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# VOCATIONAL EDUCATION TRAINING NATIONAL RESEARCH REPORT (NRR)

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## FOREWORD

The National Vocational and Educational Training Research Report provides a summary and a critical, science-based review of national research carried out in Spain between 2004 and 2009, in the following four topics:

1. Benefits of VET;
2. VET and employment-related mobility and migration;
3. Governance of vocational training system ;
4. Types of Transition (The Transition to Retirement, The transition from school to work)

Finally, it contains a final chapter summarising the overall findings of the four preceding chapters

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## **The Benefits of Vocational Training**

### **Spain**

Oriol Homs and María Victoria Whittingham

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The benefits of vocational training tend to be analyzed with reference to three types of individual or institutional subjects. Firstly, the more global, macroeconomic dimension tries to reveal the impact of training on the growth of a country or its contribution to it. Secondly, an intermediate dimension focuses on analyzing the impact of training on the job market and on the collective and personal progress of individuals along their career paths. The third and final dimension looks at the impact of training on the profitability and competitiveness of companies.

Among the more usual methodological ways of focusing on these questions, we should highlight the analyses made from an economic perspective that try to quantify the relative cost-benefits or levels of equity (Calero, 2005 and 2006), the efficiency and effectiveness of investment on training either at the macroeconomic or company level or as the return for individuals. This type of viewpoint is still very rare on the vocational training research scene in Spain but in recent years a few teams can be found, normally from universities, such as the Valencia Economic Research Institute, that are developing research along these lines.

A second methodological orientation that is more qualitative, whether from an economic, sociological or pedagogical perspective, is trying to come closer to how the actors, be they individuals, institutions or companies, perceive training and its impact or benefits and to create conceptual hypotheses about its effects. More expert and scientific literature exists for this orientation, but very often it is redundant and presents limitations for creating sufficiently explanatory models of the behaviour of the actors. It should be noted that there is a plethora of literature in journals and speeches from company management about the benefits of training both for the country and for companies and individuals.

It must be borne in mind that the period analysed, between 2004 and 2009, covers the final stage, up to mid 2008, of a great expansionary cycle in the Spanish economy, during which a very large number of jobs were created, which resulted in a need to hire foreign manpower in order to cover the lack of available workers in the job market, and, in parallel, a serious lack of qualified workers due to the restricted amount of vocational training on offer and a demographic decrease in the number of young people in the population. In this context, discussion of training needs and its benefits became dominant in the positions of the actors, thereby generating a context that was very favourable to the development of vocational training and the value placed on it by society.

### **1. The High Profitability of Human Capital**

The relationship between the levels and growth of education and training among the Spanish population and the country's economic growth has not been clearly established,

although the experts emphasize that the low productivity of the Spanish economy is one of the most important aspects to take into consideration when establishing this relationship. Differences in wages are related to productivity and in Spain this varies according to level of education.

The Valencia Economic Research Institute (Spanish initials, INVIE) team has analyzed the growth of human capital in Spain (Pastor et al., 2006) and highlights the significant increase seen in recent years, although it is clearly less than in the majority of countries in the OECD. Notable differences in human capital resources can be seen between the sexes, as they are greater for men than for women but with a greater increase for the latter. Young people aged between 25 and 34 have been the protagonists in the increase in education in recent decades. Although regional differences have lessened, there is still a considerable disparity between the northeast and Madrid on the one hand and the southwest of the Peninsula on the other.

The per capita increase in human capital in Spain has also led to a trend toward greater use of this capital, even though it is far from being at the levels of the most developed countries in Europe. Paradoxically, it is the regions with the least resources that using their available human capital less, while the opposite is occurring in the more advanced regions. The authors have therefore noticed an imbalance between the education offered and its use in the job market, with a tendency toward over-qualification or over-education among the population of Spain.

Their calculations on the private profitability of education in Spain point to a rate of between 7% and 8% in the mid '90s, which puts us above the surrounding European countries.

At the sectorial and territorial levels, differences can be seen that are related to the average number of years of education, which leads to the formulation of a hypothesis of mutual feedback, in the sense that the higher the educational level of a sector or geographical area, the greater the profitability that is produced, which surely also acts to attract a higher level of education.

A higher level of education is also related to the probability of obtaining better wages and more employment, especially for women, for whom there is a greater correlation. On the other hand, growing older leads to a reduction in the wage bonus for each added year of education, especially in certain sectors, such as finance.

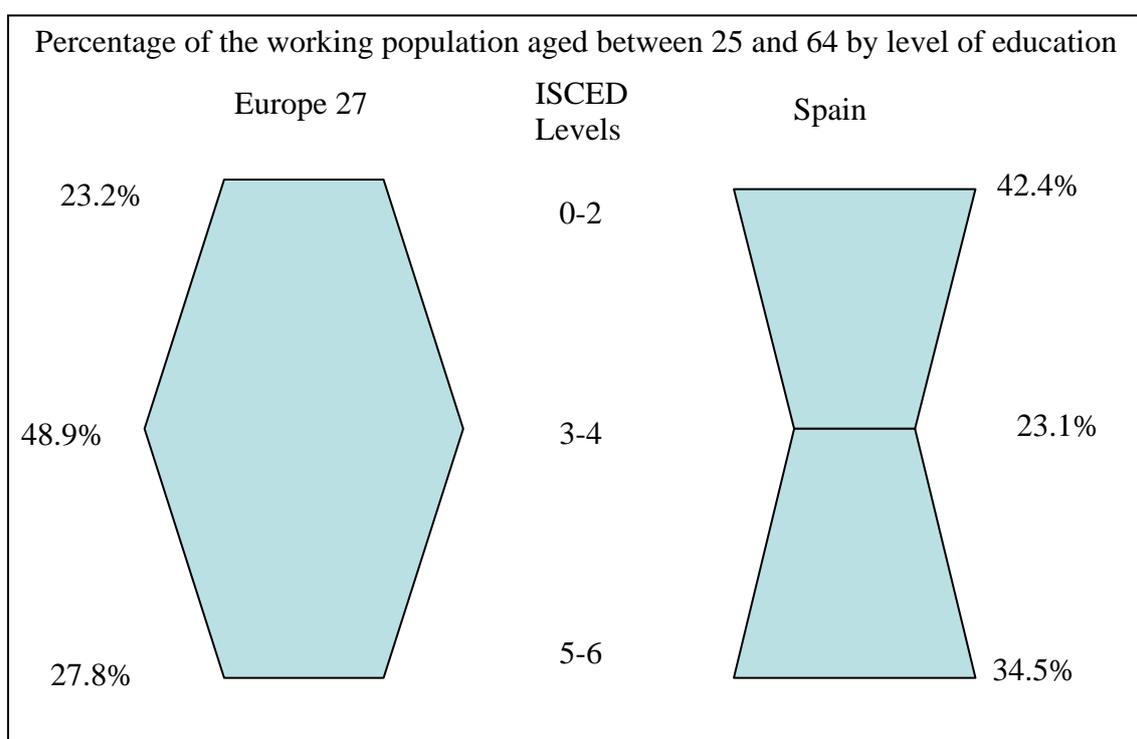
## **2. A Different Model for Qualifications**

Spain presents a characteristic situation of low levels of qualifications among the working population when compared with the rest of the countries in the European Union; however, in periods of economic expansion, its capacity for economic growth and job creation is much higher than the European average and, on the contrary, in moments of crisis, it destroys more jobs than other countries. On the other hand, in recent decades there has been a very strong increase in education levels among the general population (INE, 2009). The specificity of Spain translates into its model for qualifications (Homs, 2008). The average for the 27 EU member countries is 1.8 employees with intermediate level training and 0.8 employees with low level training for every employee with advanced level training. In Spain, however, for each employee

with advanced level training there are 0.7 with intermediate level training and 1.2 with low level training. This combination in the Spanish qualifications model must be directly related to the productive structure of its economy and the low levels of productivity that are obtained.

Historically, in Spain there has been mutual adaptation between a productive sector that demands little in the way of qualifications and the vocational training supplied, which is inadequate, has little specialization and does not really meet the needs of the most advanced companies. The change to a productive model with greater value added means that the training system must also change, so that it is capable of providing the manpower that is needed (Toharia, 2004).

**Graph 1: Qualification Models in Spain and Europe. 2007**



Source: Eurostat: Labour Force Survey

Currently, the Spanish job market is growing in two directions: increasing the high levels of qualifications and, at the same time, demanding manpower with low qualifications. This gives the training system an ambiguous signal regarding the characteristics of training needs and does not contribute to exerting decisive pressure for a change of model.

The difference in the Spanish qualification model when compared with Europe could be thought to be due to the historical influence of the limited development of vocational training and to the fact that since it is the older adult generations who have a low level of education, it is difficult to develop intermediate level training. Although this statement fits and has been documented by the constant progress made in educational levels by the contributions of the younger generations, if we look at the qualification

model for the younger members of the employed population, we can also see that it has practically the same structure when compared with the low and high levels of education. There is still a much larger number in Spain than in Europe of young people with low levels of education who have found a place in the job market due to the demand for unqualified labour by some economic sectors, especially during the long period of strong growth in employment between 1996 and 2007. The proportion of young people with intermediate levels of training, including vocational training, continues to be low, since the contribution of the new generations has been noted, above all in the higher levels of education, where there are higher percentages than the European average. The current economic crisis can introduce new parameters into the behaviour of the actors and into the relationship between the supply of and the demand for training.

**Table 1. Employed Population Aged between 25 and 29 by Level of Education and Country. 2007**

Levels of qualification (ISCED 97)	EU 27	Germany	Spain	France	Italy	United Kingdom
0-2	16.2	10.6	33.1	12.6	27.0	14.0
3-4	50.5	67.4	26.7	42.7	55.2	43.7
5-6	32.9	22.0	40.3	44.7	17.7	41.6

Source: Eurostat

### **3. Training as a Defence against the Current Crisis**

The first stages of the current crisis were highly destructive of employment but it can be seen that training acted as a defence to maintain jobs. In Spain, the crisis did not affect employment until the second quarter of 2008 but, from that time on, the destruction of jobs and the increase in unemployment accelerated, to reach a rate of 17.36 in the first quarter of 2009.

The most vulnerable groups and those most affected by the reduction in employment have been those with the least training (Obeso and Homs, 2009). Above intermediate level vocational training, the number of jobs decreased less than for the average overall, and there has even been some increase in employment. It is important to note this fact, since intermediate and advanced level training, including vocational training, have clearly protected employment. The sectors that are generating employment, even during the current destructive phase, are related to occupations with high levels of qualification (professionals and advanced level technicians), culture and caring for people.

