



*Investing in youth for tomorrow's Europe:
policies for youth autonomy and perspectives for the European Social Fund*
Brussels, 22 January 2013

Report

Part One: EU STRATEGY AND THE REGIONAL ROLE IN THE FIGHT AGAINST YOUTH EMPLOYMENT

The General Secretary of REVES, Luigi Martignetti, opened the conference and introduced the speakers from the first panel.

Enrico Rossi, President of the Region of Tuscany.

The president underscored the importance of the youth problem and the risk that present and future generations will fall victim of European populism if left without resources. Today's generation is at risk of being betrayed by policies and institutions, making these generations easy prey for the populisms and nationalisms that are once again gathering force all over the continent in response to the crisis. The youth question, therefore, must be put at the center of the policy agenda for Europe's institutions. Europe needs to get back on the road to development and growth, and in order to do so must dedicate 50% of the ESF to youth policies.

According to the figures from a few months ago, nearly 40% of the apprenticeships conducted in the Tuscany Region finished with various types of job openings (from project-based contracts to open-ended contracts) as a demonstration that investments in training contribute to growth in employment. The apprenticeship and civil service instruments serve to break down the barrier between youth and the world of work and society. Special attention needs to be paid to youthful enterprise in the field of agriculture, a particularly important reality in Tuscany.

Regarding the packet of youth guarantees being promoted by Commissioner Andor, the President, in addition to underscoring the initiative's quality and proclaiming the Region's willingness to move in the same direction, highlighted how the initiative's success will be highly dependent on the Europe's upcoming decisions in the field of austerity.

László Andor, European Commissioner for employment and social affairs

After a general overview of the employment situation in Europe and the associated economic and social costs, the Commissioner illustrated the key initiatives and guidelines taken by the EU in the report on youth policies.

In December 2012, more specifically, as a continuation of the “**Youth Opportunity Initiative**” (December 2011), the “**Youth Employment Package**” was approved with the aim to enrich and strengthen Europe's commitment to young people, especially with respect to the employment issue.

The “Youth Employment Package” has four main goals:

1. “**Youth Guarantee schemes**”: measures that guarantee every youth under the age of 25 an opportunity for a job, training, traineeship or apprenticeship within four months of finishing their work-study programs (i.e., when the unemployment/inactivity period begins). Measures of this nature have already been implemented in Finland and Austria, for example. Tuscany is also heading in this direction;
2. “**Quality European Framework for Traineeships**”, which aims to encourage businesses to offer traineeships and quality training opportunities for young people;
3. “**Alliance for apprenticeship**”, which is scheduled to enter into effect in the summer of 2013 and aims to promote best practices in the context of traineeships;
4. foster **mobility** within Europe's labor market, encouraging the use of instruments like EURES, which at the same time will need to become more flexible.

In conclusion, the Commissioner underscored the importance of the **social cohesion policy**, which is the "main instrument for investing in our future." The Social Fund plays a fundamental role in this context, especially in the context of youth policies. It has become critical for every Member State and Local Entity to use the ESF more often and more effectively.

Mia de Vits, Member of the Committee of the Regions, Representative of the PSEs "Youth Guarantees" campaign and Vice-President of the Flemish Parliament

In her introduction, she underscored the importance of exchanges, mobility and experiences.

Young people, during these times of crisis and unemployment that the continent is undergoing, are the last to be hired and first to be fired, and along with women are sharply underrepresented. Local and regional authorities play a decisive role in improving the conditions for young people in sectors like training, skills acquisition, etc. The speaker presented the situations that have helped foster youth policies in the three Belgian regions, including the creation of 2000 internships for young people in particular. Lastly, the hope is that training in the area of self employment can serve as further incentive to encourage entrepreneurialism.

Part Two: COMPARING REGIONAL EXPERIENCES TO SUPPORT YOUTH AUTONOMY AND EMPLOYMENT

Jerry den Haan, representing the European Youth Forum, introduces the speakers from the second panel.

Alessandro Compagnino, Area Director for the coordination of Training, guidance and employment, Region of Tuscany.

