

NEGOTIATE

Overcoming early job-insecurity in Europe

Institutional determinants of early job insecurity in nine European countries

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Introduction

In the European labour market, young people have been disproportionately affected by job insecurity indicated by unemployment, inactivity, job precariousness and fragmented careers during and after the economic crisis of 2008. This may be crucial for their ability to maintain a living income and to live a decent life on their present and future life course. The increasing polarisation in the labour market may become a persistent structural feature in the conditions of the changing employment structures and flexibilization of labour. This challenge was recognised at the EU level when Youth Opportunities Initiative (2011), Youth Employment Package (2012) and Youth Guarantee (2013) were launched and underpinned with financing from ESF schemes. The European countries, however, have experienced very different impacts of the crisis on their labour markets (Karamessini et al. 2016). Similarly, the initial responses in active labour market policies (ALMPs) to the crisis also diverged considerably (Clasen et al 2012). The question arises about the longer-term adaptations of labour market policy and other policies to the challenge of increasing early job insecurity and the associated structural changes in the labour market.

The aim of this paper is to assess in nine national contexts how recent reforms in labour market institutions and policies and the skill formation systems may have affected the incidence of early job insecurity and the patterns of labour market entry/integration of young women and men. Job insecurity as understood here includes two dimensions: (a) insecurity of maintaining the current job, (b) insecurity of getting another job in the future, that is, job insecurity and employment insecurity (compare Chung and van Oorschot 2011).

Putting this distinction into the employment policy context, the concept of flexicurity and the theory of flexicurity regimes (compare Muffels, Crouch and Wilthagen 2014) have relevance for the analysis presented here, since the central aspect of flexicurity lies in the distinction between job security and employment security (ibid.): employment security is emphasized over job security. Lifetime employment is replaced by the ability to stay in secure employment for one's entire career (ibid.). Consequently, four policy areas are seen as the most important: labour market flexibility (job protection), income support/unemployment protection, employment support (active labour market policies) and bargaining coordination. Three models of synergy among these areas were distinguished: the liberal model (not concerned very much with job and unemployment protection), the classic security model (income/job protection-oriented) and the flexicurity model (employment security-oriented). In this paper, one additional policy area is included: education, as it is recognised to be of key importance for young people who are entering the labour market (see the *theory of production regimes* and the *theory of transitional regimes*). Only marginally bargaining coordination

policy is referred to here, since this is not central for youth in supporting their job/employment security. The policies we have chosen have the following relevance for the employment (and income) in/security of young people:

Scheme 1: Relevance of the four policy fields for young people’s employment (in) security

Policy field	Mechanisms of change
Education policy	<ul style="list-style-type: none"> • prepares young people for the labour market; equips them with general and specific skills (employability) • serves as a signalling device for employers that young people were able to obtain these skills (credentials) • encourages employers to be more or less attracted to employ young people according to their assessment of young people’s readiness for the labour market • further education serves as a measure to advance, develop and renew skills during the whole life course
Employment and wage protection	<ul style="list-style-type: none"> • protect employment and income through employment support of longer and more predictable employment contracts • protect the employment and income of young people through protection against sudden loss of work (income) • protect income through a guarantee of minimum income
Active labour market policy	<ul style="list-style-type: none"> • counselling and job mediation • training for a job in a different field (human capital) • job subsidies (access to a job and practice) • incentivising, activation (various employability elements)
Unemployment protection	<ul style="list-style-type: none"> • secures income during transitional stages between jobs • provides basic security in cases when young people fail to secure income through employment (long-term unemployment)

Overall, the policies can be aimed to support: a) preparing for a job (skills, employability), b) getting a job (job first, labour market integration), c) maintaining a job (employment protection and renewing skills) and d) securing income in the case that a job is not available, or employment is not possible for other reasons at the moment (decommodification).

The general theoretical frame is based on the assumption that the working of the labour markets is formed by institutional regulation as the production regime theory/varieties of the capitalism approach suggests (Hall and Soskice 2001). The key difference between earlier theories of welfare regimes is that employer strategies and their coordination capacities are seen as the prime trigger in the development of institutional structures (Gallie 2011). The concept stresses the role of system coordination and the idea of institutional complementarities in studying welfare regimes. It distinguishes two models of welfare regimes: the *coordinated market economy* (dependent on non-market relations, collaboration, credible commitments and deliberative calculation on the part of firms) and the *liberal market economy* (described in terms of competitive relations, competition, formal contracting and the direct connection of supply and demand in line with price signalling (Hall and Soskice 2001). As the authors argue, the logic of liberal market economy dynamics revolves around the centrality of 'switchable assets', which can be realised if diverted to multiple purposes, whereas the logic of the coordinated market economy is founded on 'specific or co-specific assets', whose value depends on the active co-operation of others (ibid.). The dichotomous distinction between coordinated and liberal market economies implies a distinction between general and specific skill systems: whereas coordinated market regimes foster higher and more specialized skills as a result of stronger vocational training both prior to and after full entry to the labour market, liberal market regimes depend upon general skills acquired through the school system (Gallie 2011).

We will try to elaborate this general approach for the four policy fields in line with the other more specific theories like the *transition regime theory*, the *employment regime theory*, the *flexicurity regime theory*, and the *unemployment regime theory*. Second, we will try to identify the position of the countries that not often have been included in available analyses: these are the South-European countries and post-communist countries. The crucial contribution of the paper is not only mapping the policy changes and different policy patterns/types during the crisis, but also considering the synergy of the labour market related policies while adding education policy, which has not often been considered in the typologies of employment regimes. However, it is a crucial arena when considering the labour market inclusion of young people and their labour market transitions. We consider the synergy of the four policy fields as a key issue for the employment outcomes. While education systems are expected to prepare young people for successful entry into the labour market, ALMPs are facilitating and supporting them during transitions to employment, employment protection is providing them with security to retain the newly gained job, and unemployment protection helps them to prevent economic hardship and to re-product their human potential when a job is not available.

The paper attempts to identify the general patterns (differences among the countries involved) and trends during the crisis and post-crisis period (2007-2013) regarding the synergy of the policy areas mentioned above. We focus on the following countries: Bulgaria, Czech Republic, Germany, Greece, Norway, Poland, Spain, Switzerland and the United Kingdom (these countries are representatives of different welfare and labour market regimes; as well, they are either of the traditional EU countries, new EU member countries and non-member countries). The paper is based on quantitative and qualitative information: various databases (Eurostat, OECD, Eurofound and national statistics) have been exhausted, as well as the national reports of the Negotiate project, various national sources from ministries and journal articles on policy development in the nine European countries.

The paper is structured into four parts, according to the above-mentioned policy areas. In each of them, the general theoretical frame and analytical criteria/indicators are further specified. The analysis provides an assessment and typological classification of the policy approach in the countries compared, as well as an empirically grounded assessment of the trends in the policies. In the final part of the paper, there is a preliminary synthetic attempt to assess the synergies of the policy packages in the four areas, as well as to point out the differences among countries and the recent trends.

Education

Theoretical background and analytical criteria

Education is a key factor of employment security as it can contribute to an individual's employability. It is also the open system, which enables individuals to spontaneously change tracks between employment and education. In this section, we use the *transitional regimes theory* as described by Walther (2006) and his followers to explain how varieties in the arrangement of educational systems, their efforts and outcomes may affect the smooth transitions of young people to the labour market.

The four regimes of youth transition as distinguished differ with regard to how comprehensive and standardised the education systems are the degree of openness and regulation of the labour market in relation to young labour, the characteristics of the social security net, and the scope of female employment (Walther 2006). In all four regime types, "education and training are regarded as key factors for young people's transitions, but the emphasis differs with regard to the kind of education and training emphasised, in terms of (inter alia) the universality or selectivity of educational measures, and the degree of flexibility or standardisation of education and training" (Lundahl 2011: 171). Universalistic regimes tend to understand education as a means to social progress, justice and

prosperity; therefore, it is complex, standardised and open for each individual (Lundahl 2011, Lundahl and Olofsson 2014). In contrast, the education in the liberal regime is focused on competition and individual success with a strong tie to the market and economy (Lundahl 2011).

With regard to the above-mentioned theoretical assumptions, Walther's typology of transition regimes may be stylized as follows:

Scheme 1.1 Key educational aspects of transition regimes

Dimensions and indicators	Universalistic (inclusive) regime	Dualistic (employment- centred) regime	Liberal regime	Sub-protective regime	Transitional regime
Comprehensiveness, standardisation and selectivity of education system					
Participation in education (enrolment rates 20-29 years)	high (universal access)	high to moderate (selectivity on higher levels of education)	moderate to low (individual choice)	high	high
Reduction of early leaving (drop-out rates)	low	low	moderate	high	low
Financial effort of education system					
Public investments in education (expenditure on education as a % of GDP and as a % of total public expenditure)	high	moderate	moderate to low	low	moderate to low
Skill specificity of education system					
Participation in initial vocational education (share of students at ISCED3 level in vocational education)	moderate	high	low	low	moderate
Participation in further education and training (work- related especially)	high	high	moderate	low	low
Countries involved in the Negotiate project					
	Norway	Germany Switzerland	United Kingdom	Spain Greece	Bulgaria Poland Czech Republic

Source: authors

In accordance with the above-mentioned theories, we suppose that universalistic regimes provide sophisticated and widely available systems of initial education and continuing training that are seen as a public service; therefore, largely supported from public funds. Liberal and sub-protective regimes also offer non-selective education systems, but the scope of public financial support is

significantly less. On the contrary, for conservative (employment-centred) regimes, a certain degree of selectivity and eligibility criteria for higher education are characteristic.

The third aspect of the analysis of education systems is *skill specificity*. It was suggested to measure skill specificity through the share of young people attending vocational education compared to general education (Gallie 2007, Edlund and Grönlund 2008, Busemeyer 2009 etc.), or through the access of young adults to work-related education and training (formal and non-formal) (Gallie 2011). According to Gangl (2001), we suggest that in employment-centred regimes there are smooth transitions from school to work due to the high degree of occupational specificity of the educational qualifications, according to the existence of an apprenticeship system or employer involvement in the design of curricula at vocational schools. The Southern European countries struggle with the greatest difficulties of youth entering the labour market because of the large proportion of low-skilled entrants and high level of employment protection (Gangl 2001). More generally, skill specificity will be high in conservative and social democratic countries, whereas in liberal regimes the educational systems tend to promote more general skills and knowledge. As a result, the transitions will be smoother, faster and more predictable in the regimes in which young people leave the education system with specific skills, standardised certificates and a higher level of education in general (Raffe 2011).

The empirical evidence

Based on quantitative data analysis, the countries can be divided into four groups (see scheme 2 below). The key aspects according to which we clustered the countries are as follows: the participation rate of young people in education and training in general and in vocational form in particular, and the scope of state support of education measured by the share of public expenditure on education (see the Annex Tables for Section 1). However, based on the qualitative features of education systems, their trends and reforms, it is evident that these clusters overlap across the *transition regimes* as distinguished in the theory.

In the first group, there are countries with a strong emphasis on the importance of education and training in almost all observed dimensions. These “*strong educators*” includes Norway, Switzerland and Germany. These countries consider education, research and innovation to be a top priority according to the current public policy strategies; their substance and content are, however, somewhat different. Norway, a representative of the universalistic regime, has balanced the structure of general vs. vocational education. The primary challenge in education is the really high rate of drop-out or failure in upper secondary education caused by the lack of basic skills of primary

education graduates (Markussen 2016: 26, in Schoyen and Vedeler 2016) (it was 11.7% of the total population aged 18-24 years in 2014).

On the contrary, Switzerland and Germany represent the employment centred models, in which education is more closely aligned to labour market needs (Imdorf et al. 2016) and the education systems are characteristic by the relatively high level of stratification and differentiation. However, one feature is suitable for all three countries: education is widely available and mainly publicly funded. Public expenditures on education (all levels combined) were 7.7% of GDP in Norway, almost 5% of GDP in Switzerland and 4.3% in Germany, the most of all the countries observed in 2012 (except for the UK). As education seems to be a priority of governments, Norway and Switzerland spent about 15% of total public expenditure on education (although this share varied slightly during the 2005-2012 period). In Germany, the share of public expenditure on education as a percentage of total public expenditure was lower (9.8% in 2012), but stable over time. The enrolment rates are also rather high not only in initial education but also in adult education and training. Norway is among those countries with the highest share of 20-29 year old people enrolled in some form of education and training, together with Germany and Poland (30% in 2013), while in Switzerland the percentage of the population of this age group was below the OECD average (26% in Switzerland versus 28% in OECD in 2013). The participation rate of the adult population, as well as that of young people in education and training in the previous year exceeded 60% in Norway and Switzerland; it was slightly above 50% in Germany.

In Swiss education policy, the vocational stream of education clearly dominates (Imdorf et al. 2016). Norwegian and German education structures are more balanced than that of Switzerland, although in Norway the long-term trend is crucial; in Germany there is an evident decline of the share of vocational education graduates at the ISCED3 level (the ratio between students enrolling in general versus vocational programmes has changed from 43:57 in 2007 to 52:48 in 2013).

For the “strong educators”, a stable economic situation is characteristic with only a small impact of the economic recession on the situation of young people. This is why the changes and reforms of education were not motivated by the economic crisis but rather by long-term needs and education challenges. For example, in Switzerland changes were triggered by the Europeanisation of Swiss higher education, as well as by a shortage of apprenticeship places in the early 2000s (Imdorf et al. 2016). The latter has led to crucial reforms regarding vocational education and training in the last 15 years, e.g. the expansion of the so-called “interim solutions” (which improve the student’s chances of obtaining an upper secondary education through pre-vocational years, motivation semesters and a 10th school year), the introduction of vocational education case management and the introduction of

the two-year federal vocational education and training certificates (Imdorf et al. 2016). In Germany, the decreasing number of training companies led to worse access for young people (especially those at risk) to apprenticeship positions. This caused the revision of the transitional system in order to intervene already during secondary education (through, for example, a program of “education chains” or the intensification of youth career orientation) (Dingeldey and Steinberg 2016).

For the Norwegian education system, the primary challenge in the long-term perspective is to increase the proportion of young people who successfully complete secondary education (especially in vocational programmes, the percentage of pupils completing upper secondary school according to the stipulated length of study is really low – 39% in 2015) and to increase the throughput of the education system (Schoyen and Vedeler 2016). To reach these goals, the “follow-up measure” was introduced in the period of 2010-2013, replaced now by the Programme for Enhanced Completion of Upper Secondary Education and Training with similar but more systematic tools (Schoyen and Vedeler 2016). The implementation of these measures and subsequent evaluations started in early 2016 and will continue until 2019 (Schoyen and Vedeler 2016).

The second group includes Poland, a representative of the transitional countries. It is an outlier in some respect – in contrast to Bulgaria and the Czech Republic, Poland might be labelled as the “*moderate educator with a focus on practical education*”, because of the relatively high financial contribution of the education system. It spent 4.3% of GDP and 10.3% of total public expenditure on education in 2012 – these values were close to Germany. Besides greater resources, Poland has high enrolment rates, which are even higher than in Switzerland and Norway (it was 32% of 20-29 year olds in 2013). Polish education policy tends to keep young people in education as long as possible; however, this might be at the cost of poor educational quality, which makes studying relatively easy (Michoń and Buttler 2016). In the last few years, Poland has renewed and redefined the classification of occupations, changed the curriculum and modernized the system of extramural vocational examinations (Michoń and Buttler 2016)). It also conducts surveys on the labour market performance of higher education graduates, builds up the “practical curricula” at the tertiary level of education and appoints staff to the Student Career Offices, responsible for providing students with work and training offers, as well as supporting them with active job seeking (Michoń and Buttler 2016). Generally, the capacity and financial effort of the education system place Poland near the strong educators group. Conversely, the educational outcomes linked with the less stable economic situation and poorer quality of education have put it in the group of underdeveloped/weak educators. According to Michoń and Buttler (2016), the German case is considered as an “ideal”

system, towards which the Polish system would like to move – despite that the last reforms in vocational education and training in Poland, there is still a long way ahead.