This situation is repeated in the unemployment rates. In the first quarter of 2009, the time when many jobs were destroyed, the unemployment rates by level of education were lower than the average starting with diplomas for the second stage of secondary education, including vocational training, and decreased drastically for higher education. The general unemployment rate was 17.36 in the first quarter of 2009, while the

unemployment rate for those with the second stage of secondary education and vocational training was 16.78 and 9.29 for university graduates.

**Table 2- Variation among the Employed by Level of Training between Q1-08 and Q1-09.**

	Variation	%
Both sexes		
Total	-1,311.5	-6.4
Z Illiterate	-27.5	-32.1
B Primary education	-438.7	-14.4
C Training and labour market entry that does not require a diploma from the first stage of secondary education.	-2.5	-32.4
D First stage of secondary education	-511.6	-9.0
E* Social guarantee/Initial vocational training	-11.4	-13.1
E Training and labour market entry that require a diploma from the first stage of secondary education	3.7	6.5
F Second stage of secondary education	-270.6	-5.6
G Training and labour market entry that require a diploma from the second stage of secondary education	-0.5	-3.2
H Advanced level technical/vocational education	-25.5	-1.3
I Universities' own diplomas (not standardized) and training and labour market entry with advanced vocational training	-1.1	-5.3
J First and second stage university education	-38.1	-0.9
K Official studies for professional specialization	9.2	9.5
L Third stage university education (Doctorate)	-5.3	-3.3

Source: INE-EPA

Perhaps the most important element to highlight in the analysis of the composition and variation in employment and unemployment during the first phases of the crisis is the impact of training on the job market, which is showing a trend, to be proven in the coming months, that more qualified jobs and people with higher levels of training are gaining weight in employment and have greater guarantees of protection from unemployment. This would mean that, in the midst of a phase when employment is being destroyed, there are signs of an evolution in the structure of the Spanish economy toward a change in the productive model and toward an economy with greater value added.

#### **4. The Ambiguity of the Impact of Training Policies**

The impact of training on the job market can be analyzed from another perspective the evaluations carried out in recent years on training and employment policies in Spain. Although some of this research is not available, the data published show that there is some ambiguity in the impact of occupational training and continuing training on employment and on the professional careers of the employed.

Some reports that used a “quasi-experimental” methodology (Borrego et al., 2004) to study the effectiveness of various INEM programs for training unemployed workers show that broad-based training programmes for workers with few qualifications have little effect. On the other hand, training courses for qualified workers that focus on specialized occupations increase the probability of finding employment by 40% for men and 50% for women. Other studies (Cirem, 2006; Saez and Herrarte, 2004 a and b; CES, 2005; SPEE, 2005; Ikertalde-Cidec, 2005 a and b) point to an unequal impact, depending on the different training programmes and their match with the intended users. By using control groups, they reached the conclusion that generic training programmes have little impact on change but when they are designed for the specific needs of the groups they are intended for, the impact is greater.

## **5. Measuring the Impact of Training on Company Productivity**

The search for methods for measuring the impact of training on company productivity has warranted the attention of a number of researchers given its complexity and the lack of studies on this topic. Muñoz’s team (Muñoz and Díaz, 2005) states that collective learning in the context of employment is what makes the difference in the effects of the training and that the lever that will succeed in turning training into learning is interaction at work between individuals faced with common problems. The challenge for the existing methodologies is to combine economic variables with organizational and social variables at company level.

The problems faced by attempts to measure the impact of training on the profitability of companies are of three kinds:

- a) The difficulty in clearly evaluating the relationship between training and performance. Not all training produces a significant difference in performance; not all training implies learning; and there can be individual learning without learning by the organization.
- b) The second problem has to do with the scales for evaluating investment in training and, even more, with evaluating what has been learned. In other words, translating evaluation into monitoring and accounting terms.
- c) The third problem has to do with the different ways people assimilate the same training and with how the differences in this assimilation are governed by the nature of each particular organization and the economic sector to which it belongs.

It can be concluded from the above that the reason why there is no suitable tool for calculating the return on investment (ROI) of training is because a mechanistic, lineal view of profitability has been dominant and it has not taken the many factors that affect productivity or efficiency into consideration. References are made, on the one hand, to invisible factors, such as networks and informal institutions, and, on the other, to non-economic factors, such as employability, rotatability, substitutability and stability of employment. The authors propose that it is necessary to understand this relationship and the impact of one factor on another in order to identify and quantify the relationship between the organizational and economic factors. To do this, they propose a functional model in which it is possible to measure non-economic variables in monetary terms, by referring to social and organizational variables. It is a question of relating the competencies acquired and used with productivity, invoicing and efficiency, starting with the profiles of each position and how it meshes with the goals of the organization.

Other studies (Ubeda, 2009) pose other indicators to complement the classic ROI analyses. A systematic review considers the organization of the company to be an open system that interacts with various internal subsystems. From this point of view, it can be said that a company's training system depends to a great extent on the following variables: the size of the company, the strategic direction of the company, the organizational culture, the management's other human resources policies, the availability of resources, and its place in the labour market. The functionality of the system depends on the training needs, the objectives to be reached and the training process itself. The results of the training are expressed in the variables of effectiveness, adaptability, coherence and efficiency. The authors emphasize the need to include the impact of training on changes in the workers' attitudes.

## **6. The Role of The Company and its Impact on Careers**

According to data from the Tripartite Foundation for Training in Employment, in 2008 there were 201,030 training companies, an increase of 46.69% over 2007 (Fundación, 2007). In other words, the companies that used the mechanisms for financing continuing training organized training activities for 1,998,458 employed workers. According to the data for 2007, training companies provided training for 8.4% of the total number of companies registered with the Social Security system.

The rate of coverage varies a great deal, depending on the size of the companies: from 4.5% for companies with one to five workers to 97.8% for those with more than 4,999 employees. 97.5% of the training companies were small or medium-sized businesses, which shows the Spanish continuing training model has some ability for penetrating the productive network of small and medium-sized companies.

The training effort of the companies as represented by the number of hours per person trained was a total of 28 hours, although great differences were noted, paradoxically decreasing as the size of the company increased. Training in the smaller companies lasted for 54.2 hours annually, while in the largest it was 19.8 hours.

The Third Survey of Continuing Vocational Training (Spanish initials, EFPCIII), which was carried out in 2006-2007 with data from 2005 (Subsecretaria, 2007), provides supplementary information on the companies that provide their workers with continuing vocational training. 18% of companies that provided their workers with training in 2005 managed their own training centre or shared one; in 49% there was a person or a department responsible for organizing training activities; in 26.9% the planning of training was reflected in a printed programme or plan; and 18.4% had a specific annual budget for training.

With regard to the hours spent on courses, 70.6% held them during their employees' working day. The courses on which the greatest percentage of hours were spent were sales and marketing management, environmental protection and safety and hygiene at work.

By sector, it was in industry that the percentage of companies that provided initial vocational training was the highest, with 12%, while in both construction and the

service sector, this percentage was 10%. There was a larger number of men than women in the number of participants shown by this survey.

The role of the company in training workers has been analyzed by other researchers (Planas, 2005). A company training initiative tends to focus on the workers who have a higher level of training to begin with and, in any case, it has been noted that the level of initial training strongly influences the opportunities for training throughout life. Because of this, the challenge is to guarantee a good level of initial training and, most especially, to eradicate the dropout rates for adolescents who leave school without having passed the minimum levels of compulsory education.

Using a questionnaire on family, academic and employment episodes, other authors (Veredas, 2005) have identified some factors that influence the relationship between the training and employment paths taken by workers. In the first place, the type of training that is taken has been identified as being a discriminating factor. It was concluded that training appears to be beneficial both to the employer and to the employee but this relationship is much clearer if the courses are clearly and directly beneficial to the employer. Participation in courses that mainly benefit the employee was much lower.

In the second place, the occupational class of those attending the training was identified as being a discriminating factor. The positive influence of training among intermediate and high level professionals was greater, with the exception of courses on workplace risk, where the impact was more positive on workers in industry and agriculture. This variable appears to be associated with the level of training, so that the impact is greater on qualified workers than unqualified workers at the same level.

A third element to consider is the content of the course. In general, workers evaluate continuing training positively, even when it has no real influence on the working conditions that most interest workers: wages and remaining with the company, position in the hierarchy, type of contract and the length of the working day. Therefore, the presumed relationship between continuing training and promoting quality employment has not been confirmed. If continuing training effectively results in increasing productivity, the associated economic returns for the workers are not clear.

Some case studies point out the difficulties in developing vocational training in some sectors that face serious competitive pressure from the market. One of these sectors is telemarketing companies (Rodríguez and Luis, 2005). The authors have noted the lack of regulated training intended for this sector and the lack of policies on continuing training in these companies. An essential feature is the “de-professionalization” of the sector; the world of telemarketing does not have any academically recognized professional rank; there is great instability of employment, very high employee replacement rates and an internal situation characterized by constant movement. Because of its low qualifications and a lack of specialization, this sector invests little in training and it also does not permit qualifications to be accumulated. Instead, it emphasizes a view of competencies that is totally related to the needs of the company and has little connection with or significant impact on the welfare of the workers.

## 7. Conclusions

It can therefore be concluded that a debate about the benefits of vocational training has not been one of the subjects that has attracted the attention of Spanish researchers. Few studies have been found that are directly related to this subject, despite the fact that at the public level there was constant reference in the media and public debates to the importance of vocational training and the need to train more people to alleviate the shortage of workers that was affecting Spanish society during this period. However, it should be noted that there was some methodological debate on how to measure the impact of training, although this has occurred among academics. This could, however, mean that there is a growing interest in this topic among researchers and, therefore, it certainly can be hoped that in the coming years there will be more studies that apply these proposed methodologies so that we can have a practical view of the effects of training either on companies or on the whole of society and the economy. This line of research should warrant the attention of the civil service departments and the social agents.

## Summary

*The educational level of the Spanish population has increased considerably in recent decades, led by the new generations, although it is still below the level of the surrounding countries. The private profitability of education is high, although the job market has not sufficiently used the educational efforts made, especially in the less developed regions and less competitive sectors. There is a symbiosis between a lack of demand for qualifications and the vocational training supplied but there is a tendency to over-education. However, the levels of training are working to safeguard employment during the current crisis. Companies are playing an increasingly important role in the organization of training activities, although the impact of training policies is ambiguous, both for the labour market and for the professional expectations of the workers.*

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## Migration and Mobility

### Spain

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Geographical mobility in the job market is one of the ways of allocating employment within a country or between countries. Historically, in Spain, the population and economic map of the country has been structured by moving between the country and the city, between the more and less developed provinces and going abroad. But since the last decade of the 20th century there has been a movement of foreign workers into Spain that has completely changed the direction of the historical migratory flow. For the first time, Spain has become a net receiver of massive immigration from Latin America, North Africa and Eastern Europe, and also from Southeast Asia. The need for manpower to fuel the strong, intensive growth in employment that started in the second half of the nineties and the effects of the demographic crisis caused by the drop in the birth rate in previous years, which coincided with crises in the countries of origin, has produced one of the most significant movements of population in modern Spain, affecting the job market, education, the welfare services, housing policies and social coexistence.

