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Preparation of measures implementing the European Framework of Actions on Youth Employment

Dr Jan Czarzasty

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“Preparation of measures implementing the European Framework of Actions on Youth Employment”

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Dr Jan Czarzasty

Warsaw, August 2014

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INTRODUCTION

In April 2012 the Council of the European Union adopted a document entitled “Council Recommendation of 22 April 2013 on establishing a Youth Guarantee”¹. The acceptance of the “Youth Guarantee”² in its final shape was preceded by a heated discussion on the need to develop an appropriate institutional response at the EU level to the problems escalating for years, exacerbated by the 2008 economic crisis of 2008 and its consequences. It was concerned in particular with the intertwined and interrelated issues of youth unemployment (especially long-term unemployment), risk and threats affecting young people at the critical stage of transition from the education system into employment, the mounting difficulties faced by young people wishing to leave the peripheries of the labour market, as well as young people “leaking” beyond the system of education, apprenticeship and training. The last phenomenon particularly needs highlighting: the so-called NEETs, which is short for *Not in Employment, Education and Training*, meaning people who do not work, study or participate in vocational training, already account for a considerable proportion of the youngest age bracket of the working-age population, which is likely to grow in the future. This group has been a matter of serious concern to public authorities.

It was as early as in 2005 when the Council adopted guidelines for the employment policies of the Member States, where youth unemployment was named as one of the main challenges³. In 2010 the European Parliament officially called on the Commission and the Council to come forward with a document intended to serve as a guarantee for young people of obtaining institutional support with respect to receiving offers of a job, an apprenticeship, additional training or combined work and training⁴. In the same year the European Commission issued a communication “Youth on the Move”⁵, encouraging the Member States to introduce youth guarantees. In 2011 the Commission adopted another important communication, which called on the Member States to undertake actions with a view to reducing the percentage of early school-leavers to 10% to fulfil the “Europe 2020”

¹ Council Recommendation of 22 April 2013 on establishing a Youth Guarantee, No. 2013/C 120/01, [http://eurlex.europa.eu/legalcontent/PL/TXT/HTML/?uri=CELEX:32013H0426\(01\)&from=EN](http://eurlex.europa.eu/legalcontent/PL/TXT/HTML/?uri=CELEX:32013H0426(01)&from=EN)

² The document is commonly referred to as “Guarantee for Young People” or “Youth Guarantee”. The latter term will be used in this report.

³ Council Decision 2005/600/EC of 12 July 2005 amended by Decision 2008/618/EC of 15 July 2008.

⁴ European Parliament resolution of 6 July 2010 on promoting youth access to the labour market, strengthening trainee, internship and apprenticeship status

⁵ “Youth on the Move”. An initiative to unleash the potential of young people to achieve smart, sustainable and inclusive growth in the European Union, European Commission communication”, COM (2010) 477, <http://eurlex.europa.eu/legalcontent/PL/TXT/HTML/?uri=CELEX:52010DC0477&from=PL>

strategy objectives⁶. As part of its preparations for establishing the “Youth Guarantee”, the European Commission published an explanation for the draft recommendation in 2012, where it described the motives for initiating the process, identifying as the key ones: “the current high rates of unemployment across Europe, the fact that the most recent estimates made by the International Labour Organization (ILO) show no reversing trend whatsoever in the next coming years, and in particular the unbearable number of more than 7.5 million young people under 25 currently not in employment, education or training”⁷.

The term „Youth Guarantee“ refers to a situation **“in which young people (up to 25 years of age – author's note) receive a good quality offer of employment, continued education, an apprenticeship or a traineeship within a period of four months of becoming unemployed or leaving formal education. An offer of continued education could also encompass quality training programmes leading to a recognised vocational qualification.”**⁸

The threats arising from the uncertain labour market future of today's young generation could not be ignored by the social partners, particularly at EU level. In 2012 the European Social Partners⁹, while developing a common programme for 2012–2014, recognised youth employment as one of eight principal focal points for their activities¹⁰. In 2013 that programme objective was developed into the “European Framework of Actions on Youth Employment”. This report is devoted to that document, its assumptions, the objectives stated therein and the conditions for the actions intended by the European social partners to increase youth employment and enhance its quality.

The report is structured as follows: Chapter I presents a synthetic diagnosis of the current situation of young people in the labour market, chiefly based on Eurostat statistical data. Chapter II is concerned with the “European Framework of Actions on Youth Employment”. Chapter III presents an overview of actions promoting inclusion and integration of young people in the labour market at European Union level: analysis of documents and data from secondary sources. Chapter IV describes best practices for youth inclusion and integration in the labour market in selected

⁶ “Tackling early school leaving: A key contribution to the Europe 2020 Agenda”, COM (2011) 18, <http://eurlex.europa.eu/legalcontent/PL/TXT/HTML/?uri=CELEX:52011DC0018&from=EN>

⁷ Commission Staff Working Document, accompanying the document Proposal for a Council Recommendation on Establishing a Youth Guarantee, European Commission, Brussels, 5.12.2012, SWD(2012) 409 final

⁸ Council Recommendation of 22 April 2013; preamble, point 5.

⁹ The European Trade Union Confederation (ETUC) (and the EUROCADRES/CEC Liaison Committee), BUSINESSEUROPE, CEEP i UEAPME.

¹⁰ Work Programme of the European Social Partners 2012–2014, http://resourcecentre.etuc.org/spaw_uploads/files/SD_work_prog_2012-2014.pdf

European Union Member States on the macro scale, i.e. public policies. In Chapter V the micro perspective will be presented, with analysis of best practices for youth inclusion and integration in the labour market in selected European Union Member States at the enterprise level. In Chapter VI the question is considered how far youth inclusion in the labour market opens the way for their membership in trade unions. A summary is followed by conclusions and recommendations.

CHAPTER I

YOUNG PEOPLE IN THE EUROPEAN LABOUR MARKET: DIAGNOSIS

While academic articles and studies contain numerous statements suggesting that each generation, starting from the beginning of the last century, was referred to as a lost generation, this description is far from exaggerated in the case of the young Europeans of the present day¹¹. The long-term trends which, in many countries, resulted in a deep and permanent segmentation of the labour market according to the age criterion, were compounded by temporary issues (although one should exercise caution, describing them as such) resulting from the 2008+ crisis¹². As a result, the situation of young people¹³ in the European labour market is alarming; they are far more likely to experience unemployment (including long-term unemployment) or precarisation than older working age groups. Furthermore, it is because of their age that they are more exposed to problems specific for their position in the social structure, i.e. difficulties entering the labour market and social marginalisation associated with exclusion from the labour market and/or education system. In view of these phenomena it might sound trivial that the already considerable and continuously growing group of young people without clear perspectives with regard to professional work will become a source of serious problems:

- economic problems (by not contributing to economic growth and delaying the recovery of European economies¹⁴);
- social problems (by failing to take fulfil important social roles, above all associated with having a family) and
- political problems (by being susceptible to radicalisation and targeted by various extreme left- and right-wing political parties).

It might be worth quoting a handful of statistical data to begin an outline of the situation of young people in the European labour market. At the beginning of 2014 there were ca. 5.7 million unemployed youth in the EU. The average youth unemployment rate (23.4%) is more than double the global unemployment level (10.7%). People below 25 years of age were twice as likely to be unemployed as people of working age overall and, symmetrically, the youth employment rate was

¹¹ http://ec.europa.eu/europe2020/pdf/themes/21_youth_unemployment.pdf

¹² <http://www.economist.com/blogs/economist-explains/2013/05/economist-explains-why-youth-unemployment-so-high>

¹³ For the purpose of this report, young people are defined as **below 25 years of age**, in accordance with Council Recommendation of 22 April 2013 on establishing a Youth Guarantee using a definition given by the methodological standard of public statistics (and the relevant provisions of the law), specifying the lowest working age bracket as 15–24 years of age. It will be stated clearly where the young people category is used in a broader meaning in this study.

¹⁴ <http://www.theguardian.com/commentisfree/2013/nov/14/youth-unemployment-wreck-europe-economic-recovery>

half the employment rate of all population between 15 and 64 years of age. What is particularly alarming, every seventh young person was not studying, working or improving their qualifications (people combining these three features are referred to as **NEETS** – a group described in more detail further in this chapter).

Table 1 Unemployment rate (%) – overall and in the age group up to 25 in the EU, Eurozone, EU Member States, EEA, USA and Japan

Country/area	Unemployment rate – overall	Unemployment rate – up to 25
EU-28	10.4	22.5
EU-15	10.7	22.0
Eurozone	11.7	23.5
Belgium	8.5	23.6
Bulgaria	12.8	27.2
The Czech Republic	6.5	16.4
Denmark	6.5	12.4
Germany	5.2	7.9
Estonia	7.7 (a)	17.2 (a)
Ireland	11.9	24.3
Greece	26.8 (a)	57.7 (a)
Spain	25.1	53.5
France	10.4	23.2
Croatia	16.8	49.0 (a)
Italy	12.6	43.3
Cyprus	16.4	42.3 (a)
Latvia	11.5 (a)	19.7 (a)
Lithuania	11.2	19.6
Luxembourg	6.1	17.0
Hungary	7.8 (a)	20.0 (a)
Malta	6.8	12.7
The Netherlands	7.2	11.0
Austria	4.9	9.5
Poland	9.7	24.6
Portugal	14.6	36.1
Romania	7.1	24.1 (c)
Slovenia	9.6	19.6 (a)
Slovakia	14.0	32.9
Finland	8.5	19.8
Sweden	8.1	24.1
Great Britain	6.6 (a)	18.4 (a)

Note: data as at April 2014, except (a) – March 2014, (b) – December 2013

Source: Eurostat (2014)

As for youth unemployment rate (relating to the entire working-age population below 25 years of age), the situation is most dramatic in the Mediterranean region (Greece, Italy, Cyprus, Portugal) and Croatia, where every other person from that age group is unemployed. In contrast, the most

favourable circumstances can be observed in Germany, Austria, the Netherlands, Denmark and Malta, with the share of jobless young people is between one tenth and one eighth and even lower in the first two countries. A comparative analysis reveals that young people are far more likely to be unemployed than older ones. However, the ratio of unemployment rate below 25 years of age to the overall rate for the working-age population often varies considerably. In most cases, the ratio is approximately two to one, which is similar to that in the entire EU-28. However, the situation is quite different in some countries: in Italy the youth unemployment rate is three and a half times that of the overall unemployment rate, whereas in Belgium, Croatia, Romania, Sweden and Great Britain the ratio is around 3:1. The lowest ratio values (below the EU-28 ratio) can be observed in Austria, Germany, the Netherlands, Malta, Lithuania and Latvia.

Youth unemployment is impossible to explain using simple, straightforward relationships. In Austria, Germany and other countries with the lowest ratios, small youth unemployment rates are largely due to the efficiency of the dual education system (whereby it is possible to combine school education and practical on-the-job training), while also correlating with a low general unemployment rate (i.e. arising from a good condition of the labour market). Meanwhile, in the Mediterranean countries, the absence of dual education is compounded by a generally unfavourable situation in the labour market. In contrast, in Great Britain and Sweden, both highly developed countries moderately affected by the crisis and boasting low overall unemployment rates, young people are far more likely than older ones to lose their jobs or be unable to obtain employment. Great Britain provides an interesting example: analysis of medium-term labour market trends revealed that youth unemployment is neither a result of the economic downturn only (it has been on the rise since 2005, i.e. before the recession)¹⁵ nor is it simply related to the education level (increasing unemployment among well-educated young people¹⁶). This is attributed to the demand side of the labour market, highlighting the important fact that few employers acquires young employees directly from the education system, and thus laying the blame for the situation on the absence of a dual education system in Great Britain¹⁷. An equally important factor is unsatisfactory results of exams testing students' general knowledge (GCSE)¹⁸. Similar conclusions have been formulated in the case of Sweden, where the key determinant of such a high (in relation to the entire population) youth unemployment is believed to be the dysfunctional education system and lack of opportunities provided by institutions which would enable young people to acquire work

¹⁵ <http://www.yeuk.org.uk/wp-content/uploads/2013/04/UKCES-the-youth-employment-challenge.pdf>, p. 5.

¹⁶ 'Graduate unemployment'

¹⁷ <http://www.yeuk.org.uk/wp-content/uploads/2013/04/UKCES-the-youth-employment-challenge.pdf>, p. 12.

¹⁸ <http://www.yeuk.org.uk/wp-content/uploads/2013/04/ACEVO-Youth-Unemployment-The-crisis-we-cannot-afford.pdf>

experience¹⁹. On the other hand, one can hear opinions that while the exceptionally good situation in Austria should be appreciated, it cannot be rationally explained in a satisfactory manner²⁰.

Table 2 Percentage of unemployed in different age subcategories for the age group 15–29 in the EU, Eurozone, EU Member States and EEA countries

Country/area	15-24	15-29	15-19	20-24	20-29
EU-28	9.8	10.6	5.7	13.5	12.7
EU-15	10.2	11.0	6.4	13.7	13.0
Eurozone	9.8	11.2	5.1	14.1	13.9
Belgium	7.3	8.2	2.5	11.7	10.7
Bulgaria	8.4	10.2	3.8	11.7	12.4
The Czech Republic	6.0	6.2	2.6	8.6	7.6
Denmark	8.1	8.1	8.3	7.8	8.0
Germany	4.0	4.6	2.5	5.4	5.5
Estonia	7.4	7.8	3.0	10.6	9.4
Ireland	10.6	11.3	5.7	15.9	13.9
Greece	16.6	24.5	5.4	28.5	33.5
Spain	21.0	24.0	9.8	30.9	29.9
France	9.0	10.0	4.7	13.2	12.5
Croatia	14.4	15.7	8.9	19.8	19.4
Italy	10.9	12.4	4.6	16.6	15.8
Cyprus	15.0	16.4	3.7	24.7	21.2
Latvia	9.1	9.4	3.3	13.3	11.5
Lithuania	6.9	8.5	1.4	11.6	11.7
Luxembourg	4.0	5.2	2.5	5.6	6.4
Hungary	7.4	8.3	2.5	11.6	10.7
Malta	6.9	6.2	6.9	6.8	5.9
The Netherlands	7.7	7.3	8.5	6.9	6.7
Austria	5.4	5.6	4.7	6.1	6.0
Poland	9.1	10.0	2.5	14.7	12.9
Portugal	13.5	15.5	6.6	19.8	19.4
Romania	7.3	7.7	3.5	10.1	9.2
Slovenia	7.3	10.2	1.8	11.8	13.5
Slovakia	10.4	12.2	3.8	15.7	15.5
Finland	10.3	9.4	9.6	11.0	9.4
Sweden	12.8	11.2	12.1	13.4	10.8
Great Britain	12.0	10.1	11.3	12.7	9.7

Note: data for 2013

Source: Eurostat (2014)

Youth unemployment should also be analysed from a different angle, considering the unemployment rate in overall population in a particular age group. In EU-28, in the 15–24 age

¹⁹ <http://www.unric.org/en/youth-unemployment/27411-sweden-highest-ratio-of-youth-unemployment>

²⁰ <http://www.social-europe.eu/2013/04/why-is-youth-unemployment-so-low-in-austria-a-critical-assessment>

group the share was 9.8% in 2013, and only slightly higher for the “old EU” countries (10.2%). The lowest rate values were observed in Germany, Austria, Norway and Turkey. What is interesting, this level is also low in many EU-13 countries (New Member States), such as the Baltic States, Romania, Slovenia, Hungary and also Poland. Meanwhile, values above the European average can be observed in many “old EU” states, particularly Mediterranean countries, as well as Sweden and Great Britain. The most noteworthy age bracket of those shown in Table 2 is the 20–29 bracket, especially when compared with the 20–24 group. If the value in the younger of the two groups is high and shows a growing trend or remains at a stable level, the condition of the labour market is probably poor and unlikely to improve unless the economy recovers. In other words, this means that the segmentation of such a labour market is advanced and permanent. Again, the countries most severely affected by this problem are the Mediterranean PIGS group countries (Portugal, Italy, Greece and Spain). Labour market reforms undertaken as part of austerity measures (Italy, Spain) are meeting with a mixed reception and it is disputable whether they are likely to improve young people's situation in future²¹.

