

EUROPEAN SOCIAL POLICY NETWORK (ESPN)

Access to social protection for young people

Spain



EUROPEAN COMMISSION

Directorate-General for Employment, Social Affairs and Inclusion Directorate D — Social Rights and Inclusion Unit D.2 — Social Protection

Contact: Flaviana Teodosiu

E-mail: flaviana.teodosiu@ec.europa.eu

European Commission B-1049 Brussels

European Social Policy Network (ESPN)

ESPN Thematic Report:

Access to social protection for young people

Spain

2021

Gregorio Rodríguez Cabrero (Coordinator), University of Alcalá (Madrid)
Vicente Marbán Gallego, University of Alcalá (Madrid)
Ana Arriba González de Durana, University of Alcalá (Madrid)
Julia Montserrat Codorniu, Centre of Social Policy Studies (Barcelona)
Francisco Javier Moreno Fuentes, IPP, CSIC (Madrid)

The European Social Policy Network (ESPN) was established in July 2014 on the initiative of the European Commission to provide high-quality and timely independent information, advice, analysis and expertise on social policy issues in the European Union and neighbouring countries.

The ESPN brings together into a single network the work that used to be carried out by the European Network of Independent Experts on Social Inclusion, the Network for the Analytical Support on the Socio-Economic Impact of Social Protection Reforms (ASISP) and the MISSOC (Mutual Information Systems on Social Protection) secretariat.

The ESPN is managed by the Luxembourg Institute of Socio-Economic Research (LISER) and APPLICA, together with the European Social Observatory (OSE).

For more information on the ESPN, see: http:ec.europa.eusocialmain.isp?catId=1135&langId=en

LEGAL NOTICE

The information and views set out in this document are those of the authors and do not necessarily reflect the official opinion of the European Union. Neither the European Union institutions and bodies nor any person acting on their behalf may be held responsible for the use which may be made of the information contained therein. More information on the European Union is available on the Internet (http://www.europa.eu).

Manuscript completed in June 2021

The European Commission is not liable for any consequence stemming from the reuse of this publication. Luxembourg: Publications Office of the European Union, 2021

© European Union, 2021



The reuse policy of European Commission documents is implemented by the Commission Decision 2011/833/EU of 12 December 2011 on the reuse of Commission documents (OJ L 330, 14.12.2011, p. 39). Except otherwise noted, the reuse of this document is authorised under a Creative Commons Attribution 4.0 International (CC-BY 4.0) licence (https://creativecommons.org/licenses/by/4.0/). This means that reuse is allowed provided appropriate credit is given and any changes are indicated.

For any use or reproduction of elements that are not owned by the European Union, permission may need to be sought directly from the respective rightholders.

QUOTING THIS REPORT

Rodríguez Cabrero, Gregorio; Marbán Gallego, Vicente; Arriba González, Ana; Montserrat Codorniu, Julia and Moreno Fuentes, Francisco Javier (2021). *ESPN Thematic Report on Access to social protection for young people – Spain*, European Social Policy Network (ESPN), Brussels: European Commission.

CONTENTS

SU	MMA	RY		. 5
1	KEY	FIGURE	ES ON THE SOCIO-ECONOMIC SITUATION OF YOUNG PEOPLE	. 6
	1.1	Distrib	ution of young people (aged 15–29) by main activity status	. 6
	1.2	Young	people (aged 15–29) at risk of poverty or social exclusion	. 8
	1.3	Young	people (aged 15–29) materially and socially deprived	9
	1.4		people (aged 15–29) neither in employment nor in education or training	
		•	s)	
		-	eavers (aged 18–24) from education and training	
		_	people (aged 16-29) living with their parents	
2			UNEMPLOYMENT BENEFITS	
	2.1		outory unemployment benefits	
			Eligibility conditions and benefits entitlements	
			Gaps/obstacles in access for young people	
	2.2		ontributory unemployment benefits	
			Subsidy due to insufficient contributions for contributory unemployment enefit (subsidio por cotización insuficiente)	
		fa	Allowance due to the exhaustion of unemployment benefit by those with mily responsibilities (subsidio por agotamiento de la prestación contributiva de esempleo cuando hay cargas familiares)	13
		2.2.3	Extraordinary unemployment subsidy (subsidio extraordinario de desempleo) 14	
			Cessation of activity benefit – assimilated to unemployment benefit – for self-nployed workers (<i>prestación por cese de actividad de los autónomos</i>)	15
			Gaps/obstacles in access for young people	
	2.3	Overall	gaps/obstacles in access for young people	16
3			SICKNESS AND HEALTHCARE BENEFITS	
	3.1	Sickne	ss benefits	17
		3.1.1	Eligibility conditions and benefit entitlements	17
		3.1.2	Gaps/obstacles in access for young people	17
	3.2	Health	care benefits	18
			Eligibility conditions and benefit entitlements	
		3.2.2	Gaps/obstacles in access for young people	18
4	ACC	ESS TO	MATERNITY, PATERNITY, AND PARENTAL CASH BENEFITS	19
	4.1		outory maternity, paternity, and parental cash benefits	
			Eligibility conditions and benefit entitlements	
			Gaps/obstacles in access for young people	
	4.2		ontributory maternity, paternity, and parental cash benefits	
			Eligibility conditions and benefit entitlements	
			Gaps/obstacles in access for young people	
5	GUA	RANTE	ED MINIMUM INCOME SCHEMES	21
	5.1	Minimu	ım living income (standard scheme)	21
		5.1.1	Eligibility conditions and benefit entitlements	21
			Gaps/obstacles in access for young people	
	5.2		al minimum-income schemes (standard schemes)	
			Eligibility conditions and benefit entitlements	
		5.2.2	Gans/obstacles in access for young people	23

6	HOUSING BENEFITS	. 24
	6.1 General rental benefit programme	. 24
	6.1.1 Eligibility conditions and benefit entitlements	. 24
	6.1.2 Gaps/obstacles in access for young people	. 25
	6.2 Aid programme for young people to rent or buy a home	. 25
	6.2.1 Eligibility conditions and benefit entitlements	. 25
	6.2.2 Gaps/obstacles in access for young people	. 26
	6.3 Overall gaps/obstacles in access for young people	. 26
7	REFORMS, NATIONAL DEBATES AND RECOMMENDATIONS	. 27
	7.1 Reforms implemented since 2015	
	7.2 National debates	. 28
	7.3 Good practice and recommendations	. 29
	7.3.1 Recommendations	. 29
RF	FERENCES	. 30

SUMMARY

Young people's access to social protection benefits, both contributory and non-contributory (i.e. their eligibility conditions and benefit entitlements) are, with limited exceptions, the same as those of the general population in employment or self-employment.

In respect of access to contributory, non-contributory, and extraordinary unemployment benefits, there is no differentiation between age groups – as for the working population as a whole – on the basis of type of contract (i.e. whether the contract is standard or non-standard), length of working day or contract duration. The high incidence of temporary and short-term working among the young population means that their social benefits are very low. Apprenticeship and traineeship contracts attract the same rights as normal standard contracts, but the benefits are low because these contracts are all temporary. Self-employed young people can access cessation of activity benefit, but the amount of benefit is rather low as most of them pay minimum contributions. Inactive job-seekers are not entitled to unemployment benefit.

Concerning access to sickness and healthcare benefits, there are no specific eligibility conditions and benefit entitlements for young people, nor obstacles.

There are no differences in access to the maternity, paternity, and parental cash benefits on grounds of age. Parents under 21 do not need to have had a previous period of social security contributions, and those aged 21-26 need only to have paid 90 days of contributions in the previous seven years (or 180 days during their working lives). Since the 1990s, Spain has been moving from a traditional scheme of birth-related maternity leave (ML), towards more generic parental leave system. Non-contributory benefits are shorter in duration and amount than contributory benefits, which are not available to fathers. It is a traditional ML model intended only for women and treated as a health and welfare measure, unlike the contributory scheme which has moved towards a parental leave model.

The eligibility conditions for the minimum living income (MLI, *ingreso mínimo vital*) make it less accessible for young people than for older age groups. Only exceptionally do people under 23 have access to this non-contributory means-tested scheme, implemented from June 2020. The same applies to the regional minimum-income schemes (RMIS) of the regional governments ("autonomous communities"), where those aged 15-25 are not eligible except in situations of severe vulnerability.

The state housing plan for 2018-2021 includes different programmes for enabling access to housing, especially rented housing, both for the general population and for young people. The eligibility requirements and benefits are very similar for all age groups. There is also a home-ownership programme for young people living in rural areas.

There have been no specific social protection reforms for young people since 2015. The reforms have not reflected the particular lack of social protection for young people. The changes in the rules of access to social protection have been of a general nature and are not specific to employed or unemployed young people.

The need to rethink social protection for young people is widely agreed upon by social and political actors. More stable contracts and reduced part-time working could contribute to improving access to social protection in employment, along with the extension of non-contributory social protection linked to access to training and employment and, finally, a more active and effective housing policy to facilitate the emancipation of young people.

