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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 Germany. It contains extracts from:

- The country report drawn by the Commission for Germany 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.

Germany presented a Youth Guarantee Implementation Plan on 8 April 2014.
Commission's assessment

From the 2018 country report (EN - DE):

"Employment growth continued, spurred by increased labour demand and supply. Employment grew by 1.3 % in 2016 and 1.5 % in 2017, and by the third quarter of 2017 the employment rate climbed to 79.1% for those aged 20-64. This brought the unemployment rate for the age group 15-74 down further to a new postunification low of 3.8 % in 2017. Youth unemployment at 6.7% in 2017 was one of the lowest in the EU. Despite population ageing, the labour supply increased mainly driven by increasing labour market participation of women, older workers and incoming workers from other EU countries."

"Germany has with 6.8 % (November 2017) one of the lowest youth unemployment rates in Europe. The German dual system of vocational education and training provides an excellent approach to skill development; in particular initial vocational education and training. Thanks to this system the country enjoys low youth unemployment and provides young people with high skill levels. About 50 percent of all school-leavers attend vocational training provided by companies, reach high skills level allowing companies to acquire skilled staff. Overall, vocational integration benefits and services for young people are provided both by the Federal Government and by the Länder and local authorities. Job centres, employment agencies and youth welfare offices, providing social services, cooperate in order to provide young people with one-stop support. Germany also has various initiatives that all share the goal of helping young people to transit successfully from school to vocational training or academic study and subsequently into employment."

"While overall youth unemployment in Germany is one of the lowest in the EU, young people with a migrant background face challenges. This is also reflected in the significantly higher NEET (young people neither in education, employment or training, aged 15-24) rate of third country nationals as compared to that of nationals (21.1% vs 5%). Moreover, the employment situation of native-born with foreign born parents (i.e. second-generation) is also unfavourable. (24)The proportion of early leavers from education and training among foreign-born students (23.2 %) was almost three times that of students born in Germany (8.2 %) in 2016."

"The young are more vulnerable than the elderly in some respects. In 2016, the material deprivation rate of people over 65 was considerably lower, at 7.0 %, than that of children below 18 (10.6 %). Persistent generational inequalities may have a severe impact on intergenerational fairness. (European Commission, 2017e). Moreover, Germany a high gap in the EU between people with disabilities and those without as regards being at risk of poverty or social exclusion (15.6 pps. vs the EU average of 10.1 pps. The rising cost of housing has a considerable impact on the poor. In 2016, despite an overall declining trend, the housing cost overburden rate of people at risk of poverty was still significantly above the EU average (15.6 % vs. 11.1 %) . Social outcomes"

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, December 2017:

The labour market situation of young people in Germany continues to be good, with low youth unemployment and NEET rates. The Youth Guarantee system is well developed and functioning appropriately. Building on previous progress, Germany continues intensifying their efforts to improve the system further, including the Alliance for initial and further training, the new partnership with key stakeholders now being developed, and the collaboration with Youth Employment Agencies. EMCO looks forward to seeing the results of recent monitoring of the work of these Agencies. In this context, the challenge of integrating certain groups, such as people with migrant background, refugees, and young women deserves continuous attention. Monitoring remains a challenge, in particular for follow-up of exits of the system, due to the complex organisational setting of information sources. This merits further efforts.

Youth Guarantee monitoring – Key data

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

![Graph showing youth unemployment rate and NEET rate]

Source: Eurostat, LFS (une_rt_a, lfsi_neet_a)

2. Youth Guarantee delivery

Germany presented its Youth Guarantee Implementation Plan in April 2014. The document presents all medium and long-term measures to improve structures to support young people’s integration into both vocational education/training and

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1 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]).
employment. January 1, 2014 was set as the start-date of the monitoring of YG in Germany.

The Federal Ministry for Labour and Social Affairs (BMAS) is responsible for establishing and managing the Youth Guarantee and for coordinating the associated partnerships across all levels and sectors. The Federal Employment Agency (BA) is the key service provider in the German labour market as it provides comprehensive placement into employment and into vocational education -as well as training services for individuals, businesses and other institutions. Finally, job centres provide services such as placement and advice, activation and integration, vocational education and training, continuing vocational training, and job placement with the aim of ending or reducing an individual’s need level, and assistance towards living expenses.

Further information is available in the national Youth Guarantee Implementation Plan.

