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## PES approach for low skilled adults and young people: work first or train first?

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# The Labour and Welfare Administration's main purpose

- The best welfare policy is work. Focus on people's potential and not their limitations
- Objectives:
  - More people at work and in activity, fewer on benefits

## National Insurance Service (State)

- National administration
- County administration
- Local offices
- Specialized production units
- Approx. 9 000 employees

## National Employment Service (State)

- National administration
- County administration
- Local offices
- Specialized production units
- Approx. 3 500 employees

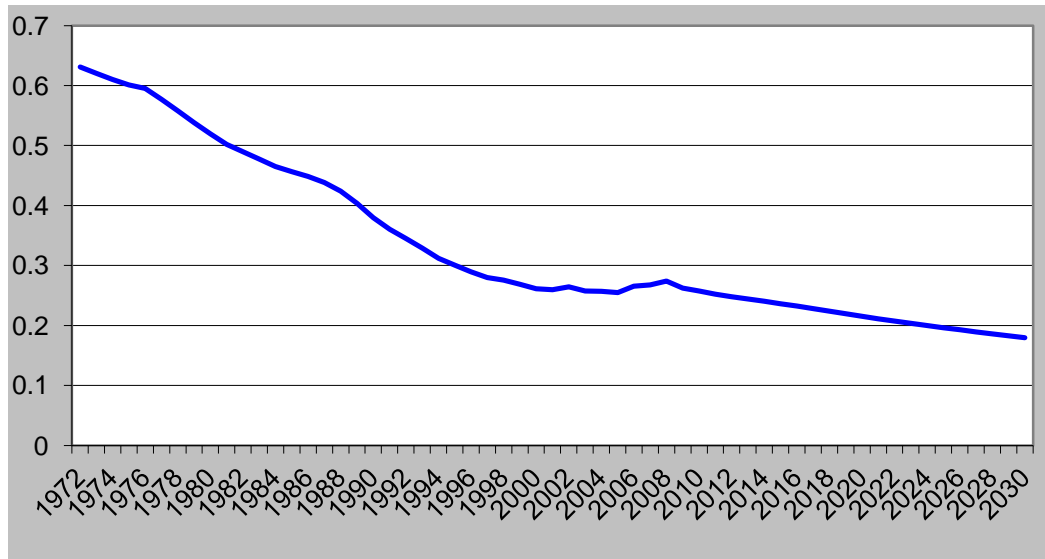
## Social Welfare/ Social Assistance (Local units)

- Units in all local communities
- Local administration
- Approx. 4 000 employees



## Two major relevant points with respect to “Train first” vs. “Work first” for low-skilled individuals

1. There is a small, and decreasing demand for low skilled employees compared with other OECD-countries



During the past decades there has been a significant reduction in the demand for employees without post-secondary education in the work force. As the chart depicts, this trend is expected to continue

2. It is therefore with great concern we acknowledge a high level of drop-outs from school:
  - Although **99 %** of youngsters enter upper secondary education after the completion of compulsory grade 10, more than **1 in 3** people in upper secondary school **do not complete** within the normal time frame. Some of these drop out of school permanently

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## **Train first approach – low skilled youths**

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- **Starting point:** a high share of unemployment and social assistance recipients, high drop-out rate from upper secondary school
- **Goals:** increase completion and reduce drop-out; get youth back to school, or into work.
- **Organisation:** project employees, placed partly in school –partly in an industrial park
- **Working methods:**
  - A supporting-team at the school convene meetings for relevant players
  - Co-operation with the business and industry establishing collaboration
  - The students get training one day a week, then work-practice the rest.
- **Results for users:**
  - A majority was in school full-or part time at the end of the project, some at work and a few in NAV measures. Youth with mental health issues were supported enough to go to school. Drop-out was reduced. Results were good.

# Train first – low skilled users in general

- Train first approach – usually designed like this:

Training /education  
period

- CV –writing
- Labour rights and obligations
- How to use your own network to get a job
- Interviewing skills
- What competence do I need to get a job
- Vocational training

Work – practice  
period

- Employee training in a specific job situation
- Follow up from the employer and the provider
- Follow up from NAV
- When is the time to get his/her own paycheck?

Ordinary job

## Results:

- Employed
- Not employed, but with a period of work qualification which can be important later

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## Work first for low skilled youths

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- **Example: Youth offered work practice by an employer**
- NAV has to find the employer for the low skilled youth
- In work practice period the employer focuses on a relevant work profile (basic skills), which relevance has this profile for the user in order to do his/her work in a proper way.
- The aim is to increase the awareness of how relevant training and work fits together, and thereby motivate the youth to go back to school.
- **Result:** the person uses the job profile actively, gets more interested and motivated for the profession, get more motivated to get the necessary education for getting a permanent job offer.