²¹ G. Meardi, *Mediterranean Capitalism under EU Pressure: Labour Market Reforms in Spain and Italy, 2010–2012*, *Warsaw Forum of Economic Sociology* 3:1(5), pp. 51–81.

Table 3 Share of people not in employment, education or training (NEETs) (%) in different age subcategories for the 15–29 age bracket in the EU, Eurozone and EU Member States

Country/area	15-24	15-29	15-19	20-24	25-29
EU-28	13.0	15.9	6.7	18.6	21.0
EU-15	-	-	-	-	
Eurozone	12.8	16.0	6.7	18.4	21.6
Belgium	12.7	14.9	6.8	18.0	19.2
Bulgaria	21.6	25.7	15.2	26.3	32.3
The Czech Republic	9.1	12.8	3.1	13.7	18.8
Denmark	6.0	7.5	3.2	8.7	10.8
Germany	6.3	8.7	2.6	9.5	13.0
Estonia	11.3	14.3	4.4	16.2	18.9
Ireland	16.1	18.6	10.5	22.1	22.7
Greece	20.6	28.9	10.2	31.6	42.3
Spain	18.6	22.8	10.1	26.4	29.5
France	11.2	13.8	6.6	15.9	18.9
Croatia	18.6	20.9	12.0	25.2	26.3
Italy	22.2	26.0	11.4	32.0	32.9
Cyprus	18.7	20.4	7.4	28.4	22.8
Latvia	13.0	15.6	5.6	18.3	19.7
Lithuania	11.1	13.7	3.1	18.0	19.4
Luxembourg	5.0	7.2	2.7	7.4	11.0
Hungary	15.4	18.8	7.1	22.6	24.5
Malta	9.9	11.1	9.9	9.8	13.4
The Netherlands	5.1	7.1	2.2	7.8	11.1
Austria	7.1	8.3	4.7	9.1	10.4
Poland	12.2	16.2	3.7	19.4	22.7
Portugal	14.2	16.7	7.3	20.5	21.1
Romania	17.2	19.6	10.1	22.6	23.4
Slovenia	9.2	12.9	3.8	13.7	18.7
Slovakia	13.7	19.0	5.5	20.4	27.8
Finland	9.3	10.9	5.2	13.1	13.8
Sweden	7.5	7.9	4.0	10.3	8.7
Great Britain	13.3	14.7	7.3	18.5	17.1

Note: data for 2013

Source: Eurostat (2014)

A particularly serious problem as regards the labour market situation of young Europeans is the so-called NEETs phenomenon, relating to people **not in Employment, Education and Training**, and therefore most exposed to the risk of permanent exclusion from the labour market and the resulting social exclusion. The scale of this phenomenon is shocking since it applies, in the entire EU, to one in eight young people aged 15–24, one in six aged 15–29 and one in five people in the 25–29 age bracket. The countries where NEETs' presence is most significant in the youngest working age bracket are the Mediterranean countries as well as the New Member States from Central and

Eastern Europe (Bulgaria, Croatia, Romania), Ireland and Hungary. Attention should also be given to young adult (19+) NEETs. In these two age categories the ranking of countries with the highest percentage of NEETs is much the same as in the entire 15–29 population and in the 15–24 age bracket. However, the population of *de facto* inactive young people is alarmingly high particularly in South European countries. There are two groups of risk factors: disadvantage (in terms of education) and disaffection²², the former relating to social determinants (school, family, personal characteristics) and the latter – to negative attitudes leading to youth leaving school early.

Even if young people manage to enter the labour market, they find it divided into segments. They struggle to reach the central segment (core) of the market and may get stuck on its periphery. A consequence of remaining in the secondary labour market is the lack of professional stability and, in the long term, also general stability in life. That is due to the fact that the secondary market offers short-term, part-time or non-standard employment, i.e. other than based on an employment contract (temporary work, civil law contracts or self-employment arising not from the entrepreneurial spirit but from inability to find regular employment). Young workers (especially women) are more likely to be employed on the basis of fixed-term employment contracts (42%) or part-time (32%). Because of their prolonged presence in the peripheral labour market they are unable to undertake many roles in the society and may eventually become discouraged and leave the labour market.

Table 4 Share of people employed for a definite period of time (%) in different age subcategories for the 15–29 age bracket in the EU, Eurozone and EU Member States

Country/area	15-24	15-29	15-19	20-24	25-29
EU-28	42.7	31.6	57.4	38.5	22.0
EU-15	43.3	32.6	57.2	38.7	22.1
Eurozone	52.2	38.0	72.4	46.0	25.4
Belgium	32.0	20.2	68.3	27.9	12.7
Bulgaria	13.1	9.7	29.3 (a)	11.9	7.8
The Czech Republic	28.9	19.1	53.0	27.5	13.4
Denmark	21.1	19.7	19.4	22.2	17.1
Germany	53.5	39.1	75.1	45.2	21.9
Estonia	12.4	7.7	31.7	10.6	4.3
Ireland	34.2	22.2	57.7	28.9	12.4
Greece	26.8	19.9	48.9	25.5	17.4
Spain	65.5	49.3	81.5	64.1	41.8
France	58.8	39.8	85.2	52.9	24.6
Croatia	49.0	37.7	64.7	46.9	32.1
Italy	54.2	39.6	70.8	52.8	30.7

²² *NEETs Young people not in employment, education or training: characteristics, costs and policy responses in Europe*, European Foundation for the Improvement of Living and Working Conditions, Dublin, 2012, p. 53.

Cyprus	22.0	18.2	28.0 (a)	20.6	16.3
Latvia	10.0	6.3	21.1 (b)	8.3	3.8
Lithuania	8.1	5.0	-	7.1	4.3 (c)
Luxembourg	32.5	22.4	57.1	27.0	15.6
Hungary	24.6	18.0	46.1	23.4	14.7
Malta	20.3	13.4	29.7	17.8	6.0
The Netherlands	52.6	43.9	59.4	47.7	30.0
Austria	35.9	24.4	77.7	15.4	9.1
Poland	68.5	50.6	91.6	66.8	40.9
Portugal	60.1	47.3	74.0	58.3	40.3
Romania	6.4	3.6	15.8 (d)	6.0	2.5
Slovenia	74.4	48.7	95.8	71.8	34.6
Slovakia	21.0	13.0	50.2	19.4	8.8
Finland	42.7	34.3	53.1	38.9	25.0
Sweden	55.5	41.7	76.7	48.9	25.0
Great Britain	32.0	10.4	20.7	11.8	6.0

Note: data for 2013 except: (a) – 2010, (b) – 2008, (c) – 2007, (d) – 2005

Source: Eurostat (2014)

Employment for a definite period of time is a common form of employment in the case of young people. In the whole EU, four out of ten people aged 15–24 work on this basis, and also a third of the 15–29 age group. In this context, it is necessary to consider in particular the oldest age category (25+) because most members of this group are at a point when it is usual to be close to graduation as well as under social pressure, encouraging specific behaviour, such as becoming independent (leaving the parental home) and setting up one's own household. Performing work under a fixed-term contract does not favour such a major step. In the entire EU-28, 22% of people approaching the age of 30 do not have employment under a contract for an indefinite period. This percentage is especially high in Spain, Poland and Portugal. Countries where young people have more stable employment are the Baltic States, Romania and Great Britain.

In addition, young people often work part-time. The key argument in favour of this form of employment in the case of young people is the possibility to combine work with study more easily than if employed full-time. However, a part-time job is often a matter of necessity rather than choice. This is more clearly illustrated by statistics relating to the so-called forced part-time employment. This term denotes a situation where a person working part-time would prefer to work full-time but is unable to for reasons beyond his or her control. This factor (and its significance for the labour market, as well as for the young people therein) cannot be analysed outside of the broad context of part-time employment. In Bulgaria, for example, only 6% of people aged 15–24 work

part-time but more than half of them would like to work more. Meanwhile, in Denmark two-thirds of young people (15–24) work part-time but only 9% of those consider this a disadvantage.

Table 5 Share of people working part-time in the entire working population (%) and share of people in so-called forced part-time employment (%) in the entire population of part-time workers in different age subcategories for the 15–29 age bracket in the EU, Eurozone and EU Member States

Country/area	People in part-time employment		People in forced part-time employment	
	15-24	15-29	15-24	15-29
EU-28	31.9	16.5	29.7	34.1
EU-15	35.1	19.0	28.9	33.3
Eurozone	31.4	17.3	29.1	35.2
Belgium	26.5	9.7	21.7	19.7
Bulgaria	6.0	3.2	50.8	55.6
The Czech Republic	11.7	4.8	13.0	18.4
Denmark	65.6	41.6	8.7	12.0
Germany	23.1	15.9	11.3	13.8
Estonia	20.5	8.3	NDA	8.3
Ireland	46.6	25.1	34.5	42.0
Greece	21.0	11.4	67.8	72.3
Spain	39.8	21.2	58.6	68.2
France	23.5	10.5	54.6	54.4
Croatia	5.9	3.4	25.3	32.9
Italy	28.4	14.4	79.9	79.6
Cyprus	23.6	13.5	60.7	67.0
Latvia	13.3	7.7	20.3	25.8
Lithuania	16.0	8.2	NDA	24.6
Luxembourg	22.7	8.2	18.9 (a)	22.3
Hungary	9.0	4.7	52.4	55.6
Malta	23.7	13.3	18.2	20.0
The Netherlands	77.7	51.4	9.3	12.8
Austria	19.9	13.0	14.6	14.6
Poland	16.2	6.7	28.9	35.4
Portugal	23.0	12.8	47.4	57.1
Romania	18.0	11.7	72.1	73.7
Slovenia	42.5	16.1	4.9	9.8
Slovakia	9.2	4.2	47.5	40.4
Finland	39.4	18.3	22.1	23.1
Sweden	48.6	25.4	43.4	43.7
Great Britain	39.9	20.4	29.6	28.8

Note: data for 2013 except (a) – 2012

Source: Eurostat (2014)

As a result, young people are at a high risk of experiencing poverty despite taking up paid work. Young people are particularly likely to be among the “working poor”, i.e. people who work most of the year but their income is below 60% of median salary (its most frequent value). The share of people who work but are at risk of poverty in the age bracket below 25 is 9%, which is higher than in older age categories. What is interesting, the highest rates (as high as 20%) of working youth at risk of poverty are observed in wealthy EU-15 Scandinavian countries (Denmark and Sweden), which is explained by the lower average age at which young people leave the parental home and become independent, thus losing at least part of the material support from their parents²³.

A combination of economic and cultural factors results in a relatively high average age of leaving the parental home in the case of young Europeans, which nevertheless seems unaffected by the economic crisis, as EU-28 statistics show. The tendency to put off becoming independent, although partly due to the cultural patterns in a particular country (e.g. persisting extended family model) is particularly marked in countries where young people are experiencing greatest difficulties entering the labour market and achieving a satisfactory position there. This is evidenced by positive correlation between youth unemployment rates and the age of starting an independent life.

Table 6 Estimated average age (years) of leaving the parental home in the EU, Eurozone and EU Member States

Country/area	2004	2012
EU-27	26.2	26.1
Eurozone	26.2	26.1
Belgium	25.6	24.9
Bulgaria	28.3	29.7
The Czech Republic	26.8	27.0
Denmark	NDA	21.1
Germany	24.1	23.8
Estonia	25.3	24.3
Ireland	NDA	25.4
Greece	27.7	29.1
Spain	29.0	28.9
France	23.7	23.5
Croatia	30.1	32.7
Italy	29.9	29.7
Cyprus	26.1	26.9
Latvia	28.0	27.9
Lithuania	28.3	26.0

²³ *Working poor in Europe*, European Foundation for the Improvement of Living and Working Conditions, Dublin 2010, available at: <http://www.eurofound.europa.eu/pubdocs/2010/25/en/1/EF1025EN.pdf>

Luxembourg	26.3	26.2
Hungary	27.5	28.7
Malta	29.0	30.4
The Netherlands	23.5	23.6
Austria	25.2	25.6
Poland	28.5	28.5
Portugal	28.2	28.8
Romania	27.7	29.1
Slovenia	30.8	29.1
Slovakia	29.5	30.9
Finland	22.4	21.9
Sweden	NDA	19.9
Great Britain	23.6	23.9

Note: data for 2013

Source: Eurostat (2014)

A serious problem is the growing conviction expressed by young people representing wealthy Western societies that it is impossible for them to have better lives than their parents. This is a noteworthy issue because, to begin with, lack of belief in a better future is based on rational arguments (persisting employment precarisation trend and pessimistic economic growth forecasts for the coming years). Secondly, it indicates the end of the vision dating back to the “golden age of capitalism” (from the end of World War II to the 1970s) that each future generation would attain a higher standard of living than their parents’ generation. The pessimism of young Europeans, particularly those from the “old EU” contrasts with a more hopeful attitude of their peers from the emerging economy countries²⁴.

²⁴ <http://www.theguardian.com/politics/2014/apr/14/developing-nations-more-optimistic-richer-countries-survey>

CHAPTER II

THE EUROPEAN FRAMEWORK OF ACTIONS ON YOUTH EMPLOYMENT AS A RESPONSE TO MARGINALISATION AND EXCLUSION OF YOUNG PEOPLE IN THE LABOUR MARKET CONTEXT.

The global economic crisis, whose consequences are still being experienced in Europe, started from the disturbances in the US mortgage market in 2007 to manifest itself by the Lehman Brothers bankruptcy on 15 September 2008. The financial crisis spread to the world of real economy, as evidenced by the 4.3% fall in GDP across the European Union in 2008. This chapter presents the effects of the economic crisis on the labour market with regard to young people and the response of European social partners' organisations to this increasingly difficult challenge.

Young people in the European labour market – the present state

One of the arguments in the current debate over young people and their presence in the job market is that unemployment rate is not an appropriate index to use in order to illustrate their situation. To begin with, it is often incorrectly interpreted: unemployment rate is the number of unemployed persons divided by the number of economically active persons (rather than the entire population) in a particular age bracket. Obviously, a large proportion of people below 24 years of age are still studying in the public education system (particularly those wishing to obtain a degree) and not seeking employment, they should not be treated as economically inactive. **Therefore, when analysing the situation of young people, it is more accurate to use the term “disconnected youth”²⁵ or the currently popular NEET acronym²⁶. These terms denote people aged 24 or below who are not in education, employment or training.** The share of NEETs in the individual countries was presented in Chapter I. It might be worth pointing out here that because of economic, social and cultural factors there are certain differences between the countries with respect to the percentage of young people aged 15–19 who combine studying with occasional part-time work or training in the workplace. This is illustrated by Table 7 below.

²⁵ A. Fernandes, T. Gabe, *Disconnected Youth: A Look at 16 to 24 Years Old Who Are Not Working or In School*, 2009; F. Pfeiffer, R. Seiberlich, *A Socio- economic Analysis of Youth Disconnectedness*, IZA 2010.

²⁶ *NEETs Young people not in employment, education or training* op. cit

Table 7 Share students aged 15–19 who have a job or are on an apprenticeship (%)

Country	Share of students who have a job or are on an apprenticeship
The Netherlands	52
Switzerland	50
Denmark	49
Australia	44
Canada	33
Norway	26
New Zealand	25
Germany	25
Great Britain	22
USA	18
OECD average	14
Finland	13
Sweden	13
Ireland	8
France	7
Korea	5
Belgium	4
Spain	2
Portugal	2
Italy	2

Source: *Education at Glance 2013*

It should be emphasised that the above table from *Education at Glance 2013*²⁷ applies to very young people (15–19). However, it shows certain social habits associated with undertaking occasional work, which later may have an influence on the labour market situation. It is noteworthy that countries such as Spain, Portugal or Italy, characterised by low engagement of youth aged 15–19 in occasional work, also have worryingly high unemployment rates of young people aged 19+.

