

The consequences of labour market precariousness among young people and their household living arrangements

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The consequences of labour market precariousness among young people and their household living arrangements

- Adverse economic conditions:
 - increasing number of workers under precarious labour conditions: low wages, high job insecurity, high rates of temporary and part time employment, long periods of unemployment

may explain why Spanish youth:

- A. Delay emancipation
- B. Turn to their families searching for financial protection.
 - Spain has historically relied upon the family being an essential institution for the well-being of its members most in need in times of economic difficulties (Reher (1998))

The consequences of labour market precariousness among young people and their household living arrangements

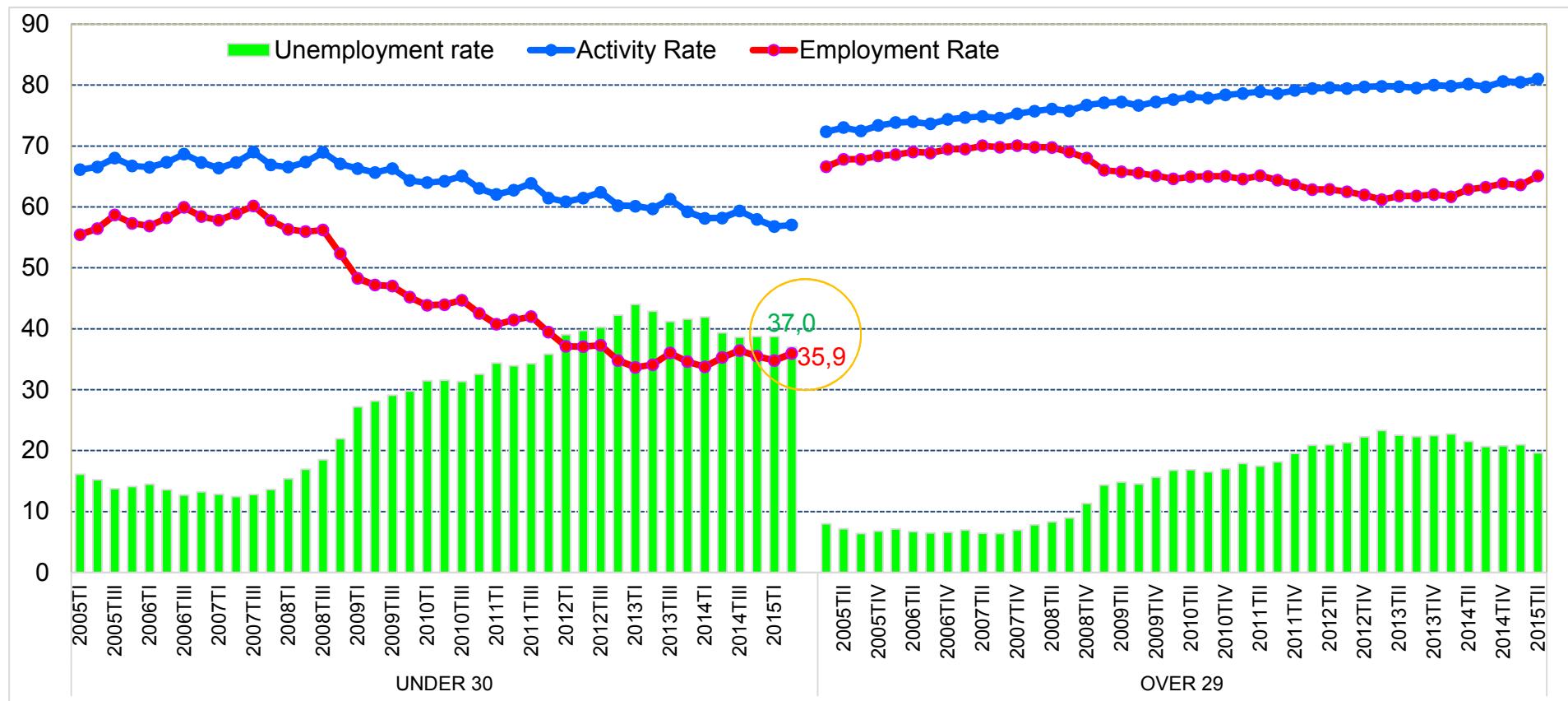
- 1. Most recent Youth Labour Market trends in Spanish Labour Market**
 - A. Access to labour market and employment**
 - B. Employment and Job Stability**
- 2. Probability of emancipation**
- 3. Probability of living in “extreme poverty”**
- 4. Conclusions**