1 KEY FIGURES ON THE SOCIO-ECONOMIC SITUATION OF YOUNG PEOPLE¹

1.1 Distribution of young people (aged 15-29) by main activity status

Table 1a: Main activity status of people aged 15-29 and 30-64 (2015-2020, EU-27 and Spain, % 15-29 and 30-64)

	SPAIN													
	15-29							30-64						
	2015	2016	2017	2018	2019	2020	2015	2016	2017	2018	2019	2020		
EMPLOYMENT RATE*	33.7	34.6	36.5	37.7	38.2	33.9	65.0	67.0	68.4	69.8	70.9	69.2		
Paid employment**	90.7	91.7	91.8	92.6	93.2	93.0	81.8	82.1	82.6	83.1	83.3	83.0		
Self-employment**	5.0	4.7	5.0	4.8	4.3	4.3	14.3	14.5	14.5	14.4	14.4	14.5		
Contributing family work**	4.3	3.6	3.1	2.6	2.5	2.7	3.9	3.4	2.9	2.5	2.3	2.5		
UNEMPLOYMENT***	36.7	33.3	29.4	26.2	24.7	29.2	19.3	17.2	15.0	13.3	12.2	13.2		
INACTIVITY***	46.8	48.2	48.3	48.9	49.3	52.1	19.4	19.2	19.5	19.5	19.2	20.3		

	EU-2/											
			15	-29		30-64						
	2015	2016	2017	2018	2019	2020	2015	2016	2017	2018	2019	2020
EMPLOYMENT RATE*	45.0	45.9	46.9	47.7	48.2	46.1	71.4	72.4	73.5	74.5	75.3	74.9
Paid employment**	91.8	92.2	92.4	92.6	92.8	92.5	83.0	83.3	83.7	84.0	84.1	84.2
Self-employment**	5.3	5.2	5.2	5.2	5.1	5.4	14.6	14.5	14.3	14.2	14.2	14.1
Contributing family work **	2.9	2.6	2.4	2.2	2.1	2.1	2.4	2.2	2.0	1.8	1.7	1.7
UNEMPLOYMENT***	17.3	15.8	14.2	12.8	11.9	13.3	8.5	7.7	6.9	6.1	5.6	5.8
INACTIVITY***	45.6	45.4	45.3	45.3	45.3	46.8	22.0	21.6	21.0	20.6	20.2	20.5

Notes: (*) The employment rate is expressed as a share (%) of the total population in the age group. The 3 categories of employment (paid employment [i.e. employees], self-employment and contributing family work) are expressed as a share (%) of the population in employment in the age group. Contributing family work is a form of labour (generally unpaid, although compensation may come indirectly in the form of family income) that supports another member of the family to run an agricultural holding or another business. (**) The unemployment rate is expressed as a share (%) of the active population, i.e. the population that is either in employment or unemployed (not the total population), in the age group. (***) The inactivity rate is expressed as a share (%) of the total population in the age group.

Reading note: In 2020, in Spain, 33.9% of people aged between 15 and 29 were in employment, compared to 69.2% of those aged 30-64. In the EU-27 as a whole, these figures were 46.1% and 74.9%, respectively. The share of people unemployed in the active population in Spain was 29.2% of the 15-29 age group and 13.2% of the 30-64 age group (EU-27 average: 13.3% and 5.8%). The shares of people economically inactive in Spain in the 15-29 and 30-64 age groups were 52.1% and 20.3%, respectively (EU-27 average: 46.8% and 20.5%).

Source: Eurostat, ESPN Network Core Team calculations based on LFS indicators [Ifsa_egais], [Ifsa_egaps], [Ifsa_pganws] and [Ifsa_igan]. Data downloaded on 24 May 2021.

_

¹ Except where otherwise specified, the indicators presented in Section 1 of this report were computed by the ESPN Network Core Team on the basis of data coming from two data sources coordinated at the European level by the statistical office of the European Union (Eurostat: https://ec.europa.eu/eurostat): European Union Labour Force Survey (EU-LFS) and European Union Statistics on Income and Living Conditions (EU-SILC). These indicators were computed for all the 35 ESPN countries for which the data needed were available. All these ESPN countries' estimates are presented in Annex B of the following Synthesis Report: Dalila Ghailani, Stéphanie Coster, Ramón Peña-Casas and Pietro Regazzoni (2021), "Access to social protection for young people. An analysis of policies in 35 countries", European Social Policy Network (ESPN), Luxembourg: Publications Office of the European Union. This Synthesis Report can be downloaded https://ec.europa.eu/eurostat/): Luxembourg: Publications Office of the European Union. This Synthesis Report can be downloaded https://ec.europa.eu/eurostat/): European Union

Table 1b: Main activity status of people aged 15-29 and 30-64 (2015-2020, EU-27 and Spain, ratios 15-29/30-64)

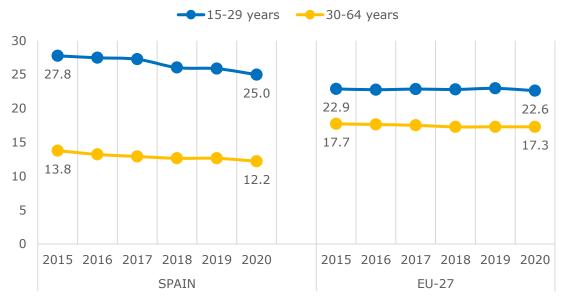
	SPAIN							EU-27						
	2015	2016	2017	2018	2019	2020	2015	2016	2017	2018	2019	2020		
EMPLOYMENT RATE*	0.52	0.52	0.53	0.54	0.54	0.49	0.63	0.63	0.64	0.64	0.64	0.62		
Paid employment**	1.11	1.12	1.11	1.11	1.12	1.12	1.11	1.11	1.10	1.10	1.10	1.10		
Self-employment**	0.35	0.33	0.35	0.33	0.30	0.30	0.36	0.36	0.36	0.36	0.36	0.38		
Contributing family work**	1.11	1.07	1.07	1.04	1.08	1.08	1.21	1.20	1.21	1.24	1.24	1.20		
UNEMPLOYMENT***	1.90	1.94	1.96	1.97	2.03	2.22	2.04	2.06	2.06	2.09	2.10	2.29		
INACTIVITY***	2.41	2.52	2.47	2.51	2.56	2.57	2.07	2.11	2.16	2.20	2.24	2.29		

Notes: To obtain the ratio of 15-29 to 30-64, the 15-29 percentage is divided by the 30-64 percentage: a value below (above) 1 in a given activity status therefore means that 15-29-year-olds are proportionally less (more) numerous in that activity status than 30-64-year-olds. See also Notes to Table 1a above.

Reading note: In 2020, in Spain, 33.9% of people aged between 15 and 29 were in employment compared to 69.2% of those aged 30-64 (see Table 1a) – i.e. a 15-29:30-64 ratio of 0.49. In the EU-27 as a whole (see table 1a), these figures were 46.1 and 74.9% respectively (ratio 0.62).

Source: See Table 1a.

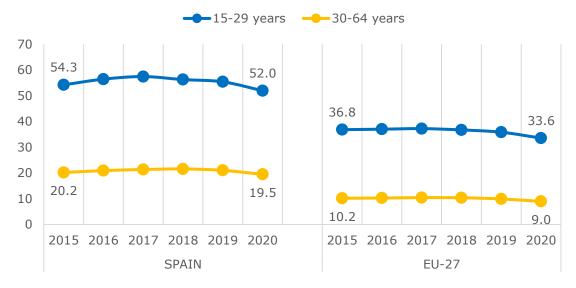
Figure 1: Part-time employment as a share of the population in employment - comparison of the 15-29 and 30-64 age groups (2015-2020, EU-27 and Spain, %)



Reading note: In 2020, in Spain, the share of part-time employment in total employment was 25.0% for the 15-29 age group and 12.2% for the 30-64 age group. For the EU-27 as a whole, these shares were 22.6% and 17.3%, respectively.

Source: Eurostat, ESPN Network Core Team calculations based on Eurostat LFS indicator [Ifsa_epgn62]. Data downloaded on 24 May 2021.

Figure 2: Temporary employment as a share of population in paid employment - comparison of the 15-29 and 30-64 age groups (2015-2020, EU-27 and Spain, %)

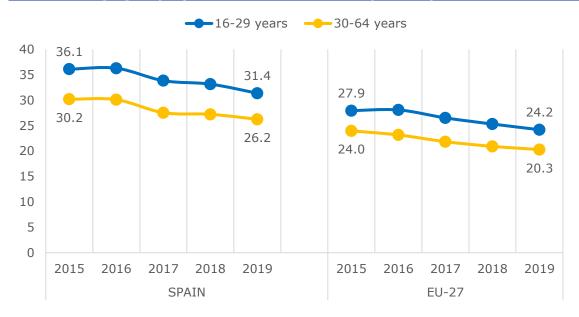


Reading note: In 2020, in Spain, the share of temporary workers among employees was 52.0% for the 15-29 age group and 19.5% for the 30-64 age group. For the EU-27 as a whole, these shares were 33.6% and 9.0%, respectively.

