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ADMISSION TO FIRST JOB AND REEMPLOYMENT IN THE BRAZILIANNORTHEAST: AN ANALYSIS OF WAGE DIFFERENTIALS

^{1,*}Lídia Silveira Arantes, ²Talita Jéssica do Nascimento de Araújo and ³Thales de Oliveira Costa Viegas

¹PhD Scholar in Industrial and Technological Economics of Federal University of Rio de Janeiro (UFRJ)

²PhD Student in Applied Economics and Development of Federal University of Pernambuco (UFPE)

³PhD in Economics and Professor of Federal University of Santa Maria (UFSM)

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ABSTRACT

The paper aims to investigate the main determinants of wages, based on comparative analyzes between the salary of workers admitted to the first job and reemployment, in the formal labor market of the Northeast region. The guiding question is: is there a wage discrepancy between individuals who were admitted to the first job and those who were re-employed. As for the methodology, econometric techniques were applied. The present study confirmed a priori expectations that young people between the ages of 14 and 24 are the most affected by unemployment. The difficult insertion of young people into the formal labor market leads to relatively lower starting salaries for young people without professional experience. The data showed that workers with higher levels of education (higher education) receive, on average, a salary 69% higher than the illiterate worker. However, the discrepancy has declined over the past few decades.

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INTRODUCTION

Since the beginning of the civilization, the work plays an important role in human life. This centrality is due to its features, for example: a source of income; stimulating social integration; to enable personal fulfillment, among other things. In addition, the speed of change in the contemporary world has demanded from organizations and individuals (specially from de labor force) increasing flexibility and adaptability, particularly from the young professional, which is the society segment with the highest unemployment rates. Such circumstances justify an analysis of the above-mentioned impacts, specifically, on young people. The youth condition was treated the has traditionally been treated as a transitional stage to adulthood, so the challenges of this phase would require joint family and school efforts to support and prepare the young person to be an integrated adult and productive from the social point of view. One of the spheres that comprise this socialization is the labor market (AQUINO, 2009).

*Corresponding author: Lídia Silveira Arantes,
PhD Scholar in Industrial and Technological Economics of Federal University of Rio de Janeiro (UFRJ).

The Population Projection done by the Instituto Brasileiro de Geografia e Estatística (IBGE - in english means Brazilian Institute of Geography and Statistics), shows that in 2015, the Brazilian youths aged 15 to 24 years totaled about 40 million people, corresponding to approximately 19% of the total population, what represents significant portion of the Brazilian people. The data collection of the Instituto de Pesquisa Econômica Aplicada (IPEA Institute of Applied Economic Research), published in 2015, pointed out that the 4th quarter 2014 the unemployment rate was 15.25% and increased to 26.36% in the 1st quarter 2015. Recent data from the same source, explicit in the 62nd edition of the Labor Market Bulletin, indicate that, in 2016, young people continued to be the most affected by unemployment. Data show that the average value of these quarterly rates rose by approximately 25% in 2015, as already presented, to 27.2% in 2016. That research also shows that young people between 14 and 24 years are the most affected by unemployment. Additionally, it is in this age group that typically occurs the first insertion of the citizens in the labor market. The challenge of getting the first job and staying employed is often associated with low levels of experience and professional qualification. In this context, it is relevant to study the determining aspects of the

wage levels of this segment of society, as well as to analyze if previous experience significantly influences the salary of young people. In this perspective, this study aims to analyze the wage dispersion between two categories of employees, namely: 1) young person newly admitted to the first job and; 2) the young person in their readmission (ie the admissions that follow the first job). It should be emphasized that this paper was based on the article entitled "Admission for first employment and reemployment in the formal market of the Northeast: a mesoregional study", conducted by Gonçalves e Monte (2008), presented at the XVI National Meeting of Population Studies, held in Caxambu- MG. This article will be carried out an update of the mentioned data and an expansion of the discussion, since the reference paper did the analysis of the year of 2005 and the present research was proposed to analyze the one of 2015. In this sense, this article is guided by the following research question: Is there a wage significant difference between people admitted in a new job and people reemployed?. The hypothesis of the research is that there is a relevant difference in the remuneration between these two analytical categories. The young person seeking their first job does not have work experience, which makes it difficult to enter into the market and obtain wages compatible with those earned by professionals who already have experience. As with an experience, the degree of education is also positively related to the salary, that is, the higher the number of years of study, the higher the salary tends to be.

