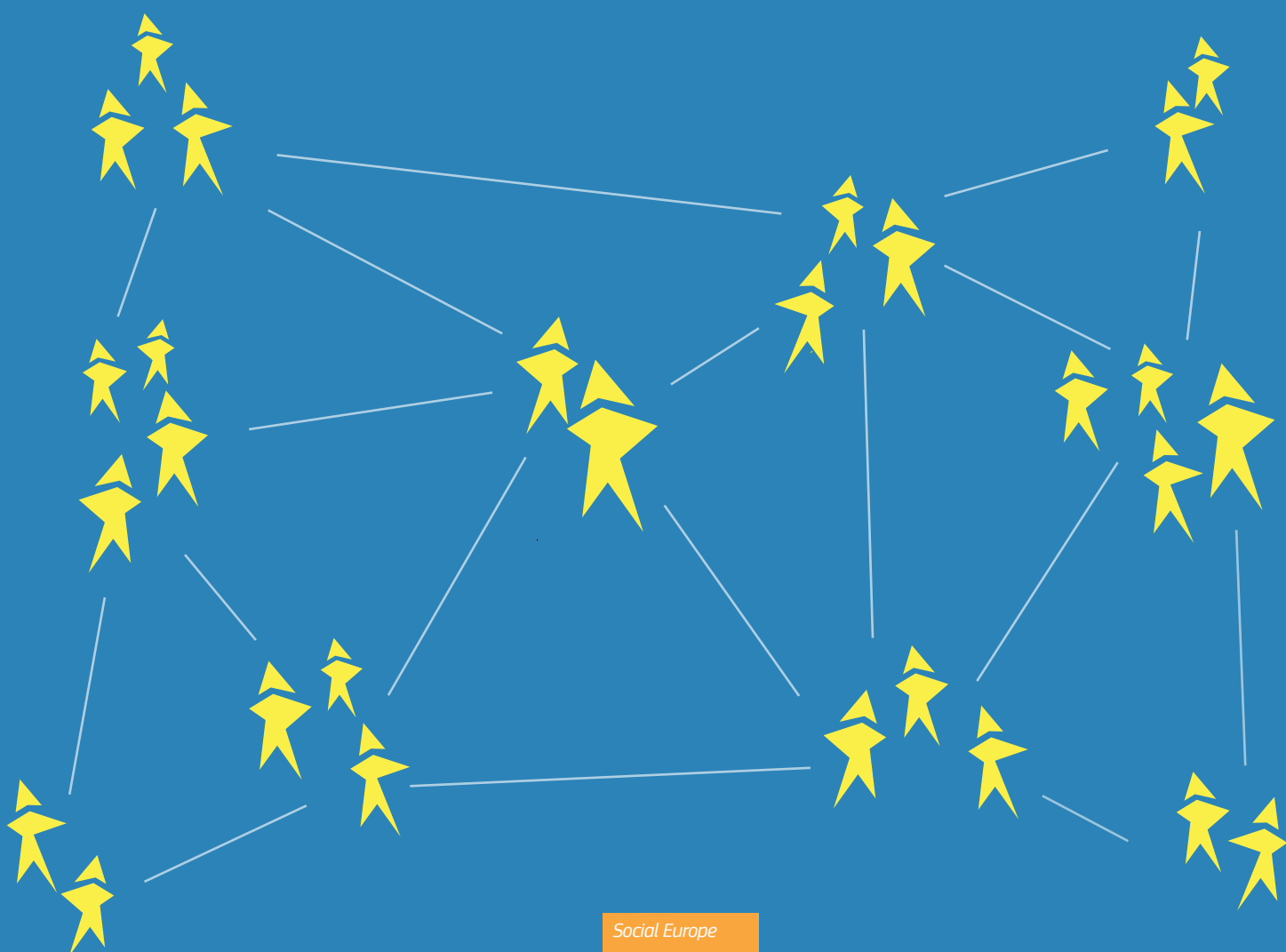




EUROPEAN SOCIAL POLICY NETWORK (ESPN)

In-work poverty in Spain

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In-work poverty**

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Summary

In 2017, the in-work poverty (IWP) rate¹ in Spain (13.1%) was higher than the EU-28 average (9.4%). Between 2012 and 2017, the Spanish IWP rate increased from 10.8% to 13.1%, while the unemployment rate fell (24.8% to 17.2%). IWP has affected men (13.3%) to a slightly greater extent than women (12.8%); its rate is inversely proportional to the age and educational level of workers; it has had a significant impact on workers born outside Spain (31.7%) and on immigrants from non-EU countries (34.1%); it has affected part-time workers (26.9%) to a greater extent than full-time workers (7.3%); and it has a high incidence among workers with temporary contracts (23.1%) – especially in non-standard jobs – and self-employed workers (21.7%). It has severely affected households in which an adult is responsible for two or more children (27.8%) and households with low work intensity (37.1%).

Behind the high level of IWP in Spain, there are mainly two types of challenge. On the one hand, IWP relates to labour market segmentation. The structure of the Spanish labour market confines certain categories of workers (women, youth, immigrants and the low-skilled) to sectors of low-quality jobs (temporary work, part-time work and self-employment). On the other hand, IWP is strongly related to the household structure, specifically the number of children dependent on one adult participating in the labour market.

There are no specific policies or programmes in Spain aimed at combating IWP. Within the scope of the social protection system, three programmes should be highlighted: a) dependent child allowances; b) Active Insertion Income (RAI); and c) some regional minimum income schemes (MIS). However, most of these programmes have limited effectiveness, due to their low amounts and because, in general, they require a lower income threshold than poverty.

There are no specific in-work benefits for the working poor in the Spanish social protection system. However, at a regional level, it is worth mentioning the in-work benefit schemes developed within the framework of the minimum income schemes in the Basque Country (Supplementary Benefit to Work Income - *Renta Complementaria de Ingresos de Trabajo*) and Navarre (Work Incentives of the Guaranteed Income - *Estimulos al empleo de la Renta garantizada*).

There is broad agreement that the wage devaluation of 2010-2014 and the labour reform of 2012 have deepened the segmentation and precariousness of part of the Spanish labour market. Recent measures – such as the Strategic Plan for Decent Work 2018-2020 (which tackles the abuses of fixed-term contracts) and the rise in the minimum wage between 2016 and 2019 – have addressed the IWP problem, albeit with limitations. Other policies, such as those of a fiscal nature, have had some positive impact on households with an annual income of less than €14,000. The 2018-2021 housing plan provides rental support to poor households, including households experiencing IWP, as well as support to alleviate energy poverty.

The debate on IWP has begun to gain political importance and visibility as Spain recovers from the social impact of the economic and financial crisis. NGOs have contributed to this visibility through their social reports. In general, political parties have not put the IWP issue on the agenda, although the debate on minimum wages, basic wages and collective agreements is bringing its social and economic importance to the forefront. Trade unions have emphasised that the IWP problem is a specific manifestation of the fall in wages; they therefore propose to continue raising the minimum wage via collective agreements and, as a complement, to strengthen social protection through a national MIS system.

¹ For ease of reading, we will refer to the notion 'at risk of in-work poverty', and to the indicator that measures it, using the generic term of 'in-work poverty' (IWP).

Three general recommendations emerge from the analysis: increasing the wages of workers with lower wages; improving working conditions by reducing the precariousness of non-standard work contracts; and finally, improving the effectiveness of the social protection system, strengthening its coordination and adapting the MIS to the households with income below the poverty threshold.

1 Analysis of the country's population at risk of in-work poverty

Since the first comparative studies, IWP rates in Spain have been among the highest in Europe (Eurofound, 2010; Rodríguez-Cabrero, 2010). The EU-agreed definition of in-work poverty is the rate of persons aged 18-64 years in employment and living in a household that is at risk of poverty. According to this definition, the rate in Spain in 2017² was 13.1% (Figure 1, Annex) – well above the EU rate (9.4%) (Figure 2, Annex) and surpassed only by Romania (17.1%).

As Spain recovers from the severe impact of the Great Recession, the unemployment rate has fallen, but it still remains very high (15.3% in 2018/Q2, Labour Force Survey, LFS-INE) (the evolution of the unemployment rate since 2012 can be seen in Figure 3, Annex). The at-risk of poverty rate (AROP) is also high (21.6% in 2017, EU-SILC, Eurostat). The AROP rate had been rising slightly since 2014, but in 2017 it dropped by 0.7%. As in some other European countries, the Spanish IWP rate has increased since 2012, as can be seen in Figures 1 and 2 (Annex).

The IWP concept combines analysis of two issues: the labour situation of individuals and the poverty risk of households. For this reason, the study of the factors that affect the level and evolution of income poverty among the working population must take into account the individual characteristics of the workers, as well as their linkages with employment, and the features of their households (a summary of the IWP rates according to these variables can be found in Table 1, Annex).