Source: Eurostat, ESPN Network Core Team calculations based on Eurostat LFS indicators [Ifsa_epgn62] and [Ifsa_egaps]. Data downloaded on 24 May 2021.

1.2 Young people (aged 15-29) at risk of poverty or social exclusion

Figure 3: People at risk of poverty or social exclusion - comparison of the 16-29 and 30-64 age groups (2015-2020, EU-27 and Spain, %)

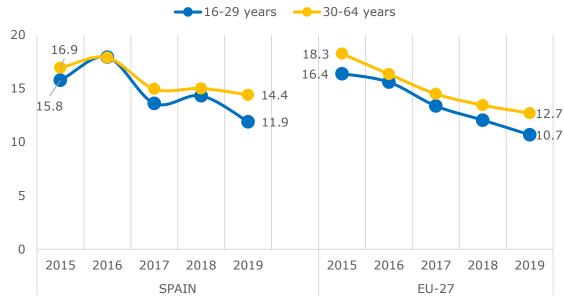


Reading note: In 2019, in Spain, 31.4% of the 16-29 age group were at risk of poverty or social exclusion (i.e. they were living in a household that was at risk of poverty and/or severely materially and socially deprived and/or (quasi-)jobless according to the EU definition of these indicators) compared to 26.2% of the 30-64 age group. For the EU-27 as a whole, these figures were 24.2% and 20.3%, respectively.

Source: Eurostat, EU-SILC ad hoc extraction - indicator [ilc_peps02]. Data downloaded on 24 May 2021.

1.3 Young people (aged 15-29) materially and socially deprived

Figure 4: People materially and socially deprived - comparison of the 16-29 and 30-64 age groups (2015-2020, EU-27 and Spain, %)

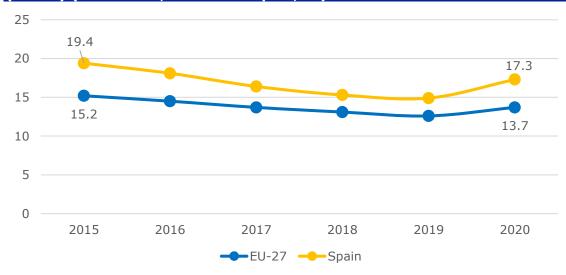


Reading note: In 2019, in Spain, 11.9% of the 16-29 age group were materially and socially deprived (according to the EU definition of this indicator) compared to 14.4% of the 30-64 age group. For the EU-27 as a whole, these figures were 10.7% and 12.7%, respectively.

Source: Eurostat, EU-SILC ad hoc extraction - indicator [ilc_mdsd]. Data downloaded on 24 May 2021.

1.4 Young people (aged 15–29) neither in employment nor in education or training (NEETs)

Figure 5: People aged 15-29 neither in employment nor in education or training (NEETs) (2015-2020, EU-27 and Spain, %)

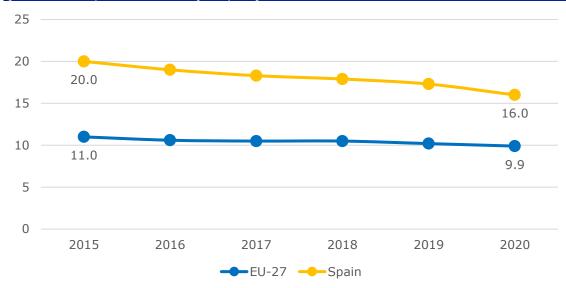


Reading note: In 2020, in Spain, 17.3% of the 15-29 age group were neither in employment nor in education or training (NEET) compared to 13.7 for the EU-27 as a whole.

Source: Eurostat, LFS - indicator [Ifse_20]. Data downloaded on 24 May 2021.

1.5 Early leavers (aged 18-24) from education and training

Figure 6: Early leavers from education and training for the 18-24 age group (2015-2020, EU-27 and Spain, %)

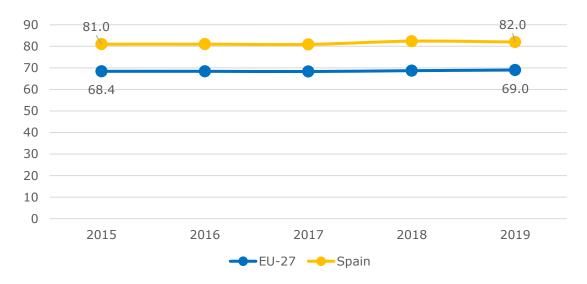


Reading note: In 2020, in Spain, 16.0% of the 18-24 age group were early leavers from education and training – i.e. they had completed, at most, lower secondary education and were not in further education or training. For the EU-27 as a whole, this figure was 9.9%.

Source: Eurostat, LFS - indicator [edat_lfse_14]. Data downloaded on 24 May 2021.

1.6 Young people (aged 16-29) living with their parents

Figure 7: Young people aged 16-29 living with their parents (2015-2019, EU-27 and Spain, %)



Reading note: In 2019, in Spain, 82.0% of the 16-29 age group were living with their parents, compared to 69.0% for the EU-27 as a whole.

Source: EU-SILC - indicator [ilc_lvps08]. Data downloaded on 24 May 2021.

2 ACCESS TO UNEMPLOYMENT BENEFITS

Social protection against unemployment includes contributory and non-contributory benefits. Contributory unemployment benefit is for employees who are compulsorily dismissed and who have made social security contributions for the minimum period required. Non-contributory benefits are for employees who are not entitled to contributory benefits because they have not made sufficient contributions, or because they have exhausted contributory unemployment benefits and have family responsibilities. Finally, the extraordinary unemployment subsidy is for people who have exhausted contributory and non-contributory unemployment benefits, and for the long-term unemployed.

2.1 Contributory unemployment benefits

2.1.1 Eligibility conditions and benefits entitlements

The main eligibility conditions and benefit entitlements that apply to the scheme in Spain as far as young people are concerned are the following.

a) Age

From age 16 up to the legal retirement age.

b) Activity status requirement

Recipients should be involuntarily unemployed, registered as a job-seeker, not registered in another social security scheme, and not of retirement age. Inactive people are not entitled to unemployment benefits.

The special social security regime for domestic workers does not allow them to make contributions towards unemployment benefits.

Self-employed workers are covered by the cessation of activity benefit, which is different from the unemployment benefit for employees but has a similar objective (see Sub-section 2.2.1.4).

In the special cases of trainees and apprentices, both are considered to be in employment. A distinction must be made between apprenticeship contracts and traineeship contracts, as follows.

Apprenticeship contracts (apprentices):²

- for those under 30; the number of years elapsed since obtaining the qualification is not taken into account; and
- entitlement to unemployment benefits is under the same conditions as in the general scheme.

Traineeship contracts (trainees):³

- for ages 16-25, but with no age limit for people with disabilities or socially excluded groups; and
- entitlement to unemployment benefits is under the same conditions as in the general scheme.

² It applies to university graduates and those who have completed vocational training or obtained equivalent qualifications without experience. The job must allow for work experience in the field of the qualification obtained.

³ It is intended for young people who do not have an accredited qualification related to the job. The aim is for them to be able to work and receive training (theoretical and practical). They work a percentage of the working day (75% in the first year and 85% in the second year), and the rest of the working day is dedicated to training.

c) Contributory history required to access the scheme

Recipients must have paid unemployment contributions for at least 360 days in the six years prior to becoming unemployed, and these contributions must not have previously been used to claim another contributory or non-contributory benefit.

There are no special conditions for young people.

d) Waiting period

There is no waiting period for the access to unemployment benefits.

e) Replacement rate / benefit level

The amount of unemployment benefit is a percentage of the employee's regulatory base and is capped (between a "maximum cap" and a "minimum cap").

The regulatory base is calculated by dividing the contributions made in the 180 days prior to the formal start of unemployment by 180. The percentages applied are:

- for the first 180 days, 70% of the regulatory base is paid to the beneficiary; and
- from day 181 up to the maximum duration, 50% of the regulatory base is paid.

Monthly maximum cap

In the case of former employees with full-time contracts, the monthly maximum cap is:4

- without children, 175% of the IPREM⁵ + 1/6 of this amount (in 2021, €1,153.33);
- with one child, 200% IPREM +1/6 of this amount (in 2021, €1,318.10); and
- with two or more children, 225% IPREM + 1/6 (in 2021, €1,482.86).

In the case of part-time employment contracts, the amount of the monthly maximum cap is recalculated proportionally based on the average days worked.

Monthly minimum cap

In the case of former employees with full-time contracts, the monthly minimum cap is:

- without children, 80% IPREM +1/6 of this amount (in 2021, €527.24); and
- with one or more children, 107% IPREM+1/6 of this amount (in 2021, €705.18).

In the case of part-time employment contracts, the amount of the monthly minimum cap is recalculated proportionally based on the average days worked.

