An employment analysis of Basque youths aged 16 to 29

Preview of data from the study titled *Employment and Emancipation 2015* being prepared by the Basque Youth Observatory
Euskadiko 16 eta 29 urte bitarteko gazteen enpleguari buruzko analisia

Gazteen Euskal Behatokia burutzen ari den *Enplegu eta emantzipazioa 2015* ikerketaren datuen aurrerapena

Ikerketa 2015eko azaroan Euskadiko gazteriaren lagin adierazgarri bati etxez etxe eginiko inkesta batean oinarritzen da

**Laburpena**

**Enpleguak gora egin du baina ez da krisiaren aurreko portzentajera heldu**

**Handitu egin da beren lanpostuan urtebete baino gutxiago daramaten gazteen ehunekoak**

**Azken bi urteotan gehitu egin dira kontratu mugagabeak**

**Norbere kontura lan egiten duten gazteak gutxi dira**

**Lan egiten duten gazteen herenak lanaldi partziala du; emakumeek gizonek baino gehiago**

**Gazte okupatuen erdiek baino ez dute euren formazioari lotutako lana**

**Batez besteko soldata igo da baina emakumeena, aldiz, jaitsi egin da**

Employment is recovering but it is not reaching the rate prior to the crisis

2015 has seen an increase in the percentage of young people whose main occupation is work (a percentage that had followed a downward trend since the beginning of the crisis). This percentage now stands at 34.8 %.

This study refers to people’s main occupation (as they relate) and, therefore, it does not include people whose main activity is studying, even if they do have some type of additional job.

So these data cannot be compared with occupation rates provided by statistical offices (Eustat, INE or Eurostat), because the occupation rates offered by statistical offices are based on the definition provided by the International Labour Organisation (ILO), which establishes that the occupied population consists of people in gainful employment or undertaking an independent activity and who have worked at least one hour during the reference week and those that, not having done so (they are on sick leave, holiday, training...), maintain a formal link with their job. The existence of a formal link is determined by receipt of some kind of remuneration or by planning to return to work within a period of less than 3 months.

The percentage of young people who have been working less than one year at their jobs is increasing

There has been an increase in the proportion of people who have been working for less than one year at their jobs. This rate reached 44 % in 2015. In other words, we are encountering two contrasting situations since the crisis: those who have resisted the challenges of the crisis and have more than three years’ seniority at their job and those who only manage to find short-term jobs and have been working at their jobs for less than one year.
The number of permanent contracts has increased over the past two years

In 2015, 41.6 % of employed people aged 16 to 29 had permanent contracts. Another 1.6 % was on fixed intermittent contracts and 0.3 % belonged to cooperatives. Therefore, we can say that 43.5 % of young workers have a contract that ensures their continuity in employment.

On the other hand, 44.2 % have short-term contracts. This group is divided into those who are hired for specific projects or services (16.4 %), who have seasonal contracts (11.2 %), work placement or training contracts (4.4 %), interim arrangements (2.5 %) or some other type of temporary contract (9.6 %).

Finally, 6.1 % of all young workers are self-employed or entrepreneurs and another 5.9 % have no contracts.

There has been a recovery in the number of permanent contracts in 2015 compared to 2013, and the current percentage is similar to that recorded for 2004 and 2008.
On the other hand, if we compare the figures for the Basque Country with those for the various countries that make up the European Union, we shall see that the percentage of young people in short-term employment in the Basque Country far exceeds the EU average (32.6 % in 2015), ranking the Basque Country among the countries with the highest percentage of short-term employment in relation to total employment.

* In 2000 and 2004 the answer option was not "without contract" but "sporadic jobs"; we have made these answers equivalent in order to analyze the evolution.

Source: Basque Youth Observatory
Low levels of self-employment

6.1% of young occupied people are self-employed or entrepreneurs. This percentage is similar to the European average (6.4% according to data published by the European Statistical Office, Eurostat, corresponding to 2015).

Self-employment is more widespread among men than women. In the Basque Country, 7.9% of young men are self-employed and in Europe (average of the 28 countries) the figure is the same (also 7.9%). The percentage of women aged 16 to 29 who are self-employed in relation to the total number of working women is lower than in the case of men, both in the Basque Country (4.1%) and in the EU (4.8%).

