



Low youth unemployment resulting from company-based vocational training and PES focus on apprenticeship training

Peer Review “Youth Guarantees: PES approaches and measures for low-skilled young people”

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Labour market situation of young people (1)

- Apprenticeship training
 - ✓ 250 vocations
 - ✓ Dual system: practical training in a company, theoretical and practical training in a public school
 - ✓ Duration: 2 to 4 years
 - ✓ 40 % of every age group, but regional differences
 - ✓ 48 % of the girls in the top 3
 - ✓ 48 % of the boys in the top 10
 - ✓ High drop-out rates
 - ✓ Main advantages: early contact with the working world; attractive for more practically-oriented young people
 - ✓ Main reason for low youth unemployment



Labour market situation of young people (2)

- Middle and higher vocational schools
 - ✓ Wide variety of branches (technical, commercial, services, etc.)
 - ✓ 38.7 % of all young people in the 10th grade
 - ✓ Middle vocational schools: regional differences
 - ✓ Fairly good chances on the labour market

- Grammar school
 - ✓ Preparation for post-secondary training
 - ✓ 22.0 % of all young people in the 10th grade
 - ✓ Poor chances on the labour market without any additional training

Labour market situation of young people (3)



➤ Early school leavers

- ✓ About 10 % of every age group does not start any kind of training after finishing compulsory school
- ✓ Not many jobs available
- ✓ One of the major target groups for labour market policies
- ✓ PES has to compensate for the failure of the school system (lack of basic skills such as reading, writing, calculating)
- ✓ Many active measures, high expenditures

➤ Labour market data (15 to 19 years old)

- ✓ Average stock in 2010: 9,200
- ✓ Unemployment rate: 4.8 % (national standards)
- ✓ 83.1 % were registered for less than 3 months
- ✓ Only 1.4 % were registered for more than 6 months
- ✓ In addition: 10,227 apprenticeship seekers (average stock)

Basis of youth-related PES activities



- Legal basis: 1994 Labour Market Service Act (Arbeitsmarktservicegesetz)
- Mid-term plan 2009-13
 - ✓ Highest priority to securing basic vocational training for school leavers and preventing young people from becoming long-term unemployed (more than 6 months of unemployment)
- Annual targets
 - ✓ 2011: not more than 3,818 young women and not more than 5,141 young men must pass the 6-month threshold of unemployment (15 to 24 years old)
- Guidelines
 - ✓ Regulate the process of service delivery (no special provisions for young people) and the implementation of active measures



Training guarantee

Given by the Minister of Labour, Social Affairs and Consumer Protection:

Every young person who is registered as unemployed or apprenticeship-seeking with the PES for more than three months will either be offered a suitable job, an apprenticeship on the free market or a training opportunity provided by the PES

Applies to young people from 15 to 24 years

Ensuring access to PES for young people (1)



- Printed material
- Information on the PES website
 - ✓ www.arbeitszimmer
 - ✓ www.berufskompass (vocational compass)
 - ✓ www.yourchoiceinfo (information on schools and vocations)
 - ✓ “Crazy jobs” computer game
- 2010 PR campaign
 - ✓ Film for movie theatres
 - ✓ Videos on YouTube
 - ✓ Radio testimonials
 - ✓ Ads in print media

Ensuring access to PES for young people (2)



- Visits by school classes to the PES premises
 - ✓ In 2010 2,460 school classes with about 50,500 students visited the Career Information Centres
 - ✓ Presentation of PES services to young people
- Other events on the PES premises
 - ✓ In 2010 21,600 young people attended a wide range of special events on youth-related matters
- Events outside of the PES premises
 - ✓ Vocational information fairs (in cooperation with other institutions)
- Outreach activities
 - ✓ Good practice: Local Office for Youths, Vienna



Effective measures (1)

➤ Qualification measures

- ✓ 2010: 60,523 participants (15 to 19 years)
- ✓ PES courses under the level of apprenticeship training
- ✓ External courses under the level of apprenticeship training
- ✓ Subsidised apprenticeship training in companies
- ✓ Apprenticeship training in institutions
- ✓ Integrative vocational training

➤ Employment measures

- ✓ 2010: 4,168 participants (15 to 19 years)
- ✓ Wage-subsidy programme
- ✓ Non-profit employment projects



Effective measures (2)

- Support measures
 - ✓ 2010: 7,820 participants (15 to 19 years)
 - ✓ Counselling and assistance measures

- Subsidised apprenticeship training in companies
 - ✓ Girls who are trained in a vocation with a low share (less than 40 %) of female apprentices
 - ✓ Disadvantaged youths
 - ✓ Youths participating in integrative vocational training
 - ✓ Youths in additional apprenticeships (terminated)
 - ✓ Maximum monthly allowance for companies: € 400; € 755 (for youths older than 19 years)
 - ✓ 2010: 18,578 participants