There are no special conditions for young people.

f) Duration

The benefit is paid for a minimum of four months and a maximum of two years, depending on the contributions accumulated over the previous six years. In general terms, one month of benefit is given for every three months of contributions.

2.1.2 Gaps/obstacles in access for young people

There is no differentiation between age groups. The high incidence of temporary and short-term working means that the amounts of social benefits are very low among the young population.

⁴ More details at State Public Employment Service (SEPE): https://bit.ly/3AjlmyE.

⁵ IPREM = the official income indicator "public income indicator of multiple effects", which was €537.84 per month between 2017 and 2020. In 2021, it has increased to €564.90 per month.

2.2 Non-contributory unemployment benefits

2.2.1 Subsidy due to insufficient contributions for contributory unemployment benefit (subsidio por cotización insuficiente)

a) Age

From age 16 up to the legal retirement age.

b) Activity status requirement

The requirements for people employed in standard and non-standard work, including trainees and apprentices, are:

- not being entitled to contributory unemployment benefits;
- not having a personal income, or an average income of the whole family unit, exceeding 75% of the national minimum wage (SMI) (in 2021, €712.50 per month);
- being registered as a job-seeker and subscribing to the activity commitment.

c) Contributory history

Beneficiaries must have paid unemployment contributions for a minimum of:

- three months if they have family responsibilities; and
- six months if they have no family responsibilities.

There are no special conditions for young people.

d) Waiting period

• 15 days after the formal start of unemployment (after 15 days of involuntary unemployment).

e) Replacement rate / benefit level

There is a fixed monthly amount of benefit, set at 80% of the IPREM (in 2021, €451.92) if the last contract was full-time. If the contract was part-time, the amount of the benefit is reduced proportionally to the number of hours worked.

f) Duration

If contributions have been paid for a period of between three and six months, and the beneficiary has family responsibilities, the duration of the benefit is three, four, or five months depending on the number of months of contributions.

If contributions have been paid for 6-12 months, the duration is six months if there are no family responsibilities, and 21 months if there are.

2.2.2 Allowance due to the exhaustion of unemployment benefit by those with family responsibilities (subsidio por agotamiento de la prestación contributiva de desempleo cuando hay cargas familiares)

a) Age

From age 16 up to the legal retirement age.

b) Activity status requirement

The requirements for people employed in standard and non-standard work, including trainees and apprentices, are:

- having exhausted entitlement to the contributory unemployment benefit;
- being unemployed and registered as a job-seeker and subscribing to the activity commitment;
- having family responsibilities (a spouse and/or children under 26, or children with disabilities, who are economically dependent); and
- not having a personal income, or an average income of the whole family unit, exceeding 75% of the SMI (in 2021, €712.50 per month).

c) Contributory history

No additional contribution period is required. It is a continuation of the contributory unemployment benefit.

d) Waiting period

One month since the exhaustion of unemployment benefit.

e) Replacement rate / benefit level

The allowance is a fixed monthly amount, set at 80% of the IPREM (€451.92 in 2021). If the last contract was part-time, the amount of the benefit is reduced in proportion to the number of hours worked.

f) Duration

The allowance is paid for 6 -18 months. For those under 45 who have paid contributions for more than six months, the duration is 24 months.

2.2.3 Extraordinary unemployment subsidy (*subsidio extraordinario de desempleo*)⁶

a) Age

From age 16 up to the legal retirement age.

b) Activity status requirement

There are two situations: i) people who have exhausted their unemployment benefits; and ii) long-term unemployed people.

The general requirements are as follows:

- having exhausted the contributory and non-contributory unemployment benefits;
- not having a personal income, or an average income of the whole family unit, exceeding 75% of the SMI (€712.50 per month in 2021);
- having family responsibilities (a spouse and/or children under 26, or children with disabilities, who are economically dependent);
- not having been a beneficiary of the PAE;
- not being a former beneficiary of this subsidy;
- not working part time or having the employment contract suspended;
- being involuntarily unemployed;

⁶ This subsidy replaces allowances included in the employment activation programme (*programa de activación para el empleo* – PAE) and the professional requalification programme (PREPARA): Additional Provision 27 of the General Law on Social Security (LGSS).

- not being entitled to a retirement pension; and
- proof of job-search activity.

Specific requirements for people who have exhausted their unemployment benefits:

- having sought a job for at last one month from the date of completion of the previous subsidy; and
- not having rejected job offers or refused to participate in promotion, training or professional retraining activities.

Specific requirements for long-term unemployed people:

- having exhausted the active insertion income (RAI) and any of the insertion programmes (PRODI or PREPARA);
- having been a job-seeker for at least 360 days in the 18 months prior to the date of application for the subsidy; and
- being recorded as unemployed since 1 May 2018 (this condition is still met if, since that date, unemployment has been interrupted for occasional work not exceeding 90 days).

c) Contributory history

There are no special conditions.

d) Waiting time

For people who have exhausted their unemployment benefits: 15 days after one month has elapsed since the termination of the last subsidy.

For long-term unemployed people there is no waiting time.

e) Replacement rate / benefit level

The subsidy is a fixed monthly amount of 80% of the IPREM (€451.92 in 2021).

f) Duration

A maximum of 180 days.

2.2.4 Cessation of activity benefit – assimilated to unemployment benefit – for self-employed workers (prestación por cese de actividad de los autónomos)

a) Age

Between age 16 and the legal retirement age.

b) Activity status requirement

Beneficiaries must be:

- affiliated to the special scheme for self-employed workers or to other special schemes (such as agricultural workers and sea workers);
- economically dependent workers (TRADE); and
- registered as job-seekers.

Grounds for claiming the cessation of activity benefit

The allowable grounds for claiming the benefit are:

- economic, technical, organisational or production reasons that prevent the continuation of the economic activity that was being carried out; or
- reasons of force majeure that require the temporary or definitive cessation of the economic or professional activity.

c) Contributory history

 Beneficiaries must have paid social security contributions for at least 12 months, and be up to date with their payment.

d) Waiting period

There are no specific waiting periods.

e) Replacement rate / benefit level

The benefit is 70% of the average of the bases for which contributions have been paid in the 12 months immediately prior to the termination of employment.

f) Duration

Duration of the benefit depends on the contribution periods within the previous four years, of which at least 12 months must immediately precede the termination of employment.

The duration is 4-24 months:

- four months for 12-17 months of contributions; and
- 24 months for 48 months or more of contributions.

2.2.5 Gaps/obstacles in access for young people

Young people do not face gaps in access to the benefit directly on the basis of their age, but rather on the basis of their low social security contributions.

2.3 Overall gaps/obstacles in access for young people

There are no specific differences among different age groups, in terms of eligibility conditions and benefit entitlements, for contributory unemployment benefits (which are available to those in either standard or non-standard work, including apprentices/trainees). Nevertheless, the average amount of the unemployment benefit paid to young people is lower than the general average because of their high incidence of temporary and part-time working. In 2020, the incidence of temporary contracts for the 15-29 age group was 52% (by far the highest proportion in the EU) whereas for the 30-64 age group it was 19.5%. In addition, the incidence of part-time work was 25% for the 15-29 age group, whereas it was 12.2% among those aged 30-64 (see Section 1).

However, there are some gaps for young people similar to those for other age groups, in terms of eligibility for the non-contributory unemployment allowance if they do not have family responsibilities. They are then not entitled to receive the allowance due to exhaustion of unemployment benefits, or the extraordinary unemployment subsidy for long-term unemployed people and those who have exhausted contributory and non-contributory unemployment benefits. They are also not eligible for the RAI, which is directed at long-term unemployed people over 45.

Another obstacle young people face is the fact that inactive people are not eligible for any unemployment benefit even though they are job-seekers. Also, the special social security regime for domestic workers does not allow them to make contributions towards unemployment benefits.

As for the self-employed, young people are not differentiated on the basis of their age but on the basis of their low social security contributions. The amount of their benefits is rather low, as most of them pay minimum contributions.

3 ACCESS TO SICKNESS AND HEALTHCARE BENEFITS

3.1 Sickness benefits

The main sickness benefits in Spain are cash transfers linked to temporary incapacity (*incapacidad temporal*, IT). These are aimed at covering a lack of income for workers (regardless of their age or social security regime) who suffer from an illness or accident and who require healthcare which temporarily prevents them from working.

3.1.1 Eligibility conditions and benefit entitlements

The main eligibility conditions and benefit entitlements that apply to the scheme in Spain as far as young people are concerned are the following.

a) Age

Age is not a criterion for access to the IT scheme.

b) Activity status requirement

The IT scheme is a contributory scheme for all employees and assimilated groups (e.g. beneficiaries of contributory unemployment benefits). The conditions and regulations for self-employed workers and non-standard workers (including trainees and apprentices) are similar to those in the general scheme. There are no specific activity status requirements for young people.

c) Contributory history required to access the scheme

A total of 180 days of contributions is required within the five preceding years in the case of a common illness or a non-workplace accident. No prior contributions are required for accidents (whether workplace or otherwise) or occupational illnesses. The contributory history required to access the scheme is the same for young people.

d) Waiting period

No waiting period is required for access to benefits in respect of accidents at work and occupational diseases. When it is a common illness, or a non-workplace accident, medical leave is determined by a medical doctor of the National Health System (NHS). For the first three days the employee receives no benefits (waiting period of three days). The waiting period is the same for young people.

e) Replacement rate / benefit level

The calculation for young people is the same as that for older groups.

f) Duration

The duration for young people is the same as that which applies to older groups.

