

# **The transition from education to working life**

**Key data  
on vocational training  
in the European Union**

**Cedefop Reference series**

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A great deal of additional information on the European Union is available on the Internet.  
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This publication is the outcome of cooperation between the European Commission Directorate-General for Education and Culture, Eurostat (the Statistical Office of the European Communities) and Cedefop (the European Centre for the Development of Vocational Training).

It has come about through the pooling of these three institutions' resources and experience. In this edition, the special contribution made by the Directorate-General for Employment and Social Affairs and the Directorate-General for Research should also be mentioned. We could not have tackled the theme of the transition between education and working life without describing the Community policies for which these two DGs, and others too, are responsible. The European Training Foundation (Turin) has also contributed towards the analysis of the status of young people's entry into working life in the countries applying for accession to the European Union.

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## Preface

When young people enter the world of work and take responsibility for their own lives, they put the years of preparation and their aspirations and attitudes to the test in a crucial transitional period.

These key years are characterised by challenge and insecurity. Young people must draw on all their skills and training to enter and then participate successfully in working and adult life.

How well young people make this transition depends on a number of factors, including their educational attainment, gender, socioeconomic background and nationality.

All European countries try to improve the environment which young people must confront in their transition period. These efforts can be usefully compared. To be effective, policies to ease the burden of transition and improve its outcome must nonetheless rely on young people themselves as the main resource and main decision-makers. The key is to provide them with the skills to face successfully situations, which, to each individual, will be new, complex and challenging.

Hence the key roles of education and training: reducing the number of people who drop out of the school system early, paying attention to people with learning difficulties, providing an open and flexible education and training system, developing computer literacy, equipping schools with computers and facilitating access to the Internet, all aim to help ensure a successful transition to self-reliance. Young people should be equipped with greater ability to adapt to technological and economic changes and with skills that are relevant to the labour market. Apprenticeships and vocational training systems in general must play an important role, and they should be improved and modernised.

However, to be effective, political measures must be driven by objective and comparable information. This report illustrates the information currently available at European level. It contrasts situations in different countries and shows how these are related to the different systems of education and vocational training.

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## Introduction

The first edition of *Key data on vocational training in the European Union*, published in 1997, gave a general picture of vocational training in the Member States and its various stages and modalities, with a breakdown of participants by population groups: young people, adults and the self-employed.

In the second 'Key data', we felt it would be appropriate to take a detailed look at one of the stages of lifelong learning, i.e. its start, through an exhaustive description of the types of vocational training offered to young people in the European Union and the European Economic Area.

In this third edition, the next logical step was seen as filling in the picture already outlined by analysing the pathways taken by young people on leaving the educational system and seeking to enter the labour market.

This is a crucial issue, and one to which the political authorities in the European Union are devoting very special attention. Despite a marked decrease in the number of young people, a general improvement in the standard of qualifications and the lengthening of school education, relatively faster expansion of the sectors that may prefer to take on young people and the development of active measures targeted towards vocational integration, the position of young people at the time of entering the labour market is still difficult.

Very often, they experience higher rates of unemployment than adults, with the less qualified among them being more affected. The jobs they are offered are more often temporary, and they face lengthier periods of transition between education and working life.

In this context, at national level there are a number of specific measures to help young people enter the working world. In addition there are guidelines on employment, issued by European Union ministers, clearly indicating the resolve to take steps at European level.

Nevertheless, there is still no detailed analysis of the mechanisms that come into play when young people seek their first jobs. What role does training perform, how does the labour market work, what are the attitudes of employers to recruitment, etc., and how do these variables combine to affect the pathways taken by young people?

This publication is an attempt to suggest answers to some of the questions on the dynamics of transition. The options for the policies to be implemented and the general direction of specific measures to be recommended need to be made clear by certain empirical data and indicators. An effort should be made to determine whether the measures adopted are sufficient to provide adequate, effective support to young people in the transition phase, with a view to combating unemployment and offering access to quality jobs. The objective is to help every young person to take his or her place in today's learning society.

To contribute towards achieving that objective, this publication sets out statistical information, mainly from the European labour force survey. An analysis of the data, presented in the form of indicators, is placed in perspective by recourse to a conceptual framework that draws on the findings of research on transition rooted in various social and economic theories. The combination of descriptive and analytical approaches gives a clearer understanding of the phenomena at work, but it also reveals the potential of the statistics available to us at the European level — a potential that we are constantly seeking to improve.

There are two special features of this edition compared with its predecessors. First of all, it includes a chapter on the position of young people on entering the labour market in the central and east European countries applying for accession to the European Union. This has been produced by the European Training Foundation, Turin <sup>(1)</sup>. We felt it was important to make a start on providing information on applicant countries that is as comparable as possible, to offer a better understanding of their particular situations and to highlight the similarities with the EU Member States. Thus statistical indicators have been provided for the following countries: Bulgaria, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Slovakia and Slovenia <sup>(2)</sup>.

<sup>(1)</sup> The European Training Foundation is a European Union Agency which started up in January 1995. Its mission is to contribute towards the process of reform of vocational education and training now taking place in partner countries and territories. It also provides technical assistance with the Tempus programme. The Foundation's partner countries and territories are those that are eligible to take part in the European Union's Phare, Tacis and MEDA programmes.

The Foundation works in partnership with the European institutions, the Member States and the development agencies. Its objectives are to:

- sustain the process of reform of vocational education and training taking place in the partner countries and territories;
- support, mobilise, develop and disseminate European expertise and good practice in the field of vocational education and training;
- promote effective cooperation on vocational education and training between the European Union and the partner countries and territories.

The partner countries and territories are:

- applicant States (Bulgaria, Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Romania, Slovakia, Slovenia and Turkey);
- south-east European countries (Albania, Bulgaria, Bosnia and Herzegovina, Croatia, the Former Yugoslav Republic of Macedonia, Romania and Slovenia);
- new independent States (Armenia, Azerbaijan, Belarus, Georgia, Kazakhstan, Kyrgyzstan, Moldova, the Russian Federation, Tajikistan, Turkmenistan, Ukraine and Uzbekistan) and Mongolia;
- non-European Mediterranean countries and territories (Algeria, Cyprus, Egypt, Israel, Jordan, Lebanon, Malta, Morocco, the Palestinian Authority, Syria, Tunisia and Turkey).

<sup>(2)</sup> In 2000, central and east European countries are taking part in the survey on continuing vocational training in the enterprise, to produce comparable data on both the EU and CEECs from this exercise.

The second new feature of this edition of 'Key data' is the contribution made by the Directorate-General for Employment and Social Affairs and the Directorate-General for Research towards the chapter on Community policies. Vocational integration is at the junction of the educational system and the labour market, and any approach must take both spheres into account. Certain Community initiatives focus more on education, others on the labour market. This means that different Community policies and actions come under different DGs. Lastly, one of the Commission's important roles is support for research. The transition between education and working life has of course been studied by many research workers and various transnational projects have been sponsored and funded. The measures and policies implemented by the European Commission are described in Chapter 6.

The picture emerging from Community statistics on educational and training systems, viewed in the light of their relations with the labour market, is gradually being filled in. Through the 'Key data' series, we shall continue to reflect the developments and provide answers to the questions raised by policy-makers and researchers.



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## Statistical sources

### European labour force survey

Most of the statistical information in this publication is derived from the European labour force survey (ELFS), the main source of data on employment and unemployment in the EU. This survey, conducted annually since 1983, is based on the recommendations of the International Labour Office concerning statistics on work, as adopted by the 13th International Conference of Labour Statisticians held in 1982 and subsequently confirmed at the 14th and 15th conferences in 1987 and 1993. It covers the whole of the EU population living in private households. The ELFS consists of two sets of questions on education and training, one on the highest levels of education attained and the other on the participation of individuals in training schemes over the four weeks preceding the survey. The content and methodology of this survey are described in the Eurostat publication *The European labour force survey: Methods and definitions 1996*. For a detailed explanation of how the highest level of education attained based on the ELFS has been coded, see Annex 2.

### Vocational education and training data collection — VET

The VET data collection is a Eurostat product, whose main aim is to compile comparable data on vocational training programmes in EU and EFTA countries and to produce statistical indicators for use by the political decision-makers. It is an annual data collection. Its findings have been used to calculate the indicators describing education and training systems (Chapter 2).

### National data

The indicators presented in the chapter on the position of young people in central and east European countries are based on national data supplied to the European Training Foundation (Turin) by the national observatories <sup>(3)</sup>. The data were compiled by means of a standard questionnaire, using international definitions.

<sup>(3)</sup> The network of national observatories was set up by the European Training Foundation in 1996. Since then, 25 observatories have been brought into being in cooperation with the national authorities of the 24 partner countries in central and east Europe, the new independent States and Mongolia. They identify the priorities and provide strategic advice on developing vocational training by:

- collecting data and evaluating vocational training and education and reforms of the labour market in their countries;
- disseminating information on good practice for vocational training and education and the workings of the labour market in the European Union Member States and other partner countries;
- developing cooperation with international networks and organisations in EU Member States.

## **Indicators on the transition from school to working life: work undertaken by Eurostat since 1995**

Over the last two decades, there has been a growing need for statistics on education and training, both for analysing the improvement in individual levels of education and for studying the existing opportunities for lifelong learning, or again — on the subject with which we are more specifically concerned here — for studying the phenomenon of the transition from school to working life.

The last few years have seen a marked expansion in statistics and studies on the relations between educational training systems and the labour market. This has been the background to Eurostat's decision to embark, especially since 1995, on a series of projects examining existing statistical sources on the transition between school and working life and to develop a number of complementary tools with a view to filling in some of the gaps in this field.

### **Standard module on education and training — Use in the 1998 European labour force survey**

In attempting to respond to the demand for data, the shortcomings of the statistics provided by the authorities have rapidly become apparent, and greater attention is being paid to household surveys that incorporate questions on education and training, even if the surveys are not in themselves directed specifically to those subjects. The ELFS, for example, is an important source of comparable data on levels of education or participation in continuing training.

In efforts to harmonise the questions on education and training in the various Eurostat data compilations, the idea emerged of drawing up a standard list that would gradually be introduced into the surveys.

The standard module, thus defined <sup>(4)</sup>, includes standard questions on individuals' recent or current involvement in training schemes (level, type, duration, etc.) and on the studies they have frequented (level of education, field of training, year in which studies were completed, etc.).

The module was submitted several times to the national ELFS representatives, who adopted it from 1998 on. The new list of questions on education and training featuring in the ELFS can now be used to work out the most suitable indicators for an analysis of lifelong training practices and to study the transition from school to working life <sup>(5)</sup>.

<sup>(4)</sup> <http://europa.eu.int/comm/education/leonardo/leonardoold/stat/trainingstatis/areas/area7.html>

<sup>(5)</sup> The reader is referred to Annex 2 for the list of questions and codes for this new standard module.

## **Research evaluating the labour force surveys and the European Community household panel (1996/97) <sup>(6)</sup>**

The first question that arises in an analysis of transition is its definition. Integration (or transition) can be regarded as 'a time process leading from the educational system to a relatively stable position in the employment system'.

Based on this definition, it is important to construct comparable groups of individuals involved in the transition process, bearing in mind the fluidity of transition, which typically includes intermediate situations and breaks. In particular, it is hard to identify the point at which transition begins.

In the two surveys available, at best a relatively broad approximation of the concept of 'school leavers' can be arrived at based on the ELFS by comparing the status of individuals from one year to the next, as well as the status of labour-market entrants based on the household panel.

For unemployment, drawing on the potential indicators offers partial answers to the following questions. Is the risk of unemployment greater if only a short period has elapsed since training? To what extent does job experience influence this risk? What role does training perform in combating unemployment?

The Eurostat unemployment indicators are:

- quantitative (rate of unemployment, proportion in the population);
- length of unemployment;
- mobility of the unemployed from year  $t - 1$  to the various types of labour market status (no longer unemployed, continued unemployment or return to unemployment).

As regards employment, the essential transition-linked questions are the following. Do young people experience special working conditions? What is the relationship between the training they receive and their employment?

The indicators that can be calculated on employment are:

- quantitative (rate of employment or proportion of the population in employment);
- mobility from or to employment: the percentage of individuals remaining in a workplace (level of security), the percentage having left for another job, the percentage returning to unemployment or non-activity;
- the characteristics of new recruits (the origin of individuals who have been in a job for less than a year);
- the various forms of occupational status: paid employee, self-employed, family aid;
- the nature of the paid employment relationship: indefinite or fixed-term contract;
- hours of work: full-time, part-time; standard hours of work, those actually worked, special situations; part-time to allow for training;
- job-linked training (either under a contract of employment or associated with the hourly working arrangement);
- occupations performed;
- size of the enterprise and economic sectors;
- remuneration.

<sup>(6)</sup> Under the first phase of the Leonardo da Vinci Community programme, an evaluation was made of the European Community household panel (ECHP) and the European labour force survey (ELFS) to analyse the transition of young people from school to work, in partnership with the Centre d'études et de recherches sur les qualifications (CEREQ).

There are several stages in the use of the European Community household panel in order to arrive at a relatively detailed construction of educational system leavers.

In the ELFS, fairly solid information on unemployment and employment is already available, but as things now stand the only factor that can be relied on with certainty is information on age groups. Calculating activity and unemployment as defined by the International Labour Office minimises or conceals dual employment/training status situations and 'youth' measures. It also limits the capacity to evaluate the continuation of studies. Before more suitable transition indicators can be calculated from the labour force survey there needs to be fuller information on training: the date of the highest diploma, the consecutive years of further training, fields of specialist training, pay and earnings from paid employment.

In this respect, the complementary module to the ELFS, focussing on transition matters and due to come into use in 2000, may provide fresh information.

### **Ad hoc module on the 'Transition from school to work' for the European labour force survey 2000**

The sources of international data available on the transition are not very numerous and lack comparability, which greatly affects their use <sup>(7)</sup>.

As a result, as an addition to ELFS 2000, further information on the subject of young people's transition has been compiled.

The target group for the ad hoc module consists of all under-35s and those who have left the educational system in the past 10 years (at least once and in a significant fashion).

For this survey group, a number of sub-themes have been defined, bearing in mind the constraint of the limited size of the module (a maximum of 11 questions). The content decided upon is as set out in Annex 2.

The preliminary findings are expected in early 2001.

<sup>(7)</sup> We should point out, however, that remarkable work has been done by a group of research workers on behalf of the Commission, its aim being to compare national surveys on school leavers: Hannan, D. et al., 1998, 'Leonardo, vocational training and labour market transitions in France, Ireland, the Netherlands and Scotland (VTLMT)', final report, December 1998. This work is continuing under the CATEWE project, financed by the Directorate-General for Research (see Chapter 6).

## Symbols, codes and abbreviations

### Symbols and abbreviations used in the tables and indicators

NA = not available

\* = estimate

— = non-existent

. = non-significant

#### Abbreviations

##### European Union Member States

B	Belgium
DK	Denmark
D	Germany
EL	Greece
E	Spain
F	France
IRL	Ireland
I	Italy
L	Luxembourg
NL	Netherlands
A	Austria
P	Portugal
FIN	Finland
S	Sweden
UK	United Kingdom

##### Central and east European countries

BG	Bulgaria
CZ	Czech Republic
EE	Estonia
HU	Hungary
LV	Latvia
LT	Lithuania
PL	Poland
RO	Romania
SI	Slovenia
SK	Slovakia

##### Other countries

CA	Canada
CH	Switzerland
JP	Japan
US	United States of America

#### Other abbreviations used

CEEC	central and east European countries
DG	Directorate-General
E & T	education and training
EFTA	European Free Trade Association
ELFS	European labour force survey
ETF	European Training Foundation
EU	European Union
EU-15	European average
ISCED	International Standard Classification of Education
LM	labour market
UOE	Unesco–OECD–Eurostat questionnaire
VET	vocational education and training

# 1

## **A conceptual framework for the analysis of young people's school-to-work transition**



Over the past 20 years, the issue of school-to-work transition has gradually entered into the political and social debate in the various European Union countries. Interest in this question has arisen from concern about the difficulties being encountered by young people on the labour market, a factor that emerged at the end of the 1970s in some countries, later in others. For example, youth unemployment made its appearance in Germany and Sweden later than elsewhere; it was linked with the economic situation and concentrated among less-advantaged groups. At first it was thought that the difficulties encountered by young people would be offset by the combined effects of the declining size of generations arriving at adulthood, technological change (which it was assumed would favour new arrivals on the labour market) and the marked rise in the level of education of young people, encouraged by active educational policies. In the event, however, this was not to be the case (European Commission, 1996; OECD, 1999).

Although school-to-work transition is now regarded as a major social issue, we are still far from reaching consensus as to the approaches to be adopted in its analysis or the theories explicitly or implicitly underlying it <sup>(8)</sup> (see Box 1). A topic of concern for economic and social operators and for the authorities, it also reflects different public-sector policy objectives listed below.

- **Evaluate the training provided in the educational system.** That is, measure the return of different types of training on the labour market to reveal any shortcomings in the content or quality of initial training, compared with the demands expressed by employers. The diagnoses arrived at in this manner will suggest corrective policies to adapt the training provision more closely to expectations in the workplace. If the problem lies not with the content of the training but with inadequate guarantees as to its quality, the type of action preferred is certification.
- **Limit youth unemployment and prevent the exclusion of young people from employment.** In the great majority of countries, the young are a particularly vulnerable group on the labour market, in common with other social groups <sup>(9)</sup>. Certain public policies are thus directed towards providing young people with their first experience of employment to facilitate their more lasting integration. For the least qualified, efforts are made to restrict the risk of exclusion by offering opportunities for additional training or work. Public-sector measures may also perform a contra-cyclical role by helping to limit youth unemployment in an adverse economic situation.
- **Promote the integration of young people in the workplace, bearing in mind employers' recruitment and labour management policies.** A public measure to promote jobs for young people, whether it consists of funding additional training or reducing the cost of the employee to the employer or whether it combines both aspects, does not have a uniform impact. Its effects will depend on the attitudes of the employers taking advantage of the measure, and an analysis of that diversity is needed when defining and evaluating public policies.

In this publication, the approach we have adopted is to place the emphasis on the impact of employers' practices on young people's access to jobs.

<sup>(8)</sup> Several projects on the initiative of the European Union have been comparative studies of vocational integration (see Chapter 6).

<sup>(9)</sup> The least-qualified people in employment and women are also more often exposed to unemployment and under-employment, although in different ways in individual countries (Bouder, 1997).

**Box 1****School-to-work transition as seen by the economy:  
various theoretical approaches proposing a range of different solutions  
for public action****Certain theories place the stress on individual behaviour.**

Some focus on training (human capital), others on employment (seeking theories), the imperfect nature of the information exchanged by agents (filter and signalling theories), job rationing (competition theories) or the choice of the 'right' enterprise through trial and error (matching theories).

- With human capital theories (Becker, 1993; Parent, 1995), the focus is training itself. An individual invests in training so long as it adds to his production capacity. Training ends once the updated cost of an additional quantity of training is greater than the updated return — estimated in the form of additional remuneration — that the individual can expect from it.
- Unlike other job-centred theories but also adopting the individual's viewpoint, the job-search theories (Mortensen, 1986; Van Den Berg and Van Ours, 1994) assume that an individual will or will not accept the jobs he is offered depending on his 'reservation' wage (minimum level of pay, which can be revised upwards or downwards depending on his career progression).

Other theories place the emphasis on the imperfection of the information received by the agents, while retaining the 'perfect competition' framework as the reference equilibrium.

- In a market where information on individual productivity is imperfect, the filter theory (Arrow, 1973) postulates that a diploma reveals individuals' innate productive capacity, and for this reason it is used as a recruitment criterion not as proof of the acquisition of knowledge or skills. In a context of imperfect information, a diploma may also be one of the signals (Spence, 1974) enabling employers to estimate the potential productivity of candidates for recruitment, but this productivity is no longer supposed to be innate.
- In job-competition theory (Thurow, 1975), the setting is a universe where jobs are rationed. The diploma then functions as a criterion for ranking job applicants, with diploma holders being assumed to have a greater ability to learn through experience.
- Job-matching theories (Jovanovic, 1979) also take employers' behaviour into account. Not all employer/employee matches are equally good, and their quality is tested in the workplace. Research on good matching takes the form of a series of experiments at the start of working life.

### **Other theories are based on the factors determining the demand for labour.**

Company recruitment strategies and, more broadly, company strategies on workforce management are at the heart of these approaches.

The hypothesis that there is a single model of behaviour for enterprises, inferred from the canonical rules of perfect competition, is challenged.

- For instance, segmentation theories (Doeringer and Piore, 1971) reason in the context of markets where the perfect competition model is no longer the point of equilibrium.
- Taking a more macroeconomic view, Marsden (1986), who also places greater emphasis on the role of institutions, describes a complex labour market. He argues that the many operators on the labour market act individually and collectively in a given historical, economic and social context. They organise themselves and establish dynamic rules, defining a particular societal configuration. In this framework, the production of qualifications and renewal of labour arise from the global organisation of working relations and the organisation of the labour market. Transition patterns then reflect the manner in which young people are integrated in the labour market, rather than just the stigmatising nature of certain individual attributes. Thus Garonna and Ryan (1989) identify three systems of regulation of transition according to the predominant method of organisation on the labour market: regulated inclusion, selective exclusion and competitive regulation (see Box 2).

For further information, see Cahuc and Zylberberg (1996).

The main concern of this publication is to determine the specific place that employers allocate to **labour-market entrants**, a group whose essential characteristic is lack of experience on the labour market, and the resulting effects on the occupational pathways taken when embarking on working life.

Young people and labour-market entrants are two groups that largely overlap, and analysis of the subject **labour-market entrants** has traditionally been linked to young people. Having developed their work on the contributions to and the limits of an age-group approach in shedding light on the situation of labour-market entrants, the cross-reference grid suggested by Garonna and Ryan (1989) on the position of young people in the system of work relationships by which labour markets are organised throws direct light on the characteristics of these labour-market entrants. The objective, therefore, is to identify the space allocated to young people compared with other workforce groups, more specifically the group of workers who are already 'established' and have more work experience. This is a multidimensional analysis covering the conditions of access to jobs, the conditions of recruitment and the nature of jobs offered to labour-market entrants. It covers a range of questions such as those listed below.

- Do labour-market entrants face particular difficulties in finding jobs?
- Once they are in a job, does the content of the job they do (listed by the type of enterprise taking them on, the nature of the post) differ from that of more experienced adults? In each individual country, is the employment of labour-market entrants more or less polarised in certain types of enterprise and posts?
- Do the employment conditions of labour-market entrants differ from those of the working population with job experience: are they more likely to be hired for fixed-term or for part-time jobs?

In general, transition may be described as a dynamic process whereby a person moves from the educational system to a relatively stable working status. The young entrant gradually acquires experience on the labour market and transforms knowledge acquired through training into working skills. The economic situation and the forms in which the labour market is organised obviously have a major effect on the process of vocational integration. But this process is also influenced by the nature of the national educational system and the way it is perceived and used by the production system (see Box 2).

## Regulated inclusion, selective exclusion or competitive regulation?

### Box 2

Garonna and Ryan (1989) identify three ways in which young people are integrated into the economy. The first two — regulated inclusion and selective exclusion — are linked to the form of labour market organisation in which skilled jobs are dominant. The third — competitive regulation — may be applied to both skilled and unskilled jobs in a context of aggravated competition between the members of the active population for access to jobs.

- The first method of regulation identified by Garonna and Ryan is **regulated inclusion**, in the context of dominating occupational labour markets. In this type of system, skills are transferable. Initial training is acquired through alternance training, usually in apprenticeship. Its content, together with the number of places offered, is negotiated between the social partners. During apprenticeship, the young person acquires not only the general and specific skills regarded as necessary in practising the trade that has been learned, but also experience of the workplace and its rules. Certification of training allows admission to the corresponding occupational market. Pay is linked with individual qualifications, and the acquisition of new skills is reflected in pay levels. This organisation of labour markets assumes that there is an attitude of cooperation among employers, on the one hand (if a number of employers recruit skilled workers without themselves contributing towards the training effort, it disrupts the balance of the system), and between employees and employers, on the other. In such a system, qualified youngsters are integrated without being declassified and the forms of training offered match fairly closely the supply of jobs. The risk of youth unemployment among diploma-holders, therefore, is roughly the same as for adults. However, young people without certified training are at a disadvantage.

- **Selective exclusion**, in a context of dominating internal labour markets, is the second mode of regulation identified by Garonna and Ryan. In the internal segment of the labour market, at the time of recruitment, employees come into an enterprise at the bottom and gradually progress upward through length of service and internal promotion. In this system, skills are not transferable and pay levels are associated with the positions occupied, not the characteristics of the individuals occupying those posts. Once an employee leaves an enterprise, his skills are not generally recognised outside. Labour-market entrants, who by definition lack experience, are at a disadvantage in gaining access to internal markets. Access to these markets is restricted and is organised according to the model of competition for employment described by Thurow (1975). Young people at the start of their working careers are usually those who are excluded; the reason for the term 'selective exclusion'. Among labour-market entrants, those holding diplomas or titles, as well as an accumulation of work experience already acquired elsewhere, tend to be at the front of the queue for access to internal markets.
- **Competitive regulation** is the third mode of regulation that may come into play when young people enter the world of work, according to Garonna and Ryan's typology. In this setting, what employers look for is short-term profitability. In a context of high unemployment, employers take the maximum advantage of the competition between experienced workers and labour-market entrants, exerting pressure to keep wages down and using flexible forms of employment contracts (short-term jobs, insistence on part-time posts). Employers may choose to recruit young people on lower wages rather than adult wage-earners. Garonna and Ryan cite the example of apprenticeship in the UK in the 1930s to illustrate this manner of regulation, but they also suggest trends in the direction of this model in today's economies in the UK and the US.

<b>Internal or occupational labour market for skilled jobs</b>		
<b>Typical characteristics of work relations</b>	<b>Type of dominating market</b>	
	<b>Occupational labour market</b>	<b>Internal labour market</b>
<b>Qualification acquired ...</b>	... in alternance	... in the workplace
<b>Nature of skill</b>	Transferable if there is mobility	Non-transferable
<b>Rule determining pay level</b>	The qualification	The post
<b>Career progression</b>	Depends on improvement in competences	Depends on seniority in the workplace
<b>External mobility</b>	Average	Low
<b>Basis of union organisation</b>	The occupation	The enterprise or branch
<b>Unemployment among labour-market entrants</b>	Similar to that of adults	Greater than that of adults
<b>On recruitment</b>	No downgrading	Downgrading
<b>Dominant model of labour-market entrants' integration</b>	Regulated inclusion	Selective exclusion

# 2

## **General education, vocational training: the institutional characteristics of national educational systems**



The labour market entry patterns are very much influenced by the ways in which the individual national educational systems are organised. Each education and initial training system performs a particular social function and is the product of the country's social, economic and political environment. The nature of the knowledge dispensed, the emphasis placed on preparing pupils for the realities of the working world, and the proximity of the training content and job expertise are all factors differentiating national educational systems.

The combination of these national characteristics produces specific forms of vocational integration for young people. Firstly, young people are involved in the transition process at different ages depending on the level of education attained. Similarly, the duration of the transition process and the associated forms of activity differ from one country to another. In principle, the process is lengthier if the emphasis is on general education but there are potential outlets in a wide range of activities. The process is relatively shorter if there is substantial vocational training which is recognised by employers or if initial training has offered initial experience of the workplace.

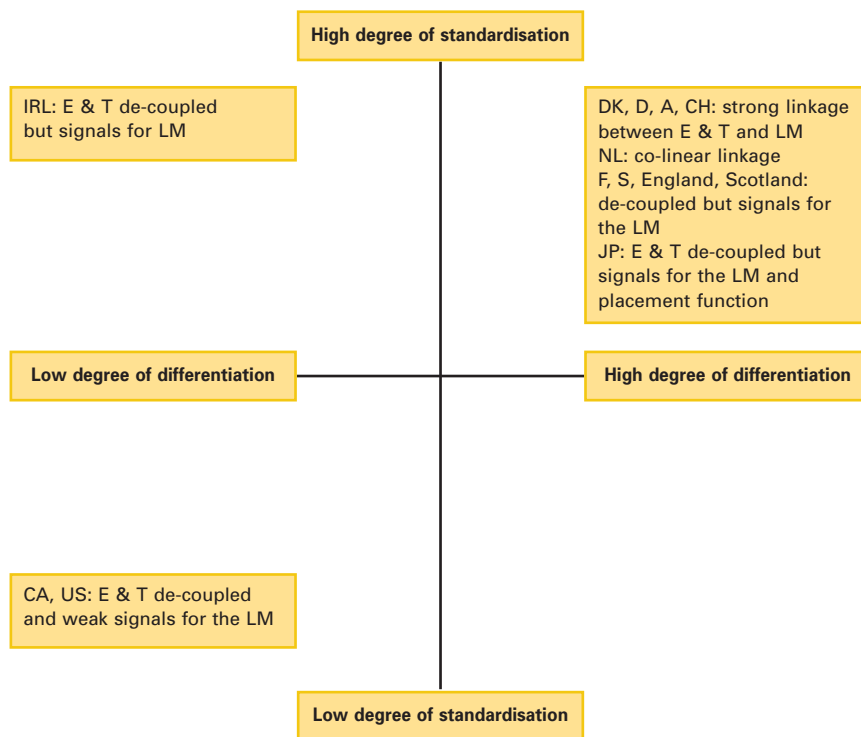
## Box 3

**Organisation of the education system and vocational integration**

In sociology, social stratification within the educational system and its impact on the transition have been the subject of research (Alldeminger, 1989; Blossfeld and Shavit, 1993; Shavit and Müller (eds), 1998). Research on this factor has identified three aspects of the organisation of the educational system pertinent to a study of vocational integration.

- The degree of institutional standardisation: relative centralisation of national curricula and examinations.
- The scale and nature of differentiation within the system of education and training:
  - separation and respective importance of general and vocational education (age and degree of selection for the various streams);
  - formal differentiation or gradation of educational results (hierarchical classification, nature and stringency of selection).
- The links between the education and training system (E & T) and the labour market (LM). Based on a typology drawn up by Hannan et al. (1996), the links between education/training and the labour market could be qualified as follows:
  - **strong linkage** (dual system): with both employers and schools jointly involved in the provision of training, and with the employers and education/training providers coming to an agreement on the educational prerequisites for the different occupations (occupational labour market) — German-speaking countries and Denmark;
  - **co-linear linkage**: where there is training for specific occupational positions (occupational labour markets) but there is little or no joint provision of training by employers and education/training providers — the Netherlands;
  - **de-coupled but strong signals from schools to the labour market**: educational results are certified by the authorities and used by employers in their recruitment decisions; the close match between educational results and the labour market is less in terms of content than in the level of the diploma — English-speaking countries, France and Scandinavia;
  - **the placement function is performed by the schools**: employers may be directly linked to the school-based guidance services which perform a role of job placement on the labour market — Japan;
  - **de-coupled with weak market signals**: where there is little correspondence in level or content — United States.

### Typology of links between education/training (E & T) and the labour market (LM): cross-classification by level of standardisation, differentiation and liaison



Source: based on Hannan et al. (1996).

The typology of countries thus established highlights the relatively minor divergences between European countries in the degree of standardisation of their secondary-level E & T — at least by comparison with Canada and the US. Most north and west European countries are in the ‘standardised’ category. Nevertheless, especially at the secondary level, there are substantial divergences not only in the degree of differentiation but also in the relative importance of apprenticeship/alternance measures in the integration between VET and the LM. In analysing transition in the EU context, the extent of these institutionalised differences is of particular interest.

## A great diversity in the organisation of national educational systems

*In the EU, 58 % of pupils in upper secondary education are in the vocational stream.*

The institutional format of each national educational system has a major impact on the process of transition of young people. There seem to be several determining factors: the configuration of the supply (number of pupils and students by level), the relative importance of general education and initial vocational training, and also employers' commitment to vocational training, which may be judged from the extent of training in the work situation and from the role of enterprises in defining the content of training. The existence of a system of certification of vocational training recognised by employers — an indicator of the value of a vocational diploma on the labour market — is also an important factor. Institutional and organisational differences in educational systems are to an extent reflected in Graphs 2.1 and 2.2 <sup>(10)</sup>.

Graph 2.1 gives a breakdown of participants at ISCED level 3 <sup>(11)</sup> by general education and vocational education and training (VET). It also shows the various methods of organising vocational training, in terms of the relative proportion of different places of training, and therefore indicates the proportion of young people acquiring experience of the workplace in the course of their initial training.

In the EU on average, 58 % of pupils enrolled in upper secondary education are in the vocational stream. Most countries are close to this average (Sweden, Finland, France, Denmark, United Kingdom, Belgium and Luxembourg). A few countries place greater weight on vocational training (the Netherlands, Germany, Italy and Austria), with over 70 % of pupils taking such courses. In contrast, general education predominates in Ireland, Portugal, Spain and Greece, where 25 to 47 % of pupils are in the vocational stream.

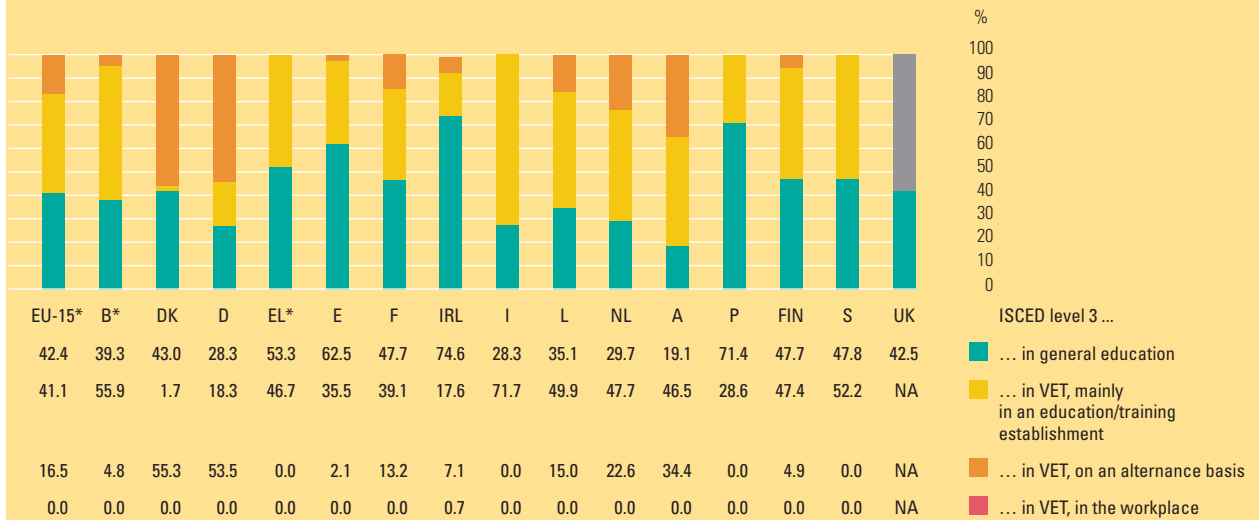
The organisation of vocational training may also take different forms depending on the degree of employer participation, which varies widely from one country to another. Where general education predominates, vocational training tends to take place within the school. In those Member States where VET is in the majority, the methods of its organisation vary widely. Training in the school environment broadly predominates in Belgium, France, Italy, Luxembourg, the Netherlands, Finland and Sweden, although alternance training under a contract of employment may also cover part of the training provision. On the other hand, alternance accounts for a very substantial proportion of programmes in Denmark, Germany and Austria.

<sup>(10)</sup> For an exhaustive statistical presentation of different systems of vocational training for young people, see European Commission (2000).

<sup>(11)</sup> For details of the International Standard Classification of Education (ISCED, 1976), see inside back cover. This classification was revised in 1997 to allow for recent changes in education, especially in VET.

Breakdown of general education and VET at ISCED level 3

Graph 2.1



UK: data not available by place of training

Source: Eurostat, UOE questionnaire and VET data collection, 1995/96.

**Methodological note**

Mainly in an educational/training establishment: 75 % or more of education/training time is spent in an education/training establishment, the remainder being spent in a work environment (an enterprise or other).

Alternance: from 10 to 74 % of education/training time is spent in an education/training establishment, the rest in a work environment (enterprise or other).

In the workplace: less than 10 % of education/training time is spent in an education/training establishment, the rest in a work environment (enterprise or other).

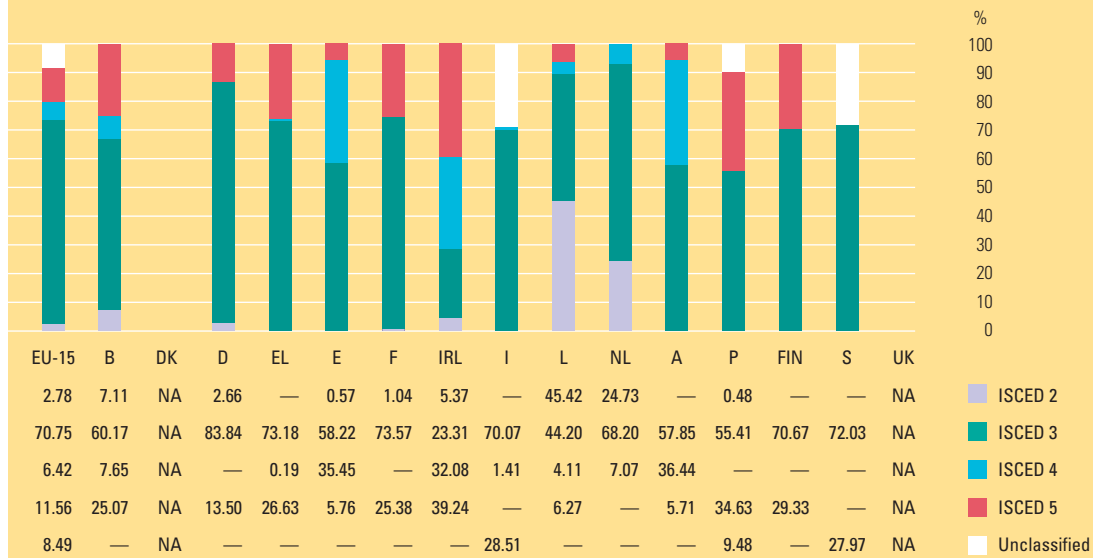
***The extent of contact with a work environment during vocational training differs considerably from one country to another.***

The extent of contact with a work environment during vocational training therefore differs from one country to another. The world of initial training and the world of the enterprise are in some cases clearly separate, in other cases far more closely connected. On average, in the European Union during school year 1995/96, 44 % of young people on an initial training course had no contact with a workplace. This is the case of the majority of young people in certain countries: 65 % in Greece, 80 % in Spain, 82 % in Luxembourg and 90 % in Finland.

