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# Youth Unemployment: A Crisis in Our Midst

## THE ROLE OF LIFELONG GUIDANCE POLICIES IN ADDRESSING LABOUR SUPPLY AND DEMAND



# **Youth Unemployment: A Crisis in Our Midst – The role of lifelong guidance policies in addressing labour supply and demand**

Concept note commissioned by ELGPN

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## Youth Unemployment: A Crisis in Our Midst – The role of lifelong guidance policies in addressing labour supply and demand

*'The global youth unemployment rate has proved sticky, and remained close to its crisis peak. At 12.6 per cent in 2011 and projected 12.7 per cent in 2012, the global youth unemployment rate remains at least a full percentage above its level in 2007....Youth unemployment and situations in which young people work in poor conditions incur social as well as economic costs.' (ILO, 2012, p.12)*

This concept note addresses five key questions:

- (1) What are the current trends and challenges facing young people and policy-makers across Europe?
- (2) What policies, including good and interesting practices, are emerging in differing European Union (EU) Member-States in response to youth unemployment?
- (3) What more can be done to address youth unemployment, drawing on lifelong guidance policies and practices?
- (4) How can policies for responsive lifelong guidance services make a positive contribution to

new and emerging government delivery plans within and across Member-States?

- (5) What are the key questions to inform the EU's and Member-States' education, training, employment and social inclusion priorities?

### **1 What are the current trends and challenges facing young people and policy-makers across Europe?**

- 1.1 Youth unemployment is a growing problem that has significant long-term consequences for individuals, communities, economies and societies. In the last decade, young people's transitions from school to work have become longer, more complex and more turbulent (Schoon & Silberstein, 2009). National Labour Force surveys (Hoffman, 2011) indicate that youth unemployment has risen in all EU countries since 2008, with the proportion of young

people (under 25) searching for work varying from 7% in Austria and 8% in the Netherlands to nearly 50% in Greece and Spain (EC, 2012). Not since 1995 has the issue of youth unemployment featured so strongly in the political, macro-economic and social discourse at European Union and international levels.

1.2 The current and long-standing economic situation has raised new questions concerning the adaptation of public policies, as well as the adaptability of citizens, particularly young people who are among the most vulnerable groups. Turbulent economies and fast-changing political and social structures are bearing down heavily on young people, governments, communities and employers. Differing forms of public, private and voluntary/community sector alliances are on the increase, and a major challenge is how best to harness new social partnerships to help stem a rise in youth unemployment. Existing and new policy measures all seek to address, in differing ways, the economic, social and psychological impact effects of youth unemployment (and under-employment).

1.3 Consistent research findings (GHK, 2012; Mann, 2012; ILO, 2012a; Eurofound, 2011; OECD, 2010a; OECD, 2010b) indicate that a prolonged spell of unemployment early in a young person's working life can have long-term 'scarring' effects on lifetime prospects, under-utilisation of knowledge and skills, potential lower earnings through life, reduced health status and threat of social exclusion. Monitoring and evaluation results indicate youth as a heterogeneous group that includes many sub-groups for targeted interventions. For example, gendered schooling experience and the differential impact of policies and practices with regard to young women and men impact significantly on

cultural expectations and 'social norms' in relation to work, inactivity and worklessness.

1.4 Figures from Eurostat (EC, 2012) indicate that the recent downturn in the labour market situation for young people aged 15–24 continues to worsen significantly in many countries. EU Member-States aim to cut deficits to a maximum of 3% of GDP by the financial year 2014–15, which means few opportunities for Keynesian government-led interventions (although currently this is subject to strong debate). The future role and structure of the 1997 Stability and Growth Pact (SGP) – renewed in 2005 – is also part of the negotiation for the better future economic governance of the EU. These trends point to a growing portion of the youth population finding itself chronically unable to locate satisfactory work or indeed any type of paid work. The potential negative social impact of this issue, with large volumes of potentially disillusioned, disaffected and disadvantaged youth, merits greater policy attention in relation to the 'division' and possible 'diversion' of scarce public resources.

1.5 Clearly, there are huge contrasts between EU Member-States, with the unemployment rate higher than 20% in two-thirds of them, and around 50% in the Mediterranean region. The only EU countries with low rates of youth unemployment are Austria, Germany and the Netherlands, all in the 7–9% range. Even in Germany, where the economy currently is doing better than most in Europe, the government plans by 2014 to cut the budget deficit by a record 80 billion euros. Overall, lessons learned from the differing scenarios across Europe indicate that at the heart of government policies is an urgent imperative for new and better economic governance of the EU (Europe 2020), new job opportunities and stronger social cohesion.

