



EUROPEAN

POLICY BRIEF

NEGOTIATE

Overcoming early job-insecurity in Europe

**Coordination of European strategies to tackle early job insecurity and youth unemployment:
Lessons from a comparative study**

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INTRODUCTION

An important objective of NEGOTIATE is to assess European and national policy strategies to combat early job insecurity and youth unemployment.

The situation of the young unemployed has become an increasing concern of national governments and the European Union (EU) after the financial crisis. Hence, in 2013 the Council launched the Recommendation on the *Youth Guarantee* (YG) and Member States made a commitment to ensure that young people under 25 years “receive a good quality offer of employment, continued education, apprenticeship or traineeship within a period of four months of becoming unemployed or leaving formal education”. NEGOTIATE is researching the implementation of this guarantee as a policy strategy, because it is innovative due to its clear objective and provides dedicated financial resources for youth employment policy through the European Social Fund (ESF) and the Youth Employment Initiative (YEI).

As many experts at European level understand the YG to be a structural reform, an important aim of NEGOTIATE’s research has been to *assess the initiation of institutional reforms and the quality of coordination as an impact of the YG* in the Member States.

Nine in-depth country studies on these issues have been produced within the NEGOTIATE project and form the basis of country-specific information. The sample includes Bulgaria, Czech Republic, Greece, Germany, Poland, Spain and the UK and two non-EU countries, Norway and Switzerland that served as a reference group. These represent not only the major European regions, but also different institutional systems facing different levels of youth unemployment.

Both primary and secondary sources were used: Each country study is based on *four to six expert interviews with key officials at national and local level* involved in YG implementation. Additionally, researchers conducted *seven interviews with policy experts at European level*. As further sources, *official documents*, existing national policy evaluations as well as secondary country-based and European literature were used.

MAIN FINDINGS

Path dependent Youth Guarantee implementation strategies

Member States' strategies when implementing the YG are *very much in line with national measures and institutions that exist already*. Countries have different starting positions regarding the activating labour market policy (ALMP) approach, its resourcing, unemployment protection, as well as vocational education and training (VET) systems. Countries with low youth unemployment, where the attainment of school and vocational training certificates is a crucial precondition for integration into the labour market, follow an enabling approach in the YG, enhancing education and training. When youth unemployment is also high among qualified young people and subsidised employment contracts resemble a traditional instrument in labour market policy, YG measures mainly apply a work-first approach and aim at immediate labour market integration.

European vertical policy coordination supports problem awareness for youth unemployment

European vertical coordination instruments, such as *Mutual Learning activities*, support the exchange of experiences and new practices across countries. States gain the opportunity to see and learn what kind of institutional settings and policies exist in other countries. Country specific goal-setting via the delivery of national *Youth Guarantee Implementation Plans (YGIP)* encourages the exchange of ideas on youth employment policy among different governmental and non-governmental organisation within the countries. The *European Semester*, overall, supported procedures of monitoring and surveillance of the YG in the Member States.

The Youth Guarantee's impact: between system refinement and system building

The YG has a different impact in countries that were investigated. We have identified that the institutional reform intensity in youth employment policies is higher in countries that are more distant to YG-set guidelines – confirming the misfit hypothesis that assumes higher reform activity in countries that least fit with EU-set goals. Hence, in countries without fully and comprehensively institutionalised labour market policies, we observe '*system building*'. Here the YG may be supportive of public employment service reforms, VET reforms or network cooperation e.g. cooperation with social workers. We can find '*system refinement*' in the light of YG influence, namely strengthening or specifying the established approach, in countries with partnership approaches already developed and dual VET systems.

Joint problems of the Youth Guarantee implementation

Although the YG supports and strengthens youth employment policies and even initiates structural reforms, many common problems can be identified: *outreaching measures* to address unregistered young people who are not in employment, education or training (NEETs) are still barely developed; the *social partners' involvement* in the YG seems to be limited. Usually social partners are informed, but in many countries, they have

little influence on national YG schemes; and *the short-term nature of measures* presents a severe obstacle to the success of the YG. Many programs under the YG have been implemented on an ad hoc basis and depend on European funding (YEI or ESF) and, therefore, the next financial program period. Additionally, the *bureaucratic requirements and the principles of pre-financing* to access EU funds are a major concern in the Member States. These problems are overwhelming in Member States that still suffer from the financial crisis and where most of the YG measures are financed with EU money. The *quality and differences in the collected data*, overall, complicate the evaluation and comparability of YG measures.