Starting with individual characteristics, we may observe that the IWP rate in 2017 was slightly higher among male workers (13.3%) than among female workers (12.8%). Considering other features (age, educational attainment level or migrant background), workers at risk of poverty show features similar to those of the entire population at risk of poverty. Thus, the IWP rate decreases as the age and educational level of workers increase.

The IWP rate of workers of immigrant origin is higher than that of the general population. In the decade prior to the Great Recession, the working population of Spain grew, driven by the incorporation of foreign labour. As is shown by the data on unemployment and income poverty of the foreign population from 2008 to the present, the immigrant population was affected more intensely by the crisis than the Spanish population as a whole. At present, in a period of employment recovery in Spain, three out of 10 workers born in a foreign country live in a household at risk of poverty (31.7% in 2017). The EU-SILC data show that workers from non-EU countries (non-EU-28) experience particularly high risk-of-poverty rates (34.1% in 2017). The AROP rate of workers born in Spain is, by contrast, relatively low (9.8% in 2017). Between 2012 and 2017, the IWP rate of all foreign workers grew (3.5%) but the increase was higher for workers from EU-28 countries (4.2%), as can be observed from Table 1 (Annex).

In Spain, in-work poverty is linked to the scarcity of good-quality jobs. In fact, IWP rates are related to working time, type of contract and employment status (see Figures 1, 4 and 5, Annex). Workers in permanent and full-time employment are less likely to find themselves at risk of income poverty. By contrast, 26.9% of those who work part time and 23.1% of those on a temporary contract lived below the at-risk-of poverty threshold in 2017. The Spanish link between in-work poverty and atypical work is far stronger than

² Latest available data. EU Statistics on Income and Living Conditions (EU-SILC) 2012-2017, Eurostat). Data on income related to the previous year.

the European one (the EU-28 average IWP rate for part-time workers was 15.8% and for employees on a temporary contract is was 16.3%). The IWP rates of these workers have increased since 2012, just as unemployment has been decreasing. As in the rest of the EU, the risk of poverty is also high among self-employed workers (21.7% in 2017),³ although their material and social deprivation (MSD) levels are similar to, or even lower than, those of employees (8.6% and 8.7%, respectively, in 2017, see Figure 5 in Annex).

There is some agreement among experts on the relationship between the increases in non-standard employment and IWP, both during the crisis and in the current recovery period (Eurofound, 2017; OECD, 2018a). Since 2013, Spain has witnessed very significant increases in the number of new job contracts, most of which are of a temporary nature and of short duration (Cebrián, 2018). In 2018, 93.3% of the 21.453 million new contracts were temporary; of these, 29% had a duration of less than one week.⁴ In Spain, moreover, part-time employment, with an incidence of involuntary part-time employment that is greater than 50%, has continued to increase during the recovery (OECD, 2018a). After a decline during the economic crisis, the number of self-employed people has remained quite stable, but its relative weight in the Spanish labour market has fallen off since 2012 (from 17.1% in 2012/Q2 to 15.9% in 2018/Q2, according LFS-INE). The increase in in-work poverty is therefore linked to an increase in the periods of the year in which workers are out of work or in jobs with excessively few working hours per day (LFS-INE, 2012-2017).

However, the connection between low wage levels and the increase in IWP is less clear (Marx and Nolan, 2013; Eurofound, 2010; Eurofound, 2017). According to the Structure of Earnings Survey (SES, Eurostat Database), the proportion of low-wage earners among all employees⁵ was 14.6% in Spain in 2014, below the EU average (17.2%). In a period marked by falling real wages (OECD, 2018b), this indicator has remained stable. The connection between low wage levels and the increase in IWP is less clear (Eurofound, 2010). It should be remembered that in the segmented Spanish labour market, low wages are concentrated in certain groups (women, youth, low-skilled workers and immigrants) and in certain forms of participation in employment (temporary work, part-time work and self-employment) that, as has already been noted, have a higher risk of IWP (Rodríguez-Cabrero, 2010; Marx and Nolan, 2013; OECD, 2018b).

Finally, as can be seen from Table 1 (Annex), in Spain the risk of IWP is visibly associated with the structure of households. The number of economically dependent children, together with the number of adults, determines very different profiles of income poverty risk (see Table 1). The highest IWP rate is that of households in which an adult is responsible for one or more minors (27.8% in 2017). Conversely, in 2017 the risk of poverty of workers living in households with two adults without dependent children was 8.9%. It is noteworthy, however, that among workers living alone, income poverty grew significantly between 2012 and 2017 (from 10.8% to 14.9%).

Analysis of the IWP rates according to work intensity of the household⁶ shows how employment and the structure of households jointly contribute to the accumulation of vulnerabilities (see Table 1, Annex). In 2017, workers in households with low or medium labour intensity experienced significantly higher risks of poverty (in 2017, 37.1% and

³ This indicator should be interpreted with care, because in surveys there is usually an underestimation of self-assessed income by the self-employed population.

⁴ Data from: SEPE - Statistical Data of Contracts (*Datos estadísticos de contratos*) <https://goo.gl/qQifrM>

The data should be considered as a proxy, as they refer to the expected duration specified in the contract. Another 37.4% of temporary contracts do not have a fixed final date. It should also be noted that the stability of open-ended contracts is low (around 60% of permanent contracts end before the first two years) (Cebrián and Moreno, 2012, 2019; Felgueroso et al., 2018).

⁵ Low-wage earners are defined as those employees earning two-thirds or less of the national median gross hourly earnings in that particular country.

⁶ Work intensity of a household is the ratio of the total number of months that all working-age household members have worked during the income reference year and the total number of months the same household members theoretically could have worked in the same period.

25.8% respectively). Still, between 2012 and 2017, there has been a substantial increase in levels of IWP among households with high or very high labour intensity. To explain this transformation, we may point again to the poor quality of new jobs (short duration, part time, self-employment and low wages).

Figure 6 (Annex) shows how the presence of dependent children and low work intensity drastically increase IWP rates. Practically half of the workers in households with children and low labour intensity find themselves at risk of poverty. The IWP is lower in households with children and medium and high labour intensity. Perhaps most significantly, in this period of economic and employment recovery, the IWP trend for households with children has been upwards, in contrast to the evolution of workers in childless households with medium or higher labour intensity.

Finally, the number of institutional factors affecting poverty risk in general, and that of workers in particular, is very large (Eurofound, 2017). We focus below on two areas that contribute to the shaping of IWP in Spain and, as such, constitute key intervention spaces to address the challenge it poses.

On the one hand, one of the fundamental features of the Spanish labour market is its segmentation. The composition of the Spanish labour market confines certain categories of workers (women, youth, immigrants and low-skilled workers) to sectors of bad-quality jobs. Traditionally, labour market policies have not been effective in modifying the segmentation of the Spanish labour market (Cebrián and Moreno, 2019; Felgueroso et al., 2017).

Recent labour market reforms (their impact assessment is still pending) seem to have favoured employment creation (OECD, 2018b). However, they may also have contributed to a deterioration in the quality of employment in various ways: by weakening the position of workers in collective bargaining, altering the nature of permanent contracts, devaluing wages, and encouraging the use of part-time contracts without preventing their improper use (Cebrián, 2018).

On the other hand, it is well known that income guarantee system has limited capacity to protect certain groups or risk profiles from income poverty. Thus, social assistance policies are weak and fragmented, and they have problems in responding to income poverty linked to low labour intensity (incompatibility with low wages or rigidity in relation to job rotation) (Ayala et al., 2016; Rodríguez Cabrero et al., 2015). Moreover, family and children policies are inadequate; in particular, spending on social benefits for childcare has traditionally been very low and has clearly had an insufficient impact on reducing poverty among a significant share of households with children (Cantó and Ayala, 2014). Furthermore, the introduction of behavioural conditions in social protection (such as job search or acceptance) in a context of high unemployment could encourage the most vulnerable workers to accept bad-quality jobs. These social protection policies have been particularly affected by fiscal consolidation policies, and they still need to recover their capacity to deal with income poverty risks.

Behind the high level of IWP in Spain, there are mainly two types of challenge. On the one hand, IWP relates more to labour market segmentation than to low wages. The structure of the Spanish labour market confines certain categories of workers (women, youth, immigrants and the low-skilled) to sectors with low-quality jobs (temporary work, part-time work and self-employment). Traditionally, labour market policies have not been effective in modifying the segmentation of the Spanish labour market. On the other hand, IWP is strongly related to household structure, specifically the number of children that are dependent on one or more adults participating in the labour market. Social transfers, particularly the income guarantee and family benefits, have shown a very limited capacity for poverty reduction.

2 Analysis of the policies in place

2.1 Policies with direct effects on IWP

Social policies in Spain have not been designed to solve IWP, hence there are no specific and systematic measures aimed at people at risk of IWP. In addition, measures that in one way or another may affect IWP positively cannot always be clearly distinguished from social policies aimed at fighting the risk of poverty and social exclusion in general.