The third group of countries is the largest, encompassing the transitional and the Southern European countries; they are representatives of the sub-protective regime. We call them “*underdeveloped/weak educators*” – the performance of their educational system is rather low and corresponds to financial coverage (whether total or public). Public expenditures on education as a % of GDP in the Czech Republic, Bulgaria and Spain range from 3 to 4.5% and are among the lowest in the OECD (in the Czech Republic and Spain this is a longstanding trend; in Bulgaria there was an obvious decrease in 2008-2011). These countries were affected by the economic crisis to a middle or large extent – they faced pressures on public budget adjustments together with the substantial increase of youth unemployment. The overall enrolment rate is higher, but the participation of adults in education and training is weaker. The gap between the low and highly educated is relatively large (in the case of Spain and Greece, there are many low educated people, as well as those with tertiary education; in the Czech Republic, the large proportion of people with secondary education is evident).

In Bulgaria, there has been a growing interest in general upper-secondary education as providing better preparation for higher education rather than the vocational track (Stoilova et al. 2016). In the Czech Republic, the emphasis on and demand for vocational education are as strong as in Norway and Switzerland, although education is of low quality, which translates into worse prospects for vocational school graduates on the labour market. Hence, the question of quality of education and the reduction of the gap between school knowledge/skill and labour market needs remain the key challenges that the transitional and Southern European countries are facing. In Bulgaria as well as in the Czech Republic, larger reforms of curricula to the upper secondary and higher level of education are required for bringing learning activities closer to labour market demand. The reforms are more or less systematically tied to the European Qualification Framework and are based on strengthening the inclusion of employer organisations, companies and key experts in defining the standards of education, as well as the requirements of the final competences of graduates. The latter includes the case of the “Foreman Exam”, which is now under preparation in the Czech Republic in order to confirm the highest possible level of professional skill of an individual in a particular trade/craft. The rules of financing education are also being redesigned and partly innovated in both countries in order to take more into account the quality outcomes rather than just simple inputs. In Bulgaria for example, performance-based funding in higher education was introduced in 2011; it was envisaged that 40% in 2017 and 60% in 2020 of state funding for higher education institutions would be based

on the quality of institutions and on performance indicators (Stoilova et al. 2016). In the Czech Republic, the modification of secondary education financing started in 2015 (financing criteria will be much closer to labour market need predictions and will include the anticipated as well as actual state of graduate employability (Sirovátka et al. 2016). In general, transitional countries were moderately affected by the economic crisis; their educational reforms are more about innovation rather than the creation of new measures in many aspects because of the orientation on long-standing problems and challenges.

Like in the transition countries, the Southern European countries also made a great effort to increase the quality of education. In Greece, for example, the structural reforms that took place after 2010 included measures targeted on tertiary education (i.e. the implementation of credit units in tertiary education, the dependence of funding based on the evaluation of the university and the change of the administration system of universities (Karamessini et al. 2016)). In Spain, problems in higher education are more transparent than in other countries. On the one hand, the high share of tertiary graduates and the gap in important skills have led in the last few years to the rapid increase of the unemployment rate of graduates (from 9.7% in 2008 to 24.2% in 2014, Ayllón and Ferreira-Batista 2016). On the other hand, there has been an escalation of the problem of over-qualification: 44.5% of tertiary graduates employed within four years of graduation have jobs that do not require a university degree (MECD 2014, in Ayllón and Ferreira-Batista 2016). In order to mitigate these problems, the Spanish government implemented two key measures: it set up a system for monitoring the labour market prospects of tertiary graduates and indirectly reduced access to higher education; students are now prompted to pass a higher number of modules to renew their grants.

On the level of vocational education, the quality of programmes as well as their suitability for young people are also in the centre of the debates in the Southern European countries. From May 2016, this prompted in Greece the replacement of vocational training schools by the more comprehensive system, in which the vocational apprenticeship schools together with the Greek public employment services provide vocational education rather than training for teenagers who are not willing to join or are unable to finish the upper secondary level of education. Similarly, the Spanish vocational education system was amended with two laws. First, the Royal Decree Law 1529/2012 suggested the building of a set of training activities for young people as well as financial incentives for the greater inclusion of enterprises in the process of vocational education and training. Second, the LOMCE (2013) established some optional vocational pathways and a new vocational education and training diploma at mid-level training (Ayllón and Ferreira-Batista 2016).

The UK was clustered into the fourth group called the “*market educators*”, where emphasis on education is relatively high. General enrolment rates are moderate (although the share of young people aged 16 to 24 in education has markedly increased between 1992 and 2014, Bussi and O’Reilly 2016) and expenditure on education reaches the level common in the “strong educators” group. In 2012 in the UK the total expenditure on educational institutions measured as a percentage of GDP was 6.3% – the highest value among the countries of the Negotiate project – with nearly a quarter of all spending coming from private sources. The share of public funding in the UK was only a little lower than in Norway and Switzerland (11.9% of total public expenditure in the UK compared to 15.3% in Switzerland and 14.1% in Norway). The structure of general versus vocational educational programmes in the UK is balanced, as well as the emphasis on upper secondary, post-secondary and tertiary education (no level of education clearly dominates; the number of graduates in each level is quite balanced: in 2012 the share of the population with upper secondary education was around 40%, as was the case for tertiary education, with the rest (21% of people) not attaining more than upper secondary education).

The British education system faces two key challenges both accentuated by the economic crisis. First, there is a higher number of early school leavers than that of the EU28 average (which was 11.8% of the population aged 18-24 years in 2014 in the UK compared with 11.2% in the EU28) and an increasing share of 18-year old NEETs (Bussi and O’Reilly 2016). Second, vocational education is not seen as attractive as general education, although it represents an easier transition into the labour market. The British government introduced some measures to reduce the number of early leavers from school and training: gradually raising the participation age to 18 years, the legal duty for schools to provide students with access to independent career services/counselling, and creating “Academies” to replace poor-performance schools. To increase the participation of people aged 16-24 years in apprenticeships, the Apprenticeship Grant for Employers was introduced in 2012. It allows individual grants of £1,500 over and above the subsidy of the cost of training (100% subsidy for apprentices aged 16-18 and 50% for those aged 19-24; employers can be paid up to 5 grants in total). In the same period, the Apprenticeship Trailblazers programme was launched to respond to the lack of involvement of employers in apprenticeships. The potential of such measures is in bringing employers to the heart of training delivery (Newton et al. 2015, in Bussi and O’Reilly 2016) and in the clearer definition of skills and knowledge.

Conclusions

The above analysis shows that education in the observed countries is predominantly organised and structured in accordance with the expectations of the *transition regime theory*; hence, some overlap

was found. In Switzerland and Germany, for example, the education system is well developed and supported by state funds, like in a universal regime. Poland is another example: the capacity and financial efforts of the educational system bring it near the strong educators group; however, the educational outcomes linked with the less stable economic situation and poorer quality of the education system classify it within the group of underdeveloped/weak educators.

In countries with universalistic and employment-centred regimes, the impact of economic recession on education was weak; in transition and liberal countries, the impact was moderate. It is important to emphasise that only in the group of strong educators and in the UK were new measures and policies in the area of education implemented (although this was not motivated by economic crisis). They were adopted in order to make transition from school to the labour market easier, especially for young people with difficulties (especially early leavers or the low qualified). This involved several forms of additional training measures, counselling and case management at the secondary level of education, and services and grants for employers to include the young more closely in training.

In transitional countries, educational reforms are more about the innovation of existing measures rather than the introduction and use of entirely new provisions because of the orientation on long-standing problems and challenges. These principally include the underfunding of the education system, the poor quality of education at the primary and secondary levels and weak cooperation between education and the business sector, leading to worse employability of graduates. The process of innovation is rather slow and includes adjustments of education tools to correspond better to labour market needs above all (within measures like curricula reforms, performance-based funding, and strengthening the cooperation between relevant actors).

The economic crisis appreciably affected the education systems of the sub-protective regimes, since it limited not only the funding possibilities of such systems but predominantly the prospects for young people on the labour market. In general, the aims of the reforms adopted in the last decade in these countries do not differ considerably from those of other countries. However, they are currently also faced with challenges resulting from the large gap between lower and higher education.

The analysis shows that in all the observed countries, the emphasis on higher education is obvious, but if not controlled, it brings problems of high unemployment of tertiary graduates as well as over-qualification. Another finding relevant to all countries is the high importance of valid school certificates for employers and the need to adjust educational programmes more to labour market requirements.

Education schemes in the relevant countries are compared in the scheme below.

Scheme 1.2: Profile of education and training policy in relation to selected criteria

Country	Participation in education and training in general	Reduction of early leaving	Public investment in education	Emphasis on initial vocational education	Participation in further (work-related) training
Cluster 1					
Universalistic/inclusive					
NOR	++	-	++	0	++
Dualistic/employment centred					
SWI	+	+	++	++	++
GER	++	0	+	0	+
Cluster 2					
Transitional					
POL	++	+	+/0	0	-
Cluster 3					
BUL	+	-	--	0	-
CR	++	+	--	+	-/0
Sub-protective					
SPAIN	+	--	0	0	0
GRE	+	0	0	0	--
Cluster 4					
Liberal					
UK	0	-	+	-/0	0

Legend: ++ very high, + high, 0 moderate, - low, -- very low

Source: authors

Although debates about how to make youth transition easier are now opening across all the countries observed, only in the countries with inclusive regime, and partly the employment-centred regime, are these transitions indeed smoother. In the inclusive regime, the well developed and rather skill-specific education system plays a key role in the process of transition, as well as the comprehensive system of life-long learning (including labour market measures), which follow-up and complete the possibilities for young people to keep their knowledge up to date. Nevertheless, as was suggested in Norway, the inclusive regime has its own shortcomings: the relatively high rate of early leavers with only basic skills has led to creating additional innovative provisions in educational policy. Strong emphasis on the skill specificity of education in the employment-centred regimes contributes to faster and smoother transitions, although this produces problems of selection and discrimination in dual-track vocational education and training. Another weakness of such systems is the high degree of horizontal gender segregation in education, which is being transferred into the labour market even in countries where the linkage between education and employment is strong (Reisel et al. 2015, in

Imdorf et al. 2016). In contrast, in liberal regimes, education seems to be quite general, although even here there is an obvious effort to bring employers closer to education and training delivery in the last decade. Nevertheless, the key problem is to achieve equal opportunities for disadvantaged young people (e.g. persons with disabilities or migrants). In regimes with more stratified and diversified education tracks that are more oriented to general skills (sub-protective and partly transitional countries), youth transitions are said to be a problem due to the large skill gap and high share of low-skilled entrants, as well as the low quality of education in general.

Employment protection

Theoretical background and analytical criteria

We build on the *employment regime theory* and *flexicurity regime theory* here. Employment regimes according to Gallie (2007b) are embedded in the institutional structures of employment and industrial relations policies. There are three employment regime types: (a) inclusive regime (b) dualist regime and (c) market regime. Inclusive employment regimes are found in those countries where policies are aimed to extend both employment and common employment rights, and organised labour is well institutionalised (Gallie 2007). Policies are designed to protect vulnerable sectors of the workforce (Gallie 2013). “Dualist regimes are less concerned about overall employment levels but guarantee strong rights to a core workforce of skilled long term employees, at the expense of pure conditions and low security of the periphery” (Gallie 2007: 17). The distinction lies between workers on standard and non-standard contracts (Gallie 2013). In liberal market regimes, the level of employment is left to market forces, while there is a belief that this will lead to a sufficient level of employment. Organised labour is suppressed in their role in decision-making (Gallie 2007b). The *Flexicurity regime typology* (Muffels, Crouch and Wilthagen 2014), which is rooted in traditional conflicting views about how the labour market functions, is quite similar. The uncoordinated liberal model, the traditional security model (advantageous for insiders mainly) and the flexicurity model were distinguished. In the last ‘new’ type, lifetime employment security is replaced by the ability to stay in secure employment for one’s entire career (Muffels, Crouch and Wilthagen 2014).

Table 2.1: **Criteria of assessment of employment protection**

Dimensions	Indicators
Restrictions on other than standard (unlimited) contracts	Regular contracts: maximum length of trial period
	Temporary contracts: valid cases for use of fixed-term contracts
	Temporary contracts: maximum number of successive fixed-term contracts

	Temporary contracts: maximum cumulated duration of successive fixed-term contracts
Protection during ending of contracts	Individual: Length of the notice period at 9 months 4 years and 20 years tenure
	Individual: Severance pay at 9 months 4 years and 20 years tenure
Wage protection	Minimum wage: Minimum wages in Euros, Purchasing Power Standard and proportion of average monthly earnings in selected sectors

Coming from the discussion on the key features of the above employment regimes, we defined three basic criteria for the assessment of employment protection: (a) restrictions on other than standard (unlimited) contracts, (b) protection during ending of contracts and (c) wage protection (see Table 2.1). These criteria are explained by the expected functionality of the Employment protection (EPL) system mentioned in the introduction of the report (i.e. to provide reasonably stable, secure and well-paid employment).

Empirical evidence

We use mainly OECD data for the presentation of employment protection (see Annex Table 2.5). ‘The OECD indicators of employment protection legislation measure the procedures and costs involved in dismissing individuals or groups of workers and the procedures involved in hiring workers on fixed-term or temporary work agency contracts’ (OECD website). Low individual Employment protection legislation (EPL) index values are found especially in the United Kingdom and Switzerland; EPL for temporary workers also seems to be lower in Germany and the Czech Republic. The EPL index values for regular workers have decreased during the period in focus in Greece, the Czech Republic, Spain and the United Kingdom. The values of the EPL index for temporary workers have declined in Spain and Greece, but have increased in the Czech Republic, Norway and Germany. The overall EPL index values for collective dismissals show the lowest protection in the Czech Republic, Norway, Poland and the United Kingdom. Higher (moderate) EPL protection is evidenced in Spain, Switzerland¹ and Germany. These values have hardly changed during the period in focus.

The trial period (see Annex Table 2.3) is interpreted as a period with the potential of low security when it is long, because the contract can usually be ended at once (or with a short notice period) and often without the necessity for stating the reason. The length of the trial period is shortest in Switzerland, followed by the Czech Republic and Poland (three months)². A trial period of six months is allowed in Germany, with a period of two weeks’ notice (Dingeldey and Steinberg 2016) and also in

¹ This is somehow contradicted in Swiss case by a recent legal report commissioned by Swiss State Secretariat for Economic Affairs (SECO), which states that the arrangement of dismissal protection for the union representatives is insufficient compared to international norms that Switzerland has officially accepted. (Imdorf et al. 2016).

² In Poland the contract for trial period precedes other types of contract.

Bulgaria and Norway. In Spain and the Czech Republic, the trial period differs according to the position of the employee. In the United Kingdom, trial period is based on an agreement between the employer and employee (this means low protection according to OECD assessment). Reforms of the trial period can mainly be characterised as the prolongation of the trial period. The trial period was prolonged from three to twelve months in Greece in 2010, during which the employer can terminate the employment relationship at any time without paying any compensation (Karamessini et al. 2016). A new form of permanent contract was introduced for small firms in Spain in 2012, where the probation period for full-time employees was extended from two or six months to one year (Ayllón and Ferreira-Batista 2016). The trial period was prolonged from three to six months for management positions in the Czech Republic (Sirovátka et al. 2016).

Fixed term work/temporary contracts (see Annex Table 2.3) are usually measures allowing employers to employ people for temporal (e.g. seasonal, training) work or test them before offering them a permanent contract. The insecurity of these contracts is seen mainly in the permanent chaining of time limited (usually quite short) contracts for a long period. There are three key aspects concerning the regulation and assessment of temporary contracts: a) general permission or use only for objective reasons, b) the maximum length of temporary contracts and c) maximum number of allowed renewals of temporary contracts (see also Council Directive 1999/70/ES).