3.1.2 Gaps/obstacles in access for young people

The main gaps and obstacles in access for young people identified for this scheme in Spain are the following.

a) Main gaps in access for young people

On the whole, the main gap in the IT scheme is related to the assessment of medical leave by the NHS, due to time and diagnostic test constraints, or to the low level of knowledge of the real physical and psychological demands of the job (Rodríguez, 2013). Generally, medical assessments focus on people's physical integrity and general functional capacity which, in some cases, may mean that they must return to the job in inappropriate conditions (Álvarez, 2017). This gap is the same for young people as that for older groups.

b) Main obstacles in access for young people

There are no specific obstacles to access to sickness benefits for young people.

3.2 Healthcare benefits

3.2.1 Eligibility conditions and benefit entitlements

The NHS covers everyone residing in the country, regardless of their status with respect to the social security system,⁷ their legal status,⁸ their age or their level of wealth.⁹ Fully financed through general taxation since the early 2000s, the NHS has experienced a gradual but systematic disconnection from the social security contributory schemes. The main eligibility conditions and benefit entitlements that apply to the scheme in Spain as far as young people are concerned are the following.

a) Age

No age requirements. The main peculiarity is that those over 26 who have not worked have to apply for their own health card and indicate that they have no income. At that age, they cease to be beneficiaries of their parents' health card and become entitled to their own individual card with the same access to the NHS as others.

b) Activity status requirements

No activity status requirements. The NHS covers all people residing in the country, regardless of their activity status with respect to the social security system.

c) Contributory history required to access the scheme

There is no required contributory history to access the healthcare benefits.

d) Waiting period

No waiting period required.

e) Replacement rate / benefit level

There are no fees or charges required to access the healthcare benefits.

f) Duration

No specific limits. Healthcare benefits are received for as long as the need for healthcare persists. The duration for young people is the same as for older groups.

3.2.2 Gaps/obstacles in access for young people

The main gaps and obstacles in access for young people identified for this scheme in Spain are the following.

a) Main gaps in access for young people

There are no specific gaps in access to healthcare benefits for young people.

b) Main obstacles in access for young people

There are no specific obstacles to access to healthcare benefits for young people.

⁷ 1088/89 Royal Decree extending access to the NHS to people without resources: https://goo.gl/Riroct.

⁸ 4/2000 Foreigners Law: http://goo.gl/rCluQ0.

⁹ 33/2011 General Public Health Law: http://goo.gl/FTynNs.

4 ACCESS TO MATERNITY, PATERNITY, AND PARENTAL CASH BENEFITS

Parental leave benefits are based on a contributory scheme linked to pregnancy and parenthood, covering the salaries of workers on leave following the birth, adoption or fostering of a child.¹⁰ Both ML and paternity leave (PL) are contributory social insurance schemes financed for a relatively short period with a high level of protection. Employed mothers are entitled to 16 weeks of ML. Employed fathers were entitled to four weeks of PL from January 2017, increased to five weeks in the 2018 state budget. Since 1 January 2021 both parents enjoy equal non-transferable paid leave of 16 weeks.

Maternity allowance is a flat-rate non-contributory allowance of 42 days for non-eligible employed mothers.

4.1 Contributory maternity, paternity, and parental cash benefits

4.1.1 Eligibility conditions and benefit entitlements

The main eligibility conditions and benefit entitlements that apply to the scheme in Spain as far as young people are concerned are the following.

a) Age

There are no age requirements. The maternity/paternity contributory scheme is available to the entire 15-29 age group.

b) Activity status requirement

To access the scheme, it is necessary to be registered with the social security system and be making contributions at the beginning of the leave, or be receiving contributory unemployment benefit. The scheme is open to employees, the self-employed and trainees/apprentices. Both standard and non-standard (fixed-term and part-time) workers are included.

c) Contributory history required to access the scheme

To qualify for maternity and paternity benefits, mothers/fathers must have a contributory history of at least 180 days in the previous seven years (or 360 days during their working lives).

However, those under 21 do not need to have had a previous period of social security contributions, and those aged 21-26 need only 90 days in the previous seven years (or 180 days during their working lives).

d) Waiting period

No waiting periods.

e) Replacement rate / benefit level

The same as for older groups. Both ML and PL provide a benefit of 100% of the contribution base for the month prior to the start of leave.

f) Duration

The same as for older groups. Since January 2021, both mothers and fathers have been entitled to 16 weeks of non-transferable paid leave, which can be extended by up to two weeks in the case of multiple births or child disabilities.

19

¹⁰ Royal Decree-law 6/2019: http://bit.ly/2KjiYBu.

4.1.2 Gaps/obstacles in access for young people

The main gaps and obstacles in access for young people identified for this scheme in Spain are the following.

Main gaps in access for young people

Since the 1990s, Spain has been moving from a traditional scheme of welfare birth-related ML, towards a more generic parental leave system (Meil, Lapuerta and Escobedo, 2020). However, given that it is essentially based on social security contributions, the main gap is between those who participate or have participated in the labour market and those who have little or no participation in it.

Main obstacles in access for young people

There are no specific obstacles to access to contributory maternity, paternity, and parental cash benefits for young people.

Among young people, high levels of participation in non-standard employment, and of unemployment and inactivity (see Section 1), imply problems of access to this benefit scheme.

4.2 Non-contributory maternity, paternity, and parental cash benefits

Employed mothers who do not meet the minimum contribution period to be eligible for contributory benefits are entitled to a flat-rate non-contributory maternity allowance of 42 days. There is no matching paternity scheme.

4.2.1 Eligibility conditions and benefit entitlements

The main eligibility conditions and entitlements that apply to the scheme in Spain as far as young people are concerned are the following.

a) Age

The non-contributory maternity scheme is available to the entire 15-29 age group.

b) Activity status requirement

The same as for older groups. To access the allowance, it is necessary to be registered with the social security system and making contributions at the beginning of the leave, or be receiving contributory unemployment benefit. The scheme is open to employees (including part-time workers), the self-employed and trainees/apprentices.

c) Contributory history

No minimum contribution period is required.

d) Waiting period

No waiting periods.

e) Replacement rate / benefit level

The same as for older groups. This scheme provides a financial benefit of 100% of the IPREM (for 2021, \le 564.90 per month or \le 18.83 per day).

f) Duration

The same as for older groups. The benefit is paid for 42 calendar days (6 weeks) after childbirth and can be extended up to 56 calendar days (8 weeks) for single mothers, large families, multiple births, or a child's or mother's disability.

4.2.2 Gaps/obstacles in access for young people

a) Main gaps in access for young people

This non-contributory scheme offers a lower-quality benefit (in terms of the duration and level of allowance), and is not available to fathers. This scheme would therefore be classified as a traditional model of ML intended only for women, and treated as a health and welfare measure – as opposed to the contributory scheme, which has moved towards a more generic model of parental leave (Koslowski et al., 2020) as a shared family and work responsibilities measure.

Women with very weak links to paid work, or no links at all, are not only accessing a lower level of leave and benefit, but a different model. Given the difficulties of stable access to the labour market for young people (see Section 1), this gap is likely to be larger among those aged 15-29.

b) Main obstacles in access for young people

There are no specific obstacles to access to the non-contributory maternity scheme for young people. However, as noted in the case of contributory benefits, the difficulties for young people in accessing good-quality jobs (see Section 1 for information on the type of contract and on part-time work) result in problems of access to this benefit scheme.

5 GUARANTEED MINIMUM INCOME SCHEMES

5.1 Minimum living income (standard scheme)

The MLI is a new non-contributory means-tested cash benefit that is designed to guarantee a minimum income level to those households (including one-person households) who have insufficient economic resources to cover their basic needs. It is configured as a subjective right to a cash transfer, and is expected to boost social and labour inclusion opportunities.

5.1.1 Eligibility conditions and benefit entitlements

The main eligibility conditions and benefit entitlements that apply to the scheme in 2021 as far as young people are concerned are the following.

a) Age

People receiving the benefit on behalf of the household (including one-person households) must be at least 23.

Exceptionally, the following are eligible for this benefit:

- those under 23 (including emancipated minors under 18) with children, or minors in foster care for adoption or permanent foster care; and
- women aged 18-22 who are victims of gender-based violence or of human trafficking and sexual exploitation.

Benefit recipients in one-person households aged 23-30 must prove that they have been living independently¹¹ in Spain for at least the previous three years, except for women who are victims of gender violence or victims of human trafficking and sexual exploitation. For benefit holders over 30, this period is one year.

