

Youth Guarantee country by country

Denmark October 2020



Employment, Social Affairs & InclusionThe Youth Guarantee country by country - Denmark



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Introduction and context

The Youth Guarantee has become a reality across the EU. It has facilitated structural reforms and innovation in policy design across EU Member States.

This document provides extracts from official Commission documents on the implementation of the Youth Guarantee in Denmark. It contains extracts from:

- The country report drawn by the Commission for Denmark in the context of the European Semester;
- The conclusions of the thematic multilateral surveillance review of the Employment Committee (EMCO).
- Results from the data collection on Youth Guarantee schemes.

A section at the end of the document is devoted to the assessment made by the Commission the previous year.

Denmark presented a Youth Guarantee Implementation Plan on 14 April 2014.



Commission's assessment

From the 2020 country report (EN - DA):

"Supported by a solid economic upswing, the Danish labour market is performing well. The employment rate reached 77.5 % in 2018, approaching the national 2020 target of 80 %, and well above the EU average of 73.2 %. The gap between the female and the male employment rate has decreased in recent years, reaching 7.0 pps in 2018, well below the average gap at EU level (11.6 pps). The unemployment rate has continued to decline, down to 5.1 % in 2018, the lowest since the pre-crisis level in 2008. Long-term unemployment, which has dropped to $1.0\,$ %, remains one of the lowest in the EU."

"Denmark continues to perform well on the indicators of the Social Scoreboard supporting the European Pillar of Social Rights. Employment is high, the gender employment gap is narrow and long-term unemployment remains one of the lowest in the EU. Unemployment has further declined in recent years. On the other hand, the proportion of young people who drop out of education and training (early school leavers) has increased in recent years, and reached a level slightly above the Europe 2020 target of 10 % in 2018. This is likely to be linked to the fact that there is a higher labour demand, which makes it easier for people to find work."

"The share of early school leavers from education and training has increased in recent years. In 2018 it reached 10.2 %, slightly above the Europe 2020 target of 10 %. This increase may be related to the high chances of finding a job, which incentivise young persons to interrupt their studies."

"At 1.1 % in 2018, Denmark's long-term unemployment rate is among the lowest in the EU. Unemployment fell to 5.1 % in 2018, the lowest level since 2008, but the gap to the EU average (1.1 pps below EU average in 2018) has narrowed in recent years. Lower than average employment rates can be observed for youth, migrants and people with disabilities. Improving the employment rates of youth and vulnerable groups remains a challenge."

"Youth unemployment has fallen in recent years, but the share of early school leavers has increased. This development hampers Denmark's progress towards SDG821. Youth unemployment fell to 10.5 % in 2018, well below the EU average of 15.2 %. The share of early leavers from education and training (aged 18-24) has, however, gradually increased from 7.2 % in 2016 to 10.2 % in 2018, slightly below the EU average of 10.6 % and is classified as "to watch" in the Social Scoreboard. The drivers remain unknown, but the relatively high chances of finding unskilled or skilled jobs, may have incentivised working instead of finishing their studies [...]."

"The supply of vocational education and training (VET) graduates is crucial to meet labour market needs, but participation remains low. Despite a slight increase in the share of youth starting a VET programme directly after compulsory school, from 19.4 % in 2018 to 20.1 % in 2019, this remains significantly below the government's 2025 target of 30 %. Regional differences are significant, with youth residing in the larger cities having the lowest VET participation rates."

"Despite a good labour market situation, certain marginalised groups face barriers to accessing the labour market. This includes youth, migrants, homeless

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and people with disabilities, mental issues or who attend drug rehabilitation programmes."

For further youth-related matters please refer to the country report.



EMCO's assessment

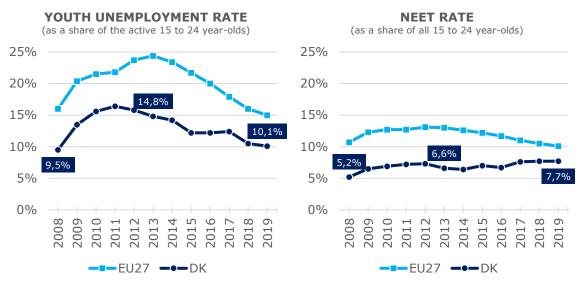
Conclusions of the Employment Committee's multilateral surveillance review on youth employment, October 2019:

Denmark has a very advanced and well-established system for implementing the Youth Guarantee which shows strong political commitment. The system is decentralised, which allows for the offers to be more in line with local needs. The scheme is built on a strong partnership approach which allows for a tailor-made approach to offers, meaning that each young person gets offered an appropriate mix of measures in the fields of education, social assistance, healthcare and work. There is effective registration, which is linked to benefit entitlements, and comprehensive and effective monitoring is in place. However, there are concerns over the outreach to inactive unregistered NEETs who do not receive any benefits, and the share of early leavers from education and training has increased in recent years. More efforts should be made to prevent this from happening. Concerning traineeships, the level of compliance with the Quality Framework for Traineeships is high.



Youth Guarantee monitoring - Key data¹

1. Main trends in young people's labour market performance



Source: Eurostat, LFS (une_rt_a, edat_lfse_20)

2. Youth Guarantee delivery

Denmark has a well-established range of policy measures focused on young people that already fulfilled the spirit of the Council Recommendation on establishing the Youth Guarantee before it was endorsed by all Member States in April 2013. The Danish Youth Guarantee Implementation Plan published in April 2014 summarises the existing policy infrastructure and recent reforms aimed at reinforcing the support available to young people.