Fixed term work is generally permitted in the countries in focus. Some groups of workers can be covered by specific laws (e.g. university teachers, civil servants). Temporary employment can also be used in specific situations such as the replacement of a temporarily absent employee (Greece, Czech Republic, Bulgaria, Germany and Spain). In such situations, temporary contracts are allowed and other conditions can be different from a situation without an objective reason. The conditions for the chaining of temporary employment contracts are quite loose, with the exceptions of the countries where it can be subject to court decision (Switzerland and Norway). A temporary contract can be arranged in different forms: up to a concrete date, for a specific duration, by completing the task, or leading up to a specific event (Sirovátka et al. 2016). The maximum allowed period of temporary work is very long, providing very low protection for temporary employees in most countries.

The proportion of temporary employment is shown in Annex Table 2.6. Poland and Spain are the only two countries where the share of temporary contracts is moderate for the “older” working population (people aged 25-64 years). In other countries, the share of temporary contracts is quite low: about 5% in Bulgaria, Norway and the United Kingdom, and about 10% in Germany and Greece. The share of temporary contracts for the group 15-24 years of age in all countries is much higher than for people aged 25-64 years. Only in Bulgaria and the United Kingdom is the share of temporary

contracts also low for young people aged 15-24 years. It is moderate in Norway, Greece and the Czech Republic, but very high in Germany, Switzerland, Spain and Poland. The data for youngest cohorts can be influenced by the existence of apprenticeship and ALMP programs³.

The reforms of temporary employment generally brought more flexibility in Greece, Norway and the Czech Republic. The law from 2011 allowed for the unlimited renewal of fixed term contracts in Greece for objective reasons (as defined by the law) (Karamessini et al. 2016). In other cases, there is a maximum of three consecutive fixed term contracts for a maximum period of three years (Karamessini et al. 2016). Since 2015 in Norway, it has no longer been necessary to justify temporary employment with references to one of several specific purposes, e.g. temporary nature of the task (Schoyen and Vedeler 2016). Temporary employment was completely changed by reform in the Czech Republic in 2012. The maximum duration of temporary employment was prolonged from 2 to 9 years, while the number of contract renewals was reduced from unlimited to two. The different conditions for specific reasons were cancelled in 2012, only to be reinstated in 2013 (Sirovátka et al. 2013).

The labour market in the countries in focus is influenced by the existence of specific contracts for work of low duration or intensity. The main differences between such specific contracts and standard employment contracts lie in the various conditions⁴. There is some specific legislation in other countries such as Germany (mini-jobs), Poland (civil law contracts), the Czech Republic (agreement on a specific task) and U.K. (zero hours contracts). There is the possibility to work without a written employment contract in Norway (Schoyen and Vedeler 2016). There is a minimum threshold of insurable income in Bulgaria (Stoilova et al. 2016). The question of low intensity work and work without an employment contract is in many countries (namely Norway, U.K. and the Czech Republic) connected with young people working for various reasons during their studies (Schoyen and Vedeler 2016, Sirovátka et al. 2016, Bussi and O'Reilly 2016). On the other hand, working with a civil law contract is connected to a relatively high level of subjective job insecurity in Poland (Michoń et al. 2016)⁵.

³ For example, national temporary employment data for Switzerland (where such contracts are excluded) shows 19% of temporary contracts in the age group 15-24, while Eurostat data shows 52% for the same group (Imdorf et al. 2016).

⁴ For example, in Poland, civil law contracts are not covered by minimum wage regulation (this is likely to be changed by 2017); workers cannot be members of trade unions; contribution to social insurance is limited; and the ending of such a contract is relatively easy (Michoń et al. 2016). In some cases, such contracts also require less administration (Stoilova et al. 2016).

⁵ There is great concern that such contracts are widespread and overused (used in inappropriate situations) in Poland (Michoń et al. 2016).

The conditions connected to the termination of a work contract (see Annex Table 2.4) initiated by the employer are relevant for the prevention of the harsh economic consequences of a sudden loss of work. There are two basic EPL measures: a notice period and severance pay. Workers with longer contracts are usually (e.g. in Poland, Greece and Germany) better protected by a notice period and severance pay than workers with short-term contracts did. The protection provided by having a notice period is in most of the countries rather low. People in short-term jobs are usually protected with a one-month period of notice. The notice period for people in middle-term jobs is in half of the countries less than two months; it is higher than two months only in Poland. In most countries, there is no severance pay, or the severance pay is conditional to situations of workers being made redundant, or when there is no notice period. In other words, the notice period alone or in combination with social benefits in these countries serves to protect workers instead of severance pay. Small employers can be excluded from the obligation to pay severance (e.g. in Poland).

Reforms were aimed to provide more flexibility in the ending of work contract regulation in Greece, Spain and the Czech Republic. The notice period and severance pay in the private sector were reduced to a great extent by the 2010 EAP in Greece in both the private and public sectors (see Karamessini et al. 2016). The conditions of ending contracts were changed in Spain in 2010 (from null to unfair dismissal). Furthermore, the length of the notice period in Spain was reduced from 30 to 15 days (Ayllón and Ferreira-Batista 2016). The system was changed during a reform in 2012 where the severance pay for permanent contracts was reduced and later further reduced for small firms (Ayllón and Ferreira-Batista 2016). Severance pay was changed in the Czech Republic in 2012, where it became based on the length of the employment contract. This in practice means a decrease of severance pay for younger employees (Janíčko 2012).

Statutory minimum wages define minimum earnings in cases where these are not defined by collective bargaining. Switzerland and Norway did not have universal minimum wage during the period in focus (2004-2015). Minimum wages at sectoral or firm levels are set by collective agreements in such cases (Imdorf et al. 2016, Schoyen and Vedeler 2016). Reforms of minimum wage in selected countries were aimed in different directions, including the introduction of minimum wage, changing its relative level and changing the conditions for young people. Statutory national minimum wages were introduced in Greece in 2012 and in Germany in 2015. The right to set minimum wages in Greece was removed from the negotiations between employers and trade unions and was transferred to the state (Karamessini et al. 2016). One of the goals of EAP in Greece was to reduce the minimum wage by 15%; the minimum wage had been decreased even more by 22% (Karamessini et al. 2016). The nominal minimum wage did not change (was frozen) in the Czech

Republic between 2007 and 2013 (Sirovátka et al. 2016). Conversely, the minimum wage increased constantly in Poland, with its level relative to the average wage increasing significantly over the last ten years (Michoń and Buttler 2016). The minimum wage in Bulgaria was also raised substantially (by 90%) between 2008 and 2015 (see Stoilova et al. 2016). There are special minimum wages for the young or apprentices in UK, Poland, Germany⁶ and Greece⁷. Specific minimum wages for younger employees were cancelled in the Czech Republic in 2013 (Sirovátka et al. 2016).

There are great differences among nominal minimum wages – from about 160 Euro in Bulgaria to about 1250 Euro in UK (Annex Table 2.7, row E). Adjusting minimum wages for Purchasing Power Standard – different price levels in the countries – (see row P) relatively raises the value of the minimum wages in Bulgaria and Poland, but the main differences are maintained. The value of minimum wage is usually a little less than 40% of the average (mean) monthly earnings in selected NACE sectors (see rows C and B). The relative level of minimum wage to average earning is about 10% higher in Poland (the highest proportion) than in the Czech Republic (the lowest proportion). We can conclude that universal minimum wages (despite substantial increases in some countries) do not provide comprehensive protection against low work income for the young people in most of the selected countries. The examples of Greece and Norway showed that employee wages could be better protected through the process of stakeholder negotiation (collective agreements) than by a statutory minimum wage (see Karamessini et al. 2016, Schoyen and Vedeler 2016).

Conclusion

Employment protection was assessed according to three criteria: (a) Restrictions on other than standard (unlimited) contracts, (b) protection during the ending of contracts and (c) wage protection (see Table 2.2 for a short summary). This assessment is based on international data (e.g. OECD), information provided in NEGOTIATE national reports, and in the case of Bulgaria, on the assessment of the Bulgarian colleagues who wrote the Bulgarian national reports (this was necessary because OECD data for Bulgaria are not available). The trial period at the beginning of the contract is usually rather short. On the other hand, the rules for the duration and renewal of temporary contracts in most cases allow multiple prolongations and long durations (about 3 years) of temporary contracts. The rules for ending an individual contract are usually less advantageous for short-term workers. The

⁶ Apprentices and workers younger than 18 years were excluded from minimum wage regulation in Germany with the aim to avoid financial incentives for leaving the school system too early (Dingeldey and Steinberg 2016).

⁷ A special minimum wage at a lower level (by 32%) was established for people aged less than 25 years in Greece (Karamessini et al. 2016). Karamessini et al. (2016) stated that employers replaced workers at the end of age 24 by younger workers who could be paid lower wages.

notice period in such cases is usually a maximum of one month. Some countries do not legalise any severance pay, but this should be interpreted in connection to the notice period and unemployment protection. Workers are more protected in cases of collective dismissal, because the process is often (at least formally) negotiated with employees representatives and public officials. This should lower the risks of abuse and discrimination. Wage protection is assessed mainly for the countries that have a statutory national minimum wage. The relation of the minimum wage to the average wage is usually between 30 and 50%⁸.

Changes in employment protection were made in many countries long before the period in focus – 2008-2015 (Ayllón and Ferreira-Batista 2016, Imdorf et al. 2016, Dingeldey and Steinberg 2016). The employment protection indexes developed by OECD show that the individual EPL for regular workers decreased in Greece⁹, the Czech Republic, Spain¹⁰ and the United Kingdom. The values of the EPL index for temporary workers have declined in Spain and Greece between 2008 and 2013, but have increased in the Czech Republic, Norway and Germany. It seems that overall, the EPL was reduced in Greece, Spain and the Czech Republic, while in some other countries (Germany, Poland) there were some efforts to improve conditions for temporary and/or low intensity workers. Nevertheless, their protection remains very low in most of the countries.

Table 2.2: Summary of evidence for the selected criteria of employment protection

	Restrictions on other than standard (unlimited) contracts		Protection during ending of the contracts		Wage protection
	a) Regular contracts: trial period	(b) Temporary contracts: maximum duration and renewal	(a) Individual: Length of the notice period	(b) Individual: Severance pay	(a) Minimum wage
Bulgaria	(a) -	(b) +	(a) 0	(b) -	(a) 0
Poland	(a) +	(b) -	(a) +	(b) -	(a) 0
Czechia	(a) +	(b) —	(a) +	(b) 0	(a) -
Spain	(a) -	(b) -	(a) -	(b) 0	(a) -
Greece	(a) --	(b) —	(a) —	(b) —	(a) --

⁸ The proportion of young people earning low incomes is at least 20-25% (the Czech Republic, Spain, Switzerland, Norway) and 30-50% in Poland, Greece, Germany and the United Kingdom (The Structure of Earnings Survey 2010 – Eurostat).

⁹ The situation in Greece was heavily influenced by the Economic Adjustment Programme (Karamessini et al. 2016).

¹⁰ Reforms realised in Spain in the years 2010 and 2012 were targeted to changes in temporary contracts and the enhancement of permanent employment (Ayllón and Ferreira-Batista 2016). Overall, there is somewhat of a reduction of employment protection (measures by OECD indicators) which is not counterbalanced by even a slight increase in the protection of those with temporary contracts. Reforms so far have not been sufficient to deal with the structural duality of the Spanish labour market (Ayllón and Ferreira-Batista 2016).

UK	(a) –	(b) —	(a) —	(b) —	(a) 0
Switzerland	(a) ++	(b) 0	(a) 0	(b) —	(a) –
Germany	(a) –	(b) +	(a) 0	(b) —	(a) –
Norway	(a) –	(b) 0	(a) 0	(b) —	(a) –

Note: 0 = average protection, + = more protection (shorter trial period, fewer temporary contract renewals and shorter duration, longer notice period, severance pay, existence of minimum wage and its level), - = opposite of +.

Young people, when compared to older people, are overrepresented in many types of flexible employment and low paid workplaces in most countries in focus. Temporary contracts are so prevalent in Spain that almost all young people, despite their education level, work under such contracts (Ayllón and Ferreira-Batista 2016). In other countries, there are also specific groups identified which are more vulnerable on the labour market in most of the countries: a) people with a lower education level, weak skills and education drop-outs, b) immigrants (refugees) and ethnic minorities (especially Roma), c) women working (part-time workers) in some parts of the sales and service sector, d) young people from underdeveloped (less developed) regions, and e) people with health problems (see national reports). On the other hand, these groups are sometimes seen as a potential reserve, which may provide employment in future aging societies (Dingeldey and Steinberg 2016).

When assessing countries by EPL indexes as summary measures, the countries evidently represent specific employment regime types (see Annex Table 2.5), in correspondence to the assumptions made by Muffels, Crouch and Wilthagen (2014):

The inclusive regime (i.e. Norway) is characterised by high EPL for temporary workers and low protection against collective dismissals (flexicurity regime). Despite the fact that the temporary contracts were generally allowed in 2015, there are important limitations effectively reducing the overuse of temporary contracts (Schoyen and Vedeler 2016).

The employment centred/dualistic regime (i.e. Germany and Switzerland): high protection against collective dismissals, higher protection of regular workers (Germany), but lower protection of temporary workers. The EPL system in Switzerland seems to generally be less protective than the EPL system in Germany, placing Switzerland closer to the liberal employment regime. The duality of the system in Switzerland is based mainly on the fact that there is no specific protection for young people (Imdorf et al. 2016), while in Germany there was a general trend of flexibilisation of the margins, which was partially taken back only recently when for example a minimum wage was introduced (Dingeldey and Steinberg 2016).

The liberal regime (UK): low levels of protection in all three categories, extremely low protection of both regular and temporary individual contracts. The low level of temporary employment in the UK is explained by the low EPL for regular contracts (Bussi and O'Reilly 2016). A relatively high share of young people in the UK also worked on these contracts voluntarily (see Bussi and O'Reilly 2016).

The sub-protective regime (Spain and Greece): a relatively high level of protection of temporary contracts and high level of protection against collective dismissals. This is the type where most of the EPL reforms were introduced in recent years with the aim to reduce protection. Reforms to the negotiating process with the aim of reducing trade union power in the process and relaxing the rules for collective dismissals were an important part of the EPL changes in these countries (see Karamessini et al. 2016, Ayllón and Ferreira-Batista 2016). Nevertheless, it is still questionable whether these reforms really supported employment (see national reports).

The transitional regime (Czech Republic, Bulgaria and Poland): low level of protection against collective dismissals, better protection of regular contracts compared to temporary contracts. While institutional characteristics of EPL in these countries are quite similar at first glance, the results are sometimes very different (e.g., the share of young people using temporary contracts in Bulgaria and Poland).

Active labour market policies and activation

Theoretical background and analytical criteria

In this policy field, the analysis is framed within the *employment regime perspective* as elaborated in Esping-Andersen (1990) and Gallie (2007 and 2013), which emphasizes the relative power resources of the employers, employees and emergent systems of employment regulation. The degree of the inclusiveness of the regulative system is indicated by the coverage and depth of collective bargaining. Following, the inclusive, dualistic and liberal regimes were distinguished, while the East European/post-communist countries were clustered with the liberal regime (Gallie 2007, 2013). From the other perspective, when including welfare generosity provided to the unemployed both in passive and active labour market policies, the universalistic, employment-centred, liberal and sub-protective regimes were distinguished (Gallie and Paugam 2000); the East-European transition countries clustered later as an extreme version of the sub-protective regime both regarding passive and active policies (Gallie 2013).

The body of literature dealing with the activation policies or active labour market policies has distinguished different policy choices regarding policy objectives and instruments. These were briefly two stylized 'model approaches' to activation: originally it was a

workfare approach versus an *insertion approach* (Morel, 1998, in Lødemel and Trickey, 2001), a *workfare approach* versus '*Nordic*' *productivism* (Esping-Andersen, 1999), a *workfare model* versus a *social inclusion model* (Nicaise, 2002), or an *employability* versus *capability* approach (Bonvin and Farvaque, 2007). These approaches were later labelled as *demanding* versus *enabling approaches* (Eichhorst et al 2008), which may be labelled differently. The distinction in brief is as follows:

- *work first approach* emphasizes the duty of accepting any job or work programme, irrespective of its quality or suitability (demanding approach, punitive approach, enforcement through sticks and carrots) associated with retrenchment strategy
- *human development approach* emphasizes finding and retaining a suitable, meaningful job, underpinned with skills and capabilities (enabling approach, capability approach, associated with social investment strategy).

