



# Ad Hoc Group report on the 2010 thematic review

[part 1. 'Policies to support youth']

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## CONTENTS

1.	BACKGROUND .....	2
2.	STATE OF PLAY - GENERAL OBSERVATIONS AND KEY CHALLENGES .....	2
3.	PROGRESS WITH REFORMS .....	3
4.	POLICIES TO SUPPORT YOUTH.....	3
5.	INVOLVEMENT OF STAKEHOLDERS .....	8
6.	ESF AND GOOD PRACTICES .....	9
7.	CONCLUSIONS .....	9
	Statistical Annex.....	10

## 1. BACKGROUND

Empowering young people and creating favourable conditions for them to develop their skills, to work and to participate actively in society is essential for the sound economic and social development of the European Union. Particularly in the context of globalisation, knowledge-based economies and ageing societies it is crucial that every young person is given the possibility to fulfil his or her potential.

Youth employment was given attention in the Lisbon strategy due to structural problems in youth transitions in many MS. Since 2005 a number of Member States received Country Specific Recommendations (CSR) or Points To Watch (PTW) in areas linked to the main theme of the review. Many Member States were advised to focus on following issues: facilitating the transition into employment (BG, EL, ES, LU, RO), more effective employment services (DE, EE, IT, RO), integration of migrants (AT, BE, DE, SE), reforms in education, training and lifelong learning (BG, CY, EE, EL, ES, HU, LT, RO, SK), quality and efficiency of education (CZ, DK, EE, HU, LT, PT), reducing school drop outs (BG, EE, ES, LU, MT, RO), tackling segmentation in the labour market (ES, FR, PT, SI).

The impact of the economic crisis on employment has been particularly strong for young people and has further deteriorated their employment prospects. By February 2010, young people have accounted for almost a fifth (19%) of the total increase in unemployment since spring 2008<sup>1</sup>. As the number of vacancies decreased, there is the risk that the transition from school to work will remain difficult over the next years. It is crucial to ensure the smooth transition of young people from the education world to the labour market, in order to prevent the risk of long-term unemployment building up among the young ("lost generation"). Although the labour market performance of young people strongly differs between Member States, countries face similar challenges in designing and implementing policies promoting youth labour market transitions and some Member States have introduced new measures in reaction to the crisis.

The Ad Hoc Group on 8<sup>th</sup> of February 2010 held a thematic review on policies to support youth in order to examine and exchange experience about labour market policies intended to foster youth employment, with a particular focus on crisis measures.

## 2. STATE OF PLAY - General Observations And Key Challenges

Data show that youth unemployment rates are two or three times higher than adult unemployment rates in most Member States, which indicates that youth face specific and substantial difficulties in the labour market. The high youth unemployment rate is also a result of the fact that it is calculated on the whole of the labour force in this cohort. However, since a large proportion of young people are in education, they therefore mostly do not belong to the labour force. Member States are facing the dramatic increase in youth unemployment. Since 2005, the trend was broadly similar for men and women, but started to head up steeper for young men since autumn 2008 - to February 2010, it has increased by 5.4 pps, and by 3.3 pps for young women. Since the minimum levels in spring 2005, the overall increase has been of 7.5 pps for young men (from 14.5% to 22%) and of 4.0 for young women (from 14.9% to 18.9%), with a consequent total increase of 5.9 pps (from 14.7% to 20.6%). Descriptive data might suggest that a reason behind the difference in unemployment rates between young men and women could be traced in women's higher inactivity, in terms of participation in education and training. The unemployment rate does not show this aspect as it gives a measure of unemployment of youth relative to the working population of the same age. For this reason, it is useful to also consider the unemployment ratio, which is an indicator of the unemployed over the total population of the same age. Indeed, for the EU-27, the unemployment rate and ratio of young people change substantially, and remains lowest for young women.

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<sup>1</sup> See: statistical annex

## Policies to Support Youth - Thematic Review 2010

The **transition from school to work** is difficult, especially for low skilled youth, as employers prefer experienced workers and especially in times of crisis. The difficulties that young people face during their transition from education to work underscore the need to enhance human capital and employability, through better skills anticipation, upgrading and the matching of skills with labour market demand. Education reforms are being implemented in many countries to build bridges between schools and the labour market, such as rendering the apprenticeship system more attractive.

The **education attainment level** of young people is another challenge for youth employment that exists irrespective of the current crisis. In some countries, a high share of registered jobseekers aged 15-24 do not have qualifications. Particular attention is paid to **early school leavers** and youth who are neither in employment nor in education or training (NEET). Compulsory education in the majority of Member States continues up to at least the age 15 or 16, and only in HU and NL does it continue up till the age of 18. Nearly one in six young people in the EU are early school leavers. In some Member States the rate of young people who drop out is especially high due to few incentives to stay in schools; reducing the number of early school leavers is still a challenge for these MS.

**Skills matching** is at the top of the agenda in many Member States. Many young people cannot compete in the labour market because of lack of qualifications and skills, while on the other hand in some countries there is a big share of unemployed graduates. A high proportion of the registered young unemployed have never worked before. There is a mismatch between education and labour market needs, as in many cases the education systems in the Member States do not correspond to the demand of the labour market. Moreover current challenges such as demographic problem and climate change stress the need for new skills in order to succeed the necessary responsiveness to the new occupations that will emerge.

While all the Member States experienced a growing number of young clients attending their Public Employment Services (PES), the resources allocated to unemployed young people have effectively decreased in many countries. Member States acknowledge that it is vital to ensure that the young unemployed are kept active and close to the labour market and receive activation measures targeted at their needs. A failure to adequately support young people at this stage has the potential to cause major difficulties in the future such as high levels of long term unemployment, social exclusion and the potential for increased crime and social problems.

### 3. PROGRESS WITH REFORMS

The section below describes the implementation of policies chosen by Member States to support youth during the current economic challenges. It illustrates the practices and instruments put into effect in different countries, existing bottlenecks and subsequent priorities for further reform.

### 4. POLICIES TO SUPPORT YOUTH

- Education systems and reforms

As regards education systems, actions taken by Member States are wide-ranging. A large number of countries are implementing structural reforms in education in order to foster youth employment. The reforms involve measures to **improve the quality of education** (AT, CY, DE, EL, FI, IT, LU, LV and PT), for example by increasing the number of all-day schools, reducing the number of pupils per class (AT, DE, FI), introducing performance based teaching (AT) and by strengthening social work in schools (DE) or by integrating the systems of primary and continuing vocational training, thus ensuring the effectiveness and the quality of the activities (EL).

**New curricula** are being developed in some countries. In RO it is based on competences agreed at EU level; FI has developed on-the-job learning through an extended on-the-job learning trial in

## Policies to Support Youth - Thematic Review 2010

basic vocational education, while AT launched teaching entrepreneurial spirit, social competencies and ICT literacy for all VET students.