In this way, investment in education can expand the range of possibilities for young people. According to Almeida and Pereira (2000), the level of education can be improved by the development of skills and abilities of the workers, through programs of training and transmission of specific knowledge, which are factors that positively impact economic growth. In the opinion of that authors, given the geographical space, the incorporation of human capital has been one of the main methods used by public policies to achieve poverty reduction and income differentials, which contributes to alleviate regional disparities and homogenize growth and socio-economic development between regions. A significant part of salary differentiation is associated with wage dispersion. Although many factors are related to the phenomenon of wage inequality, differentiation in terms of human capital is considered its main determinant (TAVARES, 2007).

In this context, education, analyzed in a broader sense, manifested in the individual's capacity to integrate into society as a citizen goes beyond the level of education or qualification. In this way, education is presented as an alternative to reduce economic disparities, providing the individual with greater interaction in activities that increase their level of qualification, which can generate benefits for the region and reflect gains for the community (NALLE, 2006). An econometric empirical research conducted by Oliveira et al (2017), with the use of OLS in the data section, it was found that the use covariates (education and experience) have high power explanation about the dependent variable (salary). The results show a significant relationship between salary, experience and education. It means a positive relationship was found between the levels of education and salary paid per hour, that is, increases in education of the individual increase their wage. The results are common to the percentage increase in salary. According to Langoni (1973), in his article on the inequality of wages in Brazil, that salary difference would be generated by the labor market, inequalities's on workforce in

the following elements: educational level, age, gender, industry and region of residence. In empirical research, carried out by Cunha and Vasconcelos (2012) concerning the decomposition of inequality of wage distribution, it found that its main determinant is educational heterogeneity in the Brazilian labor market. Sánchez (2017) work results indicates that developed economies, where are a high productivity of the manufacturing-workers or the state of engineering is more advanced, the wage inequality tend be lower than economies where the manufacturing-workers contribute less to the product growth or its state of engineering is less developed. Gomes and Souza (2018) analyses wage inequalities in southern Brazil and they found that the region show the discriminatory practice of wages against women in all industries. It happens even in the service sector, where are more women than men. In agriculture and manufacturing sectors, women are much more discriminated, because it is related to the hiring rate and to the wage levels.

The research of Fiuza-Moura (2015) aimed to find sources of wage differences. The results shown a positive wage returns to education, experience, urban regions and leadership jobs. Also, there was positive feedback for white skin and male, although decreasing in more tech-intensive industry segments. There was a high wage discrimination relate to non-white women. The "technology effects on wages" also was positive and growing along the sectors with the highest concentration of investment in Research & Development. In a study published by Monte (2005), about unemployment, it was found that the percentage of people who changed their situation of unemployment of reemployment by situation of employment was 33.6% of work force, which is expressively lower than people looking for reemployment that achieved an occupation (53.5%). In this paper, was done an analysis with an application of the bivariate logit model, resulting in a possibility of reemployment being 76.8% greater than de first job. Considering this differentiation, it is verified, then, that the chances of employment are lower for first employment. Facing an asymmetric information regarding worker type, companies "can only observe the duration of unemployment as well as a noisy signal of worker type", because the firm do not know about the applicant's productivity level. So, the is an unemployment stigma (FENGETAL, 2018).

According to Monte, Araújo e Lima (2007) people seeking a formal market reemployment were more likely to be hired compared to those who had no experience yet and are looking for the first job. There is an important wage difference relatively high in favor of reemployed individuals. It is necessary to think about the repercussion on the difficulty of obtaining employment among young people in the country. According to Wickert (2006), the analysis of the results of the research conducted by the First Job Program / RS, with youngsters from 16 to 24 years old, who are looking for their first job, it was recorded that the young people who seek this insertion do so for reasons moral and financial. They signal that they will become adult from the financial point of view and are disappointed in the social context of unemployment that makes it difficult to enter the world of work and make it impossible to play new social roles. In addition, it was evidenced that due to these challenges, the young people have difficulties to see at work something that guides their life in a positive way, which makes the professional choice, to some extent, random, so that this decision is made more by necessity than by suitability or achievement of personal goals.