Access to employment



Main Labour Market Indicators, workers under and over 30

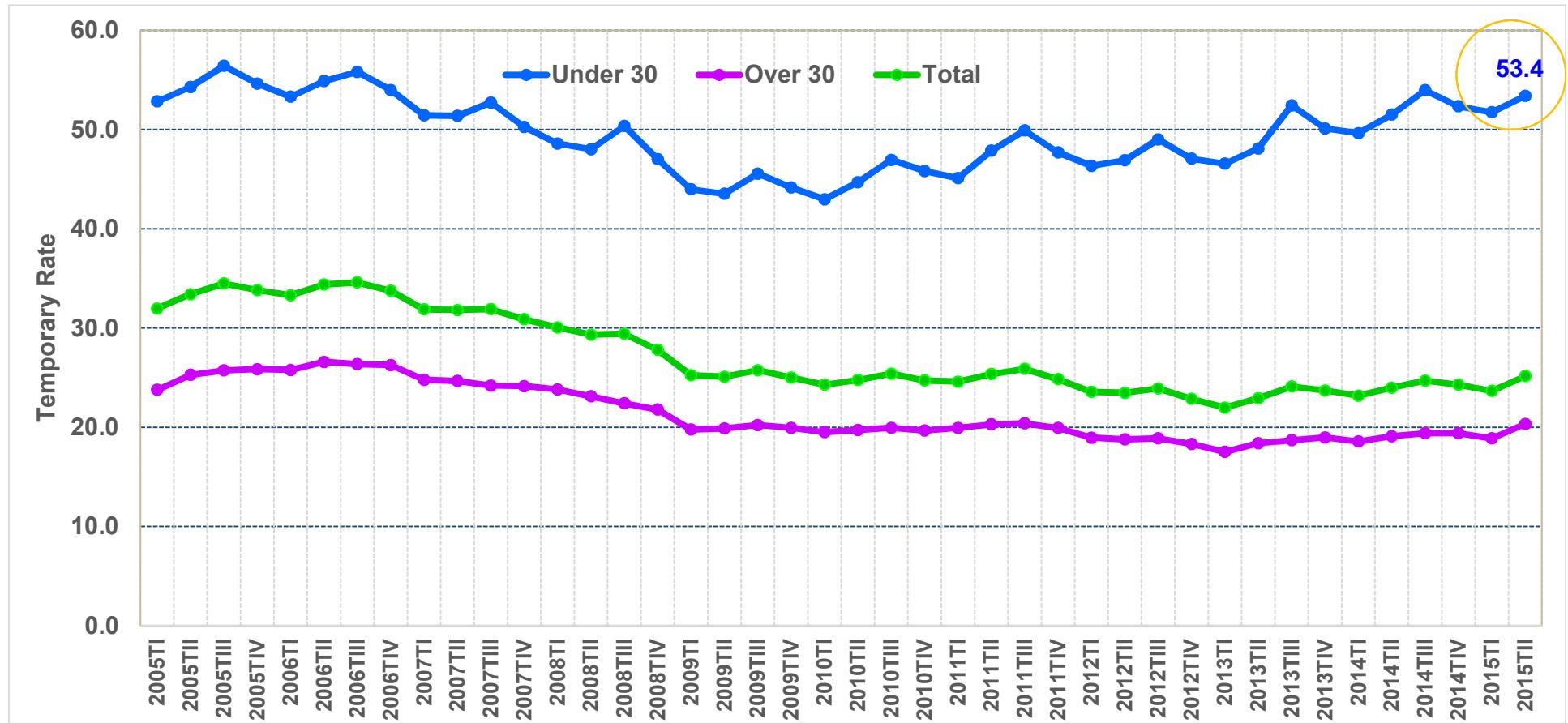
(Source: Spanish LFS)