In general, the Spanish social protection system has a limited redistributive effect towards reducing relative poverty. This system does not adequately cover situations of IWP, as it is primarily aimed at addressing the loss of income due to disability and/or unemployment.

Policies with a greater income poverty cushioning effect – such as retirement pensions or unemployment benefits – are incompatible with having a job, and so they do not affect IWP situations. Their contributory nature means that their purpose is to offer protection, which kicks in when work activity ceases: they generate entitlements that, in most cases, are incompatible with participation in the labour market.

However, the non-contributory level, which focuses to a greater extent on alleviating situations of proven need that are not covered at other protective levels, tends to concentrate on situations of poverty risk among individuals far removed from the labour market; thus they tend only indirectly to benefit people at risk of IWP.

Back in 2010, we noted in a report on in-work poverty in Spain (Rodríguez Cabrero, 2010) that “if public policies are to be successful for the working poor, they have to tackle simultaneously the income guarantee system, labour market inclusion and quality services”. However, since then, the growth of IWP has not been accompanied by substantial improvements for this group in relation to these three strategic lines of active inclusion, except for some advances in Autonomous Communities’ minimum income schemes.

Spain’s **income guarantee system**, given its limited extension, fragmentation and the limited amount of benefits, is not sufficient to guarantee that workers earning incomes that are inadequate to cope with their family responsibilities can avoid being considered people at risk of IWP (López Fuentes, 2017).

In general, income guarantee system programmes and benefits were not initially intended to address situations of IWP, since they were designed from the viewpoint that active participation in the labour market is sufficient in itself to get above the poverty threshold (Azcona, 2017). With the exceptions discussed below, most benefits are conditional on situations of unemployment (Ayala et al., 2016). In other cases, barriers are created to people at risk of IWP gaining access to benefits: the establishment of an income threshold that is below the poverty threshold before benefits can be accessed means that IWP households located somewhere between the thresholds are excluded.

Some benefits do allow people to be employed and to receive the benefit, provided need is demonstrated and the household’s economic resources are below the threshold established for each benefit. These benefits are not designed for people at risk of IWP, but are the closest to the needs of people at risk of IWP who participate *actively* in the labour market (albeit with limitations).⁷ This is the case with dependent child benefits,

⁷ The Spanish income guarantee system includes other non-contributory benefits compatible with having a job. However, they are not specifically intended for workers in situations of IWP who actively participate in the labour market, but rather for workers (among whom there may also be persons at risk of IWP) in very specific employment situations, such as maternity (non-contributory maternity allowance) or invalidity (non-contributory invalidity pension). The non-contributory maternity allowance runs for 42 days and is aimed at employed or self-employed workers (including working mothers in situations of poverty) who are temporarily unable to continue working. See: <https://goo.gl/Em3QJ2> The non-contributory invalidity pension is aimed at low-income persons with a degree of disability equal to or greater than 65%. It is compatible with the exercise of a work activity, so long as it is carried out in accordance with the disability of the beneficiary. It is possible to

regional MIS and, to a lesser extent, the Active Insertion Income (RAI – *Renta Activa de Inserción*).

Dependent child allowances⁸ are compatible with earned income. They include a non-contributory cash transfer programme for low-income families with under-age children (€291 per year and per child).⁹ This benefit is targeted at families whose annual income does not exceed €11,953.94 (in 2018) (plus 15% per additional child). They also include non-contributory cash benefits for families with a disabled child aged under 18 and over 33% disability (€1,000 per year and child in 2018) and for families with a disabled child over 18 (€4,561 per year and child if the disability is between 65% and 75%, and €6,842 per year and child if the disability is over 75%). These benefits for families with disabled children are not conditional on income. Although an income threshold has not been established, their impact on reducing IWP is limited, as the benefit amounts are low¹⁰ and are intended entirely for the needs of the person with the disability.

In general, dependent child allowances have a very limited effect on reducing IWP, not only because of the low amounts of the benefits, but also because their coverage is relatively modest (in 2017, only 17.2% of those under the age of 18 received it, partly because the maximum allowable annual income to access the benefit is lower than the poverty threshold). In order to ensure effective protection against IWP, especially in cases where there are dependent children, it would be necessary to establish more generous child support benefits and to raise the access threshold (Marx and Nolan, 2013).

The minimum income schemes of Autonomous Communities, MIS, constitute a last-resort social protection safety net in Spain. MIS are characterised by a high level of fragmentation and disparities across regions. Since 2010, some Autonomous Communities – such as Andalusia, Balearic Islands, Canary Islands, Cantabria, Castile-Leon, Catalonia, Extremadura, Galicia, Murcia, La Rioja, Valencia, Basque Country or Navarre – have revised their MIS, in order to make them more responsive to different forms of poverty and exclusion and to guarantee access for groups at risk of poverty, including people at risk of IWP (Rodríguez Cabrero et al., 2015; SIIS, 2018; MSCBS, 2018).

Although the MIS were not specifically designed for people at risk of IWP, they have gradually adapted to the situation of this group, in the sense that they have had to reconcile, both conceptually and administratively, receipt of a low wage with access to the minimum income benefit (Zalakain, 2014). This has rendered the benefit suited to the situation of people at risk of IWP, although there are differences between the regions.

The MIS make it possible to reconcile receipt of the benefit with earnings from work,¹¹ provided a certain income threshold is not exceeded. That income threshold, which determines eligibility for the benefit, is usually below the poverty threshold, which implies the exclusion of IWP households located between the two thresholds.

Earnings from work are usually subtracted from the corresponding minimum income benefit, although a growing number of regions are allowing the partial and temporary exemption of earnings from work.¹²

reconcile the receipt of the pension with income derived from the activity during the four years following the beginning of the activity, provided the sum of both incomes does not exceed €11,775 per year. If they exceed this limit, the annual amount of the pension is reduced by the same amount, <https://goo.gl/fNhLUM>

⁸ <https://goo.gl/Gtv8HN>

⁹ This amount has been frozen since 2002.

¹⁰ According to data from Eurostat-ESSPROS, the Spanish government invested only 1.3% of its GDP in children in 2016. The EU average was almost double that (2.4%).

¹¹ Both employees and self-employed workers.

¹² For example, in Balearic Islands, since 2016, for six months after a minimum income beneficiary gets a new job, only 50% of the salary is counted as income. Since 2013 the Autonomous Community of Galicia has had a

Among the regional MIS, it is worth mentioning the in-work benefits developed as part of the minimum income schemes in Navarre and the Basque Country.¹³ In the Basque Country, the income guarantee policy includes a Supplementary Benefit to Work Income (*Renta Complementaria de Ingresos de Trabajo*).¹⁴ Under this scheme, a certain percentage of the income from self-employment or salaried work is not subtracted from the guaranteed income level for a maximum period of 24 months (which may be extended by another 12 months). In 2016, it was estimated that in the region around 60.2% of those at risk of IWP and who lived in a household with at least one member in employment received the regional minimum income, and around 38.3% were able to rise above the real-poverty threshold.¹⁵ The minimum income scheme in Navarre, (Guaranteed Income, *Renta Garantizada*) includes a measure called Work Incentives (*Estimulos al Empleo*), by which income from self-employment or salaried employment is only *partially* taken into account when calculating the final amount of benefits received.¹⁶ In Navarre in 2017, 27.1% of the beneficiaries of minimum income took advantage of the Work Incentives scheme (García de Eulate and Herrero, 2018).

However, as shown in section 3, both trade unions and some authors (Zalakain, 2014) believe that the recurrent use of the MIS to alleviate situations of IWP may involve certain risks, as it may contribute to a social acceptance of low-wage employment and to acquiescence with the benefit being used to subsidise both capital and low wages, without regard to the underlying causes of low wages. In order to prevent this, it is essential to raise issues such as collective bargaining and the articulation of a production model that is not based on low-wage employment (Zalakain, 2014).

Among active labour market policies (ALMP), we may highlight the **Active Insertion Income (RAI – Renta Activa de Inserción)**.¹⁷ The RAI is intended for labour activation and has a duration of up to 11 months, extendable up to three times (33 months in total). It is aimed at long-term unemployed persons aged 45 years and over, returning emigrants aged 45 and over, women victims of gender violence, and persons with accredited disabilities (of 33% or more). As a general rule, applicants must be legally unemployed. However, there are two exceptions:

1) If, once the RAI has been granted, the person finds part-time employment, the benefit and employment can be combined, provided the income received from wages does not exceed the established income threshold (monthly income of below 75% of the national minimum wage: €551.93 per month in 2018). In such a situation, the beneficiary does

“transition to employment” supplement, whereby for one month the MIS recipient may receive remuneration without having the benefit amount reduced. In subsequent months it is gradually reduced, until in the seventh month the benefit ceases if employment is maintained. In La Rioja, since 2017, during the first year 50% of income from employment is counted as income. In Asturias, since 2011, employment income from contracts with a total duration of less than 30 days in a six-month period is not taken into account; nor are contracts with remuneration lower than the monthly amount of the minimum income. In Valencia, since 2017, income from work under the monthly minimum wage (*salario mínimo interprofesional* – SMI) is not taken into account for a period of three consecutive months. Details can be found in SiS (2018).