The quality of education is also being improved by **enhancing teachers' qualifications**. In SE a new teacher education has also been introduced at the universities, while CY introduced a new system for the evaluation of teachers work.

Other important measures taken by Member States aim to **improve access to education**. For example BE is reinforcing equal access to primary education by introducing maximum bills and school allowances, SE has increased the number of places in the regular education system aiming at improving skills and future labour market situation for young people, while FI increased the number of entry places for basic vocational education and simplified the application procedures. In PT a loans system was created for students of the tertiary education in order to increase the access of young persons to higher education.

Some Member States have strengthened the **incentives for young persons to undertake education and vocational training**, thereby increasing their chances on the labour market. In PL it takes form of grants for participation in trainings, internships, vocational training for adults, continuation of education in schools and postgraduate studies. As in HU and SI a new scholarship has been introduced in order to increase the number of students studying vocations in short supply in the labour market. In CY grants are provided for the families who study in tertiary education. While SI introduced New National Vocational Qualifications Act in 2009, which simplifies the system of reviewing and approval of national vocational qualifications for those who have dropped out of education system and for other candidates.

Many Member States took measures to attract early school leavers back to education (AT, EE, FI, LT, NL, PT and SE), for example FI provide flexible basic education that aims to decrease the number of school drop-outs and those interrupting their studies. In EL schools of second opportunity offer the opportunity for youth over 18 years old to complete the compulsory education. In EE the studies will be combined with counselling and a study grant will be provided. Some Member States (NL, PT) prevent early school leavers by increasing the mandatory school age to 18 and setting up better registration and monitoring system (NL). LT is expanding social assistance to young persons neither in education nor in employment and establishes more positions for social educators to work with this particular group.

Some countries put in place **social safety net measures** like transport subsidies in order to ensure that students have the possibility to travel to the new place of instruction if the school has been closed due to the structural reforms (LV).

While the educational reforms are still ongoing in many countries, the progress made with respect to the education and training shows that the participation in lifelong learning rate has increased (CY) and the dropout rate is decreasing (CY, PT).

### Box 1: Employability plan for youth in IT (Action Plan 2020)

In September 2009 the Minister of Labour, in agreement with the Minister of Education, University and Research, has launched the Action Plan 'Italia 2020'.

The Plan<sup>2</sup> focuses on 6 priority actions: 1) to facilitate the school-labour market transition; 2) to improve Technical and Vocational Educational Training (TVET); 3) to strengthen the application of apprenticeship; 4) to re-design work experiences during and at the end of educational and training cycles; 5) to re-design demand-driven University education patterns; 6) to promote high potential students by opening PhD opportunities to the economic system.

- **Apprenticeships**

<sup>2</sup> Cfr. <http://www.lavoro.gov.it/NR/rdonlyres/8FEF88B8-1C9D-46A0-9EC9-ACA11D1525E3/0/pianogiovanidef.pdf>;

**Policies to Support Youth - Thematic Review 2010**

In many Member States apprenticeships are the key instrument providing access to the labour market for the young people. There is a great diversity in both the organisation and popularity of apprenticeships, across the Member States. In some of them, like in BE and UK the number of apprenticeships is increasing, while in the others the demand for apprenticeships decreased like in IE, LU or IT. In order to facilitate the creation of apprenticeship opportunities during the recession, some countries increased the funding for finding on the job learning places, as is the case in FI, IT<sup>3</sup> and SI.

Dual vocational training is the most important form of training in some Member States like DE and AT. PT has had a National Apprenticeship System since 1984 to ensure transition from school into working life by vocational oriented courses, promoted either by PES or in association with social partners and enterprises.

Many countries provide financial incentives for employers for the creation of apprenticeship places. For example in FI an employment-based wage subsidy is granted for apprenticeship training of unemployed young persons; the results of these wage subsidies for apprenticeship training are very positive: a large share of young people find positions in working life after three months of apprenticeship training. In FR firms with fewer than 50 employees receive a compensation of one year's social charges per apprentice. IE introduced grants to encourage employers to recruit and register female apprentices, and the UK plans to introduce an apprenticeship grant for companies offering an apprenticeship to a 16 or 17 year old young person.

In some countries like BG and EE apprenticeship scheme are targeted at those who have dropped out from school and do not have any vocational specialization.

**Box 2: The supra-company apprenticeship training in AT**

The supra-company apprenticeship training (Youth employment package 2008) aims to provide supra-company places to young people who have not found suitable apprenticeship places with a company since they left compulsory school. The reformed system put in place in the 2008/09 training year introduces supra-company training programmes as equivalent components of the dual system, enabling participants to complete training with standard apprenticeship certificates. Supra-company apprenticeship training programmes will now increasingly target education drop-outs and "older" youths as well as disadvantaged youth and slow learners. Under an agreement concluded between the Austrian Federal Government and the social partners, training capacities will be increased to 12,300 places in the 2009/10 training year.

Some Member States are in the process of developing new apprenticeship systems. CY is introducing a New Modern Apprenticeship which will gradually replace the existing Apprenticeship System which has been in operation since 1966. In LT a new law endows a legal status to apprenticeship as a form of VET organisation; however apprenticeships have not been put in practice yet, because secondary education legislation has not been finalised. Also in RO, the legal framework is under reform with a view to setting up an apprenticeship system that pays special attention both to youth and to other categories of persons exposed to the risk of unemployment due to low or obsolete qualification. In SE, a pilot project for an upper secondary school apprenticeship programme is under way since 2008 and it has been expanded.

In some Member States apprenticeships are not a mainstream practice. In LV, there are no general apprenticeship schemes implemented on a large-scale basis, though field practice is a part of the curriculum in some vocational and professional higher education programmes. Likewise in PL there is no specific system of apprenticeship, however young trainees are directed to employers to undertake the practical on- the-job training.

<sup>3</sup> 2010 Finance Law allocate 20 million euros for the training of apprentices;

**Policies to Support Youth - Thematic Review 2010**

Public Employment Services (PES) also play an important role in finding possible apprenticeship placements. In LT apprenticeship opportunities are provided through active labour market policies (ALMP), and wage subsidies are available. Likewise in MT PES locate the training placement and monitor the progress of the apprentice in order to ensure that the training being provided meets the requirements of the apprenticeship concerned.

- **Reduction of labour market segmentation of youth**

To support youth, Member States put in place various measures in order to foster their integration into the labour market. In NL municipalities are obliged to offer to the young people under the age of 27 a work, learning or work and learning possibilities.