1.6 In many countries, young people’s moves from learning to earning are proving more problematic in general terms (Keep, 2012). More diverse young people (including some high achievers) are not in education, employment or training (NEET), with fewer jobs on offer and less ‘decent work’ available (as opposed to temporary low-skilled work), and the skills of young people are generally not in high demand from employers. The percentage share of youth in the overall population is declining, alongside increasingly fragmented and prolonged transitions (ILO, 2010a, p. 13). The problem is not solely linked to the recession, weak economies or changing demographics, but also to structural problems as outlined below. These resonate strongly across the European Union.

1.7 The barriers on the supply and demand side are arguably linked not only to mismatch or short-fall in both technical and non-technical (generic or soft) skills, but also to rapid expansion in education and qualification systems across Europe. In addition, school-to-work transitions are more difficult in countries where the dominant transition model is ‘study first, then work’ (OECD, 2010a). In contrast, where combined study and work is more common – through, for example, work-experience placements, apprenticeships, internships, job placements, and seasonal and part-time work – youth transitions are reportedly easier and safer (for example, in Austria, Denmark, Germany and the Netherlands).

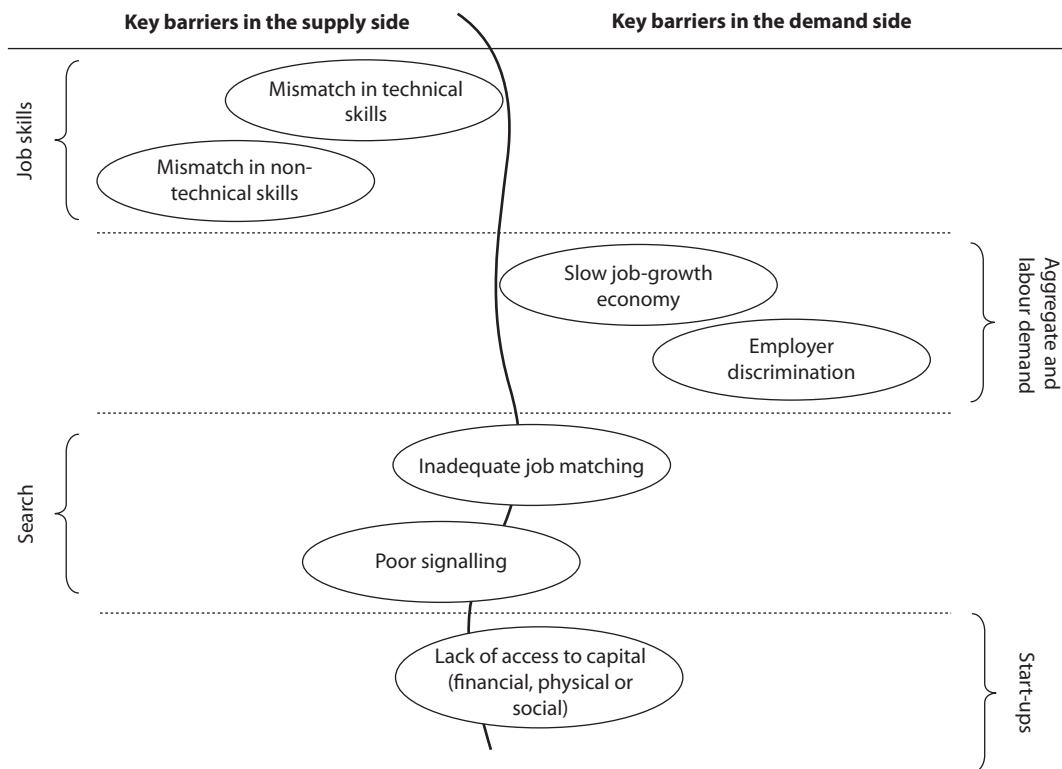


Figure 1: Key labour market challenges for youth (Source: ILO, 2010a, p. 54)

- 1.8 The value of qualifications and skills acquisition has not always been matched by labour market realities. In countries such as Estonia, Greece and Italy, around one-fifth of young people with a tertiary education degree are NEET (Eurofound, 2012). Removing barriers to employment for this group (and other sub-groups) presents major policy challenges. For example, a number of countries have recognised that for migrants and minorities, language difficulties restrict entry and progression in education and/or training. Language support measures in such countries as Bulgaria, Cyprus, Greece, Italy, Malta, Portugal and Sweden have been identified as important means of addressing this issue (GHK, 2012).
- 1.9 Strategies to tackle youth unemployment and under-employment can be categorised in terms of *prevention*, *recovery* and *re-integration*. For instance, there is growing evidence in some countries of structural weaknesses in education and training systems, with attempts to address this in a more co-ordinated way, typically through national or regional frameworks, and local arrangements with greater autonomy and freedom to choose an appropriate policy mix. Shifting and devolved responsibilities between public, private and voluntary/community sector arrangements are also impacting upon the identification and promotion of youth opportunities.
- 1.10 EU policies such as ‘Youth on the Move’<sup>1</sup> and the new ‘Youth Opportunities Initiative’<sup>2</sup> provide new frameworks designed to prevent drop-out from education and training and to strengthen young people’s recovery and re-integration into the worlds of education and employment. The