Initial training is mainly organised at the upper secondary level in all EU Member States (see Graph 2.2). The extent of higher-level vocational training (ISCED 5) differs widely. It is non-existent in Italy, the Netherlands and Sweden, whereas more than one out of four young people were in higher-level VET in school year 1996/97 in Belgium, Greece, France, Ireland, Portugal and Finland.

Breakdown of initial education and training by ISCED level

Graph 2.2



Source: Eurostat, VET data collection, 1996/97.

**Methodological note**

In this graph, the revised version (1997) of the ISCED classification is used: ISCED 2 = lower secondary; ISCED 3 = upper secondary; ISCED 4 = non-higher post-secondary education; ISCED 5 = first level of higher education; see inside back cover.

# 3

**Where does  
the transition process begin?**



## Before the transition: the end of education and initial training

Given the wide structural diversity of European educational systems (see Chapter 2), the transition process does not begin at the same age in every country. Even within a given country, the age at which the transition starts may differ considerably depending on the level of education attained. The proportion of young people in initial training (including higher education and alternance), according to a detailed breakdown, shows that the transition may start early or late. From Graph 3.1, it is evident that not all young people enter the transition phase at the same age. There are several national profiles, depending on the pattern in a country compared with the European average.

In Belgium and France, which form the first group, the proportion of young people in initial training is close to the European maximum up to the age of 22 and is at the minimum from the age of 24. A characteristic of these two countries is the large number of young people continuing at school after the end of full-time compulsory schooling. Beyond the age of 24, on the other hand, the proportion of students there is lower than elsewhere.

***Young people do not all go through the transition phase at the same age.***

The second group consists of Spain, Italy and Portugal. The proportion of young people under 20 in education is lower than the European average. After 20, the proportion of young people in training is intermediate.

In the third group, including Greece, Ireland and Luxembourg, the proportions of young people in training are intermediate up to 22 and low beyond that age.

The fourth group — Denmark, Germany, the Netherlands and Finland — has very high proportions of young people in initial training at every age. The number in apprenticeship is the reason for Germany's relative position; in Denmark and the Netherlands, besides apprenticeship, there is also a high percentage of young people in employment continuing their initial studies.

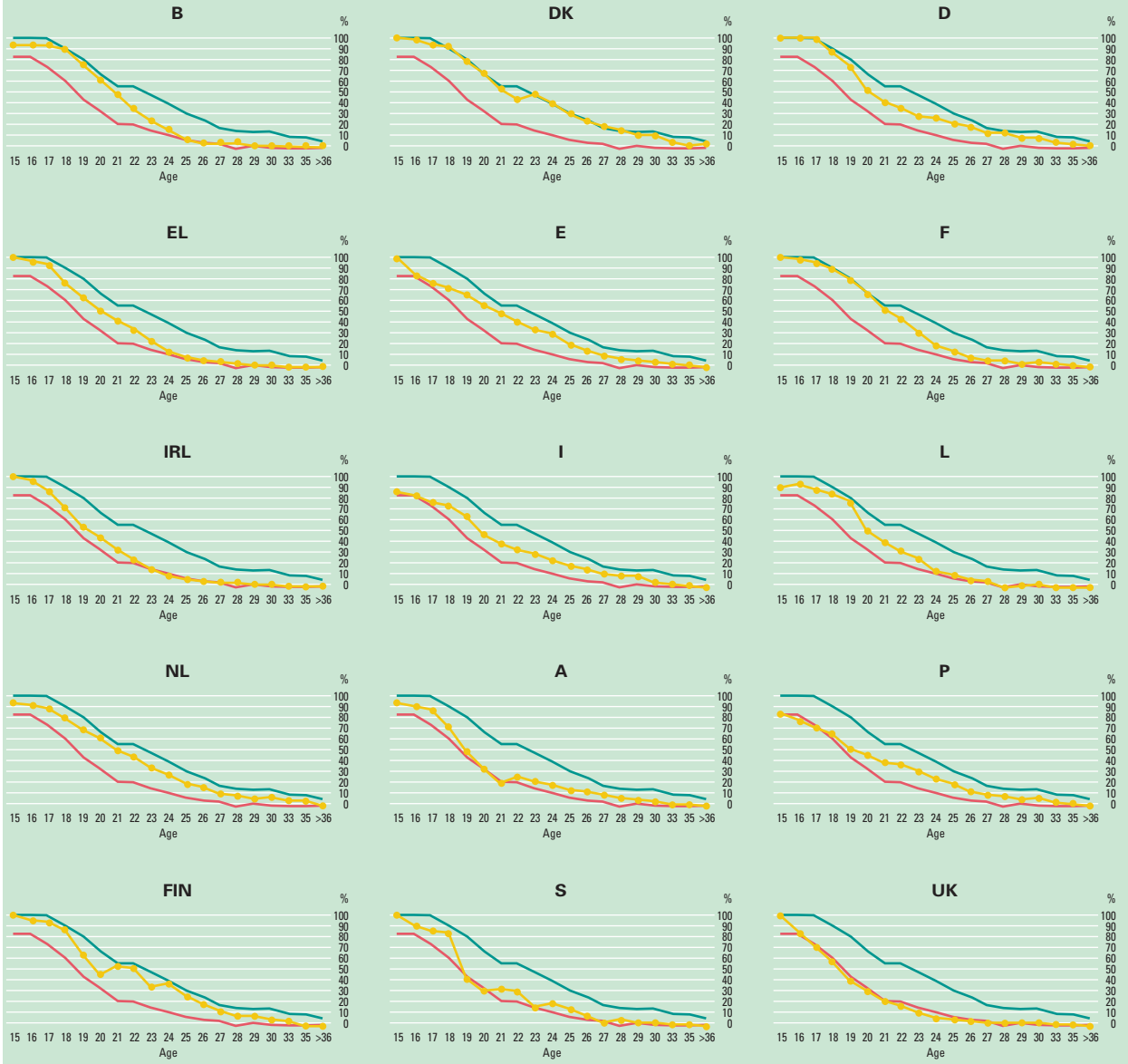
Austria and Sweden have high proportions of students up to the age of 18, and intermediate proportions thereafter.

Lastly, a feature of the United Kingdom is that it has the lowest proportion of young people in training at every age over 17.

Apart from the characteristics of educational systems, a look at a few simple indicators for activities by detailed ages shows the diversity of access to the labour market.

Proportion of young people in initial education, by age

Graph 3.1



— minimum at each age for all EU countries  
— maximum at each age for all EU countries

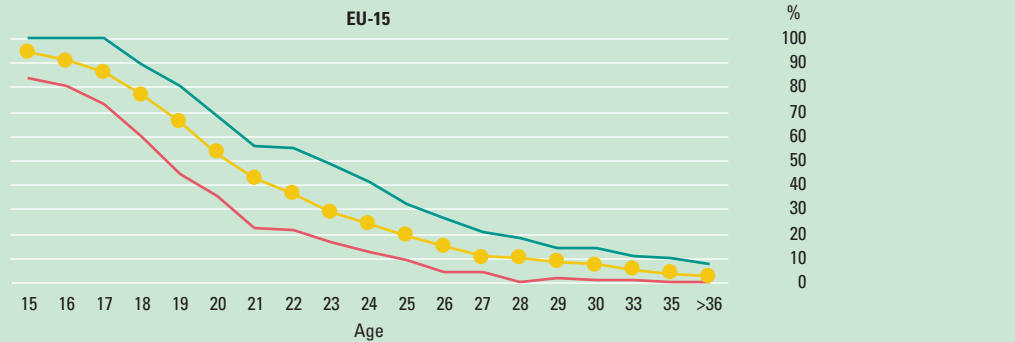


Table in Annex 5.  
Source: Eurostat-ELFS, 1997.

## Young people's participation in the labour market: a wide variety of patterns <sup>(12)</sup>

### The age breakdown of employment and unemployment

Once the transition process has begun, two types of situation predominate: periods of unemployment reflect the effort to gain access to jobs and are interspersed between periods of work. There is a gradual but inexorable increase in the latter as age rises, whereas the former vary in intensity (levels of unemployment differ from country to country) and are either more or less transitional (the range of age groups particularly affected may be more or less wide).

### Rate of unemployment

*The rate of unemployment is high in certain countries, so that they come close to the selective exclusion standard model, average in others, and may even be moderate in one group of countries, close to the model of regulated inclusion.*

The rate of unemployment (Graph 3.2) shows the intensity of the risk of youth unemployment; the graph relates the number of unemployed to the size of the active population (the unemployed and individuals in employment). As a European average, the rate of youth unemployment in 1997 appears high, standing at about 25 % between the ages of 20 and 22, declining to 16 % at 25 and to below 10 % after 30. These averages conceal widely varying national situations. The rate of unemployment is high in certain Member States, bringing them close to the **selective exclusion** standard model, average in others, and may even be moderate in one group of countries, close to the model of **regulated inclusion**. Spain, Greece, France, Italy and Finland have a high rate of unemployment among the under-25s. The rate of unemployment in Portugal and the United Kingdom is markedly lower — below 20 %. The position of Ireland is close to the two preceding countries, but it has a higher rate of unemployment among the under-21s. The rate of unemployment in Belgium and Sweden is close to the European average. Young Danes, Germans, Luxembourgers, Dutch and Austrians over the age of 19 have a moderate risk of unemployment, about 10 % or under. In these countries, after 20 the rate of unemployment varies little at any age.

<sup>(12)</sup> For the definitions used for the employment, unemployment, education and inactivity categories, see inside back cover.

Detailed breakdown of youth unemployment, by age

Graph 3.2



— minimum at each age for all EU countries  
— maximum at each age for all EU countries

EU-15

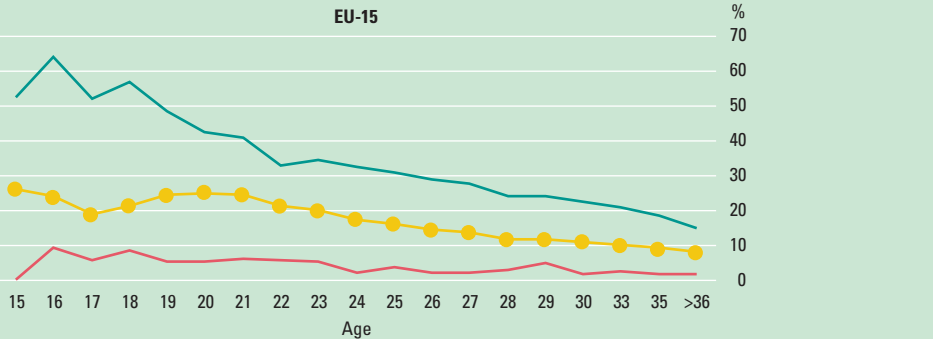


Table in Annex 5.  
Source: Eurostat-ELFS, 1997.

*As a European average, the proportion of unemployed young people rises to a maximum at the age of 21, falling back thereafter.*

### **Proportion of youth unemployment**

When unemployment is expressed as a proportion of the population in each generation the viewpoint is altered (Graph 3.3). This time it is the relative scale of unemployment among young people of a given age that is measured. Unlike the rate of unemployment, which is based on the active population, it is the number of unemployed as a proportion of the total number in each age group that is calculated here; in other words including those frequenting initial training and those who, without being in training, are not engaged in a working activity. The proportion of young people not engaged in work or training is small. The main difference between the rate of unemployment and the proportion of unemployed by age, therefore, is due to the percentage of young people still in training. The proportion of unemployed is always lower than the rate of unemployment, and this gap may be wide at the ages at which a large number of young people are still studying full-time. As regards comparison of the rate of unemployment, the countries in which full-time studies are pursued longer are better placed in the classification, whereas countries in which people start their working lives early are in a less advantageous position.

These two indicators, the rate and proportion of unemployment, shed additional light on the situation. In France in 1997, for example, around 10 % of under-19s were unemployed, whereas the rate of unemployment at the same age was over 40 %. A comparison of these two sets of information shows that there is a high risk of unemployment in this country, especially for people ending their studies early and whose diplomas are at a lower than average level.

In Germany and the United Kingdom, the difference between the rate and the proportion of unemployment is not very marked, but for different reasons. In the United Kingdom, this narrow gap is due to the earlier age at which studies end, whereas in Germany the frequency of apprenticeship, which is regarded as a work situation, has the result of bringing the denominators used in the two ratios far closer. In all the other countries, the proportion of unemployed is considerably lower than the rate.

In Europe, the average proportion of unemployed young people rises to 15 % at the age of 21, falling back thereafter.

Proportion of young unemployed people, by age

Graph 3.3



Table in Annex 5.  
Source: Eurostat-ELFS, 1997.

*Although the proportion of young people in employment rises with age throughout the European Union, the pace of growth differs from country to country.*

*The group of inactive young people is small, but it rises with age.*

### **Proportion of young people in employment ...**

Although the proportion of young people in employment rises with age throughout the European Union, the pace of growth differs from one country to another. The proportion of young people in employment rises rapidly by about the age of 22 in Ireland, Luxembourg and Portugal, and by about 25 in Belgium, France, Finland and Sweden (Graph 3.4). It is lower than the European average at every age in Greece, Spain and Italy.

It is in Denmark, Germany, the Netherlands, Austria and the United Kingdom that young people are more frequently in a job. But a high rate of employment at the younger ages does not in itself mean that the transition process is early and short. The jobs occupied by younger people do not take the same form in these five countries. Depending on the country, they may be closer to alternance training, jobs in parallel with the prolongation of studies, or more conventional employment situations.

### **... and the proportion of non-active young people**

Unlike those in employment and unemployment as described above, some young people may, by personal choice or through discouragement, adopt the attitude of withdrawing from the labour market without working or frequenting training. From an occupational viewpoint, they are then classified as 'non-active not frequenting training'. This group is small but rises with age (from 5 % at 18 to 10 % at 25, and 13 % at 30 in the European Union). The country in which the fewest young people are in this position at any age is Denmark. It is rare for a young man or woman to be non-active before 30 in Germany, Belgium, France, Austria, the Netherlands or Finland. Inactivity, especially among young women, is higher in Spain, Ireland, Luxembourg and the United Kingdom after the age of 25. In Sweden, inactivity reaches a peak of 20 % at 19 to 20, and then falls back to a moderate level. The countries in which youth inactivity, except for initial training, is most common are Greece and Italy.





Table in Annex 5.  
Source: Eurostat-ELFS, 1997.

## Young people facing mixed situations, on the borderline between employment and training

*A characteristic of the integration process is the frequency of situations on the borderline between employment and inactivity: national service, initial training in the workplace (under a contract of employment), measures to promote youth integration, alternance training, etc.*

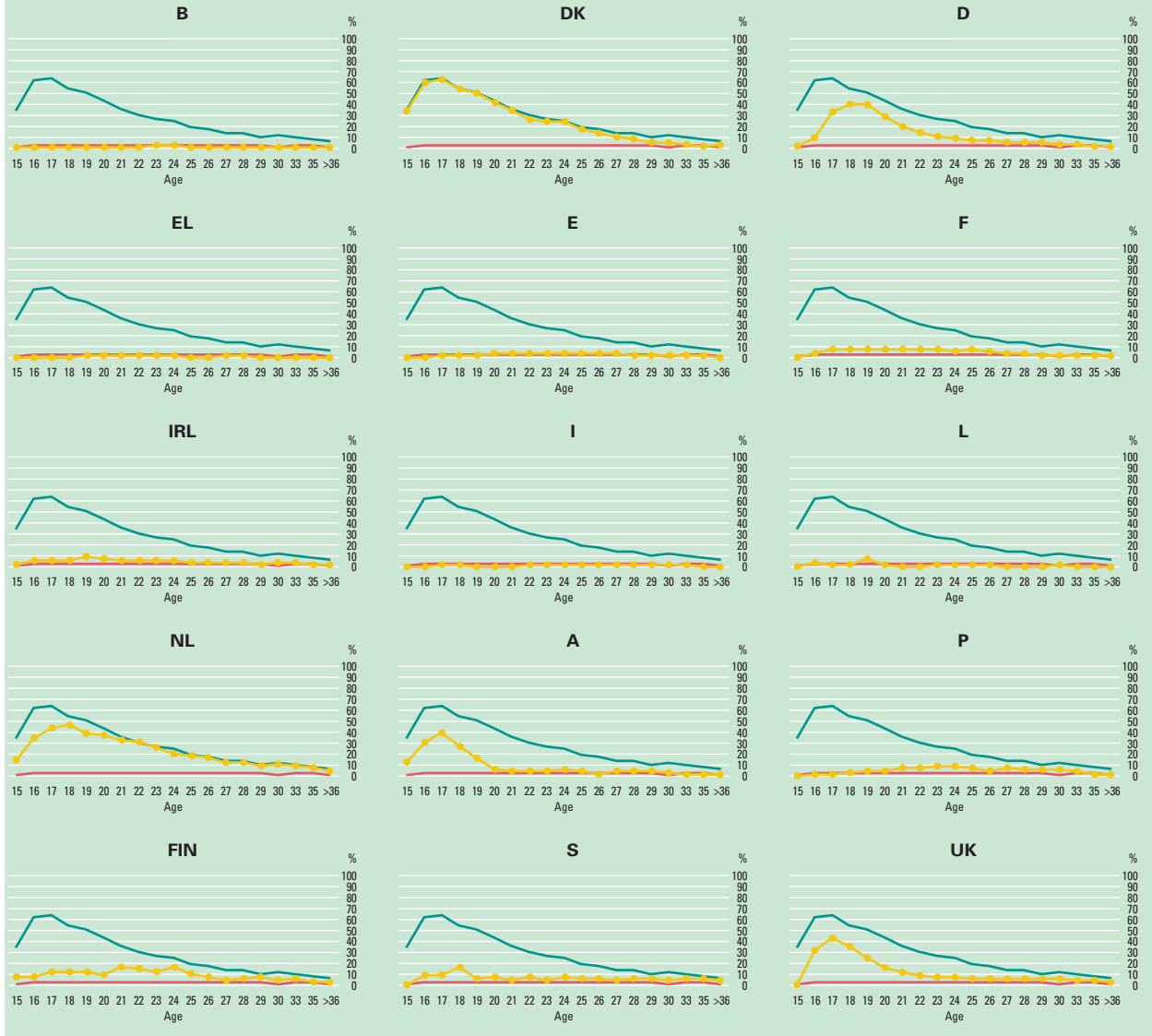
A characteristic of the transition process is the frequency of situations on the borderline between unemployment, employment and inactivity, which are imperfectly accounted for if the criteria recommended by the International Labour Office are strictly applied. National service, a special form of activity, is one example. Initial training in the workplace under an employment contract is another. A third consists of measures to help young people integrate — some under training policy, others under employment policy — which are expanding in Europe as a whole. Identifying mixed employment/training situations sheds light on the extent of these borderline situations.

As a proportion of the total age group (see Graph 3.5) there are three standard configurations.

- In the first group of countries (Belgium, Spain, Greece, Italy and Luxembourg), such situations are almost non-existent. It may be noted that in these countries there is no or little apprenticeship.
- In a second group that includes France, Ireland, Portugal, Finland and Sweden, the frequency of mixed employment training is moderate, reaching a peak of 10 % in certain age groups. Nevertheless there are variations within this group. Mixed situations relate above all to the 17–24 age group in France, Finland and Sweden. In Ireland, they tend to be concentrated among the youngest people. In Portugal, on the other hand, from the age of 21 mixed situations account for a moderate but not insignificant proportion. Also in this group, the patterns of such mixed employment/training situations are not all the same: in France and Ireland, apprenticeship and alternance are the majority situations. On the other hand, alternance is virtually non-existent in Portugal, Finland and Sweden.
- The last group, consisting of Denmark, Germany, Austria, the Netherlands and the United Kingdom, characteristically has a high proportion of mixed situations at certain ages, at least 30 % of the total. In Germany, Austria and the United Kingdom, however, there is a greater concentration on mixed employment/training situations among the under-21s. The country where young people most commonly combine employment and initial training is Denmark.

Proportion of young people in mixed employment/training situations, by age

Graph 3.5



— minimum at each age for all EU countries  
— maximum at each age for all EU countries

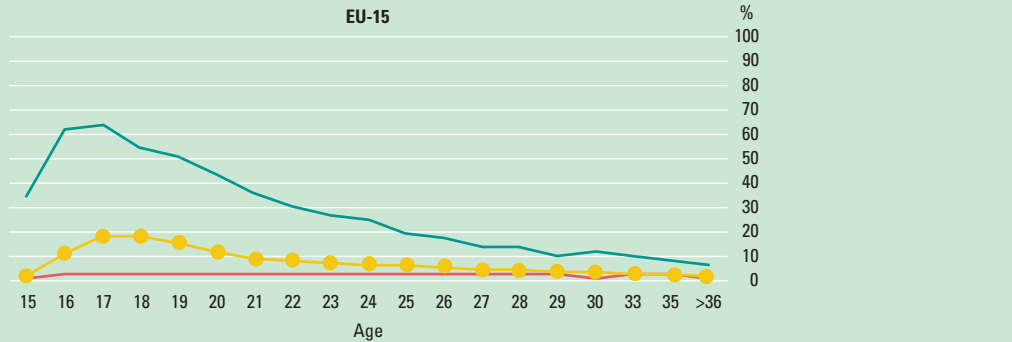


Table in Annex 5.  
Source: Eurostat-ELFS, 1997.

Alternance training accounts for a different share depending on the country; apprenticeship and other forms of alternance training are less common in the United Kingdom and the Netherlands.

The preponderance of the apprenticeship system in Germany and Austria is the cause of the frequency of mixed situations under the age of 22 (see Box 4). In Germany, between 22 and 30, such situations reflect the fact that young people enter apprenticeship on completion of a lengthy general education, as well as the presence of students having a parallel working activity.

In Denmark, the frequency of overlapping between initial studies and employment is due to more mixed factors: there is a high proportion of alternance training, although it is lower than in Germany or Austria. According to the ELFS, it reaches a peak of 60 % of mixed employment/training situations at the age of 20, compared with 90 % in Germany and Austria. The high proportion of mixed situations in Denmark reflects a combination of different situations: organised alternance, part-time vocational training, jobs in parallel with higher studies.

In conclusion, transition from school to work takes very individual forms from country to country. Where transition is short and starts early, it does not preclude a high risk of unemployment for young people. Where the transition is regulated, associated with the predominance of apprenticeship training or school-based training, it corresponds to moderate levels of youth unemployment. Where the transition between school and work occurs later in countries in which general education predominates, it may be accompanied by an average or high risk of youth unemployment.

Breakdown of young people in education/training and employment, by age

Graph 3.6

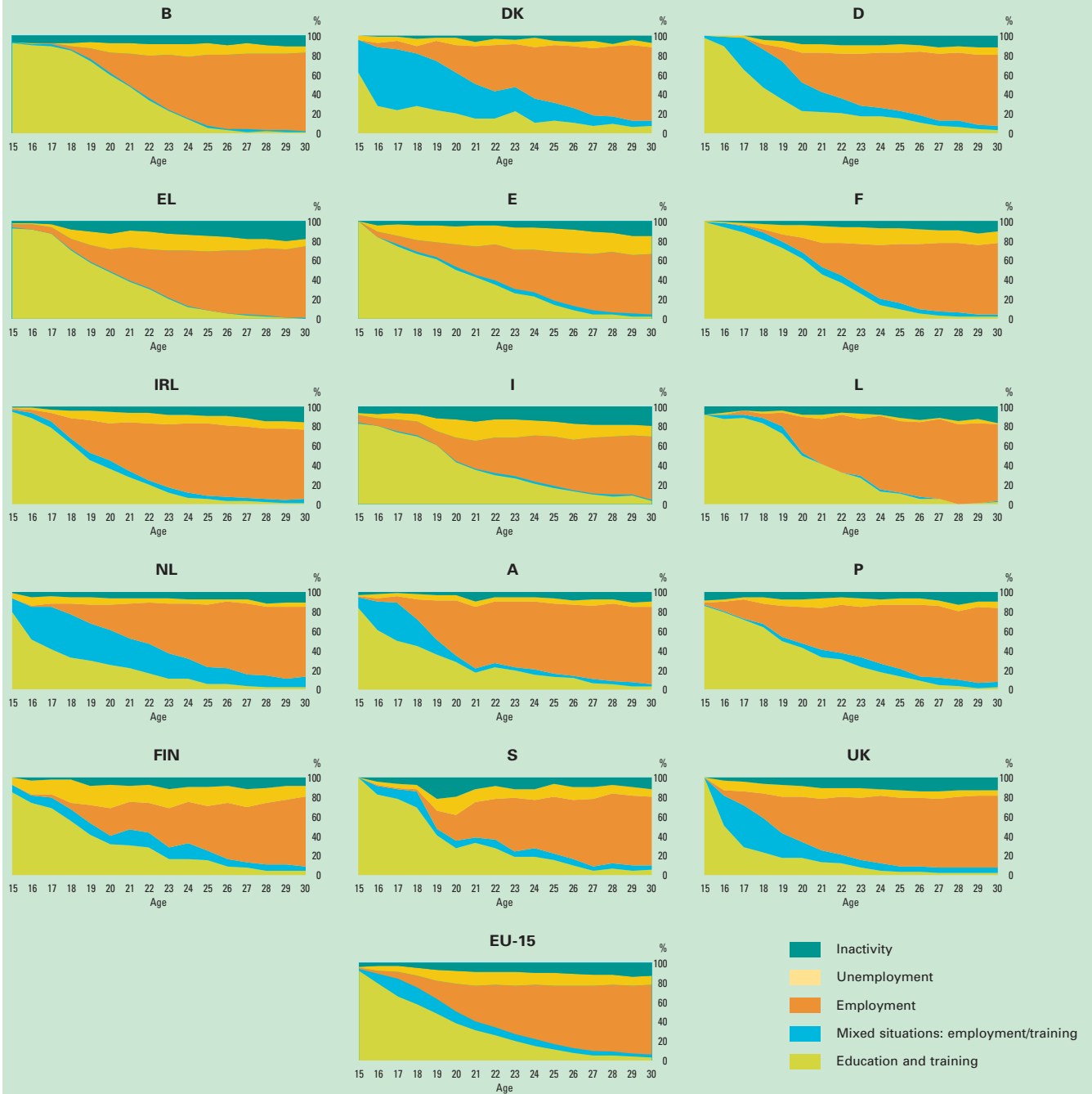


Table in Annex 5.  
Source: Eurostat-ELFS, 1997.

*To take age groups as the basis for analysis implies the observation of the group potentially engaged in the process of transition. An alternative category needs to be created — labour-market entrants — taking account of the time elapsing since the end of initial training.*

## Change of perspective: from 'young people' to 'juniors'

In describing transition in Europe as a function of age, it has been possible to identify — at least approximately — the duration of transition and the special features of the situations encountered (see Graph 3.6).

The gradual progression of a given generation from the educational system to employment varies in pace from one country to another. It starts at a time when the first members of that generation leave the education and training system (end of the 'all-education' group) and ends when the number of members of that generation has reached the maximum entering the working world (the 'all work' group). The spread varies, partly corresponding to differences in the training itinerary and the level of educational attainment.

Transition is marked by the extent of intermediate situations — neither full-time training nor stable working status. There are two main types: training in parallel with a working activity and unemployment situations. These situations are not necessarily specific to the transition period, but they are more frequent. Three configurations emerge: one in which the predominant pattern is the overlapping of training and employment (dual model countries), one of unemployment (south European countries), or the presence of both (France).

The transition process, then, appears to be very varied. The ages at which the process starts and ends differs greatly in individual countries, as do the spread of the period and the intermediate forms to be found. An exhaustive analysis should take account of the institutional factors that differentiate countries.

In terms of methods of comparison, this observation has certain direct implications.

- **It is not enough just to take age groups into account when comparing national forms of the process of vocational integration.** The intuitive approach would be to associate the transition to working life of an age group with behaviour on the labour market, but implicitly this would mean postulating that individuals of comparable ages behave very similarly in terms of the time they devote to studies and the point at which they choose to enter working life. Within Member States, where there is institutional unity in the organisation of training and strong social coherence as to the place of young people in society in general and on the labour market in particular, it is fairly easy to sustain this hypothesis, especially if the analysis takes account of the educational itinerary and of the educational attainment (Müller and Wolbers, 1999). On the other hand, the hypothesis generally crumbles when it comes to comparing countries. Young people, as a group involved in the transition process, are the products of a given national social structure and therefore a highly relative concept. This makes it impossible in practice to define an age category that tallies neatly with the category of individual labour-market entrants. To take age groups as the basis for analysis, provided that some leeway is allowed in the border areas, means that the analysis should be based on the population group 'potentially' engaged in the process of vocational integration.

- **It will clarify the analysis to distinguish between those factors in the integration process that remain within the sphere of action of educational structures and those affected solely by the labour market's method of operation.** An approach of this kind helps to identify on the one hand what can be related to public education policy regulated by institutions outside the labour market and, on the other, events in working life linked solely with the organisation and workings of the labour market. In practice, this calls for a distinction to be made between two groups among young people in the active population: those who have completed their training route and those frequenting initial training.
- **The national institutional characteristics that come into play at the time of transition should be taken into account.** For the purpose of an international comparison, the institutional characteristics of national education systems are important. Internal differences in the educational system and its more or less watertight partitioning into streams and levels of training are essential elements. This breakdown helps to identify the exit points provided within each educational system and the length of the route leading there. It can, therefore, be used to determine the typical age of emerging from the system depending on the pathway taken.

In the light of these observations, from now on a category is defined as an alternative to age groups, with due regard for the time that has elapsed since the end of initial training: 'juniors'. In practical terms, these are young people who have emerged from training and whose age is close to the typical age at which the diploma they hold is normally obtained <sup>(13)</sup> (see Box 5).

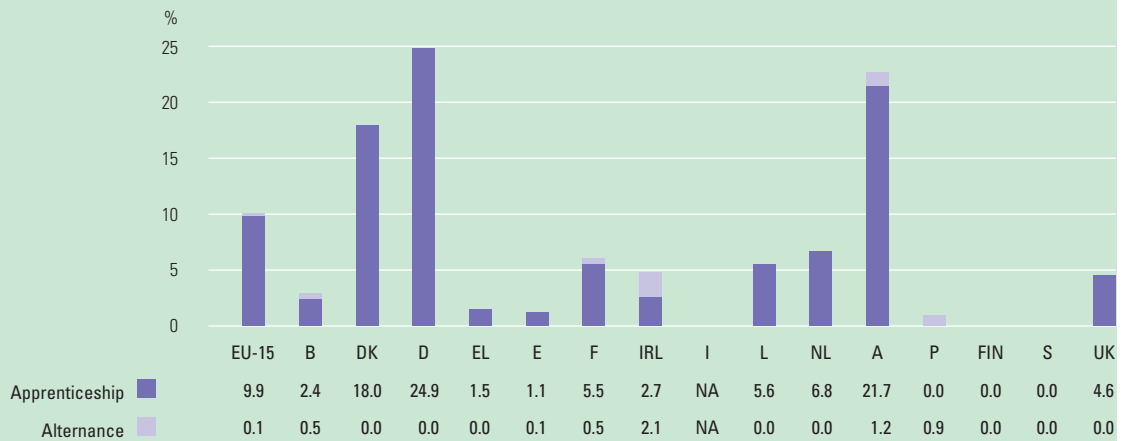
<sup>(13)</sup> The highest diploma obtained according to the ISCED nomenclature.

**Box 4****Alternance and apprenticeship in the European Union**

The vocational education and training data collection (VET — Eurostat) is an administrative source providing both descriptive and statistical information on vocational training (mainly initial training) programmes organised in the Member States. Unlike the ELFS, it cannot be used to describe those types of situation that combine employment and training but is a collection of more detailed information on alternance and apprenticeship in particular.

The data presented in the graph below show the rate of participation in alternance training programmes and apprenticeship in the 15–20 age group. In this case the ‘apprenticeship’ category is a sub-category of alternance. To be considered as an apprentice, a young person must simultaneously attend alternance training (with 25 to 90 % of the training time spent in a work environment, the remainder in a training establishment), have signed an employment contract or an agreement with an employer and receive remuneration.

In this graph, three countries appear to offer neither type of programme. In Italy, the *Apprendistato* and *Contratto di formazione e lavoro* programmes are arranged solely in the workplace. In Finland, training is organised either mainly in the school or wholly in the workplace. In Sweden, periods of training in the workplace exist, but these cater only for a small proportion of training time.

**Graph 3.7****Proportion of alternance and apprenticeship in the 15 to 20 age group  
(percentage of the total number in the age category)**

DK: 1995/96 data.

UK: the data are for the ‘traditional’ and ‘modern’ apprenticeship programmes and for the 16–20 age group.

Source: Eurostat, VET data collection, 1996/97.



### Typical leaving age and theoretical length of time outside the educational system: how can labour-market entrants be defined?

#### Box 5

An approach to the concept of 'labour-market entrants' calls for information on the individuals' pathways to a stable job position. The information is difficult to obtain (due to the cost of compilation and reliability problems) and at present there are no comparable data at European level. To circumvent this difficulty to some extent, information can be combined that, when reconsidered in its institutional context, can be used to estimate the date of past events. We should point out that this work gives only an approximate idea of past events and it necessarily includes errors; it will be more persuasive once the margin of error is reduced.

In constructing a 'labour-market entrants' category, the European labour force survey includes information on the highest level of general education and post-school training attained by individuals, together with information on any continuation of training coming under the educational system. By drawing on the national educational contexts, an attempt can be made to reconstruct the typical ages of certification at the end of the main streams of training in each educational system. The extent to which the typical age corresponds to the actual age of leaving the educational system depends on:

- the precision of the information available on the training pathway – the greater the differentiation in the itinerary, the more specifically can leaving ages be identified;
- the diversity of scholastic patterns of individuals following these itineraries in terms of examination passes, retaking school years, changes of direction, etc.;
- the multiplicity of the possible school routes in terms of streams and levels of training; this determines the number of paths that may be taken to arrive at the leaving point;
- the extent of returns to training and, more specifically, the degree of integration between education and initial training and post-initial training.

There are numerous and detailed sources of information on the organisation of training itineraries in European Union Member States (see, Cedefop *Eurydice*). In the case of typical ages of certification, the OECD has analysed the conditions of preparation of the various possible routes in individual countries, including EU countries (OECD, 1998), see Annex 3. On the basis of this information we have calculated the typical age of obtaining the highest diploma for the individuals responding to the labour force surveys. We then cross-referenced this information with observed ages in order to calculate the theoretical period elapsing since the diploma. This has helped to identify various categories of individuals.

- Firstly, 'young people in education and training' consists of individuals aged under 35 who are still frequenting initial training (including alternance training), whether or not they are in the active population or are in employment.
- Secondly, 'juniors' consists of individuals aged over 15 and under 50<sup>(14)</sup> whose diplomas theoretically date back less than five years. Two sub-categories can be identified: from 0 to 2 years and 3 to 5 years from the theoretical 'age' of diplomas.
- Thirdly, 'seniors' correspond to individuals aged 16 to 50 with diplomas dating back more than five years. Categories can be identified based on the theoretical 'age' of diplomas: 5 to 10 years, 10 to 15 years and over 15 years.

The two categories of juniors may incorporate individuals during the phase of transition<sup>(15)</sup>.

<sup>(14)</sup> De facto, the age cannot be more than five years above the maximum typical age.

<sup>(15)</sup> These categories are briefly described on the inside front cover.

# 4

## Labour-market entrants

## The educational attainment of juniors

The first point to be made is that the structure of educational attainment of juniors is far from uniform in the 15 EU Member States. Some countries stand out in that they have a low proportion (20 % or under) of juniors who have not reached ISCED level 3. In the EU, some countries have an older tradition of training, in particular vocational training, at ISCED level 3 or above: Denmark, Germany, Austria, Finland and Sweden. In other countries, the percentage of juniors leaving the educational system without reaching ISCED level 3 is low, whereas that of seniors at ISCED levels 0 to 2 is high. The general rise in the level of education, with mass access to higher education, is the cause of this gap between juniors and seniors. This is the case of Belgium and France, where the percentage of higher-education diploma-holders (levels 5 to 7) among labour-market entrants is close to the European maximum (about 40 %, see Table 4.1).

The percentage of higher-education diploma-holders among labour-market entrants is also high in Spain and Ireland, as is the percentage of juniors at ISCED levels 0 to 2 in Spain, Italy, Portugal and the United Kingdom.

