A Youth Guarantee: The Nordic concept of the Youth Guarantee

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The Nordic concept of the Youth Guarantee

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The concept of guaranteeing a young person a job, training or education originated in Scandinavian countries in the 1980s.

- **Sweden** (1984); **Norway** (1993); **Denmark** and **Finland** (1996)
The Nordic experience...
Low level of NEETs
The Nordic experience...

Younger age leaving parental home
The Nordic experience...

High share of students combining work and education
Share of school leavers employed 1-yr after graduation
They share a lot of history, culture and characteristics

- A strong tradition of trusting and relying authorities
- A strong tradition of women participating in employment
- Activation and Mutual reciprocity: i.e. unemployment benefits is not automatic: a person has to apply and be an active member of unemployment incurrence.
Youth Guarantee
• Youth guarantee is **NOT** a guarantee of a job.

• The **objective** of the youth guarantee is to **help** young people **gain access** to **education** and **employment**.

• Youth guarantee is implemented through a wide series of programme which **requires cooperation** among **national** and **municipal authorities**, the **business sector** and **organisations**, **health sectors**.

• **Collective and Mutual Responsibility**: young people are heard and allowed to influence the course of their life but they have to be active participants of the programme.
Each young person under 25 and recently graduated people under 30 will be offered a job, a traineeship, a study place, or a period in a workshop or rehabilitation within three months of becoming unemployed.
• **Every person** completing **basic education** will be **guaranteed a place** in general **upper secondary school education**, **vocational education**, **apprenticeship training** or a place in some other form of study.

• **Skills programme for young adult:** Youth under 30 with **no qualification** are **guaranteed** the opportunity of **training in educational institute** or **apprenticeship training** with the aim to **complete a vocational qualification**.
**Enhanced jobsearch strategies:** to support the job-seeking skills of young people, labour rehabilitation training, job coaches to who experience difficulties finding work on their own and need assistance in the workplace at the beginning of the employment relationship.

**Wage subsidy and the Sanssi-card:** granted for employment contract or for apprenticeship training. **Employers receive a subsidy of max EUR 700 per month for 10 max. Light bureaucracy for application for attracting employer**
**Other Services**

- **Youth workshops**: primarily aimed at boosting young people’s life management skills and social independence, providing early support, promoting collective growth at one’s own pace and encouraging learning by doing.

- **Youth outreach work**: is intended to contact and help young people, who are not in education or the labour market or who need support, and guide them to services that meet their needs in their current situation.
These three pillars are implemented through a wide series of programme which requires cooperation among national and municipal authorities, the business sector and organisations, health sectors.
Swedish Youth Guarantee

Under 25, after 3 months since registration in PES

Youth Job Programme

In-depth assessment

Educational and vocational council

Jobseeker activities and coaching.

Work experience

Education and training

Youth entrepreneurship support

Rehabilitation
Who can participate?

- All young people aged 16-24 fulfilling one of the following conditions:
  - Those who are registered as unemployed for at least 3 months.
  - Those who work less than they could and receive unemployment benefit compensation.
  - Those who are registered as unemployed and sentenced to prison and received approval for visit outside prison.
  - Migrants who completed their introduction plan.
Why after three months?
young people can receive a compensation determined by Swedish Social Insurance Agency who calculate and decide the compensation. Basic: 320SEK per working day or 80% previous salary decreasing with time.

- Compensation can be withdrawn in case of mismanagement of job search, refused suitable work or being the cause of own unemployment.
- Participants are personal injuries/group life and third parties insured.
- Length: 15 months or starting a full time job or education outside programme.
Between January and April 2013, 93.1% of those who have signed up as unemployed, have got a plan to get job, education or training.

In three months 71.8% of those young people (15-24 years) and 62.4% of recently graduated aged 25-29 have started work or training and are not unemployed anymore.

Where they are?
Since Youth Guarantee isn't a law, its a set of amendments for better coordinated policies for youth and its implementation mainly relies on the willingness of the municipalities to act.

Huge differences between different municipalities

Not too much extra resources for implementing Youth Guarantee

The communication of the guarantee hasn't been that great. Different stakeholders still remain unsure of their role in the implementation of the guarantee
Effectiveness, problems and key factors

Ministries: employment, education, social and health

Enterprises and other employers

Social partners

Youth organisations, student organisations

Third sector

Municipalities, education institutions, other service providers

Partnership

”Not a separate law, but set of amendments and public-private-people partnership”

“We need a shared will and a spirit of voluntary work from the whole society!”
Discouraged youth
Lack of education
Lack of experience
"Job-ready" but unemployed
Unavailable

Optimal Matching:
Different people – different needs

Effectiveness, problems and key factors
Effectiveness, problems and key factors

Optimal Matching:
Different people – different needs

Good job seeking infrastructure

Practical possibilities to complete their education
Removing practical/logistical barriers

"Job-ready" but unemployed
Lack of experience
Lack of education
Unavailable
Discouraged youth

Traineeships
Vocational training

Subsidised employment
Guidance and motivation

Strong and well functioning PES

Difficulties in recruiting the right personnel

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<tr>
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<th>Oktober 2011</th>
<th>Mars/april 2012</th>
<th>Oktober 2012</th>
<th>Mars/april 2013</th>
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<tbody>
<tr>
<td>number of young people per officer</td>
<td>80</td>
<td>57</td>
<td>52</td>
<td>49</td>
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Effectiveness, problems and key factors

Monitoring Quality and evaluating effectiveness of YG.

Set of indicators suggested but not trivial issue and so under constant improvement. It is a universal programme multifaceted programme. So, who is the proper counterfactual? What is the main purpose? Different answers, different evaluations.

Outreach. Reaching those who are unreachable.

Evaluation of the Swedish YG reveals that it work better with the “work-ready” population than with the furthest from the labour market. Reaching those who do not enter in the PES for registration is key. Involvement of youth organisations and alternative initiatives such as mobile PES are essential.
Steps forward

- **Nordic countries** have defined characteristics: high level of trust, younger age leaving parental home and smooth transition to work.

- Implemented since 1980s, **Youth guarantee is not just a law, is a concept! An umbrella** containing better coordinated youth policies.

- The **success of youth guarantee** is based on the involvement and the commitments of all the actors involved: educational providers, labour market actors, social partners, municipalities, youth organizations and, last but not the least, youth.

- **Optimal Matching** of jobseeker with activation measure is a key factor: strong (P)ES is needed in term of capacities and capabilities.

- **Iterative process:** Measures/programmes are continuously monitored and evaluated and improved.