

EUROPEAN COMMISSION
 Employment, Social Affairs and Equal Opportunities DG
 Employment, Labour Strategy, International Affairs
 European Employment Strategy, CSR, Local Development

"Pathways to Work: Current practices and future needs for the labour market integration of young people"

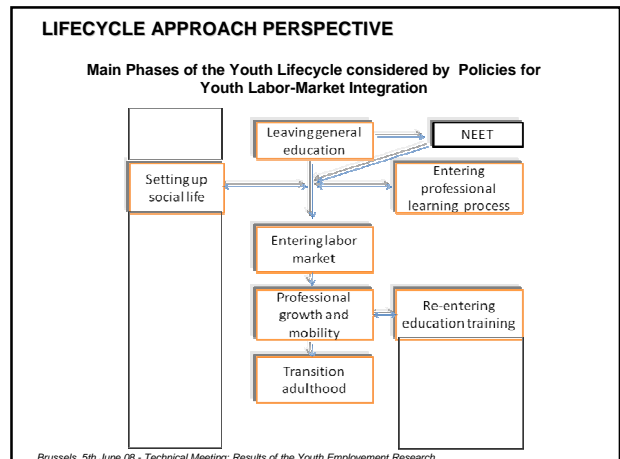
YOUTH PROJECT: Young in Occupations and Unemployment:
 Thinking of their better integration in the labour market



A youth lifecycle perspective: Analysis of Member States' policy approaches and measures

Prof. Paolo Federighi
 Dr. Francesca Torlone
STUDY C: VC/2006/0618

Brussels, 5th June 08 - Technical Meeting: Results of the Youth Employment Research



EARLY SCHOOL LEAVERS:
Definition

- Young people **who abandon their education** before reaching the age fixed by national regulations;
- Those who, albeit having passed compulsory schooling age, are **without a level of competence complying with the national plans.**

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EARLY SCHOOL LEAVERS:
Main trends in policy measures

- The **early diagnosis** of the different types of propensity to study
 (e.g. Tailored guidance and counselling services-CZ, DE, DK, FI, RO, UK)
- The activation of individualised and **tailor-made pathways;**
 (e.g. Young Apprenticeships for 14-16 years to acquire skills and knowledge in a vocational context while still in full time education-UK; Apprenticeship as alternative of formal education for youngsters with low levels of education or without qualifications-RO; Early School Leavers Action Plan-NL)

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EARLY SCHOOL LEAVERS:
Main trends in policy measures

- The integration of **in-work training** as a training pathway of the production culture to be acquired inside firms
 (e.g. dual system and different forms of apprenticeships and internships-DE, DK)
- Equal academic status** for the various training channels and **Equivalation of the academic value of the certificates** issued
 (e.g. Validation of professional and personal experience-FR; Accreditation of prior education and learning experiences-RO)

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EARLY SCHOOL LEAVERS:
Main trends in policy measures

- Re-entering an academic pathway at any moment of the personal pathway**
 (e.g. second chance enabling early school leavers obtaining basic skills-DE, FR, IE, LU, RO, IT)

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**DEVELOPING ADULT SOCIAL LIFE:
Definition**

Phase of the youth life cycle affecting:

- Inclusion and the **access to cultural and sporting infrastructures, to the different types of non-formal education**, associationism and voluntary work;
- **Access to and construction of social and informal networks.**

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7

**DEVELOPING SOCIAL LIFE:
Main trends in policy measures**

1. Access to cultural infrastructures:

- ✓ Cultural planning initiatives
where there is high standard of infrastructures
- ✓ Providing the necessary infrastructures and opening the functions of the existing ones to young people

(e.g. Youth Work including social, cultural, health education, hobby activities, youth workshops, counselling services, crime prevention-ET)

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8

**DEVELOPING SOCIAL LIFE:
Main trends in policy measures**

2. Intervention strategies for developing the access to and inclusion of young people in social networks

(to be differentiated according to the quality of local infrastructures and the extent of associative life)

(e.g. National Civilian Service for young people aged 18/28-IT)

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9

**ENTERING A PROFESSIONAL LEARNING PROCESS:
Definition**

- ✓ Specific transition moment providing professionalization pathways outside of school and before entering the active labour policy offering a minimum competences for accessing a professional activity

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10

**ENTERING A PROFESSIONAL LEARNING PROCESS
Main trends in policy measures**

Gradual absorption of such policies:

- Into **general education pathways, employability**

(e.g. measures including training in applied literacy and numeracy, basic IT skills, technology education, social skills for young people with little or no skills and qualifications and lacking basic skills-Basic Employment Passport in MT; professional learning measures for migrants and Roma-SE-BG)

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11

**ENTERING A PROFESSIONAL LEARNING PROCESS
Main trends in policy measures**

Gradual absorption of such policies:

- Into **active labour policies**

(e.g. Youth workshops delivering training and work practice to unemployed young people under 25-FI; professionalization contracts for market sector businesses, designed to provide vocational training to young people aged 16 to 25 and job-seekers over 26 years old-FR; New employment initiation contract for jobseekers under the age of 30, for companies that are able to offer the trainee a genuine prospect of employment at the end of the contract period-LU; New Deal for Young People-UK)

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12

ENTERING THE LABOR MARKET

Definition

- Phase corresponding to **transition from education/training to the labour market**. These are public actions mainly focused on external flexibility and on wage flexibility.
- Interventions on the quality of work, functional flexibility and internal flexibility are treated indirectly and entrusted to the private policies (agreements between social partners, corporate policies on diversity management, etc.)

