

# Disproportional Rise of Youth Unemployment - Preventing Young People from Falling Though the Cracks

Rotraut Weeber, Expert CoNet, Sept. 2009

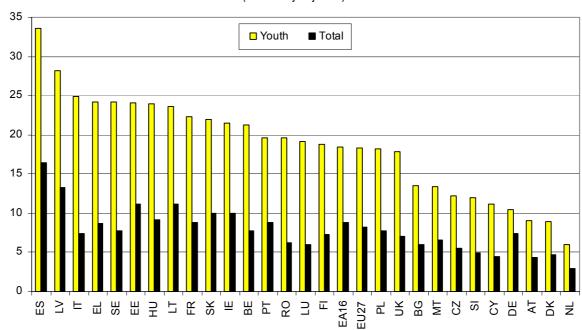
Early and more efficient support for young people is highly needed: training and job support within integrated action in deprived neighbourhoods are especially productive; Urbact projects like CoNet are developing promising approaches.

In an economic crisis, when more and more companies find themselves having to downsize and dismiss qualified workers from their jobs, more and more young people looking for first employment or vocational training placement will find themselves standing before closed doors. The situation in many cities is bad enough to begin with, due mainly to an educational system ill-adapted to the changed needs of a multicultural society, shaky family structures and a falling demand for low skilled people. The problems tend to concentrate in the neighbourhoods, especially those where the less well-off people live. It is

here that help is most needed.

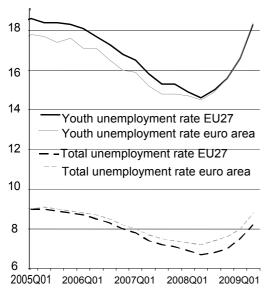
Urbact and the Cohesion Network, or CoNet, tackle topics that are vitally important for social cohesion: with the economic downturn these topics have now become an urgent priority. CoNet is a group of eleven European cities – with Berlin as the lead partner – formed to exchange experience on how better to realise current integrated approaches in order to strengthen social cohesion in deprived neighbourhoods, targeting employment, education and neighbourhood life. They do this by undertaking projects and learning from each other's good examples. Three very promising approaches are already being developed relating to youth unemployment.

Total unemployment rates and youth unemployment rates (%), Q1 2009 (seasonally adjusted)



**Eurostat Press Office 2009** 





Total employment rates and youth unemployment rates (%), seasonally adjusted
Eurostat Press Office

'After three years of decline, the EU unemployment rate started to rise in the first quarter of 2008 in the wake of the economic crisis. Since then the unemployment rate, especially for young people, has increased sharply in the EU.' (Eurostat News Release July 2009) In all Member States the unemployment rate of the young people is significantly higher than the total unemployment rate.

Young people's transition periods from education to employment have become significantly longer and complex. Unemployment among young people is on average at least twice as high as for the overall workforce; the current economic crisis puts further pressure on the labour market opportunities for the young. They frequently work in low-quality, temporary jobs and are poorly paid. Youth unemployment is often a result of lack of skills or skills mismatch. Guidance and counselling systems on qualification pathways and future job opportunities are needed. (...) Society needs to show solidarity towards youth, particularly those who are disadvantaged.'

(Commission of the European Communities, Communication: An EU Strategy for Youth – Investing and Empowering. A renewed open method of coordination to address youth challenges and opportunities, Sept. 2009)

'The prospects of young people vary widely, according to their socio-economic background and other variables. A number of youth groups are more exposed to social exclusion and poverty than others. Amongst the factors leading to this situation are early school dropouts, low educational achievements, a migrant or Roma background, mental health problems, a low socio-economic background, disability, exposure to violence and substance abuse.' (Commission of the European Communities, EU-Youth-Report, April 2009)

### Getting more out of the limited resources: effective governance

Many countries have tried for years to build and extend support structures aimed at their youth. This has resulted in very diverse offers of help, but on the other hand, has seen a degree of 'doubling up' and highly segmented offers of support. Nowadays, the efforts aim at using more synergies to improve the effectiveness of support structures. Ways and means include:

- better cooperation of all partners working in this field - the responsible public institutions, enterprises and NGO's
- to include further partners who can contribute
- organisational restructuring bundling services together, using one stop agencies
- integration of job support into neighbourhood development.

#### On track in Vaulx-en-Velin, France

Even before the present financial crisis Vaulx-en-Velin's youth unemployment rate was about twice as high as the average for France. The Conseil Économique et Social highlighted strategies for 2008¹: better preparation and assistance for young people on the way from school to employment; better access for immigrants to public jobs; development of the local economy, and the revitalisation of the neighbourhoods – especially to ensure that subsidies for local enterprises benefit the local people, who often suffer discrimination.