In reality, ALMPs or activation strategies usually include elements of both approaches, signalling 'contingent convergence' when demanding and enabling measures are mixed (Eichhorst et al 2008).

Bonoli (2010, 2013) departed from the above 'value loaded' dichotomous typology and suggested a typology, which includes four ideal types of active labour market policy:

- *incentive reinforcement* (positive and negative incentives to work),
- *employment assistance* (facilitating (re-)entry into the labour market),
- *occupation* (keeping the jobless occupied in various schemes) and
- *human capital investment* (up-skilling).

The overview of the existing literature on the employment regimes and activation (see above) suggests that welfare regimes are different not only in the overall generosity indicated by total ALMP expenditure but also in the specific emphasis on the instruments. The stylised typology may be presented as follows:

Scheme 3.1: **Employment regimes and instruments applied**

Type	Inclusive/ universal	Employment- centred/ dualistic	Liberal	Sub-protective	Transitional
Incentive reinforcement	Weak	Middle (marginal workforce)	Strong (incl. marginal workforce)	Strong (marginal workforce, implicit, gaps in provisions)	Middle (core workforce), strong (marginal workforce)
Job-search	Strong	Middle	Strong	Weak	Weak

assistance	(incl. marginal workforce)		(incl. marginal workforce)		
Job creation/protection (private sector)	Middle (incl. marginal workforce)	Strong (core workforce)	Weak	Strong (core workforce)	Middle (existing jobs)
Occupation (non-private)	Middle (incl. marginal workforce)	Middle (marginal workforce)	Weak	Weak	Weak
Support to the most disadvantaged (disabled)	Strong	Middle	Strong (but not in job creation)	Weak	Middle
Human capital development	Strong (incl. marginal workforce)	Strong (core workforce)	Weak	Weak	Low

Source: authors

The usage of the instruments may be operationalised as already documented by Bonoli (2010). To be concrete, most of the instruments are measurable through expenditure on (and/or numbers of participants in) ALMPs programmes as distinguished by OECD and Eurostat categories: counselling and job search assistance (or public employment services) for employment assistance, job creation and job support schemes for occupation strategy, and vocational training or re-qualifications for human capital investment (see also Graziano 2012).

In the classification of the ALMP instruments presented here, it is not considered appropriate to merge measures for the disabled labeled as ‘sheltered and supported jobs and rehabilitation’ with job creation programmes (in contrast to Bonoli 2010), since this category often includes vocational training under a work rehabilitation item. In addition, this is a rather complex measure for a specific category of the unemployed – as such, it is distinct from other measures in terms of targeting. It also indicates special attention paid to the category of the most obviously disadvantaged job seekers. For this reason, we keep it as a separate category of measures that provides *equalising chances for the disabled or preferential treatment for the most disadvantaged*. Second, in contrast to Bonoli, we merge job creation in the private and public sectors into one category (i.e. job creation), since it is often difficult to distinguish the purpose (temporary or permanent); while job search assistance seems to be in substance a different category from job creation/subsidizing, not to mention the inconsistency in documenting job search support measures (in some countries, they are simply merged with benefit administration). In addition, we operationalize here *incentive enforcement* by a proxy measure provided by OECD statistics: marginal effective tax rates for those moving from

unemployment to employment at pre-defined earning levels. Another option would be to use a more institutional characteristic like the existence of tax relief for low wage earners and back-to work bonuses.

One may assume that in the case of unemployed youth, labour market training/vocational training would be the most important measure because of the expected effects on their employability. Furthermore, job creation schemes may be important for providing first job experience (or on-the-job training). Third, employment assistance could play a role due to the lack of experiences in job searching. All these assets may be increasingly important in times of crisis when jobs become scarce and young people are exposed to disproportionate risks of unemployment.

Empirical evidence is based on two sources: first, quantitative aggregate data by OECD and Eurostat on active labour market policy (ALMP) expenditure (as % of GDP) and participants (as % of labor force). Second, it is data on ALMP participants by Eurostat, which are provided by Public Employment Services (PES) for participants below 25 years of age. We are comparing entrants into ALMPs over the course of a year to the stock of the unemployed registered at PES in a given year. The data have several limitations regarding their completeness in several countries. From this reason, it is necessary to combine the above resources in order to get a quantitative insight into the profiles and developments of ALMPs in the individual countries. Second, qualitative information on the changes in substance (scope, content of the policies and instruments), and governance of the policies in the individual countries is exhausted here, as provided in the national reports.

The empirical evidence

If the countries in focus are clustered simply by the quantitative indicators like expenditure on ALMPs and the numbers of the participants as a percentage of labour force, or percentage of the unemployed below 25, three groups of countries may be distinguished. However, there are differences within the clusters regarding emphasis put on various instruments (see scheme 3.2). Nevertheless, the differences among the countries in focus roughly correspond to the labour market regimes as distinguished in theory, although we can also recognise some similar trends and blurring borders among them (see below).

In the first cluster, the countries involved show the unemployment of young people as rather low, not much affected by the crisis, while the active labour market policies are well developed. ALMP expenditures were above 0.5% of GDP (close to 0.7% in Germany) in 2013; however, they dropped between 2008 and 2013 in these countries. Participation in ALMP as a percentage of the labour force is relatively high; however, since the measures are of high quality, the differences compared to the

other countries are not so sharp: they are 1.2% in Switzerland, 2.1% in Norway and 3.1% in Germany in 2013, decreasing during the crisis in Germany, but stable in Norway and Switzerland. The share of young people in ALMP measures (as a percentage of the unemployment stock) is above 100%; it was around 200% in Norway during 2008-2013. In Switzerland, national data indicate that the participation of young people in ALMP measures was lower in 2014 when compared to all the unemployed: while 79% of all the registered unemployed participated in at least one ALMP measure, the figure was 42% in the 15-24 age group (Indorf et al. 2016). The emphasis in Norway and Switzerland is similarly put on training and sheltered employment and rehabilitation, while Germany mainly supports training and job search strongly, but job creation only to a limited extent - on the other hand, the protection of the labour force in existing jobs (Kurzarbeit) was the main strategy. Incentivising is not a strong strategy: participation tax rates for the unemployed with a benefit as well as for those on social assistance are high in these countries (in particular in Switzerland and Norway); however, they dropped during the (2007-2013) crisis (see Annex Table 3.1).

The reforms of the labour market policies were undertaken earlier, before the crisis. In Norway, Youth Guarantee had been implemented since 1979 for the 16-19 group, and in 1995 for youth below 25; in 2005, public sector reform merged employment services, social insurance administration and municipal social services into 'one-stop-shops' practicing case work. Some local welfare and employment offices also have their own youth teams (Schoyen and Vedeler 2016). In Germany, the Hartz reforms in 2000-2005 changed the profile of ALMP towards more support for the job search (case work) and introduced stronger workfare elements. Since the Hartz reforms, German law has strived to integrate young people below the age of 25 faster than older age groups into a job opportunity or qualification measure. In addition, the reforms also introduced stricter sanctions for people under 25 in cases where obligations of the Individual Action Plan are not met (Dingeldey and Steinberg 2016).

During the crisis, an effort was made in these countries to fine-tune the instruments of governance of policies for young people. In Norway, Job strategy of 2012 brought measures for the group below 30 with disabilities, while in 2014 the Inclusive Working Life Agreement was renewed among social partners, covering more than half of the employees (Schoyen and Vedeler 2016).

In order to face the reduced job opportunities in the labour market during economic crisis, the internship positions financed by the UI were doubled in 2010 in Switzerland. The reforms brought a shorter maximum benefit duration for some groups of unemployed: persons who had made no previous contributions received four months instead of twelve, and a waiting period of 120 days was enacted for youth who quit school. Degressive financing of ALMPs was implemented (higher

unemployment – less finance), aiming to stimulate the effectiveness of employment services. The effectiveness assessment is based on four indicators, of which speed of integration into the labour market weights 50%: this has been criticised because of the focus on fast integration at the expense of sustainability (Imdorf et al. 2016).

In Germany (beyond the extensive Kurzarbeit scheme, which halted unemployment growth among the core labour force during the crisis), a re-orientation of labour market instruments took place in 2009 (with a reduction of their variety towards those considered as more effective). In 2011, the Act to Improve the Chances for Integration, which accentuated improved job matching, was accepted. The implementation plan of Youth Guarantee of 2014 emphasized a more needs-based approach, training youth at risk in particular. Furthermore, the implementation plan aims at measures focusing on the integration of services in the form of Job Agency for Youth (municipality and employment services merger) (Dingeldey and Steinberg 2016).

Although the policy reforms in this cluster have not been strong, they have been leading rather to a decreased scope of the policies. This was, however, counterbalanced by a search for effectiveness and efficiency (governance reforms, targeting at the most disadvantaged, case work), indicating a trend towards the inclusive employment regime, which is observed in all the countries, although some features of dualism persist. For example, in Germany and Switzerland, there are stronger sanctions, less advantageous access to benefits for young people and more emphasis on their morale and activity.

In the second cluster, distinguished mainly by quantitative indicators, Spain appears to be the sole candidate; however, Greece may be considered a very close case, and possibly also Poland. According to the *employment regimes* perspective, Spain and Greece are undoubtedly clustered in this group. In Spain and Greece, unemployment rates went above 25% in 2013 and youth unemployment rates dramatically higher, due to deeper recessions and structural labour market features. In Spain, however, ALMP expenditures were 0.8% in 2008, exceeded 0.9% of GDP in 2010, and then dropped to 0.6% in 2013. Participants of ALMP measures represented nearly 12% of the labour force in 2013, which was less than in previous years. In contrast in Greece, expenditure on ALMPs increased from 0.15% of GDP in 2008 to only 0.23% of GDP in 2010 (more recent data are not available); participants of ALMP measures represented only 2% of the labour force in 2010. Reliable data on youth ALMP measures participation are not available; however, in Spain it was more than 200% when compared to the unemployment stock of youth in 2006; in 2013 it was about 60% when only labour market training is considered (data for job creation are not available, but everything seems similar to 2006). Incentives according to the participation tax rates are extremely strong in

Greece implicitly, due to the low level of benefits both in the case of the unemployed with benefits or social assistance recipients. In contrast, in Spain, incentives are extremely weak in the case of the unemployed with benefits, while rather strong in the case of social assistance claimants, which did not change (see Annex Tables for Section 3).

The crisis and the high levels of youth unemployment forced these two countries to consider making reforms to labour market policies and adopting new measures. The capacity to increase their scope was hampered by the crisis, public budget deficit and the Excessive Budget Procedure imposed by the Commission. On the other hand, some European Funds were accessible. In Spain, the impact of the crisis has brought a turn-off from the passive approach towards an activation paradigm called the 'commitment to activity', mainly regarding social assistance recipients. Although ALMP expenditure dropped during the crisis period, new instruments were used which targeted the most affected groups. Law 35 of 2010 focused measures on the group 15-29 with low skills who have been 12 months unemployed within the past 18 months. The Strategy for Entrepreneurship and Youth Employment 2013-2016 of 2013 has brought other new measures. Law 11 of 2013 enabled the providing of a job subsidy to employers of youth in the amount of 100% of social security contributions (and could be provided for the whole period of the temporary contract). Since 2014, open-ended hiring has been subsidized for a period of 2 years. Activation of the long-term unemployed through bonuses to employers, in the amount of unemployment benefits for 6 months, has been supported. Self-employment of youth was supported by a subsidy of 80% of social security contributions for a period of 6 months; however, it was then reduced to 50% and 30%, to 18 months in total (Ayllón and Ferreira-Batista 2016).

Similarly, in Greece, a new generation of active measures followed from 2010: while previously mainly existing jobs were protected by policies, new employment promotion and work experience measures covered about 12% of unemployment stock. Since 2012, public works and training measures have been supported and in 2013 training vouchers were implemented – the training measures were, however, criticized because of poor-management, whereby 75% of subsidies went to training companies instead of the unemployed. This was reversed by the new Government elected in 2014, which decided that 80% of subsidies should flow to the unemployed. Training measures covered about one-third of the young unemployed in 2013. The Youth Guarantee Action Plan of 2013 brought new initiatives like Individual Action Plans (which needed to be engaged within four months of the young unemployed being registered), although it seems to be rather a formal measure (Karamessini et al. 2016). Both in Spain and Greece there is generally low support to job searching

and personnel capacities for job mediation is inadequate, which did not change much during the crisis.

The third cluster (consisting of low performance countries, measured by quantitative indicators) is where the transitional countries are positioned. Poland could, however, be clustered into the second group according to its quantitative indicators. ALMP expenditures ranged from 0.2% of GDP (Bulgaria) to 0.4% (Poland) in 2012/13; although quite stable during crisis, they decreased in Poland. The share of participants was between 1% of the labour force (Czech Republic) and 3% (Poland); the percentage of young participants in the measures as a percentage of the unemployment stock was 20-30% in Bulgaria and the Czech Republic, and 40-50% in Poland. What these countries have in common is a rather low emphasis on labour market training, job mediation and counselling. Incentives to work in these countries are stronger in the case of social assistance recipients than in the case of the unemployed with benefits, except in the Czech Republic, where the marginal effective participation tax rate for social assistance recipients is about 63% (above the OECD level of 55%). In Poland, the participation tax rates are below the OECD average for both groups of the unemployed. The contrast in incentivising the unemployed is the largest in Bulgaria, where there are very high participation tax rates in the case of unemployment benefit recipients and very low participation tax rates for social assistance recipients.

In Poland, the crisis brought more substantive changes in policies (especially for young people) than in the Czech Republic; the changes came in the form of new and more targeted programmes in spite of the decreasing scope of the programmes. In Poland in 2012, the *Youth in the Labour Market* programme brought some new tools; among them some special programmes for marginalised youth were implemented through 600 administrative units (Voluntary Labour Corps) throughout the country. The Act of 2014 on Youth Guarantee continued to enrich the variety of ALMP instruments. It was also stipulated in the act to provide Individual Action Plans to young unemployed people after a 2 month period of unemployment and some measures of the Youth Guarantee scheme after 4 months. A preferential loan scheme for youth entrepreneurship was implemented in 2015 by the National Economic Bank (Michoń and Buttler 2016).

In the Czech Republic, the centre-right government was concerned mainly with public expenditure cuts, while protecting the existing jobs by measures financed from ESF, such as in-work education combined with reduced working time. On the other hand, the government cut the scope of ALMP measures deliberately during 2010-2012 as well as the numbers of PES staff while implementing governance reform (centralisation and merging employment services with social assistance). This was accompanied by a workfare-like scheme implemented in 2012, which, however, failed as not

complying with the Czech Constitution. In 2013 a turn was observed as PES performance suffered several shortcomings due to the poorly prepared previous governance reform. However, Youth Guarantee did not bring much change, since it was treated as a formal application of European Commission principles (Sirovátka et al 20016).

In Bulgaria, the scope of ALMPs decreased between 2008 and 2013: the share of young unemployed (under 25) as a percentage of the unemployment stock dropped from 65% (2008) to 25% (2013). The Amendment of Employment Strategy came rather late (2013). The new instrument aimed to make the young labour force more flexible: school graduates (including tertiary level) under 25 obtained subsidised temporary job opportunities for a period of 6-12 months; they were remunerated at the level of minimum wage, and had support from a tutor. At the same time, flexible contracts consisting of working time accounts were implemented into the Labour Code. Next, Individual Action Plans for Youth were implemented. By contrast, the minimum wage was considerably increased in 2015: from 220 Leva (as established in 2008) to 420 Leva in order to counter-balance the above-mentioned flexibilization measures. Nevertheless, in 2015 a measure was adopted enabling one-day contracts in agriculture (Stoilova 2016). Summed up, the large number of initiatives leads to the insufficient focusing of ALMPs on vulnerable groups (unemployed youths among them) and low support to training, re-skilling and up-skilling.