¹³ In 2018, the MIS of the Basque Country and Navarre provided the largest amounts. In the Basque Country, the amounts range from €644.49 to €915.47, and in Navarre from €610.80 to €1,222 depending on household size.

¹⁴ More details at <https://goo.gl/5vzQZ9>

¹⁵ Data based on the Survey on Social Poverty and Inequality, carried out by the Specific Statistical Body of the Department of Employment and Social Policies of the Basque Government. Our thanks to Luis Sanzo for the ad hoc research carried out for this Thematic Report. According to these data, in 2016, out of a total of 96,911 persons living in households in situations of real poverty with at least one employed member, 37,146 (38.3%) exited poverty after going through this programme. However, some potential claimants do not have access to the programme. Nor do all households that access this aid manage to escape poverty, despite significant reductions in the gap between income and the poverty threshold (from 59.6% to 16.7%). Note that these data refer to *real poverty*, which is a specific indicator used by this department and which takes into account income poverty, material deprivation, assets and indebtedness (more detail at <https://goo.gl/PhGChm>).

¹⁶ More details in Arriba and Rodríguez Cabrero (2017).

¹⁷ More details at <https://goo.gl/eJBkCZ>

not receive 100% of the RAI (€430.27 in 2018), but instead a part of the RAI is deducted, in proportion to the time worked.

2) The RAI also provides financial assistance for those workers admitted to the programme who start full-time employment or self-employed work. The assistance amounts to 25% of the total amount of the RAI (€108 per month in 2018) for a maximum of 180 days.

As we can see, the RAI does not suppose a specific form of support for workers in situations of IWP, but rather a transitory form of support for the social and labour insertion of groups with a risk of falling into IWP during the time of receipt (Azcona, 2017).

With regard to **labour market policies**, the wage devaluation produced by and associated with the crisis,¹⁸ together with the high segmentation and precariousness of the labour market, has contributed to increasing IWP in Spain. The characteristics of employment are not the only explanatory factor of IWP, but the households at risk of IWP are greatly influenced by non-standard employment based on unwanted or involuntary fixed-term contracts and part-time contracts (Marx and Nolan, 2013). Non-standard workers, in both temporary and part-time jobs, face higher levels of IWP than other workers. "Their Social Security contribution record is also poorer than that of other workers, which leads in turn to a higher risk of out-of-work poverty" (Rodríguez Cabrero et al., 2017:21).

In Spain, IWP is not expressly reflected in the employment legislation (Lázaro Sánchez, 2017). It is not the regulation of temporary and part-time employment in itself that is the cause of IWP, but rather its fraudulent use by companies seeking legal loopholes, and a weak system of administrative control of compliance with labour regulations (Quintero, 2017). To prevent this, there has been an intensification of inspections to root out the abuse of fixed-term contracts. In July 2018, a Strategic Plan for Decent Work 2018-2020¹⁹ was approved, as a result of which 47,205 fixed-term contracts were turned into open-ended contracts between August and September 2018.²⁰ Between January and September 2018, the total number of fixed-term contracts converted into open-ended contracts was 144,474 (double the number for the same period in 2017). The objectives of this plan are to facilitate decently remunerated and quality jobs, to improve working conditions and to reduce labour segmentation.²¹

Another aggravating factor for IWP has been the weakening of social consultation and collective bargaining (Quintero, 2017). The 2012 labour reform contributed to this weakening.²² That reform broadened the scope of business action and reduced the influence of trade unions to improve working conditions. In addition, the reform legally facilitated wage devaluations, by including wages as one of the working conditions that

¹⁸ In 2017 the weight of salaries fell to 47.3% of GDP, the lowest percentage since 1989 (INE: Statistical Yearbook of Spain 2018, <https://goo.gl/knUDuw>).

¹⁹ Resolution of the Ministry of Work, Migration and Social Security Subsecretary Office, 27 July 2018, <https://goo.gl/wFi4oU>

²⁰ Labour and Social Security Inspectorate, <https://goo.gl/ZfpnY5>

²¹ It includes measures such as: 1) the creation of specific information campaigns focusing on the gender perspective and the use of sanctioning measures to reduce overtime not paid for or compensated with rest, situations related to the organisation of work and the establishment of high work rates; 2) actions to reduce work accidents and morbidity; 3) the creation of an Anti-Discrimination Unit to ensure the equal treatment of all vulnerable workers and gender equality, for example, to prevent discrimination against women in sectors that are traditionally dominated by men; 4) measures to correct wage non-compliance and non-compliance resulting from the outsourcing of activities, such as the intensification of labour inspections and sanctioning measures in the event of non-payment of wages, especially in the case of workers affected by business subrogations and who suffer a wage cut due to the employer's failure to respect the remuneration conditions set out in the company. Complaints of non-payment or late payment of wages accounted for more than 33% of the total number of complaints filed with the Labour and Social Security Inspectorate.

²² Royal Decree-Law 3/2012, of 10 February, on urgent measures for the reform of the labour market, <https://goo.gl/SD17KE>

may be modified by business owners. This has facilitated a reduction in wages, as well as the elimination of social benefits (childcare assistance), in private companies, without taking into account the particular needs of the most vulnerable workers (Gala Durán, 2017). Hardly any amendments have been made to the 2012 labour reform.

In the field of **tax policies**, there are measures in the personal income tax (PIT) system aimed at low-income workers, such as removal of the obligation to declare income for those persons who receive income from work of below €14,000, or tax reductions for obtaining income from work.²³ Employees and self-employed workers, regardless of their income, are also entitled to personal income tax deductions if they have relatives with disabilities (offspring and/or elderly relatives), are single parents with at least two children, or have large families.²⁴

Regarding the **minimum wage**, it remained stagnant during the crisis. Between 2016 and 2019, it increased by 37.4% (€900 per month in 2019), although that is still insufficient to contain IWP. Raising the minimum wage above the poverty line could have a positive impact on improving the living conditions of the most vulnerable working population, but it would still have a limited impact on people at risk of IWP who cannot find a full-time job. Furthermore, as Marx and Nolan (2013) pointed out, the minimum wage is inadequate to keep a single person above the poverty line. There is also a need to guarantee labour rights and the access to quality services, and to improve and adapt social transfers for the working poor.

2.2 Policies with indirect effects on IWP

In relation to **childcare**, according to Eurofound (2017), in order for it to be an effective instrument in the fight against IWP, it should be free of charge and targeted especially at those workers with young children who have lower levels of household work intensity and less-stable jobs, which are associated with lower earnings. However, the first cycle of early childhood education (age 0-3) is not free in Spain and there is a lack of places in public schools. The approved 2018 State Budget includes a new tax deduction of up to €1,000 per child per year to help with the cost of formal childcare for children aged 0-3. However, the measure is not targeted at people at risk of IWP, but at employed or self-employed mothers, regardless of their income level, who have children under the age of three.

Healthcare and long-term care (LTC). Like society as a whole, people at risk of IWP enjoy free access to the services of the health system and long-term care (Rodríguez Cabrero, 2010) although they have to face co-payments according to their income. In the field of healthcare, the health reform of 2012²⁵ had a negative impact on people at risk of IWP – especially on the immigrant population, whose health coverage rights were curtailed.²⁶ These rights were recovered in 2018.

In relation to pharmaceutical co-payments, people on income support are exempt, but workers with incomes of below €18,000 per year have to cover 40% of the prescription cost (50% for workers with incomes of between €18,000 and €100,000 per year). The difficulty of co-paying for some medicines and paying fully for others not financed by the National Health System (NHS) are factors that have aggravated the phenomenon of

²³ With effect from 5 July 2018, this applies to taxpayers with net income from work of less than €16,825, provided they do not have income other than income from work of more than €6,500, <https://goo.gl/3Nx9wf>

²⁴ The amount is €1,200 per year when they deduct it from their PIT declaration. The reimbursement can be claimed in advance, in monthly payments of €100. For families with four children, the assistance amounts to €1,800 per year or €150 per month; and for large families with six children, it reaches €3,000 per year (on the PIT declaration), or €250 per month.

²⁵ Royal Decree-Law 16/2012, on urgent measures to guarantee the sustainability of the NHS, <http://goo.gl/ILEV6r>.

²⁶ Migrants in an irregular situation (with the exception of minors and pregnant women) were officially left out of the NHS, entitled to care only in cases of emergency or infectious diseases.