state of readiness of young people for entrepreneurship and/or volunteering activities requires new competencies in the changing EU and national labour markets. Horizontal policies such as ‘Youth on the Move’ relate strongly to the need for competency development in career management skills (CMS). CMS are much more on the agenda of national core curricula compared to a decade ago; however, there is also growing evidence of systemic failure in giving sufficient attention to such skills (Keep, 2012; ELGPN, 2012; GHK, 2012).

- 1.11 One problem found almost universally across Europe in relation to early school-leaving is the shortage of time and dedicated personnel for guidance and counselling (CEDEFOP, 2010). Other findings strongly indicate that career guidance policies are particularly important at transition points from one level of education to another (Gracey & Kelly, 2010; OECD, 2010b). For example, in Austria, Finland, Germany, Hungary, Luxembourg, Norway and Sweden, new forms of ‘bridging programmes’ and personalised ‘taster options’ have been introduced. Many EU countries are currently reviewing existing legislative measures that include career guidance strategies and services in response to immediate economic and social policy imperatives.

## **2 What policies, including good and interesting practices, are emerging in differing European Union (EU) Member-States in response to youth unemployment?**

- 2.1 If the pattern for young people continues – of mainly temporary jobs, unpaid internships, and multiple part-time job roles, with permanent jobs offered mainly to older workers – then some form of reconfiguration will be required in managing the expectations of youth.

<sup>1</sup> [www.ec.europa.eu/youthonthemove/](http://www.ec.europa.eu/youthonthemove/)

<sup>2</sup> [www.eubusiness.com/topics/employment/youth-1](http://www.eubusiness.com/topics/employment/youth-1)



A *new social and psychological contract* is likely to emerge between these individuals and the state, with major consequences for this and future generations. As long as there is an economic downturn without a sufficient number of new jobs, total employment cannot be increased by helping all individuals to search more efficiently. However, *career management skills* and *career adaptability competencies* offer a strong framework to help individuals adapt to such changes, and to manage effectively their transitions between education, training and employment opportunities.

- 2.2 If it is understood that lifelong guidance is a lifelong learning process ('careering') within the individual, this extends beyond simply matching qualifications to jobs moving towards supporting individuals into sustainable employment. Career guidance policies can be viewed by policy-makers as the *lubricant* that supports individuals, businesses and educational institutions to adapt and respond positively to the reality of turbulent global, national, regional and local labour markets. However, this is not a panacea for fixing labour market deficits: for example, it remains questionable whether equitable outcomes for all young people can be realised on a broad basis if the structural causes of unemployment and inequality remain unchanged.
- 2.3 An important issue in this respect is the extent to which career guidance interventions convey implicit messages about 'responsibilisation', implying that individuals are personally responsible for structural economic and political problems (Sultana, 2011; 2012). Significant in this respect is the relative balance adopted in such programmes between employability, opportunity creation (including entrepreneur-

ship), coping with being unemployed (including making good use of time, e.g. through voluntary work), and understanding the causes of unemployment (Watts, 1983).

- 2.4 So far, Member-States have implemented a wide range of policies and measures to try to tackle the issues of job creation and more career opportunities for young people. These include: the provision of work experience, improving the relationships between education and work, youth guarantees, job-search support, the promotion of entrepreneurship, guidance/counselling programmes; apprenticeships, internships, personal training records and active citizenship/volunteer activities. Examples are outlined in Table 1.
- 2.5 Several countries offer alternative training provision, or have adapted existing training offers and placements to the needs of young people in specific targeted groups such as disabled people, young people from migrant backgrounds, or young people looking for work who may not be able to access career opportunities because of the costs of transport, accommodation, equipment or childcare. Measures providing direct financial support to employers feature, for example, in the UK (England) through a major employer investment fund (EIF) and growth and innovation fund (GIF); in the Netherlands, fiscal arrangements are in place to support employers to make necessary arrangements in order to employ disabled young people; and in Germany, employer incentives are used to encourage employers to take on young people who have not been able to find apprenticeships or have lost their apprenticeships because the employer has shut down. European Public Employment Services are now all active partners in youth integration, most offering tailor-made youth labour market integration programmes.