#### 1. Mobility in the Job Market

The National Public Employment Service's Occupational Observatory regularly publishes data on geographical mobility and it has noted the increasing occurrence of this phenomenon in the job market in recent years (Servicio Público de Empleo Estatal, 2009). A large proportion of contracts signed by workers in Spain are to do jobs in a different province from the one in which they normally live. This fact has caused a series of employment-related movements that vary in intensity according to province and present different features depending on a series of variables, such as gender, age, occupation and the education level of the worker, as well as the economic sector of the job to be performed.

The March 2009 report from the Observatory shows that in 2008 the growth of geographical mobility in Spain slowed down to a certain extent. The inter-provincial mobility rate was 12.5, which was an increase of two tenths over the previous year but significantly less than the 5 point increase registered in 2007. However, it should be noted that while overall hiring in Spain in 2008 dropped by 10.7%, hiring involving a move from one province to another fell by 9.7%.

The movement of workers is characterized by a diversity of routes with a multi-directional component and in many cases it is determined by the fact that the two provinces border on each other or belong to the same Autonomous Community. Also, the fact that Madrid is the capital can be considered to be a decisive factor in attracting people to it.

The basic profile for these workers continues to be that they are around 30 years old, have studied in secondary school, have jobs that need few qualifications in construction,

agriculture or hotels, and their preferred destination is Madrid, Toledo, Barcelona or the Mediterranean coast.

There is more mobility among foreign workers than Spanish workers, even if there has been some deceleration due to the crisis. Their interprovincial mobility rate is 17.4, compared to 11.1 for Spanish workers.

## 2. Immigrants in the Job Market

A number of studies have investigated the position of immigrants in the job market, highlighting the impact that this phenomenon has had on creating a new situation in the employment dynamic.

In 2001, the census showed that there were 1,572,013 foreigners in Spain. At the end of 2007, there were 4,144,166, an increase of 263% over 2001, and in May 2009, there were already 4,775, 900, an increase of 6.2% over the previous year. This figure shows that in the midst of the crisis, the foreign population has continued to grow, although not as rapidly (Obeso and Homs, 2009).

To understand the significance of this growth, which began in 2004, it is sufficient to look at one single piece of information. Between 2005 and 2006, the population of Spain increased by 492,572 inhabitants. 84% of this growth was due to the 413,556 foreigners who registered during this time, as opposed to the natural growth in population (the net difference between births and deaths), which was 79,016.

Most of this growth is due to people who did not come to Spain for seasonal employment, such as the fruit harvest. In an INE survey of 15,500 immigrants, 40% of the respondents said that their reason for coming to Spain was to look for a better quality of life, 39% that they were looking for a better job and 23.3% that there were no jobs in their home country (INE, 2008). Other reasons such as the climate, the cost of living, etc. played a minor role.

Europe is the continent of origin par excellence, especially Rumanians. Another very large group comes from Morocco, mainly because of its proximity to Spain since it borders on the Spanish cities of Ceuta and Melilla. The contingent from Ecuador, Colombia and Bolivia is also large.

In spite of the fact that some immigrants are European citizens, many of them retired people who have decided to settle in Spain for the Mediterranean climate, for the great majority the basic reason for emigrating is work, which can be seen from a comparison of the total activity rates and those for foreign workers: the rate for foreigners is about 16 - 17 points higher than the total and the occupation levels over 20 points higher.

**Table 1. Activity, Occupation and Unemployment Rates for the Population by Nationality**

	Total Active	Total employed	Total unemployed	Active foreigners	Employed foreigners	Unemployed foreigners
2005	60.15	49.70	10.19	76.1	86.0	14.0
2006	59.35	53.63	9.07	76.3	87.0	12.3
2007	58.58	53.02	8.47	76.3	87.4	12.6

IT 2008	57.98	52.72	9.63	76.6	85.4	14.6
IT 2009	56.90	51.10	17.36	78.0	71.6	28.4

Source: Survey of the Active Population (Spanish initials, EPA). INE

Looking at the figures for Social Security registration, the increase in registered foreigners in 2007 was 8.61%, almost all of them belonging to the General Scheme and to the economic activity of construction, followed by the hotel sector. The jobs that the majority of women in this group have are as cleaning personnel, shop assistants, waitresses and bartenders, while the jobs for men are as labourers and in the manufacturing industries, and jobs in the construction sector.

The analysis of hiring (INEM, 2008) shows that it is the service sector that takes in the largest number of foreign workers, while the industrial sector accepts the smallest number. Most hiring is on temporary, fixed term contracts. Most hiring takes place in the provinces of Madrid, Barcelona, Murcia, Valencia, Alicante, the Balearic Islands, Zaragoza, Malaga and Almeria, where the figures are for more than 100,000 contracts.

The current crisis is affecting the foreign population hardest. They have an employment rate that is 11% higher than the population as a whole. This is partly explained by the continuing growth in the active foreign population. The percentage of the foreign population in the submerged economy is 30%, as against 8% for the total active population. Finally, the temporary employment rate for the foreign population is 11 points higher than for the total population and this comes at a time when temporary contracts have decreased by the destruction of jobs with this type of contract (Pajares, 2009).

### **3. The Training Levels of Immigrants**

It is interesting to compare the education level of the active immigrant population with that of the native-born population, since the general levels of training are slightly higher among immigrants than for Spaniards. As can be seen in Table 2, 44.5% of the native-born population has a level of education that included the first stage of secondary education, as opposed to 43.7% of the immigrant population. In contrast, 56.3% of the immigrant population has a level of education equivalent to the second stage of secondary education or higher education, as compared to 53.5% of the native-born population.

Spanish women have a better level of education, but immigrant women also have higher levels than their male counterparts. 59.91% of immigrant women have been educated to the intermediate or advanced level, as compared to 53.37% of men. It should be noted that there is a higher proportion of intermediate diplomas among immigrants than among the native-born, but this proportion is reversed for advanced diplomas. However, it should also be noted that there is a higher percentage of doctorates among citizens with dual nationality than among the native-born.

**Table 2. Active Population by Nationality and Education Level**

	Total	Spanish	Foreign *	Total	Spanish	Foreign *
2008 IIT	Absolute values			Percentages		
Total	22,806.7	19,049	3,757.7	100.0 0	100.00	100.00
Illiterate	107.7	36.3	71.3	0.47	0.19	1.9
Primary education	3,496.8	2,706.1	790.7	15.33	14.21	21.04
1st stage secondary education +VT	6,507.7	5,727.2	780.6	28.53	30.07	20.77
2nd stage secondary education + intermediate VT	5,424.1	4,115.2	1,308.9	23.78	21.6	34.83
Training with a secondary diploma	16.5	10.4	6	0.07	0.05	0.16
Higher education	7,082.2	6,302.8	779.4	31.05	33.09	20.74
Doctorate	171.7	151	20.8	0.75	0.79	0.55

Source: EPA 2008 TII. INE

\* Note: Those with dual nationality have been included among the foreigners.

The fact that there are more immigrants at the intermediate levels than the native-born will have to be further defined by country of origin and socio-economic level, since it must surely hide a duality between qualified immigration and immigration with few qualifications.

#### **4. Immigrants in the Classroom**

One of the impacts of the wave of immigration is on the entry into education of the children of immigrants. They are progressively entering the classrooms of general education and vocational training. Various studies have focused on this question and have stated (Fernández Enguita, 2008) that the old duties of the schools are being challenged by the arrival of immigrants. This implies that there is a need to rethink the roles of both schools and society, especially their basic duties of promoting social cohesion, political integration and support for personal development. The studies that were consulted refer more to the various stages of basic education, where there is a very high proportion of immigrants, than to the stages of vocational training where as yet there are no large numbers of immigrants. In the coming years, this latter will be a topic that will increasingly influence vocational training and will have to become a focal point for studies in this field.

The education system and the promotion of equality of opportunities require something more than simple schooling. Education centres are inadequate if they are not complemented by a redevelopment of the basic content of what is taught. Therefore, an inclusive education must fight against discriminatory curricular strategies such as

segregation, disconnection, foreignness and paternalism. After a period of reduction due to demographic change, the massive arrival of immigrants has generated a demand for education that has taken the education system by surprise. Attempts have been made to face this challenge by increasing the number of classes and the number of students per class, but few changes have been made to the educational content in order to adapt it to the learning needs of these new students.

Analysing the networks of students and their families shows that, in contrast to the expected equalizing effects that school life is supposed to have, native-born and non-native students in fact enjoy different relationship resources. They have different socio-metric positions and patterns of endogamy and exogamy, with more active permeability for the children of immigrants and more passive permeability for the locals. The effects on the students' life at school that are produced by the distances found in the school environment and in their minds decide in part whether the career of the children of immigrants who leave the system includes a certain type of transition to working life. It is therefore especially relevant that the expectations for life at school among students who come from immigrant families should be lower than those for students from native-born families. In fact, the activity rate for young immigrants is higher and their economic emancipation occurs sooner. Despite this, the discourse of young people from immigrant families is full of ideas of responsibility and sacrifice. The "educational aspirations" of the children of immigrants are lower than those of the children of native-born Spaniards. In Catalonia, 13.8% of foreign students drop out of school in the 4th year of compulsory secondary education, as opposed to 6.7% of those with Spanish nationality (Fundación J. Bofill, 2009, Aparicio et al, 2009).

The presence of foreign students in the initial professional qualification programmes that have been implemented recently to provide a second chance for young people who did not graduate from compulsory education is greater than at other levels of post-compulsory education, such as *bachillerato* or vocational training courses., is a clear indicator of an increasing level of school drop-out among immigrant students – who have worse socio-economic conditions and are at risk of exclusion – and that the Social Guarantee programmes have become a career path for a growing number of foreign students. This process affects Moroccan, Latin American and Rumanian students most.

## **5. The Training Needs of Immigrants**

The sectors that migrants have mainly joined have been the labour intensive sectors, such as construction, agriculture, hotels and services to people. The majority of these immigrants did not have any previous experience that matched the qualifications for these sectors, so that their joining them has had a serious impact on the evolution of the Spanish qualifications model (CIREM, 2006).