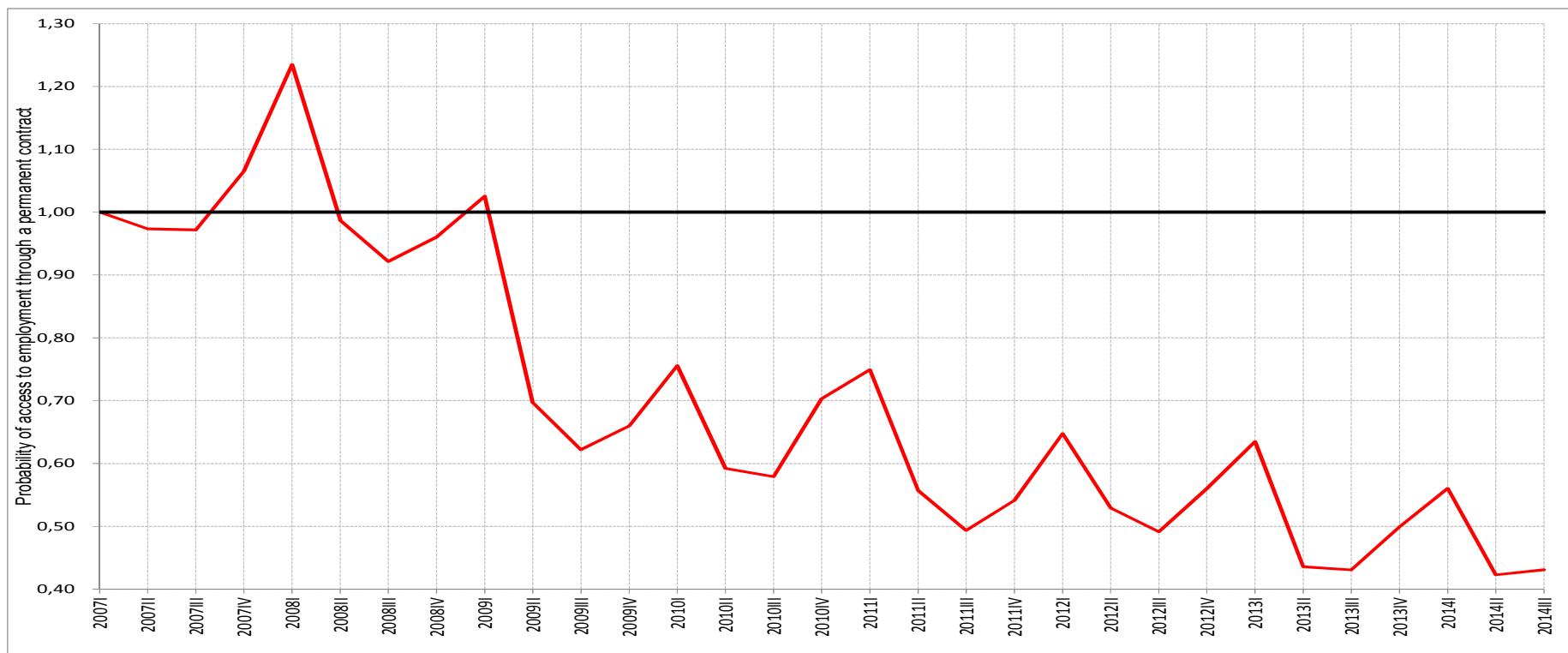
Employment and Job Stability



% of Temporary contracts

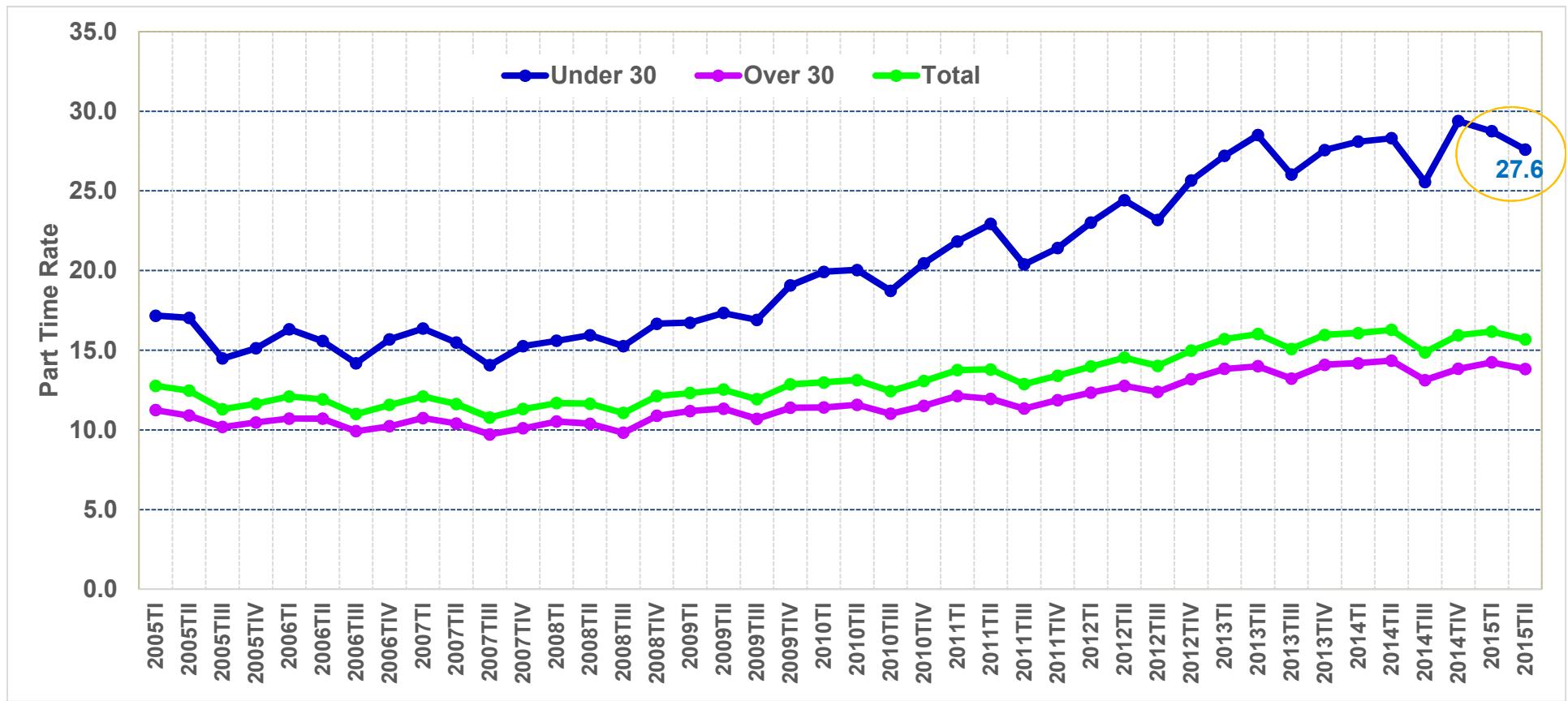


Relative Probability: Entry into employment with a permanent contract. Workers under 30 (2007-2014)



(Source: Registered Contracts, SEPE)