**Table 1:** Policies and measures to tackle youth unemployment and/or under-employment

Policies and measures	Some selected examples in EU countries
Work experience	<p>In Germany, the <i>Occupational Orientation Programme</i> helps young people make career choices based on both occupational orientation courses and practical experience of the workplace through internships.</p> <p>In the Netherlands, <i>learn-work jobs</i> are offered by recognised 'learning companies' offering young people work experience at the same time as receiving a salary. Young people receive strong guidance in their transition to the labour market. Students can choose online the job that fits their needs and vacancies are quickly filled. Also, the <i>XXL Jobs</i> initiative offers young people jobs in sectors where the departure of older people will lead to a shortage of skills and knowledge.</p>
Improving the relationship between education and employers	<p>In the UK (England), the volunteer <i>Speakers for Schools initiative</i> targets young people in disadvantaged state schools and colleges, offering them the same opportunities to hear from inspirational speakers as those who attend well-known independent schools. Careers information and 'role models' feature prominently in this regard.</p> <p>In Estonia, the <i>Government programme for 2011–15</i> aims to popularise and increase the quality of vocational education and to transform vocational schools into local 'competence centres'. Links to career guidance services are implicit in this work.</p>
Youth guarantees	<p>In Sweden, a <i>job guarantee for young people (jobbgaranti for ungdom)</i> enrolled within the public employment services was introduced in 2009. Anyone aged 16–25 is entitled to take part.</p> <p>In Finland, the <i>youth guarantee</i> has enabled early intervention, fostered regional equality, improved co-operation between different authorities and improved the relationship between the authorities and young people.</p> <p>In Austria, the Public Employment Service is responsible for unemployed youth and has to offer them <i>restart learning</i> combined with working.</p>
Job-search support	<p>In Lithuania, <i>Youth Employment Centres</i> aim to help young people make smooth transitions to the labour market.</p> <p>In Latvia, the education and career internet portal <i>www.prakse.lv</i> offers consultations on education and employment issues for young people, as well as information on job and placement vacancies and educational opportunities. Employers can use the website to provide information about practical aspects of employment in their enterprises and to recommend professions and higher education (HE) institutions that they consider the best for them.</p> <p>In Malta, the <i>Youth Employment Programme</i> has been designed to help young people to enter employment. The programme comprises services from a multidisciplinary team (including career guidance practitioner, psychologist, occupational therapist and youth workers), plus a website, a TV programme and youth days.</p>
Promotion of entrepreneurship	<p>In Italy, entrepreneurship is promoted to higher education students through special '<i>start up offices</i>' in universities, with free consultancy via a ministerial website which offers online documents and business tutorials.</p> <p>In Hungary, the Ministry of National Economy has a <i>strategic agreement with the Youth Entrepreneurs Association (FIVOSZ)</i>, providing start-up business packs for young entrepreneurs up to age 35.</p>

<p>Provision of careers information, careers fairs, seminars and events</p>	<p>The majority of EU countries ensure the planning and delivery of careers fairs and careers events in schools, colleges, higher education and community settings.</p> <p>In Portugal, <i>career self-management seminars</i> have been developed and implemented by psychology teachers and researchers of the Career Guidance and Counselling Centre of the University of Minho.</p>
<p>In-school, college and university career guidance/counselling programmes</p>	<p>In Finland, <i>careers education programmes</i> are built into the National Core Curriculum. School counsellors and teachers have been trained to deliver career management skills development during classroom activities.</p> <p>In Denmark, the Ministry of Children and Education offers <i>online and face-to-face career guidance programmes</i>. It also has a separate youth database system designed to collect data on all 15–29-years-olds (in accordance with the civil registration system).</p>
<p>Apprenticeships</p>	<p>In Ireland, the <i>Redundant Apprentice Placement Scheme 2011</i> places certain redundant apprentices with eligible employers and helps employers meet the costs of these apprentices.</p> <p>In France, rather than providing subsidies to employers, employers are required to pay a fee if they do not hire their quota of apprentices. The ‘additional apprenticeship contribution’ (<i>contribution supplémentaire à l’apprentissage</i>) (0.1% of wage costs) has to be paid by all enterprises with more than 250 employees whose workforce includes less than 4% apprentices.<sup>3</sup></p>
<p>Internships</p>	<p>In Denmark, additional funding has been allocated to <i>maintain and create internship places</i>, in recognition of the fact that the number of places has fallen since the economic downturn.</p>
<p>Personal training records</p>	<p>In Italy, the <i>libretto formativo del cittadino</i> (personal training record) is designed to gather, summarise and document the various learning experiences and skills acquired by citizens during their participation in VET courses, as well as in work and in their everyday lives.</p>
<p>Active citizenship and volunteer activities</p>	<p>In Poland, the <i>Voluntary Labour Corps</i> offers activities directed at 25,000 young people aged 15–25, including 600 who are unemployed and 2,440 who are professionally inactive.</p>

Sources: GHK (2012), with further examples taken from the European Lifelong Guidance Policy Network (2012).

