Labour Market Transitions of Young People

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• It is still **not easy** to be **young** in the today **labour market**.

• **Youth unemployment** has **increased steadily** since the onset of the crisis reaching its **maximum** on **January 2013**. – **23.6%**

    **July 2013: 24.1% +8% than 2007**

- **7.7% and 9.2% of Germany and Austria.**
- **55% or more of Croatia, Spain and Greece.**
- **Doubles or tripled** in several MSs till 2008: **Cyprus (+260%), Lithuania (+244%), Ireland (+221%), Spain (+206%), Greece (+182%) and Slovenia (+146%).**
Not in Employment, Education and Training

- 7.8 million aged 15-24 – 13.2%
- 6.8 million aged 25-29 – 17.5%
- 14.6 million under 30 – 15.5%

2011/12 decrease in: AT, DE, IE, LT, LV, MT

2011/12 increase in: Elsewhere, but especially: NL, SI, PT, CY, GR, DK, ES, SE
Taking into account the **foregone earnings** and the **additional expenditure for the welfare systems**, in 2012 we estimated the economic loss of having 14 million of NEETs.
The day of finishing education should be an exciting day in a young person’s life.

It is now a day that comes with great insecurity about the future, as entering the labour market is a challenge for youth throughout Europe and finding a job may be lengthy.

Some countries have traditionally displayed greater potential to integrate young people in their labour markets than others.

Several factors affects StW transitions: individual characteristics, general economic and demographic situation, labour market institutions and regulation, education and training systems and the mitigating effect of welfare regimes.
School-To-Work transitions patterns in EU among Member States are investigated using the following indicators:

- Share of student combining education and work
- Average time starting the first job after education
- Share of school leavers employed 1 yr after education
- Type of job one yr after graduation?
• High rates in Nordic, German and English speaking countries

• Marginal in Eastern and Mediterranean

2009 EU-LFS AHM– Eurofound elaboration
More workers for less hours
- Nordic Countries
- English Speaking

More workers for more hours
- Apprenticeships

Less workers for more hours
- Eastern
- Mediterranean

Actual Worked hours by student who works

EU-LFS—Eurofound elaboration
Average time finding the first job

- Shorter in Nordic, English Speaking, German and also Baltic.
- Longer in Mediterranean Countries.

2009 EU-LFS AHM – Eurofound elaboration
• Nordic and German speaking have higher rate

• Very low are the rates in Mediterranean countries.
It is not just the quantity, it is also the type of employment.
EU Member States have implemented policies along the pathway to employment.

- Measures aiming to prevent early school leaving (ESL)
- Measures aiming to reintegrate early school leavers
- Measures to facilitate the transition from school to work
- Measures to foster employability among young people
- Measures to remove practical/logistical barriers and employer incentives

But: Lack of rigorous evaluations.
Strengths of policies and good practices

**Intensive and personalised advice, guidance and support** – Tootukassa, EE, Working it out, UK

- Use of personal advisers and/or mentors, Education Chains (DE)

**Double supervision of young person**, FIXO (IT), Work Practice (EE)

- Careful matching of young participants and companies, AlmaLaurea (IT), Ausbildungspakt (DE)

**Co-ordination of actors**, TIP, SE, VeRA (DE)

- Involvement of all relevant stakeholders, Action Plan for Growth and Jobs (EE)

**Monitoring and quality assurance**, Convention de Stage (FR), Work practice (EE)

- Strong social partners involvement, Contrat de Professionnalisation (FR), AlmaLaurea (IT), Ausbildungspakt (DE)

**Flexibility of the programme**, Youth Contract (UK)

- Combining theoretical knowledge with practical training and work experience, Giovanisi (IT), Programme for employment of high school and university students (RO), all three DE examples
Diversify approaches!

Take labour market readiness into account!

Set young people on a long-term pathway!

Involve stakeholders!

Focus on clients, not providers!

Be innovative!

Develop flexible responses!
Youth is a heterogeneous population

Different people – different needs

"Job-ready" but unemployed
Lack of experience
Lack of education
Unavailable
Discouraged youth
Youth is a heterogeneous population

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Good job seeking infrastructure
Practical possibilities to complete their education
Removing practical/logistical barriers

Traineeships
Vocational training
Subsidised employment
Guidance and motivation
• **It is not easy to be young in the today’s labour market.**

• **School to Work transitions:** different patterns are revealed.

• **Southern Europe:** it is not just high unemployment but also very difficult transitions and unstable attachment of those who succeed in enter the labour market.

• **Member States** have implemented several initiatives but effectiveness need to be closely monitored.

• **Youth is an heterogeneous population.** Different people with different needs. This heterogeneity need to be addressed!