***The structure by educational attainment of juniors in the 15 EU Member States is far from uniform. The general rise in the level of education is the reason for the gap between juniors and seniors.***

## Labour-market entrants: a diversity of methods of access to employment

*The transition period corresponds to the initial acquisition of experience, which is not confined to mastering a job skill but also includes adapting to the rules of the workplace.*

*The ways in which experience is acquired, together with the methods whereby inexperienced youngsters are integrated in enterprises, differ widely from one country to another.*

The absence of experience, or at least its limited nature, is a characteristic of labour-market entrants. The transition period obviously corresponds to the initial acquisition of experience, which is not confined to mastering a job skill but also includes adapting to workplace rules. The ways in which experience is acquired, however, together with the methods whereby inexperienced youngsters are integrated in enterprises, differ widely from one country to another.

It has been seen that different systems regulating the access of labour-market entrants can be identified, each one corresponding to a different standard model for the organisation of the labour market, symbolised by a set of three models: the internal market (selective exclusion); occupational labour markets (regulated inclusion); and the non-organised or competitive market (competitive regulation). Within a single country, the labour market can be seen as a space divided up into independent segments, within which in practice each type of organisation exists side by side with the others. The same enterprise may, for instance, have different methods of human resource management: the internal market type for its executives, the occupational labour market type for certain horizontal functions or specific trades and the unorganised market type for less-skilled jobs. The hypothesis is that, despite this segmentation, one of the methods predominates and exerts an influence over the whole set of industrial relations. Just as the different systems lead to specific ways of accessing jobs, they partially affect the specific nature and extent of the jobs obtained by labour-market entrants (see Box 2 and Table 4.2).

The transition period, then, is characterised by particular forms of access to employment. Depending on the country, labour-market entrants are more or less exposed to the risk of unemployment. If they are unemployed, their chances of returning to employment may be greater or less. If the modes of labour-market entrants' access to employment are specific, the conditions of employment — wage-earning jobs or not, legal status of the employment contract, weekly working hours — that they are offered will also be specific. Lastly, by their nature, the posts held by young people tend to have certain special features: they may be more concentrated in certain sectors of work and in certain segments of the production system than adults' jobs, with this polarity varying in different countries.

In countries where the integration of labour-market entrants tends to follow the model of 'selective exclusion', there are likely to be very marked specific characteristics of labour-market entrants' employment. Whereas countries in which the system is one of 'regulated inclusion' are likely to be those in which the positions of labour-market entrants and adults, at least those having a vocational diploma, are closer. The size of the competitive segment and the diversity of status among labour-market entrants, depending on the level of diploma held and their sex, can also be identified. Apart from the observation on the specificity of labour-market entrants' activity and employment, the question of how it has developed arises. Is this specificity associated solely with their lack of experience, or does it reflect a new configuration of recruitment, which also affects adult job-seekers? To shed at least some light on these questions we have constructed certain dynamic indicators relating to newly recruited individuals, irrespective of age. It will then be readily apparent whether the special nature of jobs occupied by labour-market entrants also applies to new entrants in enterprises who already have work experience.

		Structure of educational attainment (ISCED 1976) of juniors and seniors, %															
		EU-15	B	DK	D	EL	E	F	IRL	I	L	NL	A	P	FIN	S	UK
Juniors	ISCED 0 to 2	32	21	20	17	25	45	18	25	50	30	26	15	62	14	19	38
	ISCED 3	42	35	52	56	54	15	44	38	42	35	40	76	17	55	62	36
	ISCED 5 to 7	26	44	28	27	21	39	38	37	7	35	34	9	21	31	19	26
	Total	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
Seniors	ISCED 0 to 2	40	37	20	17	47	65	36	47	56	54	34	23	77	24	21	44
	ISCED 3	42	38	56	61	36	18	47	31	35	28	45	69	13	56	52	33
	ISCED 5 to 7	18	25	24	22	17	17	17	21	9	18	21	8	10	19	27	22
	Total	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100

Table 4.1

For a definition of the 'junior' and 'senior' categories, see inside front cover.

Source: Eurostat-ELFS, 1997.

## **An overview of labour market entry**

In order to compare actual national situations with the three standard models for the integration of labour-market entrants in the working world, we have constructed a typology based on seven indicators of employment, activity and unemployment, which identify 'regulated inclusion', 'selective exclusion' and 'competitive regulation' (see Table 4.2 and Box 2). For each country <sup>(16)</sup>, ISCED levels of education 0 to 2, 3, and 5 and over have been classified separately (see Annex 6).

The indicators chosen in the analysis separate the three standard models of integration defined by Garonna and Ryan (1989).

### ***Regulated inclusion***

- In the 'regulated inclusion' model, the differences in all the indicators are small, since the conditions of employment and activity of trained juniors are close to those of seniors.

### ***Selective exclusion***

- In the case of 'selective exclusion', juniors are more likely to be unemployed or long-term unemployed than seniors. The latter are protected, and juniors do not have access to the more stable jobs, which go to more experienced people. They are particularly prone to recurrent or long-term unemployment. Some juniors may even withdraw from the labour market, as revealed by a lower activity rate than that of seniors. Similarly, certain sectors of the economy, where the jobs on offer are more stable and have greater prestige, are closed to juniors, who are concentrated in sectors with a higher job turnover. Career progress depending on length of experience, measured by the ISEI score, is marked.

### ***Competitive regulation***

- In a 'competitive regulation' system, juniors are not particularly exposed to long-term unemployment, but are the first to be affected when their employers come up against particular contingencies. 'Imposed part-time work' is particularly common among juniors. The jobs they occupy are more vulnerable, and they are more exposed to the risk of unemployment. On the other hand, they are as likely to be in the active population as seniors, they are encountered in every sector, and their experience-based career advancement is limited.

Through analysis, we can observe the value of the selected indicators by country and by level of education. The national positions of juniors can be related to the three abovementioned types. Certain countries are close to only one of the types, others tend to suggest a combination of at least two.

As is evident, these are only general trends. Within each group, even where certain factors predominate, there are still differences. In this chapter we shall look in detail, indicator by indicator, at the proportion of common points and divergences within the major categories.

<sup>(16)</sup> Except for Luxembourg, as the size of the ELFS sample there is not large enough to be reliable.

Direction of change expected according to the standard models of labour-market entry			
Differences between juniors and seniors in:	Standard model of labour-market entry		
	Regulated inclusion	Selective exclusion	Competitive regulation
— the proportion of long-term unemployed in the category	Low	High	Low
— 'imposed' part-time	Low	Low	High
— rate of unemployment	Low	High	Average
— vulnerability: risk of being unemployed after being employed during the previous year	Low	Low	High
— concentration in the five main sectors of the economy	Low	High	Low
— average ISEI score	Low	High	Average
— activity rate	Low	High	Low

For a definition of the 'junior' and 'senior' categories, see inside front cover. ISEI (International socioeconomic index) of working status. This index takes into account the socioeconomic characteristics of individual members of a given working group in calculating its score. The two main features in calculating the index are level of education and income. Ganzeboom and Treiman (1996) have proposed the ISEI estimates for the various items in the ISCO nomenclature, based on 31 surveys covering 16 countries.

Table 4.2

### From Map 4.1, it is apparent that there are four national configurations

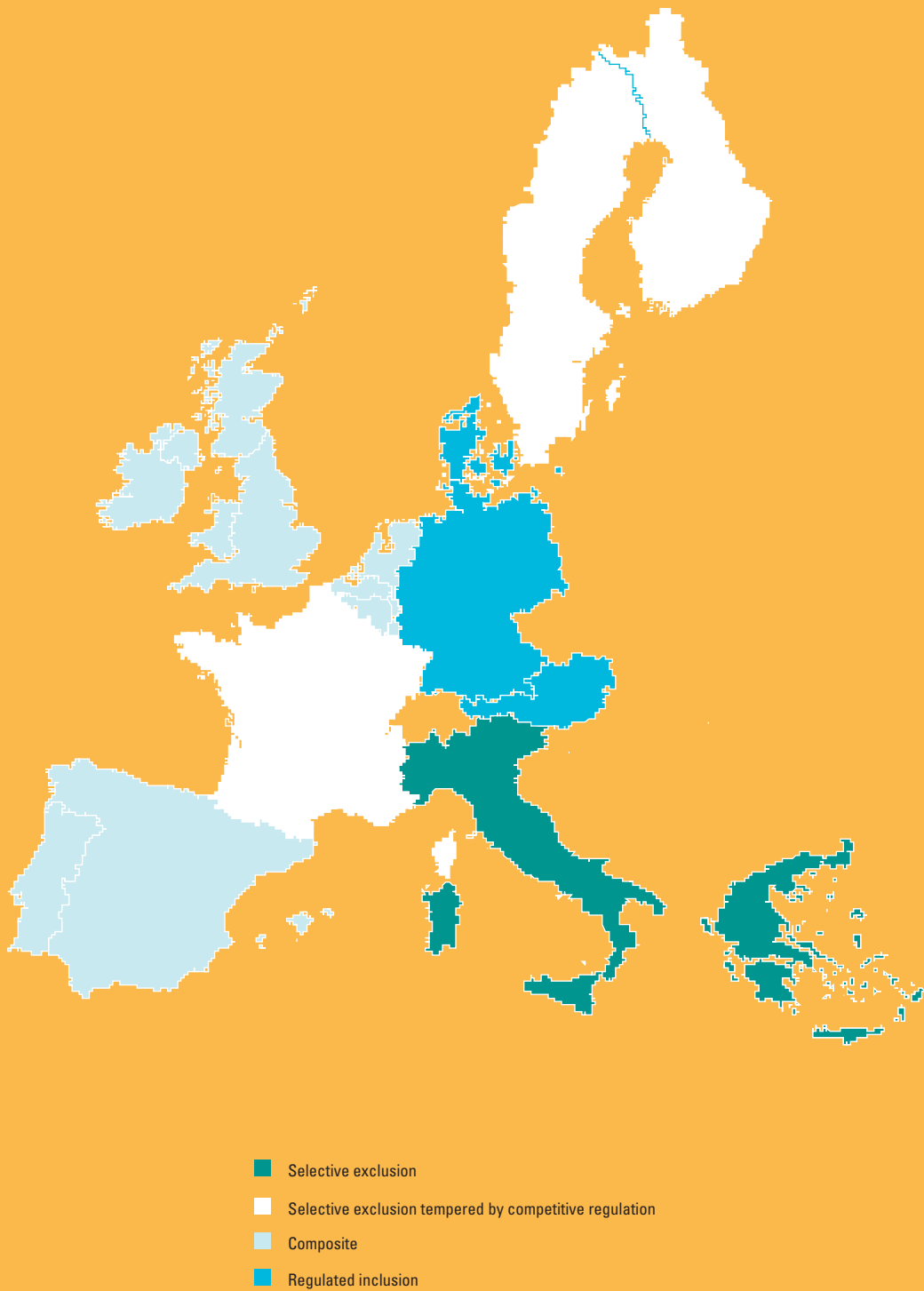
1. Those where the pole is close to **selective exclusion**. In Greece and Italy, juniors, even those holding diplomas, are at a disadvantage compared with their elders when seeking employment, as they are at greater risk of unemployment and long-term unemployment and the jobs they occupy are less skilled (as defined by ISEI).
2. Those where the **selective exclusion** pole is **tempered** by **competitive regulation** for the least-trained young people, and where the risk of unemployment is moderate for juniors holding diplomas. This group includes France and Sweden, where higher-education graduates are at a relative advantage (ISCED 5 to 7), and Finland, where juniors at upper secondary level (ISCED 3) are at more or less the same risk of unemployment as seniors, whereas juniors at ISCED level 0 to 2 suffer from a very high risk of recurrent unemployment.
3. Those where the pole is **composite**, with all three forms of regulation but where the effect of diplomas is less of a discriminating factor than in the previous group. They include Belgium, Spain, Ireland, the Netherlands, Portugal and the United Kingdom. Juniors there are more vulnerable to unemployment than seniors, but they do not suffer from long-term unemployment as in Configuration 1 countries. Career progress is closely linked to length of employment.
4. The fourth pole comprises Denmark, Germany and Austria. In these countries, the model of integration of juniors is close to that of **regulated inclusion**. Juniors and seniors have a generally similar pattern of employment and activity. Nevertheless, juniors with the lowest diplomas (ISCED 0 to 2) run a considerably higher risk of unemployment than seniors at the same level. Denmark is a special case in this group: young people with ISCED levels 0 to 2 diplomas usually tend to be non-active or diploma-holders having part-time jobs not of their own choice.

For a definition of the 'junior' and 'senior' categories, see inside front cover.



National configurations according to the dominant model of regulation of the entry of young people into the labour market

Map 4.1



## Labour-market participation and juniors' access to employment

*In Europe, juniors — compared with people having greater experience on the labour market — find it harder to enter employment and suffer more from recurrent unemployment.*

The following indicators illustrate how, in most European countries, juniors come up against more difficulties in entering employment compared with individuals having greater experience on the labour market. If they are unemployed, however, labour-market entrants have a greater chance of returning to employment. Nevertheless, the jobs they hold prove to be less stable on average. They are thus more affected by recurrent unemployment.

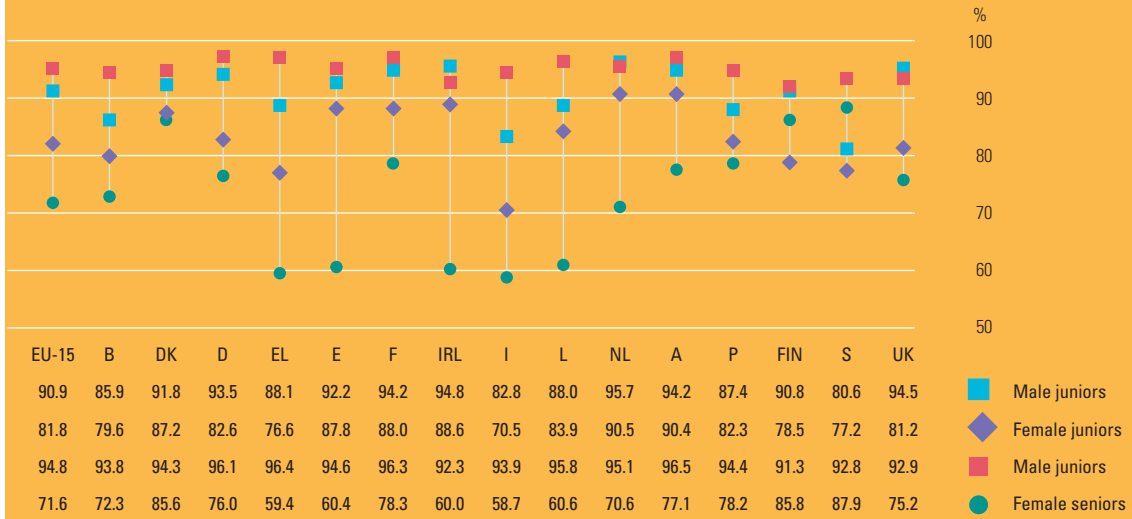
### Rate of activity

Despite the difficulty of entering the working world, the activity rate of juniors remains high. In most European countries, it is evident that juniors find greater difficulty in entering employment.

The rate of activity is an average of 80 % for young women and 90 % for young men (Graph 4.1). The activity rate for women is more than 10 percentage points lower than the rate for men in Germany, Greece, Italy and the United Kingdom. The gap is far narrower in other European countries. In every country, female juniors have a considerably higher activity rate than female seniors: about 10 percentage points on the average, and close to 30 in Ireland and Spain.

Activity rate of juniors and seniors, by sex

Graph 4.1



Source: Eurostat-ELFS, 1997.

*The rate of unemployment falls with length of time on the labour market, especially at the start of vocational integration.*

*A diploma is a factor that lessens unemployment among labour-market entrants.*

## Rate of unemployment

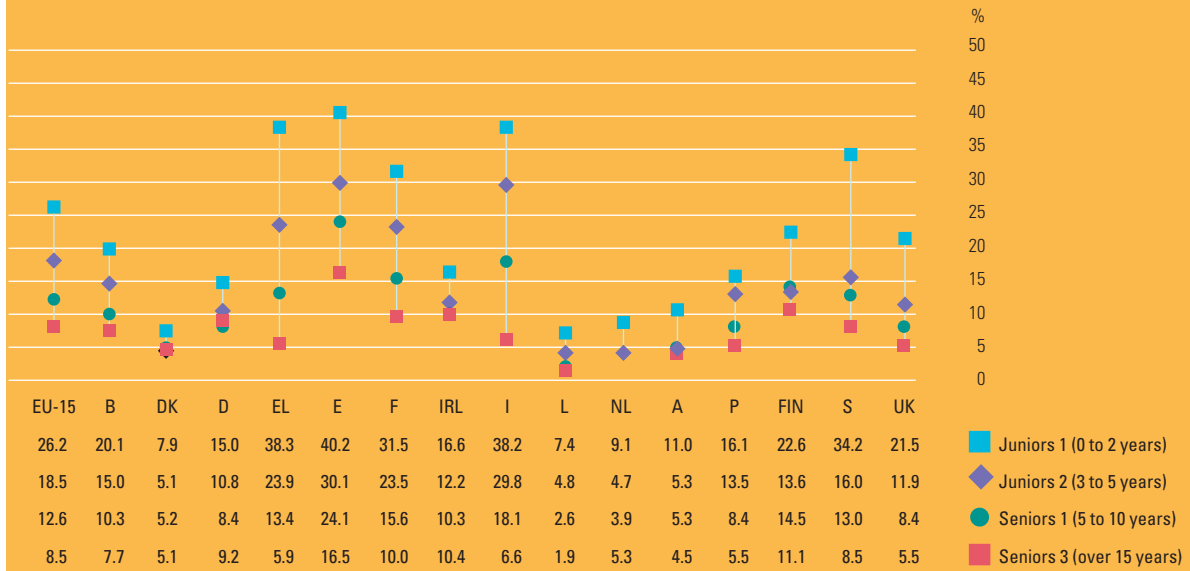
The rate of unemployment <sup>(17)</sup> of labour-market entrants (Graph 4.2) is a common measure of the difficulty they experience in gaining access to employment. Everywhere in Europe, the rate of unemployment falls for those who have been longer on the labour market. Even two years' experience greatly reduces the risk of unemployment. As a European average, the bonus of having experience — measured here up to 15 years — is still marked, even though the relative gap narrows. Although juniors with less than two years' experience are at greater risk of unemployment than their elders in European countries, the advantage linked with length of service differs considerably from one country to another. It is very marked in Greece and Italy (which are close to the 'selective exclusion' model), and also in France and Sweden ('selective exclusion' tempered by 'competitive regulation'), and average in certain countries where the pole is composite: Belgium, Finland, Portugal and the United Kingdom. In contrast, it is low in other countries with the same pole (Ireland and the Netherlands), as well as in countries closer to the model of 'regulated inclusion' (Austria, Germany, Denmark and Luxembourg). In the latter group of countries, experience has little effect on the risk of unemployment. Only those young members of the active population having at most two years' experience are at a disadvantage. Above that level, the risk of unemployment is identical.

Having a higher level of education protects juniors from unemployment (Graph 4.3), the only exceptions to the rule being in Greece and Italy. As we have already seen, in these two countries — which are closer to the model of 'selective exclusion' — employers look more favourably on experience. Even young people having the highest levels of diploma find it hard to enter employment. The countries in which diplomas are most likely to lessen the risk of unemployment are Belgium, Germany, France, Ireland, Finland and Sweden. The marked effects of higher-level diplomas (ISCED 5 to 7) are characteristic of France, Finland and Sweden. In Germany, the gap is between level 3 diploma-holders — most of them from the dual system — and those who have not attained this level, and therefore do not have access to the occupational labour markets.

<sup>(17)</sup> Here the unemployment rate is less hard to interpret than in the case of age groups: 90 % of male juniors are active, compared with 80 % of female juniors. For the junior categories, the rate of unemployment and the proportion of unemployed are very close.

Rate of unemployment of juniors and seniors

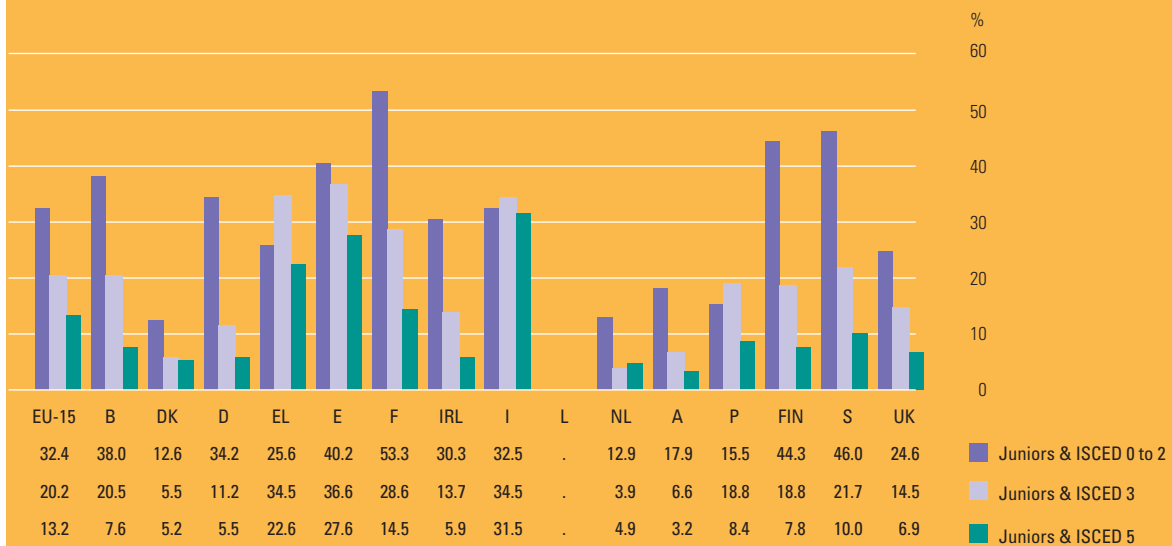
Graph 4.2



Source: Eurostat-ELFS, 1997.

Rate of unemployment of juniors, by level of education

Graph 4.3



For the definition of 'junior' and 'senior' categories, see inside front cover.

Source: Eurostat-ELFS, 1997.

*Juniors are at greater risk of unemployment, but they are less likely to remain unemployed for a long time.*

## Exit from unemployment

Although juniors are at greater risk of unemployment, they are more likely to exit from that status within a year, except in Greece and Italy. In Austria and Sweden, the indicator for leaving unemployment (Graph 4.4) is higher for juniors who have started to acquire job experience (three to five years). In Belgium, Denmark, Finland, the Netherlands and Portugal, the advantage is more marked, as regards the likelihood of returning to employment, among those who have five years' experience or less. Holding a diploma, especially from higher education, increases the chances of returning to employment (Graph 4.5). Diplomas have a marked effect in the same countries as those in which the diploma affects the risk of unemployment (Belgium, Germany, France, Ireland, Finland, and Sweden). In those countries, a diploma determines the position of juniors in the queue for access to their first jobs. In Austria, Portugal and the United Kingdom, however, a diploma that had a moderate influence on the risk of unemployment strongly affects the likelihood of finding work or returning to work within a year.

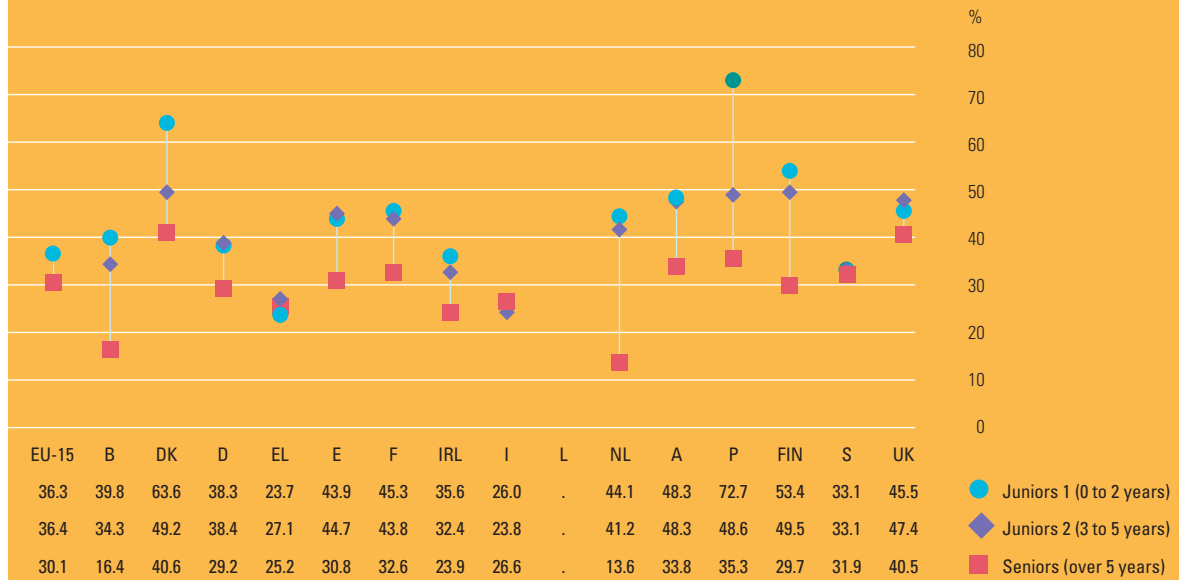
### Methodological note

The indicator of exit from unemployment of a given category is the proportion of people in the category who were unemployed in the previous year but are now employed.

For example, 38 % of German juniors with less than three years' experience who were unemployed in the previous year had a job in 1997.

Exit of juniors and seniors from unemployment

Graph 4.4



A and S: no distinction is made between juniors 1 and juniors 2.  
 Source: Eurostat-ELFS, 1997.

Exit of juniors from unemployment, by level of education

Graph 4.5



For the definition of 'junior' and 'senior' categories, see inside front cover.  
 Source: Eurostat-ELFS, 1997.

## Vulnerability to unemployment

Seeking a first job is not the only factor in the higher risk of unemployment for juniors. Compared with seniors, they also run a greater risk of losing their job. This is illustrated by the employment vulnerability indicator (see Graph 4.6). Juniors are already at a disadvantage to seniors, but they are all the more at risk of losing their job if they have only short work experience. It is in Spain, France and Finland that juniors run the greatest risk of losing their jobs. In these three countries, the difference in risks between juniors and seniors is also more marked than elsewhere.

Holding a diploma makes juniors less vulnerable to unemployment (Graph 4.7). This is especially true of France and Finland, and to a lesser extent of Belgium and Denmark.

As has been seen, there are specific characteristics to the way in which juniors enter employment: they are more vulnerable to unemployment, because some of them are first-time job-seekers, and also because the jobs they hold are less stable and there is less likelihood of them staying there for a long time. This means that they are more exposed to the risk of recurrent unemployment than of long-term unemployment, except in Greece and Italy. Having a low-level diploma is a handicap in many countries: the risk of unemployment, or even of exclusion from employment, is greater, and at these levels the jobs held are often temporary. The effect of the diploma is particularly marked in countries where the pole is 'selective exclusion tempered by competitive regulation', although this is also true of Germany. It is less marked in other countries.

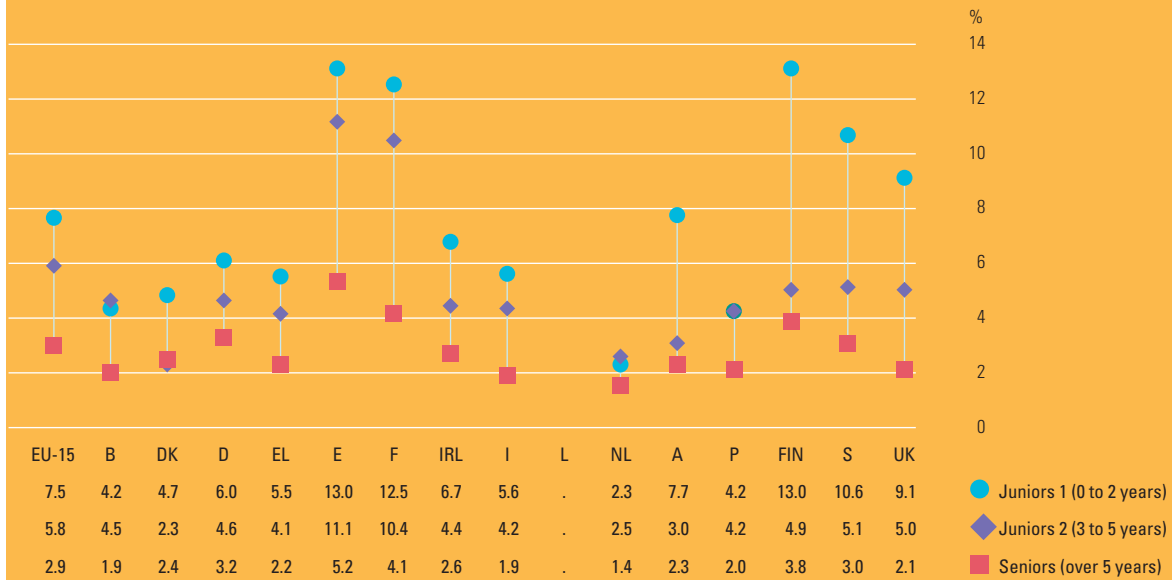
### Methodological note

Vulnerability of a category: number of unemployed in 1997 as a proportion of those in employment one year before. For example, 13 % of young Finns with less than three years' seniority of employment during the preceding year were unemployed in 1997.



### Vulnerability of juniors and seniors to unemployment

Graph 4.6

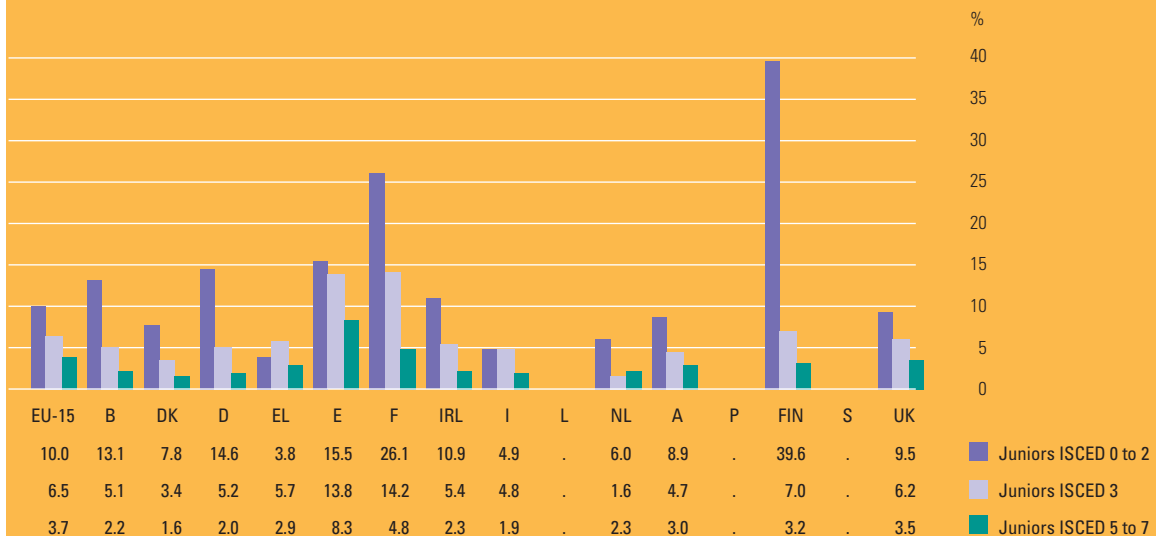


P: no distinction between juniors 1 and juniors 2.

Source: Eurostat-ELFS, 1997.

### Vulnerability of juniors to unemployment, by level of education

Graph 4.7



For the definition of 'junior' and 'senior' categories, see inside front cover.

Source: Eurostat-ELFS, 1997.

*Juniors are more likely to be in paid employment than seniors, whatever their level of qualification.*

## Specific features of the employment of juniors

### Juniors are overwhelmingly in paid employment

Juniors are more likely to be salaried employees than their elders (Graph 4.8). The divergence is 5 to 10 percentage points, or as much as 15 points in Ireland, probably because of the significant proportion of unsalaried agricultural employment in that country.

Generally, the proportion of those in paid employment by comparison with total employment among juniors varies little as a result of the level of education. The divergences are marked only in the two countries where labour-market entrants are at a disadvantage on recruitment.

- In Greece, those with the highest diplomas are more often in paid employment, but a number of people without diplomas avoid unemployment by helping family members in their work.
- Italy is the only country where the proportion of juniors established as self-employed workers exceeds 10 %. In a system that tends to place labour-market entrants at a disadvantage, self-employment is a means whereby young diploma-holders can create jobs for themselves. This practice, moreover, is encouraged by public-sector employment policy. In Italy, as in Europe as a whole, it is usually higher-education graduates (ISCED 5 to 7) who are more likely to be self-employed.

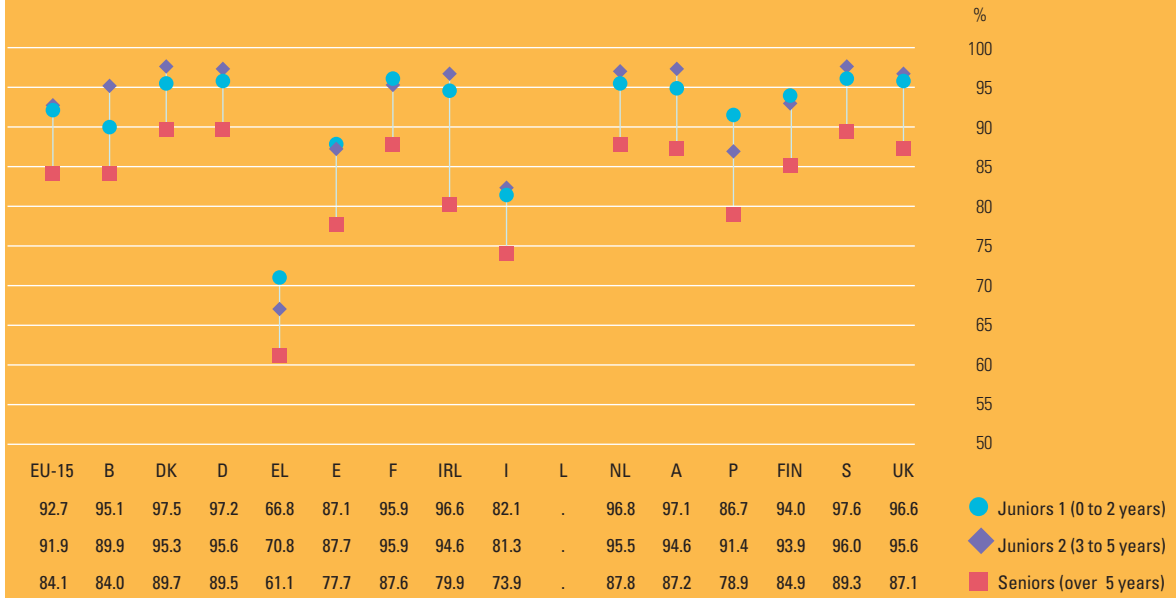
Helping a family member with his or her work, without being a salaried employee, is a very uncommon situation in most European countries. In four countries, however, farming and craft activities ensure that this solution is one method of access to employment for juniors. Greece is a special case, in that it has a relatively high proportion of family aids (10 % of seniors). There is a particularly large number of juniors who help a family member, especially those having a low level of diplomas: over 25 % of juniors with two years' experience or less, and over 15 % of those having three to five years' experience are in this situation. To a lesser extent, a proportion of the youngest juniors work for a family member in Italy (10 %), and also in Spain and Portugal (over 5 %).

#### Methodological note

For example: 97.5 % of Danish juniors with less than three' years seniority and who have a job are in paid employment.

Proportion of salaried employees in the active population in work

Graph 4.8



Source: Eurostat-ELFS, 1997.

*Lacking experience, juniors are more likely to have fixed-term contracts.*

## More temporary job status for juniors

### Fixed-term contracts are more common ...

Lacking experience, juniors are more likely to bear the brunt of flexibility than their elders. The European average is that 30 % of the least-experienced juniors in paid employment have a fixed-term contract (Graph 4.9).

This is the case for 20 % of juniors with slightly more experience, but only for 10 % of seniors. Spain is an extreme case. There, 30 % of seniors have a fixed-term job, but so do almost 80 % of the least-experienced juniors! This singular national situation is associated with the relatively recent deregulation of fixed-term jobs, which most affects wage earners with little length of service in enterprises. In France and Finland, and also in Sweden, countries where the pattern is 'selective exclusion tempered by competitive regulation', and in Portugal, fixed-term jobs are held by 10 % of seniors but over 40 % by the least-experienced juniors. In the countries where integration is regulated — Denmark, Germany and Austria — juniors are less likely to have fixed-term jobs. This is also the case in Ireland and the United Kingdom. In the UK, however, open-ended contracts of employment are not always evidence of permanent employment.

It is not necessarily the case that higher-education graduates (ISCED 5 to 7) are less likely to have fixed-term jobs than diploma-holders at other levels. In fact the reverse is true in Belgium, Greece and Portugal and even more so in Italy (Graph 4.10). Nevertheless, taking into account involuntary fixed-term jobs (i.e. those accepted in the absence of permanent employment), it is clear that diploma-holders are not more likely to be affected, except in Portugal (Graph 4.11). However, those holding lower diplomas are more likely to be in fixed-term jobs in France and Sweden <sup>(18)</sup>. The importance of a diploma in gaining access to employment in those two countries is reinforced by the fact that jobs held by those with the lowest level of diploma tend to be less lasting.