In this respect, it is therefore necessary to reformulate vocational integration programs, so that they are not only restricted to the financial aspect, but can also provide professional learning and career guidance. The paper carried out by Parenti, (2009), reiterates the challenges of youth unemployment, in a survey carried out with 15 among the 24 years, in which a discursive practice was applied regarding employment, unemployment, first employment, among others. It is concluded that young people feel excluded from quality jobs with fair remuneration and are exposed to jobs in which they do not incorporate knowledge and are not expectations of promotion. The theme of youth unemployment is also present in the study carried out by Bastos (2006), who investigates how the relative size of the youth population in the Metropolitan Region of Porto Alegre (RMPA) affected the occupation and unemployment of this segment in the period 1993-2004. A database of the Employment and Unemployment Survey (PED-RMPA) was used for the mentioned period. As a result, it is noted that, although the youth population has grown more than the total population in that region, the labor absorption capacity was modest.

It was also observed from the estimation of the econometric models that the effect of the relative size of the youth group was shown to be of greater magnitude increase of occupancy rate, showing a greater sensitivity of this in rate of unemployment. In addition, the estimation indicated that the focus of economic activity has greater effects on youth employment and unemployment, reflecting the understanding that a macroeconomic performance is relevant to the policies of this population group in the labor market, involving as activities performed and consequently the wage reached (BASTOS, 2006). In this sense, understanding the dynamics of unemployment for young people is essential to identify the potential strategies that will change the structure, context and determinants of the unemployment situation and to develop integration for the labor market. Neves & Lima (2016), using PNAD microdata (2011), investigated the insertion of young people aged 15 to 24 years in the labor market. For this, we analyzed the marginal effects and the relative risk ratios resulting from a multinomial logistic function. It was clear to the authors that schooling and work experience positively influenced employability. In the opposite sense, with a negative effect on the probability of being employed, features such as being non-white and having children are much relevant. In addition, it was found that young residents of the Northeast of the country are more vulnerable to the possibility of filling jobs in the labor market.

Unemployment in the Northeast: From the studies conducted by Araújo, Souza and Lima (1997) we can see that there is a historical trend of unemployment in the Northeast compared to the South and Southeast, this region, presents higher rates referring to this indicator when analyzing data referring to the metropolitan regions. In addition, the only two metropolitan areas in the Northeast (Recife and Salvador) grouped among the six main components of the sample of the Monthly Employment Survey, hold the highest relative levels of unemployment in relation to the average of the other surveyed. The above comparison is shown in the graph 1 (below).

Consequently, according to Lourenço (2009), economic dynamism associated with a social stratification was lost in the 1990s, where disadvantaged regions, such as the Northeast, find greater difficulties in the insertion of young people into

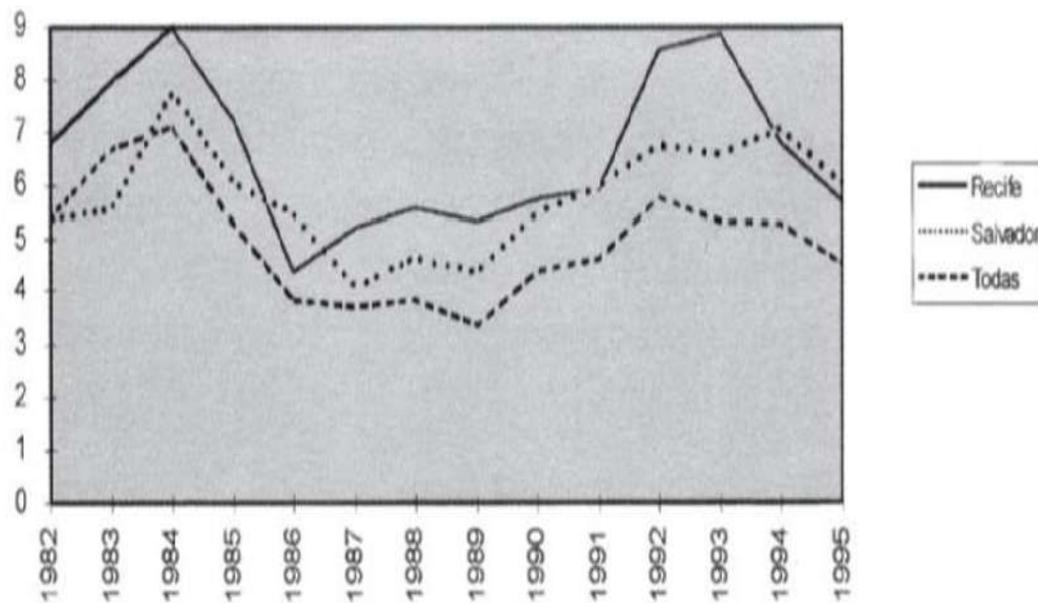
the labor market, which leads to a process of youth exclusion, which impacts on a lower income level of families and thus deteriorates their socioeconomic situation. In the econometric work carried out by Neves & Lima (2016) for the year 2011, for the Northeast region, it is found that this was the least favorable for obtaining employment by young people, so that the South region presents higher probabilities of employment, with the Southeast as a reference. This can be evidenced by the table below which shows the inactivity rates, employment and youth unemployment for each region of the country. Rocha (2007) analyzes changes in the labor market of young people between the ages of 18 and 25 from 1996 to 2005 and points out that the Northeast is the most critical region when it comes to indicators related to schooling. An example of this is that in the analyzed period the region counted on 30% of the 18 years old in Brazil, of which 50% did not complete the elementary school, which has significant impacts for the insertion in the labor market and consequently in the wage levels, being, therefore, a priority contingent when it comes to the focus of public policy of school recovery and vocational training. In the Berni's paper (2007) about the evolution of the determinants of wage income inequality in the Northeast, based on data from the National Household Sampling Survey (PNAD), for the periods from 1995 to 2005 and from 2001 to 2005, it was observed that the variable education continues having central importance when it comes to the labor market and wage differentiation in the two analyzed periods.