2.6 The provision of careers information and in-school guidance/counselling – as a preventive tool – plays a pivotal role in supporting young people to manage their transitions effectively. In Turkey, training for the parents of students aged 7–19 is made available by guidance services in basic and secondary education, and ‘Research and Guidance Centres’ in provinces provide community training programmes. Across Europe, the availability of labour market intelligence and information on general employment trends, the structure of the labour market, the way the labour market functions, the interaction between labour demand

and supply, national, regional and local labour market variations, equality and diversity within occupations and progression routes need to be linked more closely to the training of teachers and career guidance/counsellors. This too has major implications for workforce development between the six cross-sectoral policy areas: schools, vocational training, higher education, adult education, employment and social inclusion.

<sup>3</sup> From January 2012, there will be a *bonus malus* system in place so that the further the companies fall below the quota, the more they will have to pay.

2.7 Preparation for adult working life requires exposure to occupational insights, role models and knowledge of how different occupations and careers unfold over time. The importance of providing all young people with comparable access to effective preparation for successful working lives is crucial.<sup>4</sup> Any perceived 'abandonment' by young people after completion of studies can be ameliorated by visible and accessible careers services, with clear signposting to local provision at times and places suited to individuals' needs. Underpinning this approach, steps to assess the quality and impact of the services (strengthening the evidence base) are essential, including involving unemployed (and under-employed) young people in designing and shaping provision.

2.8 During the last decade, a policy issue of growing importance has been how best to develop a lifelong guidance approach that embeds career management skills (CMS) and new career adaptability competencies in education, employment and unemployment programmes. This includes testing out new pedagogical/andragogical strategies and resources to find the most effective ways of enabling the mastery of skills and competences that can be assessed and accredited in ways that support career development across different life stages. Questions about which kinds of data need to be generated in order to measure the impact of CMS programmes must also be addressed.

2.9 Access to lifelong guidance services still needs to be sufficiently developed for a wide range of particular sub-groups of unemployed and

under-employed young people. Each country is unique in its infrastructure and culture of career resources and service delivery. Seven key features represent policy and implementation challenges for widening access for all, namely: (i) *coherence and consistency*, (ii) *channelling*, (iii) *differentiation*, (iv) *penetration*, (v) *targeting*, (vi) *marketing*, and (vii) *co-creating in new partnerships and alliances* (ELGPN, 2010). The quality of choices, opportunities and outcomes linked to formal and informal learning and work are also crucial. Validation of non-formal and informal learning is in process of development in many countries. The role of validation is now widely recognised; however, the actual scale of implementation varies. Although the need for guidance services is well understood, the guidance support within the validation process seems in many cases to be, at best, in progress (Akkök, 2011). Entitlement to free access to guidance must be part of such approaches.

2.10 There is an urgent imperative to improve knowledge and understanding of effective quality-assurance systems and accountability frameworks that focus on youth unemployment (and under-employment). Investments made in lifelong guidance systems and services must demonstrate more clearly the added-value returns for individuals, communities, economies and societies. Few services if any have used statistical data modelling to calculate the immediate, medium and longer-term savings to the public purse in the form of economic and/or social returns on investment. A further challenge is for EU Education and Training (2020)<sup>5</sup> developments to complement and strengthen the evidence base between education and employment policies.

<sup>4</sup> Research by Morris *et al.* (1999) examined the impact of careers education and guidance provision on young people's transition post-16. A key finding was that young people with more highly developed career exploration skills were more positive and confident about the choices they made post-16 and were more likely to make a successful transition. The key factor that seemed to underpin successful transition at 16 was the level of young people's career exploration skills.

<sup>5</sup> [http://ec.europa.eu/education/lifelong-learning-policy/policy\\_en.htm](http://ec.europa.eu/education/lifelong-learning-policy/policy_en.htm)

### 3 What more can be done to address youth unemployment, drawing on lifelong guidance policies and practices?

3.1 Governments are seeking to rebalance economies through strategies for *greater business investment* and *new education and training policies*. They are accordingly attempting to strike the right balance between:

- [a] *process measures* (e.g. improving education, qualifications and vocational training systems; strengthening industrial and environmental policies<sup>6</sup>; stimulating employer engagement and entrepreneurship; activating community regeneration programmes; social mobility/inclusion strategies; and investing in labour market intelligence to provide better matches between supply and demand in the labour market);
- [b] *outcome measures* (e.g. linked to youth guarantees, increased usage of public-private partnership in delivery of outcome-driven results, and compacts with leading employers and/or chambers of commerce; strengthening internships and apprenticeships, retention and progression in learning and work).