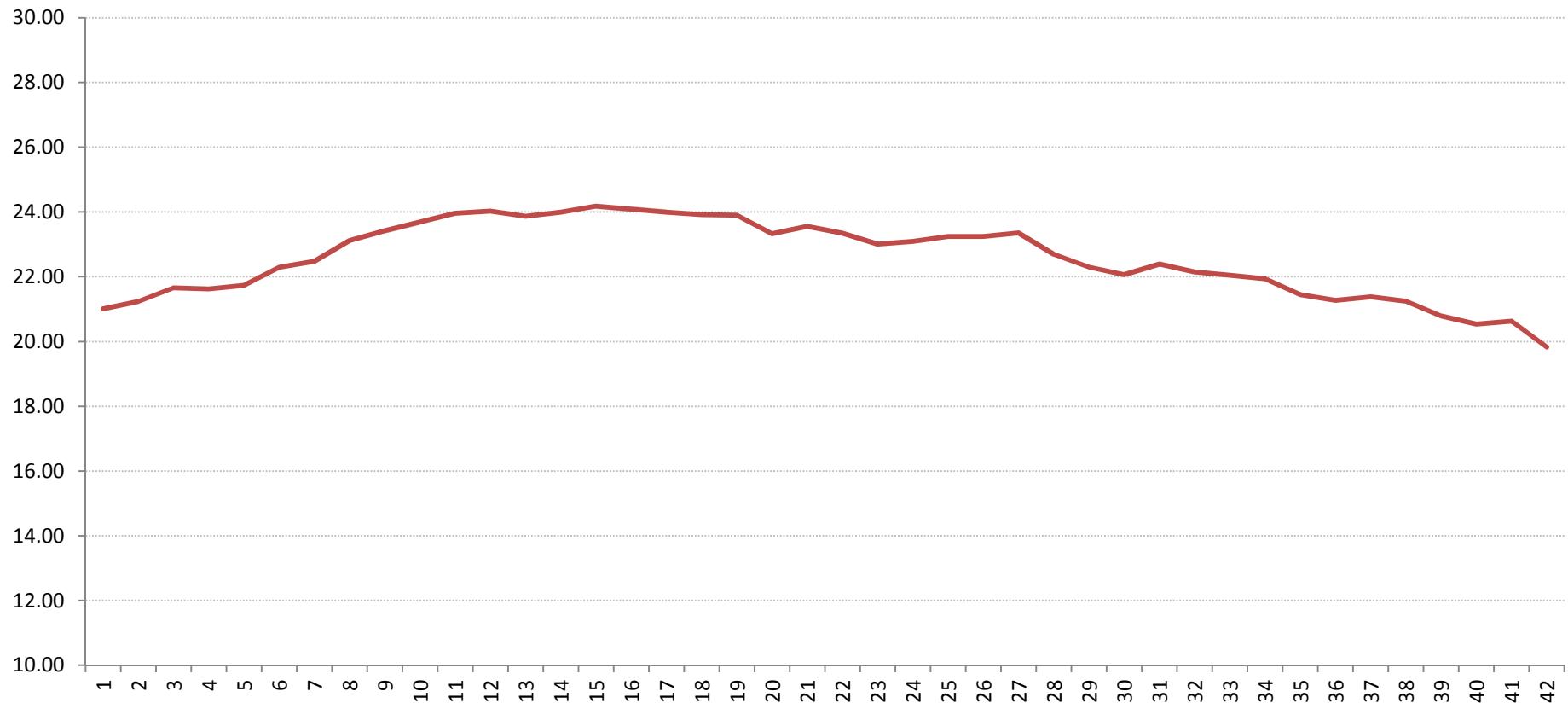
Part time rate



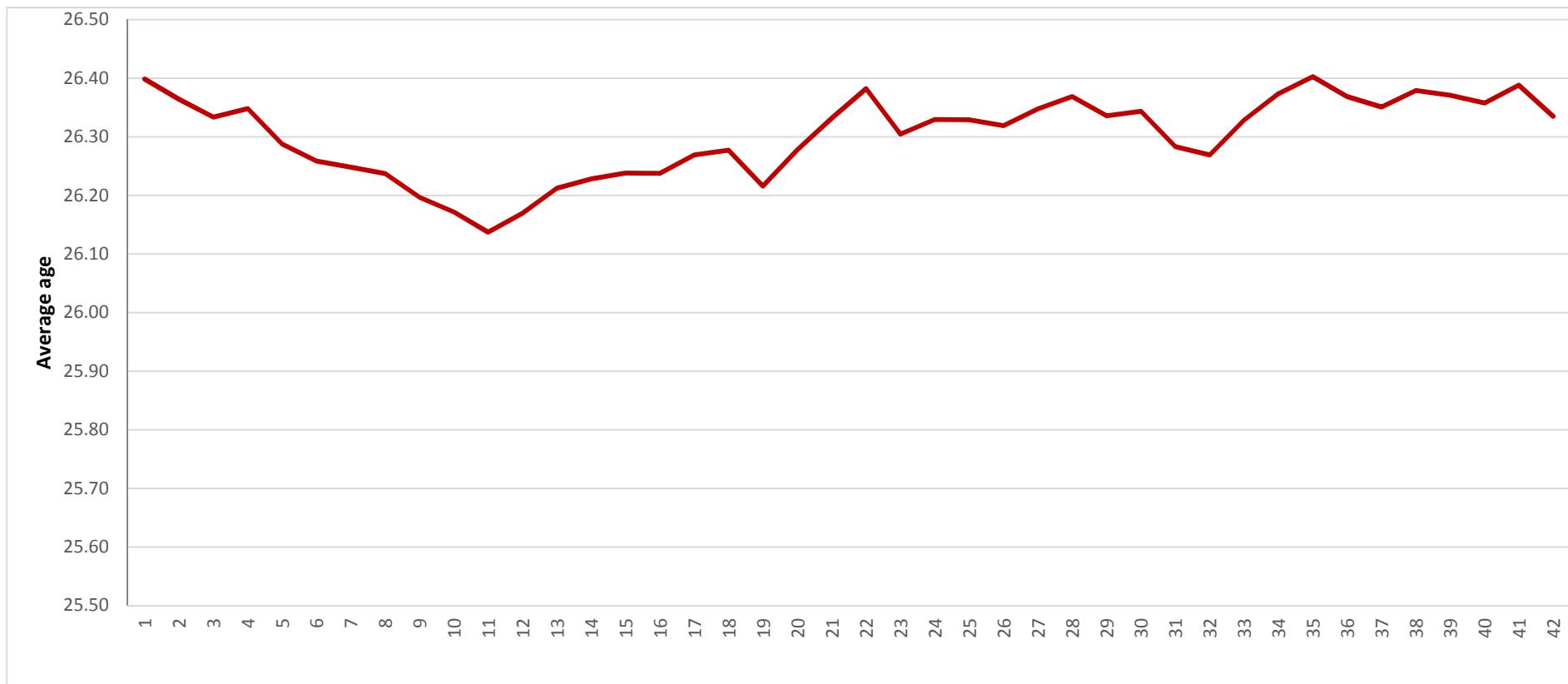
Consequences of Labour Market Precariousness