The UK seems to be an outlier as a representative of the liberal employment regime. According to the quantitative indicators on ALMPs expenditure and participants, it is close to the *transitional* and *sub-protective employment* regime countries. Nevertheless, it is unique in its emphasis on the support of job searching (job mediation and counseling). The quantitative indicators show that the ALMP expenditures remain at only about 0.25% of GDP in the long-term, while 0.2% of GDP (during the 2009-2010 crisis years it was above 0.3%) was provided on PES administration including placement and related services. The UK is also unique in the lowest marginal effective tax rates for unemployment benefit recipients. On the other hand, tax rates for social assistance recipients are above the OECD average and comparable with countries like Norway and the Czech Republic due to the well-developed social assistance scheme. However, these dropped a little during the crisis (see Annex Tables to Section 3).

The new measures implemented during the crisis (not surprisingly) went consistently into the *work first* direction. These were as follows: from 2010-11, the Young Person's Guarantee of job offer, training or job experience was applied after 6 months, supported by the Community Task Force programme, Routs Into Work: Pre-employment Training, and Work Focused Training. The Work Programme of 2011, which was targeted at the long-term unemployed, was delivered by private

agencies through contracts based on payments-by-results. In 2012, the broader initiative ‘Making Work Pay Welfare Reform’ brought Claimant Commitments (individual action contracts) accompanied by stricter sanctions, and Youth Contracts in particular, accompanied by new support programmes like the Apprenticeship Grant for the Employer for Work Experience for at least 13 weeks, and employment incentives lasting 6 months in the case of young unemployed longer than 6 months. Finally, a 12-month long programme for hard-to-place NEETs was established, which included ‘work coaches’ and *ad hoc* teams for youth, training measures, work experience for 2-8 months and also covering the costs of travel and child-care for newly employed young people (Bussi and O’Reilly 2016). This is a typical mix of the ‘carrots and sticks’ of the *work-first* approach.

Conclusions

The above analysis shows that in the area of ALMP/activation, the countries in focus – in spite of the challenge of the crisis – remain compliant with their traditional expected style of employment regime. However, there are some modest deviations: for example, in Germany, there is more emphasis on job search services; in Switzerland, strong support for training and the disabled; and in Spain and Poland, a relatively larger scope of ALMP measures represent certain deviations from their stylised regime placement, although other policy features may support it.

Comparisons of the countries are summarized in the scheme below:

Scheme 3.2: profiles of ALMPs/activation

country	training	jobs	disabled	search	incentives	overall level of activation
Cluster 1						
Inclusive						
NOR	+	0	++	+	-	+
Employment centred/dualistic						
SWI	+	0	++	+	-	+
GER	(+)+	0	-	++	-	+
Cluster 2						
Sub-protective						
SPAIN	0	+	--	--	0	-/0
Cluster 3						
GRE	-/+	+/-	--	--	++	-
Transitional						
POL	--	+	+/-	0	+	0
CZ	-	0	0/-	0	-	-
BUL	-	+	-	--	0	-
Liberal						
UK	-	--/0	--	++	+	0

Legend: ++ very strong, + strong, 0 middle, - weak, -- very weak

Although a convergence toward a common activation regime has not taken place, some similarities did emerge during the crisis, which to some extent represent a continuation of the trends that were observed earlier (Graziano 2012). The general trend in nearly all the countries was the decreasing expenditure on ALMP measures. Although in some countries expenditures grew, it was not proportional to the unemployment growth. Second, a departure from training is observed in some countries, while in others there was already a negligible emphasis on the labour market/vocational training. Job creation/occupation was more in focus as a prevailing trend, often in the form of the protection of existing jobs. The marginal effective tax rates for those on unemployment benefits were quite stable, while in the case of the unemployed entitled only to social assistance benefits,

incentives increased in several countries. In most countries, some governance reforms in ALMP/activation took place, aiming to make the policies more effective with better targeting of the measures on young people and long-term unemployed. Similarly, almost all the countries preferred less expensive measures: regarding the young unemployed, these were mainly job search services/individual contracts, job experience and some training. The Youth Guarantee scheme did not change much the profile of the policies but has brought some financing opportunities. In the case of young people, with a few exemptions, the policies mainly supported their flexibilisation, while less emphasis was put on human capital development in the active labour market policies. Hence, more dualism emerged in the prevailing trends of the policies: more support for the protection of existing jobs for core labour force than new real job opportunities and income support for the unemployed young.

Even in countries where labour market policies are developed, the emphasis on fast integration prevails; there is less emphasis on job quality and sustainability. Although internship positions and subsidised jobs enable access to the labour market and improve employability, it is uncertain whether these represent real stepping-stones to sustainable jobs. This is due to the relaxed labour market regulations combined with weaker income protection and less human investment/training oriented ALMPs.

Unemployment protection

Theoretical background and analytical criteria

Unemployment protection is a traditional cornerstone of the welfare state and social security. The goal of unemployment protection is usually to protect people against poverty and material deprivation during transitional states between various economic statuses (education, employment, maternity leave, etc.) and in the periods of economic downturn. Gallie and Paugam (2000) suggest a typology of un/employment policy regimes in relation to young people (see Scheme 4.1). They reflect the role of unemployment protection, active labour market policy and the role of the family in supporting youth and the interaction with social policies. There were four types of employment

policy regimes: sub-protective, liberal/minimal, employment-centred and universalistic. In the sub-protective regime, few of the unemployed receive benefits and when they do, the amount is low. The liberal regime provides better protection, but benefit level is low and the means tested. The employment-centred regime provides a much higher level of compensation, which is based on the selective principles of eligibility for compensation. It could be expected that women and young people are disadvantaged particularly sharply (Gallie and Paugam 2000). The universalistic regime provides comprehensive coverage and high unemployment compensation. Protection of people is high for all, including women and young people.

Scheme 4.1: Unemployment protection typology by Gallie and Paugam (2000)

	Sub-protective	Liberal / minimal	Employment- centred	Universalistic
Basic logic	Chronic absence of planned intervention	Not to undermine the laws of the market	Based on previous work experience	Based in individual rights
Coverage	Very incomplete	Incomplete	Variable	Comprehensive
Level and duration of cover	Very weak	Weak	Unequal	High
Poverty protection	Very low	Low	Varied depending on status	High for all
Protection of women	Minimal (but similar to men)	Lower: means testing for the income of the whole family	Lower: women with interrupted carriers are not directly protected	Supportive eligibility rules

In this paper the systems of unemployment protection are assessed according to similar criteria (see Scheme 4.2): a) logic of unemployment protection, b) entitlement rules (eligibility criteria), c) generosity/protection¹¹. The underlying assumption behind these criteria is that the unemployment protection systems are expected to be providing effective protection against risks of income poverty and material deprivation for young people entering the labour market or changing jobs.

Scheme 4.2: Criteria of assessment of unemployment protection

Dimensions	Indicators
Logic of unemployment protection	Prevailing types of social protection
Eligibility criteria	Qualification period
	Equivalence
	Group categorisation

¹¹ Clasen and Clegg (2011) provided in their book a new set of comparative criteria for assessing the process of development of unemployment protection, which is called “triple integration”. These criteria are unemployment benefit homogenisation, risk re-categorisation and activation. Homogenisation and risk re-categorisation are partially reflected in the text below.

Generosity / protection	Benefit coverage
	Benefit level
	Benefit duration
	Net replacement rates

The empirical evidence

In the first section, we discuss the basic social protection schemes and their key institutional characteristics using MISSOC data. We refer to the years 2005 and 2013 (see Annex Tables 4.4a and 4.4b)¹². In all the countries in focus, we can find variations of the broadly defined European model of social security for the unemployed. Unemployment protection is based mainly on social insurance programs. Most countries also have a system of social assistance, i.e. a flat rate (group-based), top-up means-tested benefits, which provide a nationally stipulated minimum living income¹³. Generally, the claiming of unemployment benefits and social assistance are connected with registration at PES and an agreement on activity (action plan or other type of activation) and possibility of sanctions (see ALMP section). There are also other measures which can influence the income situation of young people, such as tax credits and allowances, categorical benefits, grants and loans for students and ALMP participants, and parental benefits. These measures, although not covered here, can have substantial impact on concrete individual economic situations.

There were substantial changes, including the introduction or reshaping of the measures in some of the countries. Unemployment assistance and social assistance for people able to work were merged during the Hartz-reforms in Germany in 2005 (Dingeldey and Steinberg 2016). We can understand the resulting system both as unemployment assistance (by target group) and social assistance (by the logic of benefit provision). There was no social assistance system introduced in Greece until 2014. Prior to that, Greece was the only country without measures aimed at tackling extreme poverty. The PRODI unemployment assistance benefit was introduced in Spain in 2009; later it was slightly changed and renamed to PREPARA. There is also a special integration benefit for the long-term unemployed in Norway (Schoyen and Vedeler 2016). The means tested part of the Jobseeker's Allowance was replaced by the Universal Credit (functioning as in a work benefit) in the process of benefit homogenisation in the UK since 2013 (Bussi and O'Reilly 2016). There is also the Income

¹² For the institutional characteristics, we suppose that people are up to 30 years old (this excludes conditions specifically defined for older people) and that a qualification period of more than 5 years could not be acquired.

¹³ Systems are to different levels homogenous / fragmentary. In Greece and Spain, there are more benefits with different rules for the unemployed; this aspect distinguishes them from other countries. Social assistance acts are legislated at the canton level in Switzerland, leading to diversity in laws and provisions among the cantons (Imdorf et al. 2016). The NAV office in Norway determines the benefit rate for social assistance during the assessment of an individual's situation (there are national guidelines) (Schoyen and Vedeler 2016).

Support benefit for young people between 18-19 years in the UK and the Hardship Allowance for sanctioned people (Bussi and O'Reilly 2016).

Eligibility for benefits is critical for young people to gain welfare state protection. Social benefits are not targeted especially at young people (in Norway, the Czech Republic). In some cases, young people are even explicitly excluded (in Spain). The unemployment insurance programs have usually relatively strict qualifying conditions from the perspective of the number of qualifying days (or contributions) and the ratio between qualifying days and maximum qualifying period¹⁴. The level of employment protection is dependent not only on the previous work experience of the worker, but also on the conditions of the contract that the worker had worked. The self-employed could be covered under different conditions (e.g. Czech Republic, Spain). People with low job intensity or low job incomes are not covered by unemployment benefits (Michoń and Buttler (2016), or are covered according to the *pro rata* principle (Stoilova et al. 2016). Young people can also be covered by other available cash benefits, such as social assistance and other special benefits (Schoyen and Vedeler 2016, Ayllón and Ferreira-Batista 2016). Long waiting periods lower the protection provided by social insurance in Switzerland for young educational graduates eligible for benefits (see Imdorf et al. 2016) and social assistance in Bulgaria (Stoilova et al. 2016). There are also some limiting conditions in the Czech Republic (waiting period in the case of severance pay, lowered benefits in the case of voluntary leave from previous employment) (Sirovátka et al. 2016).

Benefit duration highly contributes to the ability of the system to protect people during long-term unemployment. There is rather a high benefit duration in Norway, but people with low incomes obtain half benefit duration (Schoyen and Vedeler 2016). The benefit duration from social insurance substantially differs for various benefit claimants in countries like Switzerland, Spain, the Czech Republic and Greece – young people in these countries are not entitled to long durations of benefits. The durations of unemployment insurance benefits are generally rather short (about 4 to 6 months) in Bulgaria, Poland, UK and the Czech Republic. The benefit duration in Poland is based on local economic conditions in the place where the benefit claimant lives (Michoń and Buttler 2016). In most countries (with the exception of UK and Switzerland), there are no special conditions for young people. Instead, the conditions for them are set to the basic level of security, while older people (usually aged 50+, with long-term contributions) are more protected with specific conditions.

The benefit level influences the amount of money the unemployed obtain and the replacement rates when comparing to their previous income. Unemployment insurance benefits are quite often related to previous earnings (in the Czech Republic, Norway); in Poland they are related to basic income and

¹⁴ There are some partial exceptions in Switzerland (Imdorf et al. 2016) and Bulgaria (Stoilova et al. 2016).

in the UK, they are provided at a flat rate. Benefits are also at a flat rate (categorically defined) in Switzerland and the Czech Republic for people who cannot prove their previous earnings (Imdorf et al. 2016, Sirovátka et al. 2016). The institutional characteristics of the systems did not change much between 2005 and 2013. In Spain in 2012, replacement rates were reduced for unemployment insurance recipients after their 6th month of claims (Ayllón and Ferreira-Batista 2016). Replacement rates of means-tested benefits were decreased during the reform of the benefit system in the UK (Bussi and O'Reilly 2016). Replacement rates were raised for the short-term unemployed, but reduced for the long-term unemployed in the Czech Republic (Sirovátka et al. 2016).

The problem of income from social insurance systems for young people is identified in the low previous work income of the unemployed resulting (sometimes despite relatively high replacement rates) in low benefits e.g. in Bulgaria and the Czech Republic (Stoilova et al. 2016, Sirovátka et al. 2016). There is also noticeably explicit risk categorisation. Benefits in Poland are lower after three months and also lower for people who worked for less than five years (80% of the standard amount) (Michoń and Buttler 2016). In the UK and Germany, the benefits are lower for people aged 18-24 years (see footnote 22). The benefits are higher for parents of dependent children in Greece (Karamessini et al. 2016). Benefits are generally higher for the short-term unemployed, older people and people with dependent family members.

The institutional characteristics constituting benefit level are difficult to compare due to different rationalizations of benefit calculation and different national currencies. We focus instead on model calculations of net replacement rates (OECD data for the period 2004-2013) to assess benefit generosity/protection. Results are presented in Annex Tables 4.6 and 4.7. In the initial period (Annex Table 4.6), the replacement rates for low income single people were high in Spain, Bulgaria and Switzerland; moderate in Norway, the Czech Republic, Germany and Poland; and low in Greece and the United Kingdom. When social and housing assistance is taken into account for the long-term unemployed (see Annex Table 4.7), the protection is moderate in Switzerland, United Kingdom and Norway; only a bit lower in the Czech Republic and Germany; and low in Poland, Spain and Bulgaria. Greece was the only country with no unemployment protection for single young people in 2013 (which was before the introduction of social assistance).

The benefit coverage (presented in Annex Table 4.5) provides information about the share of the unemployed who receive benefits. This is a crucial indicator because it shows how accessible the benefits are to young people. We use data from Gallie (2013) for the year 2009 and Matsaganis et al. (2014) for the year 2011. This is supplemented by data from national sources (provided in the notes). Using the proportion of people unemployed for more than three months in 2011 – usually the

coverage is higher for the short-term unemployed and very low for the long-term unemployed. Germany¹⁵ provides benefits to a high proportion of (even the long-term) unemployed. The other five countries for which the data are available (Bulgaria¹⁶, Poland¹⁷, Czech Republic¹⁸, Spain and Greece¹⁹) provide moderate or low protection, usually less than fifty percent of people are covered and there is a great difference between the coverage of the short-term and long-term unemployed. The coverage for young people (16-24 years) is always lower than for older unemployed people. This is high in Germany (67 percent) and usually very low (less than 10 percent) in the other five countries. The second indicator for 2009 (when taking in account different rationalizations of the indicator) roughly corresponds to the 2011 data. It shows that there is middle coverage in the United Kingdom²⁰ and rather low coverage in Norway.

Conclusion

When comparing the differences between 2004/2005 and 2013, we can see that the unemployment insurance institutional characteristics did not change much (Annex Tables 4.4a and 4.4b). In one group of countries, we generally document very low income unemployment protection for young people because the institutional characteristics of the unemployment protection system point to low and selective protection: Bulgaria, Poland, Greece, Spain, the Czech Republic and UK. Nevertheless, in some of these countries, young people are relatively well protected from the risk of income poverty by other factors. In the second group of countries, Switzerland, Norway and Germany, we see much better income protection of young people in unemployment (see Scheme 4.2).