3.2 The European Stability Mechanism (ESM) combines the aims of *economic stability and growth* with *social cohesion*, linked to core policies of inclusion and combating unemployment and underemployment. The *activation* of targeted groups excluded from labour market participation (*welfare reform*) and the *employability* of individuals tied to educational policies (*life-*

*long learning*) are each forming a new moralisation contract between the citizen and the state. The dual principles of 'demanding' and 'enabling' individuals to become more attractive to employers through training and financial incentives, and to increase their job-search activity, are 'contested territory' in relation to the extent to which these two key principles can be readily reconciled.

3.3 The *economic cost* to the public purse of youth unemployment, let alone the human cost of under-employment and/or under-utilisation of talents and skills, are broadly estimated in each EU member-state. Eurofound (2011a) reports that the cost reached around 100 billion euros per year across a sample of 21 European countries.

3.4 The *social cost* on young people is felt not only in terms of unemployment or under-employment, but also in:

- the social hazards of 'disorder', 'apathy' and 'despair' fuelled partly, though not exclusively, by disaffected communities highlighting the lack of job opportunities, especially for young people (e.g. Paris / Île-de-France Region Riots 2005; London Riots 2012);
- the negative consequences on their health status as a result of prolonged inactivity and joblessness;
- the loss of wages, job satisfaction, and human and cultural capital.

The ILO (2012b) states that youth unemployment requires urgent attention because 'not only does it threaten to violate the principle of equality and solidarity between generations, which is an important aspect of social justice, but any further prolonging or deepening of the crisis will also increase the likelihood of political and social unrest as more and more young people lose faith in the current economic paradigm' (p.1).

<sup>6</sup> Improving the conditions for doing business and providing a clear and transparent framework for vocational training programmes in order to encourage more companies to hire trainees.

- 3.5 The *psychological cost* to the individuals and communities often includes a perceived disjuncture between 'identity' and 'work', 'family' and 'personal relationships'. There have been radical changes to the typical experiences of young people, with some of these changes evidenced in the way young people view their lifestyle, decision-making and identity. Overall concern that rising aspirations and increasing desires for secure and valued work mean that many young people – especially the lowest-achieving – may not form aspirations that reflect the realities of the labour market they are about to enter (Mann, 2012). Also, there has been a surge of individualisation, with individual 'ownership', 'consumerism' and 'choice' influenced significantly by ICT and social media.
- 3.6 Unemployment and under-employment are unwelcome because of the special role and meaning 'work' has in industrial society. Children, throughout their early socialisation, are taught about the importance of work and learn that one of their prime sources of identity and status is one's occupation. Furthermore, they learn that occupational advancement is synonymous with social advancement. Working-life familiarisation opportunities and the availability of comprehensive information, advice and guidance are key ingredients in supporting young people in finding employment (GHK, 2012).
- 3.7 From the European Public Employment Services (PES) perspective, 'early intervention', and 'youth guarantee' are well-known strategic and service-delivery mechanisms. For example, in Austria, the PES offers an early intervention policy for drop-out students at a compulsory base. The German employment service is now setting up special youth counsellors (U25) who work with no more than 75 young people at any given time. According to the new strategy of the European Heads of Public Employment Services, some PES now offer (or are planning to offer) career guidance services in a much broader perspective to meet the changing demands from unemployed young people (Borbély-Pecze & Watts, 2011; Bimrose & Barnes, 2011a).
- 3.8 The lack of robust and readily accessible labour market intelligence and information, and deficiencies in young people's career management skills, have fuelled the issues of inadequate job matching, poor signposting to opportunities and lack of access to social capital for unemployed and under-employed young people. The role of lifelong guidance policies as a 'cross-sectoral theme' is often given insufficient attention by schools, colleges, universities, training providers and employers, despite having a key role to perform in reshaping youth ambition, achievement and aspirations.
- 3.9 Strategies such as 'Youth on the Move' and 'Youth Opportunities' initiatives, aimed at supporting Member-States to define and implement appropriate measures, can help not only to address the concerns of young people but also to perform an advocacy and brokerage role in new discourses on closing the gaps between the worlds of employment, under-employment and unemployment. A stronger policy framework that helps motivate and inspire individuals to take action at different ages and stages in the life course (that is, new ways of combining learning, earning and active citizenship) is now required. Mayston (2002) highlights the economic policy importance of a well-functioning labour market and a reduction in the extent of social exclusion, to which high-quality career guidance can make positive contributions.

## 4 How can policies for responsive lifelong guidance services make a positive contribution to new and emerging government delivery plans within and across Member-States?

4.1 There is a growing tendency in Member-States towards 'tougher policy measures' for young people, emphasising the responsibilities of schools, young people themselves, and their parents (ILO, 2012a). The European Union list of key competencies for lifelong learning implicitly refers to career management skills (CMS) which describe learning to learn, social and civic competences and the sense of initiative and entrepreneurship<sup>7</sup>. Bandura et al. (2001) indicate that perceived self-efficacy and a sense of agency, rather than actual achievement, are key determinants of self-identity and career aspirations. A stronger policy link can be made to understanding the influential role of parents and involving families in career management skills and new career-adaptive competencies and behaviours.