¹¹ Independent living is defined as residence in a domicile other than that of one's parents or guardians for the previous three years, during which the person has made social security contributions for at least 12 months.

b) Activity status requirement

No activity status is required. Adults and emancipated minors who are not working are obliged to demonstrate that they are listed as job-seekers within six months, except for those under 28 enrolled in formal education.

c) Contributory history

No contributory history is required.

d) Waiting period

No waiting period is required.

e) Benefit level

The MLI guarantees an income level equivalent to the non-contributory old-age benefit for a one-person household. 30% is added to this amount for each additional member, and 22% for single-parent households (irrespective of the number of children). The calculation for young people is the same as for older groups.

f) Duration

The benefit is paid for as long as the need persists. The duration for young people is the same as for older groups.

5.1.2 Gaps/obstacles in access for young people

The main gaps and obstacles in access for young people identified for this scheme in Spain are the following.

a) Main gaps in access for young people

The main obstacle to access to the MLI benefit for those under 30 is related to family responsibilities and setting up an independent household. The eligibility conditions are more stringent for people below 23. These conditions differentiate between two groups: i) those under 23 who can only access the benefit if they have family responsibilities; and ii) those aged 23-30 in one-person households, to whom more stringent conditions of independence/emancipation apply.

b) Main obstacles in access for young people

There is currently no specific information available on access to the MLI, which was launched in June 2020. In May 2021, 3,320 of the recipient households were headed by people under 24 and 51,328 by people aged 24-35 (1.3% and 19.7% of all recipient households, respectively). The average age of all beneficiary heads of household was 44.32.

No studies are available to assess the impact of these access barriers on the coverage levels of this benefit for households in poverty headed by young people. Young people, especially the youngest age group (16-24), have high rates of poverty, unemployment, and non-standard employment, which would be among the causes of the decline in the number of households headed by someone aged 16-29 (CES, 2020; Youth Council of Spain, 2020).

5.2 Regional minimum-income schemes (standard schemes)

The RMIS are a set of means-tested cash transfer programmes that guarantee basic monetary resources linked to social integration and/or labour market activation measures for the working-age population in situations of poverty and social exclusion. Most programmes are managed by regional/local personal social services and there is no coordination with the general income support system, particularly with non-contributory unemployment benefits and the new MLI.

5.2.1 Eligibility conditions and benefit entitlements

a) Age

In 12 of the 17 RMIS, the minimum age for entitlement in 2019 was 25. In recent years, there has been an increase in the number of RMIS where the lower age limit is 23 (five in 2019). Only in two regions (Aragon and Navarre) is this limit set at the age of majority, 18.

In most of the RMIS, exceptional access is recognised for young people due to different situations. In most regions, access is recognised for those who are not of the minimum age and who are in charge of minors or people with disabilities or dependency, who are orphaned or who have been minors under the guardianship of the public administration up to age 18. In addition to these, having being a victim of gender-based violence is also taken into account.

In some regions (Asturias, Castile-Leon, Extremadura, Navarre, Rioja, Valencia), the accreditation of independent living prior to the application allows access to the benefit regardless of having reached the corresponding minimum age.

b) Activity status requirement

- No activity status is required. In 12 regions, registration as a job-seeker is a condition for access to the benefit for claimants who are not working. In the remainder, registration as a job-seeker is an obligation once the benefit has been accessed. In most regions, the beneficiaries and adult members of the household who are not working must sign some kind of commitment to participate in social integration and/or labour market activation measures.
- The specific situation of trainees and apprentices is not clear-cut. First, access to these schemes is means-tested (independent of the source of income). Second, as there are 17 different regional schemes, regulations are diverse. In most cases, the role of training and apprenticeship contracts is not regulated and can be subject to different (and discretionary) interpretations.

c) Contributory history

No contributory history is required.

d) Waiting period

No waiting period is required.

e) Replacement rate / benefit level

The calculation for young people is the same as for older groups.

f) Duration

In the majority of regions, the benefit is paid for as long as the need persists. The duration for young people is the same as for older groups.

5.2.2 Gaps/obstacles in access for young people

The main gaps and obstacles in access for young people identified for this scheme in Spain are the following.

a) Main gaps in access for young people

Although the age limits vary, young people aged 15-25 are not eligible for the RMIS in most regions, except in situations of extreme vulnerability – either their own (orphanhood or previous situation of administrative guardianship, victims of violence) or that of other dependants (minors, people with disabilities or dependency). Only in some regions can a prior emancipation process (with strict requirements regarding the establishment of a partner, time spent living independently and a period of social contributions) give access to the benefit.

b) Main obstacles in access for young people

In 2019, 7,788 recipient households in the RMIS were headed by people under 25 and 44,393 by people aged 25-34 (2.6% and 14.9% of total recipient households, respectively)¹² (MDSA2030, 2020).

As in the MLI, no studies are available to assess the level of coverage of RMIS benefits among households headed by young people. It is known that the degree of coverage of the RMIS is low and very uneven territorially. A recent report assessed that protection is negligible for the younger population, especially for those under 25 (CES, 2020). These regional benefits, like the MLI, have access barriers for households headed by young people, which may be contributing to their lack of protection.

6 HOUSING BENEFITS

The state housing plan for 2018-2021¹³ includes different programmes for access to housing, especially rented housing, both for the general population and for young people. In this section, we analyse both types of benefits, regulated at the state level but managed by the autonomous communities, which can modify the general conditions described below.

6.1 General rental benefit programme

6.1.1 Eligibility conditions and benefit entitlements

The main eligibility conditions and benefit entitlements that apply to the scheme in Spain as far as young people are concerned are the following.

a) Age

Beneficiaries must be over 18.

b) Activity status requirement

There are no specific activity status requirements for young people.

c) Other eligibility conditions

Those people who have a rental contract for a habitual or permanent residence, and whose income is equal to or less than three times the IPREM, are eligible (four times the IPREM in the case of large families or families with people with disabilities; and five times the IPREM in the case of especially large families, or families with someone with a degree of disability of more than 65%). The third requirement is that the house or flat must be rented for ≤ 600 per month or less. This can be increased to ≤ 900 in special cases, which must be specified by the autonomous communities.

d) Benefit level

The benefit finances up to 40% of the monthly rent. In the case of rents between €601 and €900, the benefit covers 30%, although there may be variations between the different autonomous communities. The benefit lasts for a maximum of three years, which may be reduced by the autonomous communities.

e) Distinctions between different groups of young people

There are no distinctions between different groups of young people.

 $^{^{12}}$ Latest available data. As the data are of a different nature and year, it is not possible to draw joint conclusions from either the MLI or RMIS data.

¹³ Royal Decree 106/2018, 9 March: https://bit.ly/3yRowJ8.

6.1.2 Gaps/obstacles in access for young people

The main gaps and obstacles in access for young people identified for this scheme in Spain are the following.

a) Main gaps in access for young people

This programme does not differentiate between the needs of young people by age group. On the one hand, those in 25-29 age group require effective protection to facilitate their emancipation; in 2019, 63.7% of this age group lived with their parents (see Section 1). On the other hand, the benefit is insufficient in relation to the current low wage levels of young people.

b) Main obstacles in access for young people

The demand for rental subsidies by young people is low because many young people fear that they will not be able to pay their rent if they lose their job (Instituto de la Juventud, 2021) and because subsidies only cover a minor part of the (high) rents. More stable employment and moderate-rent housing could stimulate the demand for rental subsidies.

6.2 Aid programme for young people to rent or buy a home

This is a programme to support access to rented housing only for young people, although it reaches up to age 35. At the same time, this programme supports the purchase of housing for young people in rural municipalities of fewer than 5,000 inhabitants.

6.2.1 Eligibility conditions and benefit entitlements

a) Age

Up to 35.

b) Activity status requirement

There are no specific activity status requirements for young people.

c) Other eligibility conditions

- Access to support for rented housing is granted to people who:
 - have a rental contract for a habitual or permanent residence;
 - have income equal to or less than three times the IPREM (four times in the case of large families or families with people with disabilities; five times in the case of especially large families or those with someone with a degree of disability of more than 65%); and
 - rent a property for €600 per month or less (€900 in special cases defined by the autonomous communities).
- Access to support for home-ownership is granted to people who have an income
 equal to or less than three times the IPREM (four times in the case of large families
 or families with people with disabilities; five times in the case of especially large
 families or those with someone with a degree of disability of over 65%). The home
 purchased must be occupied for at least five consecutive years and the purchase
 price must be equal to or less than €100,000 (excluding taxes and management
 fees).

d) Benefit level

Support for rented housing finances up to 50% of the rent. In the case of rents between $\[\le 601 \]$ and $\[\le 900 \]$, the benefit covers 30%, although there may be variations between the different autonomous communities. The support lasts for a maximum of three years, which may be reduced by the autonomous communities.

 Support for access to home-ownership amounts to €10,800 per property, up to a limit of 20% of the purchase price of the property, excluding purchase costs and taxes.

e) Distinctions between different groups of young people

• There are no distinctions between different groups of young people.