# Work first – low skilled users in general

- Work first approach – usually designed like this:
- **NAV has to find the employer for the low skilled user, or in cooperation with the user.**

Labour market measures in use:

- Work practice
- Wage subsidies
- ( time period from 3 to 12 months)

Contents:

- Work practice – side by side with other employers and with guidance from the employer.
- Job as an employee but with wage subsidy from NAV

Results:

- Getting a permanent job at the employer
- Or no job, but valuable work practice

## Cooperation with educational authorities

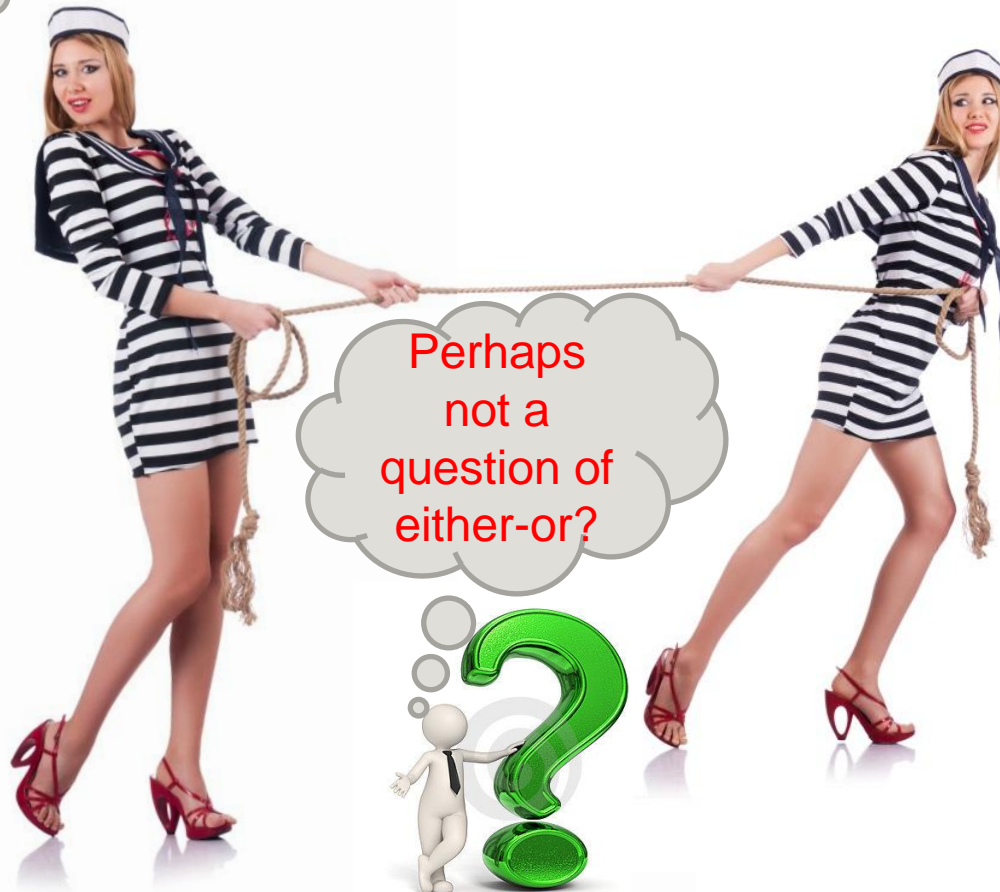
- **“New possibilities”**
  - The Minister of Education established *partnerships with the county administrations* to prioritise efforts to keep young people from dropping out of school
  - This project collaborates with NAV-offices. The project uses labour market measures like *Work practice*
  - Each NAV county has appointed a contact person to collaborate with the project
- **Cooperation agreement between state and local authorities**
  - An agreement provides a structure of cooperation and co-ordination and a framework for practical collaboration and coordinated individual services
  - This is addressing low skilled individuals regardless of age
- **The cooperation between NAV and the educational authorities is proving to be effective.**



# *Train first, then place* vs. *Work first, then place*

Train first!

Work first!



# How about simultaneous, multidisciplinary approach tailored to individual needs?

- **Simultaneous approach**
  - Better effects (and faster) from simultaneous means and measures rather than sequential services
- **Multidisciplinary approach (health, work, education)**
  - make use of holistic approach and of competencies within labour, health, social services, education, substance abuse, mental ailments and life-skills, to name a few key areas.

