

Youth Guarantee country by country

*Germany*October 2020



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



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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 2020 country report (EN - DE):

"The remarkably strong labour market masks labour hoarding and diverging trends between services and manufacturing. The unemployment rate stabilised at around 3.2% in 2019 and employment, albeit more slowly, increased further (see Chapter 1), contributing to significant progress towards SDG 8. While manufacturing and related business services have contributed about half of the employment growth in recent years, since the second quarter of 2018 job creation in these sectors slowed noticeably and it even came to a halt in 2019 (Graph 4.3.1). Still, dismissals were limited as many manufacturing companies hoarded labour, reducing hours worked by winding down working time account balances (Arbeitszeitkonten) and using short-time work arrangements (Kurzarbeit)."

"Germany continues to perform very well on the indicators of the Social Scoreboard supporting the European Pillar of Social Rights. It has one of the highest employment rates in the EU, low unemployment, including youth and longterm unemployment, and access to healthcare is good."

"Educational outcomes differ considerably across regions. Early school leavers account for 14.6% of all 18-24 year olds in Bremen, against on average 10.3% nationwide and only 5.2% in Lower Bavaria (Niederbayern). Moreover, the NEET rate (the proportion of young people who are not in education, employment or training) varies by almost 6 pps between the best- and worst-performing regions. In Berlin, 9.1% of young people aged 15-24 are NEETs, against a national average of 5.9% and only 3.5% in the best performing region, Unterfranken in Bavaria."

"Inequalities in educational attainment persist, with socio-economic and migrant backgrounds still having a strong influence. The rate of 18-24 year-olds leaving education and training early has remained stable just around 10.3% since 2015, but so has the fact that the rate has been more than three times higher for foreign-born people since 2010. Young people from a disadvantaged socioeconomic background are three times less likely to be in higher education (Autorengruppe Bildungsberichtersattung, 2018)"

"Temporary agency work is shrinking, driven by a combination of cyclical and structural factors. The low-skilled, males, young people with a migrant background and refugees are overrepresented groups in temporary agency work."

"The basic skill proficiency of young students remains broadly unchanged, while socioeconomic background continues to have a strong impact on education outcomes."

"Despite excellent employment prospects, fewer students are enrolling in formal VET programmes. Young people increasingly favour academic education over VET: in 2017, 2.7% fewer new students than in 2016 started formal VET programmes. Unfilled training opportunities increased to 57,700 in 2018 from 49,000 in 2017. Regional imbalances in qualifications and jobs appear to be more pronounced (BIBB, 2019)."

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:

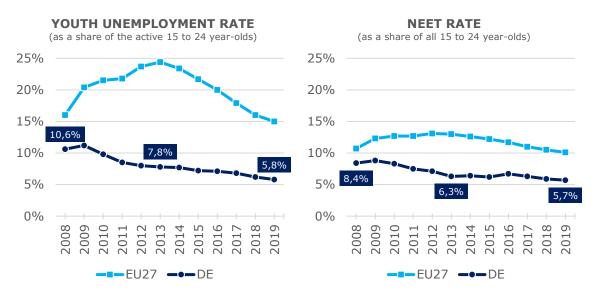
The implementation of the Youth Guarantee in Germany is very advanced. There have been continuous efforts to improve the Youth Guarantee with a number of initiatives in place, such as the youth employment agency service point, the expansion of the instrument for assisted training, and the local youth empowerment programme. The new IT system is expected to improve support for case management. The Alliance for Further Training has been renewed and the lifelong vocational guidance offer has been extended. Germany has pursued enhanced cooperation between the federal government, the Länder and the public employment services. Yet, regional differences exist, and cooperation in rural areas could be improved.

In general, the assessment of the quality of traineeships is positive and the provision of training is successful. Germany has made progress with the promotion of training preparation and vocational training support for foreigners and the integration of young people with a migrant background and refugees, and those efforts need to continue.