6.2.2 Gaps/obstacles in access for young people

The main gaps and obstacles in access for young people identified for this scheme in Spain are the following.

a) Main gaps in access for young people

The conditions for accessing these schemes and their adequacy varies between regions. Only some regions have specific arrangements to give young people further support to live independently.

b) Main obstacles in access for young people

Although the maximum qualifying age for this programme has been raised to 35, the main obstacles are job insecurity, low salaries and difficulties in accessing affordable housing (either for rent or purchase), which discourage some young people from emancipating themselves and renting or buying a home (CES, 2020).

6.3 Overall gaps/obstacles in access for young people

The main gaps and obstacles in access for young people identified for this scheme in Spain are the following.

a) Main gaps in access for young people

The access of young people to housing is a challenge for Spanish society, which reflects the extraordinary difficulty of achieving the emancipation of this group before age 30. So much so that different studies tend to extend the age of emancipation to 35 (FEPS et al., 2021).

The structural problem underlying access to housing for the young active population is the precariousness of employment (high rates of temporary and part-time employment), to which must be added low wage levels and the scarcity of public aid adapted to the economic and employment characteristics of this group (CES, 2002; CES, 2020). In other words, the difficulties of access to housing for young people in Spain do not depend so much on their age or the general eligibility requirements for access to housing benefits, but rather on the economic insecurity caused by the extent of precarious employment among young people.

Buying a house requires a huge effort for young people, as the average mortgage payment would need to be almost 60% of their average salary, double the maximum monthly mortgage payment recommended to avoid over-indebtedness. However, the main barrier is their lack of sufficient savings. As a result, the majority (59%) of young people living independently rent at market prices. Even so, renting a house also represents a challenge for most young people (the average rent announced in housing platforms represents 93% of the average salary of a young worker, and over 100% in tourist destinations (such as the Balearic and Canary Islands) and some of the main economic regions (such as Madrid and Catalonia). This limits labour mobility and constitutes a barrier to accessing local labour markets. Among the total population of emancipated young people, 74.2% made regular payments for housing (purchase or rent). The percentage of young people with fully paid home-ownership does not reach 12%. In 2020, 8.8% of the population aged 16-24 and 20.4% of the 25-29 age group owned their own home and paid a mortgage. 67.4% of young people aged 16-24, and 55.7% of those aged 24-29, lived in rented housing. 12% of all young people were living in free or low-cost housing (Consejo de la Juventud, 2020b).

Although this affects the entire population aged 15-29, it should be taken into account that almost 60% of young people up to age 24 are in education; among the remainder who are

of working age, the unemployment rate is 40%, falling to 18.4% in the 24-39 age group (Q3 2020, LFS).

The emancipation rate of young people aged 16-29 has worsened in the last two years: in Q4 2019 it was 18.7%; in Q2 2020 it was 17.3%. This means that out of a total youth population of 6,798,699 in Q2 2020, the number of emancipated people was 1,178,564. This group comprised 662,952 households, of which 31.6% were single-person households (Consejo de la Juventud, 2020b). When analysing the emancipation rate by age group, we observe that it only reached 4.9% in the 16-24 age group, rose to 38.4% in the 25-29 age group and reached 68.9% in the 30-34 age group. Given that those in the first age group, 16-24, are overwhelmingly studying and living at home with their parents or family, the focus of the analysis of the housing problem is on the 24-29 age group.

b) Main obstacles in access for young people

Under these circumstances, the main obstacle faced by young people in accessing housing is the precariousness of employment, which is often associated with low wages. Whereas the incidence of temporary employment is 26.3% for the entire employed population in Spain, this figure rises to 86.8% and 66.6% in the 16-24 and 25-29 age groups respectively.

A second problem is that the eligibility conditions do not positively discriminate in favour of young people applying for benefits. The income requirements are the same for both them and the rest of the population. There is only a small percentage improvement in the benefit, as explained above (50% in the case of young people and 40% for the rest of the population – except for those over 65, who can receive 50% of their rent).

The third problem in accessing rented housing is its high price in relation to young people's wages. According to the LFS for 2019, 41% of all young tenants spent more than 30% of their income on rent. Not even the tax breaks provided by the autonomous communities for the payment of rent or mortgage interest facilitate access to housing, given their limited amounts and the requirements that mainly benefit households with children.

All this reflects the fact that, as Ayala et al. (2020) point out, there is no overall plan to improve access to housing for young people and, as a consequence, youth emancipation is being stalled or slowed down. The deficit in terms of public policy action is clear and there is ample room for improvement and reform. In the short term, measures such as tax incentives for landlords to control rental prices can be effective and speed up access to housing for young people. The freezing of rental prices in high-priced urban areas is also being discussed, but no political consensus has yet been reached. In the medium and long term, the policy to stimulate the purchase of a home is of limited effectiveness given the high rates of unemployment, precariousness, and low salaries of young people. The alternative is to act from the supply side by expanding the public housing stock for rent at controlled prices. This policy could be developed based on a stable model of public-private collaboration in which regional and local authorities have the necessary leadership.

7 REFORMS, NATIONAL DEBATES AND RECOMMENDATIONS

7.1 Reforms implemented since 2015

There have been no specific social protection reforms for young people since 2015. The reforms have not taken into account the particular lack of social protection for young people.

The changes in the rules of access to social protection have been of a general nature and not specific to the employed or unemployed young population. During the COVID-19 crisis unemployed young people have benefited, as have all unemployed people, from the extraordinary measures of social protection, such as the exceptional unemployment benefit at the end of a fixed-term contract, the extraordinary allowance for domestic workers, or

the special unemployment assistance benefit for people who exhausted their benefit between 14 March and 30 June 2020. The cessation of activity benefit for self-employed workers was implemented from March 2020 until 31 May 2021 for those who had to suspend their activity completely or who were unable to access other unemployment benefits. They were exempted from the requirement for previous contributions to access this extraordinary benefit.

7.2 National debates

The future of young people in Spain, and in particular their labour market integration and personal emancipation, is a recurrent issue in social research and political debate. Sociological (Tezanos and Díaz, 2017; FEPS et al., 2021) and political-economic analyses (Arce, 2021; Ayala et al., 2020; Banco de España, 2019; CES 2020; Comisiones Obreras, 2018; Consejo de la Juventud 2020 a and b) point out the difficulties in the way of providing more stable and decent employment for young people and the "syndrome" of delayed emancipation. As a consequence, the idea that the "social ladder" has been blocked for young people has become entrenched in public opinion.

Debates concerning young people focus primarily on access to the labour market and the precariousness of employment, and to a much lesser extent on social protection (a recent example is the CES study, 2020). This confirms the results of the analysis in Sections 2, 3, 4 and 5 on the limited coverage of young people by the social protection system.

For decades, high unemployment rates have been a defining feature of the situation of young people in Spain. The economic and financial crisis of 2008 and the labour reform of 2012¹⁴ have consolidated a model of precarious employment that particularly affects young people, characterised by "the difficulty of access to the labour market, temporary employment contracts, involuntary part-time work, overqualification, low wages and low social protection" (Úbeda et al., 2020). For young people, the last decade has seen an increase in temporary employment, involuntary part-time work and low wages (50% of young people under 30 do not reach the national minimum wage on an annual basis) (Cabasés et al., 2021).

The national reform programme (NRP) for 2021 sets out labour market reforms with special reference to "reducing the gender gap and youth unemployment" (Ministry of Economic Affairs and Digital Transformation, 2021), reinforcing and complementing other structural reforms in areas such as education and training, in order to tackle the extreme and permanent duality that leads to precariousness, job instability, uncertainty, low productivity, and low wages. However, the 2021 NRP does not indicate the changes needed to improve social protection for young people, which will ultimately depend on the unemployment rate and the quality and stability of employment contracts.

From an employment perspective, the economic analysis highlights "a strong deterioration in employment rates, earnings, wages, and access to stable jobs" over almost four decades (Bentolila et al., 2021), with a particular impact on university graduates after the 2008 crisis. In the case of unemployed young people with low educational levels, the employment rate does not reach 60% regardless of the economic cycle (Cabasés et al., 2021). The exits from the economic recessions in Spain over four decades have not led to a recovery in the indicators mentioned above, compounded by a lower degree of social protection for young people than for the rest of the labour force. Finally, COVID-19 has worsened living conditions in general, but especially for the young population (Arce, 2021).

As the Spanish Economic and Social Council (CES, 2020) points out when analysing the economic and employment impact of COVID-19, the predominance of temporary employment has meant that employment protection through temporary employment regulation schemes has been less extensive than among the adult population with stable

28

¹⁴ Royal Decree-Law 3/2012, 10 February, urgent measures to reform the labour market: https://bit.ly/3fXCjFw.

jobs. The council states that the explanation for "the limited protective capacity of social policies for the young population in the face of poverty stems from the difficulties involved in meeting the necessary requirements to be able to access unemployment benefits", both at the contributory and non-contributory levels. The same is true for access to extraordinary employment programmes. Whereas the unemployment protection coverage rate for the 25-29 age group is close to the general rate for the unemployed population, it is half the rate for the 20-24 age group and marginal for the 16-19 age group.