<sup>(18)</sup> This is still true in the case of fixed-term jobs that have not been the holder's choice in Sweden; the corresponding information is not available on France.

Proportion of fixed-term employment among those in paid employment

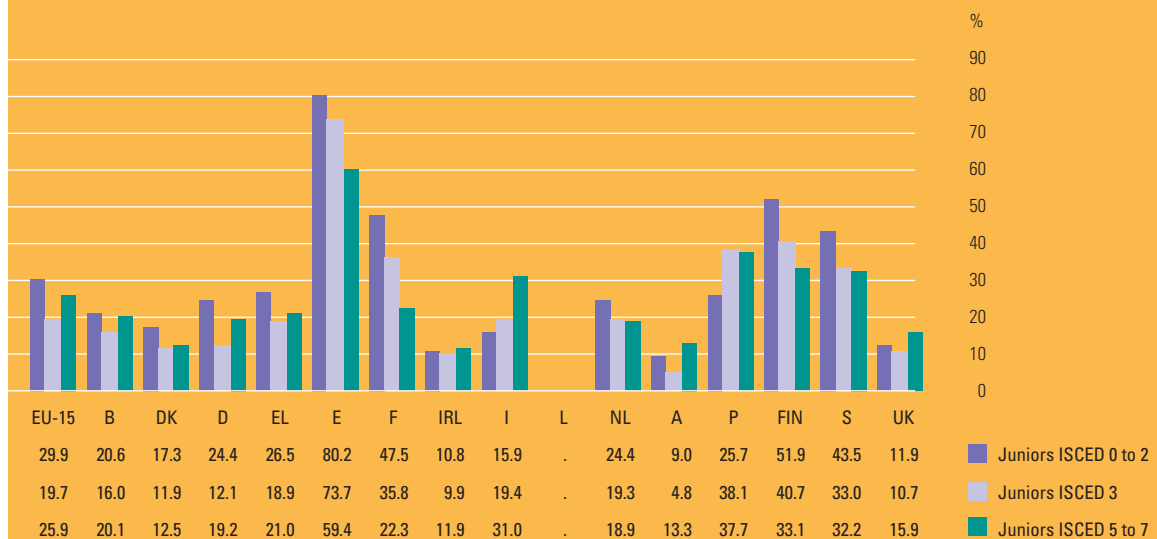
Graph 4.9



Source: Eurostat-ELFS, 1997.

Proportion of fixed-term employment among those in employment, by level of education

Graph 4.10



Source: Eurostat-ELFS, 1997.

*Employers tend to make newly recruited employees, whether or not they have experience, bear the burden of flexibility*

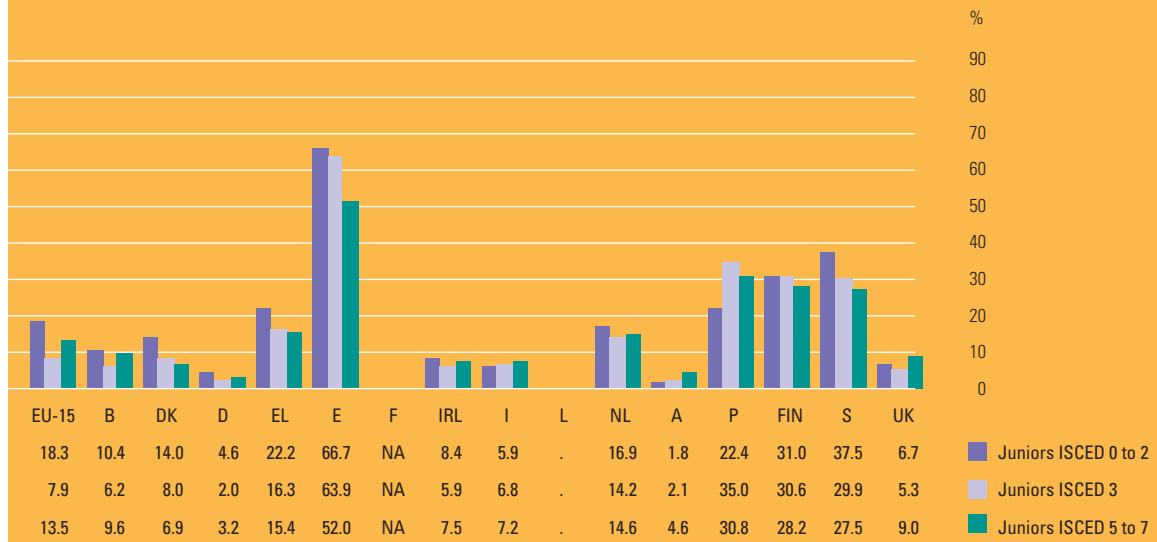
**... but these are due less to lack of experience on the labour market than to the fact that employees are more recently recruited**

The question may then arise as to whether the more temporary nature of jobs held by juniors is linked with their lack of experience or the fact that they are more likely to have been recruited only recently. If the first hypothesis is true, recently recruited seniors should hold fixed-term contracts more frequently. Looking at people recruited less than a year before, we find that seniors enjoy only a slight advantage in employment status, except in Belgium, France and, above all, Sweden (Graph 4.12).

This is still true when one considers fixed-term contracts that are not the holders' choice. The more frequent acceptance of fixed-term jobs is not linked with the age nor limited prior work experience of juniors. Employers pass the burden of flexibility to all newly recruited workers, whether or not they have work experience.

**Proportion of involuntary fixed-term jobs among those in employment, by level of education**

**Graph 4.11**



FR: data not available.

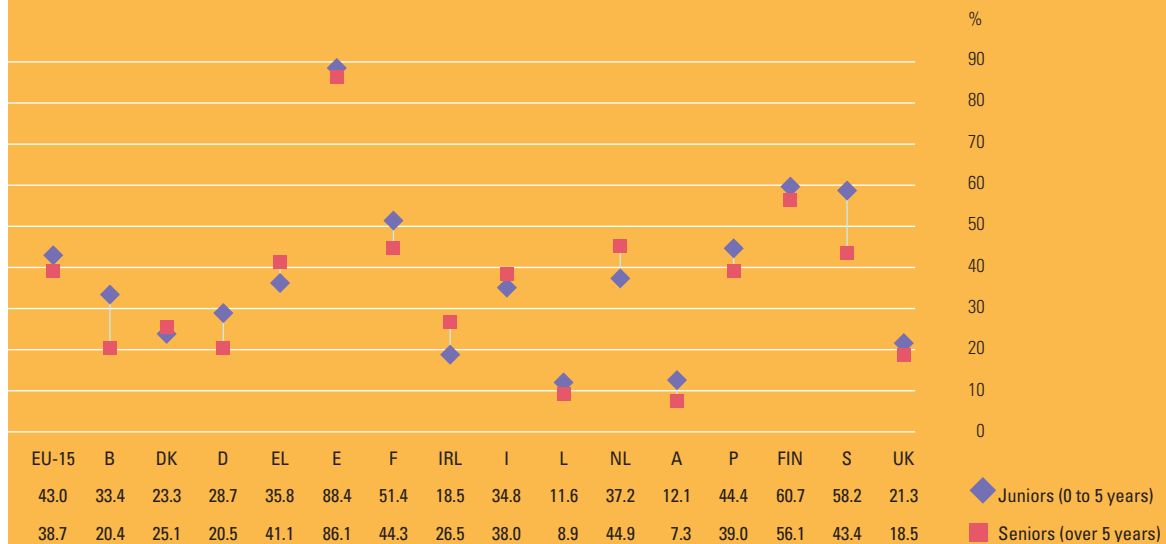
Source: Eurostat-ELFS, 1997.

**Methodological note**

For example, in Sweden, 37.5 % of juniors in paid employment with level 0 to 2 diplomas who have recently been recruited have a fixed-term job other than at their own choice.

**Proportion of fixed-term jobs among those in employment who were recruited less than a year previously**

**Graph 4.12**



Source: Eurostat-ELFS, 1997.

*Involuntary part-time work is a form of under-employment that affects juniors in particular, especially the less qualified.*

*The countries where the pole is 'selective exclusion tempered by competitive regulation' have the special feature that involuntary part-time work is relatively extensive in the jobs held by juniors.*

## **Part-time jobs sometimes accepted for want of a better option**

Maintaining the working relationship with the shortest possible horizon is not the only way for employers to adjust the volume of jobs to the contingencies of demand. Employees may choose part-time work as a method of allocating time, but it may also be imposed on them. When this happens, it becomes a form of under-employment affecting juniors (and women) in particular, especially the less qualified.

As a European average, involuntary part-time work <sup>(19)</sup> is done by almost 8.6 % of women juniors and 3.4 % of male juniors (5.4 and 1.4 % respectively in the case of seniors).

A group of countries stands out in which involuntary part-time work affects more than 10 % of young women. These countries are, in order of volume, Sweden, France, Belgium and Finland. Such countries also stand out in that they have a higher proportion than the European average of women seniors involuntarily in part-time jobs (Graph 4.13). Involuntary part-time work done by women juniors is close to the European average in Denmark, Italy, the Netherlands and the United Kingdom. Elsewhere it is not very frequent.

In certain countries, male juniors also do involuntary part-time work, although this is marginal. Involuntary part-time employment accounts for 5 % or more of the jobs of male juniors in Sweden, France, the United Kingdom and Finland. In other words, the countries in which the pattern is 'selective exclusion tempered by competitive regulation' differ from the others in the relative volume of involuntary part-time jobs held by juniors. This form of junior employment also exceeds the European average in certain 'composite' pole countries (Belgium for young women, the United Kingdom for young men).

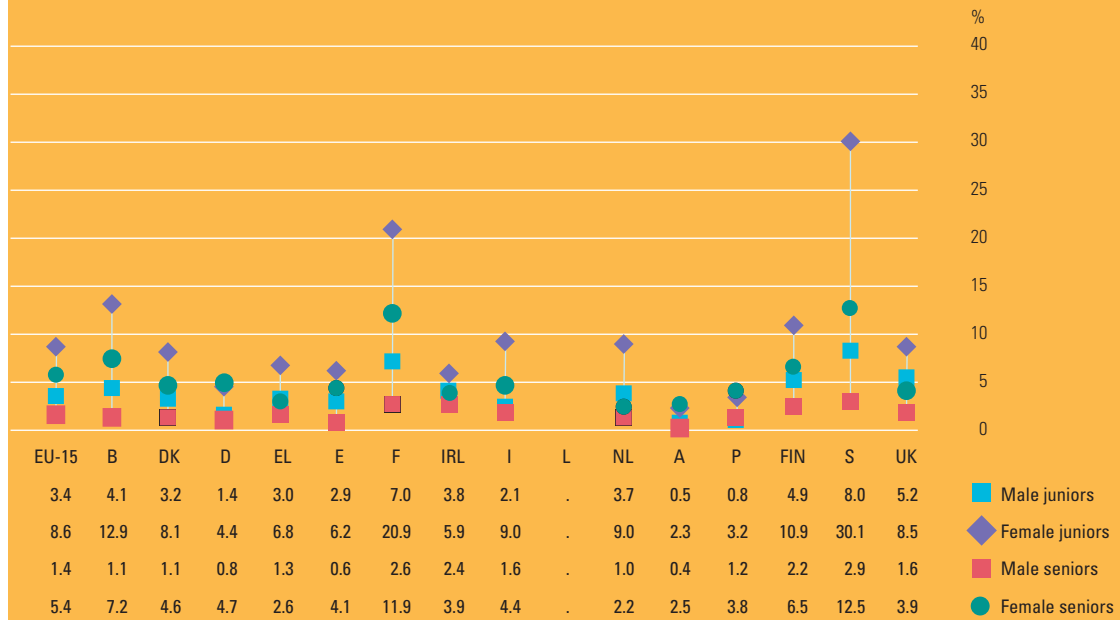
In France and Sweden, part-time working is used in part as a way of adjusting wage costs and, as we have seen, it mainly affects women. Juniors at ISCED level 3 or under, both male and female, are those mainly concerned: over 20 % of the jobs they hold are part-time, even though they would have preferred to work longer hours (Graph 4.14). In Belgium and Denmark, young people at ISCED levels 0 to 2 are in a similar situation (over 15 % of their jobs are part-time imposed by the employer). In these two countries, however, having an ISCED 3 diploma protects people from the risk of having to accept part-time employment.

<sup>(19)</sup> This is information given by individuals in the course of the ELFS.



Proportion of those in involuntary part-time employment, by sex

Graph 4.13



Source: Eurostat-ELFS, 1997.

**Methodological note**

For example, 8.8 % of junior women in paid employment in the Netherlands are in involuntary part-time employment.

## Wage profile by experience and diploma held

*A wage range that is more or less favourable to seniors and diploma-holders.*

Depending on the prevalent method of organisation of labour markets (see Box 2), employers do not attach the same value to diplomas and to experience. In a number of countries, the European survey on wage structure can be used to evaluate the pay received by juniors and seniors, bearing in mind the number of years' experience and the level of diploma attained (see Graph 4.15, giving a breakdown of the gross monthly increases for full-time employees by experience and ISCED level, the figures being expressed as a percentage of the average gross pay for full-time work in those countries).

It is a characteristic of Greece and Italy that the earnings of juniors with diplomas are relatively low (consistently lower than the average wage), a confirmation of the difficulties in integration encountered by juniors in these two countries. A diploma does not give juniors a decisive advantage in protecting them against unemployment, and it also means that they receive a lower wage.

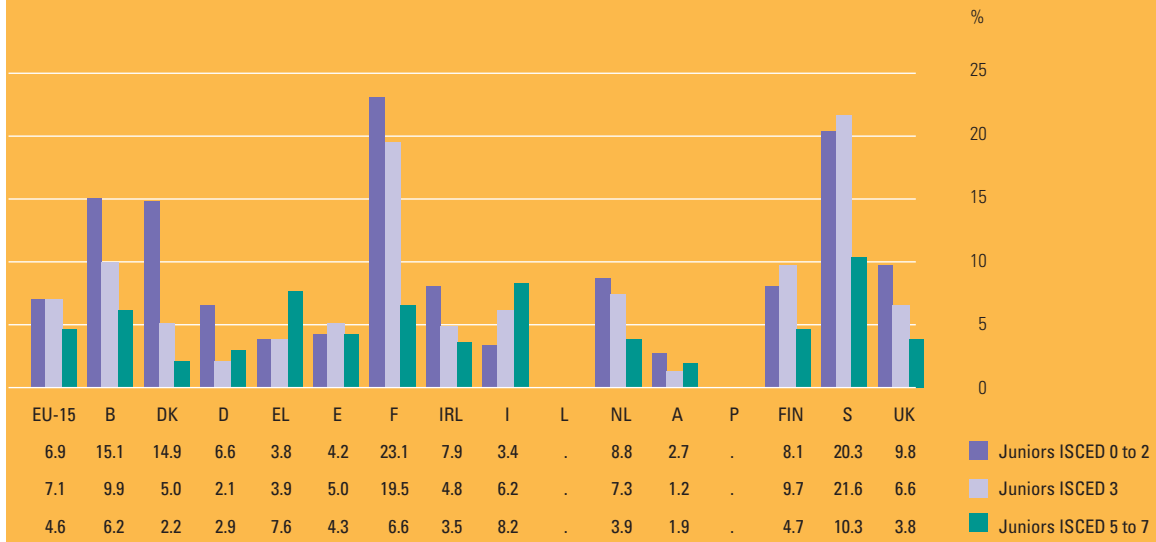
Among the countries closest to the 'regulated inclusion' model, Denmark has wage profiles that follow the standard model most closely: the wage advantage conferred by experience is very moderate, irrespective of the level of studies. However, the wage range in Austria, based on length of experience, is far wider for working people at ISCED level 3 or over than it would be in a pure 'regulated inclusion' model. Graph 4.15 clearly shows that pay return from experience is very significant for Austrians with diplomas. On the other hand, both juniors and seniors at ISCED levels 0 to 2 have very low rates of pay by comparison with the total population.

France is in a unique position in terms of the effect of higher-education diplomas on wage levels. Diplomas not only facilitate access to employment, even to longer-term employment, but also — right from the early years of working life — pave the way to considerably higher pay levels than those earned by employees with lower-level diplomas. With the acquisition of experience, the gap between higher-education graduates (ISCED levels 5 to 7) and others continues to widen.

In the other countries for which figures are available, wages rise according to the level of diploma and experience, although less markedly than in France. For juniors, the key factor is possession of a higher-education diploma. The range of wages seems to be broader in Belgium, Spain and Ireland than in the United Kingdom, for example.

Percentage of juniors in involuntary part-time employment, by level of education

Graph 4.14



Source: Eurostat-ELFS, 1997.

		B	DK	D	EL	E	F	IRL	I	L	NL	A	P	FIN	S	UK
ISCED 0 to 2	J2: 0 to 2 years	79.2	69.7	NA	62.5	47.0	.	50.9	67.3	65.1	NA	62.6	NA	NA	.	53.1
	J5: 3 to 5 years	74.8	81.0	NA	73.8	60.9	71.8	65.4	72.5	66.1	NA	72.9	NA	NA	75.8	63.4
	J6: 6 to 10 years	79.6	86.0	NA	76.2	66.3	69.0	75.4	80.7	77.1	NA	82.6	NA	NA	89.4	78.2
	J7: 11 and over, age under 50	93.1	91.2	NA	98.3	89.5	84.9	98.6	97.8	94.6	NA	89.9	NA	NA	95.5	94.7
	J9: 11 and over, age over 50	101.9	91.3	NA	109.0	110.4	111.9	115.9	105.9	110.1	NA	97.5	NA	NA	96.0	88.2
ISCED 3	J2: 0 to 2 years	74.1	80.1	NA	60.9	59.6	67.7	55.7	71.7	90.4	NA	75.2	NA	NA	75.7	60.8
	J5: 3 to 5 years	78.5	90.2	NA	66.0	63.2	70.4	67.8	75.0	92.0	NA	86.5	NA	NA	78.1	79.2
	J6: 6 to 10 years	85.9	99.6	NA	75.0	74.3	79.7	81.0	90.0	108.9	NA	101.6	NA	NA	91.3	95.1
	J7: 11 and over, age under 50	103.9	109.5	NA	111.3	121.8	102.8	109.7	120.5	139.5	NA	121.4	NA	NA	115.2	114.9
	J9: 11 and over, age over 50	127.8	109.7	NA	146.3	158.0	134.9	133.9	160.7	172.4	NA	141.6	NA	NA	118.3	106.3
ISCED 5 to 7	J2: 0 to 2 years	85.9	119.3	NA	74.2	67.1	79.7	79.2	88.4	96.9	NA	114.0	NA	NA	92.4	82.7
	J5: 3 to 5 years	100.3	127.6	NA	88.5	83.6	113.2	95.2	99.4	120.4	NA	130.5	NA	NA	97.9	111.1
	J6: 6 to 10 years	121.5	142.4	NA	105.1	115.1	134.3	118.3	116.4	144.7	NA	172.8	NA	NA	107.9	137.8
	J7: 11 and over, age under 50	153.3	153.0	NA	156.3	160.8	168.5	172.0	165.5	188.3	NA	211.9	NA	NA	138.0	158.6
	J9: 11 and over, age over 50	196.0	164.2	NA	208.3	185.9	272.3	205.2	218.6	222.5	NA	253.0	NA	NA	154.1	150.2

Source: Eurostat, SWS, 1995 except France, 1994.

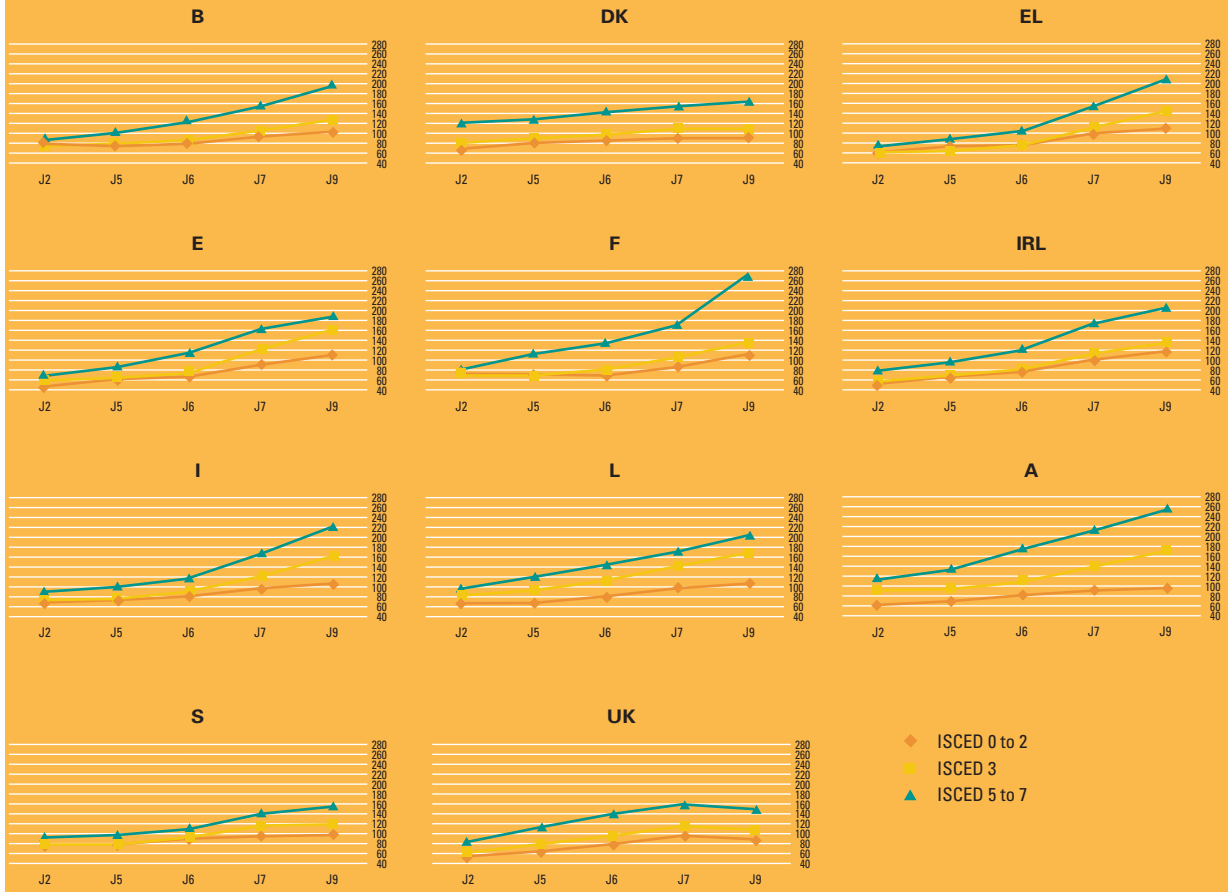
#### Methodological note

Base 100 = national median wage. Each group's median wage is calculated by comparison with the national median wage.

Full-time employees only. Figures not available for Germany, the Netherlands, Portugal and Finland.

Gross monthly wage index, by theoretical length of time since completion of studies and by educational attainment

Graph 4.15



## Posts held and recruiting enterprises: how open are they to juniors?

What kind of jobs are held by juniors, and in particular how open to juniors is the labour market in individual European countries? The emphasis here is on two dimensions, the employers who hire juniors and the posts for which they have been hired. In this section the level of polarisation of labour-market entrants' jobs is assessed, together with any differences from the jobs held by seniors. The gateways most commonly used to enter the working world are also identified.

*Two poles of attraction for juniors emerge: retail and service workers, and administrative employees.*

### Relative concentration of juniors in occupations

Within the European Union, the structure of occupations varies widely from one country to another. Job opportunities for newcomers depend both on the structure of all the posts that need to be filled and on the space allotted to newcomers by employers when they recruit, i.e. the judgements made by employers between different categories of manpower.

Two hypotheses may be formulated:

- either there is a greater polarisation in general of labour-market entrants' jobs, i.e. jobs held by juniors are concentrated in certain sectors whereas there are relatively few in other sectors;
- or, on the contrary, juniors are more widely spread, in other words they are more evenly represented over the range of occupations.

Identifying the occupational poles that are open or closed to labour-market entrants helps to define transnational similarities and special national situations, revealing the nature of convergence between countries for the various occupational groups. To achieve this, the relative concentration of juniors in the main occupational groups is measured in each country (Table 4.3).

Relative concentration of juniors in the main occupational groups

Table 4.3

Occupations (ISCO-88)	Value	EU-15	B	DK	D	EL	E	F	IRL	I	L	NL	A	P	FIN	S	UK
Managers	0.47	---	--	--	---	---	---	--	--	---	---	---	---	---	--	---	--
Professions	1.09	=	++	+	++	=	+++	++	=	---	+++	=	-	+++	++	=	--
Intermediate occupations	1.00	=	=	=	=	+	=	=	=	-	+	=	=	=	-	--	=
Administrative-type employees	1.14	+	=	=	=	+	+	+	+	=	=	+	+	=	--	=	++
Retail and service workers	1.28	+	+	+	+	+++	++	+	+	+	++	++	+++	=	+	++	++
Agricultural workers	0.54	--	--	-	--	--	---	--	---	--	=	+	---	---	---	---	=
Craft workers	1.04	=	=	=	=	=	-	-	++	++	-	=	++	++	+	=	=
Industrial occupations	0.86	-	-	-	--	--	-	-	=	+	---	-	-	-	+	+	=
Unskilled trades and unskilled service workers	0.98	=	-	-	--	-	+	=	=	-	--	=	--	+	-	+++	+

Source: Eurostat-ELFS, 1997.

**Methodological note**

How to read the table

- = the ratio of the percentage of juniors in the occupation to the percentage of juniors in employment as a whole is between 0.9 and 1.1
- + the ratio is between 1.1 and 1.3
- ++ the ratio is between 1.3 and 1.5
- +++ the ratio is greater than 1.5
- the ratio is between 0.7 and 0.9
- the ratio is between 0.5 and 0.7
- the ratio is lower than 0.5

A plus sign indicates over-representation of juniors in the occupational group, a minus sign indicates under-representation.

The concentration is calculated on the basis of the occupations coded according to the ISCO-88 nomenclature drawn up by the International Labour Office. It is determined by comparing the percentage of juniors in an occupational group with the percentage in all jobs. The occupational groups identified are those defined by the ISCO nomenclature (first figure).

***Three occupational groups are not very open to juniors: management occupations, and unskilled jobs in industry and agriculture.***

In this context, which occupational sectors are most accessible to juniors? In fact there are certain marked trends common to all European Union countries. On the one hand, in many countries there are two similar poles of attraction for juniors, the main one being the retail and service sectors. Juniors are 1.3 times more numerous here than would be expected in the event of even distribution among occupations. The other pole of attraction in almost every country is that of administrative employees.

On the other hand, there are three types of occupational groups that are not very open to juniors. These are management occupations, unskilled jobs in industry and those in agriculture. Management and agricultural occupations are those least accessible to juniors: they are twice less numerous than might be assumed were recruitment of juniors and seniors to be balanced. Unskilled jobs in industry are also less open to juniors, although the gap is less wide (the ratio of juniors in this occupation to those in all jobs is 86 %). For these categories of employment, experience is preferred throughout Europe — however the labour markets are organised — but the effects of industrial restructuring in the case of agricultural and industrial jobs may also be a factor.

Besides these common trends, certain specific national situations persist. For example, the profile of the intellectual and scientific occupations in individual countries differs widely. They are welcoming towards juniors in certain countries (Belgium, Denmark, Germany, Spain, France, Portugal and Finland), whereas they seem to be relatively closed to juniors in others (Italy, Austria and the United Kingdom). In the same way, craft-type industrial occupations seem to be generally open to juniors in Ireland, Italy, Austria, Portugal and Finland, but more closed in Spain and France. The Netherlands is the only country in which access to agricultural occupations seems to be relatively open to young people. Elsewhere, this greater inaccessibility of agricultural occupations may be put down to the steady decline in employment in agriculture.



## Relative concentration of juniors in economic sectors

Can a distinction be made between specific types of enterprise within sectors that choose to employ juniors and those preferring more experienced manpower? Is it possible to identify those sectors performing the function of introducing new workers? Is there a marked convergence of these sector profiles between different countries or, on the contrary, are national situations very individual?

It is known that a given branch of activity or economic sector may be a space that regulates the labour market (Box 2) and in which a given workforce-management policy predominates. Depending on the strategic guidelines under this policy, the sector favours certain categories of manpower rather than others.

In each country, sector poles can be identified in which jobs are directed towards juniors, and these are common to the majority of States (Table 4.4). In the 12 sectors surveyed, it has been observed that there is a relatively high concentration of juniors in certain sectors offering services to individuals — the hotel and catering trades — and in those offering services to enterprises.

This is not the case for transport and telecommunications, in common with agriculture and the administrative and health sectors, which are more difficult for labour-market entrants to get into. There are, then, marked transnational convergences. At the same time, however, there are a number of special situations. For example, industry is a greater provider of jobs for juniors than for seniors in Ireland, Italy, Portugal and Finland, whereas the contrary is true in most other countries.

In Portugal, the building industry provides more employment for juniors than for seniors. The reverse situation exists in Denmark, France, Ireland, Finland, Sweden and the United Kingdom. In the same way, the attitude of the financial services sector to juniors differs from country to country, with jobs being wide open to them in Germany, Ireland, the Netherlands and the United Kingdom, whereas the sector is more closed in Italy, Portugal and Finland.

*The relative concentration of juniors is high in certain sectors providing services to individuals — the hotel and catering trades and retailing — and in those providing services to enterprises.*

## Three types of integration, with internal disparities

The analysis of indicators confirms the findings from the typology formulated (see Annex 6): three groups are very similar, albeit not identical, in the ways that young people with little or no experience on the labour market are integrated. Within the three groups, there are also similarities between the national vocational training systems.

***In Denmark, Germany and Austria, it is easier for juniors to integrate than elsewhere.***

- In Denmark, Germany and Austria, the integration of juniors is relatively easier than elsewhere. This does not exclude a more difficult situation for people with the lowest level of education. The three countries have in common an extensive system of apprenticeship, to which the State and the social partners are heavily committed.

***In Greece and Italy, employers prefer experienced workers.***

- Greece and Italy are close to the model of 'selective exclusion', in which there is little standardisation of initial education and training and employers prefer to hire experienced workers.

***In France, Finland and Sweden, the risks of exclusion are tempered by competitive regulation.***

- In France, Finland and Sweden, the risk of exclusion among those holding the lowest level of diplomas is tempered by forms of 'competitive regulation'. A diploma is important, and those holding higher-education diplomas are relatively sheltered from unemployment. But other labour-market entrants, in common with adult women, suffer more there from flexibility (involuntary part-time work and fixed-term jobs). In these countries, initial education and training is acquired mainly in school, and general education is still preponderant.

The remaining countries form a more varied group, with a less-standard pattern for the relative position of juniors on the labour market.

Relative concentration of juniors in the main economic sectors																		
Sectors (NACE)	Value EU-15																	
		EU-15	B	DK	D	EL	E	F	IRL	I	L	NL	A	P	FIN	S	UK	
Agriculture	0.69	--	--	-	--	--	--	--	---	=	=	=	---	---	--	--	-	
Industry	1.08	=	=	=	-	=	=	=	++	+++	--	-	=	+	+	=	=	
Construction	0.97	=	=	-	=	=	=	-	-	=	-	=	=	++	-	-	-	
Commerce	1.17	+	=	+	=	++	+	+	+	+	=	++	+	+	=	+	++	+
Hotel and catering	1.38	++	++	++	=	+++	+	++	++	++	-	+	++	+	++	+++	+++	
Transport and telecommunications	0.73	-	-	-	-	--	--	--	--	---	-	-	-	--	-	-	=	
Financial services	1.14	+	=	=	+++	=	=	=	+	--	+++	+	=	-	--	=	++	
Services to enterprises	1.29	+	++	+	+	+++	+++	+++	++	+	++	+	=	+++	=	++	=	
Administration	0.76	-	--	-	+	--	--	--	--	---	-	-	-	--	--	---	--	
Education	0.76	-	=	-	=	=	=	=	--	---	+	-	-	=	+	-	---	
Health	0.89	-	=	=	+	-	-	-	-	--	+	=	=	=	-	-	-	
Other services	1.00	=	-	-	=	++	=	=	=	=	=	-	+	--	+	--	+	

Source: Eurostat-ELFS, 1997.

#### Methodological note

How to read the table

- = the ratio of the percentage of juniors in the sector to the percentage of juniors in employment as a whole is between 0.9 and 1.1
- + the ratio is between 1.1 and 1.3
- ++ the ratio is between 1.3 and 1.5
- +++ the ratio is greater than 1.5
- the ratio is between 0.7 and 0.9
- the ratio is between 0.5 and 0.7
- the ratio is less than 0.5

In other words, a plus sign means that juniors are over-represented in the economic sector, a minus sign means that they are under-represented.

The concentration is calculated in the basis of the sector, coded according to the nomenclature of economic activities (NACE).

Table 4.4

## Conclusion of the review of statistical indicators for the European Union

### Common trends ...

The indicators presented in this chapter reveal certain common factors and a degree of diversity in the forms of transition existing within European Union Member States.

*Early years of experience are characterised by a greater risk of unemployment ...*

1. Everywhere, even in those countries where young people in the active population are in a relatively favourable position, in the early years of experience (up to three years after the theoretical age at which a diploma is obtained) there is a greater risk of unemployment. The existence of substantial and recognised vocational training or of public negotiations on the question of labour-market entrants' integration does not eliminate the period of adjustment between the end of training and the first stable job, although it may reduce the scale and duration of that adjustment.

*... but periods of unemployment are shorter.*

2. Juniors are at greater risk of unemployment than experienced workers, although throughout the EU they are at less risk of long-term unemployment.

*Jobs tend to be for a fixed period,*

3. The jobs held by juniors are more often for a fixed term: on average in Europe over 40 % of recent recruitments have this type of status. Certain countries resort to the practice less frequently, for example Denmark, Germany, Luxembourg, Austria and the United Kingdom. In all cases, looking at recent recruitments as a whole, the proportions of juniors and seniors hired on a fixed-term contract are close to each other. The frequency of fixed-term jobs is in fact a result of employers wishing to adjust their workforce as required. It seems, then, that their frequency is linked with developments in the production structure and in the competition among enterprises rather than with juniors' lack of experience. Recourse to fixed-term jobs and the vulnerability to unemployment of those currently in work are generally linked, although this is not always the case. In the United Kingdom, for instance, the risk of losing one's job is close to the European average, whereas it is two times less common for recruitments to be for a fixed term.

*and part-time work is more likely to be involuntary.*

4. Certain employers try to adjust the volume of employment in their firms by offering part-time contracts, an adjustment that affects female juniors in particular. In certain countries, it also affects not only female seniors but also male juniors, as in France, Finland, Sweden and the United Kingdom.

*Diplomas perform a not inconsiderable role.*

5. Almost everywhere in Europe the form taken by the transition pathway depends on the level of education and diploma attained. Those with the lowest diplomas are far more likely to be unemployed, except in Greece, Italy and Portugal. When unemployed, they have fewer opportunities to find another job quickly. Although this finding is universal, there is still some diversity: those with low-level diplomas are less likely to be excluded in countries of type 'regulated inclusion' and in the United Kingdom, whereas the risk is greatest in France, Finland and Sweden.

### ... but certain specific situations

These overall findings obviously cover local or sector-specific situations that should be clarified at a later stage. At present, there is insufficient information to establish empirically the links between forms of education, labour-market structure and the forms of transition. For an analysis of the factors influencing the transition pathway, the only course of action would be to compile longitudinal information. All that can be done is to advance certain hypotheses, which have been validated in certain Member States <sup>(20)</sup>.

Today's juniors have a different experience of employment relationships with employers compared with the previous generation. The transition process leads to the start of less-stable careers than in the past. In the absence of rules of integration negotiated between the social partners, there is far keener competition for access to jobs among juniors with different levels of diploma and also between juniors and seniors.

In this competition, a diploma is an asset: the level of education is a factor, but the subject or field of one's original vocational training is also important.

The presence of substantial recognised training has a beneficial influence on the transition pathway, whether that training has taken place in school (the Netherlands) or the workplace (Denmark, Germany and Austria).

Early work experience in the course of education has a favourable effect on the integration pathway. This is particularly true of alternance, where the enterprise has a genuine commitment to training. But even short-term work experience or training that took place a relatively long time beforehand is an asset.

The development of higher education has gone hand in hand with the transformation of the production structure. In certain countries, however, the number of newly trained people has risen faster than the jobs for them. Those holding higher-education diplomas are then more protected against unemployment, although they run a certain risk of being downgraded.

Juniors with lower levels of diploma are in a vulnerable position on the labour market: close to one in three is unemployed. Policies on training and aid to find employment that have been introduced in the Member States have certainly helped to reduce the risk of long-term unemployment that such people face, but in most European countries their integration is still uncertain. More appropriate solutions still need to be found.

<sup>(20)</sup> In particular in France, by CEREQ's 'Generation 92' survey.

# 5

## **Transition from school to work in central and eastern European countries**

## Introduction

This chapter aims to provide a picture of young people's transition from school to work in the 10 countries of central and east Europe which are candidates for future entry into the European Union <sup>(21)</sup>. Its focus is slightly different to that of the rest of the publication in the following ways.