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

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 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

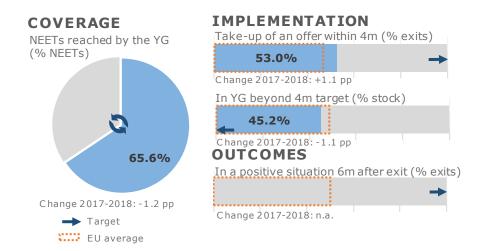
partnerships across all levels and sectors. The Federal Employment Agency (BA) is the key service provider in the German labour market as it provides comprehensive placement into employment and into vocational education -as well as training services for individuals, businesses and other institutions. 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.

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 20 November 2019. NEETs data were extracted from Eurostat, Labour Force Survey on 21 June 2019.

On average during 2018, 45.2% of those registered in the YG preparatory phase had been waiting for an offer for more than 4 months, a slight reduction from 2017 (46.3%) and just below the EU average of 48.6%.

Just over half of those leaving the YG in 2018 (53.0%) took up an offer within 4 months of registration, a slight increase from 2017 (+1.1 pp).

The number of people aged 15-24 registered in the German YG scheme in 2018 was, on average, 65.6% of the number in this age-group identified as NEET in the Labour Force Survey, though it should be noted that the populations may not fully overlap due to differences in definitions and recording methods.

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Previous year

From the 2019 country report (EN - DE):

"On the back of robust economic growth, the German labour market has continued to tighten. Employment is expected to have continued growing by 1.3 % in 2018, pushing unemployment down to its structural level, a record low of 3.2 % in Q4 2018, which is also highlighted in the Social Scoreboard accompanying the European Pillar of Social Rights. Employment growth in 2019 is expected to slow down as compared to 2018 as the labour market continues to show increasing signs of labour shortages. Employment and activity rates continue to improve, but more could be done to tap the potential of certain groups."

"Germany performs well on the indicators of the Social Scoreboard supporting the European Pillar of Social Rights. It has low unemployment, including youth unemployment."

"Disparities in unemployment between east and west have narrowed, yet persist. When the registered unemployment rate peaked in 2006, it was 18.7 % in the eastern Länder and 9.9 % in the western ones. The gap had narrowed by January 2019, with registered unemployment down to 7.1 % in the east and 4.9 % in the west. Though regional disparities in unemployment have narrowed, in January 2019 the registered unemployment rate was as high as 9.8 % in Bremen and 8.1 % in Berlin, well above that of the best performing Länder, Bavaria and Baden Württemberg (3.3 %). Youth unemployment was also particularly high in Berlin in 2017, at 11.6 %, compared to the national average of 6.8 %."

"While Germany's education system has some advantages, it nonetheless faces challenges in terms of equality and needs more resources, more investment. Germany ranks high in employability of recent graduates and has substantially increased participation in early childhood education and care. Still, while participation in education has risen overall, limited progress has been made on reducing the influence of socio-economic and migrant background on educational performance. Vocational education appears less attractive to young Germans relative to educational alternatives than it once did, and the provision of digital education at all levels struggles to meet Germany's ambition as a technological leader."

"The early school leaving rate is close to the national target, but remains high among people from a migrant background. At 10.1 %, the proportion of people aged between 18 and 24 who left education or training early in 2017 was close to the target of 10 %. However, young people born outside Germany have a far higher early school leaving rate than those born in the country (15 pps gap). The same applies to people with disabilities compared to those without (19.1 pps. gap, compared with an EU average of 12.6 pps). This gives cause for concern, given that employment opportunities for low-skilled and unskilled people are dwindling."

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



Links to further information

Youth Guarantee Knowledge Centre - Including promising examples in Germany

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

Youth Guarantee Implementation Plan

http://www.bmas.de/SharedDocs/Downloads/DE/PDF-Publikationen/a761implementierungsplan-jugendgarantie-en.pdf?__blob=publicationFile

Where to register for the Youth Guarantee?

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

Youth Wiki Germany

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