The situation of young people in the labour market is a complex issue from the economic and social point of view. The existing stereotypes are frequently repeated but not fully reflected in research results.

In literature much attention has been given to the relationship between the economic cycle stage and youth situation in the labour market²⁸. It should be strongly emphasised that the economic situation

²⁷ Quoted from: *Precarious Futures? Youth Employment in an international context*, available at: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/326119/14.07.02_Youth_Report_for_web_V3.pdf, p. 16.

²⁸ Cf.: B. Contini, *Youth Employment in Europe: Institutions and Social Capital Explain Better than Mainstream Economics*, IZA 2010; D. Bell, D. Blanchflower, *Youth Unemployment, Déjà Vu?* IZA 2010; D. Bell, D. Blanchflower, *Young People and the Great Recession*, IZA 2011

alone (expressed e.g. by rising or falling GDP) does not fully explain the situation of young people in the labour market in the individual EU states²⁹ or the dynamics of its changes. What needs to be kept in mind is that the ratio illustrating the relationship between the overall unemployment rate and the youth unemployment rate varies from country to country³⁰. Research suggests that youth unemployment is more sensitive to the economic cycle stages than the overall unemployment. We must not forget, however, that youth unemployment is strongly affected by demographic changes.

Researchers also attempt to identify the impact of other factors, beside the economic cycle, on the situation of young people in the labour market. These factors include the type of industrial relations existing in a particular country, matching young people's qualifications to employers' needs, the degree of flexibility of solutions functioning in the labour market and, obviously, the predominant corporate culture³¹.

It might be worth focusing for a while on the issue of young people's skills mismatch in relation to employers' expectations. A study prepared for *Mc Kinsey Center for Government* suggests that 61% of the entrepreneurs surveyed are doubtful whether they would be able to find young people in the labour market with the qualifications necessary in their line of business. An interesting coincidence can be observed here. Countries where more entrepreneurs point to skills mismatch as a serious problem for business are also experiencing a high youth unemployment rate. This is illustrated by the table below, indicating the percentage of interviewed employers indicating that skills mismatch is a serious problem for their business³².

Table 8 Employers' opinions concerning workforce skills mismatch in relation to the current needs (%)

Country	Percentage of employers' opinions confirming workforce skills mismatch to the current needs
Great Britain	18
Germany	26
Sweden	31

²⁹ H. Dietrich, *Youth Unemployment in Europe, Theoretical Considerations and Empirical Findings*, 2012

³⁰ D. Blanchflowers, R. Freemann, "The Declining Economic Status of Young Workers in OECD Countries", in: D. Blanchflowers, R. Freemann (ed.), *Youth Unemployment and Joblessness in Advanced Countries*, University of Chicago Press, 2000.

³¹ M. Gangal, *Unemployment Dynamics in the United States and Western Germany Economic Restructuring, Institutions and Labor Market Processes*, 2003.

³² M. Mourshed, J. Patel, K. Suder, *Education to Employment. Getting Europeans Youth into Work, Report of MacKinsey Center for Government*, 2014, available at:

www.mckinsey.com/insights/social_sector/converting_education_to_employment_in_europe

Portugal	31
Spain	33
France	35
Greece	45
Italy	47

Source: M. Mourshed, J. Patel, K. Suder, *Education to Employment. Getting Europeans Youth into Work, Report of MacKinsey Center for Government*, 2014, available at:

www.mckinsey.com/insights/social_sector/converting_education_to_employment_in_europe

As pointed out in literature, skills mismatch is one of the major factors which should be considered when analysing the situation of young people in the labour market³³. It is also necessary to keep in mind that investigating skills mismatch is very difficult with respect to methodology and often controversial. It is a factor that needs to be considered even if we assume that the problem lies in the creation of new jobs in the EU. The data presented in Table 9 below show the scale of mismatch resulting from overeducation or undereducation in relation to labour market needs.

Table 9 Percentage of overeducated and undereducated youth

Country	Overeducated youth	Undereducated youth
Austria	8.7	31.1
Belgium	18.5	24.0
Croatia	13.3	6.3
Cyprus	33.2	10.8
The Czech Republic	6.8	18.2
Denmark	8.9	38.6
Estonia	16.5	38.6
Finland	10.6	18.4
France	14.6	16.6
Germany	4.7	44.2
Greece	15.3	18.1
Hungary	10.4	5.5
Ireland	18.2	16.6
Italy	5.3	35.9
Latvia	17.4	13.5
Lithuania	16.5	13.1
The Netherlands	5.9	45.0
Poland	11.6	23.2
Portugal	9.0	36.6
Romania	14.5	29.4
Slovakia	11.7	27.5
Slovenia	14.7	20.2
Spain	12.7	35.8

³³ R. Gomez- Salvador, N. Leiner- Killinger, *An analysis of youth unemployment in the euroarea*, Occasional paper, Frankfurt 2008, available at: <http://www.ecb.europa.eu/pub/pdf/scpops/ecbocp89.pdf>

Sweden	11.1	19.7
Great Britain	24.0	25.5

Source: V. A. Floreani, *Fixing Europe's youth unemployment and skill mismatch. Can public financial support for SMEs be effective*, 2014, MPRA Papers, p. 19

First the “premium for education” needs to be considered. Table 10 below shows the unemployment rate of people at different qualification levels in selected countries in 2007 and 2011.

Table 10 Unemployment rates by level of highest qualifications (%)

	ISCED 0-2		ISCED 3-4		ISCED 5-6	
	2007	2011	2007	2011	2007	2011
Germany	42.1	32.3	9.9	8.3	4.4	4.4
Spain	18.4	51.8	14.2	40.1	11.9	34.8
France	40.0	44.3	18.8	22.5	13.0	15.4
The Netherlands	10.3	10.5	3.7	4.9	1.9	4.2
Sweden	22.0	33.3	10.2	15.8	9.0	9.9
Great Britain	25.7	37.3	11.1	18.1	6.5	13.4

Source: T. Dolphin, G. Gottfried, L. Raikes, A. Silim, S. Thompson, *European Jobs and skills, A Comprehensive Review 2014*, p. 133, http://www.ippr.org/assets/media/publications/pdf/European-jobs-and-skills_Apr2014.pdf

The table show that graduates (ISCED 5-6) have an advantage over people who completed secondary education (ISCED 3-4), but to a different extent in the individual countries: substantial in Germany (8.3% in 2011 compared to 4.4%) or France (22.5% and 15.4%, respectively) but insignificant in the Netherlands. It might be worth highlighting the relatively low unemployment rate of people with elementary education in Spain in 2007 in comparison with Germany or France, which may be explained by the 2004–2007 boom in construction.

Table 11 illustrates the diversification of unemployment rates with respect to education orientation (not only attained education levels). The data below relate to 2009.

Table 11 Unemployment rates by orientation of qualification and level of education (%)

	General education at ISCED level 3-4	Vocational education at ISCED level 3-4	Education at ISCED level 0-2
Germany	21.2	9.6	43.1
Spain	27.8	30.0	44.7

France	21.7	25.5	44.2
The Netherlands	7.5	4.7	13.1
Sweden	17.6	18.1	38.0
Great Britain	15.3	16.4	30.0

Source: T. Dolphin, G. Gottfried, L. Raikes, A. Silim, S. Thompson, *European Jobs and skills, A Comprehensive Review 2014*, p. 134, http://www.ippr.org/assets/media/publications/pdf/European-jobs-and-skills_Apr2014.pdf

Looking at Table 11 above, one can notice the differences concerning people with no qualifications who are useful in the labour market (column No. 4). However, another point needs to be emphasised: it is not everywhere that vocational education provides a better guarantee of finding employment than general education (usually meant as preparation for tertiary education). While the difference is striking in the case of Germany (9.6% of people with vocational education vs 21.2% of people with general education at the same level), the same effect does not occur in Spain, France or Great Britain.

As shown in Table 12 below, one thing is certain: in all the cases considered (data refer to 2009) combining work with studying for a degree improves graduates' chances in the labour market.

Table 12 Unemployment vs employment during study (%)

	No employment during study	Employment during study
Spain	39.9	28.3
France	37.0	18.8
The Netherlands	11.3	6.3
Sweden	29.3	15.1
Great Britain	22.7	14.0

Source: T. Dolphin, G. Gottfried, L. Raikes, A. Silim, S. Thompson, *European Jobs and skills, A Comprehensive Review 2014*, p. 137, http://www.ippr.org/assets/media/publications/pdf/European-jobs-and-skills_Apr2014.pdf

The importance of all types of apprenticeship cannot be overestimated. It seems that, beside the experience gained, development of a certain attitude is of great significance. What attracts the attention of many researchers (and worries trade unions) is the potential trap of very low quality employment (e.g. repeated fixed-term contracts for a very short period, forced part-time employment, employment without training opportunities)³⁴. Young people who have experienced

³⁴ G. Martin, *A Portrait of the Youth Labour Market in 13 Countries, 1980–2007*, Monthly Labour Review 2009, 3, 21

long periods of precarious employment become “stigmatised”, which adversely affects their professional career or income received in later periods of their lives.

Authors examining the problem of stigmatisation of people who experienced unemployment at an early stage in their lives point to the slower accumulation of experience and social capital, and lower pay expectations (which obviously translate into lower salaries)³⁵. The negative effect of a period of unemployment early on in one's career on the “future” salary is particularly noticeable in the USA, but also present in the EU (most markedly, in Great Britain)³⁶.

The considerations preceding the presentation of the European Framework of Actions on Youth Employment may be concluded with the table compiled by the International Labour Organization, showing the unemployment rate forecasts for the European Union for 2015–2018.

Table 13 Unemployment rate forecasts for the European Union (2015–2018) (%)

	2015	2016	2017	2018
Overall unemployment	8.4	8.2	8.0	7.9
Unemployment of men	8.3	8.0	7.8	7.6
Unemployment of women	8.5	8.4	8.3	8.2
Unemployment of young people	17.4	16.8	16.3	16.0
Unemployment of adults	7.3	7.1	7.0	6.9

Source: Global Employment Trends 2014, MOP, p. 36

Actions on Youth Employment – European Social Partners' initiative

The increasingly difficult situation of young people in the European labour market is giving cause for concern not only to public authorities in the individual EU Member States and EU institutions, but also the social partners. Business organisations particularly emphasise the problem of skills mismatch. Meanwhile, the fundamental issue according to trade unions is the trap of low quality employment. Searching for joint action opportunities has become one of the priorities in the current work programme of the European Social Partners³⁷. Following intense negotiations between

³⁵ W. Arulampalam, *Is Unemployment Really Scarring? Effects of Unemployment Experiences on wages*, The Economical Journal, 2001, 111.

³⁶ M. Gangl, *Scar Effects of Unemployment: An Assessment of Institutional Complementarities*, American Sociological Review, 2006, 71.

³⁷ *Work Programme of the European Social Partners 2012-2014*, available at: resourcecentre.etuc.org/spaw_uploads/files/SD_work_prog_2012-2014.pdf.

European Trade Union Confederation and the combined representation of EU business organisations (BusinessEurope, CEEP, UEAPME) the Framework of Actions on Youth Employment was finally agreed in June 2013.

In the first part of the document the Partners identify challenges of a general nature, as well as specific ones. The basic challenges are as follows:

- create more and better jobs and attractive career opportunities for young people;
- strengthen the quality and relevance of education and training at all levels to address skills mismatches;
- optimise the role of industry, in particular SMEs, and of high-performing public services as a driver of sustainable and inclusive growth in Europe.

The challenges of a more specific nature are as follows:

- creating more and better jobs and the right framework conditions for smoother transitions into employment;
- promoting the attractiveness of vocational education and training (VET) and ensuring its quality;
- promoting the acquisition of transversal and specific competences and skills;
- dealing with the increasing need for highly skilled workers;
- improving the matching between skills supply and demand;

The introductory part of the document contains statements that constitute a sort of manifesto expressing the Partners common views and intentions as to the ways of dealing with the current situation. European Social Partners:

- are convinced that investing and creating more and better jobs is the way forward to improve the situation of young people on labour markets;
- consider that much can be achieved by high quality education and training systems to deliver the right skills for young people, while taking into account their expectations, and the efficiency and resilience of labour markets;
- stress the importance of measures and means aiming to stimulate sustainable and inclusive growth and job creation in Europe;
- want to contribute to setting the right incentives and framework conditions to make the hiring of young people a more attractive option for employers, particularly through collective bargaining between social partners;

- aim to promote adaptability of both enterprises and workers, and opportunities to workers through more dynamic careers;
- recall that inclusive, open and efficient labour markets are fundamental for improving young people's access and sustainable integration in employment;
- affirm the joint responsibility of social partners at all levels in policy development through constructive autonomous social dialogue, in line with the diversity of national industrial relation systems;
- acknowledge the broader dimension of the challenge, which calls for close cooperation with public authorities, as well as education, training institutions, employment services and open dialogue with youth organisations at all levels;
- consider that current and future measures taken must comply with the aims of intergenerational solidarity;
- stress the shared responsibility of employers, public authorities and individuals to invest in skills development.

The document has a very interesting structure. The potential joint actions and recommendations of the Social Partners have been grouped according to four priorities: **learning, transition period, employment, entrepreneurship**. The document indicates the necessary **Social Partners' actions and recommendations for public authorities and EU institutions** in each of these areas. All these recommendations are divided into short-and long-term ones. Some of the most important ones are mentioned below.

The short-term Social Partners' actions in the area of **learning** are to:

- participate in the governance of apprenticeship systems;
- identify and address barriers to the development of apprenticeship systems in each country;
- contribute to designing of and participating in setting up the EU alliance for apprenticeships;
- promote the attractiveness of and work on the image of science, technology, engineering and mathematics fields (STEM) at secondary school and in higher education levels. This should include attracting more women into STEM disciplines. .

Some of the long-term actions are as follows:

- promote education which better meets labour market and young people's needs whilst fostering young people's personal development and employability;
- strengthen dual learning elements in existing work-based learning models.

The short-term recommendations are as follows:

- The European Commission should add the “share of work-based learning” as one of the variables in its proposed employability benchmark;
- The European Commission and Member States should support and coordinate European and national campaigns for changing the perception of vocational education and training in European societies, and promote quality work-based learning;
- Member States in cooperation with social partners could consider establishing national and/or sectoral training funds;
- Member States should encourage employers to take on more apprentices and trainees, in consultation with social partners;
- Member States should offer early leavers from school and training and low-skilled young people ways and means to re-enter education and training or second-chance education programmes in order to reduce skills mismatches.

The long-term recommendations above all stipulate that:

- The EU and Member States should spread the principles of work-based learning models and dual learning systems both in secondary and in higher education and training throughout Europe, including apprenticeship schemes and efficient, highly qualifying and sustainable initial and continuous vocational education and training (VET) systems.

In the second priority: **transition**, the Partners are advised to take the following actions:

- promote the attractiveness and value of jobs in “shortages” areas as future careers (e.g. in green economy, ICT, health, education, industry, etc.) by organising, where relevant, awareness-raising campaigns, open days, “taster” opportunities, initiatives between social partners and schools/colleges, etc., and/or restore the image of a sector or occupation in all their aspects, ensuring that health and safety regulations are respected in all sectors;
- contribute to government's actions aiming to implement youth guarantee schemes at national level;
- take part in the design, monitoring and evaluation of youth guarantee measures implemented at national level to monitor their effectiveness and value for money, in light of their performance in activating the young unemployed.