- It examines young people's position in education/training and in the labour market rather than young people's pathways (*parcours*) from education/training into the labour market. In the terms introduced in the previous chapter this means that we use data which refer to age categories rather than to categories of 'juniors' <sup>(22)</sup>. Moreover, the position of young people in the labour market is analysed in terms of activity/inactivity and unemployment. No detailed information on employment features (e.g. in terms of sectors of employment, types of employment contracts, salaries, etc.) is provided. This is due to data limitations. To date, access to the labour force surveys in CEECs, that would permit calculation of the same indicators as those for the EU Member States, is limited. Accordingly, this chapter is more limited in describing and analysing the transition process itself than that of the EU Member States. In the near future, with the participation of these countries in the Community labour force survey (CLFS), the same level of analysis will be possible.
- It puts young people's transition from school to work in the perspective of the fundamental socioeconomic changes that took place in CEECs during the previous 10 years. These changes have had an important impact on the structure and functioning of both the labour market and the education system and consequently on the risks, opportunities and modalities of young people's transition from school to work.
- The chapter is drafted mainly on the basis of national data provided to the European Training Foundation by the national observatories. Data were collected via a predefined questionnaire and apply internationally accepted definitions. Education data refer to the academic year 1997/98 and labour market data to 1997. For selected indicators, supplementary data from the UOE questionnaire (provided by Eurostat) have been used. The UOE questionnaire was compiled by CEECs in 1998 and the data gathered refer to the academic year 1996/97 <sup>(23)</sup>.

<sup>(21)</sup> Malta and Cyprus have not been included in the study for reasons of non-readily available information.

<sup>(22)</sup> For the definition of 'juniors', see inside front cover.

<sup>(23)</sup> Generally, data should be interpreted with caution due to small sample size.

## The changing political and socioeconomic context

Since the beginning of the 1990s, the countries of central and eastern Europe have faced radical political and socioeconomic changes in their transformation process from centrally planned to democratic, market economies. The beginning of the transformation process was characterised by a real economic crisis with sharp decline in GDP, employment and labour-market participation rates. Also unemployment (an unknown phenomenon before 1989) rose substantially in all countries, except the Czech Republic.

Since 1993, notwithstanding country-specific fluctuations, the region has entered a new pattern of economic development. Over the whole period since 1993/94, GDP growth has been significant (with the exception of Bulgaria and Romania — European Commission, 1998). However, output in 1998 still remained below the pre-transition levels in all countries except Poland and Slovenia (European Commission, Eurostat, 1999). However, the employment rate has been stabilised at lower levels than those before transition began (European Commission, 1998). Unemployment rates have been declining since 1993 in almost all countries (although an inversion of the trend has been noticed in 1997 and 1998 in some countries). At the same time labour-market participation rates have continued to decline since 1993 in all countries. However, they remain higher than the EU average in all countries except Bulgaria and Poland (European Commission, Eurostat, 1999).

During the whole transformation period important structural changes have taken place in the economy and more are still on-going. These include: the rapid shrinking of the industrial and agricultural sector (except in Romania) in favour of the service sector; the collapse and/or restructuring of big State enterprises (the main employer in the previous regime); the rising importance of the private sector as a result of the economic restructuring and privatisation process; and the increasing number of small and medium-sized enterprises. These structural changes have significantly modified employment opportunities for all people (including young people) and the nature of skills required. At the same time they have introduced a high degree of uncertainty on future skill requirements.

To respond to this changing environment, all CEECs introduced significant (to a greater or lesser extent) reforms in their education and training systems. These reforms are aimed at the following areas.

Curricula are revised as to reflect democratic values. Students' choices on which educational/training programme to follow are no longer directed by the previously predominant adequation model (according to which students had to choose among well-specified training places identified by enterprises). Finally, public schools do not monopolise the education system as private schools have been allowed to function.

Curricula of initial vocational education and training courses are broadened. Before the reforms, occupational labour markets were prevalent. Curricula of vocational programmes were closely focused on the specific occupations for which young people were trained. Now, with the introduction of new technologies and organisation structures, the increasing importance of the services sector and uncertainty about future job opportunities, vocational programmes have to offer broader, more transferable skills which enable young people to be more flexible.

**Reforms introduced in the education and training systems aim at ...**

- **Making the education and training system more democratic.**
- **Broadening the curricula.**



The structure of post-secondary education is diversified, with the introduction of new post-secondary vocational programmes. The percentage of young people continuing their education/training after secondary education has been traditionally low (with the exception of the Baltic countries). The development of new sectors of economic activity and in particular of the service sector (banking, accounting, mass media, etc.) requires higher qualifications, which can only be offered at post-secondary level.

Before the socioeconomic reforms, State enterprises provided practical training to all young people in vocational programmes. They ran their own workshops in special infrastructure but also provided on-the-job training. After the beginning of the privatisation and restructuring process, enterprises could not afford to keep the infrastructure for practical training. Also, in trying to increase their efficiency (but also as a result of massive lay-off), they could not afford trainees. Consequently, schools had to provide practical training either by creating their own workshops or trying to set up special agreements with local enterprises.

In the former centrally planned system there was a well-established link between schools and enterprises. With the initiation of reforms for the market economy this link was dismantled. To reinforce this link, a legal and institutional framework was established in the majority of CEECs to ensure the involvement of social partners in the provision of training (e.g. definition of skill needs and occupational profiles, agreement on qualifications, etc.). Incentives are often given to enterprises to develop partnerships with local schools and/or to get involved in the provision of training.

During the second half of the 1990s young people still entered a tight (for the majority of countries) and rapidly changing labour market characterised by a high degree of uncertainty. At the same time, their education and training opportunities also changed due to reforms in the education and training systems of their countries.

- ***Diversifying the structure of post-secondary education.***
- ***Ensuring adequate opportunities for practical training.***
- ***Improving the links between education/training and the labour market.***

*Since the beginning of the transformation process participation rates in education and training have been slowly increasing in the majority of countries.*

## Young people in education and training

### Participation patterns in education and training

Since the beginning of the transformation process, participation rates in education and training have been slowly increasing in the majority of countries. Between 1995/96 and 1997/98, the increase in participation rates of 14 to 19 year olds was small but it was particularly pronounced for the age group 17 to 19 — only the Czech Republic presents a reduction in participation rates and Bulgaria stagnation (ETF, 1999 — Table 5.1, Graphs 5.1 and 5.2).

This is partially due to the more diversified opportunities that the education and training systems provide to young people for continuing their studies with post-secondary education and training. It is also certainly due to the higher value that young people attribute to education and training and to the acquisition of higher-level qualifications that improve their chances on the labour market.

Participation in general education at ISCED level 3 has been traditionally low in the CEECs, (with the exception of the Baltic States and to a lesser extent Bulgaria). This is due to the fact that only a small number of young people participate in education and training at post-compulsory level with the aim to continue with higher education. Most of them aim at acquiring a qualification and entering employment. In 1997, more than two thirds of young people in upper-secondary education were enrolled in vocational programmes (against 58 % on average in the EU). However, the relative importance of general education is slowly increasing through time and in particular for girls (op cit.).

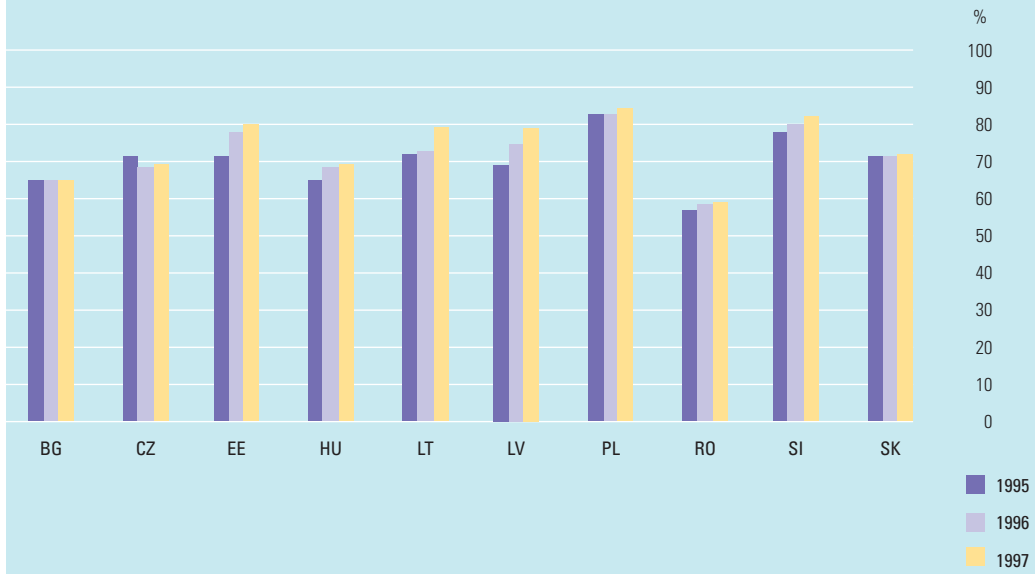
**Table 5.1**

Participation rates in education and training of 14 to 19, 14 to 16 and 17 to 19 year olds										
<b>14 to 19</b>										
	BG	CZ	EE	HU	LT	LV	PL	RO	SI	SK
1995	65	71	71	65	72	69	83	57	78	71
1996	65	68	78	68	73	75	83	58	80	71
1997	65	69	80	69	79	79	84	59	82	72
<b>14 to 16</b>										
	BG	CZ	EE	HU	LT	LV	PL	RO	SI	SK
1995	86	95	90	86	89	86	95	78	96	97
1996	86	95	95	89	90	92	95	78	96	97
1997	85	94	95	89	95	94	95	79	96	97
<b>17 to 19</b>										
	BG	CZ	EE	HU	LT	LV	PL	RO	SI	SK
1995	46	50	52	46	55	51	69	38	59	45
1996	46	46	61	50	57	57	71	40	65	46
1997	47	47	64	48	64	63	73	42	69	48

Trends 1995/96–1997/98.

Evolution of participation in education from 1995 to 1997

Graph 5.1



Participation in education, by age group, 1997

Graph 5.2



***The most frequented vocational courses have been those providing a double qualification.***

At the same time the most frequented vocational courses have been those providing a double qualification (Graph 5.3), i.e. not only a vocational qualification for the labour market but also an educational qualification (the baccalaureate or *matura*) for continuation of studies at higher level. This phenomenon has become more pronounced over the past years because of the breadth of knowledge and flexibility that these courses offer. Moreover, many of the new programmes providing a double qualification aim at preparing young people for new sectors of economic activity, e.g. in the area of services, and offer better job opportunities.

As a consequence, vocational courses, which provide only a vocational qualification, are decreasing in importance. These courses remain relatively more important, in terms of enrolment, for boys rather than for girls (ETF, 1999).

The contacts with the workplace that young people have had during their vocational education and training have traditionally been very intense as all of them received training in the large State enterprises and/or in workshops. With the collapse of the large State enterprises, practical training has been taking place in school workshops and only a few have been trained in enterprises. At this stage no data are available on the young people trained in enterprises. The continuing vocational training survey is being carried out in 2000 in most CEEC countries and will fill this information gap.

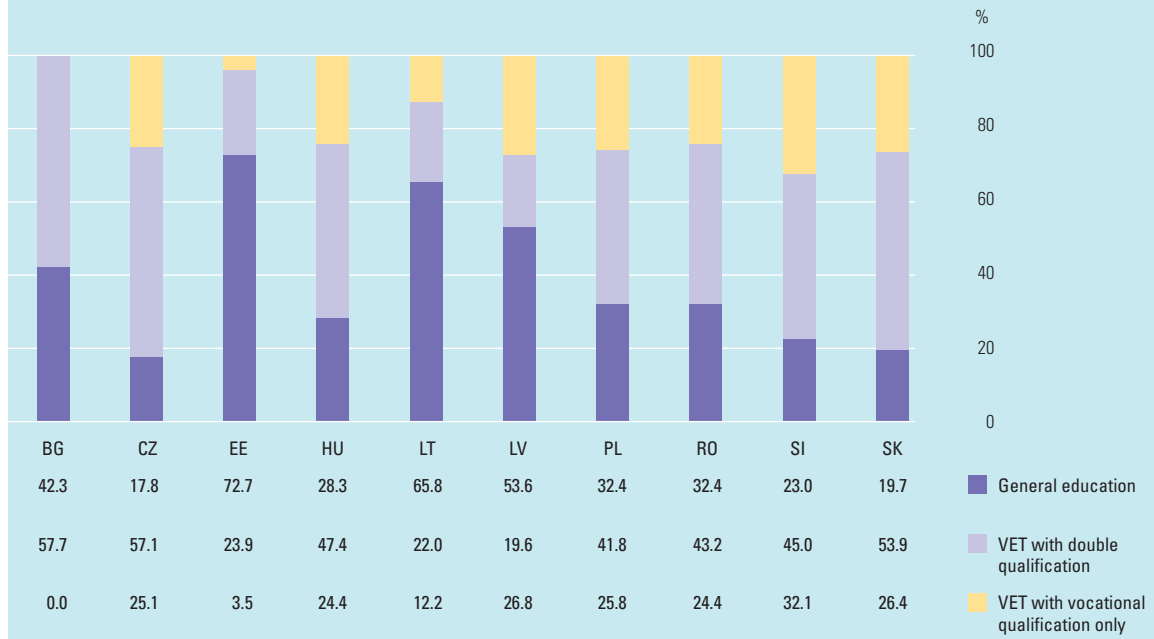
Traditionally, the most frequented vocational programmes were those preparing young people for employment in industry. The distribution of enrolment in vocational programmes by field of study (Table 5.2) demonstrates that in 1996/97 more than half of young people were enrolled in 'trade, craft and industrial programmes' in all countries, except the Czech Republic and Slovenia. Commercial studies have an important weight in Slovenia and, to a more limited extent, in Bulgaria, Hungary and Slovakia.

**Table 5.2**

Fields of study in vocational programmes at ISCED level 3, 1996/97										
of which percentage in:	BG	CZ	EE	HU	LT	LV	PL	RO	SI	SK
Trade, craft and industrial programmes	30	37	57	44	64	51	NA	58	28	44
Other engineering programmes	39	12	6	18	4	5	NA	14	20	17
Commercial studies	12	9	6	11	1	9	NA	5	21	11
Agriculture, forestry and fisheries	9	7	11	4	5	14	NA	9	5	5
Health studies	—	4	1	1	—	—	NA	—	6	4
Fine and applied arts, religion and theology	2	1	2	—	2	1	NA	2	1	1
Other subjects	8	31	17	23	23	20	NA	12	19	18

Share of enrolment in education and training at ISCED level 3, 1997/98

Graph 5.3



**Participation rates in higher education increased during the last few years.**

## Participation in higher education

Generally, in CEECs secondary education that provides baccalaureate or *matura*, i.e. the possibility to continue studies at (university or non-university) higher education, ends at the age of 17/18. This implies that, generally, the structure of the education system permits entry to higher education at the age of 18/19. Exception to this rule is Poland where secondary education (general and vocational) that provides *matura* ends at the age of 18/19. So young people in Poland can enter higher education at a later stage than their colleagues in other CEECs. In Estonia, Latvia and Lithuania participation rates in higher education are already high at the age of 18 and 19 and then they decrease more or less rapidly. This can be attributed to the participation of young people in higher vocational and technical education which is of a shorter duration than higher education.

Nevertheless, participation rates in higher education have been low in the CEECs. However, in all CEECs, with the exception of the Czech Republic, participation rates in higher education increased during the last few years (ETF, 1999). Increases were particularly strong in Bulgaria and Romania. In Bulgaria the participation rate in higher education of the age group 20 to 24 increased from 20.4 % in 1993 to 24.5 % in 1997 <sup>(24)</sup>. In Romania, it doubled from 10 % in 1990 to 22 % in 1993. In 1996/97, the enrolment of the age group 19 to 23 reached 24 %. The development of private universities has accommodated to a large extent this important increase in demand for higher-level studies.

Conclusively, educational systems in CEECs are characterised by large participation in the vocational education and training programmes at ISCED level 3 (in particular those which provide a double qualification). At the same time, participation in higher education and training remains relatively low compared to the EU average (even if it is close to the participation of some EU Member States) but it is increasing.

<sup>(24)</sup> Bulgarian national observatory report, 1998.

Participation rates in higher education for the 17 to 25 year olds, 1996/97

Graph 5.4



Table in Annex 5.

*Qualification levels of young people are better than those of the older generations.*

## Qualification levels of young people

Overall, qualification levels of young people are better than those of older generations as is the case in EU Member States (ETF, 1998 — Graph 5.5). A comparison between educational attainment levels of young people (25 to 29 year olds) and the total population (25 to 59 year olds) demonstrates that a larger percentage of the former acquires a qualification at secondary level (ISCED level 3) at least. Thus, the percentage of young people entering the labour market with a low qualification or no qualification (ISCED levels 0 to 2) is decreasing. The countries that present the lowest rates of early leavers are the Czech Republic, Estonia and Slovakia. The countries with the highest rates are Bulgaria and Hungary <sup>(25)</sup>. Generally, a higher percentage of young men, rather than young women, leave the educational system with low or no qualification (exceptions are the Czech Republic, Hungary, Slovenia and Romania).

At the same time, it is worth noting that data referring to 1997 demonstrate that a lower percentage of young people, i.e. 25 to 29 year olds (particularly young men), continue their studies in higher education. A possible reason for this may be the negative economic circumstances during which this generation of 25 to 29 year olds had to decide to continue to higher education or not. They had to take their decision while the economy was at its worst, with shrinking production and falling family incomes. Families might not have been able to finance their children's education. Moreover, study subsidies in many countries were reduced or abolished due to budgetary problems. Finally, some countries introduced higher-education enrolment fees. The above reasons may have discouraged young people from continuing with education and encouraged them to enter the labour market. However, it must be said that this seems to be a temporary phenomenon. Evidence of increased participation rates of young people in higher education demonstrates signs of a turnaround. Recognition of better labour-market outcomes for the higher educated and also studies as an alternative to unemployment has led the younger population of 20 to 24 year olds to be more interested in continuing their studies.

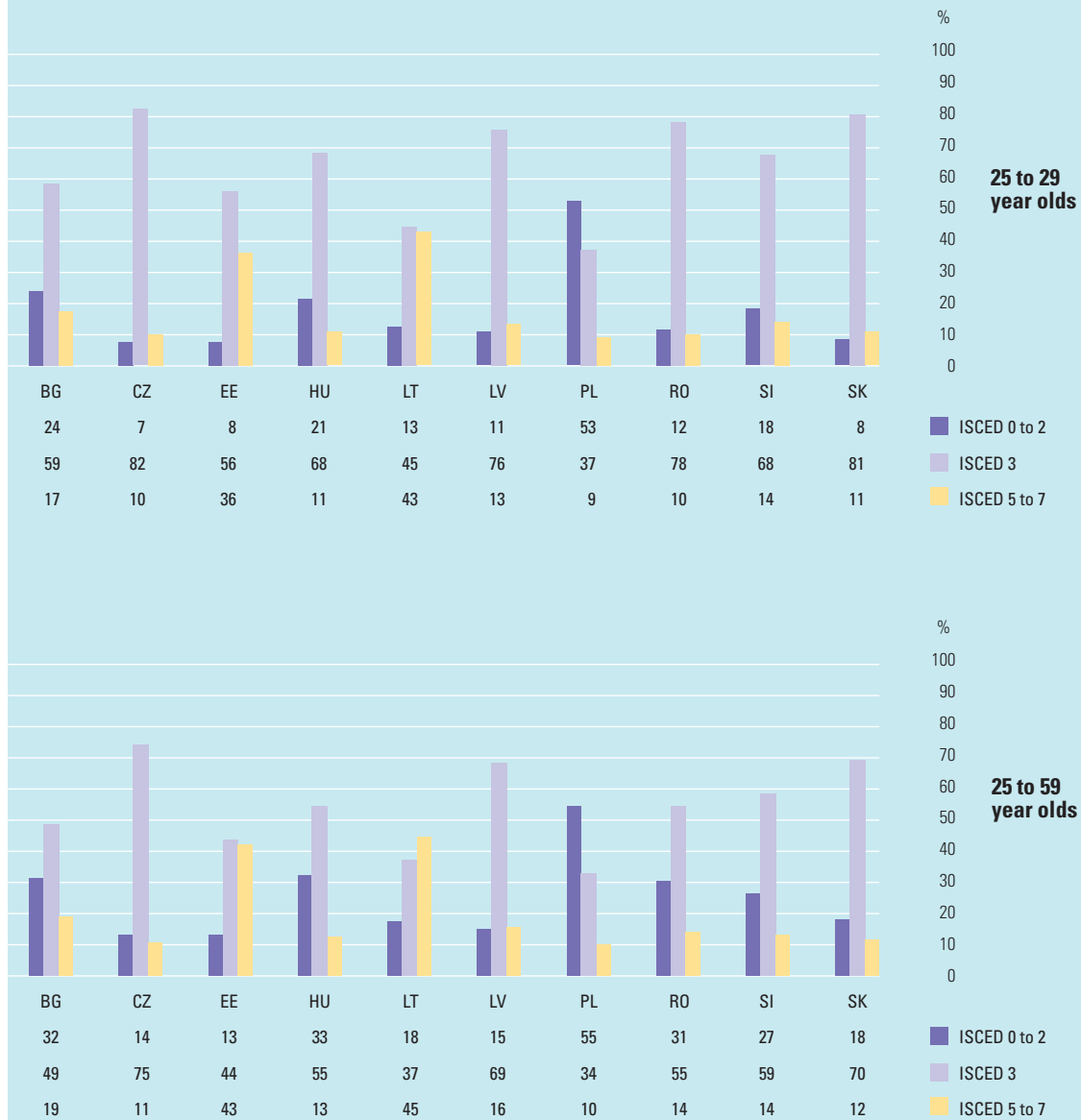
Nevertheless, it should be noted that the negative circumstances affected mainly young men. Young women, in all countries except the Czech Republic, present higher percentages of higher-level educational attainment. Moreover, in the majority of countries the percentage of young girls having acquired a higher qualification level is higher than, or at least equal to, the total female population (25 to 59 year olds) (except in Estonia, Hungary, Lithuania and Romania).

<sup>(25)</sup> Data for Poland should be interpreted with caution because they include all those who have a vocational qualification from basic vocational schools which should normally be attributed in ISCED level 3.



### Educational attainment levels of the population, 1997

**Graph 5.5**



**Methodological note**

Estonia and Lithuania present a relatively high percentage of people having acquired a qualification at ISCED levels 5 to 7. This is due to the specificity of the education and training system in these two countries. Both countries have vocational education and training courses classified at ISCED level 5. The majority of people in the ISCED 5 to 7 category have actually acquired a vocational qualification at this level.

***Young people in the CEECs leave the education and training system earlier than their colleagues in EU Member States.***

## The ages at which transition starts

An analysis of participation rates in education and training by age (Graph 5.6) demonstrates that young people in the CEECs leave the education and training system earlier than their colleagues in EU Member States. This implies an early transition from school to work. The countries most approaching the EU average pattern are Poland and Slovenia.

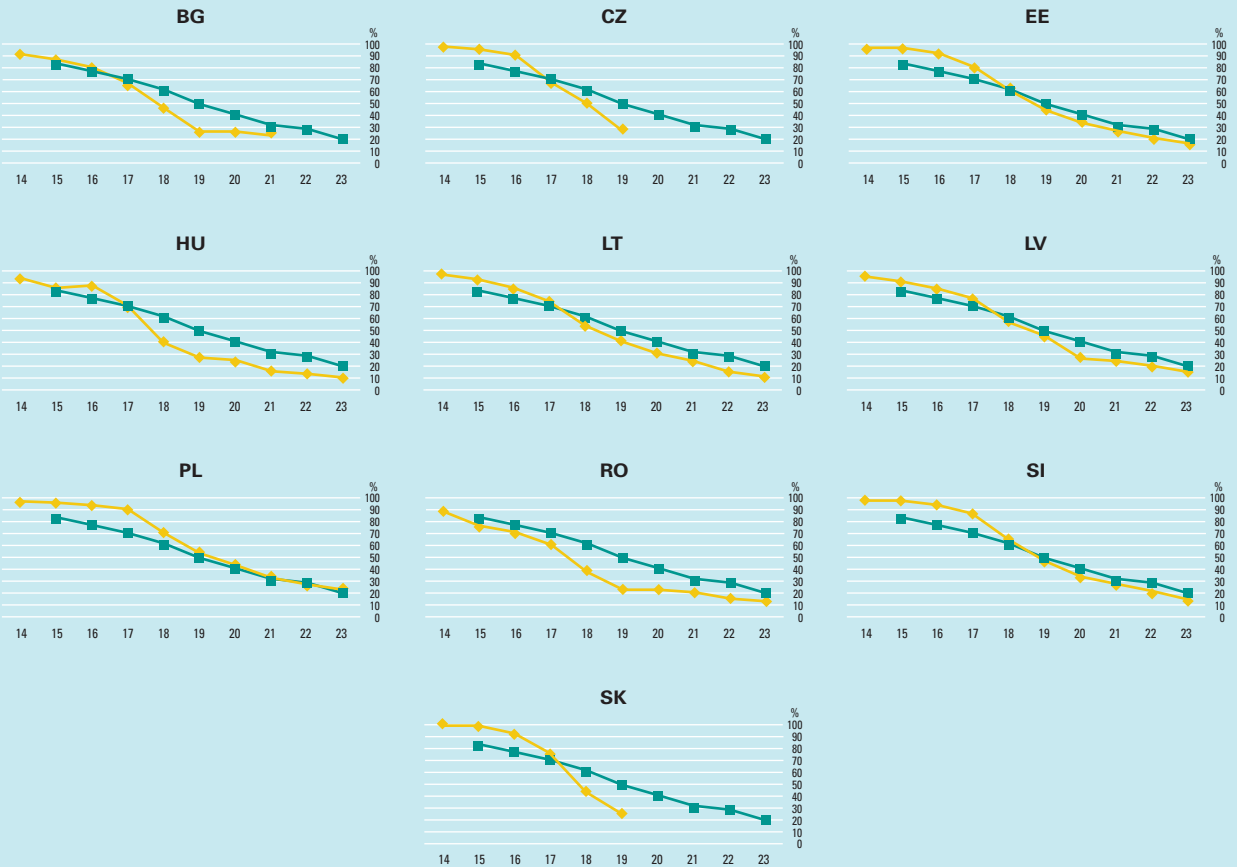
Until the age of 16, the vast majority of young people in all CEECs are in education and training (lower participation in Bulgaria and Romania). After that age, participation declines in the majority of the countries. This happens more rapidly in Bulgaria, the Czech Republic, Hungary and Slovakia, where secondary vocational education and training (see Graph 5.3) plays an important role, and more smoothly in Estonia and Lithuania, where post-secondary education (tertiary or non-tertiary) is relatively more popular. In Slovenia and Poland, the critical age at which a large number of young people (around 20 % of the age group) leave the education system is 17.

However, transition from school to work currently at an early age will start later in the coming years. It should be underlined that since 1996 (the year to which data refer) many countries have lengthened the duration of basic education <sup>(26)</sup>, which influences the age at which young people can start a qualification programme and may leave school. For example, in the Czech Republic and Romania basic education was extended from eight to nine years in the academic years 1996/97 and 1999/2000 respectively. In Lithuania and Slovakia, basic education was extended from 9 to 10 years in the academic year 1998/99; in Hungary the end of compulsory education will be at 18 (as is in Poland) from the academic year 2000/01. These reforms have already increased the age at which participation curves start to decline with respect to 1996/97 (the year to which the data refer). Accordingly, we expect young people to stay longer in the education system in future.

<sup>(26)</sup> Basic education is all education preceding secondary general and vocational education. It is common for all students. Only at the end of basic education are young people streamed to the different educational paths. Basic education is compulsory.

Participation rates of 14 to 23 year olds in education and training (ISCED levels 0 to 6), 1996/97

Graph 5.6



Age	BG	CZ	EE	HU	LT	LV	PL	RO	SI	SK	EU-15
14	91	97	96	94	97	95	97	88	97	99	NA
15	87	95	96	85	93	91	96	76	97	99	83
16	80	90	92	87	86	85	93	71	94	92	77
17	67	67	80	71	75	77	90	60	87	76	70
18	46	50	60	40	54	57	71	38	65	44	61
19	26	27	44	27	41	45	53	23	47	25	49
20	26	NA	34	25	31	26	44	23	34	NA	41
21	23	NA	27	16	24	24	33	20	28	NA	32
22	NA	NA	21	14	15	20	27	15	22	NA	28
23	NA	NA	16	10	11	15	23	13	14	NA	19

## Young people in the labour market

*Young people face more difficulties in finding employment than their peers.*

### Unemployment

The impact of unemployment on youth is analysed across two dimensions:

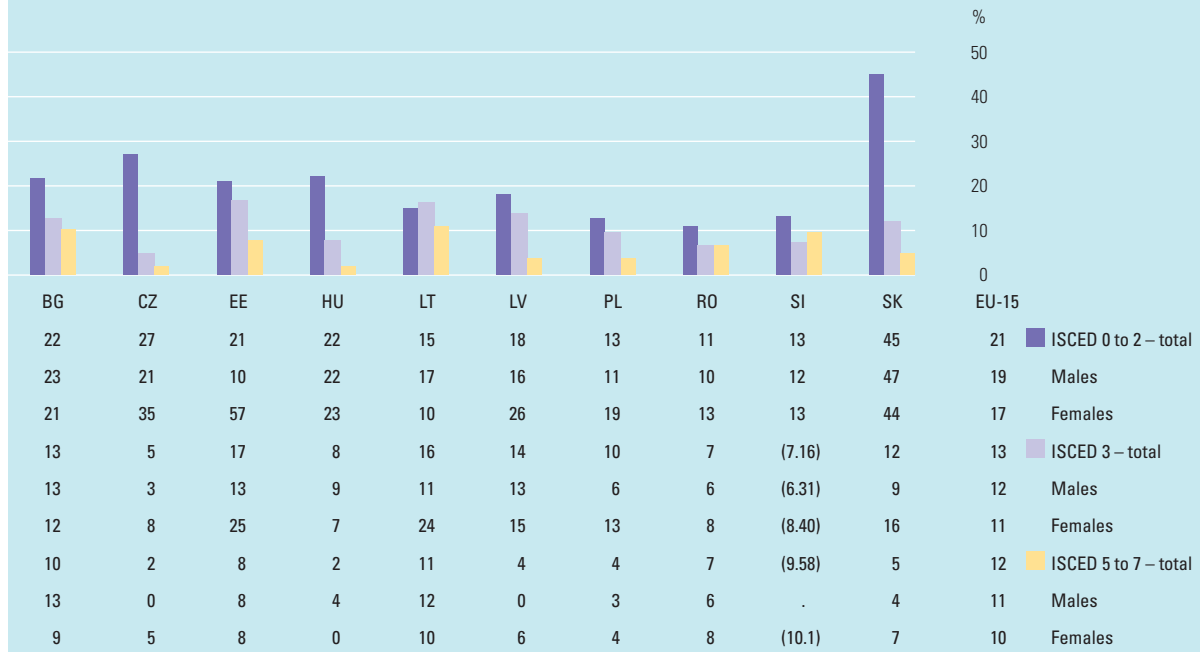
- unemployment rates, i.e. the number of young people in unemployment compared to the total number of active young people;
- the proportion of young unemployed compared to total number of young people (i.e. active and inactive).

Unemployment rates for youth are higher than for the rest of the population. Unemployment rates of young people (younger than 25) are significantly higher than those of the population 25 years and above (see Table 5.3) in all CEECs, as is the case in the EU Member States. This implies that young people face more difficulties in finding employment than their peers.

However, having a high-level qualification (ISCED levels 5 to 7, Graph 5.7) protects them from unemployment. Unemployment rates of highly qualified youth (25 to 29 year olds) are significantly lower than those who hold low, or no, qualifications. For the former, unemployment rates range between 2 % in the Czech Republic and 10.3 % in Bulgaria; while for the latter, between 11.1 % in Romania and 45 % in Slovakia. The extremely high unemployment rate of low-qualified youth in Slovakia may be attributed to the over-representation of Romany populations in that age group.

**Unemployment rates of young people (25 to 29 year olds)  
by educational attainment, 1997**

**Graph 5.7**



( ) = Less significant estimate.

**Unemployment rates of 24 year olds and younger and 25 year olds and older, 1997**

**Table 5.3**

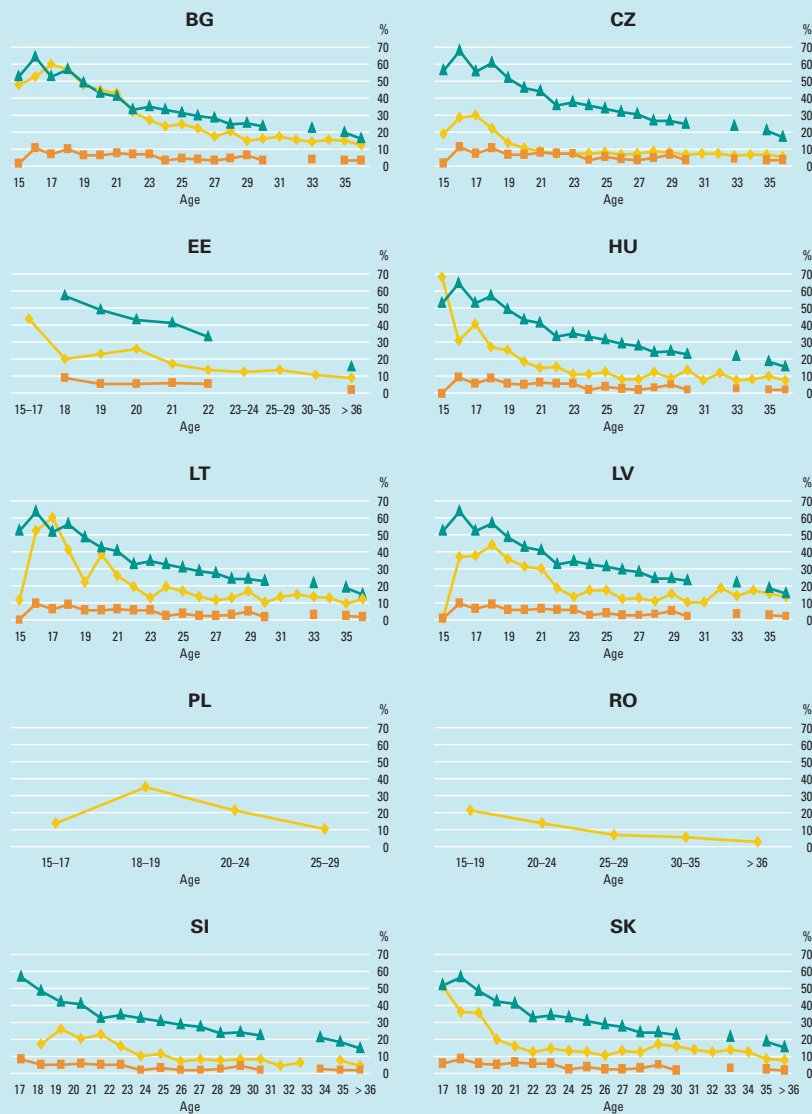
BG			CZ			EE			HU			LT		
M	F	Total	M	F	Total	M	F	Total	M	F	Total	M	F	Total
36	36	36	6	7	7	20	20	20	17	15	16	28	23	26
12	13	12	3	5	4	11	10	10	9	7	8	12	13	12
Less than 25			25 and older											
LV			PL			RO			SI			SK		
M	F	Total	M	F	Total	M	F	Total	M	F	Total	M	F	Total
24	27	25	21	27	23	16	21	18	16	21	18	21	20	20
13	13	13	7	10	8	4	4	4	6	5	5	8	11	9
Less than 25			25 and older											

M = males; F = females.

An analysis of unemployment rates by age (Graph 5.8) demonstrates that, as a general rule, CEECs' unemployment rates for young people (15 to 35 year olds) are below the EU average. Very young people (15 to 17 year olds) are an exception, however, as they are close to the EU maximum. This demonstrates that economies in CEECs are less capable of absorbing young people with low qualifications and that the problems they face in the labour market are more severe than those in EU Member States. Unemployment rates are highest, and very close to the EU maximum for all ages, in Bulgaria. It should be mentioned that Bulgaria is one of the countries most hit by economic recession. Latvia's unemployment rates are close to but, nevertheless, lower than the EU maximum for all age groups except those aged between 32 and 35. Unemployment rates are lowest, and very close to the EU minimum, in the Czech Republic (it should be remembered that overall unemployment in the Czech Republic has been quite low until recently).

Unemployment rate by age, 1997

Graph 5.8



■ EU max.  
■ EU min.

Table in Annex 5.  
Estonia: 1998.

The percentage of unemployed in the total population (Graph 5.9) in a given age group presents a different pattern to that of the unemployment rate. It presents a maximum at ages between 20 and 24. This can be easily explained by the fact that until that age a higher proportion of the population is in the education system and after that age a higher proportion has already found a job. Again all CEECs are close to the EU minimum (except Bulgaria for those above 18 and Latvia for those 18 to 22 and over 32). This also holds true, in general, for the percentages of very young people (15 to 17). This can be explained by the fact that in CEECs the absolute number of active people aged between 15 and 17 is relatively lower than in EU Member States on average.