According to a study by Cirem, the starting point for training qualified immigrant workers is closely related to their training and employment history before they came to Spain (the education system, work experience, etc.) and the individual work cultures of their countries of origin (views of workplace risk, relations between employers and workers. etc.). On the other hand, the context of their reception or welcome must also be taken into consideration: the lack of welcoming ceremonies and adaptation to society and employment in the host country would contribute to the appearance of more or less

pronounced discontinuity in the qualification of immigrant workers during their process of adjustment to the new organizational environment. At the same time, the existence of niches in the job market for immigrants leads to their not using their knowledge and professional competencies, given the differences in society and employment that frequently occur between their home and host countries, when the work experience of immigrant workers does not match the work that they do in Spain.

Employment conditions, changing their job and sector and uncertainty over their work in the future all discourage immigrant workers from entering training, while, for their part, their employers do not see how they can benefit from training them for unstable and unqualified jobs, although this attitude is detrimental to any possible improvement in the productive processes and the quality of service.

It should also be mentioned that the majority of employers in the sectors that have absorbed most immigrants belong to small and medium sized companies that do not have strategic plans or suitable instruments for promoting training.

With the arrival of a stream of immigrants, companies have been able to satisfy their needs for manpower more easily, more flexibly and more cheaply than with home-grown workers, a point that has allowed the rapid growth in the economy to continue in the more labour intensive sectors. However, the Spanish qualifications model has suffered because of this. During the cycle of expansion, a large number of workers, both foreign and native-born (those who dropped out of the education system early), joined the job market without adequate preparation. The result has been that the growth in employment and in the economy have not contributed to increasing productivity levels so that the competitiveness of the productive fabric has not been strengthened and therefore its weakness became evident the moment there was a change in the cycle and a serious financial and productive crisis.

A good opportunity has been lost because neither the education system nor employment policies were able to offer the productive system the qualified manpower that it required and the productive system was not very demanding in terms of the levels of qualification needed. Instead, it made short-term gain a priority in order to take advantage of the wave of economic expansion.

The process of consolidating the model of qualified manpower has been interrupted in the sectors that are more labour intensive and less productive. This disruption has been far-reaching enough to affect the quality of the services and products offered by these sectors and their customer base has suffered because of this, as, for example, in the hotel sector.

The current crisis and the resulting unemployment of some of the workers who joined the job market in recent years are a good opportunity for taking advantage of the situation to retrain the available manpower. Matching the continuing training that is offered with the needs for qualification of those who still have their jobs should be another urgent priority.

The deficiencies noted in the ability of the training and employment systems to offer the qualified manpower required by the productive system model that the country wishes to

have should serve as motivation for tackling the renovation of the policies needed to promote a new cycle of growth with greater value added.

Significant training needs have been found in various sectors with a considerable amount of foreign labour. In the domestic work sector, it has been shown that women immigrants from Morocco, for example, have fewer academic and professional credentials than their counterparts from Eastern European countries. However, a quite significant proportion of immigrant domestic employees had held qualified jobs in their countries of origin or at least have the academic credentials that, to a greater or lesser degree, depending on the distance between their education systems and the Spanish system, fit them to perform productive tasks whose level of specialization is greater than that demanded by an unfair and intensely unprofessional sector like domestic service. This first mismatch should be understood in terms of wasting professional and competitive potential that could be of great value.

On the other hand, we should also mention the opposite phenomenon; in other words, the possible lack of qualifications by some immigrant workers for performing certain tasks associated with domestic service, such as, for example, housecleaning, handling and preparing food or caring for children, old people and the sick.

The degree of divergence that can exist between the professional competencies of these workers and the requirements and expectations of employers is the result of a variety of factors. Among them we can highlight the lack of continuity in the social and employment path of household employees between their home country and the host country (only 9% of the women surveyed stated that they had worked in domestic service in their country of origin), their place of origin (insofar as socio-cultural differences can exist in the host country that influence the model for managing a home and caring for people) and, especially, the lack of an initial, occupational and/or continuing training mechanism that would permit the levels of qualification and professionalism between what is offered and what is demanded in this sector to be matched.

Aspects such as not knowing *working procedures*, *consumer tastes* and the *language* are some of the most frequent mismatches that should be considered seriously when designing and applying qualifying mechanisms that work together to remove the obstacles.

However, when the employers list the discontinuities or mismatches, the references to technical or professional competencies take up very little room, since it is above all the attitudes of domestic employees that preoccupy and interest them when considering their profiles. The attitude that is most appreciated and, at the same time, most often found lacking by employers is *confidence*, as expressed in the behaviour of domestic employees, followed by *availability and flexibility in scheduling*, and, in third place, the ability to supply what is understood as being *friendly treatment*.

In the construction sector, employers and workers place little interest or value on formal training. This does not mean, however, that, both sides do not perceive deficiencies that could be improved with regard to the training existing in this sector. Although it is certain that in the beginning immigrant workers do not feel that improving their training is particularly necessary to have a remuneration that fits their expectations, as time

passes it becomes increasingly clear that they need to improve their training in order to consolidate their employment and to be promoted. The very structure of the companies often makes promotion difficult. Companies are becoming increasingly specialized and have a large number of temporary employees, and it is increasingly more difficult to get multi-purpose training that can help workers to move to a higher level. In this context, the foreign workers who spend more time in Spain tend to acquire a view of training that is increasingly similar to that of Spaniards. They consider training to be an option that is needed so as to be promoted and serves as a guarantee of remaining employed should there be a crisis in the sector.

Among employers, the general opinion is that the training offered by the three training sub-systems does not provide the knowledge and skills demanded by the sector. They consider that training is excessively theoretical and that in many cases it does not adapt dynamically enough to the new needs that are arising.

Faced with this panorama, it can be seen from various points of view that there is a need to make the training system more coherent, so that the knowledge acquired either in the workplace or through training has greater validity in the job market. The employers' and trade union organizations consider that a real way to certify competencies could help to solve certain shortcomings in training that have been found in the Spanish construction sector.

In the hotel sector, employers adopt an attitude of resignation to the presence of immigrant workers. Since there are no qualified professionals, they have to use immigrant workers even though they do not have the required level. Therefore, this leads to an attitude that accepts the inevitability of a situation that has been widely encouraged. So, the arrival of "willing" immigrants, in other words, available and flexible, is viewed with pleasure. When the workers accept the conditions of availability and flexibility that are demanded, the reproaches and ethnic stereotypes used about them lessen and their nationality and origins stop being important.

The attitude of the trade unions focuses on the unwanted flight of professionals that has been provoked by bad working conditions in the sector. The more professional, aware and trade unionized workers back a policy of denouncing work situations where immigrant workers are employed illegally or irregularly, as a way of containing the downgrading of the jobs. In the final analysis, immigration appears to be a phenomenon to be controlled and is becoming a threat for stable, regular work that is subject to collective bargaining. This is why the trade unions themselves find problems when trying to define the immigrant population, as they alternate between considering them to be workers who are one of "us" or outsiders who have to be controlled.

The downgrading of work has a direct impact on a policy of investment in training, to the point where the agents involved end up asking themselves whether these investments are valid, in spite of the fact that, in general, training is also a central part of the employers' and trade union discourse. The large employers' associations are less accepting than the trade unions of the quality and suitability of regulated training, which, they say, is becoming obsolete because of the changes in the duties and activities of the hotel sector.

Because of the above, both the social agents (employers' associations and trade unions) are in agreement on backing policies of selecting and training immigrant workers in

their own countries. These policies are already being implemented at the “individual” level by some modern hotel and restaurant chains but they have not yet been institutionalized.

Faced with the training needs of immigrants, social organizations have developed occupational training courses that are specially designed for immigrants and are financed by Autonomous Community occupational training programmes.

## **6. Immigrants and Young People**

The consolidation of the phenomenon of migration to Spain has led to the emergence of an “immigrant youth” that has noticeable differences from the common standards for the “professional transition” of native-born young people. This is a group of young people that must go through the various stages of life associated with the job market: before their working lives, during their working lives and after their working lives. It also has to confront “professional transition”, a stage that has become one of the identifying characteristics of young people today. But it should be noted that these processes of professional transition occur in a variety of ways depending on the individual’s “social capital”: social and ethnic origin, gender, cultural capital (type and level of studies, diplomas) and relational capital. These features determine the different routes through employment and life that continue during the adult life of individuals. Therefore, in practice, these features determine two specific routes, one for young people from the European community and the other rich areas of the planet and the other for young immigrants from poor countries.

Young immigrants are one of the groups that presents a number of discriminatory factors, which then reinforce each other to become vicious circles of exclusion.

The massive entry of immigrant workers into the job market has also meant that there is a challenge for the trade unions, which have had to adapt their strategies for reacting to a new reality in labour relations and collective bargaining and to try to broaden their base of representation by making immigrant workers trade union members, especially young people (López, 2007).

## **7. Conclusions**

Immigration has had a great impact on Spain during this period and therefore a large number of studies have been made of the phenomenon. However, most of these studies have focused on describing the phenomenon rather than analyzing it or taking up a position with regard to the attitude that Spanish society should have when faced with this situation.

In the field of education, most studies have presented information on the size of the phenomenon but not enough time has passed yet for them to focus their analysis on its impact and on the results obtained.

On the other hand, in the field of vocational training, there are still very few studies that analyze the situation and the problem of immigration since most of the children of the immigrants who are living in Spain have not yet reached this level of education. This phenomenon will have an impact in the next few years and therefore the lines of research will have to focus their attention more deeply on how this problem affects

vocational training. It is to be hoped that there will be a greater propensity on the part of the immigrant population to turn to vocational training and therefore that there will be an increase in the demand for this level of education.

## **Summary**

*The massive entry of immigrants into Spain in the nineties has led to a new social situation that has had a powerful impact on the job market and the training system. Although the levels of training among the active immigrant population are not lower than those of the native-born, there is a mismatch between their professional competencies and the requirements for qualifications, which is the result of a strong lack of continuity between their career paths in their home country and the host country.*

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## **Governance**

### **Spain**

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The vocational training system in Spain is based on cooperation between three main types of players. There is the state, through two ministries, the Ministry of Education, which oversees initial training, and the Ministry of Labour, which is responsible for training for employment. Secondly, there are the Autonomous Communities to which the powers over initial training and training for employment have been transferred. And thirdly, there are the social agents in their dual role as organizers at the state and Autonomous Community levels. A multitude of complex relationships links these key players and forms an institutional framework covering the different roles of the system: regulation, surveying and planning, managing and applying the regulations, organizing training activities and evaluation.