Due to the economic crisis in many countries PES had to reinforce provision of wide ranging services and ALMPs for disadvantaged youth. Taking into account that youth is one of the groups severely hit by the economic crisis, some Member States allocated additional budget for measures to support young people. **Counseling and guidance services** are also being strengthened for youth (BE, CZ, LT, SE). In CZ school leavers and university graduates registered in the labour offices are offered re-training courses and different forms of counselling. FI increased the number of special youth advisors as well as financial resources.

The procedures are also being simplified in some Member States. For example in SK the shortened period of registration is applied for youth to participate in some ALMPs. In the UK support is provided at an earlier point: disadvantaged youth, care leavers and young offenders are able to access a Future Jobs Fund opportunity at the thirteenth week point of their claim to Jobseekers Allowance.

To meet the strong increase of jobseekers, the IT services within PES are also being strengthened (ES).

Fostering **entrepreneurship** is another instrument Member States put in place by improving guidance and counselling (EL, ES, FI, and LT) and creating microcredit system (LT) or business start up subsidies (EE, EL, SK).

To facilitate entry into the labour market, **work experience schemes** which enable young people to gain practical work experience are put in place in some countries (BG, EE, EL, IE, SK). In SK for graduates aged up to 25 years there is so-called graduate practice scheme (in the duration up to 6 months) for gaining practical experience and skills for expanding their labour market prospects.

In order to reach inactive young people some Member States strengthened their **outreach services** (FI, MT). In MT these services are focused on those who barely make use of the services of the PES and who are inactive in the labour market, using ‘youth appealing’ activities such as films, music, sports, youth days and a TV programme. A website specifically dedicated to youth will be also developed. In FI the work of outreach youth workers is being reinforced.

Measures to **foster geographical mobility** of young people in order to increase their employability are put in place in some Member States. In DE and PT **financial support and assistance** is available for education abroad if certain requirements are fulfilled. In FI mobility allowance are available for travel in order to search for work, while some countries introduced compensation mechanism for commuting to work (LT, RO, SK) or relocation/accommodation costs (LT, RO) for the employees.

A number of Member States focus their policies to provide better **education for disadvantaged youth**. In HU a scholarship programme supports training of disadvantaged youth in order to increase the number of disadvantaged young people with qualifications corresponding to labour market needs. Likewise in CY there is a scheme for vocational training and employment of vulnerable groups aiming at their integration into the labour market. In EL there are vocational training institutes that aim at the upgrading skills of the people with disabilities.

## Policies to Support Youth - Thematic Review 2010

While it is difficult to assess the outcomes of the measures put in place, nevertheless some evaluations have been made in certain countries. The data often show that young people involved in training programmes enter the labour market more easily than other disadvantaged groups. For example in DE research on introductory training for young people has shown that following such work placements (6-12 months), 65, 5 percent of young people managed to enter vocational training in a company; a similar percentage was found to hold in MT. While in HU 90 percent of young career starters who participated in Start Programme have already found a job.

- **Job subsidies**

Incentives for employers to hire young people are put in place in many Member States. **Job subsidies** are widely used to ease young people's entry into labour market or to gain work experience (BE, BG, DE, FI, HU, MT, PT, SE, SI and SK). BE has introduced a specific job subsidy for young people without secondary or tertiary education. In SE job subsidies were introduced for hard-to-employ persons, including young people. In DE there are subsidies provided to employers for hiring young workers under the age of 25 who have been unemployed for at least six months, *see Box 1*. In UK a recruitment subsidy is payable to employers who recruit eligible young people, where the job is for at least 16 hours per week and lasts for at least 26 weeks. In HU job subsidy is available for those employers which guarantee the employment of a young career starter in a job corresponding to his/her qualification for at least a year. While in PT a recruitment subsidy is offered to employers who convert a fixed term contract of young people in a permanent contract. Moreover, IT introduced a payment of a bonus 'employment' between 800 and 5000 euro to private employment services working for the assumption and the inclusion of disadvantaged people.

To facilitate the labour market entry for young people, another instrument used by some countries is a **reduction of taxes or social contributions** (ES, HU, IT, RO, PT, and SE). For example in HU the START programme encourages youth employment by providing contribution allowances (tax credits) for 2 years to employers who employ young career starters. This targeted scheme diminishes tax wedge thereby improving employment chances. As well in RO, wage compensation is offered to employers that hire young graduates for 12 months (18 months for disabled graduates) and exemption from the payment of the unemployment fund contribution for 12 months. In SE employers are eligible for a reimbursement of social security contributions if they hire an unemployed person younger than 26, a first time job-seeker whose occupation is in excess supply, or people under 28 for 24 months for each such person's salary. ES, IT and PT reduced social contributions in order to boost permanent hiring of youth. In EL special programs cover the insurance contributions for 4 years of young unemployed people in order to promote youth employment and reduce the non-wage costs.

In CY there are incentives for employers to provide training for graduates.

### Box 3: Job subsidies in DE

The integration grant (for young workers with vocational qualifications) and the qualification grant (for young workers without vocational qualifications) are subsidies provided to employers for hiring young workers under the age of 25 who have been unemployed for at least six months.

The integration grant has been designed for young workers with vocational qualifications. The support volume depends on the integration needs. The maximum support period is twelve months. The amount of support must not be below 25 % and not exceed 50 % of the eligible wage, while the eligible wage is limited to a maximum of 1,000 Euros.

The qualification grant is designed for young workers without vocational qualifications. The amount of support is 50 % of the eligible wage which, in this case, too, is limited to a maximum of 1,000 Euros. The grant consists of a wage supplement and a subsidy towards qualification measures for the worker. The amendment made clear that under the 50 percent-grant at least 15 percent of the qualification grant must

**Policies to Support Youth - Thematic Review 2010**

be used for qualification measures. The period of support depends on the worker's integration needs and must not exceed 12 months. Some 2,000 cases are being supported by these two grants.

Limited until the end of 2010, it is possible in the case of insolvency, closing-down or closure of the business providing the training to pay to the employer a training bonus in order to continue the training contract with the trainee. The maximum amount can be up to 6,000 Euro and is paid as a one-off subsidy in two rates. The Federal Government wants to extend this scheme until 2013.

**Box 4: START programme in HU**

START programme is playing key role in keeping the employment of youth in the foreground as a viable option for companies that want to save labour costs. The concept of the programme is that it provides credit for social security contributions to employers who employ individuals from the target group. The START scheme is targeting career-starters who have the potential to enter employment, but for whom such entry is difficult because of a loose attachment to the labour market. Through such credit and the reduction of labour costs, the programme can effectively promote work experience amongst the target group and also the reduction of discrimination towards inexperienced youth, rooted in information asymmetry or prejudice.

The START scheme for the employment of youth was launched in 2005 with the aim of promoting the employment of labour market entrants. The main concept behind was to support career starters in obtaining their initial work experience. The programme proved to be successful, around 20.000 young people found a job in its framework during the first year. The scheme is provided for maximum 2 years and the intensity of the support is gradually decreased. START programme for career starters provides a 17 percentage point contribution credit in the first year of employment and 7 percentage point in the second.