According to IPEA (2017), with a regional cut, the Northeast had the highest unemployment rates in 2016, reaching 14.4% in the last quarter. It is worth mentioning that the shortage of opportunities also affects young people. Moreover, Couto (2003) analyzes the determinants of youth participation in the labor market in the metropolitan region of Salvador, giving evidence of these factors for the Northeast region. The econometric model used is OLS (Least Squares Method), with logit estimation, analyzing the explanatory variables on the young participate in the above specified region labor market. It was found that young men, white, with higher schooling and belonging to the lower income family, with large numbers of members, are more likely to participate in the labor market. Despite these determinants, the conditions still remain precarious, characterized by low remuneration that does not favor social ascension through work. Moreover, in regions of the Northeast these problems are accentuated by marked social and economic inequality, so the need for measures for economic development to create new jobs and contemplate youth participation is clear.

METHODOLOGY

The Econometric Model

An econometric analysis was performed based on the classical linear regression model, where the least squares estimates have some ideal or optimal properties. These properties are contained in the known Gauss-Markov theorem, considering the property of the best non-biased linear estimator for an estimator. Thus, the OLS estimator is the best linear unbiased estimator (BLUE). In what refers to the use of econometric and statistical techniques, two analyzes were performed. The first involved the application of the equality of means test, in order to verify if there is a wage difference between the workers admitted in the first job and those admitted for reemployment in the Northeast region of Brazil.



Source: Araújo, Souza e Lima (1997)

Graph 1. Average Rate Unemployment Open Recife, Salvador and other regions

Table 1. Brazil: Inactivity, employment and unemployment stratified by regions of young people between 15 and 24 years old (2011)

Category	North	Northeast	Southeast	South	Midwest
Inactive	0,4627	0,4661	0,3753	0,3424	0,3958
Employees	0,4579	0,4412	0,5226	0,5860	0,5139
Unemployed	0,0794	0,0927	0,1021	0,0716	0,0903

Source: Neves & Lima (2016), data extracted from PNAD / IBGE (2011)

Table 2. Total number of workers admitted for first job and reemployment. Northeast Region, 2015

Characteristics	AdmittedbyFirstJob		AdmittedbyReemployment			
	Absolute	%	AverageWage (R\$)	Absolute	%	AverageWage (R\$)
<i>Gender</i>	97668			336544		
Male	51488	53%	881,45	236897	70%	1110,33
Female	46180	47%	827,12	99647	30%	1014,67
<i>Education</i>	97668			336544		
Illiterate	449	0,5%	819,74	2654	0,8%	862,35
Incomplete 5th grade	2529	2,6%	842,34	18522	5,5%	976,64
Complete 5th grade	1691	1,7%	841,27	9557	2,8%	971,76
From 6th grade to 9th grade	5277	5,4%	811,38	24015	7,1%	936,86
Complete fundamental	6890	7,1%	848,85	29965	8,9%	1006,57
Incompletehigh	12816	13,1%	680,66	22315	6,6%	955,88
Complete high	59352	60,8%	816,52	193993	57,6%	1000,87
Incompletecollege	3461	3,5%	974,78	9560	2,8%	1203,91
Complete college	5203	5,3%	1724,12	25963	7,7%	2067,79

Source: Own elaboration based on data from CAGED, 2015.