The basic structure of modern vocational training in Spain was set up in 1970 by the General Law on Education but it was not completed until 2000 with the General Organic Law on the Education System (Spanish initials, LOGSE) and, later on, the 2006 Organic Law on Education (Spanish initials, LOE) (Merino, 2005 and 2006). Meanwhile, the 2002 Organic Law on Qualifications and Vocational Training set the basis for integrating the sub-systems and making them more flexible and designed the National Qualification System. More recently, the 2007 Royal Decree regulating the vocational training for employment sub-system and the Orders of 2007 and 2008 regulating training on demand and on offer, respectively, developed the system as it is today.

The rapid transformations in the training system and the important changes that have affected vocational training in recent decades mean that structural factors that obey the logic of overcoming the deficiencies of the past have still not come to an end. At the same time, these shortcomings can be considered to be an opportunity to tackle reforms that have remained pending with the future in mind and to introduce more advanced elements that will adapt to the new situation and improve the governance of the system.

Progress toward a knowledge society means that there must be rapid changes requiring all efforts to be focused on making the profound alterations needed by the training systems if there is to be an opening up of access to lifelong training. There must be access to high quality learning that corresponds to each person's needs at any given moment.

An analysis of the bibliography consulted provides an orientation to recent changes in the Spanish training system and highlights some of its weak points and strong points (see the bibliography).

The following can be seen among the strong points of the vocational training system:

a) The basic architecture of the vocational training system has a sound base and a high level of internal coherence, even if some of its sub-systems have developed unequally. As a whole, including initial training and training for employment, it trained more than 4,000,000 people in 2006.

b) Initial vocational training is a sub-system with a simple structure, based on a modern concept. This concept views vocational training as being the path to professional specialization for all young people who leave the education system, before they enter the world of work (Homs, 2008). Starting with the modernizing impulse of the LOGSE, the vocational training system managed to overcome the traditional idea of its being a secondary training route for the working classes, although in the minds of many of the players in the system the old scheme of training for the lower classes still exists. Initial training serves a small number of people, around 450.000 in 2006, although it represents practically three quarters of the total number of hours spent on training by the entire system.

In recent years, more women have entered initial vocational training. In the 2000-2001 academic year, 46% of the students registered were women but this percentage rose to 49% in 2006-2007. The number of women is even higher at the advanced levels. In the 2007-2008 academic year, there were more women in advanced training courses (51%, so that there were even more of them than men) than in intermediate level training courses (46%).

In spite of being oriented toward the world of work, the advanced levels of vocational training are acquiring the task of preparing people for entry to the university. In 2004-2005, 8.3% of the students registered at the university came from advanced level vocational training courses.

c) The training that is called “training for employment” has recently incorporated both what used to be called occupational training, designed to retrain unemployed workers, and continuing training, designed for employed workers. This incorporation, which was regulated by the Royal Decree of 23 March 2007, is still very fragile and is currently being consolidated, in spite of some difficulties with institutional adaptation.

The training for occupation sub-system has evolved very rapidly from its beginnings in the Training and Professional Labour Market Integration Plan of the mid 1980s and the first national continuing training agreement of 1992. It has now contributed a great deal to increasing the value of training among companies and workers, whether employed or unemployed. Training for occupation now affects a very significant number of people. According to the data for 2006, at least 3,250,000 people were trained on training for occupation programmes (occupational and continuing training). The number of employed workers who have passed through training courses is particularly noteworthy; as it reached almost 3,000,00 in 2006. The number of unemployed workers who have been trained has decreased, however, to around 250,000, in contrast with the high levels of unemployment.

d) A particular feature of the training system in Spain is that the social agents, the employers' and trade union organizations, play an important part in training for employment programmes for employed workers. These agents take part in and are directly involved in the management, supply and organization of the training offered, which has created a space for agreement and social dialogue on training that has expanded into cooperation on other matters as well.

In contrast, some weak points can be seen in the Spanish training system that can be summarized as three key points:

a) A weak demand for qualifications by the productive system and a low number of training courses on offer, with a lack of specialization, have led over time to little development in vocational training.

The job market in Spain is characterized by high historical rates of unemployment, sudden changes in the economic cycles and a certain lack of qualified workers. Specifically, while in Europe an average of 49% of the employed population has an intermediate level professional qualification, in Spain just 23.1% have reached this level. In contrast, low qualification levels are much more frequent in Spain (42.4%) than in Europe (23.2%) and are also slightly more frequent at the higher levels (34.5%, compared to 27.8%).

In response to this situation and to be able to adapt to it, companies have traditionally been accustomed to not requiring a high level of specialization on the part of the workers that they hire; instead, they require a particular ability to learn. They have then have resorted to training the workers in-company, with training that is often very specific and not easily generalized.

On the other hand, the productive system does not have the ability to absorb and use the qualified individuals produced by the training system so that the loss of talent is high and it can be seen that many highly qualified workers are employed in jobs that are below their qualification level or they are even inactive or unemployed. The percentage of people in this situation (what might be called the "loss of talent rate") is over 25% and at the beginning of 2009 the difference for women was 10.9 points greater than for men (CIREM, 2009).

b) There is a scarcity of initial training at the intermediate stages, so that it is not able to meet the needs of the productive system. The main cause of the low number of students in the intermediate stages of initial vocational training must be found in the low performance levels in the first stage of general secondary education, which prevent a greater number of young people from being able to go into vocational training at the end of their studies.

Spain has one of the worst indicators of early dropout from the education system. In 2007, 31% of young people between the ages of 18 and 24 did not manage to graduate from compulsory secondary education nor did they continue studying, when for the whole of the European Union this percentage is only 14.8%. This deprives initial vocational training of a large group of possible candidates for entry, as well as implying that for years thousands of young

people have abandoned the education system (often after more than ten years of schooling) with no qualifications or preparation for the job market.

In Spain, in comparison with other countries in the European Union and the OECD, more young people are still continuing to choose *bachillerato* (higher general secondary education) rather than vocational training. According to the figures for 2006, 57.5% of young people preferred *bachillerato*, compared with 42.5% who went into training courses, while in the European Union this proportion was 46.7% versus 47.6%.

c) Coordinating the state and Autonomous Community powers generates excessive tensions that weaken the mechanisms governing the coordination and governance of the entire system and diverts attention from tackling the challenges for the future of the system.

## **1. Toward Autonomous Training Systems**

The transfer to the Autonomous Communities of the vast majority of powers for education and the management of active policies has left them with much of the responsibility for the practical running of the training system. Put simply, it could be said that the state has reserved for itself the powers for the overall regulation of the system and the Autonomous Communities have taken on the powers of management, although with nuances (INEM, 2006). However, the Autonomous Communities have mainly directed their efforts to ensuring the day-to-day management of the important transfer of powers that they have received in recent decades although recently they have increasingly started to design their own vocational training strategies and policies (Oroval et al., 2007).

Almost all the Autonomous Communities have created vocational training councils that include the social agents and the Autonomous Community government departments involved in training. These councils are a good example of the trend toward closer cooperation between the two training sub-systems, initial training and training for employment. These councils normally promote Autonomous Community Vocational Training Plans, which are directed toward planning the Autonomous Community vocational training systems, and also have a consultative role.

The tendency is for the Autonomous Communities to construct the typical parts of an autonomous training system by creating planning institutions, such as regional training plans, or coordinating institutions, such as the councils mentioned above or consortia with the social agents to manage continuing training, or institutions like the Andalusian Foundation Training and Employment Fund to manage training activities, or local consortia with the local civil service departments, as in Andalusia. On the other hand, it can be seen that other supplementary institutions have been developed, such as autonomous community training observatories, regional qualification or innovation institutes, autonomous community quality systems, programmes for evaluating vocational training, etc. There is no exhaustive analysis of how they operate or what the role of these institutions is but they are playing an increasingly important role in the Autonomous Community training systems.

The development of autonomous community training systems has led to progressive adjustments being made to the mechanisms and institutions for coordinating the training system at the national level. Proof of this is the inclusion of the autonomous communities in the National Vocational Training Council or the Tripartite Foundation for Training in Employment. However, this process of including the autonomous communities in national bodies has not been accompanied by a framework agreement detailing the goals, objectives and priorities for the whole of the system and this is leading to excessive complexity and a lack of transparency at the level of the governance of the system.

In fact, the sectorial conferences are the key to managing the whole system, since they are the bodies that coordinate between the state and the autonomous communities in the two ministries that are involved in training, the Ministry of Education and the Ministry of Labour and Immigration. The lack of an overall agreement on the objectives of the system and the relationships between the powers of the state and the Communities has led to this instrument of coordination having an excessive part to play and all too often it has to assume the responsibility for negotiating extremely important decisions on the distribution of courses or the drawing up of reform processes without any other points of reference than a purely tactical, momentary relationship, highly influenced by the political situation.

The tensions between the national and autonomous community levels are made more complicated by the influence of the other large group of players in the training system, which is made up of the national level social agents, who generally tend to resist losing their role as interlocutor at the national level due to the increasing participation of autonomous community administrators in the overall management of the system. The dynamic between these three large groups of players, the state, the autonomous communities and the social agents, completely marks the limits and the potential for managing the system. These key players have difficulty in reaching a consensus on agreements and undertakings that can be evaluated in terms of results and their impact on the functioning and activities of the training system and this difficulty demarcates the boundaries for reforming and changing the system in its entirety.

Decentralization has very positive implications, among them greater adaptability to local job markets and circumstances, but if there is not enough coordination, this can lead to the breakup of the system (it runs the risk of becoming 17 different autonomous systems) and to institutions and tasks being duplicated.

## **2. The Progressive Integration of the Sub-Systems**

It has already been mentioned that in 2007 an important step was taken to integrate the three previous training sub-systems in Spain (regulated training, occupational training and continuous training) by incorporating occupational training and continuing training into one single system, training for employment. The development of the possibilities opened up by the application of this important reform is still subject to an agreement between the key players in the system but it has allowed a new cycle to start in which an attempt is being made to simplify the processes and mechanisms for managing the new sub-system, to improve the quality of the training offered and to make it better match the training needs of people and companies.

The new sub-system must face several great challenges for the future:

- a) To make the training offered to the groups of unemployed people and people with greater difficulty in finding employment more flexible, and to make it easier for the autonomous communities to have an increased ability to adapt to the training needs of their areas with the help of the local civil service departments. This challenge is more urgent today due to the forecasts of high unemployment rates in the coming years. Employability needs to be improved through training and, in this way, the number of people who remain outside the process of economic recovery will also be reduced.
- b) To increase investment in training by companies, both large and small, and to increase the number of training companies, especially among small companies. In 2006, Spanish companies only used 68.1% of the potential training credit allowances offered (Fundación Tripartita para la formación en el empleo, 2008).