As for the results of the programme, in June 2009, more than 28.000 people were employed in the framework of START scheme for young people. It seems that the programme reached its peak in 2008, since then the number of START employees has increased and reduced periodically influenced by the output of secondary and tertiary education. 2008 absorption amounts to HUF 6, 3 billion (ca 23, 3 million EUR).

## 5. INVOLVEMENT OF STAKEHOLDERS

Stakeholders play an active role in designing and implementing measures for youth. One of the most common forms is tripartite consultations and social dialogue (CY, EL, LT, LV, NL, SK), e.g. in SK the Councils for Vocational Education and Training at the governmental, regional and sectoral level have been created and in NL the social partners and other stakeholders are actively involved in the regional action plan for youth.

In some cases social partners are involved in the preparation of legislation as well as in the design of the programmes and the decision making process as is the case in HU, while in IE social partners form an advisory committee for apprenticeship. In PL social partners participate in the work of Labour Councils at national and regional levels, while in SI a new expert council for the employment and education of young people will be created which aims to coordinate the policy in connection with the education, training and employment of young people. In EL the stakeholders participate in the design and implementation of the measures promoting, facilitating and supporting youth employment.

In some Member States youth organisations are involved in employment policy making (e.g. LT). In DE business organisations and the Federal Government entered into a joint and binding agreement to offer, in close cooperation with the German States, a possibility for training to every youth that is willing and able to enter into training.



## 6. ESF AND GOOD PRACTICES

ESF is a widely used instrument among Member States to support youth employment. ESF funds were used to support youth training (CY, ES, IT), youth outreach (MT), social and professional integration of young people (FR, HU), or to lower the drop out rates (AT, NL) and to increase access to education for disadvantaged youth (HU, AT). The development of national qualification frameworks is also often co-financed by ESF (CY). In the UK the ESF is used to fund numerous projects to help young people improve their employability as well as providing support to young people who are neither in employment nor education /training (NEET).

The boxes below give some examples of the ESF supported measures in Member States.

### Box 5: Youth workshops in FI

Youth workshops offer practical training for unemployed young people under the age of 25. They are also intended for developing life skills, helping the young to mature, bringing about communal growth, and fostering on-the-job learning. Development of the content of youth workshop activities falls within the Youth Policy Division's sphere of authority at the Ministry of Education. The employment and economic development offices cooperate with workshops by granting wage subsidies, traineeship work under a labour market subsidy and by providing preparatory and vocational labour market training tailored to the needs of young people.

In 2008, in total, 8,631 under-29-year-olds (550 more than in the previous year) participated in the workshops, with the majority being under-25-year-olds. Of the participants, 61% were male. As many as 63 % of the young people participating were referred to the workshop by PES, and 65.5 % did not have any vocational training.

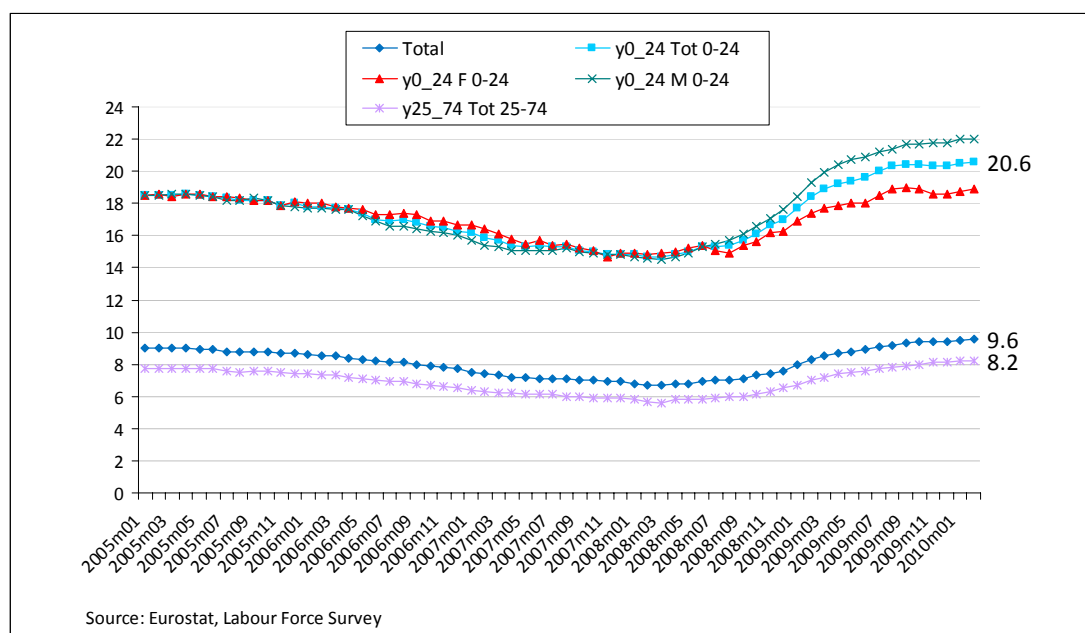
In total, 74 % of young people participating in the workshops were successfully placed in training, work, or other activity (parental leave, military service, or medical care services).

## 7. CONCLUSIONS

Member States are facing similar problems regarding youth unemployment, although there are large differences among individual countries' situations. While high youth unemployment is a challenge for the whole EU, Member States aim to foster youth integration into the labour market and provide incentives for youth and employers. Policies focused on facilitating transition from school to work will remain crucial, as will skills anticipation, upgrading and matching. At the same time education system reforms are being implemented to build the bridges between education and the labour market. Significant attention is being given to apprenticeships, which is in line with Europe 2020 goals to promote youth entry into the labour market through apprenticeships, stages or other work experience. PES services to support youth and prevent or diminish segmentation have been bolstered in a number of countries, while some MS also use ESF specifically for youth related projects. Financial incentives for employers like job subsidies are also widely used in most Member States to ease young people's entry into labour market or to gain work experience. A few MS also actively involve various stakeholders in policies relating to youth employment.

