

# **Youth Guarantee country by country**

Sweden October 2020



## **Employment, Social Affairs & Inclusion**The Youth Guarantee country by country - Sweden



## **Table of Contents**

Introduction and context	3
Commission's assessment	
EMCO's assessment	
Youth Guarantee monitoring – Key data	
Previous year	
Links to further information	



#### 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 Sweden. It contains extracts from:

- The country report drawn by the Commission for Sweden 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.

Sweden presented a Youth Guarantee Implementation Plan on 20 December 2013, revised in April 2014.

Sweden is eligible for the Youth Employment Initiative.



#### Commission's assessment

From the 2020 country report (EN - SV):

"The labour market performs well, but the economic slowdown has a cooling effect. The employment rate grew in 2018 to 82.4%, maintaining one of the highest levels in the EU (EU average 73.2%). However, signs point to a slowdown in 2019, with employment declining to 82.1% in the second guarter of 2019. Employment levels vary between various socio-economic groups, from 60.5% among non-EU born women to 87.4% among native-born men. Temporary contracts are slightly more prevalent than on average in the EU (15.0%; EU average 14.1%). Labour shortages and skills mismatches persists, and the integration of foreign born into the labour market remains a key challenge."

"For the labour market, the government achieved some progress in improving the employment situation of young people. Measures to support apprenticeships and other types of work-based vocational education were adopted, but the low-skilled and the non-EU born citizens in particular face high unemployment levels."

"Unemployment is slowly increasing, also for young people. While unemployment was below the EU average in 2018 (6.3%; EU average 6.8%), it was above the EU average in Q3-2019 at 6.9%. The main reasons for this increase were weak job growth and an increase in the labour force, with more people far from the labour market. Youth unemployment increased sharply from 17.4% in 2018 to 19.9% in Q3-2019. The rate of young people neither in education, employment nor training was among the lowest in the EU in 2018, at a rate of 6.1% (EU average 10.4%). However, this number has seen a decrease in 2019, falling to 5.5% in Q2-2019."

"The education system is one of the most digitalised in the EU. Programming is part of the national curriculum and national tests are being digitalised. A digital strategy for schools has been in place since 2017, and an action plan was launched in March 2019, but its implementation is slow, casting doubt on whether the goals of the strategy can be achieved as planned by 2022. The share of young people aged 16-19 with abovebasic digital skills is higher than the EU average (68%; EU average 57%). However, this group reports that overuse of digital technologies prevents them from doing homework and severely reduces reading (Statens Medieråd (Swedish Media Council), 2019)."

"The quality of labour was a major driver of productivity growth before the crisis but its contribution is now moderate. The indicators of labour quality peaked even before the crisis had set in. It has become negative recently, especially in some manufacturing activities (34). The average contribution of labour quality to total factor productivity was 0.3% on average per year in 1997-2007, falling to 0.2% in the crisis years and to 0.1% between 2011 and 2017 (Table 4.4.1). Education levels of younger workers (25- 34 years old) have increased in the last 20 years, but there are some disappointing recent results for particular parts of the population (see Section 4.3.3). The lower education level of the non-EU-born labour force, and their increasing share, has lowered the contribution of labour quality to productivity growth."

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 Sweden is very advanced. Thanks to the Dua initiative, partnerships (which were already performing well) have developed further, and cooperation between municipalities and the public employment services has improved. Personalised quidance, individual assessment and activation strategies are also well developed.

Sweden is also introducing a joint IT system for PES and municipalities to ensure effective evaluation, though developing it fully may be challenging.

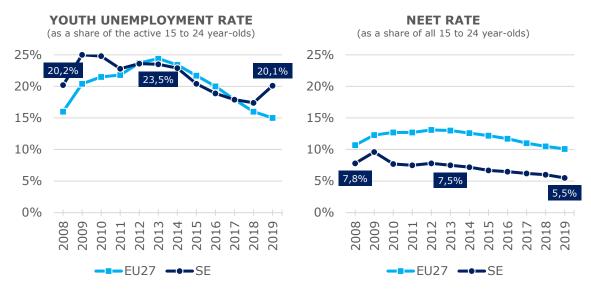
The issue remains broadening the range of outreach measures, in order to also cover inactive NEETs, young people with disabilities, and men and women with a migrant background. Efforts could also be increased to ensure consistency across regions in the quality of services delivered.

In the context of the Youth Guarantee, traineeships have had a positive impact on the integration of job seekers in the labour market, but are used less than other measures. While the regulation of traineeships offered under ALMPs ensures a high level of compliance with the Quality Framework for Traineeships, open-market traineeships lack specific legislation and have limited compliance with the QFT. However, trainees are generally considered as employees and are protected in accordance with Swedish labour law, health and safety at work legislation and collective agreements applicable at the workplace.