The measures to support youth employment being promoted by the Region of Tuscany can be clustered into four macro-areas:

1. **Apprenticeships and Internships.** In Tuscany, the apprenticeship instrument is regulated by Regional law no. 3 of 2012, the goal of which is to discourage distorted forms of its use. With Law 3/2012, the Region of Tuscany made it obligatory for businesses to pay at least 500 euros gross per month in compensation for extra-curricular apprenticeships. For apprentices between the ages of 18 and (under) 30, the Region of Tuscany co-finances 300 of the apprenticeship's required 500 euros. **Subsidies for recruitment:** if the business decides to hire the young person with an open-ended employment contract at the end of the apprenticeship, then the Region provides an incentive of 8000 euros (10,000 for the needier categories). The law also provides for regional contributions on Internships, i.e., the compulsory internships required to gain access to certain professions. These regulatory interventions have brought about a reduction in the total number of apprenticeships being implemented - confirmation of an effective blow against opportunistic behaviors involving the distorted use of apprenticeships. To date, roughly 5000 - 7000 apprenticeships have been implemented on an annual basis in Tuscany.
2. **Traineeship.** Encouraging the correct use of apprenticeships was not the only goal of the regulatory intervention of Law 3, which encourages the use of traineeships (the prevalent form of access to the labor market). The Regions play a very important role in first level traineeships, because it is the Regions who are responsible for many regulatory aspects of traineeships. The Region plays a minor role in professionalizing forms of traineeships (which are the most common form, representing 97% of all active traineeships). In Italy, the third-level traineeship is experiencing much greater difficulty in establishing itself than in other European countries.
3. **Incentives to support employment.** Tuscany offers incentives for businesses that hire employees (in particular for the hiring of young graduates, research doctorates, women under the age of 30) and promote steady work (open-ended contracts) for workers on the mobility lists, in particular. The Region has dedicated approximately 13 million euros to these incentives for 2012 (with a commitment to allocate up to 15 million for 2013).
4. **Incentives for new business start-ups** by young people, women and working subjects who qualify for social welfare. This is the most significant intervention in terms of the size of contributions allocated and the continuity and coherence with Tuscany's diffuse culture of entrepreneurialism and SMEs. The measure targets young people under the age of 40 and addresses the constitution of new businesses as well the expansion of existing ones. The Region intervenes with guaranteed financing of up to 150,000 euros. In 13 months approximately 1350 incentive requests have been submitted, 815 of which have already been approved.

Matti Mäkelä, Project Manager, Department of Education, City of Turku, Finland

The current Youth Guarantee program entered into effect at the beginning of 2013. The program entails: for every:

- youth under the age of 25, unemployed and without vocational qualifications;
- youth under the age of 30 with an undergraduate degree

to be offered a training, job or apprenticeship opportunity within three months of finishing their previous course of study or job. The *rationale* is to limit the periods of inactivity as much as possible.

The concept of Youth Guarantee was first introduced in Finland in 2003, when it proclaimed the right of every young person who finished "comprehensive school" to enjoy additional opportunities for training to meet their need to grow.

To achieve the aim of the Youth Guarantees, what is needed is

- To improve and increase collaboration between the different actors in the field of education;
- To increase the flexibility of the educational system to better suit the needs of individuals;
- To improve the Guidance services;
- To heighten collaboration with families in order to identify the main youth problems as early as possible and take preventive action;
- Cooperation among actors in the world of work, business and education;

The case study: the Region of Tuku. A pilot Youth Guarantee project that was started in Region of Tuku in 2004 met with great success. The percentage of young people who continued their studies climbed from 93.9% to 98.1%. The number of qualified graduates from vocational schools rose from 63% to 75%.

Kurt Gaissert, inter-regional relations consultant for the State of Baden-Württemberg representative in Brussels.