ENTERING THE LABOR MARKET

Main trends in policy measures

1. Introduction of minimum protection levels in all contract forms:

(e.g. unemployment benefits-CZ, CY, DE, ES, FR, HU, IT, LU, LV, PL, PT, UK, RO, SE, SK. Job-search benefit-HU. Minimum wage-CZ. Unemployment benefit II aimed at developing a workfare model, instead of a flexicurity one-DE. Such benefits were reduced in countries much more focused on flexibility than security-UK)

ENTERING THE LABOR MARKET

Main trends in policy measures

2. Reduction of illegal work

(e.g. tax incentives, flat-rate income tax, tax reduction-RO, local plans IT)

3. Reduction of labour costs of the young

(e.g. Incentives to firms to compensate them for the lower productivity expected from a new employee and to reduce the risk of errors in selecting new workers, by the possibility of dismissing them earlier-New Recruitment Contract-FR)

ENTERING THE LABOR MARKET

Main trends in policy measures

4. Development of modern forms of alternating study and work

(e.g. University of cooperative Education-DE, different types of employment contracts lengthening the transition period from education/training to employment, non or low-paid internships-DE)

PROFESSIONAL GROWTH AND MOBILITY

Definition

Phase corresponding to working relations inside the firm and affecting:

- ✓ professional growth and mobility of young workers;
- ✓ possibility of improving their position both in a vertical sense - inside the workplace - and outside towards new and better jobs.

PROFESSIONAL GROWTH AND MOBILITY

Main trends in policy measures

Youth employment stability

Choices can vary between

- developing and extending the periods, whether covered by contracts partially or totally subsidized

(e.g. State subsidy for young graduated workers that are kept inside firms for at least three years-RO; wage cost subsidies for people who are difficult to place for any reason, like no practical experience gained, no formal qualifications of the VET system- DE; programmes offering alternative labour market services publicly funded-HU)

PROFESSIONAL GROWTH AND MOBILITY
Main trends in policy measures

➤ **Youth employment stability**

and the

- adoption of measures that foster their transformation into normal contracts

(e.g. various forms of employment contracts, internships, **BG, DE, DK, HU, IT, RO, UK**; new recruitment contract-**FR**; work entry contract, project work contract-**IT**)

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19

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PROFESSIONAL GROWTH AND MOBILITY
Main trends in policy measures

➤ **Duration of transitions and unemployment**

Various forms of "transition wage" extended to all types of labour relations (*graduating the duration*)

(e.g. economic benefits supporting young people in their active participation in the labour market provided that it is not reduced or abandoned; immediate activation-**DE, DK, IT, SK**)

Informing those employed in low-skill, badly-paid jobs and in sectors at risk about other work opportunities and career development

(e.g. information and guidance services, employment centres)

20

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PROFESSIONAL GROWTH AND MOBILITY
Main trends in policy measures

➤ **Private policies for human resource management**

Promoting learning firms:

- ✓ by encouraging individual firms to improve their HR Management systems.

(e.g. enhancement of diversity management policies inside firms, addressed to disabled and aimed at promoting flexible working arrangements-**UK**)

- ✓ by compensating young people who have invested long periods of their professional career with limited returns in terms of growth.

21

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PROFESSIONAL GROWTH AND MOBILITY
Main trends in policy measures

➤ **Training market**

- ✓ **Reducing monopolies and oligopolies** - that are mostly in countries where participation to lifelong learning is weaker-through:

Open tenders, free training centres (widespread)

- ✓ **Adopting demand-side measures**

(e.g. subsidies for firms investing in training-**CZ, DE, MT**; economic incentives in forms of tax deduction-**CZ** and subsidies like Job Seekers Allowances, Income Support, Incapacity Benefit only for those involved in ALMP measures-**UK**; transitional benefit and rehabilitation benefit for disabled-**HU**; Fiscal incentives, free procurement, financial aids)

22

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PROFESSIONAL GROWTH AND MOBILITY
Main trends in policy measures

➤ **Entrepreneurship**

Supported pathways for promoting self-employment

Education to entrepreneurship

(e.g. Venture Cup Initiative-**SE** as a pan-Nordic business plan competition that helps students, researchers and others to take their business idea from concept to actual start-up)

23

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PROFESSIONAL GROWTH AND MOBILITY
Main trends in policy measures

➤ **Entrepreneurship**

Measures to encourage young business initiatives and deliver coaching and assistance by experts

(e.g. Subsidies for business start-up-**DE**, Envier d'Agir programme-**FR**; Youth enterprise/Becoming young entrepreneurs-**HU**; First business-**PL**)