- How these circumstances restrict their life projects:
 - delaying emancipation even more?
 - putting them at risk of poverty and social exclusion?
- Data from LFS, 1st quarter 2005 – 2nd q. 2015

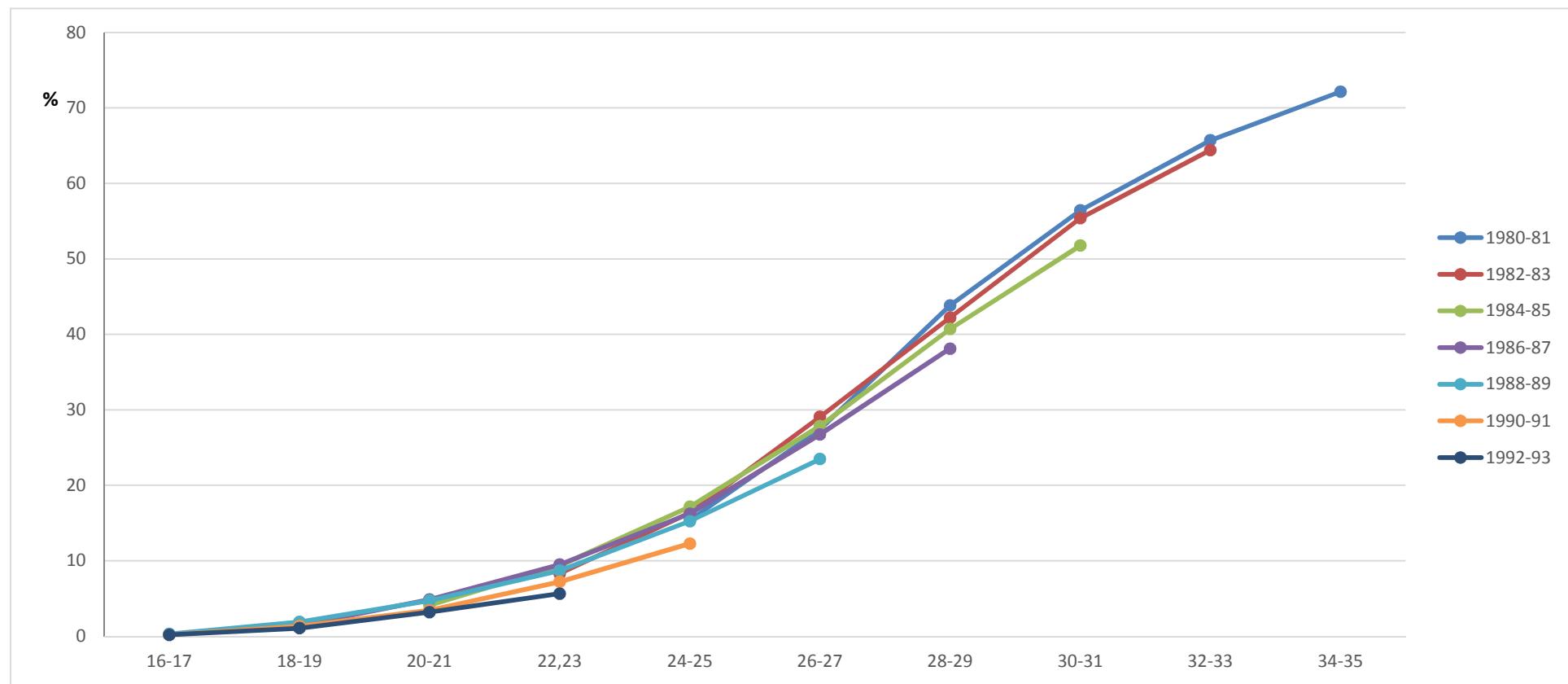
Percentage of young people (under 30) living outside the parental HH