This structural situation of unemployment and precariousness is reflected in worse working and living conditions for young people aged 18-29 compared with the general population. Thus, as Ayala et al. (2020) point out, in 2018 financial difficulty in reaching the end of the month was experienced by 31.6% of this group compared with 27.2% of the general population; the in-work poverty rate was 18% compared with 15% of the total employed population; the consistent poverty rate (simultaneous risk of monetary poverty and material deprivation) was 11.4% compared with 8.7% of the total population; and the incidence of temporary employment for the 20-29 age group was 54.8% compared with 28.8% for the employed population. These indicators confirm the existence of a generational divide (Cantó, 2019) that is widening over time. Policies such as the EU youth guarantee (European Commission, 2018) have not had the expected impact on promoting employability, probably because they have not been accompanied by adequate social protection measures (Cantó, 2019).

COVID-19 has led to a worsening of the working conditions and social protection of young people. Public opinion considers that, compared with the 2008 crisis, the COVID-19 crisis "will have a greater negative impact on working conditions, the ability to access/maintain employment, access to housing and the quality of life of young people" (FEPS et al., 2021). The impact of COVID-19 has increased the employment vulnerability of young people and, at the same time, uncertainty about their ability to emancipate. The need for new social protection policies and support for the emancipation of young people are the most relevant conclusions of social actors and economic agents.

7.3 Good practice and recommendations

7.3.1 Recommendations

- Trade unions, business organisations, and social economy organisations (CES, 2020) have proposed improvements in the social protection of young people. This is based on the European Pillar of Social Rights (EPSR) and on the Spanish strategy to prevent and combat poverty and social exclusion during 2019-2023.
- Under the present social protection institutional framework, the three policies that can command the greatest social and political consensus are as follows.
- The application of a labour reform that promotes the development of stable contracts, differentiated from training and temporary contracts (De la Rica and Gorjón, 2021),¹⁵ with margins for stability within companies, which necessarily has to become a commitment of the social dialogue.
- An extension of non-contributory social protection measures in connection with active employment policies to promote the labour participation of young people, while modulating protective action at the contributory level for young people.
- Finally, a more active and effective housing policy to facilitate the emancipation of young people.

¹⁵ Economists Sara de la Rica and Lucía Orjón observe that the internship contract – an employment contract with a training plan – is mainly used to reduce labour costs and not for investment in human capital in companies resulting in contractual stability in the future. If this is the case, they observe, companies should use the stable contract or the temporary contract. This calls for stricter regulation of the internship contract.

REFERENCES

- Álvarez, J.C., "Alteration of the state of health, medical care and health monitoring of workers in temporary disability", *Revista de Derecho de la Seguridad Social*, Vol. 12, 2017, pp. 87-104.
- Arce, O., La crisis del COVID-19 y su impacto sobre las condiciones económicas de las generaciones jóvenes, Banco de España, Madrid, 2021.
- Ayala, L., Cantó, O., Navarro Ruiz, C. and Romaguera de la Cruz, M., Análisis de las necesidades sociales de la juventud, Informe 6.2, Observatorio Social de "la Caixa", Barcelona, 2020.
- Banco de España, Cambios en la decision de participación laboral de los jóvenes tras la crisis, Boletín Económico 3/2019.
- Bentolila, S., Felgueroso, F., Janssen, M. and Gimeno, J.F., "Lost in recession: youth employment and earning in Spain", *Journal of Labour Economy*, Vol. 12, 2021.
- Cabasés, M.A., Úbeda, M., Gómez, M.J., Freixa, C., Sánchez, J. and Riera, C., Evolución de la precariedad laboral de los jóvenes en espala entre los años 2008 y 2018, Observatorio Social de "la Caixa", Barcelona, 2018.
- Cantó, O., Desigualdad, redistribución y políticas públicas, ¿Hay una brecha generacional, Cuadernos de Información Comercial Española, Madrid, 2019.
- CES, *Jóvenes y mercado de trabajo en España, Informes* nº 2, Consejo Económico y Social, Madrid, 2020.
- CES, La emancipación de los jóvenes y la situación de la vivienda en España, Consejo Económico y Social, Madrid, 2002.
- Comisiones Obreras, *Informe Una radiografía de la juventud y 10 ejes de trabajo*, Comisiones Obreras, Madrid, 2018.
- Consejo de la Juventud de España, *Juventud en riesgo: análisis de las consecuencias económicas del COVID-19 sobre la población joven en España* (primer informe), Madrid, 2020a.
- Consejo de la Juventud de España: *Observatorio de Emancipación*, Primer Semestre 2020, Madrid, 2020b.
- Cueto, C. and Moreno, A., *Paro juvenil y pobreza, ¿un problema estructural?*. Observatorio Social de "la Caixa", Barcelona, 2017.
- De la Rica, S. and Gorjón, L., *El contrato en prácticas, a examen*, Fundación Ikeak, Diario El País, 25 abril de 2021.
- Escudero, V., Kühn, S., López Moruelo, E. and Tobin, S., *Youth Labour Market Prospects and Recent Policy Developments*, in Malo, M.A. and Moreno Mínguez, A. (eds), European Youth Labour Markets Problems and Policies, Springer, 2018.
- European Commission, Youth Guarantee country by country: Spain, EU, Brussels, 2018.
- FEPS, Fundación Felipe González and 4dB, *El impacto generacional del coronavirus*, FEPS, FFG, 4dB, Madrid, 2020.
- Koslowski, A., Blum, S., Dobrotić, I., Kaufman, G. and Moss, P. (eds), *International Review of Leave Policies and Research*, 2020. https://bit.ly/34kCchV
- Instituto de la Juventud, Informe Juventud en España 2020, Observatorio de la Juventud, Madrid, 2021.
- LIO, *El COVID-19 y el mundo del trabajo: repercusiones y respuestas*, Observatorio de la OIT, 1ª edición, 18 de marzo de 2020.

- Meil, G., Lapuerta, I. and Escobedo, A. 'Spain country note', in Koslowski, A., Blum, S., Dobrotić, I., Kaufman, G. and Moss, P. (eds) *International Review of Leave Policies and Research*, 2020. https://bit.ly/34kCchV
- Ministerio de Asuntos Económicos y Transformación Digital, National Reform Programme Kingdom of Spain, Madrid, 2020.
- Ministry of Social Rights and 2030 Agenda (MDSA2030), *Guía de ayudas sociales y servicios para las familias 2021*, Madrid, MSCBS, 2021. https://bit.ly/2RGDUaU
- Ministry of Social Rights and 2030 Agenda (MDSA2030), *Informe de Rentas Mínimas de Inserción. Año 2019*, Madrid, MDSA2030, 2019. https://bit.ly/3unlskE
- Rodríguez Cabrero, G., Montserrat Codorniu, J., Marbán Gallego, V., Arriba González, A. and Moreno Fuentes, F.J., ESPN Thematic Report: Social protection and inclusion policy responses to the COVID-19 crisis Spain, 2021, European Social Policy Network (ESPN), Brussels: European Commission.
- Rodríguez, S., "El control de la incapacidad temporal: su incidencia sobre la contención del gasto público y el aumento de la productividad empresarial", *Temas laborales* Vol. 118, 2013, pp. 113-151.
- SIIS, Características básicas de las prestaciones de garantía de ingresos mínimos. Revisión Autonómica, Febrero 2020, Donostia, SIIS, 2020. https://bit.ly/36YA8qx
- Tezanos, J.F. and Díaz, V., *La cuestión juvenil. ¿Una generación sin futuro?*, Biblioteca Nueva, Madrid, 2017.
- Úbeda, M., Cabasés, A. and Pardell, A., "Empleos de calidad para las personas jóvenes: una inversión de presente y de futuro", *Cuadernos de Relaciones Laborales*, 38(1) 2020: 39-57.

Getting in touch with the EU

In person

All over the European Union there are hundreds of Europe Direct Information Centres. You can find the address of the centre nearest you at: http://europa.eu/contact

On the phone or by e-mail

Europe Direct is a service that answers your questions about the European Union. You can contact this service

- by freephone: 00 800 6 7 8 9 10 11 (certain operators may charge for these calls),
- at the following standard number: +32 22999696 or
- by electronic mail via: http://europa.eu/contact

Finding information about the EU

Online

Information about the European Union in all the official languages of the EU is available on the Europa website at: http://europa.eu

EU Publications

You can download or order free and priced EU publications from EU Bookshop at: http://bookshop.europa.eu. Multiple copies of free publications may be obtained by contacting Europe Direct or your local information centre (see http://europa.eu/contact)

EU law and related documents

For access to legal information from the EU, including all EU law since 1951 in all the official language versions, go to EUR-Lex at: http://eur-lex.europa.eu

Open data from the EU

The EU Open Data Portal (http://data.europa.eu/euodp/en/data) provides access to datasets from the EU. Data can be downloaded and reused for free, both for commercial and non-commercial purposes.