¹⁵ The coverage of the young unemployed receiving some unemployment benefits was high in Germany in 2014 – 32.6% of young unemployed received unemployment insurance benefits and 55.7% received unemployment assistance benefits, for a total coverage of 84.4% (Dingeldey and Steinberg 2016).

¹⁶ According to Stoilova et al. (2016), the coverage of unemployment benefits for young people (up to 29) was 15.5% in 2008 and 24% in 2015 (generally less than one-third of the unemployed are entitled to unemployment benefits).

¹⁷ Michoń and Buttler (2016) stated that young people are not actively supported by unemployment insurance or by social assistance in Poland, and vast majority of them are not entitled by unemployment benefits – only 5.6% of young unemployed were entitled to unemployment benefit (compared to 13.9% of all unemployed) in 2015. This is also the result of their precarious status on the labour market.

¹⁸ The coverage of unemployment insurance was 19.6% in the Czech Republic in March 2014. Benefits of long duration (more than 6 months) are excluded here because they are not available for young people (Sirovátka et al. 2016). The coverage of social assistance was about 17% of young unemployed up to 30 years in the last three-quarters of 2014 (Hora and Vyhliđal 2016).

¹⁹ The level of unemployment benefits (social insurance) in Greece was significantly reduced in 2012 because the level of the benefit is based upon the basic wage of the unskilled worker, which had been reduced (see Karamessini et al. 2016). The coverage was 9.5% in 2015 (Matsaganis 2016 quoted in Karamessini et al. 2016).

²⁰ The numbers of people who were entitled to unemployment benefits but did not claim it have increased in recent years (lowering the coverage) in the UK (see Bussi and O'Reilly 2016). According to JRF data used in Bussi and O'Reilly, the benefit coverage was 57% in 2015.

Yet young people in some of these countries can be relatively ‘disadvantaged’ in comparison to older people. Important parts of unemployment protection are based on the seniority principle, which effectively excludes young people from protection. The entitlement criteria of unemployment insurance in most countries are relatively strict (usually at least a year of contribution to obtain the basic benefit), effectively reducing the chances of young people to gain social insurance benefits. The coverage of unemployment benefits for young people is lower in all countries (compared to older unemployed people) and young people in severe need are in many countries forced to apply for social assistance benefits. This is sometimes also the consequence of the low ability of social insurance systems to provide protection in long-term economic recessions. Stoilova et al. (2016), Ayllón and Ferreira-Batista (2016) and Dingeldey and Steinberg (2016) argue that the systems of social protection in Bulgaria, Spain and Germany, for example, do not identify young people as a separate group who are vulnerable to social exclusion, and provide support for them under the general rules, which may be inadequate. In such cases, young people are either caught by the system of social assistance (as in Germany), or they often fall out of the system completely. The other source of reduced protection is the explicitly negative risk categorisation²¹ that protects young people less (than older people in a similar situation). Michoń and Buttler (2016), Stoilova et al. (2016), Dingeldey and Steinberg (2016) and Karamessini et al. (2016) argue that most young unemployed (people) are economically (more) dependent on the income of their parents²².

Scheme 4.3: Summary of evidence for the selected criteria of unemployment protection

	Logic of unemployment protection	Eligibility criteria		Generosity / protection		
	types of social protection and form of provision (organisation)	(a) Qualification period	(b) Equivalence and group categorisation	(a) Benefit coverage	(b) Benefit duration	(c) Benefit level: net replacement rates

²¹ There are also some examples of explicit negative risk categorisation: (a) young people are excluded from benefits (unemployment assistance programs in Spain), (b) additional criteria (e. g. waiting period) are added to benefit entitlement formulas (Switzerland), (c) the benefit generosity is based on such criteria (United Kingdom, Germany and Norway).

²² For example, in Germany (influenced by the principle of subsidiarity), parents are financially responsible for their children who are studying until the age of 25 years (Dingeldey and Steinberg 2016). The Unemployment assistance of young people is tested against their parent’s income. The unemployment assistance benefit is lower for young people below 25 years (234 Euros) – in case they live with their parents – than for adults (404 or 364 Euros). Unemployment assistance benefits are reduced to young people of less than 25 years when they move from their parents’ home without the previous municipality’s approval. The sanctions leading to the potential reduction/removal of the benefits are also stricter for young people under 25 years (Dingeldey and Steinberg 2016). This is very similar to the situation in Switzerland (see Imdorf et al. 2016). On the other hand, in Norway parents are required to take care of their children up to 20 years of age (Schoyen and Vedeler 2016).

Bulgaria	(a) -	(a) -	(b) 0	(a) --	(b) -	(c) +
Poland	(a) 0	(a) -	(b) 0	(a) --	(b) -	(c) -
Czechia	(a) 0	(a) 0	(b) 0	(a) --	(b) -	(c) 0
Spain	(a) -	(a) +	(b) 0	(a) -	(b) +	(c) +
Greece	(a) --	(a) +	(b) 0	(a) --	(b) +	(c) --
UK	(a) 0	(a) 0	(b) -	(a) +	(b) +	(c) -
Switzerland	(a) 0	(a) 0	(b) -	(a) ?	(b) +	(c) +
Germany	(a) 0	(a) 0	(b) 0	(a) ++	(b) +	(c) 0
Norway	(a) 0	(a) +	(b) 0	(a) -	(b) +(+)	(c) +

Note: 0 = average protection, + = more protection (more easily accessible benefits, longer benefits, higher replacement rates, more comprehensive coverage), = opposite of +.

There is a rationale of the employment regimes behind this scheme, although it may not be clear at first glance. The Inclusive regime (Norway) provides generous protection for a longer period of time. The Dualistic regime (Germany and Switzerland) provides protection for a longer period of time, good coverage (Germany), and a generous amount (Switzerland); however, young people are not equally involved in the Unemployment Insurance system. The Liberal regime provides the least generous protection, although the duration and coverage is good (when considering social assistance). The Sub-protective regime (Spain, Greece) provides poor coverage (especially for the young, since the role of family is expected), while benefit duration in other cases is rather extensive. The Transitional regime (Bulgaria, Czech, Poland) is typical for its poor coverage, especially for youth, as well as its short duration and variable generosity (only in the Czech Republic does it seem to be good).

Conclusions

For the analysis of the policies addressing young people's transitions to the labour market, the *production regimes theory*, *employment regimes theory* and *flexicurity regimes theory* served as a background. Education, active labour market policies, employment protection and unemployment protection in nine European countries during the crisis and beyond were analysed.

What seems to be a crucial issue regarding the labour market transitions of young people and their labour market in/securities is how much effort is devoted in both education and labour market policies to facilitate school/unemployment to the employment transitions of young people and how these policies are coordinated. Employment protection and unemployment protection play a role in income protection during the transitions between employment and unemployment and protect young peoples' employment and income from jobs. The quality of the employment and possible subsequent unemployment (in) security are clearly interconnected. Education and training should affect the quality of employment; however, even in countries where active labour market policies (ALMPs) are developed, the emphasis on fast integration prevails in ALMPs, and less emphasis is placed on job quality and sustainability. Although internship positions and subsidised jobs enable access to the labour market and improve the employability of young people, it is uncertain if these policies can be considered as the stepping-stones to sustainable jobs due to the relaxed labour market regulations combined with weak income protection and less human investment/training oriented ALMPs. There are, however, huge differences among the countries.

In the inclusive regime (Norway) and employment-centred regime countries (Switzerland and Germany), not only is there general accessibility to all levels of education, but vocational specificity is also supported. Additionally, there are options for those who do not succeed well in the standard educational tracks. Well-developed life-long learning, labour market training and work experience is provided. Active labour market policies aim to solve the problems of youth during their labour market transition. Nevertheless, some problems are apparent (dropouts and the selectivity of the system).

Countries of the sub-protective and transitional regimes (Spain, Greece, Bulgaria and Czech Republic) have increased enrolment rates in tertiary education substantially; however, they suffer from the lack of public financing, questionable quality of education, and lack of vocational specificity. Nevertheless, Poland's financial backing of the system and vocational specificity is better than in the other post-communist countries. In spite of the partial measures adopted to address these problems,

neither are there alternative routes for youth who are unsuccessful, nor are there sufficient opportunities for life-long learning, labour market training, or work experience for them.

The liberal regime (UK) achieves very good overall results in education; however, marginalisation and dropout is still a problem, as well as the lack of vocational specificity and the insufficient apprenticeship or labour market training opportunities for youth.

In all the countries, the interaction of education and active labour market policies with the other policy fields (employment protection and unemployment protection) reinforces this pattern. During the crisis and beyond, the dualism in these policy fields has been growing, leading to more disadvantage for youth in all labour market regimes, except (possibly) the inclusive/universal regime, in spite of some attempts to address this problem, as they were apparent elsewhere.

Concretely, in all the countries, the educational systems are increasingly striving to equip young people better for the labour market. This means providing them with a higher level of education, preferably at the tertiary level; improving counselling to young people during their transition from the secondary level of education in particular; increasing VET specificity; strengthening the link between education and the labour market; and not least, improving the quality of education. However, problems of selectivity and diversification of educational tracks, gender segmentation and dropout persist. Over-education is becoming a problem in some countries (typically, Southern Europe).

On the other hand, active labour market policies are integrated only to a limited extent with the initial education. The scope of the active labour market measures provided to young people rather dropped during the crisis, human capital development measures in particular, although some targeted initiatives for youth were implemented in most countries. Job search services and job experience measures in temporary job schemes prevail in the search for fast and less expensive solutions, again reinforcing the increased dualism in labour market policies.

The crisis was a stimulus to the prevailing flexibilization trend; in the countries of the sub-protective regime, it was the strongest, leading to weaker job protection for the regular workforce (insiders). On the other hand, improvements for the entrants were only minor, leaving young people in a disadvantaged position regarding employment protection. Similarly, the reforms in income protection during unemployment brought some improvements for those with sufficient work records, while providing less security for those who lack them, young people included. This causes their increasing dependence on parents, in particular in countries with less developed social

assistance schemes, like in the countries of the sub-protective regime or in the post-communist countries.

Scheme 3: **Employment regimes in four policy fields after 2008**

Type	Inclusive/ Universal	Employment- centred/ dualistic	Liberal	Sub-protective	Transitional
Education	Strong emphasis, inclusive, accessible to all + specific VET routes as a choice	Strong emphasis, Specific firm related + VET routes determined, corrective measures	General education strong support, elitism, disadvantage in access	General education accessible. differentiated access/ paths, quality problems	General education accessible, differentiated access/paths, quality problems
Active labour market policies/activation	Training, individual support, even for marginal groups	Traditionally core labour force in focus, growing support to other groups	Job mediation and incentives to job search mainly	Weak and dualistic, effectiveness problems	Weak, some dualism
Employment protection	Job protection of marginal workforce is high	Strong protection of core labour force, collective dismissals prevented	Low level in general	Dualism is strong, collective dismissals are protected well	Weak protection in general, some dualism
Unemployment protection	High level of generosity for all	Differentiated support (weak for marginal work force)	Lower generosity although coverage is good	Rudimentary, selective, relying on the family	Weak protection (short period), some dualism

Source: authors

The long-term structural changes, like changing demands on the hard and soft skills of the labour force, flexibilisation and the increasing dualism in the labour market, seem to have been an important trigger for the reforms, rather than the crisis alone. Nevertheless, both as a consequence of these restraint changes and the crisis itself, the position of youth has deteriorated in most countries. Although education systems provide more young people with a higher level of education, it is not enough to prevent early employment insecurity. There is a need for more effort and coordination between education and other policy fields, especially labour market policies.

The above findings seem to be consistent with the emerging dominant employment/unemployment patterns during the crisis, as is documented in Karamessini et al. (2016). Briefly, this study has proven

that there are huge differences among European countries, while the impact of the economic crisis has brought rather more divergence than convergence in terms of early job insecurity. Three inclusive categories of countries have emerged²³:

1. Southern European countries or countries with a sub-protective welfare regime, defined either by rudimentary welfare structures compensated by strong family networks, or by severe austerity policies linked to the 2008 financial and sovereign debt crisis: Greece, Ireland, Italy, Portugal, Spain and Cyprus.
2. Post-socialist countries, including both cases considered as 'successful' or 'developing' countries regarding their welfare state: Bulgaria, Croatia, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Serbia, Slovakia and Slovenia.
3. Countries characterised by advanced welfare regimes, either of the liberal, corporatist or social-democratic type: Austria, Belgium, Denmark, Sweden, France, Germany, Luxembourg, the Netherlands, Switzerland and United Kingdom (Norway was not included in the analysis).

In all three groups of countries, there was an increase in the probability of going straight from school to unemployment in 2008-2013. For the first group, it was 23.6% of new school leavers who went from school to unemployment in 2008, whereas in 2013 the figure was 37.2%. For the post-socialist countries, the increase is even higher: from 14.1% in 2008 to 40.1% in 2013. The increase is smaller for the countries belonging to the third group: from 12.3% in 2008 to 16.9% in 2013.

Similarly, for the first group, one can notice a clear drop in the probability of a new school leaver finding full-time employment during these years and a simultaneous increase in the probability of gaining part-time employment. For the second group of countries, one can distinguish a noticeable drop in the probability of obtaining full-time employment, but a very small change in the probability of making a transition from school to part-time employment. Evidently, these probabilities are very low for all these years for the second group of countries. For the third group, the probability of a new school leaver to gain full-time employment did not change considerably between 2008 and 2013 (0.546 and 0.508, respectively). During the same years, though, there is an increase in the probability of securing part-time employment (0.187 and 0.223 respectively), indicating growing job insecurity. We should bear in mind that mainly the contextual factors (the depth of the crisis and/or structural labour market changes) are what make the distinctions among (groups of) countries so profound. The impacts of the policies are difficult to precisely disentangle from the other contextual factors with which they are in permanent interaction. However, what seems to be evident is that the policy

²³ They include a larger set of countries than covered in this report.

deficits in some countries of the sub-protective regime and/or post-communist regime do contribute to the deteriorating position of young people on the labour market.

When considering the key questions in focus in this task, the following conclusions may be provided. It is proven that labour market institutions and recent reforms in most countries slightly favoured (although differently) the work-first approach regarding the labour market entry of young people, often through insecure/precarious (temporary) jobs. The data indicate that the insecure jobs are hardly the best pathway – in the sense of ‘stepping stones’ - to stable jobs of good quality for most of the young unemployed; it seems, however, that they might be considered as such for university level educated young people in some countries where unemployment is quite low (Switzerland is a good example). The human potential development of young people was rather on the decline in active labour market policies (although it remains a high priority in countries like Norway, Germany and Switzerland), while educational systems show some positive developments elsewhere.

Second, altogether, labour market policies and the skills formation system (education and training) provide less adequate protection from risks of social exclusion entailed by job insecurity (and income insecurity) among youth – in terms of economic exclusion/material deprivation and social exclusion/social deprivation or other indications of life quality. The groups of young people more at risk are the low skilled, migrants, ethnic minorities and women.

Third, recent reforms in labour market institutions and the skills formation systems were aimed at generating more flexibility than promoting flexicurity. The forms of flexibility that were more promoted were numerical flexibility (like temporary contracts, including job experience opportunities); wage flexibility (low paid jobs or activation offers); and/or work-time flexibility (part-time work, flexible work schedules), only marginally accompanied by ‘security’ measures like more employment protection of temporary workers.

Lastly, the crisis did not provoke an overhaul of the previous institutional mix. Only rather incremental changes took place, which Hall (1993) classified mostly as ‘first changes’ (adjustments to the existing instruments). Nevertheless, some new measures did appear in terms of the substance and governance of policies that may be considered ‘second order changes’ (new instruments). The crisis, however, brought neither a shift in paradigm nor a turn away from the objectives induced by the prevailing work-first approach.