Average age of young people (under 30) living outside parental home



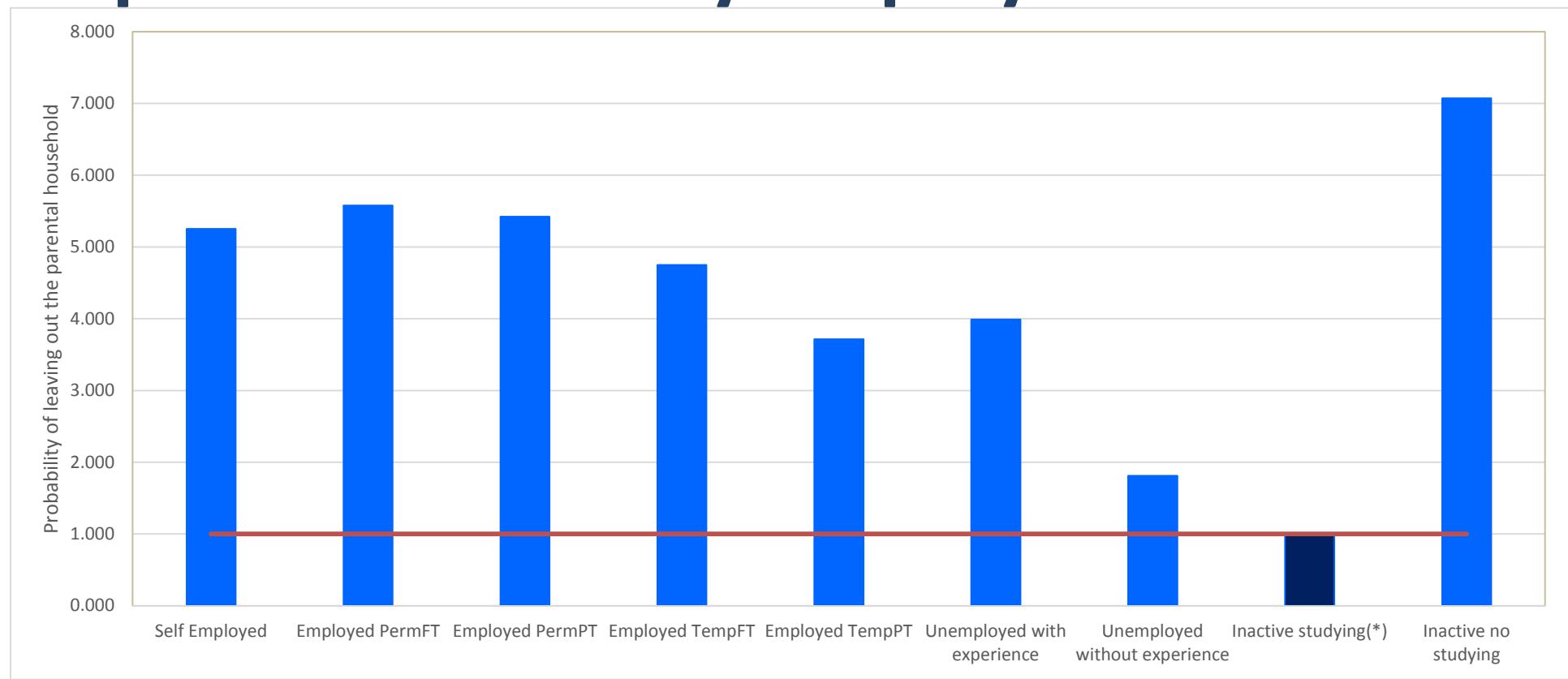
Proportion of young people (under 35) living outside parental home grouped by birth cohorts (defined every two years) by age group