**YG monitoring data 2016**

<table>
<thead>
<tr>
<th>Proportion of NEETs covered by the YG, 2016</th>
<th>% NEET population aged 15-24</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>65.6%</td>
</tr>
<tr>
<td></td>
<td>28.2%</td>
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<tr>
<td></td>
<td>51.7%</td>
</tr>
<tr>
<td></td>
<td>19.4%</td>
</tr>
<tr>
<td></td>
<td>0.6%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Out of all young people that exited the YG in 2016...</th>
</tr>
</thead>
<tbody>
<tr>
<td>look up an offer &lt; 4m</td>
</tr>
<tr>
<td>look up an offer &gt; 4 m</td>
</tr>
<tr>
<td>unknown</td>
</tr>
<tr>
<td>unemployment or inactivity</td>
</tr>
</tbody>
</table>

Source: DG EMPL, YG monitoring database 2016

Improved coverage of the monitoring data compared to the previous YG data collection.

On average during 2016, 45.9% of those registered in the YG preparatory phase had been waiting for an offer for more than 4 months.

Just over half of those leaving the YG in 2016 (51.7%) took up an offer within 4 months of registration.

**Additional information**

Almost two-thirds of all NEETs aged under 25 in Germany were registered in the YG scheme at any point during 2016.

Follow-up data to look at subsequent outcomes are not yet available.
Previous year

2017
From the 2017 country report (EN - DE):

"Protection from potential abuses in temporary work and work contracts is improving. The number of temporary agency workers has been increasing (Federal Employment Agency, 2016b). It reached around 1 million (close to 3 % of total employment) in June 2016. Temporary agency workers are often occupied in jobs requiring a relatively low skills level. The majority, in which foreigners are overrepresented, are male, young, and without vocational training. Around 20 % have previously been unemployed for at least a year or have never been employed – evidencing some foothold effects towards employment. However, around 50 % of temporary agency contracts are of very short duration and terminated in under three months. To prevent the abuse from work contracts (i.e. the unnecessary substitution of temporary workers for permanent workers) and downward pressure on wages of temporary agency workers, a law was adopted in 2016 providing equal pay after nine months of working in the sector and the introduction of a maximum transitional period of 18 months after which these workers must be hired by the company."

"Although the level of educational attainment and qualifications of recent asylum seekers poses a challenge, Germany's vocational training system may prove to be an asset for integration. In 2015, asylum seekers had a mixed educational background: 17 % attended tertiary, 19 % upper secondary, and 31 % lower secondary schools prior to arrival, while 23 % attended only primary education and 8 % had no education at all (IAB, 2016b). The majority of refugees who arrived during the first 10 months of 2016 were under the age of 30 (Federal Office for Migration and Refugees, 2016). In this regard, Germany's tradition of vocational training may have significant potential to provide a pathway into work for many, particularly young, refugees."

"The integration challenge will require additional investment in education. Germany’s general government expenditure on education remains below the EU average. This is the case both as a proportion of GDP (in 2014, 4.3 % compared with an EU average of 4.9 %) and as a share of total public expenditure (9.7 % compared with 10.2 %, respectively). However, integrating newcomers into education and training and further expanding early childhood education and care and all-day schools will require additional financial resources of additional annual investment up to EUR 3 billion annually (Autorengruppe Bildungsberichterstattung, 2016). The need for additional education resources will increase (around 300 000-390 000 places require around 30 000-40 000 extra teachers/staff). This is particularly the case in the areas of early childhood education and care, compulsory schooling and preparation for vocational education and 'dual training' that are apprenticeships combined with vocational training (Autorengruppe Bildungsberichterstattung, 2016)."

"A number of initiatives are underway to improve digital skills in Germany. Improved digital skills remain crucial to support digital transformation. In 2016, 67.5 % of Germans reported having at least basic digital skills. This compares with 86.1 % in Luxembourg, 77.6 % in Denmark and 73.1 % in Finland and 56.2 % in the EU as a whole (European Commission, 2016d). The use of computers by young Germans has increased between 2009 and 2012, particularly outside school, but in both areas it remains below the OECD average (OCED, 2015b). A significant number of schools do
not have broadband access, in particular vocational education and training (VET) schools (Bertelsmann Foundation, 2016c)."

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

**Link to further information**

**Youth Guarantee Database - Promising examples**

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

**Youth Guarantee Implementation Plan**


**Where to register for the Youth Guarantee?**


**Youth Wiki Germany**

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