### Youth Guarantee monitoring - Key data<sup>1</sup>

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



Source: Eurostat, LFS (une\_rt\_a, edat\_lfse\_20)

#### 2. Youth Guarantee delivery

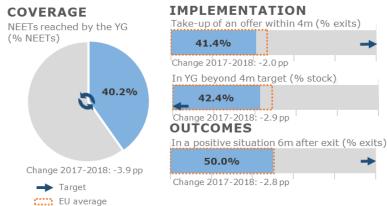
The Swedish Youth Guarantee Implementation Plan was presented in December 2013 and was renewed in April 2014. Sweden has had a strategic policy for promoting youth employment in line with the Council Recommendation on establishing a Youth Guarantee since 2006 and a job guarantee for youth (Youth Job Programme, UGA) was established in December 2007.

The YG scheme in Sweden covers all young people aged 15-24 registered as unemployed with the public employment service (PES). Employment, education, and traineeship offers are provided. Apprenticeships within the YG framework were available only until the end of 2017.

Further information is available in the Swedish 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 09 December 2019. NEETs data were extracted from Eurostat, Labour Force Survey on 21 June 2019.

On average in 2018, more than four in ten (42.4%) of those registered in the Swedish YG scheme at any point during the year had been waiting for an offer for more than 4 months, a decrease (improvement) of 2.9 pp from 2017 and well below the EU average of 48.6%.

Four in ten (41.4%) of those leaving the YG in 2018 took up an offer within 4 months of registration, a reduction of 2 pp from 2017 and below the EU average of 46.7%.

At any point during 2018, four in ten (40.2%) of all NEETs aged under 25 in Sweden were registered in the YG preparatory phase. Coverage of the NEET population has declined progressively since the launch of the YG in 2014, when 63.2% were covered, reflecting falling numbers of unemployed NEETs (37.8% fewer than in 2014). The Swedish YG scheme does not address inactive NEETs, which now account for the largest part (62.3%) of the NEET population (compared to 48.6% in 2014).

Half (50.0%) of those that left the YG scheme in 2018 were known to be in a positive situation 6 months later, but more than a quarter (26.6%) are in unknown situations.



#### **Previous year**

From the 2019 country report (EN - SV):

"Favourable economic conditions keep the Swedish labour market strong. Employment grew from an already high level of 81.8 % in 2017 during the first three quarters of 2018 and is likely to increase further, albeit more slowly. In parallel, unemployment has fallen but is now forecast to level out at around 6 % due to skills mismatch."

"Sweden performs well on most indicators of the Social Scoreboard supporting the European Pillar of Social Rights. [...] The share of young people not in education, employment or training is well below the EU average. [...] Sweden implements policies to make the labour market more inclusive and encourage education and training. Focusing on the young and newly arrived, public employment services and the municipalities work closely together to address the specific needs of each individual job-seeker. This approach has also successfully been used in ESF projects where focus is on matching the needs of employers and young job-seekers (e.g. "UNGKOMP" and "Ung Framtid")."

"Basic skills of the younger generation have improved. According to the OECD's 2015 Programme for International Student Assessment (PISA) survey, student performance improved significantly in mathematics and reading compared to 2012, and remained broadly stable in science. The proportion of low achievers is now close to the EU average in all three core subjects but still higher than in other Nordic countries."

"Sweden's early school leaving rate is relatively low but students born abroad are more likely to leave school early. The overall rate is below the EU average (7.7 % as compared with 10.6 % in 2017), but it has increased since 2014 and there is a growing difference between native-born students (6.2 %) and those born abroad (15.5 %). Since 1 January 2015, municipalities are required to keep records of people under the age of 20 who have not completed upper secondary school and are not in education or training, and to provide them with tailor-made support. Over 100 000 young people (58 % of them men and one-third newly arrived) were registered and eligible to benefit from such support in 2017/2018. The 'introductory programme' at upper secondary level is the most common measure offered by municipalities, designed to help students bridge the gap to the labour market or further education."

"Sweden's tightly regulated rental market can create lock-in and 'insideroutsider' effects. Sweden's rental market has some of the strongest tenant protection rules in the EU (European Commission, 2017a). Rents are mostly set in collective-bargaining-style negotiations (24), which tend to result in below-market rent levels in urban areas (European Commission, 2018a). This creates large demand/supply imbalances and long waiting lists to obtain rental accommodation (Graph 4.2.7). As a result, sitting tenants can have a strong financial incentive not to move, even if their accommodation is no longer fully suited to their needs (25) (Katinic, 2018). Conversely, new entrants, such as students, young households and recent immigrants, face difficulties in getting a foothold on the rental market, thus creating an insider/outsider effect. Indirectly, the latter also contributes to high house prices in the owneroccupier market, as no access to rental housing can push households to purchase their own home."

## **Employment, Social Affairs & Inclusion**The Youth Guarantee country by country - Sweden



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



### **Links to further information**

Youth Guarantee Knowledge Centre - Including promising examples from Sweden

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

**Youth Guarantee Implementation Plan** 

http://www.government.se/sb/d/18384/a/249611

Where to register for the Youth Guarantee?

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

Youth Wiki Sweden

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