“pharmaceutical poverty” among the most vulnerable workers at risk of IWP and with chronic diseases (Azcona, 2017). In the case of LTC, there is a co-payment for dependants with income above the Public Multiple Effects Income Indicator (IPREM) (€7,520 per year), which also complicates access to the LTC system for people at risk of IWP.²⁷

With regard to **housing and energy costs assistance**, two measures targeted at vulnerable groups stand out as measures that may also indirectly benefit people at risk of IWP: 1) The New State Housing Plan 2018-2021²⁸ sets rent subsidies up to 40% in general and up to 50% for persons aged below 35 and aged 65 or over. Therefore, although the allowance does privilege some groups, it focuses on low-income households in general (Arriba and Rodríguez Cabrero, 2018); 2) The so-called *Bono Social Eléctrico* (social discount rate on electricity bills)²⁹ is aimed at the most vulnerable consumers and includes subsidies on electricity bills of between 25% and 40%, depending on the degree of vulnerability. The household income must not exceed particular income thresholds (which vary according to the number of children and which are higher for persons with disabilities or with dependants, for victims of gender violence and for single-parent families).³⁰ It also provides for a moratorium of up to four months before the power supply is cut off in the cases of non-payment; and indeed it even prevents the power being turned off for particularly vulnerable consumers with minor children or persons with disabilities.

3 Policy debates, proposals and reforms on in-work poverty and recommendations

3.1. Debates on IWP

As we saw in section 2, the direct and indirect measures to help people at risk of IWP are limited. Only some MIS of the Autonomous Communities (Basque Country and Navarre) are effective in some way.

The debate on IWP has not, until recently, had the social and economic visibility that it deserves, given that it affected 13.1% of the working population in 2017. Neither its importance nor its visibility corresponds to the reality of the phenomenon. It has achieved greater visibility in the social and political debate since the country’s recovery from the Great Recession. In the academic world, it was already the subject of analysis even before the financial crisis (Ayala, 2010; Cantó, 2010; Ayala and Ruiz-Huerta, 2018).

In the current debate on IWP, it is necessary to distinguish between the opinions of political parties, trade unions and NGOs.

For political parties in general, the problem is not on the political agenda, but only forms part of the fight against poverty and exclusion in its broadest sense. IWP was not on the central government’s policy agenda from the onset of the Great Recession until the summer of 2018. In reality, the political parties have lagged behind the NGOs and trade unions. The agreement between the governing party and the political party Podemos to

²⁷ The Spanish Committee of Representatives of Persons with a Disability (*Comité Español de Representantes de Personas con Discapacidad* – CERMI) has presented a Popular Legislative Initiative (<http://ilp.cermi.es/documentos>), which proposes extending exemption from co-payment to people whose personal economic capacity does not exceed 2.5 times the IPREM.

²⁸ Royal Decree 106/2018, of 9 March, regulating the State Housing Plan 2018-2021, <https://goo.gl/n4ENk9>

²⁹ Royal Decree-Law 15/2018 of 5 October, on urgent measures for energy transition and consumer protection; <https://goo.gl/ab4Eef>. This Royal Decree-Law amends and extends Royal Decree 897/2017 of 6 October, <https://goo.gl/umX8AY>

³⁰ This threshold ranges from €11,279 per year if there is no child in the household to €18,799 for families with two children. These thresholds are increased by €3,760 per year for persons with disabilities or dependants, for victims of gender violence and for single-parent families.

increase the minimum wage³¹ has indirectly highlighted the importance of reducing IWP. It should also be noted that some regional MIS have extended their coverage to poverty-stricken households with employed persons, as shown in section 2. These regional initiatives are implemented within an institutional framework in which there is no coordinated national policy. Nor does the National Reform Programme 2018 (NRP) make specific reference to IWP, confining the picture of poverty and social exclusion to the gender pay gap, long-term unemployment and youth unemployment. An exception is the Universal Social Card, which keeps a record of citizens' social benefits and thus helps with the management of social protection management.³²

For their part, NGOs have contributed significantly to raising the visibility of IWP and promoting the need for its incorporation into the political agenda. Thus, the European Anti-Poverty Network (EAPN) has highlighted the importance of the problem throughout its reports (EAPN-España, 2018: 9). The Spanish Red Cross has also pointed out that IWP was significant among the population it provided assistance to in 2016 (Cruz Roja Española, 2017). Similarly, Caritas Española has emphasised the rise in the population faced with IWP, which is explained thus: "the creation of employment is a necessary but insufficient condition for the improvement of social needs. Furthermore, the experience of the last decades shows the insufficiency of the stages of economic prosperity to carry out a significant reduction of the main situations of vulnerability" (Caritas Española, 2018: 6). In general, the NGOs underline that IWP is the result of two factors: the low quality of employment that has been created from 2014 to the present, and the inadequacy and low effectiveness of the social protection system.

Finally, the trade unions³³ consider that although the problem of IWP dates back to the 1990s, its most recent roots lie in the wage devaluation that occurred between 2012 and 2014, the impact of the labour reform of February 2012, and the worsening of working conditions (Comisiones Obreras, 2018a). There is broad agreement among the majority of unions in Spain that the problem of IWP results from the fall in wages, which has mainly hit low-wage workers.

Thus, in the lowest earnings decile among full-time wage earners, the average real wage fell by 10.4% between 2008 and 2016. According to the LFS, 10.5% of full-time employees in the private sector had a gross salary less than or equal to €14,000 per year in 2014; this figure rose to 12.6% in 2015 and 15.3% in 2016 (when 1,939,200 were wage earners, of whom 92.4% received a salary agreed in collective bargaining)³⁴ (Comisiones Obreras, 2018b). This deterioration was due to factors such as: the high level of job creation in sectors with low added value; the loss of union power in collective bargaining; the failure of wage rises to take account of increases in productivity; the presence of multiservice companies and digital platforms that reject collective bargaining; and the abuse of contracts for a specific project or service, which in practice tends to turn the work contract into a commercial contract.

The December 2017 agreement between the social partners and the government to raise the minimum collective-bargaining wage in 2018 by 4% was a first step towards improving wages – and there was a commitment to raise it in 2019 and 2020 in line with economic growth and the situation of the labour market. This agreement was followed by another in July 2018 between trade unions and employers' organisations, which

³¹ Agreement between the government and Podemos, in relation to the State Budget for 2019, according to which the national minimum wage will rise from €735.90 per month (in 14 payments) to €900 in 2019, which represents an increase of 23.3%. As pointed out in section 2.1, from 2016 to 2019 the national minimum wage increased by 37.4%.

³² Resolution of the National Institute of Social Security, 14 September 2018, <https://goo.gl/nSXLJx>

³³ This subsection is based on interviews with Carlos Martín, head of the Economic Cabinet of the Workers' Commissions (*Comisiones Obreras* – CC.OO) trade union on 26 November 2018, and with Gonzalo Pino (Secretary of Union Policy) and Adela Carrió (Confederal Secretary) of the General Workers' Union (*Unión General de Trabajadores* – UGT) on 27 November 2018.

³⁴ This percentage rises, for example, to 26.9% in the construction sector, 18.2% in the wholesale and retail trade sector, 18.3% in administrative activities and auxiliary services.

increased collective-bargaining wages between 2018 and 2020 by between 2% and 3%, with the aim of achieving a minimum collective-bargaining wage of €14,000 per year.

The trade unions consider that raising the general minimum wage or the minimum wage in collective-bargaining agreements has no effect on the economy, since any possible destruction of employment that this may entail is compensated for by the employment created by growth in demand. Empirical evidence shows that the increase in the minimum wage is compatible with the growth in employment of youth and wage earners with low levels of education.³⁵

However, in addition to the wage improvement for the lowest-paid segments of the wage-earner population, the social partners consider that it is necessary to pay special attention to two groups in which IWP tends to be concentrated: persons with disabilities (PWD) and immigrants from third countries (UGT, 2018). In the case of PWD, it is considered that multiservice companies are using the special employment centres as a way of depressing labour costs. For foreigners from third countries, the IWP rate in 2016 was 41.8%, four times greater than the IWP rate of Spanish wage earners (UGT, 2018).

Raising wages is not enough if, at the same time, other important changes do not take place on the labour market, such as: improving employment stability (reduction in temporary contracts and, above all, contracts for a specific project or service); reducing abuses such as unpaid overtime³⁶ and the “draining” of the working day³⁷, linking wages to growing improvements in productivity; and returning profits from relocated companies.

3.2. Assessment of proposals

As stated before, there is no specific national strategy to combat IWP that may be assessed. Wage policy, improving working conditions and an effective social protection system are considered to be the general instruments to deal with the problem of the breadth of IWP. The increase in the minimum wage from 2016 can be considered as the priority route used to tackle IWP. Efforts to improve employment stability have intensified in recent months through labour inspections.