One of the long-term indications is to:

- prioritise support for young job seekers who wish to shift their career orientations and adapt their skills towards sectors in demand in order to address existing job vacancies, without discriminating against other age groups.

The short-term recommendations for public authorities are as follows:

- Member States should examine and, where needed, address the issues related to tax and benefit systems in a fiscally neutral way, also respecting wage policies, in order to encourage young people's employment participation while ensuring full access to social protection;
- Member States in partnership with employment services should include job search techniques in school curricula to better equip young people in their search for a first job.

Some of the most noteworthy long-term recommendations for this area are as follows:

- Member States should organise public employment services as effective “transition management agencies”, with the capacity to provide tailored advice to young people to facilitate their transition from the world of education and the world of work and between jobs;
- Member States should seek to prevent young people without any qualification dropping out of schools with measures such as youth coaching and mentoring at school, compensatory measures such as bridging programmes, and systemic measures such as further training for teachers on the issue of early school-leavers. An early warning system is also needed.

In the area of the third priority: **employment**, the Social Partners recommend the following short-term actions:

- agree specific terms and conditions of employment support for young job-seekers to promote their access to a first job including special programmes designed to support and qualify the young people to access jobs;
- promote contracts of indefinite duration to ensure that they remain the general form of employment relationships;
- ensure, according to the national industrial relations systems, an optimal balance between flexibility and security including the provision of employment protection for all employment relationships in order to tackle segmented labour markets;
- support mentoring initiatives to allow and recognise the contribution of an older and/or more-experienced worker in transmitting his/her knowledge and expertise to a younger employee;
- promote smoother integration of young recruits in the workplace through induction and coaching;
- promote individual competence development plans jointly agreed by the employer and the worker;

- continue to engage, at European level, in on-going discussions on transparency and recognition of formal and non-formal competences and qualifications, by promoting the development of Europe-wide means of recognition and validation of competences and qualifications across general and vocational education and training systems;
- contribute to European initiatives aiming to promote the potential benefits of mobility of young job-seekers and workers, such as via the “your first EURES job” initiative whilst avoiding brain-drain in some countries which would hamper their future development.

Among the long-term tasks the following are emphasised:

- tackling the causes of bogus self-employment to avoid detrimental effects for both employers and employees;
- taking part in the monitoring, evaluation and review of national job plans for young people.

The following short term recommendations are addressed to public authorities and EU institutions:

- The EU and Member States should design specific employment policies for young people in close consultation with the social partners, in line with industrial and sectoral needs;
- The EU and Member States should invest in innovation, research & development, and education and training in order to make it easier for young workers to get their first job and gain work experience.

The long-term recommendation is as follows:

- The EU should foster and ease young workers’ geographical and occupational mobility, in particular for those wishing to move and work abroad. This can play an important role in helping to match labour supply with demand, while preventing possible brain-drain effects and recognising the rights of and benefits for mobile individuals.

In the fourth priority: **entrepreneurship**, one of the short-term recommendations is to:

- promote entrepreneurial mind-sets at school and in the society as a whole, aiming to avoid stigmatisation of young entrepreneurs in case of failure.

The following long-term actions are recommended:

- promoting partnerships between large and small enterprises aiming to identify and support market and growth opportunities with special attention to the high value added industrial and services sectors.
- encouraging female entrepreneurship and entrepreneurship from groups at risk of being excluded due to specific circumstances;

- addressing social and environmental challenges as part of activities that enterprises choose to undertake in the area of Corporate Social Responsibility.

The following steps are indicated in the recommendations:

- Member States should implement targeted tax incentives and enhance support in terms of access to finance for young entrepreneurs to set up an enterprise.
- Member States could promote socially and environmentally responsible entrepreneurship as part of higher education curricula;
- Member States should make sure that the status of the self-employed is not enforced or abused.

The above enumeration suggests that the Framework of Actions on Youth Employment is an ambitious programme. One should keep in mind, however, that effective implementation of such European social dialogue documents largely depends on the good will and abilities of national social partners, since the documents are not obligatory. The European Commission also plays merely an auxiliary role here. That is why correctly conducted promotional and monitoring activities are of such significance. In accordance with the working rules adopted by the EU Social Dialogue Committee, national social partners are supposed to prepare annually joint information documents concerning their efforts towards the implementation of programme items, selected in accordance with each individual country's circumstances.

CHAPTER III

AN OVERVIEW OF ACTIONS PROMOTING INCLUSION AND INTEGRATION OF YOUNG PEOPLE IN THE LABOUR MARKET AT EUROPEAN UNION LEVEL: ANALYSIS OF DOCUMENTS AND DATA FROM SECONDARY SOURCES

As mentioned before, nearly 6 million people below 25 years of age remain unemployed in Europe at present, while 7.5 million do not study, work or undergo training. Youth unemployment rate in Europe was 23.5% in the first quarter of 2013, i.e. twice as high as the unemployment rate of the entire population. These issues have already been highlighted in Chapters I and II. This chapter is devoted to the most important measures undertaken at the EU level. European Union documents emphasise that a high NEET rate combined with a high youth unemployment rate means, on the one hand, a huge untapped potential, which Europe cannot afford to waste, and on the other – a severe social crisis, which must not be allowed to persist. Unless current trends are reversed quickly, today's levels of youth unemployment may adversely affect the longer-term employment prospects for young people, with serious implications for future growth and social cohesion³⁸.

In order to combat the unacceptably high youth unemployment levels, the European Commission adopted a legislative package on youth employment on 05 December 2012. It contained a proposal for a Council recommendation on establishing a youth guarantee³⁹, initiated the second-stage consultation of the social partners concerning quality framework on traineeships⁴⁰, included an initiative of an EU alliance for apprenticeships and indicated the methods for increasing youth mobility⁴¹.

The following initiatives will be discussed in this chapter:

- 1. Establishment and implementation of the *Youth Guarantee***
- 2. Investing in young people through the European Social Fund**
- 3. Establishment and implementation of the *Youth Employment Initiative***
- 4. Supporting mobility within the EU labour market by means of EURES**
- 5. Measures related to quality traineeship and apprenticeship**
- 6. Appointment and activities of youth employment action teams**
- 7. “Erasmus Plus” programme**

³⁸ Communication From the Commission to the European Parliament, the European Council, the Council, The European Economic and Social Committee and the Committee of the Regions: Working Together for Europe's young people. A call to action on youth unemployment; COM (2013) 447 final. Brussels, 19. 06. 2013.

³⁹ COM (2012) 729 final

⁴⁰ COM (2012) 728 final

⁴¹ COM (2012) 727 final

1. Youth Guarantee

The essence of the Youth Guarantee is to ensure that all young Europeans receive good-quality offers of employment, continued education, an apprenticeship or a traineeship within a period of four months of becoming unemployed or leaving formal education.

As part of “Europe 2020” strategy and its flagship initiative “Youth on the Move”, the European Parliament urged Member States to take measures to ensure that all young people have a job, continue education or participate in activation programmes within four months of leaving school. The European Council echoed this appeal on 29 June 2012; it was also mentioned in the annual economic growth analysis for 2013⁴². Each time it was emphasised that the Youth Guarantee may receive partial funding from EFS resources. During the Danish presidency workshops were organised on the possibilities of providing the guarantee for young people. The workshops in Horsens (24–25 April 2012) were attended by ministers for employment and social policy of the Member States. It was stressed during the meeting that education and training policies should be more effectively combined with the employment policy and that efforts should be focused on special needs groups, i.e. young people without skills or qualifications. The approach adopted should be adjusted to the national context and specific circumstances in each individual case. It was also emphasised that while public authorities are obliged to support the youth, young people should also get involved in this process by undertaking tasks and accepting responsibility. At the “Jobs for Europe” conference (6–7 September 2012) in Brussels with the participation of all the parties involved, including the social partners and youth organisations, an overwhelming majority of the participants expressed their support for the establishment of the youth guarantee in the entire EU.

The Council recommendation on establishing a youth guarantee urges the Member States to take action with a view to ensuring that all young people under the age of 25 receive a good-quality offer of employment, continued education, an apprenticeship or a traineeship within a period of four months of becoming unemployed or leaving formal education. The Council also point to the need of building a partnership-based approach, *inter alia*, by strengthening partnerships between employers and relevant labour market players (employment services, various levels of government, trade unions and youth services) in order to boost employment, apprenticeship and traineeship opportunities for young people. Furthermore, the Council emphasises the importance of early intervention and activation, particularly with respect to young people with additional difficulties, such as poverty, disability, low educational attainment or ethnic minority or migrant background.

⁴² COM (2013) 750 of 28 November 2012

Support measures for integration in the labour market are indicated in two areas: skills improvement and the labour market. In the first area, it is necessary to offer early school-leavers and low-skilled young people pathways to re-enter education and training through second- chance education programmes. It is also important to enhance ICT/digital skills and competences. Moreover, schools (primary and secondary), vocational training centres and employment services ought to promote and provide continued guidance on entrepreneurship and self-employment. In the area related to labour market, the Council highlights the need to reduce non-wage labour costs in order to boost recruitment prospects amongst young people and to promote workforce mobility by informing young people of the available job offers more effectively⁴³.

2. Investing in young people through the European Social Fund

The budget of the European Social Fund in 2007–2013 was nearly 80 billion euros. These funds enabled large-scale support measures aimed at integration of young people in the labour market and development of human capital. In the entire financial framework budget as much as 68% of funds could be spent on projects related to a variety of issues concerning young people. Of more than 16 million ESF project participants in 2012, over a quarter were people up to 24 years of age⁴⁴.

3 Establishment and implementation of the *Youth Employment Initiative*

The Youth Employment Initiative received 6 billion euros support from the EU budget. These resources were aimed at young people aged 15–24, not in employment, education or training (NEET), supplementing the financial support from EFS for the implementation of the Youth Guarantee.

The principles of functioning of the Youth Employment Initiative was presented by the European Commission to the European Parliament and Council in March 2013. Specific measures are agreed between the Commission and Member States as part of cohesion policy programming. What is important, all the measures supported as part of this initiative will not be aimed at systems or structures but at individuals from the NEET category. Thus, the Youth Employment Initiative will

⁴³ Council Recommendation on establishing a Youth Guarantee COM (2012) 729 final, Brussels 05. 12. 2012.

⁴⁴ Cf. Info graphic: Equipping Europe's youth for the job market; available at <http://ec.europa.eu/esf/BlobServlet?docId=434&langId=en>

supplement the measures undertaken at national level, including those receiving European Social Fund support, or implementation of youth guarantee programmes⁴⁵.

4. Supporting mobility within the EU labour market by means of EURES

At present, the EURES portal with ca. 31,000 registered employers, provides access to more than 1.4 million job offers. The reforms now in progress are contributing to the use of the EURES network to its full potential. In 2013 a pilot scheme was implemented, entitled “Your First Job with EURES”. The scheme was intended to increase youth mobility by making it easier for them to find their first job in a Member State other than their homeland. Job offers were combined with language and other course financing, reimbursement of travel expenses and an integration programme if the employer was an SME. Thanks to the scheme, 5,000 young people from 6 participating countries found employment in 2012. In 2014 EFS resources in the framework of “Your First Job with EURES” project will be used to finance language courses, travel and integration programmes in the receiving country.

5. Measures related to quality traineeship and apprenticeship

In accordance with Council Recommendation of 04 December 2013 concerning a quality framework on traineeships, the following principles are proposed by the Council as a basis for building a traineeship system on the free market. Participation in a traineeship requires a written traineeship between the trainee and the traineeship provider. The agreement should be concluded before the commencement of traineeship. The traineeship agreement should indicate the educational objectives, working conditions, whether an allowance or compensation is provided to the trainee by the traineeship provider, and the rights and obligations of the parties under applicable EU and national law. The agreement should also specify the duration of the traineeship. The Council indicates the need to ensure reasonable duration of traineeships that, in principle, does not exceed 6 months, except in cases where a longer duration is justified, e.g. in the case of internal training programmes for the purpose of recruitment or traineeships organised in another Member State. The traineeship agreement should specify that either the trainee or the traineeship provider may terminate it in writing, providing advance notice of two weeks. The Council encourages traineeship

⁴⁵ Communication From the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions: Youth Employment Initiative; Strasbourg, 12.03. 2013, COM (2013) 144 final.

providers to attest the knowledge, skills and competences acquired during traineeships through a certificate or knowledge reference.

When discussing the issues relating to traineeships, it is necessary to highlight two points. First, the European Social partners decided not to enter into negotiations on this subject. Already the first stage of consultations conducted by the Commission revealed differences between the approaches of the European Trade Union Confederation and BUSINESSEUROPE. ETUC pointed out that a considerable number of trainees remain in this position for as long as several years. They often carry out the same tasks as employees but without comparable benefits. The employers' organisation expressed its doubts as to the need for EU initiative in this respect. The problem with the quality of traineeships can be solved on the national level. According to the statement presented, European Union is not a competent party with respect to setting salary levels and therefore is not competent to bring up the issue of trainee compensation. What also needs to be stressed, the above Council recommendations concerning quality framework on traineeships are a sign of increasing difficulties in reaching a compromise by the Member States, whose governments, in some cases, adopt a very liberal approach to potential regulations in the labour market. It is clear that the recommendations are of a soft nature. They neither point to the need for trainee compensation nor do they introduce a strict guideline as to the maximum duration of traineeship. The final Council recommendations seem to be softer than the initial proposal of the European Commission⁴⁶.

6. Appointment and activities of youth employment action teams

In 2012 the European Commission established youth employment action teams, in conjunction with Member States where youth unemployment reached alarming proportions. The objective of the action teams was to guarantee that EU structural funds were utilised with maximum efficiency. In its Communication, the Commission gives examples of effects achieved by action teams in three Member States: Portugal, Spain and Italy⁴⁷.

Examples of results achieved by youth employment action teams

⁴⁶ Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions: Towards a Quality Framework on Traineeships; COM (2012) 728 final, 05. 12. 2012.

⁴⁷ Communication From the Commission to the European Parliament, the European Council, the Council, The European Economic and Social Committee and the Committee of the Regions: Working Together for Europe's young people. A call to action on youth unemployment; COM (2013) 447 final. Brussels, 19. 06. 2013, p. 7

- In Portugal, the “Impulso Jovem” initiative has entailed a comprehensive reprogramming of EU structural funds and will benefit 90,000 young people and support 4,500 SMEs by the end of 2015. For example, EUR 143 million of EU funding has been reallocated to finance measures that include traineeships in key economic sectors, as well as support for the contracting of people aged 18–30 years old via reimbursement of employers' social security contributions.
- In Spain, over EUR 286 million in ESF funding has been reallocated to actions related to youth. Actions implemented so far include workshop schools and employment workshops, with about 9,500 young participants. Subsidies in the form of reductions in social security contributions for companies recruiting young people have been implemented for 142,000 young people. The new Entrepreneurship and Youth Employment Strategy set out 100 further measures to combat youth unemployment. EUR 3.485 billion has been earmarked for these actions, some of which will be co-funded by the ESF. Several specific measures are being funded by the ERDF in regions where the youth unemployment rates are highest.
- In Italy, as part of the Cohesion Action Plan, EUR 1.4 billion has been allocated to actions aimed at young people, including a Youth Employment Plan in Sicily worth EUR 452 million, education activities for 65,300 students from southern regions and 13,000 new mobility scholarships. In the second phase, a further EUR 620 million has been dedicated to new actions supporting young people and NEETs, including child care, support for entrepreneurship and combating early school leaving. The ESF will also co-finance actions to support apprenticeship schemes (EUR 100 million) and to provide guidance and placement for pupils and young graduates (EUR 36 million).

7. “Erasmus Plus” programme

The “Erasmus Plus” programme includes, in particular the “Leonardo Da Vinci” sub-programme for vocational education and training, which has allowed 225,000 higher education students to take advantage of work-based training in another Member State, and 500,000 students worked as apprentices. Under the next Financial Framework, as part of the “Erasmus Plus” programme proposed by the Commission, support for mobility will be increased significantly to help almost 5 million young people in total, including over 700,000 VET placements.