The dual German system (now present in Austria, as well) was presented to the European level as a best practice in the field of education and the transition to the working world. It consists of an alternation between "traditional" scholastic programs and practical training in the field, i.e., in businesses. The traineeship (with no age limits on implementation) gives young people a chance to work and train inside a business, which, after the training session is over, is then offered incentives to hire the trainee. This type of training is counterposed to university training, but without attributing a greater social value to one or the other. Vocational training in Germany, in other words, is not framed as a "series B" type of education. The German system, in fact, attributes considerable importance to professional figures, which are thus encouraged rather than being discouraged. Great importance has been given to vocational training, especially in recent years, because of how it supports the transition of young people into the working world. Youth unemployment in Baden-Württemberg is around 3%.

Integrated actions for autonomy

Carlo Andorlini, Coordinator of Project Giovanisì, Region of Tuscany

Project Giovanisì was conceived to offer a tangible response to the issue of youth autonomy. The issue of promoting autonomy calls for an integrated intervention strategy that is not sector specific. This particular **strategy** is characterized by:

- Preventive actions, which concern guidance and training.
- Actions to support access and emancipation (this direction involves, for instance, subsidies for renting or purchasing a first home)
- Actions for promoting, developing and exploiting youth initiatives (for example, actions tied to business incentives).

Numbers

- ñ Target: 18-40 (for entrepreneurship). Some measures have more circumscribed targets.
- ñ There are 50,000 young people involved.
- ñ 365 million engaged in the Giovanisì project. The funds have increased during the two years of activity, a sign of increasing Regional attention to the issue.

The Project is articulated along three **dimensions**:

- **Operability:** Giovanisì promotes concrete actions. The Giovanisì Project is organized into six macro-areas (home, work, internships, civil service, study and training, doing business), each containing specific actions (about thirty in number).
- **Innovation** in both external and internal governance.

Internal governance. The autonomy issue has necessarily led to the formulation of a transverse policy, and therefore a collaboration across every sector of the regional institutional machinery that are involved in youth-oriented actions. The actions, therefore, are integrated into a single strategy.

External governance. This change has manifested itself in the form of joint planning by territorial actors who have accumulated experience with projects in this context. The goal is to gather information on the progress status of each project, collect the demands of the territories and define the strategies and actions to put in the field.
- **Participation.** This dimension concerns all of the different formal instruments that help provide a form of representation for youth. The "Giovanisì Table," whose task is project monitoring and adjusting the actions in response to emergent needs, is made up of representatives from professional associations, unions, service sectors, etc. This process, while imperfect by nature, sustains us with its continuous openness and collective vision.

Strong points of the project:

- the implementation of measures and competitions targeted at the transition period, which is the most vulnerable time when young people are in greatest need of support;
- the communications aspect. The Giovanisì office, created ad hoc, is the interface that mediates between youth and the institution. It also serves as an integrated container for all of the different youth initiatives;
- participation from below.

Ricardo Ibarra Roca, President of the Consejo de la Juventud de España

The Consejo de la Juventud de España is a platform for all of the youth organizations in Spain. The Consejo focuses mostly on the issues of work and youth autonomy in a setting where youth unemployment is roughly 56.5% (and as much as 60-65% in certain regions in the south).

- Analysis of the youth situation in Spain. At one level, the youth population contains a highly-qualified strata characterized by a slightly lower unemployment rate (around 28.4%). These young people still suffer from considerable uncertainty (short-term employment contracts, apprenticeship contracts and fellowships used in distorted ways due to the lack of any training objectives). At another level there is the under-qualified generation, which has a much higher unemployment rate and is at high risk of social exclusion.
- The Consejo presented the government a series of actions in a single document. It includes roughly 50 concrete proposals concerning the education system, the transition from school to the working world, opportunities for youth, dual education, etc.
- The Consejo promoted a local-level pilot project that will begin in 2013. It will involve different entities (municipalities, employment services, scholastic institutions, youth organizations, businesses, etc.) with the goal of implementing the Youth Guarantee system in a circumscribed reality characterized by one of the highest rates of unemployment. The project sets out to:
 - ✓ Create a network of partners involved at every level and in synergy with the theme of education, training and employment.
 - ✓ Implement preventive actions and interventions for school drop-outs;
 - ✓ Introduce innovative elements, such as education through informal training.