**Table 1. Training Companies and Workers Trained, 2007**

Size	Coverage	No. of companies	%	% of credit used	Workers trained	%
1-5	4.5	56,157	41.0	83.0	70,602	4.5
6-9	12.3	18,724	13.7	72.1	35,755	2.3
10-49	23.5	44,212	32.3	62.5	219,620	14.1
50-99	50.3	8,930	6.5	61.2	127,321	8.1
100-249	65.0	5,645	4.1	60.6	183,732	11.8
250-499	75.6	1,741	1.3	64.5	125,754	8.0
500-999	80.5	767	0.6	69.7	128,902	8.2
1000-4999	92.4	550	0.6	71.8	295,235	18.9
+ 4999	97.8	90	0.1	75.9	375,544	24.0
Total	8.4	137,048	100	68.1	1,562,710	100

*Source: Fundación Tripartita para la formación en el empleo*

- c) To recognize and certify the training that is carried out within the framework of the National System of Qualifications, as a key factor in revaluing the system and motivating a larger number of workers to take part in training.
- d) To tackle improving the quality of training by ensuring that there is an adequate infrastructure and investment and that the instructors and trainers involved are qualified.
- e) To reorganize, at both the national and autonomous community levels, the management and coordinating bodies that have been inherited from the two previous sub-systems. They must be relocated and integrated into the framework of the new training for employment sub-system in order to simplify the processes and better coordinate the sub-system overall.

The coordination of initial training and training for employment is still pending. A key factor in this is the National System of Qualifications. The body that is responsible for developing the system is the National Institute of Qualifications, which was created in 1999 and currently comes under the organizational supervision of the Ministry of Education. Its mission is to define, draw up and update the National Catalogue of

Professional Qualifications and the complementary Modular Catalogue of Vocational Training, and to give support to the General Council for Vocational Training. The Institute is in fact under the functional supervision of the council, which acts as its board of trustees.

The National Catalogue of Professional Qualifications (INCUAL, 2008) is one of the key parts of the entire system and it is the backbone of the integrated system of qualifications and vocational training. The catalogue is intended to identify the professional qualifications that have most significance for the Spanish productive system and to describe them in terms of the competencies that are needed to perform these professions adequately, with the aim of organizing them into professional families and levels. The catalogue must form the basis for creating the training offered for vocational training diplomas and certificates of professionalism and it includes the contents of the vocational training that is associated with each qualification, organized into a series of training modules.

The catalogue is at a very advanced stage and will soon be finished. It will include more than 400 approved and published qualifications, which can be consulted in the National Institute of Qualifications databases. Work has already begun to define the Certificates of Professionalism that are designed to recognize and certify training for employment. To date, the focus of the studies made by INCUAL has been on the first three levels of qualifications.

The National System of Qualifications network has been enlarged by the creation by some autonomous communities of their own qualification institutes, although more coordination and organization will be needed to achieve greater synergies between them that will make their respective resources profitable and put them at the centre of the system as the main engines of renovation and innovation when adapting this system to the changing needs of the productive fabric.

### **3. Moving toward a Lifelong Training System**

The aim of directing the changes in the training system toward opening it up to and expanding it into lifelong training is enshrined in all the recent legislation and steps have been taken in this direction (IFES, 2005). Introducing a focus on competencies into the entire system, even though controversy has not been avoided (Guerrero, 2005), increasing the flexibility of and building links between the different sub-systems, developing the National System of Qualifications, advancing toward the recognition of professional experience and the very integration of vocational training for employment are all clear steps in this direction.

During the 2006-07 academic year, 10.5% of the students in intermediate level initial training and 7.9% of those in the advanced level entered the training based on entrance tests and having work experience. This element of flexibility in initial training is becoming one of the most important ways of getting back young people who left school early without the minimum qualifications from the education system.

Access to training is being expanded to all age groups in the population, although it is the younger people who are taking part more actively in it and much still remains to be

done to interest older people in training. Almost 50% of the students in initial training are older than the age group that would theoretically correspond to this type of training; in continuing training for employed workers, 20% are over 45 years of age; and in training for the unemployed, 13% are over this same age.

Despite the great formal difficulties, the creation of integrated training centres is slowly being expanded as a basic way of opening up training to the whole of the population. These centres must be capable of offering training actions within either of the two sub-systems and facilitate the access to training of a wider range of people. The empowerment of the centres raises an interesting debate on the suitability of locating initial vocational training centres in secondary schools. This was one of the key actions of the 2000 General Organic Law on the Education System, which has contributed greatly to raising the value of vocational training. However, from the point of view of lifelong training, it would be appropriate to locate them in a context that has more connection with the productive world and the population in general so that they can become clear reference points for updating and re-qualifying the professional and personal competencies of the entire population.

But possibly the most important factor that can contribute to turning the entire system into a lifelong system is regulating the mechanisms for recognizing professional experience and certifying training (Ministerio de Educación, 2004). The experiments that are being done are in an embryonic stage in various autonomous communities in the guise of pilot tests and are on the point of seeing the light at the national level. They are bringing clear benefits to improving ease of access to training and to qualifying broad groups of workers and people.

In the autonomous communities of Catalonia (Homs and Martínez, 2009) and the Basque Country (Gobierno Vasco, 2008), systems have been put in place for recognizing experience by accrediting competencies. The evaluations made of these systems are positive, showing that there is a need to complement the processes with counselling resources in order to facilitate the complexity and innovation of the new accreditation systems.

The steps taken to articulate formal, informal and non-formal training are a necessity if the transformation of the training system into lifelong training is to be consolidated (IFES, 2008; Colom, 2005).

#### **4. Evaluation and Innovation in the System**

The tasks of the vocational training system to innovate, observe and evaluate, keys to ensuring the quality of the system, have not been fully explained in practice, despite their being made explicit in the regulations.

The task of observation is currently somewhat diffuse. INEM continues to carry out the work of observation through the Occupational Observatory but it has difficulty in bringing together all the information on the entire system due to the lack of an agreement with all the key players in the system as to the statistical treatment of this information. For its part, the National Institute of Qualifications also has a Qualifications Observatory that should be coordinated with the INEM observatory and

the other observatories that some autonomous communities have created in order to improve its effectiveness.

With regard to evaluation, although there is no general plan for evaluating the training system, in recent years advances have been made in organizing partial or occasional evaluations of specific aspects of training or particular programmes. INEM and the Tripartite Foundation or the Ministry of Economy and Finance regularly order the evaluation of programmes, which provides information of great interest for understanding the results and their impact on aspects of the system better, although greater publicity for these analyses would be helpful.

At the Autonomous Community level, some communities have developed specific evaluations and more systematic plans of evaluation that could mean an important step forward for the training system in developing this important task (Consejo Superior de Evaluación del Sistema Educativo, 2008).

As for innovation, the most important and far reaching change in vocational training is the recent development of the Initial Professional Qualification Programmes, which were included in the Organic Law on Education and implemented generally starting in 2008. These programmes are designed to remedy one of the most important shortcomings in the training system, which is attending to the many young people who do not manage to obtain a compulsory secondary education certificate, so that they cannot enter the job market without some professional preparation, as has happened since the reform of the General Organic Law on the Education System in 2000 (Marhuenda, 2006). These programmes are also intended to give a second opportunity to young people to finish their basic education and to allow them to continue their studies on some vocational training courses (Casal et al., 2006). As these programmes become more widespread. It will be possible to extend the bases for entrance to intermediate level vocational training courses and, at the same time, therefore, to increase the offer of this type of training to the job market.

Finally, with reference to quality, we must note the advances made in defining the criteria for quality in the management of the centres and the increasing requirement by the various autonomous communities to implement quality control systems, such as ISO or FQM. An important factor is training trainers and teachers (Pedró, 2005) and here the activities of the Spanish TTNET network (the European network for training trainers), which is coordinated by INEM, should be mentioned.

In line with reaching the objectives of the Lisbon agenda, the Spanish government has included vocational training in axis three of the priorities for its national reform programme (Gobierno España, 2008) and, in its 2008 progress report, it referred to the advances made in expanding the training system during the previous year.

## **5. Conclusions**

The analysis made shows that there has been a movement toward reforming and making important changes to the Spanish vocational training system and that the main challenges to the mechanisms of governance for this system have been highlighted in the research and papers produced in this period. However, the vitality shown by vocational training contrasts with the scant attention paid by researchers to the subject

of how the system operates overall, except for an insistence on the need to integrate the system, but there have been very few studies that offer concrete proposals as the end result of their analysis.

This does not mean that there is not an intense debate going on among the players, but this debate takes place within the institutions and does not appear in the analyses and scientific studies that cover the topic overall.

The following lines of study could be offered as guidelines for new research: firstly, a study of how the Autonomous Community vocational training systems and the various government institutions that exist at this level are organized. Studying the management of vocational training at the Autonomous Community level would provide information and points of view that would be of great interest and value when facing the great challenges that have been noted and making the system operate more efficiently.

Secondly, given the importance of the National Catalogue of Professional Qualifications, it would be a good idea to analyze in depth its relationship to the changes that are occurring in the labour market and the impact that this is having on the training system. It would be particularly useful to have an analysis of how the diplomas in the catalogue and the certificates of professionalism can be made to fit the needs brought to light by the most recent trends in the labour market in a coherent manner.

## **Summary**

*The training system in Spain is in transition and is following a dual dynamic. On the one hand, there continues to be a very advanced process of decentralization that is leading to the setting up of territorial systems at the autonomous community level, which tend to be formulated as individual systems. On the other hand, it is involved in a process of adaptation into an open lifelong learning system.*

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## Types of Transition

### Spain

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The theories on the transitional analysis of the labour market emphasize the study of flow in this market, particularly between three basic situations: activity, employment and unemployment. In Spain, some researchers (Toharia, 2006) have applied this analytical perspective to the study of the labour market. The transition that has been most often analyzed in Spain is the entry of young people into the labour market; this is because of the high rates of unemployment among this group. Other types of transition have received less attention from researchers.

### 1. The Transition of Young People into the Labour Market

The transition of young people from school into the labour market has acquired great importance due to the transformations that took place in the second half of the 20th century in all the developed countries. In Spain, this topic has been the subject of various studies that have emphasized the phases of remaining in the education system, succeeding in finding a first job and succeeding in finding a high-quality job (Cachón, 2008; CES, 2008; Casquero and García, 2006). However, the entry of less qualified young people into the labour market has not received sufficient attention, with the exception of the work of Waisgrais and Calero (2008). Literature is also scarce on the entry into the labour market of those with diplomas in vocational training (VT) (Casquero 2007).

The current labour market situation of young people must be placed within the historical context of the profound changes that have occurred in Spain in the relationship between young people and work.