Financial measures and start-up incentives

(e.g. Low-interest loans, grants or unsecured loans and tax relief-**FI, DE, IT, PL, ES, RO, SE**, risk capital)

24

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RE-ENTERING EDUCATION/TRAINING PATHWAYS Definition

Phase affecting young workers who have entered the labour market early with low levels of education and/or qualifications or who are employed in low-skilled jobs

RE-ENTERING EDUCATION/TRAINING PATHWAYS Main trends in policy measures

1. Construction of **learning pathways** alternative to school and to curricular-driven models
(e.g. *Skills for Life-UK*)

RE-ENTERING EDUCATION/TRAINING PATHWAYS Main trends in policy measures

2. Existence and diffusion of policy measures concerning the **demand for learning** (time, costs, autonomy of decision)

(e.g. *forms of compulsory learning to be accomplished during working hours during the initial part of the worker's career, job rotation, introduction of compulsory training/learning to be met in non-working time*)

RE-ENTERING EDUCATION/TRAINING PATHWAYS Main trends in policy measures

Financial measures like:

- **Paid/unpaid educational leave;**
- **Financial incentives** paid to both the 16-17 employees -in jobs with no accredited training- and to employers-**UK;**
- **Study grants and cheques or vouchers**, for people aged up to 25 to enter Level 3 Qualification courses, **Adult Learning Grant** to attain the first Level 2 and 3 qualification-**IT, UK;**
- **Individual loans, Allowances and tax deduction-CZ, FI, IE, UK;**
- **Individual Learning Accounts- FR, IT, UK; Individual Development Account-SE)**

TRANSITION TO THE ADULTHOOD: Definition

Phase corresponding to the achievement of economical independence of the family of origin and to the responsible parenthood

TRANSITION TO THE ADULTHOOD: Main trends in policy measures

1. **Parental benefits** available for the various components of the **parental network**

(e.g. *parental benefits are available in most of the EU countries-BE, CY, CZ, ET, FI, IT, LT, LU, MT, NL, PL, SE, SK. Duration vary from country to country: in the CZ it is a three-year period but can be extended for an additional year and the employer is not obliged to guarantee the job. Other economic supports are: Family allowance also for single parent and disabled children and Childcare allowance-HU*)

**TRANSITION TO THE ADULTHOOD:
Main trends in policy measures**

2. Increasing public and private **childcare services** covering the **three months to 6 years age group**

(e.g. *creches, children's playcentres, residential or day-care services for children-CY, CZ, IT, LU, NL. In some cases creches are run at workplace-IT, LT, MT*)

**TRANSITION TO THE ADULTHOOD:
Main trends in policy measures**

3. Introducing **duties and incentives** for companies supporting transition to adulthood

(e.g. *actions taken by Firms and Governments to increase availability of housing for people- BG, LU, MT, PL, SE, SK. Benefits and financial supports like low interest credits for building/renovating a flat house-CZ*)

SOME FINAL COMMENTS

SIMILAR MEASURES IN DIFFERENT COUNTRIES

THE MEANING

The combination of measures is the key factor

The same measure have different impact according to the local context

GOVERNANCE

Youth policies are based on complementarity of vertical and horizontal subsidiarity

Fields:

- Labor
- Interior
- Health
- LLL
- housing

Actors:

- Central and local government
- Social partners
- Civic society

INFORMATION AND TRANSPARENCE

Personalisation of individual professional and learning pathways

Is based on

Effective **information and guidance** services

Youth **trust and commitment**

is related to the

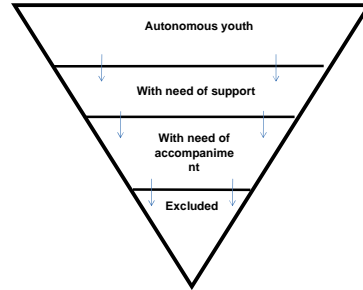
information and transparence around the expected **outcomes** of each lifecycle step (short, middle, long term perspective)

EQUITY FOLLOWING
Segmentation and filtering

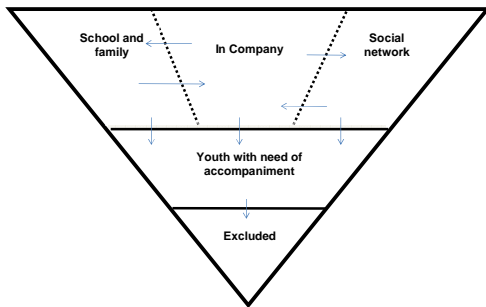
Transitions as the outcome of all the distributive rules set up by the measures operating in each stage



FROM A FILTER MODEL...



...TO A DIVERSITY MANAGEMENT MODEL



CHANGE OF PARADIGM

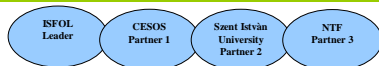
- **From a filter strategy**
(based on a linear and progressive approach, driven through standard implementation, uniformity)
- **To a diversity management**
(based on parallel channels, legitimating different ways to build a professional life, same dignity according to the results)



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