The existing proposals emphasise one or other of the three variables that affect this phenomenon: wages, working conditions and social protection. Trade unions favour policies that strengthen the primary distribution of income through wage improvements and greater job stability, and a broader and more effective social protection system as a complement. They reject wage supplements through the regional MIS, on the grounds that it is a subsidy to those employers who pay low salaries, and reinforces precarious employment. This implies the approval by parliament of the Popular Legislative Initiative (PLI) on the national minimum income that the unions presented in 2015, and which is still awaiting debate and approval. Such a national social benefit should be linked to the development of active employment policies that take into account the social-technological changes and digitisation.

However, emergence from the financial crisis has meant that since 2015 there has been an increase in the flow of immigrants, who have joined the labour market on low wages; this tends to exert downward pressure on wages as a whole. The regulation of such flows is not on the political agenda.

The NGOs have highlighted the seriousness of the size of the population at risk of IWP and have advocated, above all, the improvement of social protection for groups at risk of

³⁵ The increase in the national minimum wage was 37.4% between 2016 and 2019. In that same period, the employed population aged 16-29 increased from 34% to 37% and the employed population with basic education rose from 26% to 27%, according to the LFS.

³⁶ In 2008, 39% of overtime hours went unpaid; by 2015 that figure had risen to 56%.

³⁷ “Drained work” or “net work” may be defined as a contract for just the maximum hours required for a given task. For example, warehouse stockers are hired for only four hours, the estimated time of maximum physical performance; after that, they are replaced by other similar workers.

poverty and exclusion. In addition, they have backed an improvement in working conditions generally through a reduction in job insecurity.

3.3. Recommendations

In light of the current debates and assessment of current policies, the proposals to improve the situation of the working population at risk of IWP can be reduced to two recommendations:

- An improvement in wages (general minimum wage and collective-agreement minimum wage) and in the working conditions of the employed population at risk of IWP. This is the fundamental proposal that the trade unions are bringing to workshops of the Social Dialogue with employers' organisations and the government. Progress in this direction is still inadequate.

- An improvement in the effectiveness of social protection. It would be advisable to adapt the MIS regulations to the new situations of workers at risk of IWP or households with income from work that does not exceed the poverty threshold (Ayala et al., 2016) and, as far as possible, to bring the income thresholds established for accessing benefits closer to the poverty thresholds. In the case of the MIS, the coordination of existing programmes should be improved. The approval of the PLI would be a step in the direction of establishing a national minimum income system in Spain. Where appropriate, this could be complemented by the regional MIS.

4 Assessing data and indicators

In Spain, the indicator customarily used to monitor IWP is the one included in the Portfolio of Social Indicators in the field of social protection and social inclusion (Social Protection Committee, 2015). Therefore, the main source for its analysis is the EU Statistics on Income and Living Conditions (EU-SILC).

This IWP indicator is based on a combination of two levels of analysis: individual links to employment, and household income and structure. Several studies point out the limitations of this indicator in revealing the role of individual labour participation in IWP (Banyuls and Recio, 2017; Felgueroso, 2018; Gómez-Álvarez and Gómez, 2017; Marx and Nolan, 2013; Tejero, 2018).

It is agreed that one of the problems is the classification of individuals as employed (or not-employed). Being employed is defined as being in work – as a waged/salaried worker or a self-employed worker – for over half of the income reference year (seven months), regardless of the type of contract or the number of working hours/days laboured in that month. That is, the degree of participation in the labour market is measured in terms of months (not hours, days or weeks) of a given year for both the IWP and the work-intensity indicators. As a result, the categories of employed and not-employed cluster individuals who have very different employment commitments. Given the weight of very short-term and part-time employment in the Spanish labour market (as described in section 1), this methodology blurs the role that weak ties with employment play in IWP.

In addition, the IWP indicator covers the income of all household members. That means that household income is shared equally among them after being adjusted for household size and composition, making it difficult to determine the role that low wages play in putting workers at risk of poverty. Thus, if a worker is at risk of poverty, it is not because he or she has a low wage, but because the total household income is below the poverty threshold corresponding to the size and composition of the household (Gómez-Álvarez and Gómez, 2017). By the same token, a worker may earn a low wage, but may not be at risk of poverty because of the household's combined income. Although IWP and low wages are two different concepts, knowing more precisely how wage dynamics influence IWP would be a key issue.

Another objection, in this case referring to the EU-SILC data, is the reference time period of the variables used to build the IWP indicator. While the time reference for the variables of income and work status is the previous year, the household variables, such

as size or composition, refer to the time of the survey interview. Studies on the dynamics of poverty in Spain have shown that income poverty is a temporary condition for most households, so this inconsistency could be a source of misunderstandings (Tejero, 2018).

The use of complementary sources, indicators and approaches is usually recommended in order to diminish these kinds of problems (Marx and Nolan, 2013). In Spain, data from surveys such as the Labour Force Survey (LFS) and the Structure of Earnings Survey (SES), or administrative data such as the Continuous Working Lives Sample (*Muestra Continua de Vidas Laborales* – MCLV) (Felgueroso, 2018) have been used. The use of supplementary indicators is also common. Among them, it is worth mentioning low-wage work (referring to wages below a threshold, determined according to the distribution of individual wages) or household wage poverty (built as an IWP indicator, but taking only the distribution of wages into account). Other studies propose alternative indicators, such as, for example, that of the population in a particularly vulnerable employment situation, which considers different forms of employment vulnerability such as the discouraged inactive population or involuntary part-time work (Felgueroso, 2018).

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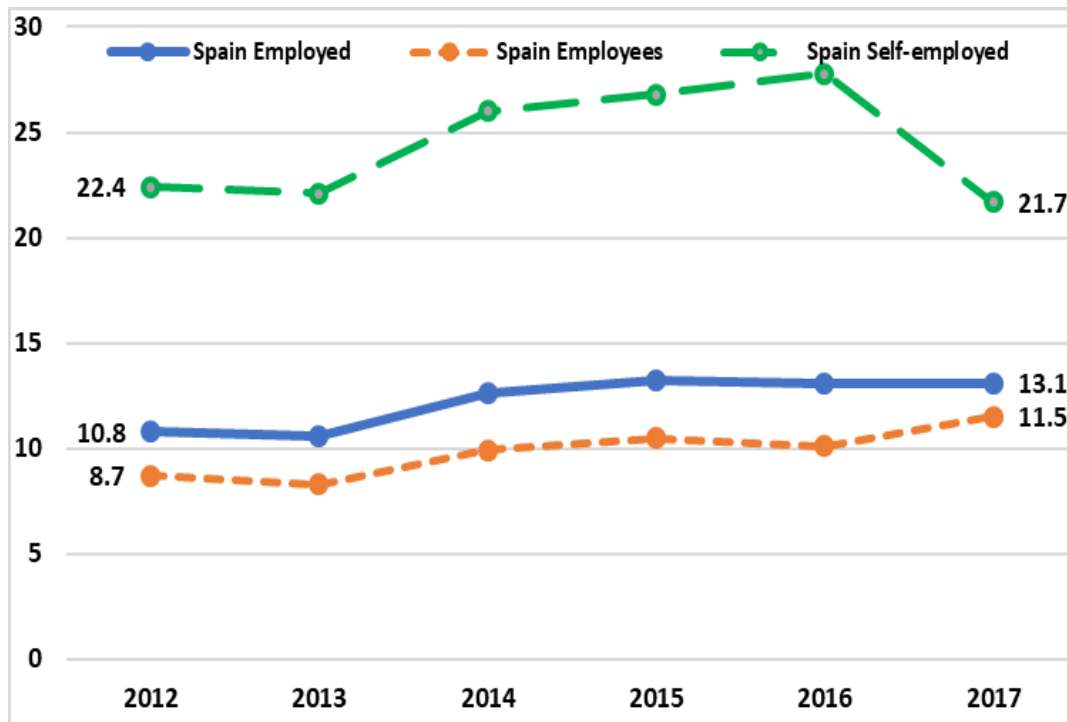
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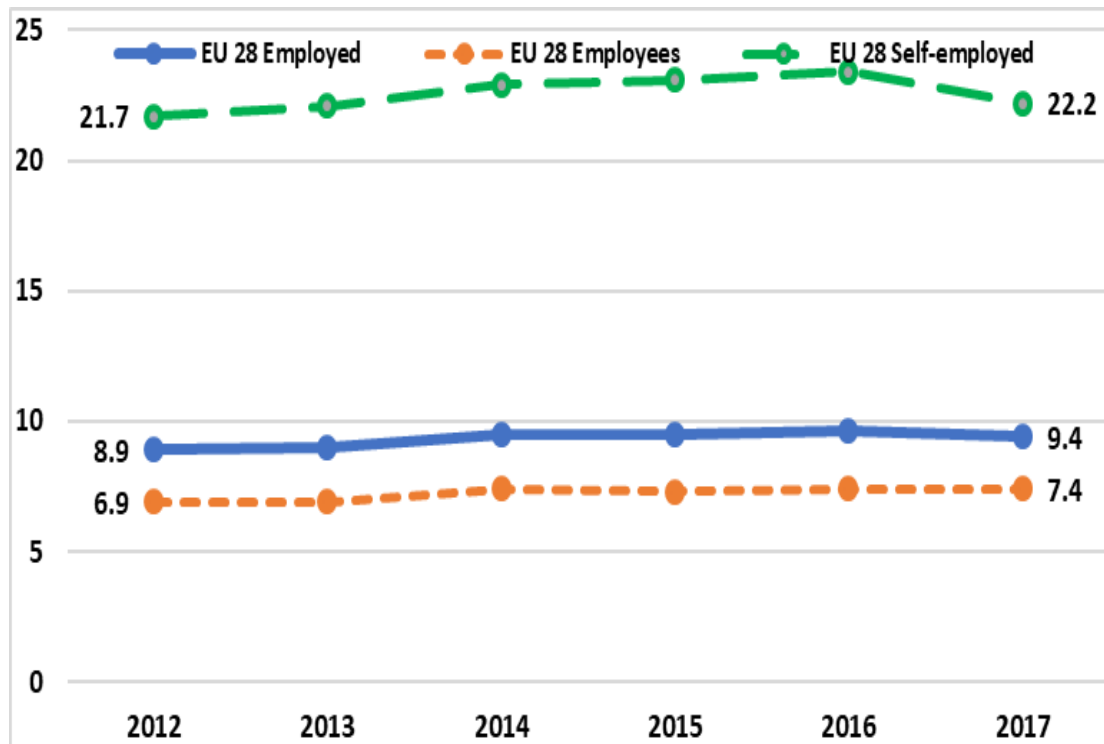
Annex