'The responsibilities of institutions and the governance concerning the employment of young people must be clarified because there are too many actors in this field, which has consequences - efficiency and costs, visibility and overview by the responsible public institutions.'

<sup>&</sup>lt;sup>1</sup> Dufaud, Anne, Directrice mission locale, Localtis.info, 8 juillet 2008, translated





### The project 'Can Humanitarian' – a win-win partnership in Vaulx-en-Velin

The 'Hopital Assistance International' (HAI) is a humanitarian project, volunteers collecting medical equipment in order to deliver it to emerging countries. They are collaborating with the school 'Lycée des Metiers les Canuts'. Students are involved repairing some of these technical equipment – introduction and practice in technical professions. The association 'Vaulx-en-Velin enterprises' is supporting the project.

There are three advantages achieved at a time: <u>Education</u>: in terms of personal competences such as responsibility, commitment, self-reliance and self-confidence.

<u>Social:</u> Many of the learners need to work in order to finance their studies, thus diminishing their possibility to avail themselves of their opportunity. In addition about 12 young people benefit of a grant-aid. They are chosen among the most willing and most dependent on help.

<u>Economic:</u> Creating connections to the local companies should facilitate introduction into labour.

#### Vaulx-en-Velin Enterprise association

Important local enterprises are running this association. Their work group 'employment and professional training' is evolving a lot of activities in close partnership with the responsible employment institutions and the actors in the field of education: sponsorship, internships, professional information, job placements, exchange of experience and reflection.

#### 'Cellule emploi': an integrated approach example

During the construction of the very big shopping and leisure centre 'Carré de Soie', private companies and public organizations have organised an integrated and joint assessment initiative in order to achieve as much job placements of Vaulx-en-Velin's citizens as possible.

Public institutions. ... The coordination must be made sure ... to guarantee the connection between the policies of urban development and youth em-

ployment'.

Vaulx-en-Velin's CoNet Local Support Group is on track to develop better governance among local stakeholders in charge of employment, education and professional inclusion issues, through the sharing of diagnoses, strategies and objectives, and the inclusion of residents. CoNet partner cities agreed that 'horizontal cooperation between different professions and agencies (training, social and professional inclusion, education, economy) is the hardest thing to get going because of the hermetic boundaries between professional cultures, professional ethics or lobbies. This requires the acceptation of different point of views and the agreement to share the same objective'.<sup>2</sup>

### Early prevention of labour market exclusion – reaching out to young people

While young people remain in 'the system' – school and vocational training institutions – they are within support structures and they can be reached. As soon as they leave the educational system, however, they fall outside the support structures and contact can often only be made at a local level. Job centres and other responsible institutions may be further away than educational and training institutions; and their work is mostly based on a city or regional level.

There has been little success in making contact with these often de-motivated young people (school dropouts, school leavers with no training placement or job, young unskilled workers who lose jobs, vocational training dropouts) at an early enough stage to be effective. Youth and social outreach work has been practised by community and street workers for many years, but nowadays outreach work is increasingly directly aimed at employment and career. However, in many countries such work remains ex-

<sup>&</sup>lt;sup>2</sup> Stéphane Bienvenue, in: Senatsverwaltung für Stadtentwicklung Berlin: CoNet, EU Urbact programme, Baseline Study October 2008, part 2, p. 23





tremely rare.

#### On track in Malmö, Sweden

In Malmö, Fosie District, job advice and support are provided by the work and integration centre, an up to date one-stop agency, including outreach work as an important part of the activities. The presence of job outreach workers at youth centres, libraries and meeting points facilitates and encourages the necessary confidence. The inclusion of young people bridges the communication gap and is especially stressed in Malmö's projects, such as the Greenhouse – a meeting centre driven by young people employed for this purpose; and the 'Young in Research' project in Fosie's ambitious summer job scheme for young people.

In Urbact I, 'Young people from exclusion to inclusion', Malmö and its partner cities have developed five success criteria.

- 1. Strengthen the ability of young people to act by themselves: empowerment
- 2. Strengthen social relations
- 3. Structural changes of schools to capitalise on the potential of young people, tackle the structural causes of exclusion in order to prevent pupils losing faith and opting out
- 4. Cooperation with local society
- 5. Renewing the view on knowledge.3

'The five success criteria could be said to bring norms for a good development in these five aspects. Empowerment is important in people's individual development, i.e. to be able to act on your own accord, think independently, make decisions, take responsibility, stand up for your rights and decide over your own life. Social development benefits from a strengthening of the social relations in regards of for instance understanding trust. A change of the social structures are important in order to handle the

Work and integration centre, problems built up within them, respectively whan integrated approach are important in order to hinder different structures and systems to pull in different directions and maybe even obstruct each other.'4

This understanding should be used as benchmark for actions against young people's exclusion. The challenge is how to capitalise and generalise on the legacy and how to put these concepts into a broader and integrated practise.