Effective measures (3)

- Apprenticeship training in institutions
 - ✓ Private and non-profit institutions
 - ✓ About 30 vocations
 - ✓ Goal: transfer to apprenticeship training in a company
 - ✓ If not possible, participants finish training in the institution
 - ✓ Allowance for participants: € 240 in the first and second year, € 555 from the third year
 - ✓ 2010: about 10,000 participants



Effective measures (4)

- Integrative vocational training in institutions
 - ✓ Youths requiring special learning assistance at the end of compulsory school
 - ✓ Youths who did not receive a positive lower secondary school degree
 - ✓ Youths who are recognised as handicapped persons under the respective law
 - ✓ Short version of the regular apprenticeship curriculum
 - ✓ Prolonged version leading to a regular apprenticeship certificate
 - ✓ Allowance: as above



Effective measures (5)

- Wage-subsidy programme
 - ✓ For youths who are unemployed for more than 6 months
 - ✓ Maximum duration: 2 years
 - ✓ Maximum subsidy for the company: two thirds of the salary including non-wage labour costs
 - ✓ Employers are not obliged to continue employment beyond the subsidised period
 - ✓ 1,602 youths from 15 to 19 years involved in 2010

- Non-profit employment projects
 - ✓ Non-profit institutions are providing jobs in different fields
 - ✓ Maximum duration of employment: 12 months
 - ✓ 1,428 youths were involved in 2010



Effective measures (6)

- **Counselling and assistance measures**
 - ✓ Outsourcing of counselling and assistance to external providers
 - ✓ For youths who require special know-how and more time than is available in PES offices
 - ✓ Number of participants in 2010: 7,301

- **Expenditures 2010**
 - ✓ € 233.6 million
 - ✓ 21.6 % of the total budget of € 1.079 million
 - ✓ For 7.4 % of all registered unemployed persons (stock)



Quality assurance (1)

- Visits to measures by PES staff
- Participants can contact 'ams.help,' the customer reaction unit
- Participants fill in an online questionnaire at the end of the measure
- Monitoring and comparing the labour market status of participants before entering and after leaving a measure (“Verbleibsmonitoring”)
- In-depth research done by different institutes



Results of “Verbleibsmonitoring” (1)

Apprenticeship training in institutions

- 2007 (2009): 4,957 (5,001) participants left the programme
- Status in 12 months before entering (number of days)
 - ✓ 16.0 % (17.9 %) employed
 - ✓ 21.7 % (19.9 %) unemployed or in PES training
 - ✓ 62.3 % (62.2 %) out-of-labour force
- Status in 12 months after leaving (number of days)
 - ✓ 59.7 % (53.4 %) employed
 - ✓ 19.8 % (24.8 %) unemployed or in PES training
 - ✓ 20.5 % (21.8 %) out-of-labour force



Results of “Verbleibsmonitoring” (2)

Integrative vocational training in institutions

- 2007 (2009): 584 (631) participants left the programme
- Status in 12 months before entering (number of days)
 - ✓ 18.0 % (21.7 %) employed
 - ✓ 25.0 % (26.4 %) unemployed or in PES training
 - ✓ 57.0 % (52.0 %) out-of-labour force
- Status in 12 months after leaving (number of days)
 - ✓ 41.0 % (39.5 %) employed
 - ✓ 32.3 % (35.3 %) unemployed or on PES training
 - ✓ 26.7 % (25.2 %) out-of-labour force



Results of “Verbleibsmonitoring” (3)

Apprenticeship training in companies

- Status on the 92nd day after leaving the programme
- Not considered: youths who took part in apprenticeship training in institutions, integrative vocational training in institutions or in subsidised apprenticeship training in companies on the 92nd day after leaving the programme



Results of “Verbleibsmonitoring” (4)

Apprenticeship training in companies (ctd)

- Sub-programme: girls in “male” vocations
 - ✓ 2007 (2009): 425 (738) participants left the programme
 - ✓ 86.6 % (88.1 %) of them were employed or in a non-subsidised apprenticeship on the 92nd day

- Sub-programme: disadvantaged youths
 - ✓ 2007 (2009): 2,310 (3,136) participants left the programme
 - ✓ 75.9 % (73.6 %) of them were employed or in a non-subsidised apprenticeship on the 92nd day



Results of “Verbleibsmonitoring” (5)

Apprenticeship training in companies (ctd)

- Sub-programme: integrative vocational training
 - ✓ 2007 (2009): 511 (1,166) participants left the programme
 - ✓ 82.8 % (79.1 %) of them were employed or in a non-subsidised apprenticeship on the 92nd day

- Sub-programme: additional apprenticeships
 - ✓ 2007 (2009): 7,086 (10,547) participants left the programme
 - ✓ 74.8 % (83.0 %) of them were employed or in a non-subsidised apprenticeship on the 92nd day



Thank you for your attention!