## STATISTICAL ANNEX

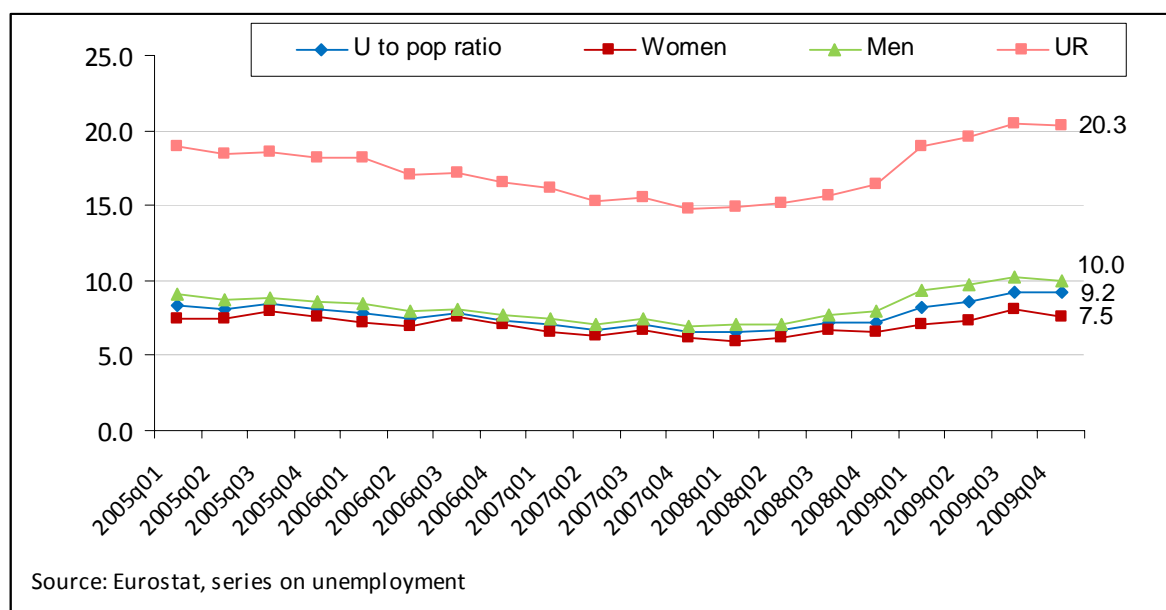
Chart 1. Trends in unemployment rates for youth (0-24), EU-27



(Data updated to February 2010)

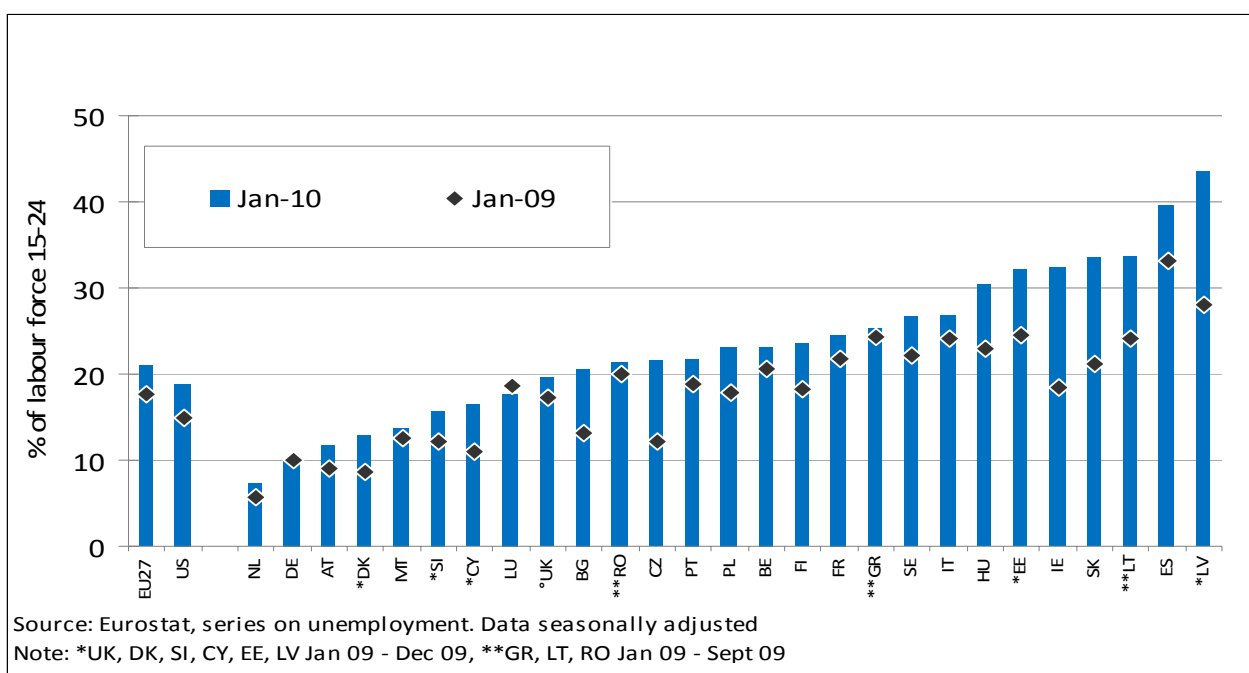
Notes: the total represents the unemployment rate of the total work population (0-24 and 25-74), which in February 2010 was 9.6%. The youth unemployment rate is consistently higher than the rate for adults (12.4 ppt difference), and over a year it has been driven mainly by the very sharp rise in the rate for young men. Since 2005, the trend was broadly similar for men and women, but started to head up steeper for young men since autumn 2008: to February 2010, it has increased by 5.4 pps, and by 3.3 pps for young women. Since the minimum levels in spring 2005, the overall increase has been of 7.5 pps for young men (from 14.5% to 22%) and of 4.0 for young women (from 14.9% to 18.9%), with a consequent total increase of 5.9 pps (from 14.7% to 20.6%).