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Annex (D 3.4): Tables and schemes

Education

Table 1.1: Trends in enrolment rates (1995-2012)

Country	Years						
	1995	2000	2005	2010	2011	2012	2013
15-19 year-olds (students as a percentage of the population of this age group)							
Norway	83	86	86	86	86	87	87
Switzerland	80	83	83	85	85	84	86
Germany	88	88	89	89	92	90	89
Poland	78	84	92	93	93	92	90
Bulgaria*	x	75	83	86	86	86	87
Czech Republic	66	81	90	90	90	90	90
Spain	73	77	81	84	86	86	87
Greece	62	82	97	83	84	85	x
United Kingdom	x	x	x	77	78	78	81
OECD average	74	76	81	83	84	84	84
20-29 year-olds (students as a percentage of the population of this age group)							
Norway	25	28	29	29	30	30	30
Switzerland	15	19	22	24	25	25	26
Germany	20	24	28	31	32	33	34
Poland	16	24	31	30	30	31	32
Bulgaria*	x	26	34	44	43	43	44
Czech Republic	10	14	20	24	25	26	26
Spain	21	24	22	24	26	28	29
Greece	13	16	24	40	40	42	x

United Kingdom	x	x	x	18	19	19	21
OECD average	18	22	25	27	28	28	28

Legend: * Enrolment rates in Bulgaria are for the age group 15-18 years and 19-23 years respectively, source www.nsi.bg

Source: Education at a Glance 2014: OECD Indicators (2014: 313) – years 1995-2012; Education at a Glance 2015: OECD Indicators (2015: 316) – year 2013

Table 1.2: **Early leavers from education and training by labour status (from 18 to 24 years), in % of total population (2005-2014)**

Country	Years									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Norway	4,6	17,8	18,4	17,0	17,6	17,4	16,6	14,8	13,7	11,7
Switzerland	9,7	9,6	7,6	7,7	9,1	6,6	6,3	5,5	5,4	5,4
Germany	13,5	13,7	12,5	11,8	11,1	11,9	11,6	10,5	9,8	9,5
Poland	5,3	5,4	5,0	5,0	5,3	5,4	5,6	5,7	5,6	5,4
Bulgaria	20,4	17,3	14,9	14,8	14,7	13,9	11,8	12,5	12,5	12,9
Czech Republic	6,2	5,1	5,2	5,6	5,4	4,9	4,9	5,5	5,4	5,5
Spain	31,0	30,3	30,8	31,7	30,9	28,2	26,3	24,7	23,6	21,9
Greece	13,3	15,1	14,3	14,4	14,2	13,5	12,9	11,3	10,1	9,0
United Kingdom	11,6	11,3	16,6	16,9	15,7	14,8	14,9	13,4	12,3	11,8
EU28 average	15,7	15,3	14,9	14,6	14,2	13,9	13,4	12,7	11,9	11,2

Source: Eurostat database (<http://ec.europa.eu/eurostat/web/education-and-training/data/database>) (edat_lfse_14)

Table 1.3: Trends in total public expenditure on primary to tertiary education (2000-2012)

Country	2000	2005	2008	2010	2011	2012
Public expenditure on education as a percentage of total public expenditure						
Norway	13,8	15,4	14,8	14,0	13,6	14,1
Switzerland	13,6	14,1	14,1	15,0	14,9	15,3
Germany	x	x	x	9,6	9,9	9,8
Poland	11,2	11,3	10,4	10,2	10,1	10,3
Bulgaria¹	x	12,1	12,6	11,2	11,1	10,7
Czech Republic	8,0	8,3	8,3	8,3	8,9	8,9
Spain	10,0	9,6	9,6	9,2	9,0	8,0
Greece²	7,0	9,2	x	7,6	8,2	8,2
United Kingdom³	x	x	x	13,5	12,9	12,3
OECD average	11,8	12,0	11,4	11,3	11,5	11,6
Public expenditure on education as a percentage of GDP						
Norway	7,8	8,6	8,1	8,1	7,6	7,7
Switzerland	4,5	4,9	4,4	4,7	4,7	4,9
Germany	x	x	x	4,5	4,4	4,3
Poland	4,4	4,9	4,5	4,6	4,3	4,3

Bulgaria¹	x	4,2	4,3	4,0	3,7	3,6
Czech Republic	3,2	3,4	3,3	3,5	3,7	3,7
Spain	3,8	3,6	3,9	4,1	4,0	3,7
Greece²	3,1	4,0	x	4,0	4,4	4,4
United Kingdom³	x	x	x	6,6	6,0	5,8
OECD average	4,5	4,7	4,6	4,9	4,8	4,8

Legend: ¹ data from Bulgaria extracted from UIS.Stat; ^{2,3} data from Greece and the United Kingdom 2010-2012 extracted from Education and Training Monitor 2015, p. 25 (http://ec.europa.eu/education/tools/et-monitor_en.htm)

Source: Education at a Glance 2015: OECD Indicators (2015: 260)

Table 1.4: **Distribution of students enrolled in general and vocational programmes at ISCED3 level, in % (2007-2013)**

Country	2007		2008		2009		2010	
	G	V	G	V	G	V	G	V
Norway	43	57	45	55	46	54	46	54
Switzerland	35	65	35	65	35	65	34	66
Germany	43	57	43	57	47	53	49	51
Poland	56	44	54	46	53	47	52	48
Bulgaria	47	53	48	52	49	51	49	51
Czech Republic	25	75	26	74	27	73	27	73
Spain	57	43	56	44	57	43	55	45
Greece	68	32	69	31	69	31	69	31

United Kingdom	59	41	69	31	70	30	68	32
OECD average	54	44	55	44	54	43	54	44

Country	2011		2012		2013	
	G	V	G	V	G	V
Norway	47	53	48	52	48	52
Switzerland	35	65	35	65	34	66
Germany	51	49	52	48	52	48
Poland	52	48	52	48	51	49
Bulgaria	49	51	50	50	48	52
Czech Republic	27	73	27	73	26	74
Spain	55	45	54	46	66	34
Greece	68	32	67	33	x	x
United Kingdom	64	36	61	39	56	44
OECD average	54	44	54	44	54	46

Legend: G = general programmes, V = vocational programmes

Source: Education at a Glance: OECD Indicators (2009-2015), data from Bulgaria extracted from UIS.Stat

Employment protection

Table 2.3: Detailed information of employment protection: rules for job placement and temporary character of the job

	Regular contracts	Temporary contracts		
	Length of trial period	Valid cases for use of fixed-term contracts	Maximum number of successive fixed-term contracts	Maximum cumulated duration of successive fixed-term contracts
Bulgaria	6 months [3]	Generally permitted [0]	2 successive fixed-term contracts allowed [4]	3 years total, 1 year for second contract [1]
Poland	3 months [4]	No restrictions [0]	2 successive fixed-term contracts allowed. [4]	No limit [0]
Czech Rep.	3 months (6 months for managerial workers) [4]	Generally permitted [0]	3 contracts [3]	9 years [1]
Spain	6 months (qualified technicians), 2 months rest, 3 months in SE, 1 year under new contract (SME) [4]	Replacement, high workload, specific work, training, for disabled, specific job sharing [3]	2 (workload), no limit for specific tasks, six months (training) [3]	12 months in 18 months (workload), 3 years (specific tasks), 1-3 year (training) [2]
Greece	12 months (same rights as regular workers) [3]	Generally permitted (permanent contracts are expected in normal cases) [4]	3 contracts, unlimited in specific cases [3]	3 years [1]
UK	agreement between employer and employee [0]	No restrictions [0]	No limit [0]	4 years [1]
Switzerland	1 month, 3 months with written contract [5]	General [0]	No limit (risk of court decision) [5]	No limit [0]
Germany	6 months [3]	Permitted for specified period, permitted without limit for older workers and unemployed [0]	Permitted with objective reasons or 3 times in 2 years [2]	2 years, 4 years when starting business, 60 months (older workers, unemployed) [1]
Norway	6 months [3]	specific work, replacement, ALMP participants, specific professions [4], general since 2015 ²⁴	Subject to court decision [5]	4 years (exceptions) [1]

Source: OECD detailed descriptions and tables on EPL (2013).

Note: We provide example tables for years 2012-2013 with descriptions of selected indicators and OECD values of the indicators (see tables 2.3 and 2.4). Please note that indexes in table 2.5 (overall strictness of employment protection) also include indicators not covered in annex tables 2.3 and 2.4. The values of the indicators and indexes are: 0: minimum – least restrictions, 6: maximum – most restrictions.

²⁴ Temporary contracts are generally allowed for 12 months in Norway since 2015 (Schoyen and Solstad Vederer 2016). There are limitations in scope and frequency of using of such constructs (see Schoyen and Solstad Vederer 2016).

Table 2.4: The rules for ending of the contracts (individual dismissals)

	Length of the notice period			Severance pay		
	9 months tenure	4 years tenure	20 years tenure	9 months tenure	4 years tenure	20 years tenure
Bulgaria	1 month [3]	1 month [2]	1 month [1]	No statutory severance pay (except cases of illness and transition to pension) [1]	No statutory severance pay (except cases of illness and transition to pension) [1]	No statutory severance pay (except cases of illness and transition to pension) [1]
Poland	1 month [3]	3 months [5]	3 months [2]	1 month pay (only redundancy) [1]	2 months' pay (only redundancy) [2]	3 months' pay (only redundancy) [1]
Czech Rep.	2 months [6]	2 months [4]	2 months [1]	once his average (monthly) earnings [1]	three times his average earnings [3]	three times his average earnings [1]
Spain	Workers dismissed for "objective" reasons [2]	Workers dismissed for "objective" reasons [1]	Workers dismissed for "objective" reasons [0]	2/3 of a month's pay per year of service Special rules for temp. contracts [1]	2/3 of a month's pay per year of service Special rules for temp. contracts [4]	2/3 of a month's pay per year of service (12 maximum) Special rules for temp. contracts [4]
Greece	None for blue collar workers, none for white collar workers [0]	None for blue collar workers, 1 month for white collar workers [2]	None for blue collar workers, 4 months for white collar workers [1]	none for blue collar workers, none for white collar workers [0]	15 days for blue collar workers, 3 months (half in the case of notice period) [2]	120 days for blue collar workers, 15 months (half in the case of notice period) [2]
UK	1 week [1]	4 weeks [2]	12 weeks [2]	none (only for redundancy cases with 2 years tenure, based on age) [0]	two weeks – example case (only for redundancy cases with 2 years tenure, based on age) [1]	13.5 weeks – example case (only for redundancy cases with 2 years tenure, based on age) [2]
Switzerland	1 month [3]	2 months [4]	3 months [2]	No legal entitlement to severance pay [0]	No legal entitlement to severance pay [0]	No legal entitlement to severance pay (specific condition for older workers) [0]
Germany	4 weeks [3]	1 month [2]	7 months [4]	half month pay for each year of tenure, only in redundancy, employer is free to offer or not severance pay [0]	half month pay for each year of tenure, only in redundancy, employer is free to offer or not severance pay [0]	half month pay for each year of tenure, only in redundancy, employer is free to offer or not severance pay [0]
Norway	1 month [3]	1 month [2]	3 months [2]	None by law (can be covered by collective agreements) [0]	None by law (can be covered by collective agreements) [0]	None by law (can be covered by collective agreements) [0]

Source: OECD detailed descriptions and tables on EPL (2013). Note: We provide example tables for years 2012-2013 with descriptions of selected indicators and OECD values of the indicators (see tables 2.3 and 2.4). Please note that indexes in table 2.5 (overall strictness of employment protection) also include indicators not covered in annex tables 2.3 and 2.4. The values of the indicators and indexes are: 0: minimum – least restrictions, 6: maximum – most restrictions.

Table 2.5: EPL for individuals with regular and temporary contracts and for cases of collective dismissals (2004-2013), source: OECD, range is 0: minimum – least restrictions, 6: maximum – most restrictions).

Year	2004			2005			2006			2007
Status	Regul.	Temp.	Coll.	Regul.	Temp.	Coll.	Regul.	Temp.	Coll.	Regul.
Poland	2.23	1.75	2.88	2.23	1.75	2.88	2.23	1.75	2.88	2.23
Czech Rep.	3.31	0.5	2.13	3.31	1.13	2.13	3.31	1.13	2.13	3.05
Spain	2.36	3.25	3.75	2.36	3.25	3.75	2.36	3.25	3.75	2.36
Greece	2.8	2.75	3.25	2.8	2.75	3.25	2.8	2.75	3.25	2.8
UK	1.26	0.38	2.88	1.26	0.38	2.88	1.26	0.38	2.88	1.26
Switzerland	1.6	1.13	3.63	1.6	1.13	3.63	1.6	1.13	3.63	1.6
Germany	2.68	1	3.63	2.68	1	3.63	2.68	1	3.63	2.68
Norway	2.33	2.75	2.50	2.33	2.75	2.50	2.33	3	2.50	2.33
Year	2007		2008			2009			2010	
Status	Temp.	Coll.	Regul.	Temp.	Coll.	Regul.	Temp.	Coll.	Regul.	Temp.
Poland	1.75	2.88	2.23	1.75	2.88	2.23	1.75	2.88	2.23	1.75
Czech Rep.	1.13	2.13	3.05	1.13	2.13	3.05	1.13	2.13	3.05	1.31
Spain	3	3.75	2.36	3	3.75	2.36	3	3.75	2.36	3
Greece	2.75	3.25	2.8	2.75	3.25	2.8	2.75	3.25	2.8	2.75
UK	0.38	2.88	1.26	0.38	2.88	1.26	0.38	2.88	1.26	0.38
Switzerland	1.13	3.63	1.6	1.13	3.63	1.6	1.13	3.63	1.6	1.13
Germany	1	3.63	2.68	1	3.63	2.68	1	3.63	2.68	1
Norway	3	2.50	2.33	3	2.50	2.33	3	2.50	2.33	3
Year	2010		2011		2012		2013			
Status	Coll.	Regul.	Temp.	Coll.	Regul.	Temp.	Coll.	Regul.	Temp.	Coll.
Poland	2.88	2.23	1.75	2.88	2.23	1.75	2.88	2.23	1.75	2.88
Czech Rep.	2.13	3.05	1.31	2.13	2.92	1.44	2.13	2.92	1.44	2.13
Spain	3.75	2.21	2.56	3.75	2.05	2.69	3.75	2.05	2.56	3.38
Greece	3.25	2.17	2.5	3.25	2.17	2.25	3.25	2.12	2.25	3.25
UK	2.88	1.26	0.38	2.88	1.1	0.38	2.88	1.1	0.38	2.88
Switzerland	3.63	1.6	1.13	3.63	1.6	1.13	3.63	1.6	1.13	3.63
Germany	3.63	2.68	1	3.63	2.68	1	3.63	2.68	1.13	3.63
Norway	2.50	2.33	3	2.50	2.33	3	2.50	2.33	3	2.50

Table 2.6: Share of temporary contracts (15-24, 25-64)

Year	2004		2005		2006		2007		2008	
Age (years)	15-24	25-64	15-24	25-64	15-24	25-64	15-24	25-64	15-24	25-64
Bulgaria	n. d.	n. d.	13.9	5.7	12.6	5.6	10.3	4.7	9.5	4.5
Poland	n. d.	n. d.	65.1	21.2	67.3	22.6	65.7	23.7	62.8	22.6
Czech Rep.	n. d.	n. d.	18.3	6.9	18.9	6.9	17.4	6.9	15.6	6.5
Spain	n. d.	n. d.	66.3	29	66	29.8	62.7	27.8	59.2	25.8
Greece	n. d.	n. d.	26.1	10.5	24.7	9.5	26.5	9.6	28.8	10.2
UK	n. d.	n. d.	12.3	4.4	12.8	4.4	13.3	4.3	12	4.1
Switzerland	n. d.	n. d.	49.6	6.2	51.4	6.4	50.3	6.2	50.6	6.5
Germany	n. d.	n. d.	58.2	8	57.5	8.4	57.4	8.5	56.7	8.7
Norway	n. d.	n. d.	28.2	6.7	29.4	7.1	28	6.5	26.2	6
Year	2009		2010		2011		2012		2013	
Status	15-24	25-64	15-24	25-64	15-24	25-64	15-24	25-64	15-24	25-64
Bulgaria	9.3	4.2	9.3	4	7.6	3.8	9.5	4.1	13.2	5.1
Poland	62	22.4	64.5	23.2	65.6	23.1	66.4	23.2	68.6	23.2
Czech Rep.	18.7	6.6	22.5	7	22.4	6.9	27	6.9	28.9	7.7
Spain	55.7	22.5	58.4	22.2	61.2	22.7	62.2	21.2	64.7	21
Greece	28.2	11	30.2	11.4	29.7	10.8	25.4	9.5	26.4	9.4
UK	11.9	4.4	13.8	4.7	13.6	4.8	15	4.7	14.7	4.8
Switzerland	53.1	6.2	51.6	6.2	51.5	5.9	52.5	5.8	51.8	6.1
Germany	57.3	8.6	57.2	8.9	56	9	53.7	8.6	52.9	8.7
Norway	25.7	5.3	27.1	5.4	24.3	5.4	24.4	5.9	24.2	5.8