Part Three: TOWARDS JOINT ACTIONS FOR YOUTH POLICIES IN THE NEW 2014-2020 PROGRAMMING

Massimiliano Mascherini, Research manager, EUROFOUND, opened the third session of the workshop by presenting the data on NEETs. The floor was yielded to the speakers.

Cinzia Masina, Deputy Head of Unit ESF Italia – DG EMPL European Commission.

Youth unemployment is a problem that concerns all of Europe, and not only the Mediterranean countries who have surely been hit hardest. The DG EMPL of the EC strives to resolve these problems in accordance with the Europe 2020 strategic guidelines, which specify the targets to be achieved, or at least to set our sites on. The

DG EMPL maintains an ongoing dialogue with Member State institutions. Specific recommendations are formulated for each State. The point of these recommendations is to indicate specific measures to be implemented by the national authorities in order to confront the current employment crisis and to remedy the structural deficits in the labor market. The hope is to maintain a foundation in the upcoming financial program that is expansive enough to enable all of these actions to be implemented.

Nicolas Schmit, Minister of Labor for Luxembourg

The alarming level of youth unemployment did not appear out of nowhere, but can be traced to specific causes. These causes are what need to be addressed in order to combat this unpleasant situation. The causes of unemployment are tied to the economic crisis that has stricken all of Europe. Combating this situation, therefore, requires us to create more jobs and more opportunities for businesses to hire new employees.

This solution can be approached in many different ways, but no single solution can do it alone.

- ✓ Public labor policies: while important, these are insufficient for solving all of the issues;
- ✓ Innovation: we need to focus on innovation, research and high technology. Innovation is the key to creating new jobs;
- ✓ Mobility: this represents a great educational opportunity for young people. If young people only move in some countries but not others, though, it will be impossible to generate homogeneous growth in Europe.

The new round of 2014-2020 programming needs to be recognized as an opportunity to point Europe in the right direction. This is why the ESF needs a specific division dedicated to youth in order to earmark a significant quantity of resources for the objectives cited above. The Union needs to be reconstructed on a foundation that is more solid, because we cannot allow young people to lose faith in Europe. The more adept countries need to cooperate in order to cultivate stronger social cohesion. The attention, in fact, cannot be limited to fiscal and economic aspects alone. Europe is more than just an economic reality, it is also a social model. A model for solidarity across countries, people and generations. This is a Europe that's worth fighting for, and that needs to be fought for.

Gianfranco Simoncini, Assessor for productive activities, labor and education in the Region of Tuscany.

The fundamental challenge for the Union's future is now represented by the youth question.

- There can be no future when youth unemployment rates are so high. The Union loses its social support if the talents and capacities of youth are allowed to fade away, young people whose future is linked to temporary employment in the absence of rights and entitlements. Unless these problems are adequately confronted, the social strength of Europe will be at risk along with its capacity to play a central role as an exemplar for other continents.
- In this context, the new ESF programming (2014-2020) has become critical. This, in fact, is the necessary starting point. The debate on new programming needs to attribute a fundamental role to both labor and development policies. The trend towards cutbacks in the resources allocated for cohesion policies is alarming and we must fight against them. At the same time, we also need a more effective integration of the funds. Greater coordination between the ERDF and the ESF has become essential if the goal is to create work and guarantee good employment (in terms of safeguards and guarantees). The resources of the EU, last of all, need to be reflected in national laws with the capacity to attract these funds and put them to better use.
- Our recommendation is to bring today's efforts to a conclusion by defining the path to take in order to create a document to be presented for examination by the Commission. The document should summarize the best practices presented on the basis of different regional experiences (especially in terms of strengthening apprenticeships as a training instrument, mobility and entrepreneurialism) to present the Commission with a concrete contribution derived from the successful actions developed in the territory. The final conference of the One Step Ahead - OSA project "*A system of guarantees for young people - a step ahead towards employment and independence*" (that led to a careful analysis of the policies and measures dedicated to young people and implemented at the regional level) that will be held in Florence on 21 and 22 February 2013, represents an important opportunity for collecting and presenting contributions for this document and fostering a more general discussion and comparison of youth policy issues.