Entire layer of Spanish youth frozen out from jobs market

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Sumario
- A type of age-based apartheid favours those in work and victimises entrants

But although unemployment has risen steadily since the introduction of the reform, some experts believe its benefits will become apparent.

“Empirical studies show that a reform such as this starts out by destroying new jobs for a year to a year-and-a-half,” says Gayle Allard, an economist at IE Business School in Madrid. “Then it starts to kick in as companies lose their fear of hiring: when they realise that they’re not buying a piece of machinery they can’t get rid of but that actually they’re hiring a valuable resource.”

In May, the number of jobless fell by 98,000 and, yesterday, the government announced that in June it fell by a further 127,000. These rare pieces of good news have prompted the government to start talking tentatively about economic turnaround.

Critics, such as the unions, say the May and June figures are merely a seasonal blip. But regardless of whether a recovery is imminent, there is a feeling that Spain’s dysfunctional labour market has already taken its toll on a generation.

Earlier this year, recruitment consultant Adecco estimated that 390,000 people had left Spain to find work abroad between the beginning of the crisis, in 2008, and the end of 2012. Most of them were under 40, and Germany, Britain and France were the most popular destinations.

Enrolment on language courses has spiked, as young people prepare for a career outside Spain.

This phenomenon echoes the 1960s, when hundreds of thousands of Spaniards fled to northern Europe to escape the isolated economy of the Franco dictatorship. But there is a difference.

Modern_migrant
“The typical profile of Spanish emigrants now is completely different to that of 50 years ago,” says Carmen González, a senior analyst at the Elcano Royal Institute in Madrid.
“In the 1960s, they had a basic education and were from rural backgrounds, but now they are university-educated.”

Dr González says the number of Spanish university graduates has soared in recent years, contributing to a white-collar job shortfall. A surplus of highly educated young Spaniards has left many fighting for the same job and driven wages down.

Psychologist Adriana Gimeno (31) is looking further afield than most young Spaniards as she considers her future. After searching for months, she recently found work in the human resources department of a large firm.

However, given the pay and lack of stability the post offers, she is considering moving to Brazil. “In Brazil they’re paying good wages,” she says. “There I could earn three times what I’m earning here.”