But, do these people own their own businesses or are they registered as self-employed but work for other companies? Basque youths who claim to be self-employed have been asked about this issue and two thirds say that they have their own businesses, while the remaining third say they work for other companies. Those who say they have their own businesses account for 4.1% of all working youths under the age of 30.
The percentage of self-employed people who owned their own companies in 2013 accounted for 8.3 % of all working youths under the age of 30. In other words, the number has halved over a period of two years.

- **One third of young people in work have part-time arrangements; more in the case of women**

Two thirds of young workers aged 16 to 29 work full-time (65.3 %) while another third have part-time jobs (34.6 %).

Full-time jobs are more common among people aged 25 to 29 (67.1 %) than among people under the age of 25 (61.2 %); however, the greatest differences seen are clearly between men and women. 77.9 % of young men have full-time employment, while this rate among young women falls to 50.9 %. The fact is that practically half of women (48.9 %) work part-time.

From 2013 to 2015, there has been a slight recovery of full-time employment among men, something that has not occurred in the case of women; however, on the other hand, the percentage of young women working part time has increased by ten percentage points.

![Evolution of full-time and part-time employment among young workers aged 16 to 29, by sex (%)](source: Basque Youth Observatory)

Although the average percentage regarding young part-time workers aged 15 to 29 in the 28 countries that make up the EU stands at 23.2 % - an average that is rather lower than the figure registered in the Basque Country (34.6 %) -, differences by sex can also be found in Europe: 31.1 % of young European women have part-time jobs while only 16.4 % of young European men work part-time.

Almost two thirds (62.6 %) of part-time workers in the Basque Country, men and women, stated that they were unable to find full-time employment, another 17.2 % said they were working part-time on their own volition, 3.8 % mentioned family obligations, 3.1 % said they were involved in some type of workforce adjustment plan or a reduction of working hours imposed by the company and 12.8 % stated other unspecified reasons.
Only half have a job related to their training

Young working people are almost equally divided between those who claim that their current jobs are closely or somewhat related to their training (52.7 %) and those whose jobs have little or no connection to their studies (46.7 %).

In addition, at each end, we find a third of young workers who say that their jobs are closely related to their training, 33.1 %, or that their jobs are not at all related to their training, 33.7 %; while the remaining one third say that they jobs are quite or little related to their training.

The percentage of people who point out that their jobs are very or quite closely related to their training has been ranging from 50 % to 60 % in recent years: 51.5 % in 2008, 58.7 % in 2011, 52.9 % in 2013 and 52.7 % in 2015.

The average wage has increased but the wages earned by young women have fallen

The average salary of a young working person aged 16 to 29 in the Basque Country was €996 per month in 2015.

While this is the average wage, there are many differences between groups.

People working full-time earn €1,195 per month on average, compared to the €605 in the case of part-time workers.

Men earn more than women: €1,125 on average compared to €867 for women. We have already pointed out above that practically half of young women are currently working part-time and that people working part-time earn, on average, half the salary of full-time workers. However, is this the only reason why women earn lower salaries than men? In order to verify this point, we have compared the full-time wages earned by men and women and, in this case,
men also have proved to earn slightly more than women: €1,242 in the case of men and €1,119 in the case of women. Wage differences, therefore, are not only due to a higher rate of part-time work among women.

<table>
<thead>
<tr>
<th>Average wage of young workers aged 16 to 29, by sex and full-time or part-time employment</th>
<th>TOTAL</th>
<th>Sex</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Men</td>
</tr>
<tr>
<td>Average wage of young workers</td>
<td>1018</td>
<td>1147</td>
</tr>
<tr>
<td>Average wage of full-time workers</td>
<td>1221</td>
<td>1273</td>
</tr>
<tr>
<td>Average wage of part-time workers</td>
<td>627</td>
<td>613</td>
</tr>
</tbody>
</table>

*Source: Basque Youth Observatory (2015)*

The average wage has increased slightly compared to 2011 and 2013; however, women now earn less, on average, than then.