Figure 1: In-work at-risk-of-poverty rate in Spain, 2012-2017, %

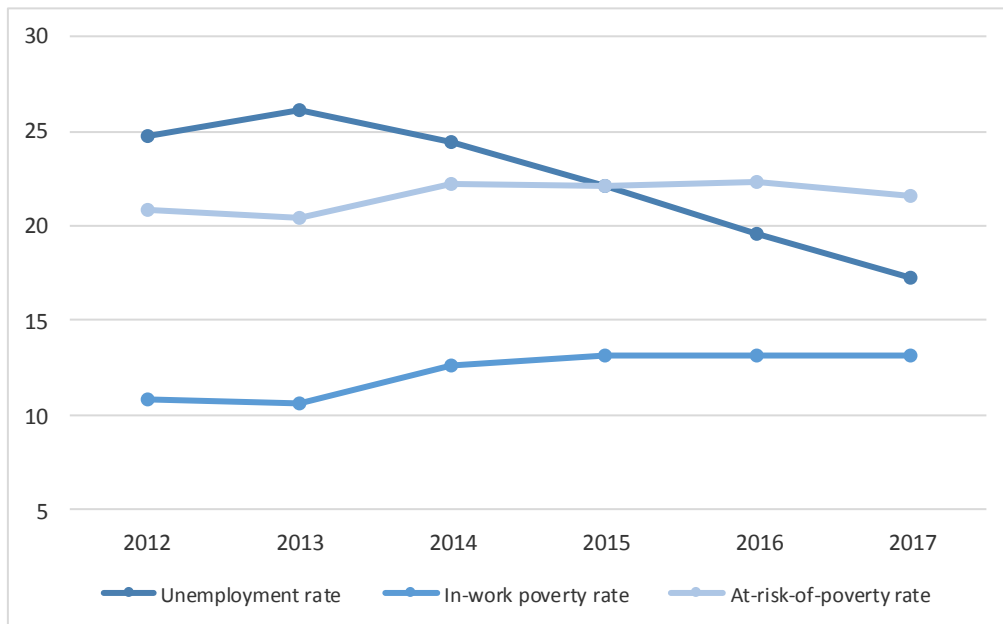


Source: EU Statistics on Income and Living Conditions (EU-SILC) 2012-2017 (Eurostat ilc_iw01). Data on income related to the previous year.

Figure 2: In-work at-risk-of-poverty rate EU-28 average, 2012-2017, %



Source: EU Statistics on Income and Living Conditions (EU-SILC) 2012-2017 (Eurostat ilc_iw01). Data on income related to the previous year.

Figure 3: Unemployment, in-work poverty and at-risk-of-poverty rate in Spain, 2012-2017, %

Sources: EU Statistics on Income and Living Conditions (EU-SILC) 2012-2017 (Eurostat) (Data on income related to the previous year) and Spanish Labour Force Survey (LFS) 2012-2017, National Institute of Statistics (INE).

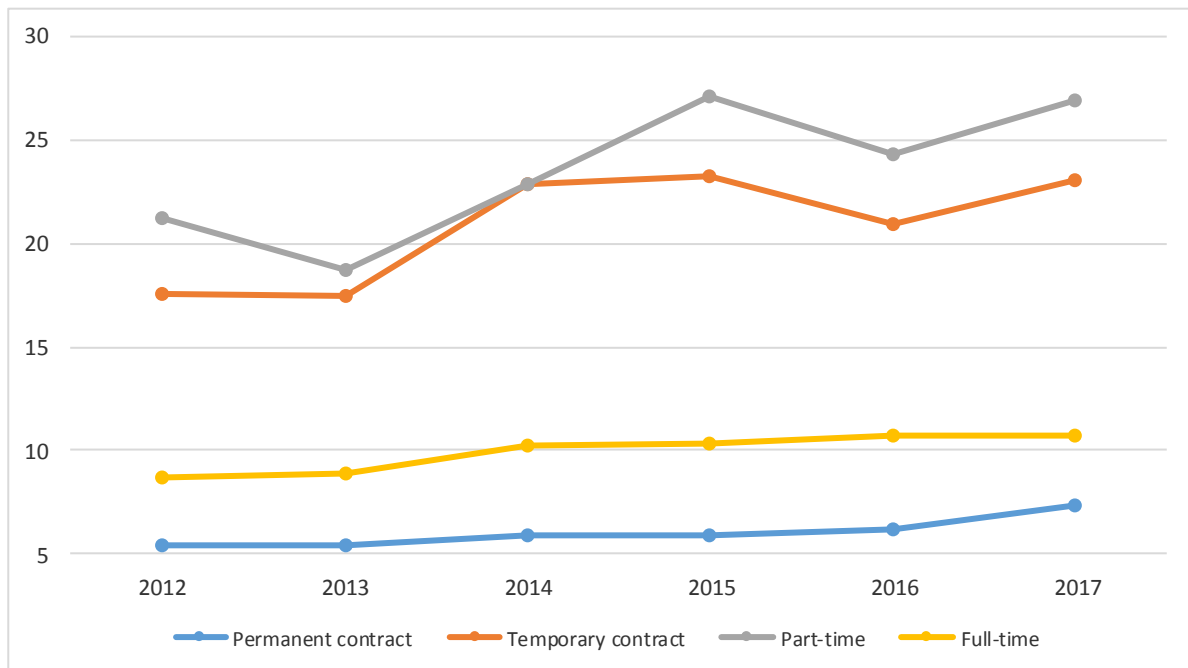
Table 1: In-work poverty rates by individual and household characteristics in Spain, 2012-2017, %

	Reference period						Change 2017 vs 2012	
	2012	2013	2014	2015	2016	2017	Absolute	Intensity
In-work poverty rate	10.8	10.6	12.6	13.2	13.1	13.1	2.3	21.3%
By individual features								
Males	11.3	11.0	12.9	14.1	13.7	13.3	2.0	17.7%
Females	10.1	10.0	12.2	12.2	12.3	12.8	2.7	26.7%
18 to 24 years	12.3	15.5	21.3	24.7	18.3	19.0	6.7	54.5%
25 to 54 years	11.1	10.7	13.0	13.6	13.7	13.4	2.3	20.7%
55 to 64 years	8.2	8.3	8.5	8.8	8.6	10.2	2.0	24.4%
Less than primary, primary and lower secondary education (levels 0-2)	16.3	16.3	19.5	21.7	21.2	21.4	5.1	31.3%
Upper secondary and post-secondary non-tertiary education (levels 3 and 4)	12.0	11.5	14.1	13.7	14.3	13.7	1.7	14.2%
Tertiary education (levels 5-8)	4.5	4.7	6.4	6.5	6.5	6.7	2.2	48.9%
EU-28 countries except reporting country	21.4	23.5	26.9	19.5	27.5	26.0	4.6	21.5%
Non-EU-28 countries and not the reporting country	30.9	26.6	34.7	37.7	33.5	34.1	3.2	10.4%
Foreign country	28.2	25.5	32.1	31.5	31.6	31.7	3.5	12.4%
Reporting country	7.7	7.9	9.5	10.3	10.0	9.8	2.1	27.3%
By work status								
Employees	8.7	8.3	9.9	10.5	10.1	11.5	2.8	32.2%
Self-employed	22.4	22.1	26.0	26.8	27.8	21.7	-0.7	-3.1%
Permanent contract	5.4	5.4	5.9	5.9	6.2	7.3	1.9	35.2%
Temporary contract	17.6	17.5	22.9	23.3	20.9	23.1	5.5	31.3%
Part-time	21.2	18.7	22.9	27.1	24.3	26.9	5.7	26.9%
Full-time	8.7	8.9	10.2	10.3	10.7	10.7	2.0	23.0%
By household characteristics								
Single person	10.8	11.8	16.4	14.2	13.4	14.9	4.1	38.0%
Single person with dependent children	23.4	25.4	26.8	24.3	25.2	27.8	4.4	18.8%
Two or more adults without dependent children	6.7	6.4	8.1	9.2	9.0	8.9	2.2	32.8%
Two or more adults with dependent children	13.8	13.1	14.7	15.6	15.8	15.4	1.6	11.6%