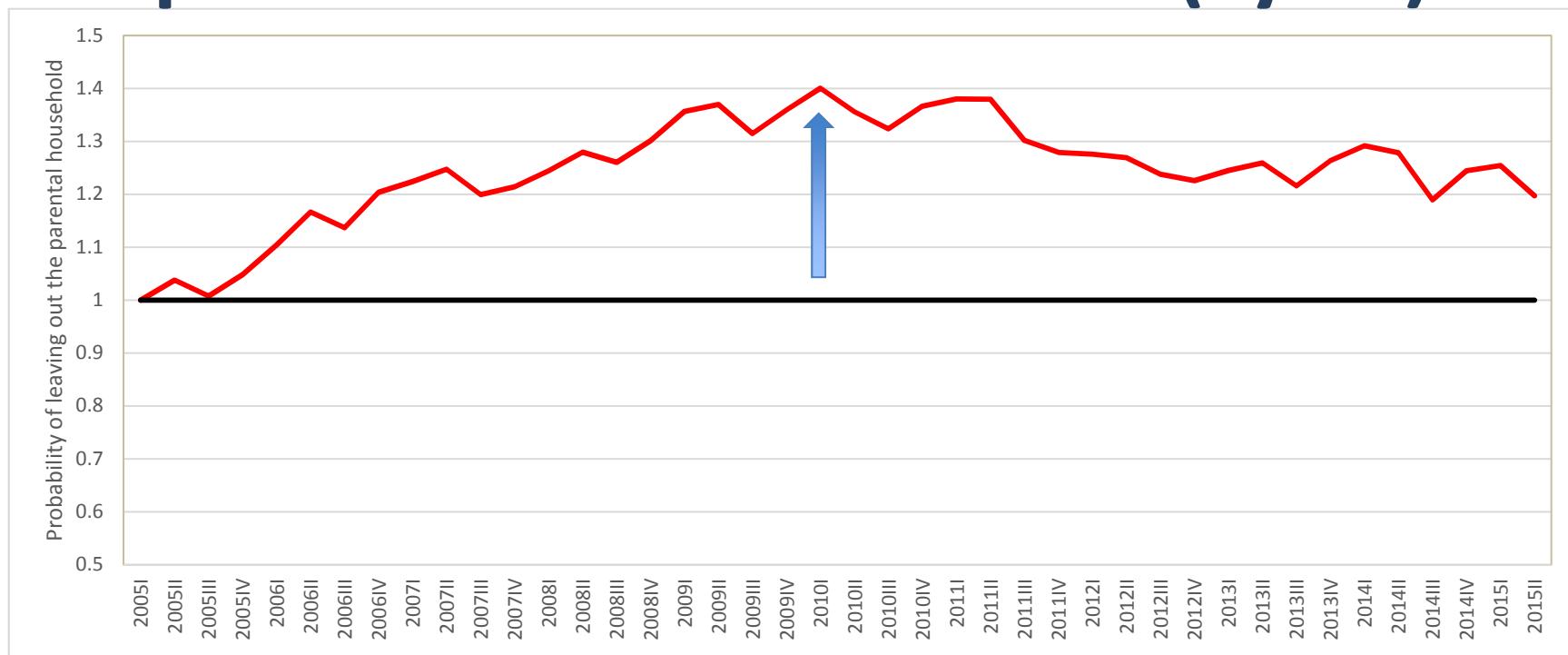
Determinants of emancipation: young people under 30 (Source: LFS, 2005-2015 2nd quarter)

- Logit model: probability of living outside the parental home (vs living inside)
 - Sex, age, (highest) level of education, still in education, region, employment status and LFS quarter (cycle)

Probability of living outside the parental home by Employment Status



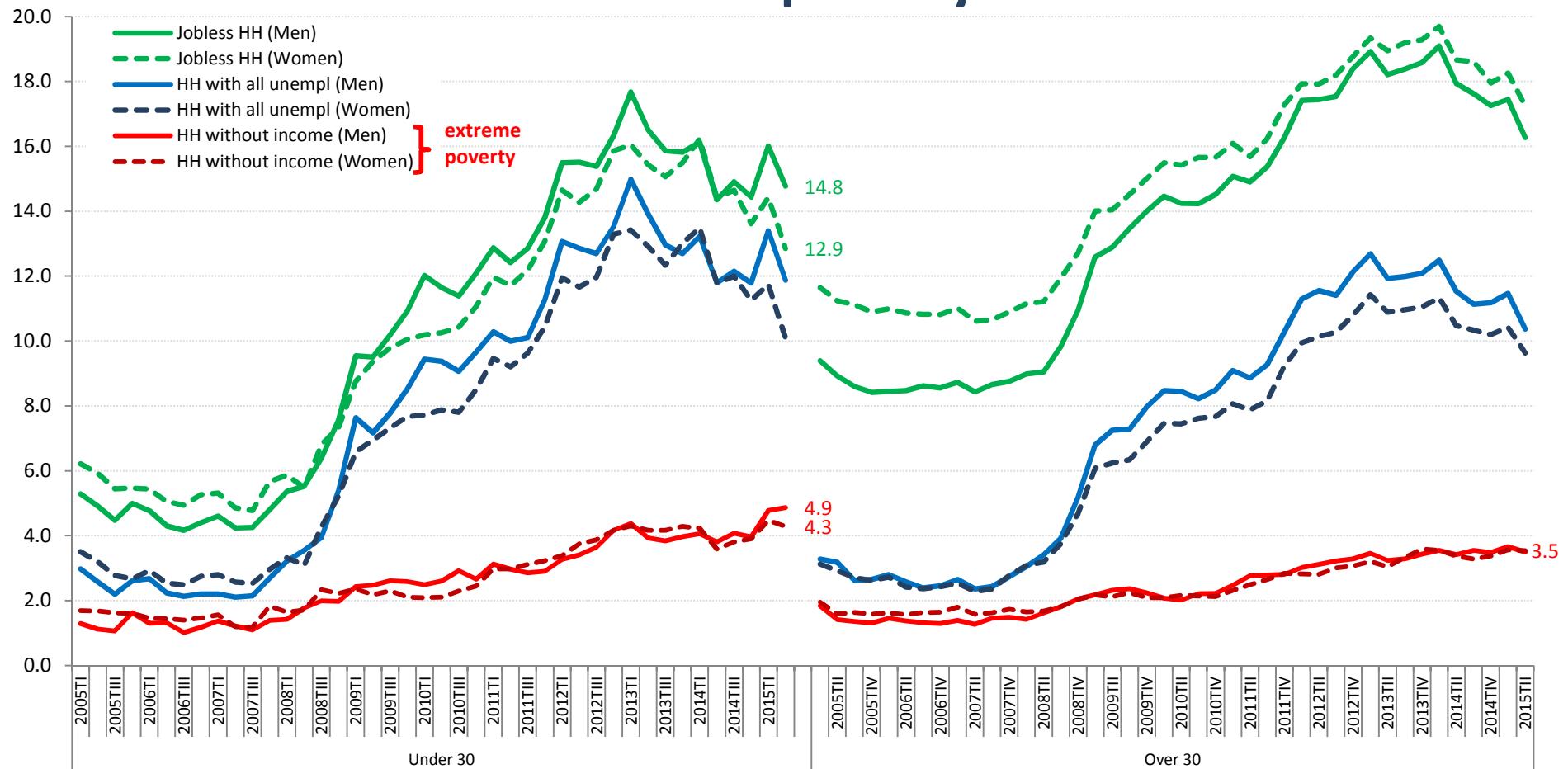
Probability of living outside the parental home over time (cycle)