Chart 2. Youth unemployment ratio vs. youth unemployment rate (15-24), EU-27



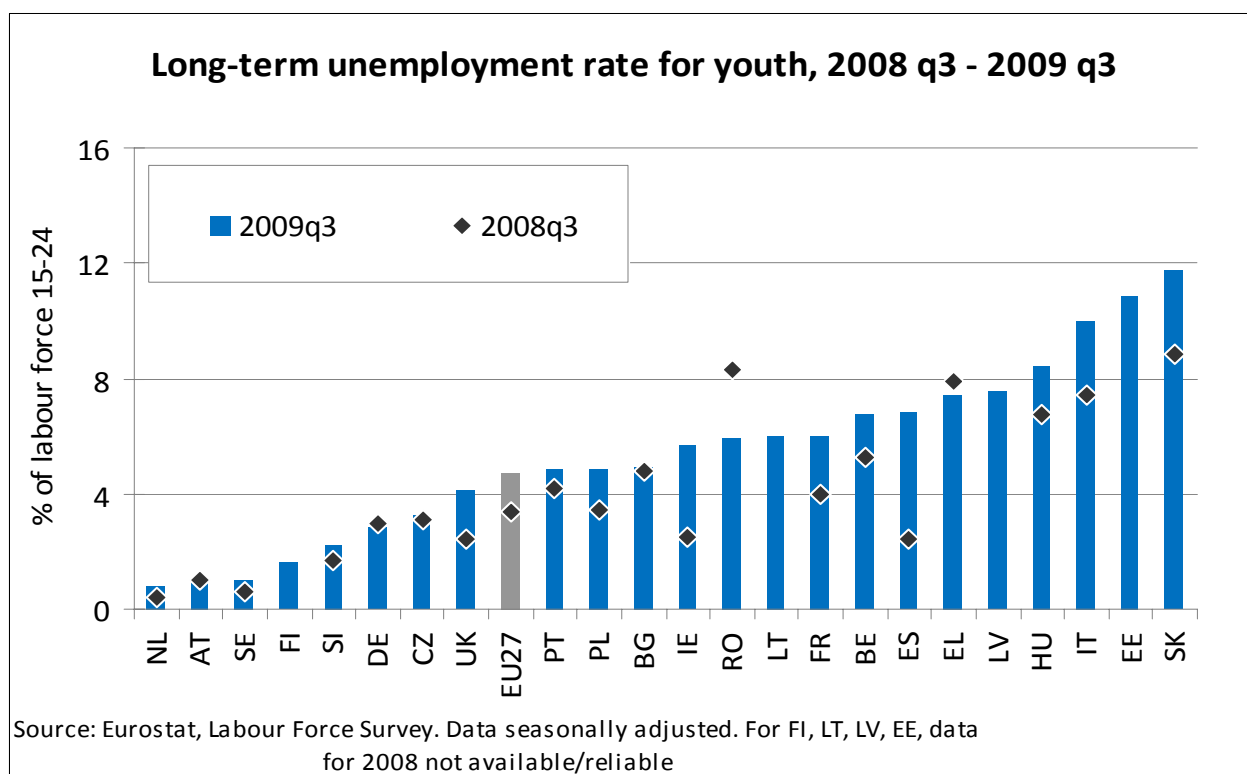
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Chart 3. Unemployment rates (15-24), year-on-year January 2009 – January 2010



Notes: Over the last year, the youth unemployment rate has remained extremely high for those countries in which it had increased over 2009 (the Baltic States plus Ireland, Spain and Slovakia). However, the increase has slowed down for some countries (Estonia, Lithuania and Spain) while continuing substantially in Latvia, Ireland and Slovakia (by over 15 pps in Latvia, and by almost 14 pps in Ireland, and by over 12 in Slovakia). As a result, the unemployment rate among young people has surpassed 30% in Slovakia, Estonia, Ireland and Lithuania and exceeds 40% in Latvia. The rate for Spain, which exceeded 40% in Spain at the end of 2009, has slightly decreased.

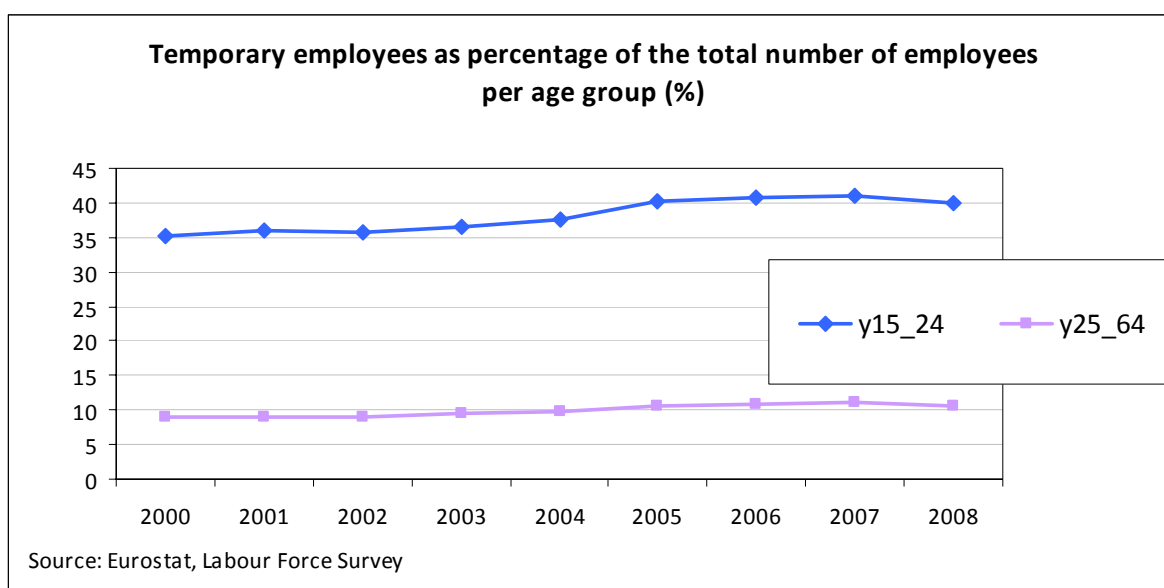
Chart 4. Year-on-year long-term unemployment for youth, EU27



## Policies to Support Youth - Thematic Review 2010

Notes: There are considerable differences among EU countries. In 2008, the young unemployed for 12 months or longer accounted for more than 50% in Slovakia, and for more than 30% in Czech Republic, Hungary, Greece, Italy, Bulgaria and Romania. The rate remained very low in Finland and Sweden, and relatively low in Spain and the Netherlands. In the third quarter of 2009 Slovakia still registered the highest long-term unemployment rate; interestingly, data for the Baltic States and Finland were either not available or not reliable, due to small sample sizes, in the third quarter of 2008, while available in 2009, and rates rather high for Estonia and Latvia. Romania registered a decrease of 2.3 pp. Data is not available for Denmark, Cyprus, Luxembourg and Malta.

**Chart 5. The share of temporary contracts among youth, EU-27**



Note: Youth is affected by a much higher incidence of temporary contracts, and consequent precariousness, as opposed to adult workers (15-64).

- The percentage of young temporary workers over the total of the same-age workers is consistently much higher than for adult workers
- In 2008 it accounted for 40% of total youth employed, while temporary adult workers accounted for 10.7%
- The rate was 4.8 ppt higher in 2008 than in 2000 (when Eurostat data became available)
- The trend is confirmed for the OECD average, which increased by 4.4 pp from 1998 (30.4%) to 2008 (34.8%) (OECD, 2009)

