

Labour insertion in Spain: a view from the *Muestra Continua de Vidas Laborales*.

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Abstract

Labour market contexts have suffered a huge change in the last two decades with the coming of globalization, the introduction of new technologies, the decrease of fertility rates and the changes in the labour market itself, as some examples. The way people come into their professional life has changed, as well as the moment of their decision.

In this study we focus on the Spanish labour market. Socioeconomic changes in this country in the last twenty years are clear. It is supposed to be a huge change in labour market operation through this period. Some reasons for this are the prolongation of studies period, women inclusion in labour market, increase on immigrant contingents, arrival of new technologies,...

For this study a new database of the *Seguridad Social*, named *Muestra Continua de Vidas laborales* is used. With this database it is the first time in Spain that it is possible to study the whole working life of the people, since the moment when they start their labour life until the moment they finish, day to day. So the data that we will use refers to the people who got their first job in the period 1984-2004 in order to study which changes have performed labour market in this country. We focus specially in three variables: sex, age and nationality. The lapse of time studied here is from the year 1984 to the year 2004.

Keywords: Labour market, Spain, Muestra Continua de Vidas Laborales, database

Extended abstract

I.- Introduction.

The way people get into the labour market has changed in the last decades. This change was produced for causes like the economic globalization and the arrival of new technologies. People are extending their education period for some years more than half a century before. This is because the economic development made a lot of new jobs that didn't exist before grow, and they need very qualified manpower. Most of these new jobs have relation with the new technologies sector. Others refer to the human new necessities in the developed world. The fact is that those reasons are making people prolong their studies period more than ever happened before.

Also women are getting into labour market more than ever. Historically, women had fewer participation in the professional world than men, but this started to change in the second half of the past century, even though in some it happened countries before than in others. Jobs required for women, and jobs where women are required, used to be sometimes different from those for men.

Immigrant contingents play an important role in labour market change in the last decades (more recently in Spain). The jobs they are required for are usually different from those in which national workers are required. The main reason for that has to do with qualification and its recognition on non-national workers. Furthermore, they usually enter labour life sooner than national workers.

This paper focuses on the Spanish labour market between the years 1984 and 2004 because the history shows us that after the coming of democracy to this country, and specially after the early 80s, Spanish economy and labour market suffered a huge change making them unrecognizable. In year 1984 a big labour market reform, approved by the government and supported by an important union, was made in order to soften labour laws. The last year studied is 2004 because the last data in the *Muestra Continua de Vidas Laborales* refers to this precise year.

II.- Data.

This article explores the data provided by two different data sources.

The *Muestra Continua de Vidas Laborales* provides data about the number and characteristics of people who join labour market each year. Due to making the possible longitudinal analysis it is possible to know all the active life of a worker by paying attention to this source. The data used refers to the period 1984-2004. It is a new statistics made by the *Seguridad Social* in Spain.

The *Encuesta de Población Activa* provides information about the quantity of stocks of people working and the general population for a specific year. These data are not available on the *Muestra Continua de Vidas Laborales*. That statistics is made by the *Instituto Nacional de Estadística* of Spain.

III.- Research questions.

Key questions that are addressed in this paper include the following:

- 1.- How guidelines of labour market insertion in Spain have changed in two decades year to year: from 1984 to 2004. We focus on sex and age variables.
- 2.- How labour insertion of different generations (by year of insertion, not of birth) have changed through the years. Here we focus on the main ages of insertion in each generation. We focus on sex and age variables.

IV.- Use of demographic methods.

The use of the Synthetic Index of First Contribution (to the *Seguridad Social*; that indicates first labour relation of a worker) is especially important because it is used traditionally on demographic analysis, applied to other subjects like fertility or nupciality. However, the information provided by this index is fundamental to understand the relation between labour market dynamics – workers decisions. It is also important to know what changes occurred in labour market behaviour in each year.

The Synthetic Index of First Contribution is made:

$$t_x^t = \frac{i_x^t}{P_x^t} \cdot 100$$

$$SIFC = \sum_{x=16}^{35} t_x^t$$

i: number of first insertions for age 'x' in cohort 't'. Muestra Continua de Vidas Laborales-2004.

x: age.

t: year.

p: population of age 'x' in the moment 't' according to the Encuesta de Población Activa data.

V.- Conclusions.

The analysis shows evidence of a delay in labour market insertion in some historical moments while there is an overtaking in others, depending on the economic context. Differences between sexes are appreciable for the different generations. Men usually get into the labour life earlier in age than women in every studied moment. In recent years women have achieved similar participation rates in labour market as men.