4.2 Other policy levers that can be given further attention to help address youth unemployment include:

4.2.1 *Continuing vocational training*: Whilst the scope and content of compulsory education changes, this can stimulate and/or force education and training systems to 'provide credible pathways' for young people linked to wider opportunity structures. The use of the term 'opportunity structures' conveys a tension between the need for openness and flexibility on the one hand and structured pathways on the other (Bimrose et al, 2011c). Continuing vocational

training (CVT) policy could be further strengthened by focusing on concerns for individuals' career development. The principles of flexicurity can be helpful in this respect, and extending the breadth and quality of the opportunity structures should be a primary goal of policy in this area.

4.2.2 *Curriculum specific reforms*: As job entry, career prospects and vocational orientation are likely to become more prolonged, new curriculum reforms should be designed to create increased exposure for young people to role models and work experiences (online and off-line) with links made to both formal and informal learning and validation developments. Career management skills (CMS) programmes, good quality careers information and professionalised guidance/counselling can each play an important role in supporting young people to make well-informed and realistic decisions (concerning self-knowledge and the division of labour in society) as they move into and out of post-school transitions. Database systems for tracking purposes could be synergised and better aligned to move away from 'one-off snapshots' of destination measures towards career trajectories captured over time.

4.2.3 *Communication between and across schools, colleges, higher education institutions and vocational education and training (VET) programmes*: The design and development of modern careers services, both within and outside the workplace, will have to take full account of individuals' 'state of readiness' to manage and implement effective decision-making in relation to learning and work. This means finding new ways of personalising ser-

<sup>7</sup> Recommendation 2006/962/EC of the European Parliament and of the Council of 18 December 2006 on key competences for lifelong learning.



vices for the individual and developing innovative strategies so that careers professionals, teachers, trainers and employers can make more effective use of 'career stories and trajectories' within education and employment settings. Also, internships and apprenticeships that support the transition to employment of young adults need to be better understood<sup>8</sup>.

4.2.4 *Co-financed measures*: Skills are an intrinsic part of long-term economic growth, yet too often the skills debate gets lost within the complexity of existing systems or develops according to short-term imperatives. This is especially true with youth, where the skills investment is for the future society and the future needs of the labour market. Targeted financial incentives and financial support mechanisms for career development and vocational training could give closer attention to employer investment and incentives around industry needs. For example, in Finland those aged between 25 and 30 who have been out of work for six months are issued a *Sanssi-card* that indicates to employers that they will be eligible for a 10-month wage subsidy if they hire this person. Subsidies of 650 a month for a full-time job are available. 75% of employers and 60% of youth have reported they are satisfied with the initiative. Whilst variations exist in most countries in relation to the use of subsidy and taxation measures, closer scrutiny of arrangements across Member-States should encourage more employer investment in 'good jobs/apprenticeships' for young people.

4.2.5 *Co-training of teachers, careers practitioners, VET trainers, youth and volunteer workers*. Policy formation could give greater emphasis to the value of careers professionals in helping individuals to articulate and possibly align goals, expectations, development strategies and outcomes in relation to learning and career development. This can be linked to joint continuous professional development on the application of labour market intelligence and information, and use of online teaching and learning (Bimrose et al, 2011b) with potential cost savings accrued.

4.3 In addition, a lack of understanding about the availability and reality of jobs and career opportunities contributes to a type of market failure (information asymmetry) in the school-to-work, higher-education-to-work or job-to-sustainable-employment transitions. Steps to improve this can be taken in the form of more robust *national careers information systems and careers services* (such as those in Denmark, Finland, France, Germany, Hungary and the UK, as well as in Australia, Canada and New Zealand).

4.4 There is an urgency to deploy at a cross-policy level (Europe 2020) strategies that connect and validate different national database systems from public education, VET, higher education and PES, and additional labour market information. This is a real challenge for most of the EU Member-States. In the USA, two government departments, the Department of Labour and Department of Education, have set up and maintained an Occupational Information Network system (O\*NET) as a virtual one-stop-shop portal<sup>9</sup>. Research is currently under way

<sup>8</sup> The European Quality Charter on Internships and Apprenticeships. <http://qualityinternships.eu/>

<sup>9</sup> <http://www.onetonline.org/>



in the UK into the feasibility of exploiting this comprehensive occupational-level information (UKCES, 2012). The German BerufeNet<sup>10</sup> set up and run by the federal public employment service also combines the world of work and education. Within the medium-size Member-States, the Hungarian PES<sup>11</sup> has been developing an all-age career information website to set up a virtual one-stop-shop for citizens. In the long term, this can potentially decrease the cost for governments and make the education and labour market more transparent for all citizens as well as for employers. A cautionary note is required here, given the short-term costs associated with aligning ICT systems and LMI classification data, and the longer-term workforce development implications. Nevertheless, public policies should continue to support occupational information delivery systems, especially those that use technologies to widely distribute services and products.