Proportion of unemployed in the total population by age, 1997

Graph 5.9

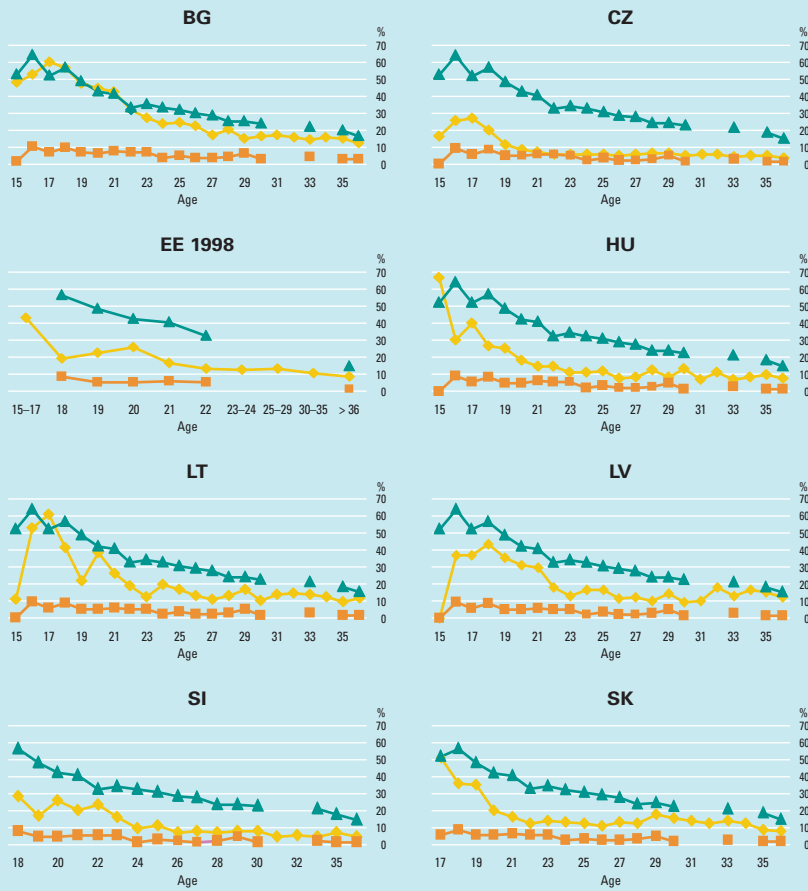


Table in Annex 5.

■ EU max.  
■ EU min.

*Inactivity rates are generally  
higher than those in EU countries.*

### **Inactivity rates of young people not in education <sup>(27)</sup>**

In CEEC countries inactivity rates of young people between 18 and 30 years old who are not in education and training are higher than in EU countries (Graph 5.10). By definition, the inactive are not in employment, do not seek employment — according to the ILO definition — and are not enrolled in education or training.

At the age of 18, inactivity rates of those not in education increase abruptly in all countries for which data are available (except in the Czech Republic where they start to increase at the age of 20). Above this age, inactivity rates are very close to the EU maximum and often exceed it: for all ages in Estonia, until the age of 27 in Slovakia and until the age of 29 in the Czech Republic. Exception to this rule is Latvia where inactivity rates of those not in education are close to the EU minimum for the whole range. After the age of 30 inactivity rates approach the EU minimum in the Czech Republic, Lithuania and Slovakia.

As regards the younger age bracket (15 to 17 year olds), at least in the majority of the CEECs for which data are available (exceptions are Hungary and Romania) inactivity rates are very close to the EU minimum.

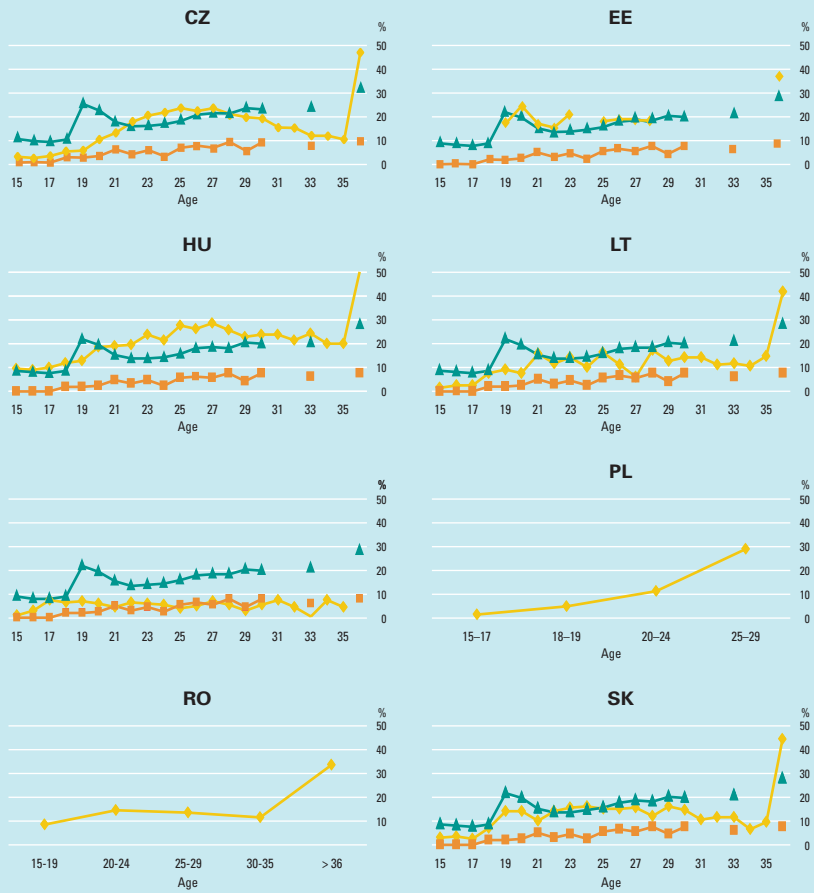
In Hungary, inactivity rates of those not in education are higher than the EU maximum for almost all age groups. In particular, the inactivity rates of 21 to 29 year olds exceed significantly the EU maximum. However, it must be noted that this is due to the particularly high inactivity rate of young women, which ranges between 25.1 % (at the age of 21) and 48.5 % (at the age of 26). In contrast, inactivity rates of young men are below the EU maximum and very close to the EU minimum for those aged between 24 and 32.

Taking into account the example of Hungary and Estonia (ETF, 1999), high inactivity rates of those not in education for the age group 18 to 30 may be attributed to the high inactivity rates of women. Generally, women seem to be hard hit by recent changes in family policies and the closing down of kindergartens and other childcare facilities. However, due to small sample sizes of the labour force surveys in the countries no data could be collected by gender and no conclusion can be drawn.

<sup>(27)</sup> For the definition of activity and inactivity, see inside front cover.

Proportion of inactive not in initial education and training in the total population, 1997

Graph 5.10



■ EU max.  
■ EU min.

Table in Annex 5.

*Activity rates have been decreasing in the past 10 years.*

## Activity rates of young people

The active people are those who are either in employment or are seeking employment.

Activity rates, as well as employment rates, of young people (younger than 24) have been decreasing in the past 10 years as have the activity rates of the total population in the majority of CEECs <sup>(28)</sup>. In 1997, they ranged between 32 % (in Bulgaria) and 48 % (in the Czech Republic and Romania). Only three countries (the Czech Republic, Latvia and Romania) present higher activity rates than the EU average of 45.9 % (Graph 5.11).

Less-qualified young people (ISCED levels 0 to 2) present relatively lower activity rates compared to the more qualified and the EU average. Activity rates of this group are biased because very often these people are still in the education system. However, they also reflect pure inactivity (i.e. inactive and not in education).

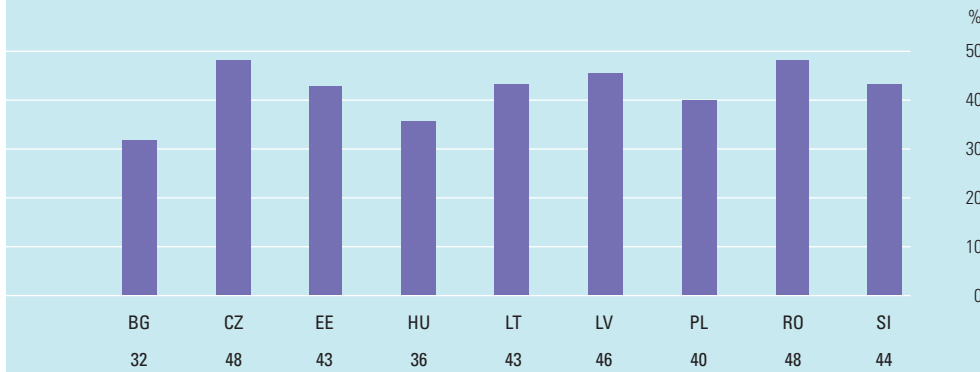
Activity rates of young people who have acquired a middle-level qualification at ISCED 3, are in all countries (except in Bulgaria, Hungary and Lithuania) higher than the EU average. This reflects to a certain degree the relatively low (with respect to the EU average) continuation of studies to higher education.

Young people with higher qualification levels (ISCED levels 5 to 7) present significantly higher activity rates than those with lower-level qualifications in all countries (Graph 5.12). These activity rates range between 85 % (in the Czech Republic) and 65 % (in Slovenia) and are higher than the EU average (69 %) in all countries except Slovakia (11 %). This phenomenon demonstrates the high demand for young people with high level qualifications in CEECs and their good employment prospects.

<sup>(28)</sup> Data come from the studies carried out in all candidate countries by the Directorate-General for Employment and Social Affairs, *Background studies for the employment policy reviews of the EU*, ETF (forthcoming).

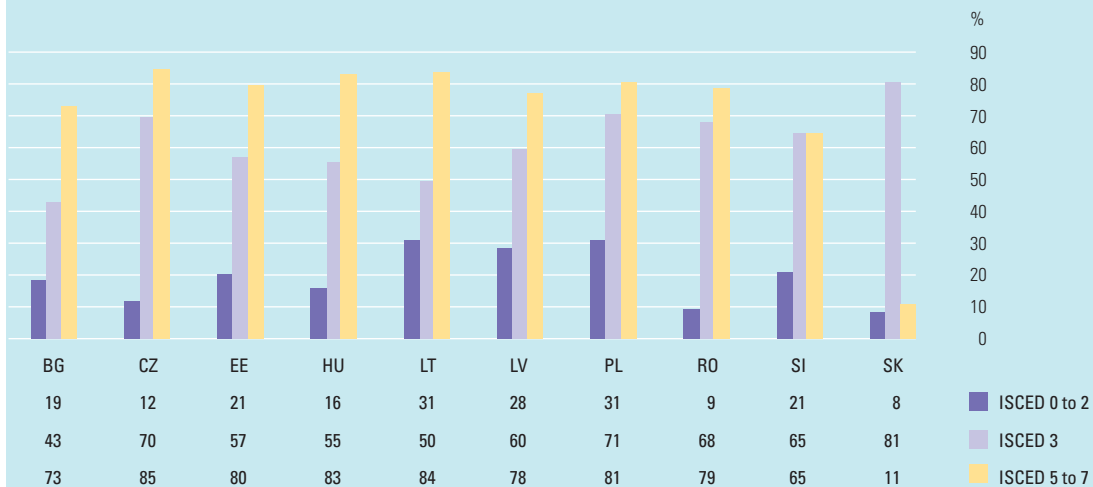
Activity rates of young people aged 15 to 24, 1997

Graph 5.11



Activity rates of young people (24 and younger) by educational attainment, 1997

Graph 5.12



***Despite the efforts and achievements, of CEECs to re-establish closer links between education/training and the production system, the model of young people's transition from school to work has moved away from 'regulated inclusion' towards 'competitive regulation'.***

## Conclusions

In their formerly centralised economic systems, CEECs achieved a close interconnection between education/training and production systems. The vast majority of young people were trained by large State enterprises, which then hired them. With the introduction of reforms towards market economies this close interconnection was lost. Actually, education and training systems are functioning in parallel with the production system. Despite the efforts and achievements of CEECs to re-establish closer links between education/training and the production system, the model of young people's transition from school to work has been radically changed. Overall, CEECs are moving away from a model of 'regulated inclusion' to one of 'competitive regulation' (see Box 2).

Within this general context the following main features of transition from school to work can be drawn.

- Young people's transition in CEECs starts earlier than in the EU Member States. However, this phenomenon may change in future due to the rise in the length of compulsory schooling and increasing participation in higher education.
- The initial phase of transition seems to be characterised by relatively high unemployment rates (with respect to the total population). However, young people in CEECs present a 'better' unemployment record compared to the EU average, as demonstrated by relatively lower unemployment rates.
- At the same time this positive element is partially counterbalanced by an equally alarming phenomenon, i.e. relatively high inactivity rates (compared to the EU average).
- Education and training clearly assist the successful entry of young people into the labour market. This is demonstrated by the higher activity rates and the significantly lower unemployment rates of young people with higher qualifications (ISCED levels 5 to 7). It is also demonstrated by the significantly higher unemployment rates of the lowly qualified (ISCED levels 0 to 2).

## Employment policies for youth

There is no systematic policy for assisting the school-to-work transition in CEECs. Nevertheless, policy-makers have recognised the dimension and impact of youth unemployment and they have a number of measures for combating it. In general, the most popular measures for youth are those listed below.

- The development of career guidance services by employment services: the usefulness of career guidance services is becoming more important in a situation of rapid economic changes and where parents are not always in a position to provide young people with the necessary information for choosing a career. Nevertheless, it should be said that workers in the employment services do not always have the proper information and neither are they adequately trained to guide young people.
- Subsidies to employers for hiring young people: generally this measure focuses on young people below 18 and/or lowly qualified. This measure's objective is to help young people to acquire working experience which is not easy to get after breaking the links between schools and enterprises.
- Training schemes: they do not always target young unemployed although young unemployed do get more advantage from these schemes. It must be said that these schemes are the most popular among young unemployed showing that there is a demand for job-related training. To a certain extent, these training schemes correct inefficiencies of training within the school system. Labour-market training is organised in a more flexible way than school-based training. Curricula for the former can be changed easily and be adapted faster to the needs of employers, while school-based training often takes a lot of time before it is properly adjusted to labour-market needs. Nevertheless, it is questionable to what extent labour-market training can ensure long-term employability of young people. It may be able to provide the necessary skills to enter a job but these are too specific to have a longer life.

Country-specific measures are listed in Box 6.

*The most popular measures for youth are ...*

— *career guidance services;*

— *subsidies to employers;*

— *training schemes.*

**Box 6****Country specific measures****Bulgaria**

Youth employment programmes have priority among active labour-market policies. The instruments used include the following.

- Tax reductions for employers who hire young qualified workers or young specialists: in 1997, about 344 young specialists were hired and 73 young qualified workers. These data indicate that these schemes are not very popular with employers and young people.
- Youth training: the information from national employment service administrative statistics shows an increasing share of young trainees below 24 compared to the total number of unemployed people — from 12.2 % in 1994 to 34.1 % in 1997. On the one hand, this shows young people's interest in participating in different forms of training to help them find a job. On the other hand, it shows that training in the education system does not respond to the expectations of employers and that additional training is necessary.
- Vocational guidance services.

**The Czech Republic**

Attention has been paid to the under-18 age group and school leavers. Expecting higher youth unemployment in future, the government's efforts will be multiplied. Specific measures for combating youth unemployment include those listed below.

- Subsidies to employers: employers are subsidised by labour offices to cover salary costs for school leavers' employment. The purpose of this measure is to provide young people with basic practical experience and consequently increase their chances of finding employment.
- Career guidance: labour offices have established career guidance centres, which address not only young people but also adults. These centres are in permanent contact with the educational institutions in the region. Due to the aggravating labour-market situation since 1998, labour offices have also intensified their youth programmes and cooperation with school authorities. The Ministry of Education recommends all schools to introduce the subject of career choice into the curriculum and labour offices can pay for requalification courses for the teachers dealing with this subject.



- Training schemes: the 'Chance' programme is aimed at providing training for youths who have dropped out of the formal education system. On-the-job training is preferred to school-based training.
- A special programme 'Romstart' targeting young Romanians gives an opportunity to participate in training and provide grants for starting self-employment activities.

The recent national employment plan includes proposals for tightening the links between secondary vocational schools and the labour market, including new ways of co-funding these schools with employers.

### **Estonia**

Active labour-market policy for youth has not been developed. No measures targeting young people have been established. Young people can benefit from the subsidy to employers. This is a wage subsidy to employers for recruiting risk groups: disabled people; pregnant women and people raising children under six; young people between 16 and 20, etc. The subsidy is up to 100 % of the minimum wage for the first six months and 50 % for the next six months.

### **Hungary**

Unemployed young people at the beginning of their careers were entitled to unemployment benefit at 75 % of the minimum wage until 1995. In 1996, this passive scheme was replaced by active measures. Specifically, following the amendments to the Employment Act of 1 July 1996, which were designed to improve the labour-market position of young people, unemployment benefits were replaced by wage subsidies to employers. This scheme is in fact a combination of a wage subsidy and on-the-job training. Certain services, projects and programmes have also been made available to young people at labour centres and their sub-offices.

The amendment to the Employment Act has also enlarged the definition of unemployed young people. Currently, unemployed people at the beginning of their careers are all those under 25 (or 30 in the case of higher-education graduates) who have not been employed for more than 360 days, which is the minimum employment period entitling people to other benefits.

### Latvia

No special policy or specific measures for youth have been set up. Job search clubs address specific target groups among which are:

- young people with qualifications and no working experience;
- youth with no qualifications and no working experience.

### Lithuania

At the Labour Exchange special attention is paid to youth and long-term unemployed. The Labour Exchange prepares national, regional and local programmes of employment, which are approved by central and local government institutions. Such programmes are prepared primarily for the protection against unemployment of those who are most vulnerable. Young people under 18 are included in this category.

In 1997, national measures for career advice and the integration of young people in the labour market were prepared.

One of the major goals in 1998 was to ensure integration of young people into labour-market-oriented active job search and vocational training. In all, 35 % of youth have been employed and 41 % have been involved in active labour-market measures for the realisation of this objective, whereas 40 % of the youth have participated in preventive action against unemployment (EPR).

## Poland

Young people can benefit from all active measures financed by the Labour Fund including public job placement and vocational counselling, training, subsidised jobs, public works, start-up loans for the unemployed and job-creation loans for employers to hire the unemployed. However, young people seem to be over-represented in training measures.

A specific measure for graduates was introduced in 1996, namely a scheme of work placements. The main objective of work placements is to allow graduates to acquire practical, work-related skills. During the placement period, which lasts from 3 to 12 months, the graduate receives a grant. The employer offering the work placement incurs no costs and has an opportunity to test the candidate's skills and suitability for permanent work.

A permanent system of vocational orientation and guidance for young people, supervised by the Ministry of Education, also operates with 596 institutions all over the country. However, this system has a limited influence and does not cover all young people requiring help mainly due to the insufficient number of staff.

## Romania

A number of special measures have been set up for facilitating young people's employment. These include:

- Vocational integration benefits: these are partial wage subsidies for young labour-market entrants, i.e. pre-university and higher-education graduates. Economic agents are encouraged to hire young graduates by subsidising their salaries up to 70 % of their net salary for a period of 12 months. Legal entities are exempted from their contribution to the unemployment fund in exchange for hiring young single parents with under-age dependants and long-term unemployed. The actual recipients of professional integration aid are:
  - graduates of secondary and higher schools (minimum 18 year olds) who failed to find employment within 60 days of graduation;
  - young recruits with no labour-market experience who could not find a job within 30 days of completing their compulsory military service;
  - graduates of special schools for the disabled, who are unemployed.

- Training programmes for the unemployed: of the total number of people included in training programmes during the period April 1991 to June 1998, women and young people under 25 represent priority groups. Youth represented 46.4 % of all those who participated and 61.4 % of the total number of unemployed.

### **Slovakia**

Since the beginning of the 1990s special measures for youth were designed and implemented. Until 1996, a specific measure 'jobs for school leavers' was put in place. The Law on Employment of 1996 gives special attention to young people, too. Specifically, two of the five groups identified by the law that should be given special attention were: (a) young people not continuing in vocational education and training, and (b) young people leaving secondary schools and universities. Among the measures stipulated by the law are retraining, support for employment for specific groups and support for job creation.

An experimental programme involving an individual approach and retraining for the young unemployed is planned in several districts of east Slovakia, where the problem of youth unemployment is most pronounced.

## Slovenia

No specific programmes for youth. Nevertheless, they are given preferential treatment.

Programme 5000 carried out in the 1998/99 school year by the national employment office provided training for improving the qualification structure of the unemployed and reducing structural incompatibility in the labour market.

Programmes for preparation in employment are offered to all unemployed (mainly education and training programmes). They give a preferential inclusion to those below 26 (49 %), long-term unemployed (45.9 %) and unemployed without qualification (33.6 %).

Programmes for completing education and acquiring vocational or professional qualifications are mostly designed for drop-outs in their final year of studies.

Public works: In 1998, more importance will be given to young long-term unemployed and regions in economic decline.

Refunding contributions to employers and co-financing interns: the latter was introduced in 1991 as a response to the high unemployment rate of young people. Until 1995, the programme applied to all first job seekers with at least basic vocational education. In 1995, it was reduced to those who had been unemployed for at least one year. At the end of 1996, following an overall evaluation of the programme, it became evident that while the programme was very necessary in the beginning, it later became a non-selective support for employers who needed an intern anyway.

Vocational guidance is one of the longest running activities of the national employment office (NEO). It is carried out in the form of assessment tests, provision of information on the different educational options and different educational possibilities, vocational counselling (group and individual), etc. The NEO also distributes scholarships for secondary and post-secondary education to low-income families, as well as scholarships for gifted students.

# 6

## **The integration of young people into working life and Community policies**

## Introduction

The transition of young people from school to working life clearly concerns several social spheres. It is thus natural that transition and related issues have been tackled at Community level within training and education, and within social and employment policies. The relative weight given to such issues in the framework of each policy has been changing to reflect social and economic evolution and the different phases of European integration, as well as the changing role of Community policy in general. Indeed, it must be noted that Community social policy has long been expected merely to correct collateral problems generated by market integration, rather than cope with structural issues. Moreover, until well into the 1980s, Community plans in education and training offered a common framework for Member State action, while the Commission was charged with coordination and joint reporting <sup>(29)</sup>.

Policies, which tackled the issue of transition at European Union level, can be grouped into three main coherent areas: education and training, employment policy, and research.

<sup>(29)</sup> The feasibility and opportunity of cooperation in these fields was one of the lessons drawn from 1976 and 1982 'transition' programmes described in Section 1.1; see the final summary report, COM(87) 705, p. 4.

## Education and training policies

Since the 1957 Treaty of Rome aimed at creating a common market, including a common labour market, the introduction of a common vocational training policy has been explicitly mentioned (Article 128), along with initial and continuing vocational training in the social field (Article 118c). Article 57 raised the problem of mutual recognition of diplomas and other qualifications.

*The Petra decision aimed at ensuring that all young people were given the opportunity to receive one year's, or if possible two or more years', vocational training in addition to their full-time compulsory education.*

### 1988–94

The Petra programme (1988–91, with a second phase in 1991–94) expressly focused on the proper preparation of young people for working life and their responsibilities as adults, and measures to improve the transition of young people from school to adult and working life were deemed a priority objective. The Petra decision asked the Commission to support and supplement, through European networks, all Member States' initiatives aimed at ensuring that all young people in the Community were given the opportunity to receive 'one year's, or if possible two or more years', vocational training in addition to their full-time compulsory education'.

In the field of vocational guidance, 28 national resource centres were set up, three large transnational projects dealt with joint training activities and material development for guidance experts, several further development projects addressed common problems or needs, and comparative information on vocational guidance systems in Member States was disseminated.

Encouraging the entrepreneurship of young people was also one of the aims of the youth exchanges promoted by the 'Youth for Europe' programme, at least since its second phase (1991); the exchanges in general, as stated in the Annex, had to be 'specifically planned so as to enable young people to develop skills for active and working life'. The aim of the programme had previously been to promote generically the development of youth exchanges.

*Within the EYLL framework some 5 000 projects and 2 500 events were organised at local, national and Community levels,*

### 1995–99

The Treaty on European Union (Maastricht Treaty) introduced a new chapter on education, vocational training and youth that stated the aims of policy in these fields: to contribute to the development of quality education by encouraging cooperation between Member States and to implement a vocational training policy, supporting and supplementing the action of Member States <sup>(30)</sup>. This offered a new legal framework for the generation of programmes launched in the mid-1990s, while the 1993 White Paper on 'growth, competitiveness and employment' forcefully emphasised the importance of education and training as key factors in combating unemployment and strengthening the competitiveness of European enterprises. The concept of lifelong learning became a

<sup>(30)</sup> Following the current numbering, this chapter contains Article 149 (ex-Article 126) and Article 150 (ex-Article 127). The Maastricht Treaty also introduced a chapter specifically dealing with social policy, and its annexes included a social policy protocol. Finding a common position on such issues was very difficult, and finally the social policy provisions could be integrated in the Treaty only by allowing the United Kingdom to opt out of them.



central theme in the debate on education and training, and 1996 was declared the European Year of Lifelong Learning.

Socrates, Leonardo da Vinci, and Youth for Europe rationalised and developed Community policy respectively in the fields of education, vocational training and youth, each including different actions often corresponding to previous programmes. They all shared the main operational features, supporting transnational cooperation, partnerships and networks of concerned actors, pilot projects, individual and group mobility, as well as the exchange of information, expertise and good practice. The organisational framework was centralised, although respect of the subsidiarity principle was of course ensured <sup>(31)</sup>.

They all included actions that raised and enhanced young peoples' educational levels, equipped them with new, improved or more market-oriented skills, provided them with useful guidance and information, or fostered fuller development of their personal features and better integration into society at large; measures meant to improve young peoples' chances to build themselves a smooth transition to adult life.

Mobility schemes within the education, training and youth programmes have grown quite successful, involving an increasing number of young people. To give a few figures, in 1996 mobility actions within these programmes involved some 35 000 pupils, almost 85 000 students, more than 16 000 apprentices/workers and about 60 000 young people in other capacities.

The object of Socrates was cooperation in the field of education. Its second-chance school dealt with early school drop-outs and thereby addressed the transition issue. Studies concerning transition were also carried out within Socrates.

'Youth for Europe' targeted young people as such, rather than their capacity as students within formal education and training structures. Its Action B (B.I and B.II) provided for a framework to support activities targeted at youth workers directly responsible for or involved in youth activities and at those responsible for their training. It financed short study and feasibility visits, training projects, linguistic preparation, and work training placements.

In the period 1995–99 the programme financed projects via its B.I and B.II actions for over EUR 5.5 million.

More direct links with the employability of young people are to be found within Leonardo da Vinci, whose objective was the implementation of a Community policy in the field of vocational training, in order to promote youth employability and to keep workers in employment. The 'transition of young people to working life' is often mentioned among the concerns of the actions listed in the annex to the Leonardo I decision, grouped into four 'strands' and including transnational pilot projects and placement schemes.

*with an impressive exchange of information, experience and good practice, and even the adoption of regulatory or legal instruments.*

*Mobility schemes within the education, training and youth programmes involve an increasing number of young people.*

*Leonardo da Vinci aims are the implementation of a Community policy in the field of vocational training, in order to promote youth employability and to keep workers in employment.*

<sup>(31)</sup> Actions were taken at Community level only when it was not possible to take equally good actions at Member State level.

*The Leonardo da Vinci II programme supports innovative transnational initiatives aimed at promoting the knowledge, aptitudes and skills necessary for successful integration into working life and the full exercise of citizenship.*

## 2000–06

Young people and their integration into society and working life are a concern often detectable in the relevant decisions, but not always expressly mentioned. It is interesting to note that since 1997, among projects presented within the first phase of the Leonardo da Vinci programme, the boundaries between initial and continuing training have become more and more blurred, and that growing attention has been paid to continuing training throughout the various strands and measures. Two interrelated concepts have emerged that explain why youth transition issues may not always be immediately identified as such in recent Community texts related to employment, education and training: 'lifelong learning', which was the theme of a European year, and the 'knowledge society'.

The transition of young people from school to working life becomes one first episode of an ideally continuous interplay between 'education' and 'working', while on both sides 'learning' plays an important role. Of course, what usually is the first and often the most clear-cut passage from the educational environment to working life still retains its crucial meaning for individuals and society, and this peculiar status is reflected in Community documents and programmes.

**Table 6.1**

Leonardo da Vinci 1996–99 — Projects on transition: objectives d, g and h				
	Surveys and analysis	Pilot projects	Placements and exchanges	Total
Number of projects	6	154	133	293
Total amount EUR	960 600	21 093 066	20 154 640	42 208 306

Source: Leonardo da Vinci administration.

Data from 1995 are not available at this level of detail. It is likely that the programme totalled over EUR 50 million for transition from 1995 to 1999.

Objectives:

- (d) giving all young people ... possibility of ... vocational training after their full-time compulsory education;
- (g) promoting vocational training for young people and preparing young people for adult and working life;
- (h) encouraging specific vocational training measures for disadvantaged young people.

The 1997 communication is based on the concept of an open and dynamic European learning area, to build step by step around the three main dimensions of knowledge, citizenship and competence. The general aims are as follows: enabling Europeans to develop their fund of knowledge, giving them access to a European experience thus enhancing their perception of a shared European citizenship; and developing their employability through the acquisition of competences so that they can keep up with changes in work and its organisation <sup>(32)</sup>. To implement these broad aims, a new generation of actions is necessary that must focus upon a limited number of objectives: giving Europeans easier access to the full range of Europe's education resources, improving these resources, disseminating good practice and gaining better mutual knowledge of systems and activities. Six types of actions are envisaged to achieve these objectives.

The decisions establishing the second phases of Socrates and Leonardo da Vinci <sup>(33)</sup> are expressly based on the communication on a Europe of knowledge, which is quoted in the recitals and whose mark is clearly visible in the programmes' objectives and structure.

The Leonardo da Vinci II programme, in particular, supports innovative transnational initiatives aimed at promoting the knowledge, aptitudes and skills necessary for successful integration into working life and the full exercise of citizenship.

The main objective of the Socrates programme is to build a Europe of knowledge and thus provide a better response to the major challenges of this new century: to promote lifelong learning, encourage access to education for everybody, and help people acquiring recognised qualifications and skills. In more specific terms, Socrates seeks to promote language learning and to encourage mobility and innovation.

<sup>(32)</sup> *Towards a Europe of knowledge*, see 'Chapter I: Building a Europe of knowledge'.

<sup>(33)</sup> Council Decision 1999/382/EC of 26 April 1999 establishing the second phase of the Community vocational training action programme Leonardo da Vinci (OJ L 146, 11.6.1999, p. 33).  
Decision No 253/2000/EC of the European Parliament and of the Council of 24 January 2000 establishing the second phase of the Community programme in the field of education 'Socrates' (OJ L 28, 3.2.2000, p. 1).

## The European Social Fund

*The ESF is the main financial tool through which the European Union translates its strategic employment policy aims into actions.*

The European Social Fund (ESF) offers a significant source of support to help the integration of young people into the world of work. Over much of the past 40 years, the needs of young people have been a key focus of ESF programmes.

The ESF is one of the EU's four Structural Funds, which aim to reduce the differences in living standards between the peoples and the regions of the EU. The ESF will account for over EUR 60 billion of the EUR 195 billion of Structural Funds available over the period 2000–06. The ESF is the main financial tool through which the European Union translates its strategic employment policy aims into actions. The ESF has invested, in partnership with Member States, in programmes to develop peoples' skills and their potential for work. It aims to help prevent and fight unemployment, to make Europe's workforce and companies better equipped to face new challenges, and to prevent people losing touch with the labour market.

## Evolution of the ESF from 1957

The ESF has undergone many changes since it began. It was originally set up by the Treaty of Rome to improve job opportunities in the Community by promoting employment and increasing the geographical and occupational mobility of workers. In those early years, unemployment was nothing like the problem it was later to become. To the extent that it did exist, it was felt that it could be largely contained by a policy of support for the training and mobility of workers exercising their right of freedom of movement within the Community.

However, during the 1970s, the serious deterioration of the unemployment situation, especially for young people and in the least-developed regions, brought about changes. By 1977, eligibility for ESF support extended to unemployed young people under 25, especially first-job-seekers <sup>(34)</sup>. The Bremen European Council of 1978 called for additional action which led to the introduction of a new type of aid for job creation. The ESF could contribute up to ECU 30 per week for a maximum of 12 months for young job-seekers under 25 in additional jobs. These jobs either provided experience likely to equip them for recruitment to permanent employment or related to projects fulfilling a public need.

Worsening unemployment — particularly among young people — was again a major influence on the 1982 review of the ESF. In 1982, the total number of unemployed in the Community had reached 10.5 million. Of these, 42 % were under 25. Many young people lacked the basic schooling and training to get them into work. In addition, conventional qualifications, even at graduate level, were often ill-adapted to the needs of the job market. Programmes for young people accounted for 44 % of ESF beneficiaries in 1982. However, demand was growing for the ESF to help more. In response, the Commission proposed a new scheme to help tackle youth unemployment. Its objective was 'to provide support for the implementation of a training guarantee for all young people and to promote a dynamic response to the problem of youth unemployment'. Under this new approach, which came into force in 1984, young people accounted for at least 75 % of total ESF beneficiaries. Guidelines <sup>(35)</sup> for youth schemes subsequently covered:

- schemes for the under-18s combining vocational training and work experience which offered employment prospects;
- vocational training for young people (18 to 25) with inadequate qualifications for jobs involving new technology;
- job premium schemes in absolute priority regions.

*In those early years, most of the resources (90 %) went to vocational training.*

*By 1977, eligibility for ESF support extended to unemployed young people under 25, especially first job seekers.*

*In 1984, young people accounted for at least 75 % of total ESF beneficiaries.*

<sup>(34)</sup> Council Decision 77/802/EEC of 20 December 1977 amending certain Decisions adopted pursuant to Article 4 of Decision 71/66/EEC on the reform of the European Social Fund (OJ L 337, 27.12.1977, p. 10).

<sup>(35)</sup> Commission Decision 85/261/EEC of 30 April 1985 on the guidelines for the management of the European Social Fund in the financial years 1986 to 1988 (OJ L 133, 22.5.1985 p. 26).

***From 1988, a new Objective 4 focused specifically on young people over compulsory school age and under 25.***

***Structural funding for 1994–99 was up to 33 % of the EU budget.***

***Around one fifth of funds was set aside to support integration of young job-seekers.***

The adoption of the Single European Act set the scene for fundamental reform of the Structural Funds. In 1988, the Commission put forward proposals to double resources in the period up to 1992 and to bring a greater focus on using the funds in a concentrated, integrated way to promote economic and social cohesion in the Community. The growing links between education and work and the erosion of what came to be seen as obsolete distinctions between education and training also provided a push for change. From 1988, a new Objective 4 focused specifically on young people over compulsory school age and under 25. In addition, eligibility for ESF funding within Objective 1 regions <sup>(36)</sup> was extended to include young people over compulsory school age being trained within the education system, and the off-the-job part of apprenticeship training.

The review of the Structural Funds in 1993 took place against a background of rising unemployment and further moves towards the strengthening of economic and social cohesion. The European Council at Edinburgh in 1992 decided on significant increases in the budgets of the Structural Funds. Almost ECU 142 billion was allocated for the period 1994–99. This brought structural funding for 1994–99 up to 33 % of the EU budget compared to 20 % for the preceding period. Youth unemployment was a particular concern. The ESF helped implement a guarantee to provide access to recognised education or training for all young people under 18. Support from the ESF also went towards raising standards in education and initial training to promote an entrepreneurial spirit among young people. A new Objective 3 combined the old Objectives 3 and 4 — combating long-term unemployment and integrating young people into working life. The main sorts of activities the ESF supported included: advice, guidance and counselling; help with job-search activities; initial and continuing vocational training; upgrading basic skills; and work placements.

An assessment of the level of resources devoted to different themes (see Table 6.2) established that around one fifth of funds was set aside to support integration of young job-seekers. Young people also gained from other areas of activity such as improvement of education and training systems. Table 6.3 sets out the relative share of funds to support the integration of young job-seekers in each Member State. Support for the integration of young job-seekers ranged from under 5 % of the ESF in Austria and Greece to around 25 % in Italy, the Netherlands and France.

<sup>(36)</sup> Objective 1 covers the development of the least-prosperous regions.

**ESF allocations per priority theme (all objectives)**

**Table 6.2**

	% of total
Integration of young job-seekers	20.2
Support for employment, growth and stability	19.0
Integration of long-term unemployed	18.8
Improvement of education and training systems	12.2
Integration of people at risk of exclusion	10.8
Adaptation to industrial change	9.9
Technical assistance	3.1
Promotion of equal opportunities (*)	3.1
Boosting human potential in research, science and technology	2.4
Training of public officials	0.5

(\*) This theme is common to all programmes. Figure relates to specific actions only.

Source: Seventh annual report on the Structural Funds (1995).

**ESF allocations for the integration of young job-seekers**

**Table 6.3**

	EUR 1 million (1994 prices)	% of total
Belgium	100.2	13.9
Denmark	59.4	17.2
Germany	1 130.3	16.3
Greece	88.4	3.3
Spain	2 169.1	24.1
France	1 191.4	25.0
Ireland	892.5	44.3
Italy	1 405.7	26.6
Luxembourg	3.1	12.3
Netherlands	339.2	26.6
Austria	24.3	4.3
Portugal	286.5	8.8
Finland	99.4	18.5
Sweden	100.4	15.5
UK	505.7	14.3

Source: Seventh annual report on the Structural Funds (1995).