CHAPTER IV

BEST PRACTICES FOR INCLUSION AND INTEGRATION OF YOUNG PEOPLE IN THE LABOUR MARKET IN SELECTED EUROPEAN UNION MEMBER STATES ON THE MACRO LEVEL (PUBLIC POLICIES)

In this chapter, examples of actions will be presented, taken by public authorities to promote inclusion and integration of young people in the labour market. The five Member States in focus are: Austria, Finland, Lithuania, Poland and Italy. The best practices selected for the purpose of this report include above all legal acts (acts and secondary legislation), as well as public programmes intended to strengthen young people's position in the process of entering the labour market, as well as remaining and improving their position in it. What these practices have in common is that they have been adopted quite recently and fit in the context defined in the European Youth Guarantee and the European Framework of Actions on Youth Employment.

Austria

Austria is a country boasting impressive achievements in effective inclusion of young people in the labour market, as evidenced by three indices of relevance for this report: unemployment rate, employment rate and percentage of NEETs. By implementing specific measures (e.g. reducing the length of working time), the Austrian government managed to significantly reduce the effects of the economic and financial crisis in Austria; the country is not facing the problem of excessive public debt. Moreover, in common with Germany, the country has an extensive and efficient dual education system, allowing students to combine school education with vocational training. Thus, the acute problem that so many other EU Member States are finding difficult to solve – namely, smooth transition from education into work – does not provide a cause for worry to the Austrian society. A prototype Youth Guarantee, i.e. a Training Guarantee was introduced in Austria several years before the establishment of the Youth Guarantee by the EU.

The two case studies below illustrate the Austrian version of the Youth Guarantee and Youth Coaching.

Youth Guarantee

Austria introduced Youth Guarantee in 2008 in the form of a Training Guarantee (*Ausbildungsgarantie*)⁴⁸, whose purpose was to give all young people the opportunity to complete vocational training. One should bear in mind that the Austrian education system is highly effective due to the deeply-rooted dual education model (the share of NEETs is below 7% and only 5% in the age bracket up to 19 years of age), so the Training Guarantee was only supposed to tighten it. The Training Guarantee was the basis for the development of a comprehensive system of institutions and programmes aimed at retaining and attracting young people back to the education system and labour market. In 2013, after the adoption of the Youth Guarantee by the EU, an implementation plan was prepared in Austria. In particular, it provides for the following actions:

- **Future for Youth** (*Aktion Zukunft Jugend*): a programme aimed at 19–24-year-olds offering the possibilities receiving work assignments and career guidance from public employment services, retraining, development of professional qualifications or obtaining subsidised employment – each of these instruments should be activated for a particular person within three months.
- **Training guarantee** (*Ausbildungsgarantie*): on this basis all young people below 18 and socially impaired, experiencing learning difficulties, leaving school early, as well as young adults (18–24) are entitled to receive a work assignment for the purpose of apprenticeship in a supra-enterprise vocational training centre (*Überbetriebliche Ausbildungseinrichtung*). If a person cannot commence apprenticeship in an enterprise, they can apply to the supra-enterprise centre, in which they receive similar training to that offered by undertakings, in terms of form and final exam. In December 2013 ca. 9,000 learners (7,6% of the total number of young people being trained in this method) were doing an apprenticeship in supra-enterprise centres.
- **Youth Coaching** (*Jugendcoaching*): the purpose of Youth Coaching is to provide support for young people experiencing difficulties in continuing education, particularly in choosing their education pathways, or those who have left the education system or labour market. It will be discussed in more detail in a separate section.
- **Coaching for Apprentices** (*Coaching für Lehrlinge und Lehrbetriebe*) – apprentices and their employers may apply for additional coaching to receive advice during on-the-job training. The purpose of this programme is to minimise the risk of students discontinuing their apprenticeship. Qualified coaches are provided to interview problem apprentices and

⁴⁸ Although a more literal translation of the term *Ausbildungsgarantie* would be “Education Guarantee”, official English-language versions published by Austrian institutions use the term “Training Guarantee”.

help them select additional classes and prepare for the final exams. In addition to coaching for apprentices, there is a wide range of subsidised preparatory and advanced courses available, run by training companies.

- **Fit for Education and Training** (*AusbildungsFit*): since many young people lack basic qualifications and social skills or experience serious problems (health, financial or family problems) that prevent them from starting regular study or work, they need a dedicated comprehensive and accessible offer of tailor-made instruments leading to (re-)integration of young people in the education system and labour market. *AusbildungsFit* consists of traineeships, educational care, teaching basic knowledge and skills through creative work, sport and other educational services. In 2013 the pilot scheme included 17 projects in seven Austrian states. The scheme is to be implemented in the entire country in 2015.
- **Production Schools** (*Produktionsschulen*): a programme aimed at ensuring stability and motivation and provision of specialist knowledge and basic skills. Its primary target group is young people aged 15–19, but it is also available for young people up to 25 years of age who experience difficulties finding a job. The programme consists of training that combines work in workshops, study through creative work, care provided by social workers and career guidance services.
- **Strategy for Youth**: a document intended to serve as a basis for integration of diverse policies and instruments aimed at young people. The strategy identifies eight areas of operation, formulated in line with the “EU Strategy on Youth 2010–2018”, from which three strategic goals arise, the Employment and Education goal being considered the most important in Austria. Specific goals in this respect include: retaining the position in the top three EU Member States with regard to employment of young people aged 15–24; achieving, by 2020, the lowest early leavers rate in the EU; increasing the number of young (below 30) entrepreneurs starting their businesses in Austria.
- The **Strategy Against Early School Leaving** adopted in 2012 is intended to further reduce the scale of early school leaving.
- **Programmes aimed at NEETs** – local projects aimed at young people from the NEETs category.

Youth Coaching (*Jugendcoaching*)

Youth Coaching is an important means of early intervention (preventing young people leaving the education system), as well as activation and (re-)integration (e.g. by providing guidance to young convicts in order to reintroduce them into the education system). It is aimed both at students in their

final years of compulsory education (15+) and at older early leavers (up to 19, and in the case of disabled people – up to 25 years of age). Participation in this programme is free of charge and voluntary. The programme is divided into three stages: 1) **preliminary interview**, intended as a means of providing information to participants and recognising their situation, concluded with a decision as to whether a particular person has special needs which may be satisfied in a later stage of the programme; 2) **guidance**, whereby certain points are settled, such as whether a particular young person wants to and should continue school education or choose vocational training; his work-related interests, any difficulties he is experiencing in study or work; 3) **care**, after working together with the advisor a participant may choose to continue school education; otherwise the advisors put him in touch with the programme's partnership institutions, e.g. public employment services, external career guidance providers, work establishments or vocational training centres so that the participant may gain practical experience at work – this stage may last a maximum of one year and on its completion the participant receives a report with recommendations for the future. Youth Coaching was established on the basis of an earlier programme – *Clearing* – and launched in 2012. In the first year it was run as a pilot programme in two Austrian states (Styria and Vienna). A total of 12,500 people participated in the pilot phase. The results were found to be very promising, with an impressive 85% of participants completing the programme; only 15% discontinued it before completion or setting their individual goals. In 2013 the programme was introduced in the whole Austria, with 35,000 participants planned; the same number of participants was planned for 2014, and EUR 26 million was allocated for this purpose.

Finland

Finland adopted the Youth Guarantee very early – before the turn of the century. It has yielded good results, with an overwhelming majority of unemployed youth receiving offers of employment or continued education. Finland has never provoked the development of deep labour market segmentation with respect to age. The country is experiencing the effects of the 2008+ crisis, but not as acutely as South European states. The education system, although lacking comprehensive solutions enabling dual education similar to those in Austria, places much emphasis on creating further education opportunities, but above all does not place obstacles in the way of school-leavers with diverse education orientation enabling them to continue education (it is possible to go to university after a vocational school).

The two case studies referred to below consist of a Finnish version of the Youth Guarantee (implemented before the adoption of that solution by the EU) and so-called *Sanssi card*, i.e. a form of subsidised employment for unemployed youth (below 30 years of age).

Youth Guarantee

The Youth Guarantee (*Nuorisotakuu*) has been in operation in Finland since 1996. This interministerial programme has an annual budget of EUR 60 million. Under the Guarantee unemployed youth are offered education, vocational education and apprenticeship, training and rehabilitation services. The scheme is highly effective: in 2011 83.5% of young unemployed received a job offer within three months of registration. After the first period of its operation (1996-2005), the second version of the Guarantee was introduced (2005–2012); the most important modification in the current version, introduced in 2013, consists of increasing the upper age limit of people eligible for support to 30. The basic objective is to provide support to young people (up to 25 or 30 years of age – for graduates) for three months from the date of their registration as unemployed. The support includes in particular: a job offer, trial employment, education opportunities, a place in a vocational training or rehabilitation facility. An important feature of the Guarantee is the emphasis on continued education of young adults (25–29 years) who completed only primary education (this category encompassed more than 100,000 people, according to the findings of the working group preparing the assumptions of the new Guarantee). The entities responsible for the implementation of Guarantee provisions are a network of public and non-public institutions and organisations (including NGOs) as well as employers – with respect to jobs. The main hubs of this network are public employment services.

The Guarantee applies to three main areas of operation:

1. Education (so-called Education Guarantee)

The entity responsible for this area is the Ministry of Education and Culture. The main objective is to achieve a situation where everyone who completes primary education in 2013 and later years will continue education in a secondary school, in the form of apprenticeship, vocational training, youth training institutions or social rehabilitation institutions. An additional goal is to create opportunities for young people who have not completed secondary education to receive vocational training. A special training programme for 2013–2016 has been developed for this purpose. In particular, these goals are planned to be achieved through: development of vocational education (particularly in regions with a lower proportion of young people attending vocational schools); establishing preferences in the process of recruitment to vocational schools (IVT level)⁴⁹ for candidates who

⁴⁹ Initial Vocational Training

have only completed primary education; offering a wider range of vocational training opportunities (*inter alia* through an increased scale of training subsidies to encourage employers to take on more apprentices – at present they receive EUR 800, 500 and 300 per apprentice per month in the first, second and third year of apprenticeship, respectively); including young immigrants (children of immigrants) in special educational activities aimed at improving their academic knowledge and language skills (paid for with education vouchers); a bridging training programme enabling young people below 30 (who completed only primary school education, at best) who are not eligible for other instruments included in the Youth Guarantee to gain vocational qualifications (by completing secondary education or vocational training).

2. *Labour market*

The Ministry of Employment and Economy is responsible for this area. The target group consists of unemployed young people below 25 years of age and those aged 25–29 who recently received a vocational school certificate or university diploma. The procedures for the two subgroups differ slightly: younger ones (with a secondary school-leaving certificate) are encouraged to continue studying and older ones are assisted in finding a job. The two basic instruments available in this area are the “Sanssi” card (described in detail in the section below) and individual employment plans prepared for unemployed youth by employment services. Individual employment plans are developed once a profile of the unemployed person's education and training needs is created, which ought to be done immediately after their registration as unemployed. If a particular person have not completed vocational training, the first step is to prepare an offer of such training. The offer may include such options as employment for a trial period, coaching, career planning and career guidance.

3. *Youth*

The entity responsible for this area is the Ministry of Education and Culture. “Soft” measures are recommended for this area, intended to improve young people's social skills and creating a cultural base at individual level, which will enable a particular person to attend school or acquire vocational qualifications. The basic idea is to establish contact with young people from the high risk group with respect to their future in the education system. This is made possible through the “youth outreach” measure implemented by local authorities, involving personal contact with young people from the NEETs category. Another measure is the “workshops for youth”, accessible through employment services, NGOs or advisors involved in the “youth outreach” measure.

The *Sanssi* Card (“Chance”)

The *Sanssi* Card (Chance), one of the elements of the Youth Guarantee, is a form of employment subsidising. Because of the specific nature of this activation instrument, combining incentives for employers and employees, it should be discussed in more detail. The Card is a relatively new instrument, introduced in May 2010.

People below 30 who recently (in the last 12 months) completed formal education can collect such a card from employment services and present it to a potential employer. On the basis of the card, the employer can apply for a subsidy on the owner's remuneration of up to EUR 700 a month for a period of up to 10 months with the exception of apprenticeship, in which case the employer is eligible for subsidy throughout the apprenticeship period. In the initial stage of this scheme (2010–2013) the maximum amount of subsidy was EUR 650. The subsidy is available both in the case of full-time employment and part-time employment (for calculation purposes, the full amount of subsidy can be received if a particular person is employed for at least 85% of average working time in a particular sector of the economy), with the amount of subsidy calculated on pro rata basis. The employment contract must be concluded for a definite period of time and the amount of wages should be in accordance with the provisions of a relevant collective labour agreement. The wage subsidy scheme is addressed to a wide group of employers: enterprises, associations, foundations and local government bodies.

Official data show that the *Sanssi* Card scheme is quite effective: between mid-2010 and the beginning of 2012 it was issued to ca. 24,000 young people (more than 14,000 men and nearly 10,000 women), more than 5,000 of whom (22%) found employment (more than 3,000 men and more than 2,000 women – 22% and 23% of card holders, respectively).

This relatively new activation instrument has met with a positive reception from its target groups: according to a 2012 survey, 75% of employers receiving wage subsidies on the basis of the card and 60% of card holders were satisfied with the scheme.

Lithuania

Lithuania is a country that has been hit very hard by the 2008+ crisis. What is more, after its EU accession, Lithuania suffered the effects of a great wave of emigration to the EU-15 countries. When it comes to statistical data, the situation of young Lithuanians in terms of employment and labour market is similar to the circumstances of their Polish peers.

The two case studies presented below are connected with the Lithuanian Job Fair institution: first the Youth Employment Centre is presented, a chain of facilities providing public employment services and career guidance; the second case is a project titled “Self-Confidence”, receiving support from EU structural funds, aimed at young people from the NEETs category.

Youth Employment Centre

The Youth Employment Centre is an entity existing since 1999 as part of the Lithuanian Job Fair, an institution within the structures of Lithuanian public employment services. Today there are 23 local branches of the Centre. Its mission is to provide assistance to young people (up to 29 years of age) in entering the labour market through the development of skills necessary in order to compete in the market and through motivating youth to undertake further study.

In particular, the Centres' activities include: informing and advising young job seekers; explaining the specific nature of different jobs to young people; organising information events and training sessions, assisting in the preparation for job interviews, guidance with respect to self-presentation to potential employers; motivating young people to look for employment and promoting entrepreneurship. The centres organise job fairs and act as intermediaries matching job seekers with recruiting employers, also with the use of the Talent Bank Internet platform⁵⁰. The Bank is a database where job seekers can register and where employers post job advertisements. On the technical side, the Centres provide free Internet access to the interested parties to enable them to look for job offers, job descriptions and related information, vocational aptitude tests, terms of university courses and assistance in the preparation of documents such as CVs and motivation letters.

According to 2013 data, the Centres served nearly 145,000 clients, with more than 50,000 young people taking advantage of the opportunity to look for employment unaided, using the technical means provided by the Centres⁵¹.

“Self-Confidence” Project

In autumn 2013 the Lithuanian Job Fair launched a project receiving support from the European Social Fund, titled “Self-Confidence” (*Pasitikėk savimi*)⁵². The project will be run for nearly two years in 15 cities in the whole country by the Job Fair head office and its regional branches in

⁵⁰ http://www.ldb.lt/jaunimui/ieskantiems/Puslapiai/talentu_bankas.aspx

⁵¹ <http://www.ldb.lt/jaunimui/apie/Ataskaitos/2013%20m.%20JDC%20veiklos%20ataskaita.pdf>

⁵² http://www.ldb.lt/Informacija/ESParama/Puslapiai/esf_pasitikek_savimi.aspx

conjunction with 32 NGOs. It is aimed at supporting youth integration in the labour market and reinforcing the education system with respect to providing social rehabilitation and employment preparation services. The project's target group consists of nearly 2,000 young people aged between 16 and 25 who are not working, studying or participating in active labour market policy programmes (i.e. NEETs). The programme focuses on social rehabilitation and aims at equipping the participants in basic cultural competences and skills necessary for independent functioning and mobility in the labour market. Its purpose is to enable NEETs to enter the labour market, prepare them for learning a profession and/or obtaining employment.