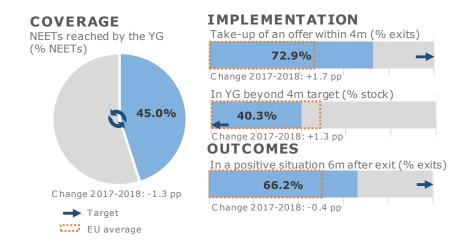
Danish policy for young people - taken to be all those aged under 30 - is focused first on ensuring a decent education and there are accordingly three policy threads based on the educational needs of each young person: to prepare people for education, to give people an education, and to help those with an education to find work. Policies are focused on early intervention and activation and there is range of cash benefits available to support young people in different situations. Implementation of the YG in Denmark is very much a partnership approach with inputs from job centres, municipalities, educational institutions, youth guidance centres, production schools, youth units, unemployment insurance funds, social partners, and others.

More information is available in the national YG implementation plan.

The information below is taken from the country fiche related to the Youth Guarantee Data collection (full results can be found on http://ec.europa.eu/social/main.jsp?catId=1143&langId=en#YGIF).



YG monitoring data 2017-18



Source: DG EMPL, YG monitoring database, data extracted 09 December 2019. NEETs data were extracted from Eurostat, Labour Force Survey on 21 June 2019

On average during 2018, two fifths (40.3%) of those registered in the YG at any point in time had been waiting for an offer for more than 4 months, a slight increase (+1.3 pp) compared to 2017 but well below the EU average of 48.6%.

Seven in ten (72.9%) of those leaving the YG in 2017 took up an offer within the 4month target, demonstrating continued effective implementation. The EU average is 46.7%.

The Danish YG scheme covered 45.0% of NEETs aged under 25, well above the EU average of 38.9% but a slight decrease compared to 2017 (46.3%).

Two-thirds (66.2%) of those leaving the YG in 2018 were known to be in a positive situation 6 months later. Moreover, longer-term follow-up data for those leaving the YG in previous years suggest that these outcomes are sustainable.



Previous year

From the 2019 country report (DA - EN):

"Despite a temporary slowdown in economic growth in 2018, the Danish labour market continues to perform well. The employment rate remained relatively high at 76.9 % in 2017, above the EU average of 72.1 %. Despite a slight decline from 2016 to 2017 by 0.5 percentage points (pps), Denmark's Europe 2020 employment rate target of 80 % remains within reach. (16) Nevertheless, firms are facing challenges in recruiting certain types of workers, while a section of the population (such as young people, migrants, homeless people and people with disabilities, mental issues or drug problems) remains on the margin of the labour market."

"Unemployment continues to decrease, including among the young people, while the not in Education, Employment, or Training (NEET) rate for those aged 15-24 increased in 2017. The unemployment rate has gradually declined to 5.7 % in 2017, the lowest level since 2008 and well below the EU average of 7.6 %. Long-term unemployment dropped to 1.3 %, among the lowest in the EU, and youth unemployment fell from 12.0 % to 11.0 %. At the same time, the NEET rate (among those aged 15-24) increased from 5.8 % in 2016 to 7.0 % in 2017."

"In spite of the overall strong labour market performance, young people appear to face challenges. The share of early leavers from education and training (ages 18-24) has increased from 7.2 % in 2016 to 8.8 % in 2017, but it remains below the EU average (10.6 % in 2017). Male students leave school early nearly twice as often as female students (11.3 % vs 6.2 %). At the same time, the NEET rate (for those aged 15-24) rose from 5.8 % to 7 % in the same period."

"Increasing the number of graduates from vocational education and training (VET) programmes is crucial for ensuring a sufficient supply of skilled workers, but participation rates remain low. In 2018, around 19.4 % of young people started a vocational education and training programme directly after compulsory schooling, which is significantly below the national 2025 target of 30 %. The 2014 vocational education and training reform strengthened entry requirements, but did not increase participation rates as intended. On the positive side, the dropout rate decreased from 24.4 % in 2014 to 18.5 % in 2017. To respond to the lack of apprenticeship places, firms committed to establish an additional 8 000-10 000 places by 2025, as part of a tripartite agreement reached in 2016. Since 2016, around. 2 100 additional apprenticeship places have been established (Confederation of Danish Employers, 2018). Furthermore, in November 2018 the government decided to increase investments in the vocational education and training system by DKK 2.3 billion over the period 2019-2023. Some of this money will be spent on introducing compulsory vocational education and training related subjects and exams in lower secondary school and on improving student counselling."

"Native-born persons with a migrant background also experience greater difficulties in labour market integration. A number of measures aim to promote employment of young people with a migrant background in the public sector. These measures include equity benchmarking at municipal level (e.g. target setting, regular monitoring of employment statistics, and small financial incentives, see OECD, 2015b). However, there is no evidence that such policies have a substantial impact."

For further youth-related matters please refer to the country report.



Links to further information

Youth Guarantee Knowledge Centre - Including promising examples from Denmark

http://ec.europa.eu/social/main.jsp?catId=1327&langId=en

Youth Guarantee Implementation Plan

https://www.google.com/url?sa=t&rct=j&g=&esrc=s&source=web&cd=2&ved=2a hUKEwj1zsitgqXjAhXQEVAKHTwbC8kQFjABegQIAhAC&url=https%3A%2F%2Fec.e uropa.eu%2Fsocial%2FBlobServlet%3FdocId%3D20808%26langId%3Den&usg=A OvVaw2OroQFFS0ILRFhOqayj4fR

Where to register for the Youth Guarantee?

http://ec.europa.eu/social/main.jsp?catId=1218&langId=en

Youth Wiki Denmark

https://eacea.ec.europa.eu/national-policies/en/content/youthwiki/overviewdenmark