Chart 6. School drop outs (18-24), EU27, 2008

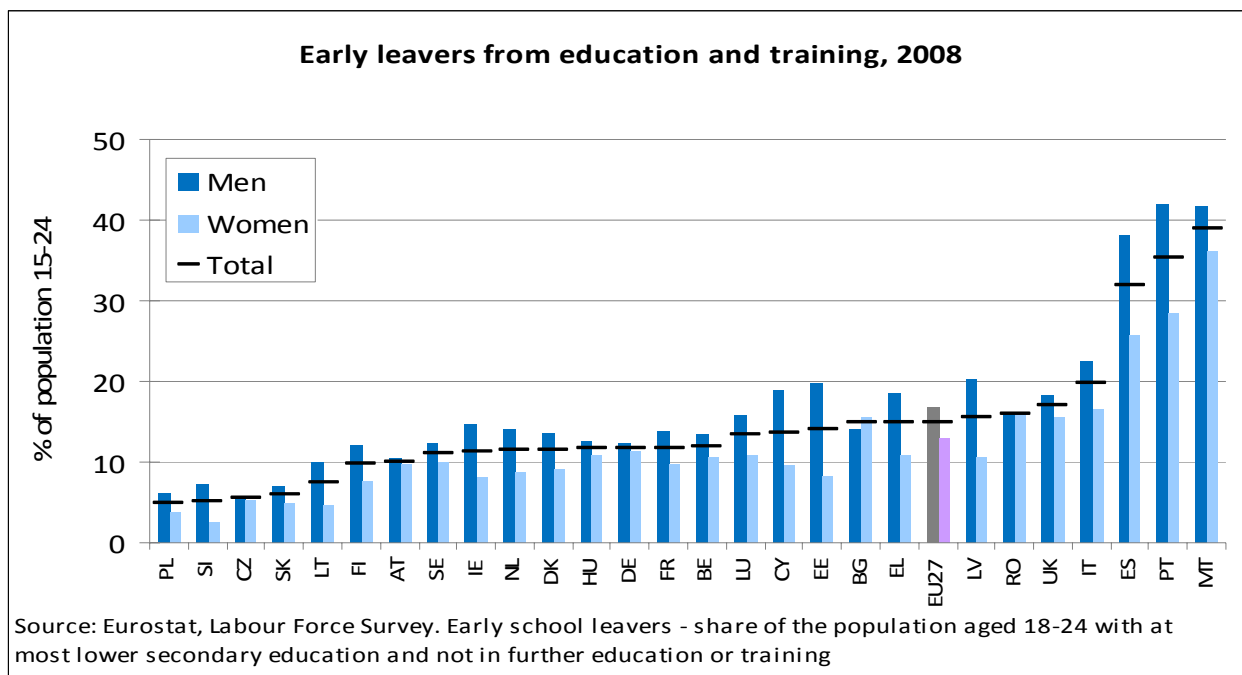
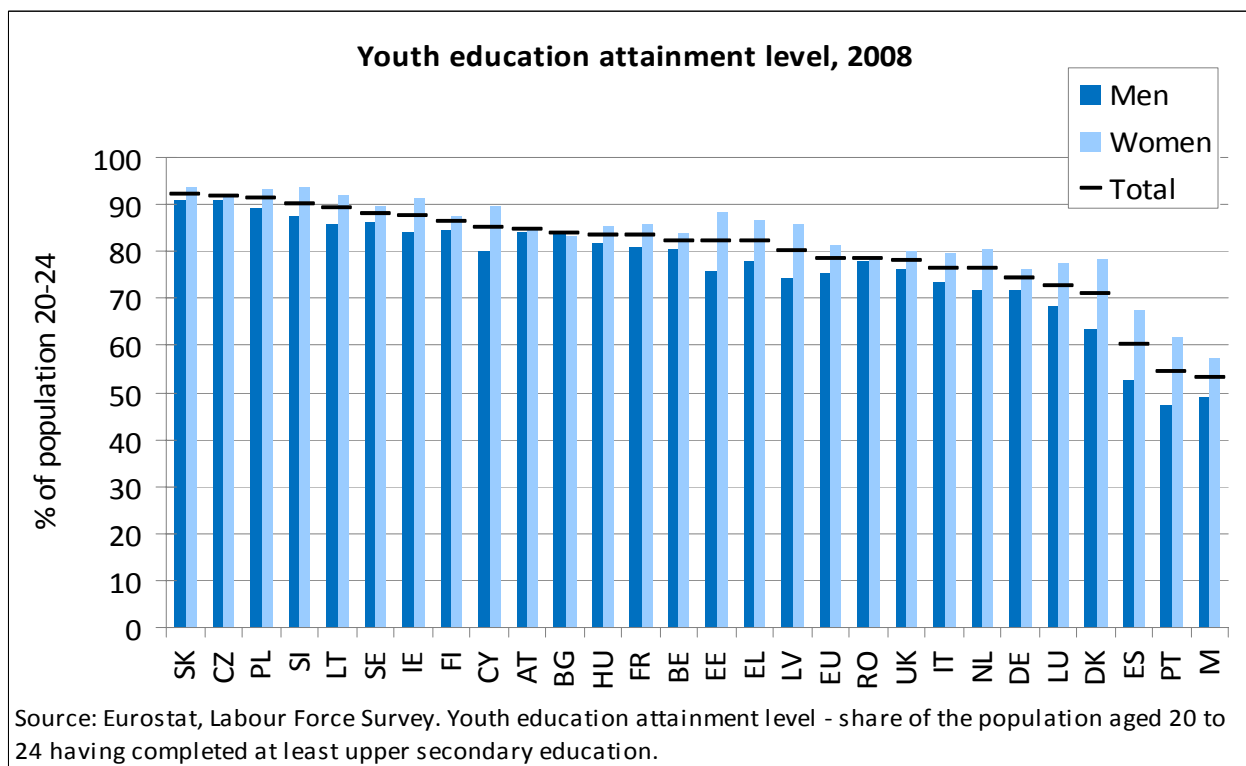
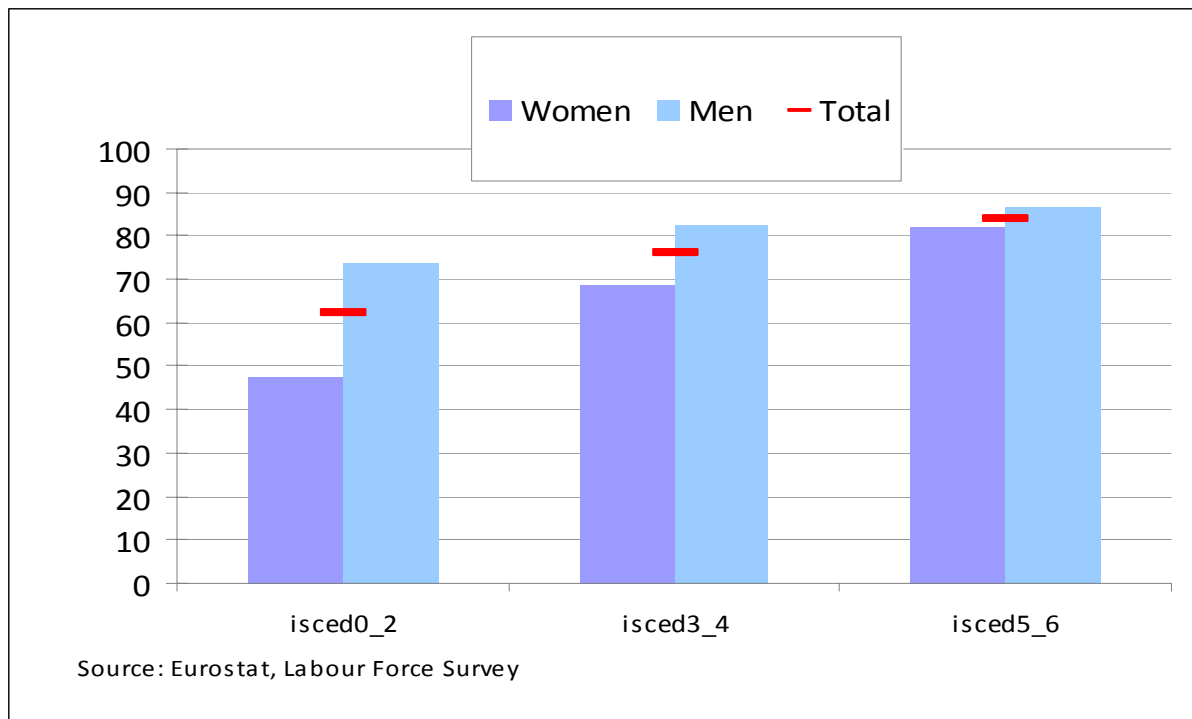