*The ESF will help young people  
in all five policy fields.*

## **ESF 2000–06**

From 2000, a new seven-year period begins for the ESF, in which its own potential is fully integrated into Member States' activities to put the European employment strategy into practice. Over EUR 60 billion from the ESF will support labour-market interventions in five broad-policy fields:

- (a) developing and promoting active labour-market policies to combat and prevent unemployment, to prevent both women and men from moving into long-term unemployment, to facilitate the reintegration of the long-term unemployed into the labour market, to support the occupational integration of young people and of persons returning to the labour market after a period of absence;
- (b) promoting equal opportunities for all in accessing the labour market, with particular emphasis on those exposed to social exclusion;
- (c) promoting and improving training, education and counselling as part of a lifelong learning policy to facilitate and improve access to, and integration into, the labour market, to improve and maintain employability, and promote job mobility;
- (d) promoting a skilled, trained and adaptable workforce, innovation and adaptability in work organisation, developing entrepreneurship and conditions facilitating job creation, and enhancing skills and boosting human potential in research, science and technology;
- (e) specific measures to improve women's access to and participation in the labour market, including their career development, access to new job opportunities and starting up businesses and to reduce vertical and horizontal segregation, on the basis of sex, in the labour market.

The ESF will help young people in all five policy fields. The sorts of activity the new ESF covers include those listed below.

- Support for people, e.g. education and vocational training; employment aids; support for self-employment; training in the fields of research, science and technology.
- Support to structures and systems, e.g. trainer/teacher training; improving access to training and qualifications; developing links between work and education; improving systems to anticipate changes in employment and qualification needs.
- Accompanying measures, e.g. services to beneficiaries such as providing care services and facilities for dependants; promoting socioeconomic development to facilitate the pathway approach to labour-market integration; awareness-raising.



## The employment strategy

### Guidelines for Member States' employment policies for the year 2000

In the Employment Title of the Treaty of Amsterdam, employment is recognised as a matter of common concern and a top-priority issue by all Member States. The extraordinary European Council on employment held in Luxembourg in November 1997 adopted a European employment strategy centred on four broad pillars: employability, entrepreneurship, adaptability and equal opportunities. Member States have committed themselves to pursue this European employment strategy by implementing yearly employment policy guidelines and the process of employment policy coordination as laid down in Article 128 of the Treaty. The guidelines for 2000 constitute a consolidated set of priorities based on the experience acquired since their first elaboration in 1998.

In the context of easing transition from the education system to working life, four guidelines (Nos 1, 2, 7 and 8) under the first pillar 'employability' are of direct relevance <sup>(37)</sup>.

### Tackling youth unemployment and preventing long-term unemployment

In order to influence the trend in youth and long-term unemployment, the Member States will intensify their efforts to develop preventive and employability-oriented strategies, building on the early identification of individual needs, within a period to be determined by each Member State which may not exceed three years and which may be longer in Member States with particularly high unemployment, Member States will ensure that:

1. every unemployed young person is offered a new start, before reaching six months of unemployment, in the form of training, retraining, work practice, a job or other employability measure with a view to effective integration into the labour market;
2. unemployed adults are also offered a fresh start, before reaching 12 months of unemployment, by one of the aforementioned means or, more generally, by accompanying individual vocational guidance with a view to effective integration into the labour market.

These preventive and employability measures should be combined with measures to promote the re-employment of the long-term unemployed. In this context, Member States should pursue the modernisation of their public employment services so that they can deal with the strategy of prevention and activation in the most-effective way.

<sup>(37)</sup> For a full presentation of the guidelines and the recommendation of the Council on the implementation of Member States' employment policies, please consult: European Commission, 2000, 'Guidelines for Member States' employment policies for the year 2000 and Council recommendations on the implementation of Member States' employment policies', Directorate-General for Employment and Social Affairs.

### **Easing the transition from school to work**

Employment prospects are poor for young people who leave the school system without having acquired the aptitudes required for entering the job market. Member States will therefore:

7. improve the quality of their school systems in order to reduce substantially the number of young people who drop out of the school system early; particular attention should also be given to young people with learning difficulties;
8. make sure they equip young people with greater ability to adapt to technological and economic changes and with skills relevant to the labour market; Member States will give particular attention to the development and modernisation of their apprenticeship and vocational training systems, where appropriate in cooperation with the social partners, to developing appropriate training for the acquisition of computer literacy and skills by students and teachers as well as to equipping schools with computer equipment and facilitating student access to the Internet by the end of 2002.

## Research on integration of young people into working life in the current research framework

The transition of young people from school to working life has not only been an issue for training, social and employment policies, but is also of paramount importance within the research framework.

Many questions and issues are still unresolved and indicate the necessity for coordinated comparative research for national and European policy-making. What are the pathways and bridges between learning and work in Europe and how can they be developed? How do learning strategies and policies integrate with new trends in employment and work?

These research questions — among many others — are addressed in the key action 'Improving the socioeconomic knowledge base' under the horizontal programme 'Improving the human research potential' <sup>(38)</sup> of the fifth framework programme (FP5) for research, technology and development.

<sup>(38)</sup> Council Decision 1999/173/EC of 25 January 1999 (OJ L 64, 12.3.1999, p. 105). In addition, Council Decision 1999/65/EC of 22 December 1998 concerning the rules for the participation of undertakings, research centres and universities and for the dissemination of research results for the implementation of the fifth framework programme of the European Community (1998–2002) (OJ L 26, 1.2.1999, p. 46).

*The aim is to improve understanding of the major structural changes taking place in European society, to identify ways of managing these changes and to involve European citizens more actively in shaping their own future.*

### **Description of the key action 'Improving the socioeconomic knowledge base'**

The key action 'Improving the socioeconomic knowledge base' <sup>(39)</sup> is one of the action lines of the horizontal programme: 'Improving human potential and the socioeconomic knowledge base' of the fifth framework programme (FP5) for research, technology and development (1998–2002). Its indicative budget is EUR 165 million.

The overall aim of the key action is to improve, through research, understanding of the major structural changes taking place in European society, to identify ways of managing these changes and to involve European citizens more actively in shaping their own future.

The key action utilises, builds upon and extends the work carried out in the TSER (targeted socioeconomic research) programme of the fourth framework programme (FP4). It is implemented through RTD projects, thematic networks, research infrastructures and various types of accompanying measures.

As well as improving the social science knowledge base, this key action aims to mobilise the social science research community in Europe and to develop a process of dialogue between this community, policy-makers at all levels and other key actors. Effective targeting and dissemination of results is a significant feature. All the activities are expected to lead to policy-relevant insights. As such the key action will help to sensitise policy-makers to the importance of socioeconomic research.

<sup>(39)</sup> For further information on the key action, see web site <http://www.cordis.lu/improving>

## From education to working life: research on the 'transition' schemes

### From TSER to the key action — Research clusters

TSER 1994–98	Key action 1999–2002
3 calls for proposals	3 calls for proposals
162 projects	43 key action projects running after the first
EUR 110 million	call for EUR 31 million
Over 1 000 research teams involved	Upcoming 2 calls, budget of approximately
35 projects on education and training	EUR 120 million

The key action utilises, builds upon and extends the work carried out in the TSER (targeted socioeconomic research) programme <sup>(40)</sup> of the fourth framework programme (FP4) (1994–98). TSER invited proposals for research from the European research community on three main areas of economic and social research: (a) science and technology policy, (b) education and training (ET) and labour-market integration, (c) social integration and social exclusion.

In Area II, research in education and training, the objective was to help link advances in science and technology and rapid economic/technological change to the effectiveness of the linkage/relationship between ET systems — in building up human capital, labour-market entry and in-firm insertion/training processes for attracting and using high-quality labour.

The implementation of the TSER programme under FP4 and the key action 'Improving the socioeconomic knowledge base' under FP5 is achieved through calls for proposals. The former TSER programme was implemented through three calls for proposals; the key action socioeconomic research has already launched one call and two or three others will follow. To date more than 200 projects have been funded <sup>(41)</sup>.

To create synergies and improve added value, these projects have been assembled in a certain number of groups, covering a wide range of relevant themes for research and policy.

Various clusters are actually running and working on issues such as systems of innovation, work, knowledge and the economy, technology and society, employment, work, welfare and exclusion, etc.

Two of these clusters touch on the issue of youth integration into working life.

1. Schooling, training and transitions and its impact on the low-skilled and youth unemployment.
2. Human resource development and competence development in Europe.

<sup>(40)</sup> Council Decision 94/915/EC of 15 December 1994 (OJ L 361, 31.12.1994, p. 77).

<sup>(41)</sup> TSER project synopses 1994–98 (three calls for proposals), 358 pages (1999).

Key action project synopses 1998–2002 (first call for proposals), February 2000.

*The education/employment relationship and the transition from school to work have been the subject of substantial research under the TSER programme.*

### **Cluster on 'Schooling, training and transitions and its impact on the low-skilled and youth unemployment'**

From a societal perspective, a growing interest in knowledge and learning is emerging. Issues such as mobility and employability, often stimulated by governments, drive citizens to invest in personal growth in knowledge and competence in order to create better job positions for now and the future. Therefore tools that help citizens attain these goals have become important not only at industry level, but also at societal level.

The education/employment relationship and the transition from school to work have been the subject of substantial research under the TSER programme <sup>(42)</sup>. More than 25 research projects of FP4 and the first call projects of FP5 are exploring and analysing in depth research topics in relation to 'the dynamics of education to work transitions in Europe and its impact on the low-skilled and youth unemployment'. Clustering work will allow researchers, policy-makers, practitioners and the general public to learn from the work that is going on within the RDT projects at hand.

Given these policy priorities, transition from school to work and more particularly how to overcome youth unemployment and low skills through education and training, has become a very important policy issue in most EU countries. One of the main policy research questions remains whether there is one or a number of different and equally effective solutions to these problems in different EU countries.

<sup>(42)</sup> See below two descriptions of TSER projects of this cluster.

The underlying sources of these difficulties in different countries' labour markets within the EU are difficult to disentangle. They are not equally serious in all countries. They also tend to have different patterns in different countries, and there is no agreement on the exact source of the relative lack of job vacancies for young people. Successful policy interventions also tend to differ across countries. Not all EU countries reacted the same way to the crisis, nor do or can they have the same kind of effective policy solutions: the seriousness and nature of the problem varies across countries; countries have different youth/age profiles, somewhat different economies, and clearly different institutional systems.

In these circumstances, comparative cross-country research is of particular interest to learn to what extent and why some policies may be generalised, while others appear to be effective only in particular country/institutional contexts. This requires that research should aim at a clear understanding of the impact(s) of institutional contexts on education and training (ET) and labour-market (LM) outcomes.

The main aims of this cluster of TSER projects on transitions from education to working life were as follows:

- to review the main research findings, conclusions and general direction of the targeted socioeconomic research (tser) programme under the fourth framework programme of Research DG, dealing with research on education/employment/social-exclusion relationships and, in particular, transitions from education to work in Europe, and place it in the context of wider research literature and policy priorities in the area;
- to highlight the main areas where policy needs are well served by research, and other areas where research is poorly developed;
- to suggest main areas of research and policy analyses that need to be addressed in future.

For this cluster, close cooperation and coordination was established with the Directorate-General for Education and Culture to enhance the link between research and ET policies, especially on issues such as employability and the contribution of vocational education and training to innovation, and on actions targeted at young persons who left the education system too early without qualifications.

*Human resource development and competence development in organisations has been the subject of substantial research under the TSER programme in more than 17 research projects of FP4 and first call projects of FP5.*

### **Cluster of RDT projects on ‘human resource development and competence development in Europe’<sup>(43)</sup>**

It is a fundamental principle of European economic and social policy-making that prosperity and employment growth in the EU is dependent upon creating and sustaining a highly skilled and adaptable workforce. The European approach on the whole has tended to regard high skills, training, good internal communication and a consensual organisational regime as a part of the competitive advantage of firms. In this context, the concept of the learning organisation captured the imagination of managers and policy-makers alike, in that it proposes a positive framework for managing change for both the social partners.

However, this fundamental principle is challenged by the continuation of contradictory strategies. These emphasise deregulatory, hire-and-fire, low-skill and low-wage strategies. Partly, this is a failure to adapt to the new conditions of global competition, and partly it is because in some cases these strategies offer competitive advantages — in the short term. Consequently, arguments on the importance of human capital and how it might best be developed inside organisations are at a crossroads. Management uncertainty, skill losses and gains, intense periods of change, continued and sustained innovation make the need for policies and strategies of skill and knowledge acquisition all the more crucial for Europe’s future.

To gain the maximum advantage from the projects financed, it was first necessary to identify a set of current policy concerns which would benefit from interaction with the RDT projects. The EU and national governments have introduced a spectrum of policies aimed at the twin goals of promoting competitiveness in international markets and maintaining social cohesion (in particular, protecting the losers in global competition). A sense of urgency now drives policy debates, because Europe’s economic performance is declining in relation to that of the US and many Asian countries. In comparison with these countries, European productivity growth is slow, and its competitiveness in international markets is weak.

<sup>(43)</sup> See below the description of a TSER project of this cluster.



The RDT projects encompassed by this cluster are directly relevant to these concerns. Human resource development and competence development have a prominent position in the new policies. They stand level with R & D policy, technology policy and infrastructure policy. In part, this is due to a return to human capital theory, the doctrine that the knowledge and skills of a firm's employees are among its most-important capital assets. Consequently, HRD and VET practitioners are now assigned the task of generating human capital, and supplying it to the labour market.

The new role of HRD and competence development is described in numerous policy documents and is closely linked to the European employment strategy, currently the major policy arena for debate on human resource and competence needs. The cluster of RDT projects seeks to inform this policy debate by identifying relevant findings from the fourth and fifth framework programme projects and presenting these at appropriate points in the process of policy development.

However, bridging policy development and the research programme at European level is no simple matter. The national action plans submitted to the Commission each year record many different ways in which Member States are addressing the issues of HRD and competence development. In these plans, local conditions rather than pan-European trends are the major determining factor.

As in the task of making research relevant to practice, there is a problem of reconciling the general trends of research with the specificities of actual practice. Nevertheless, on the basis of the collective experience of RDT projects that have come together to form the cluster, it is believed that many commonalities exist Europe-wide and that the bridge between research and practice can have major impact.

*This project will provide a stronger empirical basis for studying the process of initial labour-market entry, the factors influencing successful integration or exclusion, and the interaction of these factors with institutional and societal variables.*

## Selected projects under the TSER programme

### A comparative analysis of transitions from education to work in Europe <sup>(44)</sup>

European countries vary widely in their education and training systems and in the factors shaping transition from initial education to the labour market. To date, no comprehensive research exists on the nature and consequences of this variation in education to work transition across Europe. The objective of this research is to develop a more satisfactory framework for understanding transition in the different European systems and to use this framework to analyse the factors affecting success and failure in education/training outcomes and labour-market integration in the different countries.

This project will be the first major comparative study focusing on recent developments in school-to-work transition processes across a range of European countries. The project will use a particularly rich source of data on transitions, regular school leavers' surveys in Ireland, Scotland, France and the Netherlands, and will place these data in a broader European context by drawing on the labour force survey. Together, comparative analyses of these two sources of data will significantly advance our empirical and theoretical understanding of the relationship between education/training and labour-market systems. It will provide a stronger empirical basis for studying the process of initial labour-market entry, the factors influencing successful integration or exclusion, and the interaction of these factors with institutional and societal variables.

The improved understanding of the diversity of education/training systems and their relationships with labour markets is indispensable for more successful needs assessment, policy planning and implementation of policies on a cross-national basis. In this sense, the results of the project will help to underpin the development of more effective education and labour-market policies which fit the varying contextual conditions across Europe. Only precise knowledge of the specific mechanisms through which various groups become advantaged or disadvantaged in the labour market can lead to the development of more-effective policies appropriate to the varying conditions in different countries. At a more practical level, the project will directly contribute to the OECD's current thematic review of the transition from initial education to working life. In addition, the project will develop existing cross-national data sources on school leavers, encourage greater harmonisation of national transition surveys and facilitate the expansion and standardisation of data collection in other European countries.

<sup>(44)</sup> Contract: SOE1-CT-95-2006  
Area / Task: Research on E & T  
Cluster: Transitions from education to work  
EC contribution: ECU 661 000  
Duration: 36 months  
EC scientific officer: L. Van den Brande

Coordinator:  
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<http://www.mzes.uni-mannheim.de/projekte/catewe/Homepage.html>

### **Newskills — Education and training, new job skill needs and the low skilled** <sup>(45)</sup>

The quality of the skills of EU citizens is crucial for European productivity. Thus, priority for European governments is to ensure that every young person gets at least a basic level of skill, and that disadvantaged adults have reasonable opportunities to make up lost ground.

The purpose of the project is to contribute to the basic framework for the design of these policies. The first step is to document what is happening and to diagnose its causes. This involves a clear analysis of what is happening to labour demand, as well as an understanding of why the pattern of supply does not respond adequately (inadequate student motivation and institutional constraints). The next step is to distil from this experience what are the most-effective ways for developing the necessary skills, both in terms of curriculum and teaching methods (including the newest technology). The aim is to define for all a basic platform for learning.

The project is made of four specific studies.

- The demand for labour by skills: to carry out the analysis of changes in labour-market demand for individuals at different qualification level since the early-1980s, trends in earnings and employment by qualification and skill level.
- Supply, unemployment and earnings by skills: to establish factors which determine the level of supply and demand for skills.
- The profile of educational provision: to produce a description of the content of E & T provision at the lower level, end of compulsory schooling, first level of vocational training.
- Defining a minimum learning platform: to produce a proposal for a minimum learning platform to serve as a prototype for an individual learning entitlement.

The evaluation processes are compared in eight countries in order to cover the European Union from north to south.

*One of the aims is to define for all  
a basic platform for learning.*

<sup>(45)</sup> Contract: SOE1-CT-95-2006

Area / Task: Research on E & T

Cluster: Transitions from education to work

EC contribution: ECU 661 000

Duration: 36 months

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## Research results and recommendations

The Newskills project uses econometric and other social science investigative techniques to document and analyse supply and demand factors affecting the group without further education and training (ISCED levels 0 to 2) on European labour markets. Consultation with social partner representatives, policy analysis and field work in firms was then added to the scientific analysis to develop conclusions about future policy to address the challenge of the group at risk from low skills.

Population proportions in the ISCED levels 0 to 2 group were found to vary widely between the European countries studied (France, the Netherlands, Portugal, Sweden and the UK). In every country the attainments of the group were more heterogeneous than for higher ISCED levels and in all countries, except Portugal, around half were in employment. In all countries the proportion in the at-risk group (ISCED levels 0 to 2) declined over the decade 1985–95 but rates of growth varied between countries. Those with the largest at risk groups had below average growth in skills. This decline was predominantly the result of more young people receiving further education and training; adult upgrading from ISCED levels 0 to 2 remained the exception.

The increase of qualified young people occurred earlier in some countries than others and could not be decisively linked to labour-market factors. Improvement in average attainments at the end of lower-secondary education proved more closely linked with increased post-compulsory participation. Measured by duration, the at-risk group received less employer-provided education and training than higher-skill groups except in Germany where apprenticeship dominates such provision. However, a further study indicated that more/different incentives are needed to overcome the reluctance of the low-skilled to accept employer-provided training.

Despite the decline in the proportion in of the at-risk group, their labour-market position fell relative to the national average (more unemployment and inactivity). Those in employment were more likely to be in sectors having declining employment during the 1990s than those in the higher-skill groups in all countries except Portugal. However, for those in employment, including those who took a new job between 1985 and 1995, job quality did not decline to any significant extent.

In a study using Swedish data, technological change was found to explain much of the change in labour-market demand for the group without further education and training. Older workers without full lower-secondary education were at greatest risk. Case studies of firms which had large proportions of employees without further education and training revealed marked differences in employer demand for the ISCED levels 0 to 2 group between countries. Where employers were seeking to recruit from this group, there was particular concern about social skills and basic employability.

However, the message of rising expectations and inadequate basic preparation was also strongly repeated at a meeting of representatives of the social partners dedicated to discussing these issues. In particular, it was stressed that attitude changes are necessary to enable European countries to move towards a situation where all have access to and can benefit from a 'minimum learning platform'.

Education policy should be framed in terms of entitlement to a minimum level and not only to an entitlement of 'years' of education. The institutions of learning should be diversified and become more flexible. Finally, European citizenship should be defined as entailing commitment from the individual citizen to investment in learning throughout life, matched by a commitment to flexible and appropriate provision from employers, and public and private providers.

All the countries studied are developing a variety of strategies and policies which provide the first steps towards establishing a minimum learning entitlement. Some are more advanced than others. The work of the Newskills project now turns to promoting further debate of these movements and to disseminating greater understanding of the fundamental social changes which underpin them.

*This project intends to contribute to the discussion on a 'European model of lifelong learning'.*

### **The role of human resource development within organisations in creating opportunities for lifelong learning: concepts and practices in seven European countries** <sup>(46)</sup>

The objectives of the proposed study are:

- to clarify the specific European outlook on the role which HRD in learning-oriented organisations can fulfil in lifelong learning, and thus contribute to the discussion on a 'European model of lifelong learning';
- to provide a basis for further research on the changing role of HRD in work organisations;
- to provide practical guidelines for HRD practitioners throughout Europe on how to facilitate employee learning and thus assist their organisations in securing their competitiveness in a continuously changing environment.

The research is concerned with how HRD departments in learning-oriented organisations throughout Europe envision their own role in stimulating and supporting employees to learn continuously, as part of everyday work (with the intent to contribute to organisational learning, and thus to enhance organisational competitiveness). An attempt will be made to show differences in outlook between HRD concepts and practices in European organisations and those which exist in the US and Japan.

The research will look into strategies adopted by European HRD departments to realise their envisioned new role. Consequently, the research will analyse the facilitative factors as well as the difficulties (the inhibiting as well as conducive factors) they encounter during the implementation process. To provide practical guidelines, the research aims to analyse how practitioners cope with these (inhibiting and conducive) factors.

To enhance the impact of the outcomes of the research, it is intended to publish (additional to the overall report and the case study report) a practitioner's guide. Furthermore, the results can be used in the ongoing discussion on the European 'infrastructure' for lifelong learning.

<sup>(46)</sup> Contract: SOE2-CT-97-2021  
Area / Task: Research on E & T  
Cluster: HRD and competence building  
EC contribution: ECU 398 602  
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EC scientific officer: L. Van den Brande

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# ANNEXES



# ANNEX 1

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### Construction of the variable 'highest level of education and training attained' (ISCED) based on the European labour force survey (ELFS)

Neither of the items in the European labour force survey (ELFS) on the attainment level of education (see table below) have direct equivalents in the international terminology used in the ISCED (International Standard Classification of Education).

Col. 86: Highest completed level of general education	Col. 87: Highest completed level of further education or vocational training
1: Completed only primary education (ISCED 1) or none	1: No further education or vocational training (only general education or none at all)
2: Completed first stage of secondary education (ISCED 2) but not second stage	2: Completed specific vocational training in a school (minimum one year)
3: Completed second stage of secondary education (ISCED 3) but not third stage	3: Completed specific vocational training in working environment (minimum one year)
4: Completed recognised third-level education	4: Completed specific vocational training in dual system
5: Other general education	5: Third-level education (not university)
99: Not applicable	6: University degree or recognised equivalent
Blank: No answer	7: University higher degree or post-graduate qualification
	8: Other qualification not covered above
	9: Not applicable
	Blank: No answer

Therefore, Eurostat has constructed a new variable based on the combination of the two headings concerned in order to come to a closer alignment with the concepts used in ISCED. Eurostat thus created the 'EU ISCED' variable, which is calculated as follows.

Each individual is allocated to the first of the following four levels (in the order set out below):

ISCED variable	Columns 86 and 87 (ELFS 1992–97)
<b>Level of higher education</b> (ISCED 5 to 7) — high	Col. 87 = 5 to 7 or col. 86 = 4
<b>Level of upper-secondary education</b> (ISCED 3) — medium	Col. 87 = 2, 4 or col. 86 = 3
<b>Level of education below upper-secondary level</b> (ISCED 0 to 2) — low	(Col. 86 = 1, 2, 5) or (col. 86 = blank and col. 87 = 1, 3, 8)
Undefined	If col. 86 = blank and col. 87 = blank

Column 87 = 8 corresponds to ISCED 5 to 7 for F, NL.

The constructed EU ISCED variable offers two advantages:

1. it enables consideration to be given to vocational or post-school training (col. 87) and thus allows everyone concerned to be credited with a higher general level of education than the one which would correspond to only general education (col. 86);
2. it enables measurement of the highest level (between the two collected through columns 86 and 87) that each individual has attained and consequently allows the qualifications and diplomas allocated to the two different headings to be considered as a whole, which creates a broader basis for comparison between Member States.

The ELFS questionnaire revised in 1998 includes a new (and unique) heading on attainment level of education, directly defined in relation to the ISCED, which was revised in 1997 (see Annex 3).

## ANNEX 3

### Education and training: standard module and ad hoc module on transition in the European labour force survey

#### Standard module

In content, the most significant adjustments made to the 'education and training' module in 1998 were:

- extension of the coverage of participation in educational programmes to activities not necessarily entailing a direct link between the training currently being undertaken and the job being done; training to achieve personal objectives is also taken into account;
- direct correspondence between the codes for levels of education with the International Standard Classification of Education (ISCED 1997), which should improve comparability between countries;
- a new variable for the year in which the highest level of studies has been attained, so that it should be possible to reconstruct cohorts of individuals based on the length of time spent outside the educational system, on the assumption that the point at which the highest diploma is obtained corresponds to the end of training.

In the specific context of transition, the latter two changes may well provide information that has virtually never before existed at international level.

## Description of the Eurostat education and training module

Standard module on education and training in Eurostat surveys	On implementation in the European labour force survey 1998
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*Current or recent participation in education or training*

Q1: Participation in education or training during the past four weeks	Participation in education or training in the past four weeks (col. 100)
Q2: Objective of current training	Objective of current training (col. 103)
Q3: Training under a specific employment measure	
Q4: Place/method of current training	Type of education or training (col. 101)
Q5: Level of education	Level of education or training (col. 102)
Q6: Total duration of training	Total duration of training (col. 104)
Q7: Total number of hours' training	
Q8: Normal number of hours' training per week	Normal number of hours' training per week (cols 105/106)

*Education and training received*

QA: Highest level (successfully) attained in education or initial training	Highest level of education or training (successfully) attained (cols 107/108)
QB: Year in which the highest level of education or initial training was (successfully) attained	Year in which the highest level of education or training was (successfully) attained (cols 110/113)
QC: Field of initial training	
QD: Besides initial training, has this person received at least six months' additional training in or outside the formal educational system, but without having immediately taken initial training	
QE: Highest level (successfully) attained in additional training	
QF: Year in which the highest level of education or additional training was (successfully) attained	
QG: Field of additional training	
QH: Vocational diploma obtained (excluding higher education, minimum duration six months)	Vocational diploma obtained (excluding higher education, minimum duration six months) (col. 109)

## Ad hoc module on transition — ELFS 2000

As an addition to ELFS 2000, further information has been compiled on the subject of the transition from school to working life. The data are expected to be available in the second half of 2001.

### Target group

People aged 25 to 35 having completed their studies during the past 5 to 10 years. ('Studies' means education or training pursued since the primary level without a break of a year or more, except for special reasons such as maternity leave, serious illness, national service, waiting for a diploma offering access to a higher level of education, or temporary suspension of education or training due to travel.)

### Studies completed

Month and year in which the person completed his or her studies for the first time.  
Level of studies or end of training attained when the person completed his or her studies for the first time.  
Field of studies (when the person completed his or her studies for the first time).

### First significant employment (minimum duration six months) after the end of studies

Purely temporary or occasional work such as holiday jobs or compulsory military or civil service are not regarded as employment.  
First significant employment (minimum duration six months).  
Month and year of the start of first significant employment.  
Month and year of the end of first significant employment.  
Occupation in the first significant employment.

### Search for employment after the end of studies

Continuous search for employment (excluding search for another employment) over more than a month (optional for the Netherlands and the United Kingdom).  
Duration of the longest job-seeking period (optional for the Netherlands and the United Kingdom).

### Social origin

(Optional variable)  
Level of studies or end of highest level of education attained by father or mother.

## Theoretical ages of obtaining diplomas according to OECD

## ANNEX 4

### Theoretical ages of presenting the certificate of completion of studies — breakdown by level of diploma declared

	ISCED 0 to 1	ISCED 2	ISCED 3 (upper secondary)			ISCED 5	ISCED 6	ISCED 7	
			single route in		dual route in				
			general education	vocational training in the school	vocational training in alternance				general education and vocational training <sup>(1)</sup>
Belgium	18	18	18	19	19	—	22	23	27
Denmark	16	19	20	21	21	23	24	26	31
Germany	18	18	19	19	19	22	21	26	28
Greece	15	18	19	19	—	—	21	23	27
Spain	16	17	18	17	18	19	20	22	27
France	16	17	18	19	19	20	21	21	26
Ireland	15	17	18	18	18	19	20	22	24
Italy	15	18	19	18	—	19	21	23	25
Luxembourg	15	18	19	19	19	—	22*	23*	26*
Netherlands	18	18	19	19	20	20	—	24	27
Austria	15	17	18	18	19	19	21	24	26
Portugal	15	16	17	18	18	18	22	23	26
Finland	16	18	19	19	19	21	23	24	28
Sweden	16	18	19	19	—	—	21	23	27
UK	16	17	18	18	18	—	20	21	24

(<sup>1</sup>) In school or through alternance.

Source: *Education at a glance*, OECD, more specifically Annex 3.

## ANNEX 5

## Tables of graphs

Table 3.1 — Proportion of young people in initial education, by age

	EU-15	B	DK	D	EL	E	F	IRL	I	L	NL	A	P	FIN	S	UK	Min.	Max.
Age																		
15	94.4	93.0	96.0	99.8	93.5	100.0	99.4	97.0	83.6	91.3	95.0	95.6	86.6	100.0	100.0	100.0	83.6	100.0
16	91.0	91.9	94.1	99.7	91.8	85.6	97.8	93.9	81.1	93.6	93.3	93.0	80.7	94.9	91.3	87.0	80.7	99.7
17	85.7	91.3	89.9	100.0	88.3	78.0	95.2	85.2	75.3	88.9	91.1	90.1	73.2	93.4	87.4	73.9	73.2	100.0
18	76.9	86.5	87.6	86.2	71.7	72.5	89.5	69.3	71.3	85.7	81.3	73.0	68.3	87.5	85.9	60.0	60.0	89.5
19	65.6	76.3	76.0	74.2	60.1	66.7	80.2	54.1	62.3	79.1	72.5	52.6	54.8	65.6	47.5	43.9	43.9	80.2
20	52.0	62.3	66.1	52.1	49.3	57.6	68.3	46.0	45.6	52.1	65.5	35.1	49.1	48.7	36.1	35.5	35.1	68.3
21	42.4	49.3	51.9	42.4	40.0	49.4	53.9	35.5	38.3	41.7	55.1	22.3	41.7	55.5	38.3	26.0	22.3	55.5
22	36.4	36.2	43.9	35.9	32.8	42.9	45.3	25.7	33.4	33.3	49.1	27.7	40.1	54.5	36.0	21.5	21.5	54.5
23	28.9	24.6	48.1	28.1	22.7	35.3	33.1	18.1	29.7	27.3	39.8	24.1	34.4	38.4	23.8	16.3	16.3	48.1
24	23.6	17.0	40.6	26.1	13.6	32.0	21.1	12.0	24.1	14.8	32.6	21.6	27.1	40.5	26.9	12.1	12.0	40.6
25	18.5	8.7	31.8	23.0	9.5	23.2	16.5	9.1	19.4	11.8	25.1	17.1	22.0	31.2	21.6	9.9	8.7	31.8
26	14.6	4.4	25.8	18.8	6.4	16.6	11.0	7.5	15.7	6.9	22.7	14.7	14.0	24.0	16.2	9.4	4.4	25.8
27	11.0	4.4	20.2	13.8	4.4	12.1	8.0	6.7	12.1	6.5	16.4	11.6	12.1	17.9	9.7	8.0	4.4	20.2
28	9.9	3.8	17.9	13.0	2.7	9.8	6.9	5.6	10.1	0.0	14.7	9.3	9.8	13.0	13.2	7.8	0.0	17.9
29	8.2	2.9	14.0	9.4	1.3	7.4	5.1	4.2	10.5	1.5	12.0	8.1	7.3	13.7	9.6	7.5	1.3	14.0
30	7.0	2.1	13.4	8.2	0.9	5.9	5.2	5.1	5.1	2.5	14.1	6.2	8.4	10.0	9.7	7.7	0.9	14.1
33	4.7	1.7	8.0	4.9	0.7	3.8	3.8	3.7	2.4	0.7	10.7	3.5	4.6	9.5	9.2	6.4	0.7	10.7
35	3.6	1.4	5.1	3.3	0.4	3.0	2.5	3.3	1.5	0.0	10.1	2.5	2.3	3.9	9.5	5.9	0.0	10.1
>36	2.4	0.9	5.4	1.6	0.1	1.5	2.0	2.6	0.6	0.3	6.7	1.8	2.0	4.5	7.0	4.5	0.1	7.0
Total	11.7	10.4	14.5	10.8	9.7	14.0	12.8	14.9	10.9	9.1	15.8	10.0	12.3	14.2	13.1	10.2	9.1	15.8

Source: Eurostat-ELFS, 1997.

**Methodological note**

Min.: minimum at each age for all EU countries.

Max.: maximum at each age for all EU countries.



Table 3.2 — Detailed breakdown of youth unemployment, by age

	EU-15	B	DK	D	EL	E	F	IRL	I	L	NL	A	P	FIN	S	UK	Min.	Max.
Age																		
15	25.9	0.0	11.5	18.3	27.8	0.0	34.5	28.0	26.9	0.0	26.0	11.9	41.9	52.0	0.0	0.0	0.0	52.0
16	24.0	20.0	9.2	10.1	25.7	58.6	15.3	20.0	34.1	33.3	20.7	13.2	17.1	63.5	27.4	21.7	9.2	63.5
17	18.7	12.2	5.7	6.6	31.3	50.8	23.9	22.0	29.9	25.0	13.1	7.9	12.4	51.8	27.5	15.0	5.7	51.8
18	21.0	49.5	11.0	8.4	43.4	51.1	33.4	23.9	33.8	20.0	10.8	10.2	20.5	56.4	17.8	14.0	8.4	56.4
19	24.2	30.6	5.2	9.8	42.9	48.2	42.2	18.9	48.0	20.0	11.4	8.7	15.5	38.8	31.5	16.1	5.2	48.2
20	24.8	31.2	8.9	12.5	40.8	42.2	36.7	19.1	42.1	5.0	10.7	7.3	16.9	38.5	35.0	14.6	5.0	42.2
21	24.2	24.0	6.0	12.2	33.3	40.5	35.2	15.4	40.0	12.0	7.9	7.0	15.3	26.9	24.9	14.5	6.0	40.5
22	20.9	21.0	7.4	12.1	29.9	32.3	29.4	13.6	32.4	6.7	5.4	6.9	12.5	28.7	19.7	11.9	5.4	32.4
23	19.8	15.7	5.8	11.0	25.7	34.2	25.2	12.7	31.3	8.3	6.5	5.3	13.4	26.8	13.6	11.6	5.3	34.2
24	17.0	16.4	11.3	10.4	22.2	32.3	22.3	10.4	24.2	2.0	5.5	5.6	7.6	20.1	16.0	8.2	2.0	32.3
25	16.1	13.0	5.6	10.3	20.3	30.6	18.9	9.2	23.4	3.4	6.7	6.8	8.9	26.7	16.3	9.3	3.4	30.6
26	14.4	11.0	5.7	8.2	17.6	28.6	17.5	10.7	23.0	2.2	3.3	5.9	8.2	21.2	17.4	8.4	2.2	28.6
27	13.6	11.3	8.8	8.9	15.3	27.4	15.5	10.1	19.0	2.0	4.8	6.8	6.9	23.0	14.1	8.9	2.0	27.4
28	11.7	9.8	2.8	8.3	12.1	23.8	14.3	9.9	16.6	3.4	3.6	4.6	8.0	17.1	10.7	7.0	2.8	23.8
29	11.5	8.8	5.8	8.9	11.4	24.0	14.1	8.9	15.1	5.2	4.7	4.8	6.7	16.0	10.9	6.4	4.7	24.0
30	10.6	7.7	4.2	8.8	9.1	22.4	13.6	8.9	13.4	1.6	4.7	5.2	7.4	13.1	8.6	6.0	1.6	22.4
33	10.0	8.1	5.8	8.8	8.9	20.9	12.5	9.7	11.3	2.6	4.8	4.6	6.1	11.4	10.4	6.0	2.6	20.9
35	9.3	9.2	3.6	9.4	7.5	18.3	11.1	8.8	8.5	1.7	4.8	5.0	6.5	9.9	10.4	6.5	1.7	18.3
>36	7.9	6.9	4.5	8.7	9.3	5.3	14.8	9.4	5.9	1.6	5.0	4.2	5.1	10.5	8.2	5.2	1.6	14.8
Total	10.8	9.0	5.4	9.9	9.6	20.9	12.6	10.2	12.4	2.5	5.5	5.1	6.6	15.0	10.4	7.1	2.5	20.9

Source: Eurostat-ELFS, 1997.

**Methodological note**

Min.: minimum at each age for all EU countries.

Max.: maximum at each age for all EU countries.

