Framework of Actions on Youth Employment

JUNE 2013
Outline

- What is a Framework of Actions (FoA)?
- The negotiation process
- The signatories
- The content of the text
- The annex: concrete cases
What is a Framework of Actions (FoA)?

A Framework of Actions is...

• ...a process-oriented tool...
• ...providing a European framework...
• ...for social partners’ actions at EU and national levels.

It is composed of...

• ...a main text negotiated at European level...
• ...putting forward a number of priorities...
• ...inspired by a selection of good practices in an annex.
What is a Framework of Actions (FoA)?

LIST OF EXISTING FoAs

• Framework of actions on the lifelong development of competences and qualifications (March 2002)

• Framework of actions on gender equality (March 2005)

• Framework of actions on youth employment (June 2013)
The negotiation process

<table>
<thead>
<tr>
<th>Priority</th>
<th>Increase employment rates to reduce unemployment</th>
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</thead>
<tbody>
<tr>
<td>How?</td>
<td>Eight joint activities. This FoA is the first one</td>
</tr>
<tr>
<td>Focus on youth</td>
<td>to facilitate young people’s transition into the labour market, taking into account young people’s expectations and labour market needs</td>
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The negotiation process

When? Negotiations lasted seven months, from September 2012 to April 2013

Who? More than sixty representatives of national employers and trade unions

Approved by decision-making bodies and disseminated in June 2013
The signatories

REPRESENTING EUROPEAN WORKERS

The European Trade Union Confederation

Established 1973

85 member organisations in 36 countries

10 European Industry Federations
Eurocadres (professional & managerial staff)
FERPA (retired & older people)

60 million workers
# The signatories

**REPRESENTING EUROPEAN EMPLOYERS**

<table>
<thead>
<tr>
<th>The Confederation of European Business</th>
<th>The European Centre of Employers and Enterprises providing Public services</th>
<th>The European Association of Craft, Small and Medium-sized Enterprises</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Established</strong> 1958</td>
<td><strong>Established</strong> 1961</td>
<td><strong>Established</strong> 1981</td>
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<tr>
<td>41 federations from 35 countries</td>
<td>Enterprises and authorities from the EU, Norway and Turkey (associated members) and several European associations (individual members)</td>
<td>Over 80 federations (40 full members and 42 associate members)</td>
</tr>
<tr>
<td>More than <strong>20 million</strong> companies</td>
<td>Public services providers employ <strong>30%</strong> of the EU workforce</td>
<td>More than <strong>12 million</strong> enterprises</td>
</tr>
</tbody>
</table>
Content of the FoA

1. Introduction and challenges
2. Social partners’ approach
3. Four priorities:
   - Learning
   - Transition
   - Employment
   - Entrepreneurship
4. Promotion, actions and follow-up
Content of the FoA

INTRODUCTION

- 5.68 million of young Europeans are currently unemployed.
- Youth unemployment twice as high as overall unemployment since a long time.
- Crisis has exacerbated youth unemployment challenge.
- Many young people lack work experience.
- Longer and unpredictable transitions impact confidence.
- High cost youth unemployment for economies and societies.
1. Create more and better jobs and attractive career opportunities.

2. Strengthen the quality and relevance of education and training to address skills mismatches.

3. Optimise the role of industry, in particular SMEs, and of high-performing public services.
Content of the FoA

SOCIAL PARTNERS’ APPROACH

• A shared responsibility of actors:
  - Social partners;
  - Public authorities;
  - Other stakeholders.

• A multi-pronged approach needed with measures and appropriate resources to secure high-quality learning outcomes and create jobs.

• A Framework of Actions based on existing and new practices providing practical solutions to national social partners.

• Recommendations to EU institutions and Member States.
4 PRIORITIES: Learning

Primary and secondary education essential for pupils to acquire basic skills for further education and training.

Apprenticeships and traineeships play an important role in reducing the risks of long transitions.

Dual learning systems can contribute to lower youth unemployment levels.

Mobility as an engine for growth and reduction of the skills mismatch.
Content of the FoA

4 PRIORITIES: Learning

- Monitoring of VET systems, including apprenticeships – also EU alliance.
- Ensuring clear terms and learning objectives for apprenticeships.
- Considering actions towards Council and Parliament on traineeships.

- Promoting education that meets labour market needs.
- Strengthening dual elements of work-based learning models.

**ACTIONS**

**Short term**

- ESF funding for apprenticeship systems development.
- Social partners’ involvement in EU programmes. Role for European semester.
- National or sectoral training funds.
- European and national campaigns to change perception of VET.

**Long term**

- Spreading principles of work-based learning in secondary and higher education.
- Better quality and inclusiveness of primary and secondary education.
- Encouraging cross-border mobility.
ÉEZ Group, one of the ten largest energy conglomerates in the Czech Republic, in cooperation with trade unions.

- To increase the attractiveness of the technical field in the eyes of the public.
- To motivate young people to study technical subjects.

- Institution of a network of secondary high schools/universities.
- Implementation of specialised programmes for students.
- Provided schools with educational aids.
- Creation of new curricula in the energy sector.
Content of the FoA

4 PRIORITY: Transition

The focus is put on transitions between education and work.

Support to the Youth Employment Initiative. Youth guarantee schemes necessary in many countries.

Need for efficient unemployment insurance and social safety nets which are financially sustainable in the longer term.