Living in which type of HH “socioeconomic category”

- Relevance of incorporating the household socio economic dimension to identify the implications of unemployment and inactivity profiles on household wellbeing
- Indicators to show whether the recession has increased the share of young people who are living
 - in jobless households
 - in households in “extreme poverty”

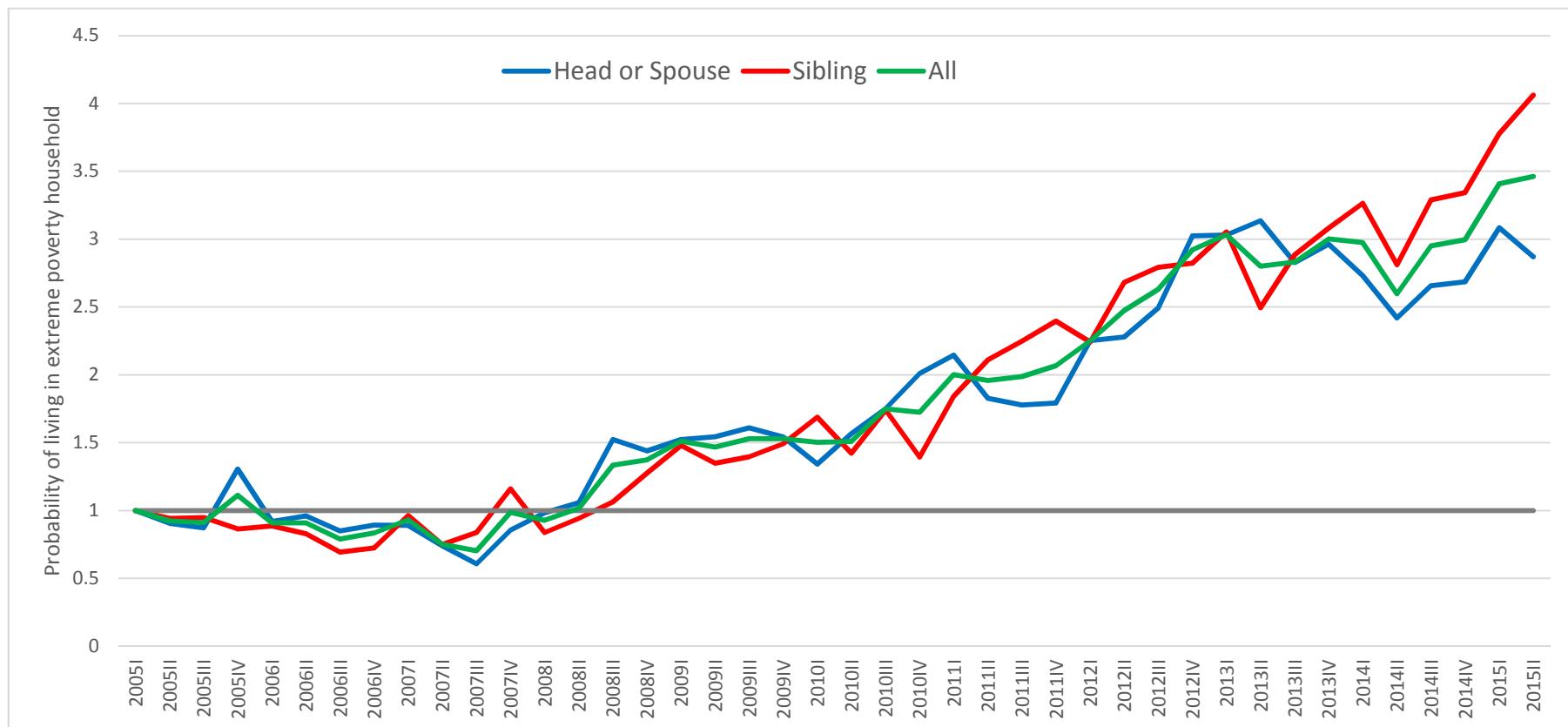
Share of people living in jobless HH and in extreme poverty HH



Determinants of “extreme poverty”

- Logit model: probability of living in “extreme poverty”
 - Sex, age, highest level of education, still in education, region, relationship with HoH, HH size and LFS quarter (cycle)

Probability of living in “extreme poverty” over time (young people under 30)



Conclusions

- The Great Recession has had a big impact on labour market situation of young people in Spain
 - Higher unemployment rates
 - Increasing precariousness
- These circumstances restrict their life projects:
 - Delaying emancipation:
 - decrease the proportion of young people living out the parental home
 - Increase the average age of those living on their own.
 - Putting them at risk of poverty and social exclusión:
 - increase the share of young people who are living in jobless households and in households with “extreme poverty”