By household work intensity								
All households								
Very high work intensity (0.85-1)	4.3	4.7	5.9	6.2	7.2	6.7	2.4	55.8%
High work intensity (0.55-0.85)	10.5	9.1	12.4	13.7	11.3	17.7	7.2	68.6%
Medium work intensity (0.45-0.55)	19.3	19.1	21.2	24.5	25.3	25.8	6.5	33.7%
Low work intensity (0.2-0.45)	39.2	33.4	36.2	40.6	42.8	37.1	-2.1	-5.4%
Very low work intensity (0-0.2)	:	:	:	:	:	:	:	:
Households without dependent children								
Very high work intensity (0.85-1)	4.1	4.9	6.9	6.7	7.9	7.5	3.4	82.9%
High work intensity (0.55-0.85)	7.4	5.9	9.8	10.9	7.2	10.6	3.2	43.2%
Medium work intensity (0.45-0.55)	9.7	13.2	15.5	14.2	13.6	14.5	4.8	49.5%
Low work intensity (0.2-0.45)	28.9	17.1	20.1	29.1	28.8	27.9	-1.0	-3.5%
Very low work intensity (0-0.2)	:	:	:	:	:	:	:	:
Households with dependent children								
Very high work intensity (0.85-1)	4.7	4.5	4.9	5.7	6.5	5.8	1.1	23.4%
High work intensity (0.55-0.85)	13.3	12.3	15.3	16.3	15.0	24.2	10.9	82.0%
Medium work intensity (0.45-0.55)	25.2	22.9	24.9	30.7	31.8	32.7	7.5	29.8%
Low work intensity (0.2-0.45)	48.1	47.8	49.3	53.3	56.2	46.4	-1.7	-3.5%
Very low work intensity (0-0.2)	:	:	:	:	:	:	:	:

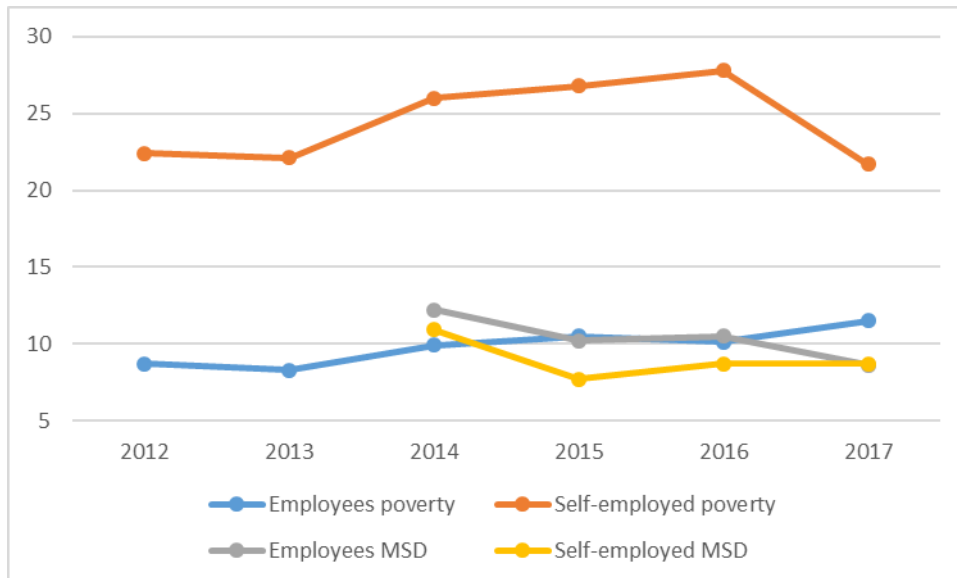
Source: EU Statistics on Income and Living Conditions (EU-SILC) 2012-2017 (INE). Data on income, work status and work intensity related to the previous year.

Figure 4: In-work poverty rates by type of contract and time of work, Spain, 2012-2017, %



Source: EU Statistics on Income and Living Conditions (EU-SILC) 2012-2017 (INE). Data on income and work status related to the previous year.

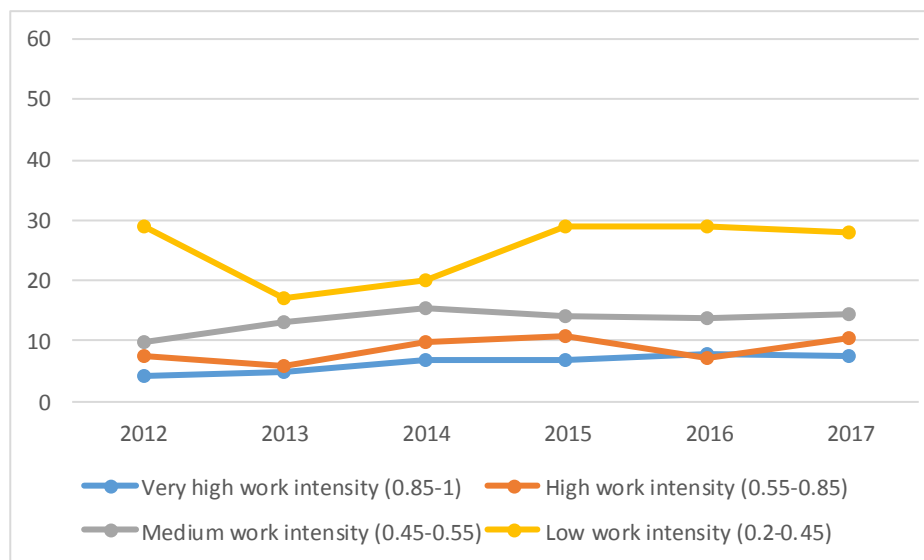
Figure 5: In-work poverty and material and social deprivation (MSD) rates by employment status, Spain, 2012-2017, %



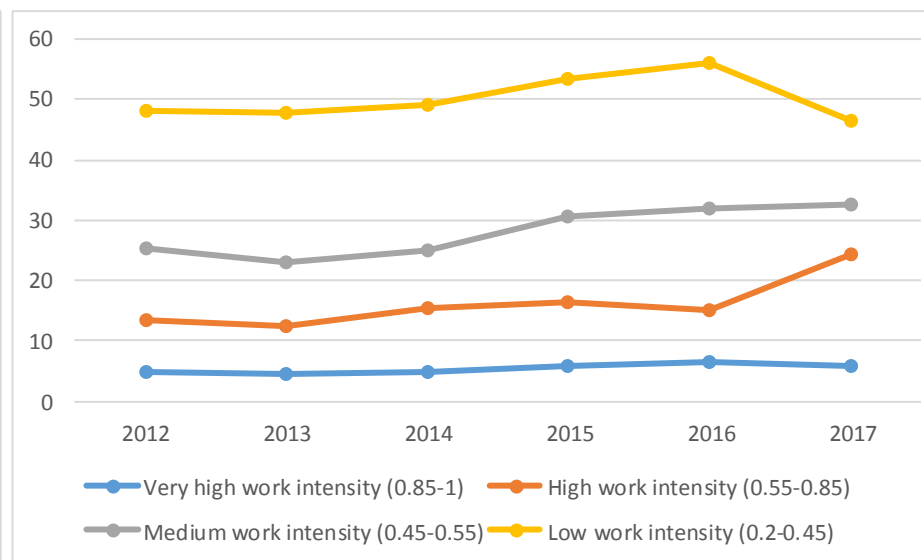
Sources: EU-SILC, Eurostat. Source: EU Statistics on Income and Living Conditions (EU-SILC) 2012-2017 (INE). Data on income and work status related to the previous year.

Figure 6: In-work poverty rates by work intensity of the household and parenthood, Spain, 2012-2017, %

Households without dependent children



Households with dependent children



Source: EU Statistics on Income and Living Conditions (EU-SILC) 2009-2017 (INE). Data on income and work intensity related to the previous year.