Table 3. Test of equality of averages for the logarithm of the wage Northeast Region, 2015

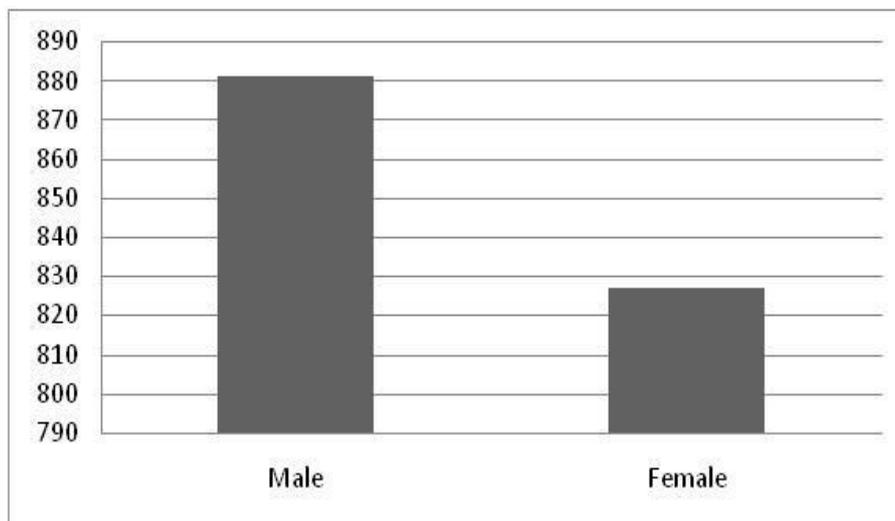
StatesandNortheastRegion	AdmittedbyFirstJob	AdmittedbyReemployment	Test of Equality of Averages
	Lnofthewage	Lnofthewage	t – test
Maranhão	6,74	6,93	-39,3902
Piauí	6,71	6,85	-36,0071
Ceará	6,69	6,88	-63,7989
Rio Grande do Norte	6,61	6,82	-43,1292
Paraíba	6,66	6,84	-40,0048
Pernambuco	6,69	6,91	-64,0475
Alagoas	6,67	6,84	-33,0165
Segipe	6,66	6,82	-27,1765
Bahia	6,67	6,91	-77,3643
NORTHEAST	6,68	6,88	-149,202

Source: Own elaboration based on data from CAGED, 2015.

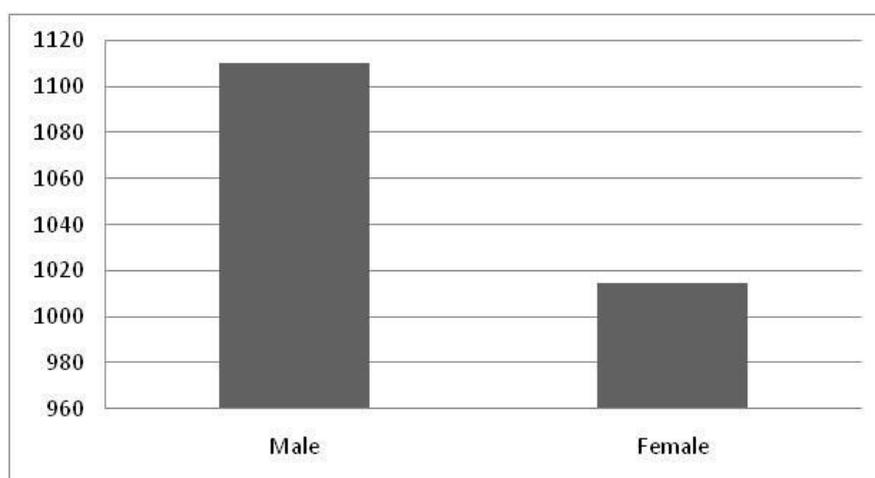
Table 4. Results of the linear model for the dependent variable logarithm of the wage Northeast Region, 2015