Poland

Poland is a country that does not follow the usual patterns. On the one hand, it is the only country that has avoided recession since 2008; it also keeps problems with public finances under control. On the other hand, the condition of the job market leaves much to be desired and the situation of young people in it is far from comfortable. Between 1 and 2 million Polish citizens have left the country since 2004. There is a considerable labour market segmentation with respect to age as well as employment precarisation, usually experienced by young people. Furthermore, dual education has survived there only in vestigial form.

The two case studies presented below are the amended Act on employment promotion of 2014 and the programme “First Business – Support for Start”, offering assistance in starting a business.

Amended Act on employment promotion and labour market institutions

In 2014 the Act on employment promotion and labour market institutions was amended⁵³; some of the changes had already taken effect as at the end of August 2014. The amendment is considered to be one of the most radical employment service reforms in the last decades. It is intended to enhance allocation of jobs via employment offices chiefly by imposing the requirement of personalised approach to job seekers. Nevertheless, the changes are multidimensional and numerous, transferring the assumptions of the Youth Guarantee to Polish law. The key changes in the Act that relate to promotion of youth employment involve separation of a category of unemployed below 30 years of age. Pursuant to the newly introduced provisions, unemployed persons may now take advantage of activation instruments such as:

⁵³ Act of 14 March 2014 amending the Act on employment promotion and labour market institutions and certain other acts (Journal of Laws of 2014, item 598).

Training voucher – issued at the request of an unemployed person by a District Employment Office (PUP) – guarantees that the holder will be able to participate in the training programme he chooses and that the costs incurred in connection with the training will be reimbursed. The training programme must be approved as relevant in the individual action plan prepared by an advisor in cooperation with the unemployed person. Approval is granted if the training is necessary for the unemployed person to find employment, another form of paid work or to start a business. The training courses eligible for financing (co-financing) using the training voucher include vocational courses and courses providing professional qualifications. The voucher is used as a means of reimbursement for the training and other training-related costs: the necessary medical or psychological examination, travel and accommodation, if necessary. The voucher may have a face value of up to 100% of the average salary, i.e. PLN 3740 (2nd quarter of 2014). The upper limit on flat travel and accommodation rates has also been specified. For travel, it is PLN 150 for training courses of up to 150 hours' duration and PLN 200 for longer training courses. For accommodation, it is PLN 550 for training courses shorter than 75 hours, 1100 for training courses between 75 and 150 hours and PLN 1500 for training courses longer than 150 hours. In addition, during the training course an unemployed person is entitled to a monthly training allowance financed from the Labour Fund, amounting to 120% of the unemployment benefit amount if the number of training course hours is at least 150 a month. If the number of hours is lower, the allowance is calculated on pro rata basis, but may never be lower than 20% of the unemployment benefit amount. The allowance may not be combined with unemployment benefit (an unemployed person may choose between the two) or with another similar allowance or benefit at least equal to the value of training allowance.

Traineeship voucher – issued at an unemployed person's request by a District Employment Office (PUP) on behalf of the Staroste – guarantees that the holder will be able to do traineeship at the establishment he chooses for a period of 6 months if the employer undertakes to employ the unemployed person for a period of 6 months on completion of traineeship. The traineeship must be approved as relevant in the individual action plan prepared by an advisor in cooperation with the unemployed person. The expiry date of the traineeship voucher is determined by PUP, acting on behalf of the Staroste. Employers who employ an unemployed person for the declared period of 6 months are entitled to a PLN 1,500 bonus. The traineeship voucher is used to pay for the travel to and from the traineeship location (lump sum of PLN 600, paid to the unemployed person in monthly instalments of up to PLN 100) and the necessary medical or psychological examination.

Employment voucher – issued at an unemployed person's request by a District Employment Office (PUP) on behalf of the Staroste – a guarantee of partial reimbursement of the costs of wages and

social insurance contributions incurred in connection with employment of the unemployed person to whom the voucher was issued. PUP awards the voucher on the basis of an individual action plan prepared by an advisor in cooperation with the unemployed person. The expiry date of the employment voucher is determined by PUP, acting on behalf of the Staroste. In order to redeem the voucher, an employer must first enter into an agreement with the Staroste. An employer receiving reimbursement of costs on the basis of the employment voucher is required to employ the unemployed person for 18 months. The amount of reimbursement, equal to the amount of unemployment benefit, is paid for a period of one year, following which the employer is required to continue to employ a particular person for another 6 months. If the employer fails to fulfil the conditions related to the employment period, he is required to return the entire amount of subsidy with interest if a particular person is dismissed within a year, or an amount proportional to the remaining required period of employment if the person is dismissed after a period between one year and 18 months. If the employment contract is terminated by the unemployed person, or through his fault (under Article 52 of the Labour Code) or the employment relationship expires, the employer is not required to return the amount of reimbursement already received.

Settlement voucher – awarded by the Staroste to an unemployed person who takes up employment, other form of paid work or starts a business outside of his previous place of residence provided that his income from these activities is at least equal to minimum wages and that he covered under the social insurance scheme. Furthermore, the distance between his previous place of residence and the new one must be at least 80 km or the combined time of journey to work and back to the previous place of residence using means of public transport must exceed 3 hours daily. An additional condition is that a particular person must remain in employment, continue performing another type of paid work or carry on economic activity for at least 6 months. A settlement voucher may have a value equal to two months' average wages and must be used to cover the cost of accommodation (in practice, the rent for a flat or room).

Exemption from payment of Labour Fund and Guaranteed Employee Benefits Fund contributions for hired unemployed persons below 30 years of age.

Another activation instrument introduced by the amended Act and aimed at young people is the possibility of exempting employers from the payment of Labour Fund and Guaranteed Employee Benefits Fund contributions for hired unemployed persons below 30, referred by an employment office. Such an exemption may be granted for a period of 12 months provided that the employers

enters into a contract of employment with a particular unemployed person. This solution is based on the option introduced earlier, of exemption from contributions for persons aged 50+.

National Training Fund

The amended Act also established the National Training Fund (KFS). KFS consists of Labour Fund resources earmarked for the implementation of measures involving further education of employees and employers. PUPs may allocate KFS funds to activities such as postgraduate courses and studies done on the initiative or upon approval of an employer; exams leading to the award of documents certifying the candidate's skills or qualifications; medical or psychological examination required to commence education or work on completion of education; personal accidents insurance in connection with the education commenced. However, KFS support for people below 45 years of age will not be available until 2016.

“First Business – Support for Start”

A different type of support instrument is the “First Business – Support for Start” scheme⁵⁴, launched jointly by the Ministry of Labour and Social Policy (MPiPS) and Bank Gospodarstwa Krajowego (BGK) in 2013. The scheme is intended to promote entrepreneurship and support young people in starting their own business. In 2014 the pilot phase of the scheme was initiated in Małopolskie, Świętokrzyskie and Mazowieckie provinces, which is planned to cover ca. 350 people; beginning from October, the scheme will be extended to include the entire country. Loans in the amount of PLN 60,000 for setting up a business are available to unemployed graduates who are not performing any other type of paid work (including economic activity – for at least a year), within 4 years of graduation, as well as students in their final year of graduate and postgraduate courses (applications are submitted by individuals, so the funds can be multiplied if two or more people want to set up a joint business). The interest rate of the loan is a quarter of the National Bank of Poland's rediscount rate (0.69% per annum). The loan is secured on a blank promissory note guaranteed by at least one natural person. The repayment period is up to seven years; the borrower has the option of a year's delay before starting principal repayments. Additionally, as part of the scheme, it is possible to obtain a loan of a maximum of PLN 20,000 for hiring an unemployed person referred by an employment office. Part of the loan may be written off provided that the job created for the unemployed person is maintained for at least a year.

⁵⁴ Further information on the scheme: <http://www.wsparciewstarcie.info/>

Italy

Italy is among the countries most severely affected by the 2008+ economic crisis, which had alarming proportions in all its aspects (the initial financial crisis, economic recession and later debt crisis). In the context of young people's problems with employment, the crisis not so much caused as exposed issues with a long history. In common with other South European member states, Italy had long been experiencing deep labour market segmentation, above all with respect to age. Not only were young people at risk of becoming trapped for good in the secondary segment of labour market but they also had very limited vocational training opportunities, also at secondary school level. Besides, a large proportion of young people were attracted by universities offering courses that did not match labour market needs. These resulted in record unemployment rates as well as mass migration of young Italians to other European countries offering better employment opportunities. The two case studies presented below are the legislative proposals of Mario Monti's government (2011–2013), aimed at improving the position of young people in the labour market.

The Monti-Fornero Act

Act No. 92/2012 of 28 June 2012 (so-called Monti-Fornero Act, named after the then Prime Minister and Minister of Labour) contains regulations whose purpose is to improve young people's chances of entering the labour market. The intention behind the new regulations is to combat segmentation of the Italian labour market, which is permanently divided into employees enjoying stable employment conditions and people in precarious employment, particularly young ones. One of the focal points of the Act is apprenticeship, identified as the preferred method of young peoples entry into the labour market. The minimum duration of apprenticeship is six months. Since 01 January 2013, the ratio of apprentices (taken on for apprenticeship directly or on the basis of a contract for an indefinite period with an employment agency) to qualified employees is 3:2 for companies employing more than 10 people and 1:1 for enterprises employing fewer than 10 people. In the case of companies employing more than 10 people, new apprentices may be taken on only if the company employs 50% of the apprentices previously taken on (whose apprenticeship ended during the previous 36 months); this percentage is reduced to 30% for enterprises existing for less than three years; if this condition is not fulfilled, the apprentices are regarded as workers employed under an employment contract for a definite period of time.

Decree No. 76 of 28 June 2013 – “Initial urgent measures for youth employment promotion, improving social cohesion, on VAT and other taxes”.

The Decree (amended on 09 August 2013) is intended as implementation of the provisions of the Youth Guarantee.

1. In particular, its purpose is to encourage employers to provide permanent employment to people aged 18–29 meeting the following conditions:

- a) they have not had permanent employment for at least six months;
- b) they have not completed secondary education;
- c) they live alone and are a legal guardian of at least one person.

2. Hiring of such a person must result in an increased employment level in a particular establishment.

3. A subsidy equal to a third of the monthly wages is awarded for such an employee, but only in the form of refund of social insurance contributions for a period of 18 months. The amount of subsidy may not exceed EUR 650 per month.

4. The subsidies may be paid for a period of 12 months, also if a contract of employment for a definite period of time is converted into a contract for an indefinite period. However, in this situation it is necessary to hire another employee, also meeting the conditions listed above (see point 1) in order to fulfil the requirement related to an increased employment level in a particular establishment. What is noteworthy, the law does not specify whether the new employee should be hired for an indefinite period or may be employed under a contract for a definite period of time.

CHAPTER V

BEST PRACTICES FOR INCLUSION AND INTEGRATION OF YOUNG PEOPLE IN THE LABOUR MARKET IN SELECTED EUROPEAN UNION MEMBER STATES: THE MICRO LEVEL (ENTERPRISE)

This chapter presents examples of measures undertaken by enterprises to improve youth inclusion and integration in the labour market. As in Chapter IV, the focus is on five EU Member States: Austria, Finland, Lithuania, Poland and Italy. Although the “best practices” selected for the purpose of this report are of diverse nature, their common feature is the intention to facilitate young people's entry into the labour market, and particularly successful transition from education to employment.

Case 1 (Austria) Machine and Metal Industry Association (*Fachverband für die Maschinen und Meterallwarenindustrie*)

The case described here is quite special as it does not relate to a single company but a network of enterprises, together forming the Machine and Metal Industry Association (*Fachverband für die Maschinen und Meterallwarenindustrie*), with ca. 120,000 employees and 6,000 apprentices. The member enterprises introduced a rule pursuant to which the costs of boarding house accommodation of apprentices are covered in full by their employers. This is a major improvement for apprentices because it is a regular practice in Austria that apprentices staying in boarding houses pay for their accommodation individually, up to the full amount of their wages (they are paid for the work performed during apprenticeship) and their employer covers the difference, if any. For example, if an apprentice earns EUR 600 and the charge for accommodation is EUR 1000, his employer pays the remaining EUR 400. In contrast, boarding house charges for the apprentices working in the companies forming the Association are fully covered by the employers. This rule has been permanently included in the industry collective labour agreement, to which the Association is a party. The burden of boarding house charges is borne in full by the enterprises because no public funds are allocated for this purpose.

Case 2 (Austria) the City of Vienna

The case presented below is not typical, either, because it related to a whole range of measures undertaken by a local government unit – the City of Vienna – rather than a single measure of programme. Vienna is a remarkable economic phenomenon compared with the rest of the country: it is here that nearly a quarter of all employment relationships are established and where a quarter of the entire Austrian GDP is generated. The City of Vienna is responsible for the education of more

than 5,000 young people. The city itself offers ca. 700 vocational training places, with 500 students receiving training in its subsidiaries, public utilities and the holding company. As well as that, Vienna and the Austrian government co-financed 4,000 such places via multi-enterprise activities in the labour market. Since the introduction of this form of vocational education in 1964 more than 10,000 students have completed their apprenticeships in municipal institutions⁵⁵.

- Viennese Education Guarantee

The Guarantee is a scheme that has been providing opportunities for youth in the Viennese labour market since 2010. It comprises everything that may help young people acquire education extending beyond the compulsory scope. The target group includes all young people in Vienna who have completed compulsory education (14–15 years) up to their 21st birthday.

A variety of institutions cooperate in the scheme, offering education, information and guidance or supervision over young people. These are, namely: the Viennese education authority, Employment Office services, Employee Support Fund, Department MA 13 – Education and non-school youth care institutions, as well as the social partners.

The most important points of the Guarantee:

School: 57.3% of young people in Vienna continue learning on completion of the compulsory education. Schools wish to facilitate this transition to the next level of education and reduce the number of students who discontinue learning, particularly with respect to vocational education.

Transition from education to work – coaching for youth on all levels, provided by the Viennese Social Affairs Office (as directed by the federal Ministry of Labour, Social Affairs and Consumer Protection), facilitating the transition from education to work. These activities start at school, where, in cooperation with students, an outline of a further education plan is created, matching their interests and skills, and young people are accompanied and supported in their work towards achieving their objectives. Initially launched as a pilot project, coaching for youth is now available in all Viennese schools as part of the compulsory phase of education and, in many schools, at its further stage.

The City of Vienna also looks after young people who have already left school but still have not reached the labour market. In cooperation with the City's public services for youth, these young people have the opportunity to identify their strengths and interests in a special laboratory, as part of a three-month programme. Such youth need stabilisation to enable

⁵⁵ <https://www.wien.gv.at/verwaltung/personal/lehrlinge/ausbildung.html>

them to either resume study or start working. They are also supported in choosing a job (career guidance) and catching up with schoolwork. Through this practical approach they are prepared for education.

Enterprise and multi-enterprise apprenticeship: 33% of young people go to vocational schools on completion of compulsory education. The number of places in company-based schools in Vienna is constant, which indicates a stagnation in this respect. Apprenticeship in an enterprise is facilitated by special consultants, institutions supporting students as well as coaching.

Young people who failed to secure regular apprenticeship with a company have the opportunity to start vocational training as part of a multi-enterprise scheme (financed, [amongst others](#), by the Viennese Employment Office).

