitehead, D. (2011). The effects of the crisis on work inequalities in Europe. Research Conference on Key Lessons from the Crisis and Way Forward. Retrieved from: http://www.ilo.org/wcmsp5/groups/public/---dgreports/---inst/documents/genericdocument/wcms_192381.pdf

7. Appendix: Map of relevant stakeholders in the country

Table 17 shows the experts interviewed who have participated in the INSPIRES project.

Table 17: Type of expert to be interviewed

Type of expert to be interviewed	Proposed Sample	Total Sample
Representatives of regional and/or national government and other political parties with competences in labour policies	3	3
Internationally or nationally recognized academics in the field of labour policies and vulnerable groups.	2	3
Representatives of employer organizations, employee organizations and national labour unions with depth knowledge of the situation of vulnerable groups.	2	2
Representatives of national associations or NGOs defending the rights of vulnerable groups (disabled people, young people, migrants, older workers)	4	4
Additional experts	4	4
TOTAL INTERVIEWEES	15	16

Source: Own elaboration