	Variables	Coefficient	Ratio t
Constant		6,448	988
Gender	Male	0,131	117,2
Admission	Firstjob	-0,097	-74,24
Education	Incomplete 5th grade	0,115	18,23
	Complete 5th grade	0,123	18,49
	From 6th grade to 9th grade	0,135	21,79
	Complete fundamental	0,156	25,38
	Incomplete high	0,085	13,80
	Complete high	0,186	31,09
	Incompletecollege	0,359	54,02
	Complete college	0,6905	110,3
Age Group	From 25 to 29 yearsold	0,096	67,23
	From 30 to 39 yearsold	0,145	107,3
	From 40 to 49 yearsold	0,186	105,2
	From 50 to 70 yearsold	0,273	105,5
States	Alagoas	0,00076	0,235
	Sergipe	-0,0198	-6,009
	Bahia	0,0499	20,2
	Ceará	0,0255	10,07
	Maranhão	0,0772	26,05
	Paraíba	-0,0071	-2,371
	Pernambuco	0,0398	15,58
	Rio Grande do Norte	-0,0347	-11,7

Source: Own elaboration based on data from CAGED, 2015.

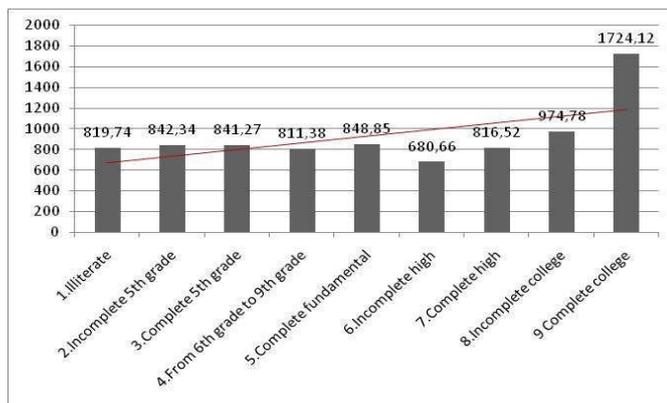


Source: Own elaboration based on data from CAGED, 2015.

Graph 2. Admitted by first job - Salary difference by gender

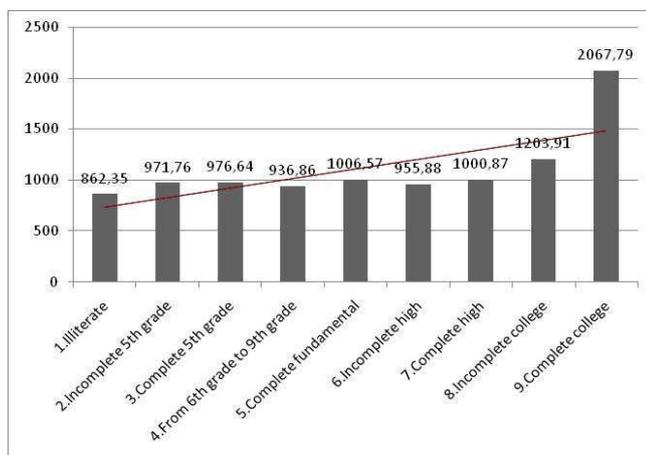
Source: Own elaboration based on data from CAGED, 2015.

Graph 3. Admitted to Reemployment - Salary Difference by Gender



Source: Own elaboration based on data from CAGED, 2015.

Graph 4. Admitted by first job - Wage Difference by Educational Level



Source: Own elaboration based on data from CAGED, 2015

Graph 5. Admitted by Reemployment- Wage Difference by Educational Level

The second analysis involved the estimation of a multiple regression model, which would allow the verification of the impact of the regressors, that is, their explanatory capacity of the dependent variable. In this case the dependent variable was the wage log and the independent variables were: gender dummy (assuming a value of 1 for man, and 0 otherwise), dummy for admission (assumed to be value 1 for workers admitted for first job); schooling dummies (being the illiterate category used as reference), which include the following categories: Fifth Year Incomplete, Fifth Year Full, Sixth to Ninth Year, Fundamental Full, Middle Incomplete, Full Middle, Incomplete Superior and Superior Full, finally, dummies for states: analysis on the states of the Northeast: Alagoas, Sergipe, Bahia, Ceará, Maranhão, Paraíba, Pernambuco and Rio Grande do Norte.