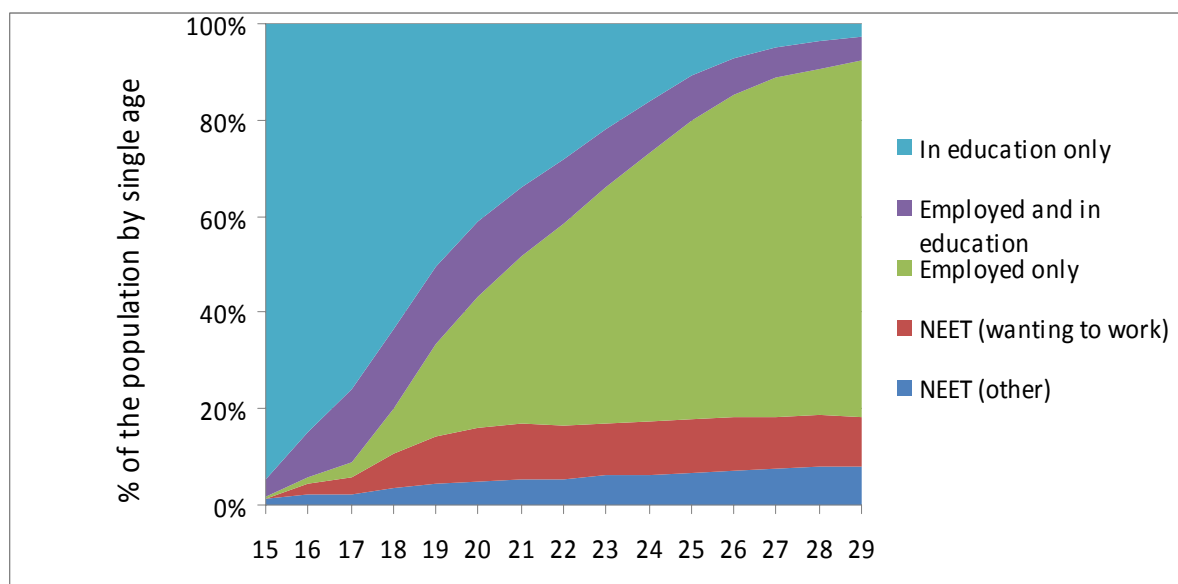
Chart 7. Youth education attainment levels (20-24), EU27, 2008



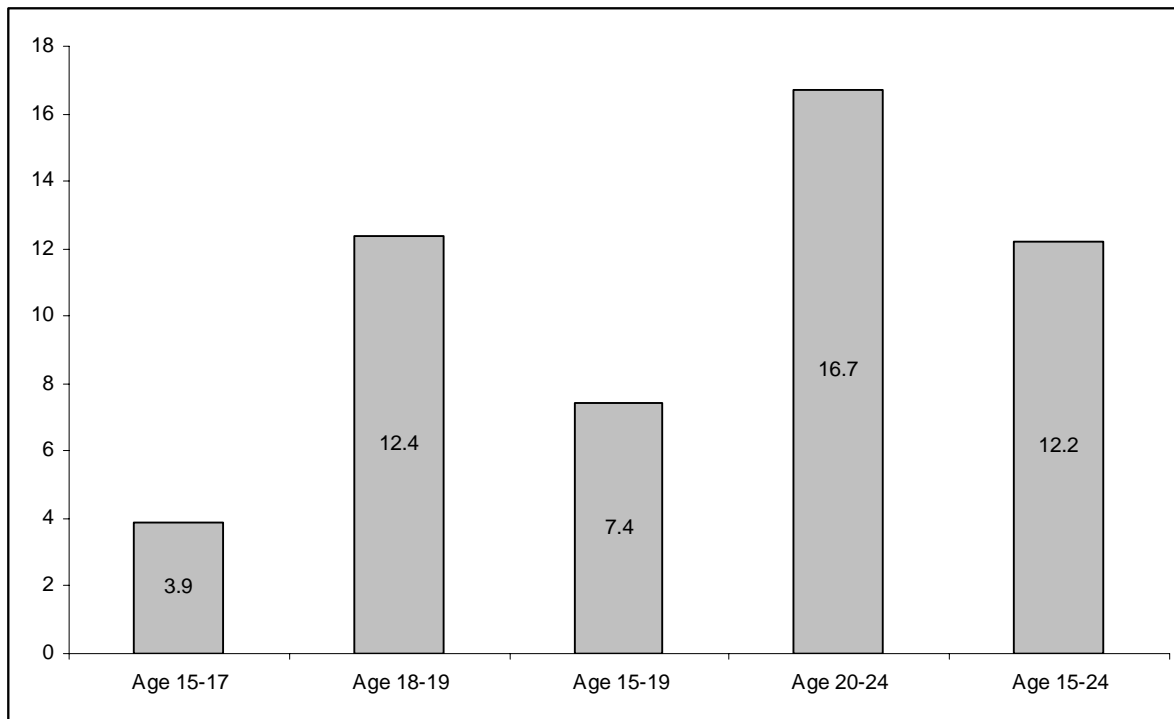
**Chart 8. Employment rate per education attainment (25-27), 2008, EU27**



**Chart 9. Activity status of youth and young people by age, EU-27, 2008**



Source: EU Labour Force Survey, annual averages

**Chart 10. Average NEET rates for different youth age groups in the EU-27, 2008 (% of age group)**

Source: EU Labour Force Survey, annual averages