The primary objective is to ensure that young people unable to find apprenticeship opportunities in a company can start training and then, as far as possible, become transferred to a work establishment. Of course, the entire training may also be done as part of such a multi-enterprise scheme.

Employment Office activities: as well as that, Employment Office services offer courses aimed at all unemployed young people. These include courses helping to find employment and crash vocational courses. There are also special programmes preparing girls or young women for technical occupations.

“Phone a Friend” is a special free and anonymous helpline on telephone number 0800/202022, providing information on the offer of programmes supporting candidates in finding apprenticeship or employment (www.kuemmer-nummer.at) and referring them to appropriate institutions. This way, young people and their parents/family can easily obtain information enabling them to secure an apprenticeship or a job.

Case 3 (Finland): K-Group (Kesko)

A leading Finnish retail chain Kesko (and its subsidiaries, jointly forming a corporate group called K-Group) distributes food, household articles, building and home decoration materials, cars and mechanical equipment. Kesko owns ca. 2,000 stores in Finland, Sweden, Norway, Estonia, Latvia, Russia and Belarus. In 2013 the group's sales exceeded EUR 9.3 billion. The employment levels are ca. 20,000 in Kesko and 45,000 in K-Group.

At the beginning of 2013 the Management Board of Kesko allocated EUR 100,000 for launching a job creation programme for people from the Youth Guarantee target group. The programme's objective was to employ 1,000 young people by the end of 2014. However, this objective was already achieved in the first six months of the year: in early June the enterprise informed that 1188 young people had been employed⁵⁶. The programme is based on cooperation between the enterprise and employment offices. A special representative for contact with Kesko has been appointed by the employment offices, assisting the company in selecting suitable candidates from the registered unemployed. A considerable proportion of the newly-hired employees from the Youth Guarantee target group have the *Sanssi* Card, so their wages are subsidised from public resources.

Case 4 (Poland) Kompania Węglowa S.A.

Kompania Węglowa S.A. is the largest coal-mining enterprise in Europe, employing ca. 60,000 people. Kompania Węglowa comprises 15 mines and 5 facilities; the productive capacity of the mines is ca. 40 million tonnes per year. Established in 2003, Kompania Węglowa is a company wholly owned by the State Treasury. The company has been experiencing serious economic problems in recent years, which may adversely affect its dual education development policy, to which Kompania Węglowa is committed. In view of the vocational education crisis in Poland and dwindling supply of basic and secondary vocational school-leavers trained in jobs necessary for underground mining work, causing increasing problems with the replenishment of human capital, the enterprise started cooperation with local governments of Silesian cities and neighbouring regions, in particular, mayors of Rybnik, Żory, Tychy, Gliwice, Zabrze, Ruda Śląska and Bytom; starostes of the districts of Wodzisław, Bieruń-Lędziny, Oświęcim, Mikołów and Tarnogóra, as well as the voiv of Chełm Śląski commune. Under the agreements concluded, 18 educational facilities under the auspices of Kompania Węglowa (secondary and basic vocational schools) provide mining-related training to young people. Pursuant to the agreements, the local governments, as bodies in charge of the schools located in their respective areas, are obliged to maintain the classes where young people are trained in specific mining jobs and Kompania Węglowa S.A. ensures employment of the students who complete their training. Some of the jobs taught to the students in the classes covered by the agreements are: underground mining technician, electrician – specialist in underground mining machine and electrical equipment operation, mechanic – specialist in underground mining machine and electrical equipment operation, mechatronics technician –

⁵⁶ [http://www.kesko.fi/en/Media/Releases/Press-releases/2014/Youth-Guarantee-in-the-K-Group-programme-exceeds-expectations--As-many-as-1200-youths-have-found-employment-in-the-K-Group-with-the-help-of-the-Youth-Guarantee-/](http://www.kesko.fi/en/Media/Releases/Press-releases/2014/Youth-Guarantee-in-the-K-Group-programme-exceeds-expectations--As-many-as-1200-youths-have-found-employment-in-the-K-Group-with-the-help-of-the-Youth-Guarantee/)

specialist in mining automation, underground miner, electrician – specialist in underground mining machines and electrical equipment, fitter and mechanic – machine and equipment installer.

Kompania Węglowa wishes to acquire employees for underground work, so in view of the working conditions and health and safety regulations, their offer is aimed at male school-leavers who completed lower secondary education. Under the cooperation agreements, Kompania Węglowa S.A. guarantees employment to students who complete training in schools under its auspices. The school-leavers are employed by Company branches according to the current demand. A school-leaver may be employed once he fulfils certain conditions, i.e. acquires the necessary qualifications during the training (passes vocational qualification exams) and produces a medical certificate stating his fitness for underground work. Kompania Węglowa also provides underground apprenticeship opportunities at its own cost. Moreover, the Company supports the partner schools in the teaching process by purchasing specialist textbooks and publications and assisting in organisation of workshops.

The cooperation between Kompania Węglowa S.A. and selected education facilities has continued since 2006. The last round of recruitment to basic and secondary vocational schools took place in September 2013. The 1266 school-leavers who started education at that time are due to complete the training in 2016 and 2017.

Moreover, other measures aimed at youth employment include agreements with students doing postgraduate courses at technical universities in mining-related subjects, in line with the Company's demand. These agreements guarantee employment in Kompania Węglowa branches once students complete their course and obtain Master's degrees.

The economic difficulties currently experienced by Kompania Węglowa constitute a cause for deep concern about the future of the enterprise, particularly with respect to employment. There is a possibility that restructuring measures which may result in reduced employment levels will constitute an obstacle for the employment of the school-leavers participating in the scheme.

Case 5 (Poland) “MOS-t w przyszłość” (Bridge to the Future)

In the framework of Human Capital Operational Programme (Priority VI: Labour market open for all; 6.4: Innovative activities) the project titled “MOS-t w przyszłość (Bridge to the Future). Developing new forms of vocational activation for Youth Socioterapy Centre pupils” was run

between 01 April 2011 to 30 September 2013. The project was implemented by the Youth Sociotherapy Centre in Ustka in partnership with the Central Pomeranian Chamber of Trade and Entrepreneurship in Słupsk.

Youth Sociotherapy Centres (MOS) are public rehabilitation institutions (supervised by local governments), assisting young people aged 12+ who need special educational measures and teaching methods for various reasons (developmental disorders, learning difficulties, family or environmental problems). A young person is admitted to MOS at the parents' request or on the basis of a decision issued by a family court and usually stays there till the age of 18 (the upper age limit is 21, for pupils due to finish lower secondary school). The charges stay in the centre all day but may receive visits and leave the centre temporarily.

The project measures were addressed to pupils in the last (third) year of lower secondary school at the Youth Sociotherapy Centre (MOS) and pupils about to turn 18 (when compulsory education ends). The primary motivation behind the project in this area was the awareness of the severe difficulties encountered by MOS charges in entering the labour market. These attempts are mostly unsuccessful, which, in many cases, may be explained by insufficient knowledge and qualifications of MOS-leavers, as well as their lack of social skills.

The primary objective of the project was to “develop tools that will enable MOS-leavers to enter the labour market and choose an alternative life path” (information provided by the project partner). These tools are supposed to serve both MOS centres and organisations of employers providing vocational training, i.e. above all, craftsmen.

The measures were grouped into two programmes: “Life Alternatives Training” and “Vocational Training with Preparation for Performance of Specific Jobs for Youth Sociotherapy Centres' Pupils”. The first programme related to social rehabilitation and re-integration, and the other involved teaching basic knowledge and skills for selected jobs. The formal objective of the “Vocational Training” programme was to achieve Level I qualification as “Assistant” according to the National Qualifications Framework (KRK). To achieve the objective, apprenticeships were organised in selected undertakings. Employers became involved in the project via the partner organisation, i.e. the Chamber.

The “Vocational Training” programme was run between January and June at seven establishments representing five occupations: hair stylist, carpenter, plumber, car mechanic and confectioner. A total of 23 people were recruited for the programme, with 16 of them completing the “MOS-t” programme. One of the participants was not allowed to sit the exam. A total of 15 people passed the exam, acquiring the “Assistant” qualification.

Case 6 (Italy) Finmeccanica

Finmeccanica Group is an Italian enterprise, highly active in the area of vocational training and development of solutions facilitating youth transition from education into the labour market and helping employers to replenish human potential. *Finmeccanica* is a corporate group comprising a variety of industrial enterprises representing the munitions industry and the high technology sector⁵⁷. The Group, employing nearly 64,000 people in 22 countries, had a turnover of EUR 16 billion in 2013.

One of the most widely discussed examples of business sector initiatives promoting youth employment is a project titled “1000 giovani per Finmeccanica” (A Thousand Youth in Finmeccanica)⁵⁸ launched by the Group in the summer of 2013 and due to be completed by the end of 2014. The idea behind the programme was to attract secondary school leavers and technical university graduates below 30 years of age to work for the Group enterprises. Despite the complex and multi-stage candidate selection process, the programme generated strong interest among the target group. According to the data published by the company, more than 56,000 participated in the recruitment, out of which 1,500 were qualified for participation in the programme. Programme participants are employed in the Group undertakings mostly on the apprenticeship basis, but other forms of employment are also available, pursuant to the provisions of the labour law (Cf. the Monti-Forneto Act).

Although not yet finished, the programme received a lot of publicity in Italy, particularly in the context of launching the Youth Guarantee on 01 May 2014. The Group declares its intention to utilise the project experiences in the development of a model system of cooperation between business and education in order to re-establish the industrial culture in Italy. Directly before the launch of the Youth Guarantee, *Finmeccanica* signed a “Memorandum on the promotion of

⁵⁷ One of the enterprises of the *Finmeccanica* Group is *Agusta Westland*, a manufacturer of helicopters and a shareholder of PZL Świdnik S.A.

⁵⁸ <http://www.finmeccanica.com/en/persona/1000-giovani-finmeccanica>

activities boosting youth employment as part of the implementation of Youth Guarantee in Italy” with the Ministry of Labour, Ministry of Education and the national confederation of employers – *Confindustria*.

CHAPTER VI

YOUTH INCLUSION IN THE LABOUR MARKET AS A WAY OF THEIR INCLUSION IN TRADE UNIONS.

Trade unions are organisations representing collective interest of working people. In the context of the issues discussed in this report, the most fundamental question to ask when engaging in a debate over involving young people in trade union activities and thus the trade unions' ability to reproduce from generation to generation is: How to make workers of the contemporary youth? If they cannot find their own way of attaining a stable position in the labour market and will be left to their own devices, stuck on the periphery of that market, they will have very poor motivation to join trade unions or other organisations representing their collective interests because such people will be unable to define their interests with respect to employment relationships at a level other than individual. Drifting from one temporary occupation to another, such people will be elusive to trade unions, unable to follow them because of the limitations of their organisational structures. Assuming, however, that the current trend of precarisation cannot be reversed, it is appropriate to ask another question: What can trade unions do for young people in precarious employment?

The profile of a person least likely to become a member of trade unions had already been identified before the outset of the global crisis. It was a young woman below 30, employed part-time on the basis of a contract for a definite period of time, working in distribution (sale, hotels and restaurants, transport) and in a micro-enterprise (up to 10 employees)⁵⁹. In other words, the person most difficult for trade unions to attract was a young person (representing the sex traditionally at a disadvantage in the labour market) employed in the service sector and performing precarious work.

Trade unions in Europe, as in all developed countries, are in a crisis. In the long term, trade unions are losing members and union membership levels are dropping, even in countries thought to be trade union strongholds, such as Finland, already discussed in this report. Although the onset of the 2008 crisis stopped the decreasing trends in trade union membership, or even resulted in an upturn, but it is impossible to say whether this is a permanent reversal of a long-term trend or just a temporary adjustment. Trade unions are ageing, which may put at risk their continued existence as older generations leave the labour market, thus also leaving the trade unions. In addition, the high average age of many union members creates a negative unfamiliar image of these organisations in the eyes of young people. It is therefore necessary to update this image, but this requires a change in

⁵⁹ *Industrial Relations in Europe in 2006*, European Commission, Brussels.

the communication strategy, both in terms of form (communication channels for reaching this target group, comprehensible language) and content (issues of vital importance to young people).

Table 14 Trade union membership levels in Europe (%)

Country	2000	2010
France	8.0	7.9
Poland	17.2	14.1
Lithuania	17.3 (2001)	10.0
Spain	16.7	15.6
Estonia	14.9	8.1
Portugal	21.6	19.3
Hungary	19.7 (2001)	12.0 (2009)
Latvia	20.5 (2003)	14.8 (2008)
Bulgaria	27.7	19.8 (2009)
The Czech Republic	27.2	17.3 (2009)
Germany	24.6	18.6
The Netherlands	22.6	19.3
Greece	26.5	24.0 (2008)
Great Britain	30.1	27.1
Slovakia	32.3	16.9
Austria	36.6	28.4
Italy	34.8	35.5
Ireland	37.2	36.6
Romania	45.8 (1998)	32.8 (2008)
Slovenia	41.6	26.3
Luxembourg	43.7 (1998)	37.3 (2008)
Belgium	49.5	50.6
Malta	60.2	50.5
Cyprus	65.5	49.0 (2011)
Denmark	74.2	68.5
Finland	75.0	70.0
Sweden	80.1	68.9

Source: ICTWSS (2014)

Trade unions are not turning a blind eye to these worrying signals and are undertaking initiatives aimed at new employee categories, previously outside the focus of the trade union movement. These categories include young people. In the entire EU, it is possible to identify examples of good practices involving preparation of a trade union offer addressed to young people. These are particularly popular in countries with corporatist work relations, especially in Scandinavia. Trade unions of that region faced the problem of young people “leaking” outside the union domain more than ten years ago. In Sweden, this was brought about, e.g. by the establishment, in late 1990s, of an optional unemployment insurance scheme (*Alfa-kassan*), taking over members of trade union funds, particularly from the category of young people in a precarious employment situation. What the examples given here have in common is the establishment of direct contact with potential members through the presence in schools and universities. In Denmark, the Trade Union of Metal Workers (*Dansk Metal*) and Trade Union of Commerce and Administration Workers (*Handel og Kontorfunktionærernes Forbund*) have special programmes for the recruitment of new members among apprentices and trainees in vocational schools. The situation is similar in Finland, where the Academic Workers' Trade Union Confederation (*Akateemisten Toimihenkilöiden Keskusjärjestö*) pays regular visits to vocational schools and universities. In Norway many trade unions allow student membership and even appoints special “student organisers”. Moreover, Norwegian Confederation of Trade Unions (*Landsorganisasjonen i Norge*) organises an annual event titled Summer Patrol, addressed to young workers. Summer Patrol involves paying visits to work establishments and providing information about workers' rights and the role of trade unions to young people employed in summer jobs. The purpose of this initiative is to monitor working conditions and intervene in case of violations. In all these countries trade unions are proving that it is possible to engage in efforts to counteract the global declining trend in trade union membership⁶⁰.

Furthermore, we must not forget that young people may only be reached via the communication channels that they use on a daily basis. Some interesting ideas based on this assumption may be found e.g. in Ireland, where “Plan Outreach” was developed in 2007 under the aegis of the Irish Congress of Trade Unions (ICTU). It consists of a range of flat-rate Internet and telephone services, believed to be particularly attractive for young and well-educated employees. Dutch trade unions launched services available only via the Internet for the same purpose. In 2006 an independent trade union for specialists and managers *De Unie* started offering a special membership category at a

⁶⁰ R. Pedersini, *Trade union strategies to recruit new groups of workers*, European Foundation for the Improvement of Living and Working Conditions, Dublin 2010, available at: <http://www.eurofound.europa.eu/eiro/studies/tn0901028s/tn0901028s.htm>

greatly discounted fee of EUR 10 for selected internet-based services. This reduced membership fee does not give members access to many traditional services, such as free legal advice in individual work disputes or participation in strike funds. However it entitles members to advice with respect to labour law, training and career development. This scheme constitutes an interactive route enabling recruitment of young people, difficult for trade unions to reach using only traditional methods of acquiring new members. Even if the first attempt is unsuccessful, it increases the chances for future success, as it provides a positive experience for young people in contact with trade unions⁶¹.