Data Base

In view of the analysis, the database extracted from CAGED (General Register of Employed and Unemployed) of 2015 was used. CAGED was created as a permanent record of admissions and dismissal of employees, under the Labor Law Consolidation (CLT) regime, and also serves as a basis for the preparation of studies related to the labor market, at the same time as subsidizes decision-making for government actions (CAGED, 2017). The definition of research limited this study to workers admitted specifically to the group of workers newly admitted to reemployment and to the group of workers newly admitted to the first job.

Analysis of results

Descriptive analysis of newly admitted workers: The descriptive analysis of this study sought to portray the socioeconomic profile of the worker admitted in the formal market in 2015. For this, he focused on Table 1, which describes the main characteristics of workers newly admitted in the Northeast, throughout 2015. As far as gender is concerned, there is an increase in female participation in the labor market, a movement that has been interpreted as one of the most important social transformations in Brazil since the 1970s, although male superiority in this field is undeniable. The trend towards greater female participation is noted in view of the fact that, among the workers admitted for the first job, the pro-man differential is lower than that among the workers admitted for reemployment - about 40% more men among and about 6% among first-time workers. This increase in the female labor market has also affected the salary aspect. The data in the table shows that the women who won their first job earned, on average, a relatively close income to that of men, with an average salary of R\$ 827.12, vis-a-vis the R\$ 881.45 of men. Thus, there is the rise of a still very recent movement in favor of more egalitarian opportunities and salaries for Brazilian women, in spite of the wage discrimination, among others, present for decades in the country scenario. According to the IBGE PNAD data, Ometto, Hoffmann and Alves (1998) show that the differential between the average female income was 57% pro-male in 1990, and the 41% in 1995. Thus, there is a gradual decline in the gender pay gap also in terms of admission of young people to the first job. Regarding the relation between schooling and admission to the formal labor market, it was identified that the class of workers with a high school education has the highest number of jobs generated, equivalent to about 60% for those admitted to the first job and 57.6% for those admitted for reemployment. In addition, it can be seen that, among the workers with the highest levels of education, the percentage of first-time employees is higher than that observed among those hired for reemployment; the situation is reversed to lower levels of schooling. This finding reflects a change in the dynamics of employed workers, indicating that each year of additional study increases the chances of the employee to be employed, confirming what has already been obtained through work such as Neves & Lima (2016), where it was verified that education and professional experience positively influence employability. Thus, it is observed that greater access to education by young people would more effectively enable them to enter the formal labor market, since it is observed that the main determinant of the inequality of the distribution of wages and the poor insertion of the youth in the labor market is the educational heterogeneity that exists in Brazil, where very low educational levels are found among the youngest population (Cunha; Vasconcelos, 2012).

Econometric analysis of wage determinants of newly admitted workers: After the presentation on the profile of workers, the determinants of the worker's salary will be addressed. The statistical analysis is presented, initially, in Table 2, where the results of the test of equality of averages for the variable "logarithm of the salary" are arranged. In the second and third columns, the average value of the "log of the wage" for each state of the Northeast region is described. In the fourth column is the t-statistic. The analysis of the first columns of the table shows that the workers admitted for the first job receive a little less than those who were admitted for

reemployment in most states, this difference being greater in Pernambuco. In the states of Maranhão, Ceará, Rio Grande do Norte, Paraíba, Sergipe, Bahia, Alagoas and Piauí the first job workers obtained a "log of the wage" below the reemployment of workers. This result confirms, therefore, Neves & Lima (2016), whose work, based on the micro data analysis of PNAD (2011), concludes that education and professional experience positively influence employability, as well as verifying the existence greater vulnerability to unemployment among young residents of the Northeast of Brazil.

The fourth column refers to the t-test result. This test was used for two independent samples with the intention of comparing, statistically, the average income of workers newly admitted by first job and newly admitted by reemployment. In this case, rejecting the null hypothesis means that the mean difference of the two groups is statistically significant. For all selected samples test results confirm the hypothesis of wage gap, almost always in favor of the reemployment of workers, both in the regional aspect (Northeast) and in state terms (Northeastern States), corroborating the analysis performed by Oliveira *et al.* (2017), whose work found a significant relationship between salary, experience and education, that is, a positive relationship was observed between years of experience and paid hourly salary. Thus, it is proven that additional years of experience are associated with the wage differential in favor of reemployment workers. Then, the linear model was estimated, in which the dependent variable refers to the logarithm of the wage. The regression estimation was based on the Ordinary Least Squares (OLS) method and its result is shown in Table 3, below. Gender analysis shows that men have higher wages than women. The positive sign of the estimated value of the gender parameter allows to conclude that male workers receive, on average, a salary 13.1% higher than that earned by women, corroborating the argument that women have greater difficulty in achieving an occupation in line with their level of qualification, however, with regard to the analysis of Gonçalves and Monte (2008) for 2005, there is a decrease of this wage inequality, since in the previous analysis it was observed a wage difference of 19.7 % in favor of men.