Table 3.3 — Proportion of young unemployed people, by age

	EU-15	B	DK	D	EL	E	F	IRL	I	L	NL	A	P	FIN	S	UK	Min.	Max.
Age																		
15	1.1	0.0	4.3	0.3	1.3	0.0	0.3	1.0	3.0	0.0	5.0	1.7	2.2	7.8	0.0	0.0	0.0	7.8
16	4.3	0.3	6.6	1.1	1.8	6.9	0.8	2.1	4.3	2.1	9.0	5.0	2.4	15.2	3.6	9.8	0.3	15.2
17	5.7	0.4	4.3	2.3	3.1	11.1	2.4	4.1	5.8	2.2	7.0	3.8	2.9	15.4	4.4	10.1	0.4	15.4
18	7.9	3.9	7.6	4.2	9.4	14.6	5.4	8.2	7.6	2.4	6.7	5.4	6.2	23.7	4.1	9.9	2.4	23.7
19	10.8	5.9	3.9	5.8	13.7	16.6	10.1	9.6	13.4	4.7	7.4	5.3	6.7	19.6	11.7	12.1	3.9	19.6
20	13.2	10.3	6.9	8.5	16.5	18.8	12.8	11.0	18.3	2.1	7.3	4.9	8.4	23.5	18.5	10.7	2.1	23.5
21	14.4	10.8	4.7	8.5	17.7	21.4	17.2	10.2	19.7	6.3	5.7	5.0	9.1	16.4	13.8	10.9	4.7	21.4
22	13.5	12.1	6.0	8.5	17.8	19.9	16.8	10.0	18.2	4.2	4.2	5.0	8.1	18.3	12.4	9.2	4.2	19.9
23	13.9	10.8	4.2	8.0	17.2	23.3	17.2	10.0	18.6	5.5	5.3	4.0	9.4	19.0	9.5	9.4	4.0	23.3
24	12.7	12.7	9.8	7.6	16.6	22.6	17.5	8.8	15.7	1.6	4.4	4.4	5.7	14.8	11.0	6.8	1.6	22.6
25	12.6	11.2	4.6	7.9	15.5	24.2	15.6	7.9	15.9	2.6	5.8	5.5	7.2	20.2	12.7	7.8	2.6	24.2
26	11.6	9.6	4.7	6.5	13.8	23.4	15.1	9.2	15.9	1.7	2.9	4.7	6.9	17.5	13.9	7.0	1.7	23.4
27	11.2	10.2	7.7	7.2	12.0	23.1	13.5	8.6	13.7	1.6	4.2	5.9	5.9	18.4	12.1	7.4	1.6	23.1
28	9.7	8.7	2.3	6.8	9.7	20.0	12.5	8.3	12.2	2.9	3.1	4.0	6.7	14.4	9.1	5.9	2.3	20.0
29	9.5	7.8	5.2	7.4	9.0	19.6	12.1	7.4	10.9	4.4	4.1	4.1	6.0	13.9	9.4	5.4	4.1	19.6
30	8.9	6.8	3.6	7.4	7.4	18.4	11.9	7.3	10.3	1.3	4.1	4.5	6.6	11.5	7.0	5.1	1.3	18.4
33	8.4	7.1	5.3	7.5	7.1	16.6	10.9	7.7	8.9	2.0	4.0	3.9	5.4	10.1	9.3	5.0	2.0	16.6
35	7.8	8.0	3.3	8.1	6.1	14.2	9.8	6.8	6.6	1.4	4.0	4.4	5.6	8.6	9.1	5.4	1.4	14.2
>36	6.5	5.5	4.0	7.5	8.1	4.0	11.0	6.7	4.4	1.2	4.1	3.6	4.3	9.3	7.4	4.4	1.2	11.0
Total	6.0	4.5	3.5	5.7	4.7	10.3	7.0	5.7	5.9	1.3	3.4	3.0	3.8	9.0	6.3	4.4	1.3	10.3

Source: Eurostat-ELFS, 1997.

**Methodological note**

Min.: minimum at each age for all EU countries.

Max.: maximum at each age for all EU countries.

Table 3.4 — Proportion of young people in employment, by age

	EU-15	B	DK	D	EL	E	F	IRL	I	L	NL	A	P	FIN	S	UK	Min.	Max.
Age																		
15	3.1	0.7	33.6	1.3	3.5	0.0	0.5	2.6	8.3	0.0	14.2	12.3	3.0	7.2	0.0	0.0	0.0	33.6
16	13.7	1.3	65.0	9.5	5.1	4.9	4.3	8.5	8.3	4.3	34.5	32.7	11.6	8.7	9.5	35.5	1.3	65.0
17	24.9	2.8	71.1	32.9	6.8	10.8	7.5	14.5	13.6	6.7	46.5	44.8	20.3	14.3	11.7	57.1	2.8	71.1
18	29.6	4.0	61.4	45.2	12.3	14.0	10.8	26.0	14.8	9.5	55.3	48.0	24.0	18.4	19.1	60.7	4.0	61.4
19	33.7	13.3	70.6	53.4	18.2	17.9	13.8	41.2	14.6	18.6	57.9	55.8	36.8	31.0	25.5	62.8	13.3	70.6
20	40.0	22.6	70.4	59.8	24.0	25.7	22.1	46.5	25.2	39.6	61.0	62.9	41.5	37.6	34.3	62.6	22.1	70.4
21	45.1	34.1	74.3	61.3	35.5	31.5	31.7	55.6	29.6	45.8	66.7	67.4	50.4	44.5	41.7	64.2	29.6	74.3
22	51.3	45.4	75.5	61.4	41.7	41.6	40.2	63.3	38.0	58.3	72.6	67.6	56.4	45.5	50.6	68.4	38.0	75.5
23	56.3	58.0	69.0	64.3	49.6	44.7	51.1	69.2	40.9	60.0	76.6	71.1	61.1	52.0	60.2	71.7	40.9	76.6
24	61.9	64.8	76.8	65.6	58.0	47.5	60.9	76.0	49.0	78.7	77.1	74.2	69.2	58.7	58.0	76.5	47.5	78.7
25	65.8	75.0	76.7	68.3	60.7	54.8	67.2	77.6	52.0	73.7	81.2	75.1	73.7	55.4	65.3	75.9	52.0	81.2
26	68.9	77.5	77.7	72.5	64.6	58.5	71.4	77.4	53.4	77.6	84.9	74.9	77.5	65.0	66.3	76.3	53.4	84.9
27	71.0	80.2	79.4	73.7	66.5	61.4	73.9	76.3	58.3	80.6	84.8	80.3	80.7	61.7	73.6	76.0	58.3	84.8
28	73.0	80.0	80.1	75.6	70.2	64.0	75.0	75.4	61.5	82.6	83.5	83.0	76.3	69.6	76.6	78.4	61.5	83.5
29	73.0	80.9	84.0	75.9	69.9	62.2	73.7	76.5	61.7	80.9	82.9	81.7	83.0	73.0	76.9	79.2	61.7	84.0
30	74.9	81.5	81.3	76.8	73.6	63.8	75.6	75.0	67.0	79.7	82.9	82.1	82.1	76.1	74.9	79.5	63.8	82.9
33	75.1	80.6	85.2	77.3	72.2	63.0	76.2	71.3	69.4	77.1	79.7	81.9	82.9	78.3	79.5	78.1	63.0	85.2
35	75.9	79.4	88.5	77.5	75.3	63.4	78.4	71.2	71.8	80.3	78.8	83.3	81.6	78.2	78.8	77.5	63.4	88.5
>36	75.9	74.2	85.2	78.6	79.0	71.7	63.0	64.7	70.0	74.3	77.5	81.8	80.1	79.6	82.8	80.0	63.0	85.2
Total	49.4	46.0	61.9	52.0	44.2	38.8	48.4	49.8	41.8	49.9	57.6	55.4	53.9	51.1	54.5	57.4	38.8	61.9

Source: Eurostat-ELFS, 1997.

**Methodological note**

Min.: minimum at each age for all EU countries.

Max.: maximum at each age for all EU countries.

Table 3.5 — Proportion of young people in mixed employment/training situations, by age

	EU-15	B	DK	D	EL	E	F	IRL	I	L	NL	A	P	FIN	S	UK	Min.	Max.
Age																		
15	1.7	0.6	33.6	1.3	0.4	0.0	0.5	1.7	0.7	0.0	14.1	11.3	0.1	7.2	0.0	0.0	0.0	33.6
16	10.5	1.3	60.5	9.5	0.4	0.4	4.1	5.4	0.6	4.3	33.8	29.8	1.2	8.1	8.4	30.7	0.4	60.5
17	17.7	2.1	62.5	32.9	0.5	1.3	6.8	5.9	1.0	2.2	43.0	38.4	1.0	11.2	9.6	42.0	0.5	62.5
18	17.8	1.4	54.3	39.2	0.8	2.2	7.5	6.2	1.1	2.4	44.8	27.1	2.3	11.7	16.7	34.6	0.8	54.3
19	15.3	1.9	50.2	38.8	1.2	2.3	7.0	8.6	0.4	7.0	38.1	15.7	4.2	12.3	6.7	24.6	0.4	50.2
20	11.6	2.0	41.7	28.5	1.1	3.2	6.4	8.1	0.8	2.1	35.7	6.2	4.9	8.4	8.0	16.2	0.8	41.7
21	9.2	1.1	35.2	20.4	1.3	2.9	7.0	5.6	0.7	0.0	31.3	4.9	6.8	16.6	5.2	11.6	0.0	35.2
22	8.3	1.9	27.1	14.8	1.4	4.5	7.0	5.1	1.5	0.0	30.5	4.4	7.6	14.7	8.0	9.1	0.0	30.5
23	6.9	1.5	25.3	10.1	1.6	4.4	6.7	5.3	1.3	1.8	26.2	4.2	9.5	11.3	5.2	7.6	1.3	26.2
24	6.6	2.1	24.7	8.7	1.0	4.4	5.8	4.9	1.9	1.6	20.0	5.3	9.0	16.5	7.8	7.2	1.0	24.7
25	5.9	1.7	18.1	7.7	0.7	4.5	6.4	3.8	1.5	1.3	17.9	3.8	7.8	10.1	6.3	5.8	0.7	18.1
26	5.3	1.2	14.5	7.4	0.8	3.8	4.9	4.0	1.4	1.7	17.2	2.1	4.1	7.7	6.1	6.0	0.8	17.2
27	4.7	2.7	10.9	6.2	1.0	3.7	4.0	3.7	1.3	0.0	12.8	5.0	7.3	4.8	4.0	5.4	0.0	12.8
28	4.4	1.5	8.3	5.7	1.0	2.7	3.7	3.5	1.4	0.0	12.3	4.0	6.1	6.0	6.1	5.2	0.0	12.3
29	3.7	2.0	6.1	4.5	0.3	2.7	2.7	2.7	1.0	0.0	9.5	4.3	5.4	7.0	5.5	5.4	0.0	9.5
30	3.9	0.8	6.1	4.4	0.4	2.5	2.7	3.8	1.7	1.3	11.3	2.6	6.1	4.6	4.1	5.6	0.4	11.3
33	2.9	1.1	3.9	2.9	0.3	1.9	2.3	2.8	1.1	0.7	8.5	1.8	4.1	5.3	5.8	4.4	0.3	8.5
35	2.3	1.0	2.2	1.9	0.4	1.6	1.7	2.3	0.7	0.0	7.6	1.8	2.0	2.6	5.3	4.3	0.0	7.6
>36	1.6	0.7	3.3	1.0	0.1	0.9	1.3	1.8	0.4	0.2	5.0	1.5	1.8	2.2	5.0	3.4	0.1	5.0
Total	2.9	0.7	8.8	3.7	0.3	1.2	2.0	2.6	0.6	0.5	9.1	3.2	2.2	3.6	4.1	4.8	0.3	9.1

Source: Eurostat-ELFS, 1997.

**Methodological note**

Min.: minimum at each age for all EU countries.

Max.: maximum at each age for all EU countries.

Table 3.6 — Breakdown of young people in education/training and employment, by age

	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	
EU-15	92.17	78.53	66.05	57.26	48.47	38.53	31.50	26.44	20.31	15.52	11.36	8.07	5.41	4.74	3.84	2.65	Education and training
	1.68	10.48	17.74	17.82	15.34	11.64	9.21	8.26	6.91	6.62	5.86	5.35	4.68	4.36	3.72	3.86	Employment and training
	1.45	3.23	7.11	11.76	18.39	28.37	35.89	43.03	49.39	55.23	59.96	63.50	66.29	68.66	69.28	71.07	Employment
	1.09	4.34	5.70	7.85	10.76	13.21	14.40	13.55	13.90	12.71	12.62	11.61	11.19	9.66	9.45	8.88	Unemployment
	3.62	3.42	3.40	5.31	7.05	8.25	9.00	8.72	9.48	9.92	10.20	11.47	12.42	12.59	13.71	13.54	Inactivity
B	92.43	90.32	89.13	84.91	73.93	59.79	47.32	33.49	22.31	13.64	5.84	2.80	1.44	1.94	0.89	1.03	Education and training
	0.55	1.29	2.20	1.36	1.80	1.93	1.09	1.92	1.52	2.07	1.66	1.23	2.75	1.54	1.99	0.71	Employment and training
	0.08	0.00	0.63	2.64	11.48	20.55	32.97	43.42	56.45	62.68	73.16	76.25	77.55	78.58	78.90	80.71	Employment
	0.00	0.32	0.39	3.92	5.93	10.27	10.86	12.09	10.85	12.72	11.11	9.56	10.21	8.70	7.81	6.77	Unemployment
	6.86	8.06	7.72	7.16	6.87	7.22	7.76	9.01	8.80	8.81	8.08	10.10	8.05	9.37	10.48	10.65	Inactivity
DK	61.84	27.65	23.20	27.80	23.52	20.31	14.89	15.26	22.15	11.12	13.11	11.09	7.52	9.36	6.52	7.28	Education and training
	33.57	60.45	62.37	54.25	50.22	41.53	35.36	27.11	25.27	24.67	18.11	14.51	10.77	8.29	6.12	6.05	Employment and training
	0.00	4.50	8.60	7.02	20.20	28.70	39.09	48.23	43.75	52.12	58.76	63.09	68.73	71.79	77.93	75.18	Employment
	4.35	6.59	4.30	7.56	3.90	6.87	4.91	5.99	4.21	9.79	4.57	4.69	7.52	2.14	5.19	3.59	Unemployment
	0.00	0.80	1.54	3.37	1.88	2.44	6.09	3.13	4.62	2.30	5.60	6.51	5.46	8.42	4.26	7.69	Inactivity
D	98.20	89.28	64.80	46.59	34.88	23.18	21.65	20.65	17.68	17.08	14.69	11.10	7.32	6.88	4.61	3.63	Education and training
	1.33	9.46	32.88	39.17	38.78	28.53	20.37	14.84	10.11	8.72	7.73	7.37	6.15	5.66	4.51	4.36	Employment and training
	0.00	0.06	0.00	6.04	14.58	31.26	40.96	46.55	54.19	56.89	60.55	65.17	67.52	69.94	71.41	72.43	Employment
	0.30	1.06	2.32	4.15	5.79	8.55	8.53	8.45	7.96	7.58	7.87	6.45	7.23	6.81	7.39	7.38	Unemployment
	0.17	0.11	0.00	4.05	5.96	8.50	8.48	9.51	10.05	9.73	9.15	9.89	11.78	10.72	12.07	12.19	Inactivity
EL	92.98	91.24	87.11	69.63	57.33	46.99	37.23	29.68	20.10	11.42	8.30	5.08	3.03	1.74	0.82	0.49	Education and training
	0.40	0.44	0.48	0.85	1.22	1.22	1.25	1.35	1.61	1.00	0.82	0.76	1.03	0.98	0.41	0.42	Employment and training
	3.07	4.70	6.28	11.43	17.02	22.76	34.33	40.35	47.98	57.01	59.99	63.81	65.51	69.34	69.58	73.25	Employment
	1.34	1.78	3.14	9.41	13.68	16.50	17.79	17.81	17.17	16.55	15.48	13.88	11.96	9.69	9.02	7.37	Unemployment
	2.21	1.84	3.07	8.69	10.75	12.60	9.48	10.89	13.13	14.02	15.56	16.46	18.54	18.32	20.30	18.62	Inactivity
E	100.0	83.76	74.31	66.60	60.88	50.22	42.22	34.37	25.94	23.30	13.73	8.96	4.88	4.32	2.59	2.30	Education and training
	0.00	0.43	1.29	2.20	2.33	3.20	2.86	4.47	4.38	4.39	4.50	3.85	3.69	2.72	2.66	2.53	Employment and training
	0.00	4.44	9.50	11.77	15.55	22.57	28.62	37.10	40.31	43.09	50.34	54.66	57.66	61.29	59.59	61.25	Employment
	0.00	6.89	11.14	14.59	16.64	18.76	21.42	19.88	23.27	22.64	24.17	23.38	23.14	19.98	19.63	18.41	Unemployment
	0.00	4.49	3.75	4.84	4.62	5.29	4.86	4.19	6.10	6.59	7.27	9.15	10.62	11.68	15.56	15.51	Inactivity

	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	
F	98.78	93.68	88.02	80.99	71.97	60.79	45.66	37.03	25.32	14.12	9.37	4.95	3.12	2.49	1.76	1.91	Education and training
	0.48	4.06	6.75	7.48	7.01	6.42	6.96	6.96	6.70	5.83	6.39	4.87	3.97	3.68	2.70	2.71	Employment and training
	0.00	0.28	0.78	3.28	6.83	15.69	24.72	33.24	44.43	55.11	60.83	66.52	69.94	71.35	71.02	72.88	Employment
	0.25	0.78	2.37	5.39	10.11	12.82	17.22	16.77	17.19	17.50	15.62	15.15	13.55	12.47	12.10	11.93	Unemployment
	0.49	1.19	2.07	2.83	4.08	4.28	5.44	6.01	6.34	7.44	7.79	8.53	9.43	10.02	12.41	10.59	Inactivity
IRL	94.93	87.82	78.62	62.03	44.50	36.77	28.39	19.90	12.23	6.70	5.01	3.20	2.80	1.93	1.34	1.13	Education and training
	1.74	5.38	5.91	6.20	8.49	8.06	5.81	5.14	5.29	4.94	3.76	3.95	3.54	3.29	2.67	3.75	Employment and training
	0.87	2.97	8.58	19.82	32.39	38.55	49.84	58.04	64.05	70.90	73.88	73.63	72.57	71.76	73.85	71.29	Employment
	1.01	2.12	4.08	8.17	9.59	10.97	10.16	9.95	10.04	8.82	7.87	9.23	8.58	8.32	7.44	7.32	Unemployment
	1.45	1.56	2.81	3.93	4.72	5.81	5.97	6.80	8.58	8.64	9.30	10.17	12.31	14.51	14.69	16.51	Inactivity
I	82.48	79.95	73.70	69.53	60.23	43.19	35.63	30.18	26.82	20.95	17.00	12.70	9.79	8.03	8.65	2.76	Education and training
	0.74	0.57	1.00	1.07	0.41	0.79	0.73	1.54	1.27	1.90	1.46	1.45	1.31	1.38	1.01	1.71	Employment and training
	7.54	7.71	12.65	13.73	14.16	24.42	28.83	36.42	39.63	47.10	50.56	51.97	57.03	60.07	60.73	65.30	Employment
	3.05	4.28	5.85	7.57	13.44	18.32	19.68	18.20	18.58	15.68	15.86	15.92	13.70	12.23	10.95	10.33	Unemployment
	6.22	7.47	6.81	8.10	11.77	13.28	15.12	13.64	13.69	14.38	15.14	17.94	18.16	18.30	18.67	19.91	Inactivity
L	91.30	89.36	86.67	80.95	72.09	47.92	39.58	31.25	27.27	13.11	10.53	5.17	4.84	0.00	1.47	2.53	Education and training
	0.00	4.26	2.22	4.76	6.98	2.08	0.00	0.00	1.82	1.64	1.32	1.72	0.00	0.00	0.00	1.27	Employment and training
	0.00	0.00	4.44	4.76	13.95	35.42	43.75	56.25	58.18	75.41	72.37	75.86	80.65	79.71	80.88	79.75	Employment
	0.00	2.13	0.00	2.38	2.33	2.08	4.17	2.08	5.45	1.64	2.63	1.72	1.61	2.90	4.41	1.27	Unemployment
	8.70	6.38	4.44	4.76	4.65	8.33	8.33	6.25	7.27	8.20	11.84	13.79	11.29	14.49	13.24	17.72	Inactivity
NL	79.21	50.91	41.61	32.38	29.28	25.52	21.28	16.34	11.11	11.06	5.41	5.01	2.87	1.72	1.81	2.17	Education and training
	14.09	33.76	43.10	44.76	38.07	35.71	31.35	30.58	26.17	19.96	17.89	17.16	12.80	12.30	9.50	11.29	Employment and training
	0.16	0.75	3.38	10.60	19.81	25.36	35.37	42.11	50.41	57.18	63.34	67.70	71.95	71.28	73.47	71.69	Employment
	5.00	9.00	6.98	6.67	7.42	7.33	5.74	4.16	5.32	4.45	5.87	2.90	4.24	3.07	4.10	4.07	Unemployment
	1.59	5.59	4.88	5.65	5.37	6.13	6.26	6.87	7.00	7.40	7.57	7.27	8.10	11.62	11.19	10.82	Inactivity
A	83.26	60.54	50.22	44.26	35.78	28.54	17.38	22.37	19.16	15.70	12.83	12.05	6.11	5.00	3.53	3.25	Education and training
	11.26	29.70	38.31	27.21	15.68	6.12	4.83	4.51	4.18	5.33	3.81	2.14	4.96	4.04	4.24	2.64	Employment and training
	1.03	3.01	6.40	20.92	40.08	56.76	62.45	63.09	66.93	69.00	71.36	72.80	75.34	78.99	77.47	79.38	Employment
	1.55	4.98	3.82	5.44	5.18	4.94	5.04	4.91	3.99	4.44	5.46	4.68	5.95	3.97	4.10	4.53	Unemployment
	2.79	1.77	1.01	2.30	3.16	3.65	10.19	5.02	5.74	5.63	6.62	8.41	7.71	8.01	10.66	10.14	Inactivity

	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	
P	86.12	78.81	71.88	64.20	49.18	42.73	33.53	30.33	23.07	17.45	12.85	9.21	4.80	3.51	1.36	1.67	Education and training
	0.14	1.23	0.97	2.25	4.25	4.81	6.87	7.57	9.56	8.94	7.79	4.13	7.24	6.21	5.52	6.10	Employment and training
	2.79	10.32	19.35	21.64	32.57	36.67	43.66	48.93	51.51	60.24	65.80	73.41	73.33	70.12	77.52	75.92	Employment
	2.09	2.39	2.86	6.18	6.72	8.49	9.20	8.07	9.44	5.70	7.23	6.90	5.93	6.75	5.91	6.61	Unemployment
	8.79	7.18	5.00	5.67	7.35	7.36	6.93	5.11	6.42	7.60	6.32	6.43	8.70	13.59	9.59	9.62	Inactivity
FIN	84.83	73.51	68.36	56.10	40.84	31.39	30.80	28.63	16.70	16.38	14.92	8.74	7.67	4.44	4.17	4.19	Education and training
	7.21	8.12	11.37	12.03	12.27	8.39	16.58	14.65	11.32	16.54	10.08	7.83	4.91	6.05	7.14	4.56	Employment and training
	0.00	0.46	3.07	6.67	18.86	29.01	27.92	30.66	40.88	42.20	45.54	57.38	56.90	63.71	65.95	71.39	Employment
	7.81	15.16	15.36	23.74	19.60	23.54	16.58	18.32	19.00	14.80	19.96	17.49	18.25	14.52	13.93	11.47	Unemployment
	0.00	2.76	2.00	1.95	8.42	7.48	8.46	7.73	12.28	9.92	9.50	8.56	12.27	11.42	9.05	8.26	Inactivity
S	100.00	82.90	77.80	69.27	40.76	27.73	32.76	27.67	18.53	19.07	15.31	10.09	4.85	6.53	4.13	5.58	Education and training
	0.00	8.41	9.60	16.76	6.66	7.95	5.21	8.05	5.25	7.88	6.36	5.99	3.95	6.01	5.51	4.06	Employment and training
	0.00	1.06	2.07	2.50	18.94	26.34	36.36	42.56	55.02	50.17	59.00	60.22	69.65	70.58	71.36	70.75	Employment
	0.00	3.57	4.42	4.14	11.71	18.49	13.82	12.39	9.49	11.02	12.72	13.94	12.01	9.14	9.42	7.02	Unemployment
	0.00	4.06	6.11	7.42	21.93	19.48	11.76	9.33	11.80	11.95	6.78	9.58	9.54	7.75	9.49	12.53	Inactivity
UK	100.00	50.90	28.96	23.23	17.85	17.41	13.43	11.58	7.73	4.60	3.48	2.95	2.17	2.11	1.85	1.81	Education and training
	0.00	30.68	41.97	34.60	24.67	16.22	11.63	9.10	7.58	7.17	5.84	5.96	5.43	5.19	5.35	5.55	Employment and training
	0.00	4.76	15.06	26.13	38.13	46.39	52.63	59.29	64.11	69.29	70.03	70.34	70.56	73.20	73.84	74.00	Employment
	0.00	9.84	10.09	9.89	12.08	10.70	10.88	9.21	9.40	6.83	7.76	6.99	7.44	5.92	5.41	5.06	Unemployment
	0.00	3.80	3.90	6.17	7.31	9.31	11.44	10.81	11.16	12.11	12.89	13.77	14.38	13.57	13.55	13.58	Inactivity

Table 5.4 — Participation rates in higher education for the 17 to 25 year olds, 1996/97

Age	BG	CZ	EE	HU	LT	LV	PL	RO	SI	SK	EU-15
17	3	NA	2	—	1	1	—	—	—	NA	1
18	14	NA	26	9	25	22	—	9	5	NA	34
19	23	NA	28	16	30	31	18	12	33	NA	45
20	25	NA	27	18	27	22	22	13	32	NA	45
21	26	NA	23	16	20	21	22	12	27	NA	38
22	24	NA	19	14	14	18	21	12	22	NA	29
23	21	NA	14	10	10	14	20	10	14	NA	18
24	17	NA	11	8	8	16	13	8	9	NA	11
25	13	NA	8	4	5	8	8	5	7	NA	7

Table 5.8 — Unemployment rate by age, 1997

Age	BG	CZ	HU	LT	LV	SI	SK	Age	EE (1998)	Age	PL	Age	RO
15	47.1	16.6	66.7	11.1	NA	NA	NA	15-17	43.0	15-17	13.6	15-19	21.5
16	52.1	25.5	30.3	52.4	36.7	NA	NA	18	19.4	18-19	35.0	20-24	14.0
17	59.5	26.8	40.0	60.4	37.0	NA	51.0	19	22.8	20-24	21.2	25-29	7.0
18	56.5	19.8	26.4	41.2	43.6	28.2	35.9	20	25.7	25-29	10.6	30-35	5.5
19	46.8	11.4	25.0	21.5	35.6	17	35.0	21	16.7	18	NA	>36	2.5
20	44.2	8.5	17.9	38.2	31.0	25.9	19.8	22	13.1	19	NA	19	NA
21	42.2	6.9	14.5	25.8	29.3	20.2	15.8	23-24	12.2	18-19	NA		
22	30.8	5.4	15.0	19.1	17.7	23.2	12.1	25-29	13.3	15-19	NA		
23	25.8	5.7	10.9	12.5	12.7	15.9	14.1	30-35	10.4	20	NA	20	NA
24	22.4	5.5	10.9	19.2	16.9	10.1	12.6	>36	8.4	21	NA	21	NA
25	23.6	6.0	12.1	16.5	16.7	11.5	12.3	22	NA	22	NA		
26	21	4.8	7.9	13.2	11.4	7.2	10.5	23	NA	23	NA	23	NA
27	15.9	5.8	8.1	11.0	12.3	8.3	12.7	24	NA	24	NA	24	NA
28	19.5	6.6	12.3	12.8	10.4	7.4	12.5	23-24	NA	23-24	NA		
29	13.7	6.1	8.2	16.5	14.6	8.3	17.3	20-24	NA				
30	15.1	4.9	13.1	10.1	9.6	8.3	15.6	25	NA	25	NA	25	NA
31	16	5.6	7.2	13.4	9.8	4.5	13.8	26	NA	26	NA	26	NA
32	14.2	5.8	11.2	14.2	17.9	6.1	12.4	27	NA	27	NA	27	NA
33	12.8	4.1	7.0	13.5	13.2	4.6	13.7	28	NA	28	NA	28	NA
34	14.2	4.9	8.1	12.5	16.6	NA	12.4	29	NA	29	NA	29	NA
35	13.5	4.9	9.6	9.4	15.0	7.4	8.2						
>36	10.9	3.5	7.4	11.7	12.6	4.5	7.6	30	NA	30	NA	30	NA
								31	NA	31	NA	31	NA
								32	NA	32	NA	32	NA
								33	NA	33	NA	33	NA
								34	NA	34	NA	34	NA
								35	NA	35	NA	35	NA
										30-35	NA		
										>36	NA		



Table 5.9 — Proportion of unemployed in the total population by age, 1997

Age	BG	CZ	HU	LT	LV	SI	SK	Age	EE (1998)	Age	PL	Age	RO
15	47.1	16.6	66.7	11.1	0.0	NA	NA	15-17	43.0	15-17	13.6	15-19	21.5
16	52.1	25.5	30.3	52.4	36.7	NA	NA	18	19.4	18-19	35.0	20-24	14.0
17	59.5	26.8	40.0	60.4	37.0	NA	51.0	19	22.8	20-24	21.2	25-29	7.0
18	56.5	19.8	26.4	41.2	43.6	28.2	35.9	20	25.7	25-29	10.6	30-35	5.5
19	46.8	11.4	25.0	21.5	35.6	17	35.0	21	16.7	>36	2.5		
20	44.2	8.5	17.9	38.2	31.0	25.9	19.8	22	13.1				
21	42.2	6.9	14.5	25.8	29.3	20.2	15.8	23-24	12.2				
22	30.8	5.4	15.0	19.1	17.7	23.2	12.1	25-29	13.3				
23	25.8	5.7	10.9	12.5	12.7	15.9	14.1	30-35	10.4				
24	22.4	5.5	10.9	19.2	16.9	10.1	12.6	>36	8.4				
25	23.6	6.0	12.1	16.5	16.7	11.5	12.3						
26	21	4.8	7.9	13.2	11.4	7.2	10.5						
27	15.9	5.8	8.1	11.0	12.3	8.3	12.7						
28	19.5	6.6	12.3	12.8	10.4	7.4	12.5						
29	13.7	6.1	8.2	16.5	14.6	8.3	17.3						
30	15.1	4.9	13.1	10.1	9.6	8.3	15.6						
31	16	5.6	7.2	13.4	9.8	4.5	13.8						
32	14.2	5.8	11.2	14.2	17.9	6.1	12.4						
33	12.8	4.1	7.0	13.5	13.2	4.6	13.7						
34	14.2	4.9	8.1	12.5	16.6	NA	12.4						
35	13.5	4.9	9.6	9.4	15.0	7.4	8.2						
>36	10.9	3.5	7.4	11.7	12.6	4.5	7.6						

Table 5.10 — Proportion of inactive not in initial education and training in the total population, 1997

Age	CZ	EE	HU	LT	LV	PL	RO	SK	EU min	EU max
15	2		9.4	1.7	1.0			3	0	8.8
16	2		9.1	2.8	3.2			3	0.1	8.1
17	2		10.1	2.3	7.4			2	0	7.7
15-17						1.7				
18	4		11.9	7.9	6.2			7	2	8.7
19	5	16.8	12.7	9.3	7.0			14	1.9	21.9
18-19						4.7				
15-19							8.72			
20	9	24.4	18.8	7.6	5.7			14	2.4	19.5
21	11	17.0	18.9	15.8	4.3			10	4.9	15.1
22	15	15.3	19.6	11.8	6.3			14	3.1	13.6
23	18	21.3	23.6	14.3	5.8			16	4.6	13.7
24	19		21.5	10.1	5.5			16	2.3	14.4
20-24						11.2	14.62			
25	20	18.1	27.4	16.3	3.9			15	5.6	15.6
26	19	19.0	26.3	11.3	5.0			15	6.4	17.9
27	20	18.9	28.4	6.2	6.8			16	5.5	18.5
28	18	17.5	25.8	17.5	5.2			12	7.7	18.3
29	17		22.7	12.9	2.9			16	4.3	20.3
25-29						28.7	13.66			
30	17		24.0	14.2	5.2			15	7.7	19.9
31	13		24.0	14.2	7.5			10		
32	13		21.3	11.2	4.5			12		
33	10		24.1	11.8	0.7			12	6.1	20.7
34	10		20.2	10.9	7.2			7		
35	9		19.8	15.0	4.5			10		
30-35							11.71			
> 36	41	36.3	50.6	41.8			33.63	44	7.8	28

## Typology of labour-market entrants' regulation by country and educational attainment

## ANNEX 6

The typology arrived at through a cluster analysis shows that there are five classes of labour-market entrants, depending on the country and level of education:

- **Class 1:** Greek and Italian juniors, irrespective of their level of education, are notable in that their rate of unemployment is high by comparison with seniors (Graph C2), and above all in that the risk of long-term unemployment (Graph C3) is considerably higher than for seniors. Juniors in employment are in less-skilled posts — according to ISEI criteria — than seniors. This type of configuration is close to the 'selective exclusion' model.
- **Class 2:** All Spanish, Irish, Dutch and UK juniors at levels 0 to 3 and Belgian and Portuguese juniors at level 3 share the fact that their activity rate is often high compared with that of seniors (Graph C7) and they have a higher rate of unemployment (Graph C2). The posts held by seniors here again tend to be more skilled. But, unlike Class 1, the juniors are not the main group at risk of long-term unemployment. This configuration seems to be composite
- **Class 3:** The Belgian, Danish and Finnish juniors at levels 0 to 2 and French and Swedish juniors up to level 3 are the most likely to be in involuntary part-time jobs (Graph C4). The risk of unemployment is very substantial compared with seniors. Nevertheless, unemployment is mainly recurrent — the jobs occupied by juniors are often unstable, as shown by the relatively high index of vulnerability (Graphs C1 and C2). On the other hand, there is a moderate risk of long-term unemployment. This group suggests a model of 'selective exclusion tempered by elements of competitive regulation', with elements of involuntary flexibility while the risk of prolonged unemployment is moderate.
- **Class 4:** This class includes labour-market entrants with higher-education diplomas in Belgium, France, Ireland, the Netherlands, Portugal, Sweden and the UK. The relative risk of unemployment is moderate; the ranking of their jobs is less favourable than for seniors at the same level, although they are less concentrated in certain major sectors of activity than seniors (Graph C5). This group is at an advantage compared with other juniors in recruitment, and some are in the process of entering internal markets. In this respect they contrast with the groups at risk of exclusion.
- **Class 5:** All juniors in Denmark, Germany, Luxembourg, Austria and Finland at a level higher than ISCED 2, and in Portugal at levels ISCED 0 to 2, are in this group. In most cases (except for Germans and Austrians with low-level diplomas) these juniors' risk of unemployment is only slightly higher than that of seniors (Graph C1). The ISEI index (Graph C6) does not show that seniors have better career prospects, and flexible forms of employment do not affect juniors more heavily — with the same exceptions as for the risk of unemployment. In the countries where it relates to qualified labour-market entrants, this class comes close to the 'regulated inclusion' model. ISCED level 0 to 2 juniors in Portugal are an extreme case in this class: apparently their position is little different from that of seniors and they are no more at risk of involuntary part-time work. Nevertheless, they cannot be placed in a group close to the 'regulated inclusion' model, in that the employment and unemployment characteristics of young Portuguese with a high level of education differ markedly from those of seniors at the same level.

The classes defined by the analysis are not all equally homogeneous. Classes 1, 4 and 5 are the most uniform, whereas Class 3, whose common denominator is the relative extent of part-time work imposed on juniors, has internal disparities in the unemployment indicators (Graphs C1 to C3). In particular, young Danes of low educational level are no more exposed to the risk of unemployment, long or recurring, than seniors at the corresponding level. In all other Class 3 categories, the risk of unemployment is greater for juniors.

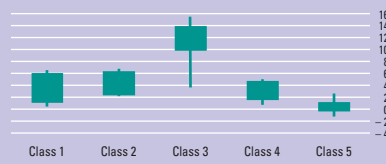
Within Class 2, there is also a degree of diversity in terms of unemployment. Juniors in this class are considerably more affected by unemployment than their senior counterparts, with the sole exception of those in the Netherlands.

Had the labour-market entry patterns differed widely depending on educational level within each country, there might be up to 15 national configurations, and each level of education might correspond to a class in the typology. As we have seen, this is not the case. In some countries, the level of diploma has little effect on the gap between juniors and seniors, whether the juniors are at a strong disadvantage (as in Greece and Italy) or whether there is little discrimination (Denmark, Germany and Austria). In contrast, the advantage of a diploma is very great in France, Sweden and, to a lesser degree, Finland. In the other EU countries, higher-education diploma-holders are also at an advantage, but juniors with an intermediate level of diploma (ISCED 3) run less risk of unemployment and involuntary part-time employment than in France or Sweden.

Graph C1 — Difference in the vulnerability of juniors and seniors



Graph C4 — Difference in involuntary part-time employment of juniors and seniors



Graph C2 — Difference in the unemployment rate of juniors and seniors



Graph C5 — Difference in the proportions of juniors and seniors working in the five main sectors of employment



Graph C3 — Difference in the proportion of long-term unemployment of juniors and seniors



Graph C6 — Difference in average ISEI scores of juniors and seniors



Graph C7 — Difference in the activity rate of juniors and seniors



**Methodological note**

The rectangles are defined by the quartiles in each class, the maximum and minimum values being indicated by the vertical lines.

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