In Malmö in August 2009, just one year after the Lehman Brothers' collapse, youth unemployment rate is more than twice as much as the year before. In order to put a halt to the rising unemployment in the age group of 20-26 the Swedish government has started a programme based on coaching for the unemployed individual and a tax reduction up to 32% for the employer. This tax reduction will increase depending on whether the individual has been long-term unemployed or has been on sick leave for an extended time period.

## More do-able qualification steps, provided by an intermediate labour market at a more sophisticated level

The harder it is to find work and job placements, and the longer this situation continues, the more necessary it is to offer career stepping stones in the intermediate labour market. Due to the financial crisis, social enterprises, community work and subsidised non-profit work will experience a renaissance – and this applies even though in the past their results for long-term integration into the labour market were not always satisfactory, mainly for reason that systematic qualification development was lacking. There is also a risk of 'Lock-in' whereby temporary employees cease their job search activity during a job placement and are not prepared for leaving at the end.

In the meantime European experts in the field have

<sup>&</sup>lt;sup>3</sup> Stigendal, Mikael, 1.9.2009, Thematic Report, Urbact Website, CoNet

<sup>4</sup> see above



been working on the question of how to design a systematic scheme of career qualification especially aimed at those with little education. An important part of this approach is to break down the official qualification programmes into smaller size steps which are do-able by young people excluded from the labour market. This is related to the European Qualifications Framework, an EU-wide tool to make qualifications more readable and comparable across Europe.

#### On track in Liverpool, UK

Many exciting and encouraging examples of qualified projects in the intermediate labour market have been submitted by CoNet's member cities.

This can be seen for example at the Children's Centre in Liverpool, where job support and job qualification for unemployed are included in its services. Within CoNet Liverpool will explore further possibilities for apprenticeships, jobs and holistic support, together with a housing company. Sofia in Bulgaria is building up a brand new social enterprise and the exchange between Sofa and Liverpool holds great creative potential. Over and above the advantages for the beneficiaries the intermediate labour market projects improve the local services

The 6,775 unemployed 18-24 year olds across Liverpool represent a 40% increase over the past 12 months. In addition there are 4,410 under 24's across the city claiming other out of work benefits for other reasons e.g. Lone Parents and Incapacity Benefits (included in the worklessness figure but not included in the unemployment figure). Liverpool also has some of the highest numbers of 18-24 year olds who are long term unemployed (over 6 months)<sup>5</sup>.

Liverpool with its City Region partners has been successful in bidding for a proportion of the Governments Future Jobs Fund, a £1 billion





#### Vauxhall Children's Centre

Vauxhall Children's Centre provides services for families with children from birth to five years of age and for expectant parents. The integrated services cover:

Child and family health - Ante natal and post natal - Advice and support on healthy eating and exercise - Advice and support around speech and language development - Full day care and childcare wrapped around education - Services for families where there is SEN / Disability -Training, employment and family learning - Advice and support on safety at home and on the streets - Family support and advice - Parenting support and advice - Loads of play and activity opportunities for parents and their small children

24 Centres across the City, 4 centres are delivered through third sector organisations/social enterprises, 8 directly through the Local Authority, 12 through schools.

Links with Job Centre Plus to encourage and support labour market participation by parents and carers who wish to consider training and employment.

#### Volunteers into placement:

The project helps get unemployed members of the community onto work placements at the Children's Centres across the city where they carry out 12 weeks' voluntary placement and work towards a national qualification. After 12 weeks, if they have enjoyed it and completed all sections of the training then they will be taken on permanently or helped to find a job elsewhere.



programme of job creation (temporary jobs up to 6 months) for people aged 18 - 24 unemployed at 12 months (3,200 people in Liverpool) and for those over 25 years in areas where there is very high unemployment (there are 4,800 in this group in Liverpool). Within this programme there will be an apprenticeship programme and a positive action programme, both of which will include opportunities within the City Council.

Organisational structures for integrated procedures are highly developed in Liverpool: nevertheless there is a need for more concentration and bundling of services. Getting more for less will be increasingly important. Due to the rising number of unemployed the workload is growing; some people who have just lost jobs they had held for more than 20 years, and these people will need a lot of assistance.