The result associated with the admission variable confirms the analyzes presented throughout this study, indicating that the workers admitted for the first job have a lower salary income than those obtained by those admitted for reemployment. According to the estimated coefficient, the fact that the admission was first job implies a lower worker's remuneration of 9.7% when compared to the salary received by the worker admitted for reemployment, on the basis of which there is an increase in this discrepancy in relation to the analysis of Gonçalves and Monte (2008) for 2005, when the difference was 5.7%. Thus, the coefficient found from the regression reaffirms the argument that it is greater the obstacle of those who seek a better occupation in the first job, even for young people who have a higher education level than those who seek reemployment, a more qualified individual who has never held a job tends to have a lower salary than the less qualified person who already accounts for at least a previous experience of formal employment. However, the estimated values for the parameters of the variables associated with education show that higher levels of schooling provide higher wages. It is observed that all the coefficients estimated were positive, statistically significant and increasing with educational level, in which workers with higher levels of education (higher

education) receive, on average, a salary 69% higher than the illiterate worker. Regarding the age-group variable, there was also a positive association with wages, which indicates that workers belonging to the higher age brackets tend to receive higher wages. Finally, with regard to the Northeastern States variable, the State that stands out most in terms of workers' compensation in the Northeast is Maranhão. Note that the estimated coefficient is positive and higher than the others estimated for the other states. Based on this data analysis, it is therefore possible to prove the fundamental role that education and experience have in explaining the salary of the young population in the Brazilian Northeast, with the low level of education and the lack of experience of young people as the main causes of wage discrepancy between individuals who were admitted to the first job and individuals reemployed. In this way, it is observed that greater access to education by young people would more effectively enable them to enter the formal labor market.

Conclusion

With the increase in the economically active population in recent years, a positive effect on socioeconomic development can be seen. From this, a new perspective on youth can be outlined for its contribution as a productive labor force, gaining a relevant focus (AQUINO, 2009). Based on what was presented in this study, it was possible to observe that the difficulty of insertion of young people into the formal labor market leads to relatively lower starting salaries for young people without professional experience. According to the regression that was presented, the fact that the admission was through the first job implies a lower compensation of the worker by 9.7%, when compared to the salary received by the worker admitted for reemployment. In addition, it is observed that the lower education levels also have lower wages. The data presented showed that workers with higher levels of education (higher education) receive, on average, a salary 69% higher than the illiterate worker. In addition, it can be seen that gender pay discrimination still persists, since it was found that women earned an average of 13.1% less than men, although it was discrepancy has declined over the past few decades. Therefore, the specific challenging points of the insertion of the labor market correspond to schooling and experience. In addition, the macroeconomic context that they are inserted, with expressive unemployment rates meet these challenges. In this sense, training measures are needed for young people, which make them more apt to enter the labor market. These can occur with significant investments in education, which may generate positive impacts related to "human capital".

Consistent public interventions related to the education of young people, their qualification and inclusion in the labor market, are necessary in the elaboration of plans, programs and strategies aimed at human development in regions capable of providing better conditions for overcoming social problems. In addition, therefore, it is the responsibility of companies and other development agencies to become aware of the specificities related to the offer of employment for young people, including issues related to lack of experience, maturity and availability of time that match this stage of life. It is fundamental that programs (public and private) for the insertion of young people in the labor market, since these initiatives have a social and fundamental character in the process of labor absorption and, consequently, in the reduction of unemployment and in the promotion of the professional

formation from of the learning process. Therefore, since the implementation of actions and policies for the inclusion of young people has long-term effects, there must be an immediate change in the way they see their needs, making inclusion possible. For this, it is necessary to understand the conditions that are inserted, be it poverty, precariousness of basic education, among others, such as gender differentiation, so that these problems are punctually attacked.

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