**Table 1. Changes in Activity, Unemployment and Employment Rates of Young People under 25**

	1977	1987	1997	2007
Total activity rate	51.42	50.06	51.45	58.86
Activity rate, under 25's	55.34	53.08	43.73	52.29
Activity rate, 16 to 19 year olds	52.91	38.32	23.68	30.30
Activity rate, 20 to 24 year olds	57.56	65.13	58.40	66.75
Total unemployment rate	4.78	20.2	20.72	7.95
Unemployment rate, under 25's	11.11	43.28	39.15	18.19
Unemployment rate, 16 to 19 year olds	13.62	49.6	51.02	29.13
Unemployment rate, 20 to 24 year olds	9.00	40.25	35.63	14.93
Total employment rate	48.97	39.95	40.79	54.18
Employment rate, under 25's	49.19	30.11	26.61	42.77
Employment rate, 16 to 19 year olds	45.71	19.31	11.6	21.47

Employment rate, 20 to 24 year olds	52.38	39.92	37.59	56.79
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Source: Survey of the Active Population (Spanish initials EPA). Q2 INE

Note: It must be borne in mind that this series has methodological cut-off points in 1995 and 2004, so that the data are not strictly comparable.

When Spain's long employment crisis began in 1977 with the process of restructuring the productive system inherited from the time of the dictatorship, the labour market had some distinctive features: a low rate of unemployment, under 5%, but also a low rate of activity, just over 50%, and a low rate of employment that did not reach 50% of the population. In this context, young people were not yet showing very high levels of unemployment, between 11% and 13%, and with no difference between the sexes, but, on the other hand, they also had higher levels of employment compared to the total, especially between 20 and 24 years of age, mainly due to the fact that young women had much more employment than their older counterparts. One out of every two young men aged between 16 and 19 was employed (51.51%) and four out of every ten young women of this age (39.77%).

But the employment crisis that began in that year and lasted for almost twenty years, until it managed to reach a volume of employment higher than that of 1977, threw the younger people out of the market and all the young people out of employment. From an activity rate in 1977 of more than 50% for young people aged between 16 and 19, the rate fell to 23.68% by 1997 and it had not recovered even by the end of the expansionary cycle in the Spanish economy. Currently, less than one in three young people under the age of 20 is active in the labour market.

For young people between the ages of 20 and 24, activity rates have tended to rise, even during the crisis, which has translated into extremely high unemployment rates during all this time (between 35% and 40%) and they did not improve noticeably until the expansionary cycle of the last decade of the 20th century.

It must be noted that, in the middle of the seventies, the generations of young people from the "baby boom" of the sixties were joining the labour market, which worsened the situation and partly explains the rise in the activity rates.

In 1997, only one out of ten young people between the ages of 16 and 19 had a job (11,6%) and with significant differences by sex that were unfavourable to women. Among young people aged between 20 and 24, employment was reserved for less than four out of ten of them, also with significant differences by sex. In 2007, the employment rates for young people aged between 20 and 24 recovered but continued to be higher than the overall average.

The main effect of this situation, whereby employment was closed to young people for all these years, was a lengthening of the time spent in education and investment on education, especially higher education. The education system had to make a great effort to take in the many young people who opted to finish their studies and try to enter university with the intention of improving their positions in the labour market, due to the situation that they found themselves in. Such a radical change could not be improvised and therefore difficulties arose in the education system as it tried to retain such a high volume of young people who did not really understand why they had to

continue studying. Even today, this difficulty partly explains the high levels of young people who drop out of the education system early.

Such a large surplus of young people in the labour market has reduced their possibilities for entering the market and today young people continue to show the worst indicators of quality of employment in the labour market, although as they grow older they do succeed in improving their position.

The continuing difficulty that young people have had in transitioning into the labour market has also had an impact on their personal experiences, the values they place on work and their employment prospects for the future. This impact has not only affected young people but also their families and society in general, so that today there is a pessimistic view of the future for young people in the labour market, whatever the economic context of employment. This situation improved in the expansionary period at the end of the 20th century and beginning of the 21st, giving way to a more optimistic view of young people's entry into the labour market, but the current crisis has once again made these forecasts decline and there is a danger that the worst prognostications for the future of young people in the labour market will once again become common. In the first quarter of 2009, the unemployment rate for young people under the age of 25 reached 35.66%, almost twice the rate for the total population; that of young people between 16 and 19 years old went back to being more than 50% (54.47%) and that of young people between 20 and 24 was 30.74%, with the difference that, for the first time, the unemployment rate for women was lower than that for men.

The Spanish experience during those years shows that the solution to the problem of young people entering the labour market can certainly not be solved satisfactorily from outside this market and that it is necessary to find formulae that will give the market the ability to take in young people who have generally invested a great deal of effort and hopes on preparing themselves for a professional career.

The importance of context in the transition of young people into the labour market and its impact on Spanish society have motivated the production of data and studies to analyze and interpret this phenomenon.

Currently, data are available in Spain from the 2005 Survey on the Transition from Education/Training to Labour Market Entry (Spanish initials, ETEFIL) (INE, 2007). It offers a great quantity of information, part of which still remains to be analyzed, describing the main features of this process.

This survey was the result of a cooperation agreement between the National Institute of Statistics (Spanish initials, INE), the Ministry of Education, the Ministry of Labour and Social Affairs and the National Public Employment Service (INEM) and its main aim was to understand the different types of transition from education and training to the labour market at the non-university level. The research was carried out between April and September, 2005 on 45,100 young people, organized into seven independent groups, who had stopped studying in various educational programmes in 2001. It was hoped to provide information by following the educational routes taken by each one of the groups studied from the time when they obtained their academic qualification to the time of the interview; to obtain the employment routes followed by these groups during the same period; to analyze in detail the features of the jobs that they found and how

these matched the training received; to study the periods of unemployment and inactivity among these individuals once they had abandoned the education system, paying special attention to the training received during these periods; and to understand the motivations of the students with regard to the studies taken, their expectations of the labour market, the match between the market and the training received, their career paths and their evaluation of work as part of their development as a person.

Before this survey, data had been provided by the panel of the Observatory on the Entry of Young People into the Labour Market, created by the Valencia Institute of Economic Research, which was carried out every three years between 1996 and 2005 within the framework of the Institute's Human Capital project (IVIE, 2005). The Observatory collected information on the approach of young people to the labour market and their growth once in it.

According to the ETEFIL survey, 94.3% of young people who graduated from compulsory secondary education continued to study. Eight out of ten entered *Bachillerato* (general higher secondary education). It also showed that one out of every three young people who abandoned compulsory secondary education came back into contact with the education system during the next four years.

**Table 2. Graduates from Intermediate Level Vocational Training Courses in 2001, by Period, Group and Sex.**

	Six months after the period started (2001-2005)			At the end of the period ( 2001-2005)		
	Percentages			Percentages		
	Both sexes	Men	Women	Both sexes	Men	Women
<b>Total no. of people</b>	100.00	100.00	100.00	100.00	100.00	100.00
<b>Studying in the education system</b>	16.45	16.16	16.78	9.51	9.68	9.32
Not working and not looking for work	11.53	10.95	12.16	5.44	5.68	5.18
Not working and looking for work	1.05	1.26	0.82	0.51	-	-
Working less than 20 hours;	0.98	1.00	0.95	0.49	-	-
Working 20 hours or more	2.90	2.95	2.85	3.07	3.09	3.05
<b>Not studying in the education system</b>	83.54	83.84	83.22	90.49	90.32	90.68
Working 20 hours or more	62.56	67.39	57.24	78.26	80.82	75.43
Looking for a job	12.33	8.45	16.61	8.53	5.92	11.40
Receiving training outside the education system (and not working 20 hours or more and not looking for a job)	4.64	4.50	4.79	1.88	2.33	1.38
Not receiving training outside the education system (and not working 20 hours or more and not looking for a job)	4.01	3.50	4.58	1.83	1.25	2.48

Source: ETEFIL 2005. INE

In 2001, 83.5% of young people were no longer in the education system six months after obtaining a diploma from an intermediate level training course. Four years later, at the end of the period studied (in 2005), the figure was 90.49%, with hardly any variation between the sexes. 62.56% of these same young people were already working six months later and 78.26% were in the same situation at the end of four years. The differences between the sexes were more significant in this case, with women being at a disadvantage.

For those who had diplomas from advanced vocational training courses, the results were different: there was a greater tendency to continue studying and, in some cases, to combine studying with working.

In 2001, 34.35% were still in the education system six months after obtaining a diploma, while in 2005, 23.11% were continuing their studies. In the first six months, many more women were trying to continue their studies than men but by the end of the period there were many fewer of them still in the education system. Among those with diplomas who left the education system, the women had more difficulty in finding employment in the first few months, although this difference evened out by the end of the period.

**Table 3. Graduates of Advanced Level Vocational Training in 2001, by Period, Group and Sex.**

	Six months after the period started (2001-2005)			At the end of the period (2001-2005)		
	Percentages			Percentages		
	Both sexes	Men	Women	Both sexes	Men	Women
<b>Total no. of people</b>	100.00	100.00	100.00	100.00	100.00	100.00
<b>Studying in the education system</b>	34.35	32.87	35.62	23.11	24.98	21.50
Not working and not looking for work	23.27	21.65	24.65	12.44	13.79	11.28
Not working and looking for work	2.26	2.20	2.31	1.38	1.72	1.09
Working less than 20 hours	2.57	2.48	2.65	2.04	2.05	2.03
Working 20 hours or more	6.25	6.53	6.00	7.26	7.43	7.11
<b>Not studying in the education system</b>	65.65	67.13	64.38	76.89	75.02	78.50
Working 20 hours or more	48.96	53.93	44.70	65.91	66.88	65.07
Looking for a job	10.48	8.05	12.58	6.97	5.08	8.60
Receiving training outside the education system (and not working 20 hours or more and not looking for a job)	3.82	3.33	4.25	2.18	2.04	2.29
Not receiving training outside the education system (and not working 20 hours or more and not looking for a job)	2.38	1.83	2.85	1.84	1.02	2.54

Source: ETEFIL 2005. INE

93% of those who received the diploma of *Bachiller* continued studying. Those who chose to go to the university was almost triple the number of those who went into advanced level training courses. Also, the young people who finished intermediate and advanced level training courses had higher rates of stable employment, higher than the others in their age group. Among those who finished an advanced level training course, 35% decided to continue studying (25% at the university and 10% on another training course).