Trade unions also reach out to young people via special organisational structures, targeting the young. Such measures have been undertaken in Europe for decades. It was as early as in the 1980s that the General Confederation of Portuguese Workers (*Confederação Geral dos Trabalhadores Portugueses*) established the first special structure (*Interjovem*), targeting minority groups beyond the traditional trade union membership, including the youth. Similar initiatives were undertaken in the Central and Eastern European. The Confederation of Independent Trade Unions in Bulgaria (*Конфедерацията на независимите синдикати в България*) established the “Youth Forum for the 21st Century” in 1999. In Slovenia, the Association of Free Trade Unions of Slovenia (*Zveza svobodnih sindikatov Slovenije*) established youth committees (*Odbori ZA MLADE*) in unionised work establishments through its sectoral organisations, in order to increase young workers' involvement in union activities⁶².

Polish trade unions are also undertaking measures of a similar nature. All three major national union centres (NSZZ “Solidarność”, OPZZ and Forum ZZ) created positions and/or organisational units responsible for matters concerning young people. However, it is certainly a matter of urgency to develop a plan of action on young people as well as with them, to allow them to gain a sense of identity, necessary to encourage them to join trade unions and be active in their structures.

⁶¹ Ibidem.

⁶² Ibidem.

SUMMARY

The purpose of this report is to present the factors of importance for the preparation of measures implementing the European Framework of Actions on Youth Employment. The report consists of six chapters enclosed by an introduction, summary, conclusions and recommendations.

Chapter I contains a synthetic diagnosis of the current situation of young people in the European labour market based above all on Eurostat statistical data. It implies that young people's situation with respect to employment in the EU is quite alarming because of the high unemployment rates both of people up to 24 and up to 30 years of age, assuming a broader definition of youth. Furthermore, young people (both in a broader and narrower sense) are more likely to work in conditions placing them at risk of precarisation, i.e. under a fixed-term contract or part-time. Finally, there is a numerous group of young people referred to as NEETs, i.e. not in employment, education or training. Because of the lack of prospects of entering the labour market and achieving a stable position therein, young people postpone taking on important social roles, above all those connected with setting up their own households, starting a family, having children and contributing to the public social insurance system.

Chapter II is concerned with the “European Framework of Actions on Youth Employment”. European Social Partners took action in line with the political initiatives of EU bodies launched in response to the economic crisis. The context of the Framework adoption is described, in particular the role of economic and cultural factors affecting the position of young people in the labour market. Attention is given to the correlation between workforce skills mismatch, particularly in the case of young people, and unemployment levels in the youngest age brackets of the working age. Further in the chapter, a detailed description of the origin, structure and content of the Framework is provided.

Chapter III presents an overview of actions promoting inclusion and integration of young people in the labour market at European Union level: analysis of documents and data from secondary sources. The most important EU-level initiatives aimed at the youngest age bracket of working age are discussed, including the *Youth Guarantee*, sources of financial support for young people in the framework of the European Social Fund, the *Youth Employment Initiative*, supporting mobility in the EU labour market through EURES, measures related to high quality apprenticeships and traineeships, youth employment action teams and the “Erasmus Plus” programme.

Chapter IV describes best practices for youth inclusion and integration in the labour market in selected European Union Member States on the macro scale, i.e. public policies. Ten examples are discussed of public measures taken in five countries (Austria, Finland, Lithuania, Poland, Italy). These measures are of diverse nature, chiefly consisting of public schemes, but also including legislative actions. The national Austrian and Finnish versions of the Youth Guarantee are presented, both of which were initiated before 2013. The remaining best practices referred to in this chapter are: *Jugendcoaching* (Austria), *Sanssi* card (Finland), Youth Employment Centre (Lithuania), the *Pasitikėk savimi* project (Lithuania), the amended Act on employment promotion and labour market institutions (Poland), the programme titled “First Business – Support for Start” (Poland), the Monti-Fornero Act (Italy) and a decree titled “Initial urgent measures for youth employment promotion, improving social cohesion, on VAT and other taxes” (Italy).

In Chapter V the micro perspective is presented, with analysis of best practices for youth inclusion and integration in the labour market in selected European Union Member States at the enterprise level. Six cases are described, including actions taken both by single employers (institutions) and corporate groups: social support (accommodation allowance) for young people doing apprenticeship in the establishments of Machine and Metal Industry Association members (Austria), measures undertaken by the City of Vienna as an employer providing apprenticeship opportunities for young people in administrative structures and municipal companies (Austria), a programme implemented by the retail chain *Kesko*, employing young people as part of the implementation of the Youth Guarantee (Finland), cooperation between *Kompania Węglowa* and vocational schools for the purpose of providing young workforce with suitable qualifications (Poland), the “MOS-t”, project run by a public educational institution and SME employers, aimed at social rehabilitation of young people and teaching them basic vocational skills (Poland) and finally, a recruitment programme with the aim of providing young people with vocational training, run by a major industrial corporate group in Italy as a flagship initiative in line with the measures implementing the provisions of the Youth Guarantee (launched on 1 May of this year).

In Chapter VI the question is considered how far youth inclusion in the labour market opens the way for their membership in trade unions. The issue of vital importance for the future of trade unions is considered here, i.e. efficient labour market entry and a stable position therein as the necessary condition for young people to be drawn to trade unions.

CONCLUSIONS

Analysis of the materials compiled for the purpose of this report implies that the position of young people in the European labour market is difficult, but also shows that it is more appropriate to consider the *labour markets* (author's emphasis) of the individual Member States rather than a common European market, which leaves much to be desired in terms of internal cohesion. The individual Member States have highly contrasting labour market and educational policies and institutional environments, which is certainly due to disproportions in their economic development, history, industrial relation patterns and, more generally, different models of capitalism that have developed and exist in the individual member States (which is best illustrated by the examples of states analysed in detail with respect to their public policies and practices at micro level). Although these differences are being gradually reduced as a result of mega-trends such as European integration (particularly migration processes) and globalisation, but they are still visible. It is an indisputable fact that the issue of youth inclusion in the labour market is a challenge faced by all EU Member States. However, what the individual countries have in common is the negative experiences rather than the local determinants and ways of dealing with the issue. The countries whose education systems are linked to labour markets via dual education solutions are certainly in a better position. Austria and Finland, both discussed in this report, have dealt with the problem of youth transition from education to employment highly effectively, thanks to the dual education system. At the other end of the spectrum is Italy, affected by deep labour market segmentation with respect to age and suffering the consequences of the collapse of vocational education. The two countries of the Central and Eastern Europe referred to in the report are not experiencing problems of the same scale as in Italy, but their nature in terms of structure is similar in Poland and Lithuania. Without doubt, a challenge shared to a greater or lesser degree by all Member States is skills mismatch. The problem of unemployment (not only of young people) and the closely related issue of employment cannot be approached rationally without developing solutions that link the demand and supply side of the labour market. Otherwise, we will see ineffective allocation of resources on the global level (labour market as such), micro level (employer) and individual level (educated people with knowledge and qualifications that are not in sufficient demand).

The positive experiences from the implementation of the Youth Guarantee in Finland (continuing for more than ten years) show that this method of public policy programming produces positive results. Because of this, the adoption of both the European Youth Guarantee and the European Framework of Actions on Youth Employment are potentially highly significant events. On the

Member State level, measures implementing the European Youth Guarantee have already been undertaken in several countries and national action plans have been adopted by France and Italy. Other measures promoting youth inclusion in the labour market at EU level are also yielding positive effects and still have a great untapped potential.

RECOMMENDATIONS

1. Implementation of Youth Guarantee provisions

In view of the general weakness of the labour market and problems experienced by young people entering it, the most important recommendation is consistent implementation of Youth Guarantee provisions. Positive experiences of countries already using this type of public policy instrument for a long time before its adoption at EU level (Austria, Sweden, Finland) are a strong argument in favour of implementation of solutions supporting people in the youngest age brackets of the working age. In the case of Finland, which has been described and analysed in this report, the actions taken as part of the Guarantee are highly effective: in 2011 83.5% of young unemployed received a job offer within three months of registration. What needs to be stressed, however, is the fact that effective accomplishment of the primary objective of the Guarantee, i.e. ensuring that every young person under the age of 25 years receives an offer of employment, continued education, an apprenticeship or a traineeship within four months of leaving formal education or becoming unemployed, requires more efficient functioning of all competent public administration bodies (particularly employment offices) in countries where the Guarantee has not been implemented before. Operationalisation of the provisions of the Guarantee at national level requires a precise definition of criteria for rating a job offer as “good”. From the viewpoint of Poland, it is necessary to stress the need for better functioning of district employment offices. Implementation of any institutional solutions must be combined with providing appropriate human resources in district employment offices. The number, qualifications and commitment of employment office clerks are key factors in boosting the performance of public employment services. To obtain a clear picture of workforce supply in Poland it is necessary to address the general issue of access to health insurance. Since this benefit is linked to the unemployed status, employment offices also register a number of people only interested in health insurance and not intending to take up legal employment. Another system-related issue is the absence of sufficient Social Partner supervision over the spending of Labour Fund resources. It seems that in order to implement the Youth Guarantee effectively, it is necessary to resolve the system issues existing in public employment services.

2. Development of dual and further education programmes

A review of available statistical data and other sources quoted in this report confirms the popular belief that dual education has a positive effect on the process of young people entering the job market, which translates into considerably lower unemployment rates and percentage of NEETs.

Bearing in mind that development of an effective dual education system is a difficult and long-term process, one should also remember that Member States which do not have dual education solutions in their education systems (or the solutions are very limited, as in Poland) may implement further education solutions, which not only fits in with the strategic priorities of the EU, but also increases the employment potential (employability) of people aged 30+, thus contributing to the development of intergenerational solidarity. With respect to the second recommendation, it is necessary to point out to the possibility of action taken by trade unions in conjunction with employers' organisations, aimed at enhancing the image of vocational schools. Promoting best practices and experience gained within the existing vocational education system may lead to an improved common perception of vocational schools. Another point for consideration and joint efforts of the social partners should be the broadly defined career guidance at all stages of education (with particular emphasis on lower secondary schools). All social actions enabling children, students and young people to see the reality of performing work in different occupations will allow them to make more informed career decisions.

3. Stronger involvement of social partners in education policy, particularly further education

The scope of responsibility of the social partners includes participation in the development of the education policy, particularly a policy aimed at young people at high risk of exclusion from the labour market. This goal may be accomplished through closer cooperation with public authorities and entrepreneurs in the development and implementation of school curricula and through combining study with vocational practice. It is of significance from the point of view of employers' organisations as it may lead to the replenishment and development of human capital in the economy. For trade unions it is a task that fits in with their mission of representation and articulation of employees' interests on the one hand, and on the other (from an instrumental and pragmatic point of view) it constitutes investment in the development of their social base through assisting the young generation in entering the labour market (and gaining the status of employees), a more efficient way of building relations with young people from labour market periphery (in non-standard or precarious employment) and finally, increasing the chances of a generational reconstruction and later, organisational development of trade unions. The primary objectives of the state government and social partners are to prevent exclusion, enhance social cohesion and balance the social insurance systems, this way creating real opportunities for implementation of the principles of the European Social Model. In this area it is important to forecast educational needs arising from labour market needs and smooth adjustment of the range of available university degree

courses. Another important area is breaking cultural stereotypes relating to education pathways perceived as “male” and “female”. It is necessary to stress the need for greater involvement of trade unions in negotiation of further education solutions at industry level. Given the weakness (or virtual absence) of social dialogue at industry level in Poland, it seems that the issue of further education of employees discussed at sectoral level may provide a stimulus for resuming social dialogue at this level.

4. Social partners' fight against (trade unions') obstacles preserving labour market segmentation

Social partners (trade unions and employers' organisations) should concentrate on activities aimed at eliminating the obstacles that prevent young people reaching the core (central segment) of the labour market. It is a difficult task for trade unions since it creates the risk of internal tensions resulting from the need for action contrary to the interests of the persons already enjoying a position in the core segment – frequently trade union members representing older age groups of the working-age population. Such activities should focus both on public policy changes and changes on enterprise level by opening the internal boundaries of labour markets. It is also necessary to build the foundations of intergenerational solidarity within individual enterprises operating e.g. through the negotiation of efficient mentoring programmes enabling exchange of skills and experience between older and younger employees.

5. Development of services to be offered by trade unions to less attractive clients of trade unions (*inter alia*, young people employed on non-standard basis)

Having regard to the condition and global trends in the labour market, particularly the expansion of untypical employment and increasing precarisation, ought to be more open to such employee categories. The potential methods to be used to achieve better accessibility include development of a range of services offered to employees from that category, participation in further education and re-orientation towards activities benefiting local communities.

6. Refreshing the image of trade unions.

It is to make trade unions aware of the need to update their image as seen by the society. This can be achieved by promoting young union activists and development of a system of efficient generation exchange in the key positions of the union structure. Other important points include the cooperation between trade unions and a wide range of NGOs and careful image building via social media and campaigns.

7. Development of recruitment techniques to be used by trade unions, aimed at young people entering the labour market.

In order to implement the two recommendations presented above, it is necessary to develop strategies for reaching young persons on the threshold of their career or young persons starting temporary work. Because of the irregularities in the Polish labour market (e.g. a very high rate of fixed-term employment or self-employment combined with restrictions on the right to unite in the case of persons not having the employee status pursuant to the Labour Code), the first employment taken up by young people is usually of untypical nature. Thus, the aforementioned objective is very difficult to accomplish. That is why it is necessary to consider the possibility of targeting students in the last year of secondary schools in unions' pre-recruitment efforts.

8. Building special-purpose structures focused on young people

Trade unions should create organisational structures focused on young people. Structures of this type are necessary for grass-root efforts intended to encourage young people to join trade unions, activate them and achieve a natural generation exchange. An “open” structure (platform) is a more appropriate type of structure, giving young people freedom of operation as opposed to a “closed” structure (organisational unit). Such a structure should be flexible and fulfil an educational role, telling young people what employee organisations are and what benefits they can bring. Furthermore, such a structure would engage in “pre-recruitment” activities, contacting young people who are not yet working (still at school) to prepare them for recruitment by trade unions when they enter the labour market. The last point to be considered is how to prepare a tailor-made service offer (e.g. available only via the Internet) for young people.

9. Construction of social infrastructure aimed at young parents.

Young parents' greatest needs include availability of nursery and kindergarten facilities as well as other institutional childcare forms. Additional elements of such infrastructure are employee-friendly tools related to flexible working time or partial teleworking solutions addressed to persons looking after their families. These are often costly solutions (such as partial teleworking, which involves organising and financing by the employer of two workstations for one employee), so they need public support. What is important, issues connected with reconciling personal life with work trade

unions should be brought up more often by trade unions during collective bargaining and negotiations (e.g. with respect to reviewing work regulations).

10. Regulating the practices connected with unpaid work.

Trade unions should should become actively involved in the process of regulation of all apprenticeships, traineeships etc. available in the open labour market. The dialogue between employers' organisations and the individual enterprises should concentrate on creating common framework guidelines for traineeships organised by enterprises. This will also enable trade unions to reach potential new members.

11. Development of cross-border cooperation between trade unions of the countries sending and receiving immigrants.

Migration processes inside the EU are closely connected with the situation in labour markets (as evidenced by massive migration from Poland after 2004 or the present migration processes in Spain). This calls for fuller cooperation between organisations and returning to the intra-union discussion concerning the mutual recognition of cross-border membership. It is also necessary to remember about the need for solutions concerning intra-corporation cross-border employee mobility.