POLICY IMPLICATIONS AND RECOMMENDATIONS

Continuity of the European Youth Guarantee to secure sustainability

At European level, significant advances have been made in promoting country-specific goal-setting, mutual learning and monitoring in relation to the YG. However, many measures and structural reforms that have been implemented in the Member States only develop their impact in the long-run.

It is essential to safeguard the progress already made and to keep on encouraging the Member States to make further progress in some areas, e.g. to complete the reforms already initiated, but also to deliver comparable data to monitor labour market developments. Therefore, it is necessary that the *YG continues to be supported in upcoming financing periods of the ESF*.

Priority of structural reforms at national level

It is crucial that Member States build up their institutions in order to support young people systematically in their transition into the labour market. In many cases the *capacity of the national public employment services* regarding finances and human resources has to be strengthened, especially in order to be able to offer tailor-made support to young people in local employment offices. To implement measures like one-stop shops or work-experience comprehensively, further *(financial) support and guidance are needed from national level*. The *integration of social partners and other stakeholders* in the design and monitoring of youth employment measures, but also in the VET systems is crucial to both meet the needs of the economy and safeguard the quality of work and education, including fair wages.

Even in countries where effective institutions already exist, system refinement is needed, because overall horizontal coordination on national and local level is still work in progress in almost all Member States. However, horizontal coordination is a precondition to an enabling labour market policy approach.

For sustainable integration of young people into the labour market, qualifications are a key element that has to be supported by *establishing attractive VET systems and making education systems more accessible*. In addition, work experience measures can be very helpful, but need strict monitoring and quality control. This should help to avoid that employers sometimes take advantage of subsidies to employ people that they would have contracted anyway.

Further development of outreach measures to address young people most in need

To reach the most vulnerable young people, unregistered NEETs and specific subgroups, actors at local level should *better use the experience of youth social work and also youth organisations*, which often play only a subordinate role. Moreover, *close cooperation with schools is necessary* to reach all the young people preventively before they drop out of the system. Personal guidance in the form of *mentoring programs* with the objective of increasing the self-esteem of young people and of developing or pursuing personal goals with them, are promising approaches.

RESEARCH PARAMETERS

NEGOTIATE is a three year EU funded project (EU contribution: € 2,476,609) exploring early job insecurity in Europe. It is organised around nine complementary work packages structured over three stages.

Stage 1 consisted of an assessment of early job insecurity and youth unemployment as a theoretical challenge, leading to a refinement of the overarching analytical framework (Work Package 2). The purpose here has been to ensure that the implementation of subsequent research tasks is underpinned by a common analytical framework that is shared by all consortium members, i.e., across disciplinary and country boundaries.

As part of stage 1, we have also reviewed existing empirical work with a view to operationalising new tools for capturing the drivers and consequences of early job insecurity.

Stage 2 represents the main stage of the project. Data have been collected and interpreted according to thematically linked but analytically separable questions and foci (Work Packages 3-7). The project relies on a combination of primary and secondary data.

Stage 3, the final project stage, synthesises the findings across the thematic work packages (WP3-8). We revisit the overarching questions posed at the start of the project (Work Package 2) and assess policy with the aim of developing policy recommendations (Work Package 8); this will build on the new comparative insights gained through the data analyses from Stage 2.

The formulation of policy recommendations will take place in close cooperation with stakeholder representatives, who are included in the development of the project from its outset, thereby maximising its intended impact.

By involving stakeholders as well as young people themselves in this process, we ensure that the questions most relevant to the policy community in each country and at an EU level will be addressed.

Research outputs from the project will be presented in a series of Policy Briefs, conference papers, peer-reviewed journal articles and two edited books.

More detailed accounts of this work are available on the project website: www.negotiate-research.eu

PROJECT IDENTITY

PROJECT NAME NEGOTIATE – Negotiating early job-insecurity and labour market exclusion in Europe

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