4.5 The generation of young people now facing record levels of youth unemployment bring with them unprecedentedly high levels of qualifications and years of education, yet under-education and early drop-out still remain major problems (UN, 2011). The focus on formal qualifications as a proxy for learning and development does not do justice to the range, depth and variety of different forms of learning that contribute to career development and to the acquisition of career management skills and competencies. The latter should be promoted, and the most appropriate timing for validation of different forms of learning and the use of qualifications in this process should be considered.

4.6 Individual portfolios, skills and competency inventories that move beyond acquired qualifications are often key requirements in fiercely competitive job markets. The currently developed European toolkits to support mobility – both labour and educational – are work in progress (for example, the EUROPASS portfolio, and the European Credit Transfer System (ECTS)). Also, the European Classification of Skills and Occupations (ESCO) and European and National Qualification Frameworks (EQF) are in differing stages of development. But these tools only focus on information provision. Life-long guidance policies and practices can bridge the gap between these different tools and can also help to translate them into personal, social and economic benefits and outcomes for unemployed and under-employed young people.

4.7 Finally, actual demand and latent demand for careers services from a broad spectrum of individuals is likely to be on the increase in the coming years. Employers, business and trade federations, trade unions, NGOs, public employment services, social and health authorities all have an important role to play in helping to create more and better career opportunities for young people. Governments responsible for determining levels of investment in the design of publicly-funded careers services are facing tough decisions. Each must develop creative and new solutions for relevant and cost-effective careers services, using public, private and non-profit entities to provide information and support to unemployed (and under-employed) young people.

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<sup>10</sup> <http://berufenet.arbeitsagentur.de/berufe/>

<sup>11</sup> [www.eletpalya.munka.hu](http://www.eletpalya.munka.hu)

## 5 What are the key questions to inform the EU's and Member-States' education, training, employment and social inclusion priorities?

5.1 The percentage share of youth in the overall population is declining alongside demographic shifts and increasingly fragmented transitions (ILO, 2010a, p. 13). This has major implications for the levels of investment made by Governments on youth as against adult policies. The following *six key questions* are presented to stimulate further dialogue between and across policy areas:

- 5.1.1 How can government policies migrate towards giving higher priority to career guidance for young people?
- 5.1.2 What practical steps can be taken in relation to the 'division' and possible 'diversion' of scarce public resources allocated to careers services for young people?
- 5.1.3 How can the 'knowledge triangle' between education, careers services and businesses be strengthened as a condition for expanding opportunities for more young people?

- 5.1.4 What level of commitment to embedding career management skills (CMS) can be achieved, especially from early age, to support more young people in becoming more adaptable in their career orientation, vocational choices and decision-making?
- 5.1.5 How can identified good and interesting policies be built upon and embedded within EU and national youth unemployment initiatives?
- 5.1.6 What further action can be taken for EU and Member-State cross-departmental policies that foster co-operation and collaboration on targeted incentives and financial support mechanisms for young people, supported by career services and more employer investment in good jobs, apprenticeships and work-related experiential learning?
- 5.1.7 There is an identified need for cost-effective joint continuing professional development (CPD), more accurate labour market intelligence and more targeted ICT development and support: how can this be realistically achieved at EU and/or Member-State levels?

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**EUROPEAN LIFELONG GUIDANCE POLICY NETWORK (ELGPN)** aims to assist the European Union Member States (and the neighbouring countries eligible for the Lifelong Learning Programme) and the European Commission in developing European co-operation on lifelong guidance in both the education and the employment sectors. The purpose of the Network is to promote co-operation and systems development at member-country level in implementing the priorities identified in EU 2020 strategies and EU Resolutions on Lifelong Guidance (2004; 2008). The Network was established in 2007 by the member-states; the Commission supports its activities under the Lifelong Learning Programme.

**YOUTH UNEMPLOYMENT** is a growing problem across Europe, with significant implications for individuals, communities, economies and societies. This concept note analyses the current trends facing young people and policy-makers, and the policies and good/interesting practices emerging in different EU Member States in response to youth unemployment. It then explores what more can be done, drawing on lifelong guidance policies and practices. In particular, it examines how policies for responsive lifelong guidance services can contribute to new and emerging government delivery plans within and across Member States. Finally, it identifies key questions to inform Member States' education, training, employment and social inclusion policies.

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