In Liverpool the JET Service ('Job, Education and Training Service') runs local JET offices across Liverpool, based in neighbourhoods that have traditionally suffered from disadvantage and high levels of unemployment. The JET Service is also integral to the multi-agency partnership projects that exist to support business and local people. This includes Streets Ahead, an outreach and engagement programme with the ultimate aim of supporting people in to work, but which addresses a whole range of potential barriers that people face. As part of the project, staff visit people in their own homes, schools and community centres within areas of high unemployment, offering help and advice on a wide range of issues such as employment, training, housing, debt, health and childcare. In this multi-agency partnership many organisations are involved, including the JET Service, Jobcentre Plus, Connexions, Housing Associations, Citizens Advice Bureau and Primary Care Trusts. Within the CoNet project these activities will be enlarged by involving a housing company and by addressing the whole family.

### Evolving good practise and ensuring implementation

Better governance concerning young people's transition from school to career, early prevention by reaching out to young people, enough do-able jobs and qualification offers, including those jobs directed to less educated students, that can be created within the framework of integrated neighbourhood and infrastructure development.

#### On track in Berlin, Germany

The potentials can inter alia be seen in the Berlin's Neighbourhood Management Scheme in more than 30 deprived areas. The approach involves the participation of local neighbourhood councils, giving the local people a say in activities and project development.

Many attractive and helpful projects have been developed, often involving early intervention, the development of community-oriented schools and the participation of parents, especially of Turkish origin, in educational and social issues. In Berlin social enterprises or subsidized projects create niche employment opportunities or pathways into mainstream employment - e.g. maintenance services in neighbourhood centres, neighbourhood wardens to enhance security, or apprenticeships in building professions offered in conjunction with local infrastructure refurbishment projects. Career guidance is organised by professionals and volunteers.

Beyond that the German situation is characterized by a highly segmented school system, and an efficient dual system of vocational training for practical professions part time in enterprises and part time in vocational schools. Main activities aim at finding out how to access students, and offering support for success in this system, for the less advantaged as well. In the labour market this kind of professional training is most appreciated.







#### Baerwaldbad, Berlin:

Renovation of a public swimming pool - protected historic monument - by a young adult's professional training project - building and reconstruction skills, according to the EU-Concept BASICON, also social support and help





House Refurbishment High-Deck-Area, Berlin: The wall painting project was developed with participation of citizens. The enterprises had to offer 3 places for apprenticeship, to be occupied by local unemployed young people.



#### Job router, Berlin:

This project was financed from 2009 to 2011 by the XENOS Programme and ESF. It provided: counselling on job opportunities and training in soft skills and social competences for young people in three secondary schools in the Pankstrasse neighbourhood, coordination of all job orientation activity in these three schools and targets the parents of the 15 to 17 year olds to support their teenagers in transition from school to work.

#### Neighbourhood's Mothers, Berlin:

Aim is to reach parents who barely speak German. Trained and supported neighbourhood's mothers – especially of the same migrant origin - talk to them about education health and other topics. The neighbourhood's mothers - former jobless women - are working 30 hours per week, funded by the jobcentre.

### Conclusions: enlarging impact and sustainability of programmes and projects

The figures for unemployment rates in Europe demonstrate all too well the patchiness of the effectiveness of the efforts to address unemployment. It is intolerable that five million unemployed young people in the EU27 in the first quarter of 2009 are faced with closed doors in their professional life. 6 Much more attention to this problem is needed on the political, EU and federal levels. However, this topic and the structural and systemic causes of exclusion are outside the scope of the present paper. On the local level of the actual deprived neighbourhoods themselves it will be important to increase the number of suitable apprenticeships and jobs by public, private and third sector organisations and to make sure that young people - especially, those with fewer chances, benefit. By now, similar programmes and projects as in years before have been re-launched. In the past too many projects suffered from 'revolving door' effects and resulted in participants returning to unemployment after completing the programme. Often these projects were themselves dependant on shortterm financing. It will be important, therefore, to strengthen the sustainability and quality of the projects. To do this, it will be necessary to offer or develop the following aspects:

- Accredit work-related and personal training
- Provide holistic and reliable support
- Deploy long-term concepts and financing
- Ensure that strategies of job creation and supervision of practise are designed and delivered by qualified practitioners
- Early intervention for prevention
- Active involvement of young people
- Embedding of projects in the social networks in the neighbourhood.

Better governance is the key aspect of this policy and practice: it will have its effect on the issue of school drop outs and youth unemployment. Policy makers face an ongoing challenge to explore and

<sup>&</sup>lt;sup>6</sup> Eurostat: stat/09/109, 23 July 2009



test these policies so that they have greater impact.

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