Perceptions of youth employment and training in a crisis-driven environment

Europe 2020: Raising the profile of Vocational Education and Training

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Perceptions: What is changing?

- European ageing and immigration flows (imported human capital)
- Intensification of globalisation with the appearance on stage of new economic agents
- Emergence of the information and knowledge-base society - impact of Information and Communication Technologies (ICT) on jobs and organisations - changing nature of employment
- The imperative of sustainable value creation through innovation
- Rise of entrepreneurial skills and of self-employment
- The challenge of lifelong learning; growing attention given to non-formal and informal learning; workplace as a *locus* of learning: recognising, accrediting and certifying experiential knowledge and skills
- Emphasis on competencies and the polarisation of qualifications
- Impact of the economic crisis on labour markets and in particular on youth labour opportunities

The economic crisis reversed pre-crisis progress in global youth unemployment

p = projection
Source: ILO, GET Youth, August 2010

Youth in developed economies are particularly hard hit

p = projection
Source: ILO, GET Youth, August 2010

Impact of the crisis in 4 EU countries

Source: Eurostat

Source: Eurostat

- Increase in youth unemployment rates most evident in Spain; little change in Germany.
- But in Germany and Portugal, nearly one-third of those who are unemployed were already unemployed for longer than 12 months; only recently the case in Spain and the UK.

Impact of the crisis on youth in 4 EU countries (cont.)

Source: Eurostat

Source: Eurostat

- Slight increase in youth part-time employment rates (except in Portugal) but impact on temporary employment is less obvious.
- Part-time employment more relevant for UK youth, but incidence of temporary employment is very low compared to Germany, Portugal and Spain.

Impact of the crisis on youth in 4 EU countries (cont.)

Source: Eurostat

Source: Eurostat

- Inactivity among youth has increased, particularly in Spain and the UK and a growing portion of these are likely to be "discouraged" youth.
- In both Spain and the UK, ***increased unemployment was the strongest among youth with less education.***

A Consequence of the Crisis
Emphasis: More Qualification = More and Better Employment

1. More qualified individuals are more likely to access good jobs.
2. The level of qualifications is positively correlated with business initiative and the propensity towards self-employment
3. Those with low educational attainment are both less likely to be labour force participants and more likely to be unemployed. Unemployment rates fall with higher educational attainment. The greatest gender differences in unemployment rates are seen among adults with lower levels of education.
4. A knowledge economy induces a skills-bias, which favours jobs with much greater value added. A rise in the stock of qualifications is positively correlated with the generation of knowledge-rich jobs.

Conclusions … what works?

- Youth are a heterogeneous group: it is important to profile youth for early identification of vulnerabilities.
- Need for “Outreach” strategies for the most disadvantaged youth.
- Multi components interventions are welcome but should be well-focused on specific needs of youth and the labour market.
- Job search assistance remains one of the most effective interventions.
- Employment subsidies and other incentives (tax breaks) can encourage recruitment but need to select wisely.
- Training programmes are appropriate as crisis response but must meet the needs of the labour market and include an element of work experience.
- The costs and benefits in Vocational Education and Training are difficult to assess but the returns are higher when combining formal training with work based experience: “apprenticeship” (Kathrin Hoeckel, OECD, 2008)

Creativity and Innovation in Europe: from a shared vision to a common action plan

The seven Manifesto priorities are:

1.Nurture **creativity in a lifelong learning process** where theory and practice go hand in hand.

2.Make **schools and universities** places where students and teachers engage in creative thinking and learning by doing.

3.Transform **workplaces** into learning sites.

4.Promote a strong, independent and diverse **cultural sector** that can sustain intercultural dialogue.

5.Promote **scientific research** to understand the world, improve people's lives and stimulate innovation.

6.Promote **design** processes, thinking and tools, understanding the needs, emotions, aspirations and abilities of users.

7.Support **business innovation** that contributes to prosperity and sustainability.

LEARNING – A NEW PUZZLE, UNESCO 1996

Final Question

Would it be possible to DREAM of a High-Quality and Inclusive Vocational Education and Training Programme for ALL ?