**Table 4. People Starting Their First Significant Job between 2001 and 2005, by Group and Sex. Percentage**

	Both sexes	Men	Women
<b>Intermediate level training course graduates</b>	100	100	100
Started a significant job	88.2	90.49	85.66
<b>Advanced level training course graduates</b>	100	100	100
Started a significant job	78.88	79.93	77.98
<b>Students who left compulsory secondary education without a diploma</b>	100	100	100
Started a significant job	78.75	84.04	68.77
<b>Students who finished by an FIP Plan* course</b>	100	100	100
Started a significant job	74.34	77.16	71.64
<b>Students who finished a workshop school or craft centre programme</b>	100	100	100
Started a significant job	80.95	86.89	71.21

Source: ETEFIL 2005. INE

Note: FIP Plan: the Training and Labour Market Entry Plan.

88.2% of those with diplomas from intermediate level training courses and 78.88% with advanced level diplomas had found a significant job during that period, almost the same percentages as those who had left compulsory secondary education without graduating. The gender differences were significant and in all cases women had worse results than men.

74.3% of unemployed people who had finished courses under the Training and Labour Market Entry Plan (known in Spanish as the Plan FIP) found a significant job during the four years of the period analyzed (2001-2005). Also, six out of every ten students of workshop schools and craft centres were working within six months of finishing their programmes and 81% had done so during the period studied.

The survey also provided some information on the values placed by young people on work, which had a relatively high score of 4 out of 5, on the family, 5 points, and leisure time, 3 points. However, a slightly higher value was placed on work by women than by men.

A number of researchers, among them Cecilia Albert and Luis Toharia (Albert, 2009) have begun to use the information from the 2005 ETEFIL survey. The most important

results show that a delay in obtaining a diploma in compulsory secondary education and *Bachillerato* determines the later educational careers of these young people and that the entry into the labour market of young people with intermediate level VT courses is more satisfactory than that of the other groups. Investigating the reasons behind this labour market phenomenon should be one of the priorities for research in the coming years.

There are also certain advantages to having a post-compulsory education diploma for the working conditions of young people who have not been to university. Young people with a diploma from *Bachillerato* have easier access to the public sector and more stable positions than those who left (or did not pass) compulsory secondary education as the former work in bigger companies and they can have in front of them a “corporate ladder” (the internal job market) that offers greater opportunities for promotion or building an organized career. In the occupational structure, it can also be seen that young people with post-secondary education have less risk of working in unqualified jobs and a greater presence in the ranks of technicians and support professionals.

The literature warns that when young people temporarily abandon the education system, this is an obstacle to constructing a labour force with a higher quality of employment and the possibilities of a more competitive structure in which productivity and knowledge have a greater part to play. This is why it is so important not only to prevent those who are already showing “signs” of a high risk of leaving school early from actually doing so but also to provide sufficient resources and suitable paths so that all young people can have at least the qualifications that Spanish society has marked as being the minimum for getting on in the labour market.

Other authors (Waisgrais et al, 2009) have approached the same problem using another source, from the 2001 European Community Household Panel (ECHP). As their opening hypothesis, the authors posit that the educational and employment routes taken by young people are determined to a great extent by the socio-economic characteristics of the family. Using a sub-sample of young people who had attained the educational levels selected (compulsory secondary education, *Bachillerato* and intermediate level training courses) and who had in common the fact that they had not continued their studies, an analysis was made of how the socio-economic characteristics of these groups contribute to explaining their employment and educational destinations. Three results stood out:

- a) The relative differences by gender in entry to good jobs. These results, which were significant for the population that had finished compulsory secondary education and, basically, for those who had finished *Bachillerato* or intermediate level vocational training courses, showed that male adolescents have greater probabilities of getting good jobs. Therefore, the fact of being a woman and other personal characteristics associated with gender have an significant link to the possibilities of employability.
- b) The results showed that young people who only had reached the level of compulsory secondary education (mainly *Bachillerato* or an intermediate level training course) made the transition to a working life with fewer difficulties, while those who were less favoured economically faced the opposite situation. And,

c) The education level of the parents influenced the employment destinations of the selected populations. The negative coefficients indicated that the best signs that young people would not work were given by high family levels of education.

It is important to point out that precarious employment destinations and also high rates of juvenile unemployment can become structural factors. At the 2006 ILO International Labour Conference, it was said that this situation occurs when young people do not have the ability to benefit from the expansion in opportunities for employment due to a lack of education or discrimination that prevents them from becoming employed. The socioeconomic inequalities present in the education system not only produce effects on the type of labour market entry that young people have but they also worsen the conditions associated with these low socioeconomic levels.

Bibliographical analysis has been used by other researchers (Merino et al., 2006; Merino, 2007) to come closer to constructing the paths taken by young people in their transition from school to the labour market based on the decisions that they take throughout their education. These studies highlighted the importance of the following factors: differing socialization, the guidelines given by their near environment, educational variables and the analysis of cost, profit and risk.

INEM has recently produced a report on the situation of young people in the labour market (INEM, 2008), which considered them to be one of the special interest groups to be given priority because of the difficulties that they have in entering the labour market. The report concluded that over a period of five years the number of permanent contracts given to young people as a group has had a positive variation of 57.15%. However, in 2007, only 11.28% of contracts were permanent. On the other hand, 17 out of every 100 contracts given to this group was signed with young foreign workers. The number of young job seekers has remained stable when compared with 2006. The unemployment rate for young people between the ages of 16 and 29 has reached 13.8%, While the general unemployment rate is 8.6%. Also, the percentage of women workers registered with the Social Security system has grown and is now 45% of the total.

## **2. The Transition to Retirement**

The transition from the labour market to retirement has been studied less (Garrido and Chuliá, 2005; CES, 2005; Martínez, 2006) but some studies have detected a change in retirement patterns due to three reasons:

- a) Determined by level of education and training. There is a greater propensity to continue working to an advanced age if one has a higher level of training. Because of this, it is predicted that with a higher average level of education, the retirement age will rise in the next three decades.
- b) A sectorial transformation is taking place in the economy that encourages continuing to work until a greater age. There is a decrease in manual labour and an increase in the work associated with the use of new technologies. This increases as the level of qualification of employees increases, as those who are more qualified are also those who can better adapt to changes in the way tasks are performed.
- c) Thirdly, the previous changes are causing the extension of working life to be associated with innovation, technology and efficient organization rather than intensifying work by personal effort.

The points listed above call our attention to the problem of equity and intergenerational justice. The social structure reflected in the levels of education shows that there are inequalities that could be considered when regulating pensions so that, with suitable measures, greater equity could be gained in the time worked and the time spent retired by those who have lived in very different circumstances. If we wish to establish greater intertemporal equity (justice in the distribution of times of life) it will be necessary to take into account not only the age when occupation ends but also (and even as a priority) the whole of a person's working life. A man who started work at ten years old is not the same as one who started at 26; there is a 14 year difference between the ages when the illiterate and doctors start work.

The study was an exercise in training and employment demographic forecasting. The results of the simulated full employment scenario are very counter-intuitive as regards the conventional "demographic fear" factor, as economic dependency lessens notably, until in 2030 only one person without employment is dependent on each employed person. Delaying retirement age for those with higher levels of training who started to work later is successful in reducing the number of more expensive pensions as well as increasing the number of people working. Retiring later is a key proposal that the authors recommend separating out, according to each individual's working life and level of training.

### **3. Conclusions**

Analysing the transitions into the labour market provides a dynamic view of the trends and relationships that are set up between the most important situations in which the players find themselves. This is especially true for the Spanish labour market because a very interesting perspective could be offered by the high rates of unemployment and of aging found in the population. The rapid changes that have occurred in recent years, both up to 2008, during the period of rapid expansion, and afterwards, during the profound crisis, make it advisable to update the data that are available and to try to interpret the factors that govern them, since the situation has most assuredly changed in the years since the period studied.

The entry of young people and women into the labour market and the exit from the market of those who are close to retirement age are some of the keys to the problems affecting the operation of the labour market in Spain.

### **Summary**

*The transition of young people into the labour market has occurred in a historical context of profound changes in the productive and social structure and its effect has been to practically expel young people under the age of 20 from the labour market and from employment. In Spain, the alternative has focused on keeping young people in the education system, which has not caused great difficulties but has also had a positive effect, by increasing the education levels of the population.*

*These days, because of the rapid aging of the active population, attention is beginning to turn to another type of transition, the transition to retirement.*

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## Summary

### Spain

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During the period 2004-2009, vocational training in Spain can be placed in two completely opposite socioeconomic contexts. On the one hand, from 2004 until mid 2008, the country was living through a long expansionary cycle in the economy, with a strong creation of employment, the appearance of shortages in the labour market of qualified manpower and the massive arrival of immigrants. In this context, vocational training was once again valued as being an effective way for young people to enter the labour market and a strategy for improving the competitiveness and the careers of the working population.

On the other hand, from the second half of 2008 up to the present day, the impact of the economic crisis has ravaged employment and caused a rapid and huge increase in unemployment, the wholesale destruction of jobs, a slowing down in the arrival of immigrants and the collapse of hopes for the future for the next few years. In this situation, vocational training appears to be a safeguard against loss of employment and an investment that will improve the employability of workers.

During these years, there has been significant reform of the training system, strengthening Autonomous Community systems of training, integrating the occupational and continuing training sub-systems into a single system of training for employment and developing the National Qualification System, as well as other reforms that offer a second opportunity to young people who have left the education system prematurely, such as the Initial Professional Qualification Programmes (Spanish initials, PCPI). These were the topics that had priority during this period. They focused on regulatory activity and discussion between the main protagonists in the training system.

However, there continues to be little research into topics related to vocational training. A number of articles and studies have been produced but these are more descriptive than analytical. The research analysed is more preoccupied with academic considerations such as analyzing the training system than with answering the key questions that concern the main players in the training system. In very few cases do they provide conclusive information that can be used when taking decisions or can be taken into account when facing up to the great challenges that confront the training system.

The efforts to train people must be redoubled in order to make a greater impact on the productivity of companies and economic sectors and to give it greater visibility in the career paths of workers, by improving the access to training of less qualified people and of small and medium-sized companies.

The access of immigrants to training will be a key factor in consolidating a qualified manpower management model that fits in with the new needs for change in the productive model.

From the point of view of research on vocational training, there has been an increase in the number of teams of researchers and the topics researched, although scant attention is still paid to vocational training in the academic and research fields.

The task of observation is still under-developed and inadequately coordinated, which results in there not being a sufficient number of studies forecasting and detecting training needs at a time of great changes in the productive system.

The recent introduction of training policy evaluation programmes will permit more data and analyses to be produced in the future on the results and impact of training on people, organizations and society, although they are currently still rare.

It would be advisable to promote studies and research into all of these questions that would analyze the impact of the measures taken or would offer new perspectives on the options available to and the challenges facing the training system in Spain.