Source: Eurostat database

Table 2.7: Minimum wages in Euros, Purchasing Power Standard and proportion of average monthly earnings in selected sectors

		2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Bulgaria	E	61.36	76.69	81.79	92.03	112.49	122.71	122.71	122.71	138.05	158.5
	P	146.1	177.16	182.16	201.73	227.59	239.29	245.42	244.43	275.21	321.98
	C	n. d.	n. d.	n. d.	n. d.	39.5	38.3	35.8	35.3	37.8	39
	B	n. d.	n. d.	n. d.	n. d.	40.6	39.1	36.3	35.5	37.8	39.2
Poland	E	175.25	207.86	232.9	244.32	313.34	307.21	320.87	348.68	336.47	392.73
	P	341.51	345.17	369.28	400.37	462.55	506.97	545.79	574.38	636.53	679.86
	C	n. d.	n. d.	n. d.	n. d.	38.8	41.7	41.4	41.3	43.1	44.3
	B	n. d.	n. d.	n. d.	n. d.	39.1	42.2	42	41.7	43.5	44.6
The Czech Republic	E	206.73	235.8	261.03	291.07	300.44	297.67	302.19	319.22	310.23	318.08
	P	378.77	414.51	435.18	461.28	414.75	413.99	424.01	441.31	443.77	448.71
	C	n. d.	n. d.	n. d.	n. d.	35.2	34	33.3	32.5	31.7	32.6
	B	n. d.	n. d.	n. d.	n. d.	35.2	34.3	33.3	32.4	31.6	32.6
Spain	E	537.25	598.5	631.05	665.7	700	728	738.85	748.3	748.3	752.85
	P	589.9	656.09	687.2	716.23	735.7	744.91	764.97	771.65	782.65	798.81
	C	n. d.	n. d.	n. d.	n. d.	35.2	35.1	35.3	34.6	34.7	34.3
	B	n. d.	n. d.	n. d.	n. d.	37.6	37.6	37.8	36.7	36.4	36.1
Greece	E	630.77	667.68	709.71	730.3	794.02	817.83	862.82	862.82	876.62	683.76
	P	719.09	755.63	796.45	812.68	865	860.94	912.95	906.68	951.82	772.27
	C	n. d.	n. d.	n. d.	n. d.	48.4	50.7	40.4	50.1	n. d.	n. d.
	B	n. d.	n. d.	n. d.	n. d.	48.9	46.6	43.4	56.4	n. d.	n. d.
United Kingdom	E	1054.2	1134.7	1212.6	1315	1242.2	995.28	1076.5	1136.2	1202	1249.9
	P	1008.1	1064.7	1101.6	1131.3	1110.1	1098.7	1033.5	1032.7	1060.3	1044.7
	C	n. d.	n. d.	n. d.	n. d.	38.1	38.4	38.2	38.7	39.3	39.3
	B	n. d.	n. d.	n. d.	n. d.	38.2	38.6	38.7	39.1	39.7	39.3

Source: Eurostat database

Note: Minimum wage statistics published by Eurostat refer to monthly national minimum wages. The data shown here apply to the situation on 1st of January each year. Minimum wages are gross amounts, that is, before deduction of income tax and social security contributions (Eurostat metadata). There is no universal minimum wage in Germany, Switzerland and Norway.

E: Minimum wage in Euros, P: Minimum wage in Purchasing Power Standard, C: proportion of average monthly earnings in Industry, construction and services (NACE r. 2 sectors B-S), B: proportion of average monthly earnings in Business economy (NACE r. 2 sectors B-N).

Active labour market policies and activation

Table 3.1 Participation tax rates for transition into full employment: single person at 67% of average wage

country	Receiving unemployment benefit (at the initial level)		Receiving social assistance only	
	2007	2013	2007	2013
Belgium	85	93	66	67
Bulgaria		82		36
Czech	60	72	61	63
Germany	74	73	68	66
Greece	46	51	19	20
Norway	76	76	72	64
Poland	61	64	46	51
Spain	81	82	44	44
Switzerland	80	81	78	69
UK	38	36	68	63
EU average	70	71	56	54
OECD average	68	69	55	54

Source: OECD tax-Benefit Models

Table 3.2 Active Labour Market Policy Expenditure as % of GDP

	2006	2007	2008	2009	2010	2011	2012	2013
Norway	0,57	0,54	0,51	0,59	0,62	0,56	0,53	0,5
Switzerland	0,59	0,52	0,49	0,56	0,6	0,56	0,54	0,56
Germany	0,94	0,84	0,87	1	0,9	0,77	0,67	0,67
Spain	0,77	0,77	0,79	0,84	0,91	0,87	0,61	..
Greece	0,15	0,17	0,15	0,22	0,23	..	..	..
Poland	0,36	0,4	0,47	0,52	0,59	0,33	0,36	..
Czech Republic	0,24	0,24	0,22	0,27	0,32	0,26	0,25	0,3
Bulgaria	0,25	0,24	0,23	0,20	0,18	0,22	0,23	0,20

United Kingdom	0,3	0,3	0,33	0,4	0,39	0,23
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Source: OECD labour market policy database, own compilations

Table 3.3 Active Labour Market Policy measures participants as percentage of labour force (categories 2-7)

	2006	2007	2008	2009	2010	2011	2012	2013
Norway	2,45	2,29	2,13	2,11	2,35	2,26	2,18	2,06
Switzerland	1,45	1,22	1,06	1,25	1,47	1,21	1,15	1,2
Germany	4,09	4,04	3,77	4,15	4,19	3,72	3,32	3,07
Spain	14,96	19,43	14,71	13,34	12,67	11,28	11,63	..
Greece	0,85	0,81	0,87	1,85	1,83	..	..	..
Poland	3,01	3,21	5,12	5,04	4,09	3,39	3,23	..
Czech Republic	1,13	1,15	1,03	0,98	1,23	1,11	1,02	1,05
Bulgaria	..	..	..	..	..	..	..	..
United Kingdom	0,27	0,23	0,25	0,23	..	..	..	..

Source: OECD labour market policy database, own compilations

Table 3.4 ALMP participants as percentage of registered unemployment stock (- 25 years), categories 2-7 (excluding job mediations and counselling)

	2006	2007	2008	2009	2010	2011	2012	2013
Norway	193	184	189	235	247	214	218	207
Switzerland	..	..	..	..	..	..	..	..
Germany	272	276	327	244	204	199	157	150
Spain	236	..	..	..	..	..	..	..
Greece	30	..	..	..	..	..	..	..
Poland	58	84	94	75	73	27	41	41
Czech Republic	28	30	23	..	..	..	..	..
Bulgaria	87	124	58	46	43	34	52	40
United Kingdom	..	..	..	..	..	..	..	..

Source: Eurostat labour market policy database, own computations

Unemployment protection

Table 4.4a: Institutional characteristics of unemployment protection in nine NEGOTIATE project countries in 2005 and 2013

	Main schemes (2013)	Qualifying conditions (2005 / 2013)	Benefit duration (2005 / 2013)	Programmes, conditions for the young (2013)
Bulgaria	compulsory social insurance	UI: 9 months / 15 months	UI: 4 or 6 months	No special provision
		UI: 9 months / 15 months	UI: 4 or 6 months	
Poland	compulsory social insurance	UI: 365 days / 18 months	UI: 6 months (12, 18 in specific conditions)	No special provision
		UI: 365 days / 18 months	UI: 6 months (12 in specific conditions)	
The Czech Republic	compulsory social insurance	UI: 12 months / 36 months	UI: 6 months	No special provision
		UI: 12 months / 24 months	UI: 5 months	
Spain	compulsory social insurance, unemployment assistance	UI: 360 days / 6 years UA: generally none, in some cases 3, 6 months	UI: 4 months to 2 years, UA: 6 months	No special provision
		UI: 360 days / 6 years UA: generally none, in some cases 3, 6 months	UI: 4 months to 2 years, UA: 6 months	
Greece	compulsory social insurance	UI: 125 days / 14 months or 200 days / 24 months. 80 days of work per year in 2 years for first time claimants.	UI: 5, 6, 8, 10, 12 months 5 months for newcomers	No special provision
		UI: 125 days / 14 months or 200 days / 24 months (two last months are excluded). 80 days of work per year in 2 years for first time claimants.	UI: 5, 6, 8, 10, 12 months 5 months for newcomers	
United Kingdom	compulsory social insurance, unemployment assistance	UI: 25 times the minimum weekly contribution in one of tax years and 50 times the minimum weekly in both the appropriate tax years. UA: universal (habitually resident)	UI: 182 days, UA: unlimited	No special provision
		UI: 26 times the minimum weekly contribution in one of tax years and 50 times the minimum weekly in both the appropriate tax years. UA: universal (habitually resident)	UI: 182 days, UA: unlimited	

Source: Missoc: data corresponds to 1st of January 2005 (1st of January 2007 for Bulgaria) and 1st of January 2013.

Table 4.4b: Institutional characteristics of unemployment protection in nine NEGOTIATE project countries in 2005 and 2013

	Main schemes (2013)	Qualifying conditions (2005 / 2013)	Benefit duration (2005 / 2013)	Programmes, conditions for the young (2013)
Switzerland	compulsory social insurance	12 months / 2 years, longer reference period for some groups	UI: 400 daily allowances	Yes: waiting period of 120 days for people with previous school training,
		12 months / 2 years, longer reference period for some groups	UI: 400, 260 or 200 (for under 25 years) daily allowances	
Germany	compulsory unemployment insurance, unemployment assistance	UI: 12 months / 36 months	UI: 6, 8, 10, 12 months, UA: unlimited	No special provision
		UI: 12 months / 24 months	UI: 6, 8, 10, 12 months, UA: unlimited (us. rev. in 6 months)	
Norway	part of national insurance for employed	UI: income at least 1.5 the Basic Amount / last year or average of the Basic Amount / 3 calendar years	UI: 104 weeks, 52 week in the case of previous low income	No special provision
		UI: income at least 1.5 the Basic Amount / last year or average of the Basic Amount / 3 calendar years	UI: 104 weeks, 52 week in the case of previous low income	

Source: Missoc: data corresponds to 1st of January 2005 (1st of January 2007 for Bulgaria) and 1st of January 2013.

Table 4.5: Proportion (%) of those unemployed for 3 months or more in receipt of benefits (2011), % of unemployed in receipt of benefit (2009)

2011	duration of unemployment			men (age)			women (age)			total 2009 (Gallie)
	3-5 months	6-11 months	10+ months	15-24 years	25-49 years	50-59 years	15-24 years	25-49 years	50-59 years	
Bulgaria	22,9	16	1,5	4	8,9	13,5	5,2	10,9	14,2	n. d.
Poland	18,2	13,6	2,7	3,9	15	20,4	3,8	11,4	17,5	17,8
Czech Republic	54,7	13,9	2,7	17,4	18,7	39,4	7,9	22,6	26,7	20,9
Spain	44,6	40,9	31,3	11	49	64,4	8,8	36,8	U	47,3
Greece	38,4	31,6	9,1	8,8	28,8	U	6,4	22,6	U	12,4
UK	n. d.	n. d.	n. d.	n. d.	n. d.	n. d.	n. d.	n. d.	n. d.	49,7
Germany	81,4	78,7	87,7	60,5	91,4	89,6	62	84,4	83,1	87,7
Norway	n. d.	n. d.	n. d.	n. d.	n. d.	n. d.	n. d.	n. d.	n. d.	30,6

Source: Matsaganis et al. (2014), Gallie (2013).

Table 4.6: Net Replacement Rates for two family types in initial phase of unemployment

Year	2004		2005		2006		2007		2008	
Status	single	family	single	family	single	family	single	family	single	family
Bulgaria	n. d.	n. d.	n. d.	n. d.	n. d.	n. d.	n. d.	n. d.	70	86
Poland	51	80	51	80	50	79	45	47	43	73
Czech Rep.	50	81	50	85	50	86	50	86	50	84
Spain	76	88	76	88	76	88	78	89	78	88
Greece	28	65	33	67	30	66	34	68	38	71
UK	19	64	19	64	19	63	18	63	18	64
Switzerland	72	90	73	90	72	90	73	90	75	91
Germany	60	93	60	93	61	93	59	92	59	92
Norway	65	85	66	86	67	86	67	86	67	86
Year	2009		2010		2011		2012		2013	
Status	single	family	single	family	single	family	single	family	single	family
Bulgaria	77	89	76	89	77	89	77	89	77	89
Poland	43	73	52	78	51	77	51	77	51	77
Czech Rep.	65	92	65	92	65	88	65	88	65	88
Spain	77	88	79	89	79	89	79	89	78	88
Greece	42	72	41	72	45	74	37	70	39	72
UK	19	66	19	66	20	69	20	67	20	67
Switzerland	74	90	74	90	74	90	73	91	73	91
Germany	60	92	59	90	59	90	59	90	59	90
Norway	67	86	67	86	67	86	68	86	68	86

Source: <http://www.oecd.org/els/benefits-and-wages-statistics.htm>

Notes: Table includes two ideal types: single person without children (single) and family with two-earner married couple and two children (family). Previous income is defined as 67 percent of Average Worker (AW) wage. AW is defined as „an adult full-time worker in the private sector whose wage earnings are equal to the average wage earnings of such workers“ (OECD Glossary of statistical terms). For more details see OECD website.

Table 4.7: Net Replacement Rates for two family types in long-term unemployment (60th month) including social and housing assistance payments

Year	2004		2005		2006		2007		2008	
Status	single	family	single	family	single	family	single	family	single	family
Bulgaria	n. d.	n. d.	n. d.	n. d.	n. d.	n. d.	n. d.	n. d.	22	54
Poland	44	64	43	64	41	64	37	62	35	61
Czech Rep.	45	68	45	69	42	68	42	62	42	62
Spain	32	54	33	54	33	54	33	54	32	53
Greece	0	51	0	51	0	50	0	51	0	51
UK	59	64	58	64	58	64	58	63	55	66
Switzerland	75	55	70	55	70	54	69	55	69	56
Germany	57	64	51	66	51	66	49	65	49	64
Norway	65	90	66	90	67	91	67	91	54	55
Year	2009		2010		2011		2012		2013	
Status	single	family	single	family	single	family	single	family	single	family
Bulgaria	22	55	20	55	19	54	18	54	18	54
Poland	34	61	33	63	32	63	32	63	33	64
Czech Rep.	45	62	48	61	48	62	49	62	49	62
Spain	32	53	33	55	32	55	32	55	32	55
Greece	0	51	0	51	0	51	0	51	0	52
UK	55	68	54	68	56	68	54	68	53	67
Switzerland	68	54	59	54	59	53	57	53	58	53
Germany	50	67	48	65	47	64	48	63	49	63
Norway	55	55	53	55	54	55	53	55	52	55

Source: <http://www.oecd.org/els/benefits-and-wages-statistics.htm>

Notes: Table includes two ideal types: single person without children (single) and family with two-earner married couple and two children (family). Previous income is defined as 67 percent of Average Worker (AW) wage. AW is defined as „an adult full-time worker in the private sector whose wage earnings are equal to the average wage earnings of such workers“ (OECD Glossary of statistical terms). For more details see OECD website.

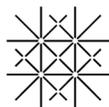
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