Importance of establishing better guidance and information, and of identification of new skills and jobs.
Content of the FoA

4 PRIORITIES: Transition

**ACTIONS**

**Short term**
- Promoting attractiveness of jobs in shortages areas.
- Contributing to design and evaluation of youth guarantee schemes.

**Long term**
- Cooperating with governments in providing young people with targeted information on available opportunities.
- Facilitating shift of career orientations towards sectors in demand and achieving LLL culture.
- Enhancing cooperation between private and public employment services.

**RECOMMENDATIONS**

- ESF funding for initial funding of youth guarantee schemes.
- Focusing resources on most disadvantaged youth.
- Reviewing tax and benefits to encourage employment participation.
- Job search techniques in school curricula.

- Enhanced cooperation between Member States, social partners and employment services to fill in vacancies.
- Moving towards tailored advice to young people.
- Coaching and mentoring at school to prevent school drop out;
The “Contrat de Génération” (“Generation contract“) / France

What?
- The “contrat de génération” is an agreement which allows an older worker to transmit his knowledge to a young person.
- It can be concluded also between a young person and a manager-owner of a micro enterprise, to transfer the company.
- It was discussed by the French Parliament in January 2013.

Objective
- To promote youth and older workers employment.

How?
- All companies will have the possibility to use the “generation contract” and benefit from a flat-rate incentive or reductions in charges for at least 3 years.
Content of the FoA

4 PRIORITIES: Employment

- 2 million unfilled vacancies. Lack of jobs in many countries. Shortage of skills in certain regions.
- Only growth will create jobs. Need for adequate macro-economic policies and targeted measures for productive investment.
- National social partners to determine terms of employment, including labour costs, to ease youth transition into labour market.
- Need for dynamic, open and mobile labour markets encouraging job creation and job search without undermining social protection.
- Supportive role of active labour market policies.
- Some young people may well find themselves stuck in succession of short-term contracts.
- Common interest in diverse contractual arrangements.
- In companies, coaching, tutoring mentoring.
Content of the FoA

4 PRIORITIES: Employment

**Short term**

• Agreeing terms and conditions of employment supporting access to a first job.
• Ensuring balance flexibility and security for all employment relationships.
• Individual competence development plans.

**Long term**

• Concluding or contributing to labour market reforms to reduce segmentation.
• Participation in national job plans for young people.
• Tackling causes of bogus self-employment.

**Actions**

• Sound macro-economic policies.
• EU should associate social partners in use of EU funding.
• Making youth employment a more attractive option for employers.
• Investments in innovation and training.

**Recommendations**

• Fostering geographical and occupational mobility.
• Sending countries should take account of brain drain effects.
• Activation measures with necessary support and incentives to work.
• Sanctions for non compliance with employment regulations.
# Content of the FoA

**Employment: A NATIONAL EXAMPLE**

## Agreement on employment integration / Sweden

### Who?
- The agreement was signed by the social partners within industry and in the public sector.

### Objectives
- Safeguarding the need for competent employees.
- Easier entry to the labour market for young people.
- Enabling young people to get work-based education.

### How?
- Fixed-term employment (recommendation 12 months).
- Remuneration for time spent working and unpaid for time in training and introduction.
- Supervision for each work introduction employee.
- Maximum time spent in training and introduction: 25%.
Entrepreneurship

Positive impact entrepreneurial thinking on employability of young people.

Creativity and positive attitudes towards sustainable risk-taking to be supported while respecting labour legislation and workers’ rights.

Promote entrepreneurship in schools and guidance and mentoring for new entrepreneurs.

Apprenticeship can lead to entrepreneurship.
4 PRIORITIES: Entrepreneurship

**Short term**

- Promoting entrepreneurial mind-sets at school and in society.
- Fostering training and mentoring services for entrepreneurs.

- Supporting growth of young enterprises.
- Tax incentives for young entrepreneurs.
- Promoting access to finance.
- Entrepreneurship courses in schools.

**Long term**

- Promoting partnerships between large and small enterprises.
- Encouraging female entrepreneurship.
- Corporate Social Responsibility.

- Competitions between young entrepreneurs.
- Socially and environmentally responsible entrepreneurship.
Content of the FoA

Entrepreneurship: A NATIONAL EXAMPLE

Entrepreneur’s Skills Certificate® / Austria

What? • ESC® is a certified training programme consisting of 4 modules: business basics, national economy, business administration, finance and marketing.

Objective • To provide young people with economic and entrepreneurial competencies.

How? • ESC® testing takes place in accredited testing centres.
• Each module ends with a multiple-choice online test.
• Students/schools receive certificate with their scores including a description of learning outcomes.
Content of the FoA

**PROMOTION**

- Promotion of this FoA in Member States at all appropriate levels taking account of national practices, through joint and separate actions.

- Regional seminars and additional national meetings can be organised in each country by national SP themselves.

- Diffusion of this document to all relevant players.
Content of the FoA

ACTIONS

- National social partners to act upon the four priorities.

- EU and national social partners to cooperate with EU institutions and/or national public authorities on the basis of the recommendations included in this FoA.
Content of the FoA

FOLLOW-UP

- After three annual reports, evaluation of impact on both employers and workers.
- Overall evaluation report prepared during the fourth year.
- Evaluation can lead to update of the priorities identified or assessment of need for additional action.
- Where no reporting after four years, members in the countries concerned encouraged to keep European Social Partners informed about their follow-up activities.
For more information, please contact your EU social partner organisation

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