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## **Promoting Youth Employment Through Activation Strategies**

Werner Eichhorst (IZA)  
Ulf Rinne (IZA)

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**Promoting youth employment  
through activation strategies**

Werner Eichhorst  
Ulf Rinne

Employment  
and Labour  
Market Policies  
Branch

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## Preface

The primary goal of the ILO is to contribute, with member States, to achieve full and productive employment and decent work for all, including women and young people, a goal embedded in the ILO Declaration 2008 on Social Justice for a Fair Globalization,<sup>1</sup> and which has now been widely adopted by the international community.

The comprehensive and integrated perspective to achieve this goal are embedded in the Employment Policy Convention, 1964 (No. 122), in the Global Employment Agenda (2003) and, in response to the 2008 global economic crisis, in the Global Jobs Pact (2009) and in the Conclusions of the recurrent discussion on Employment (2010).

The Employment Policy Department (EMPLOYMENT) is fully engaged in global advocacy and in supporting countries placing more and better jobs at the centre of economic and social policies and of inclusive growth and development strategies.

Policy research, knowledge generation and dissemination are an essential component of the Employment Policy Department's action. The publications include books, monographs, working papers, country policy reviews and policy briefs.<sup>2</sup>

The *Employment Policy Working Papers* series is designed to disseminate the main findings of research initiatives on a broad range of topics undertaken by the various branches, units and teams in the Department. The working papers are intended to encourage exchange of ideas and to stimulate debate. The views expressed are the responsibility of the author(s) and do not necessarily represent those of the ILO.

Azita Berar Awad  
Director  
Employment Policy Department

<sup>1</sup> See [http://www.ilo.org/public/english/bureau/dgo/download/dg\\_announce\\_en.pdf](http://www.ilo.org/public/english/bureau/dgo/download/dg_announce_en.pdf)

<sup>2</sup> See <http://www.ilo.org/employment>.



## Foreword

Across the globe, young women and men are making an important contribution as productive workers, entrepreneurs, consumers, citizens, members of society and agents of change. All too often, the full potential of young people is not realized because they have no access to productive and decent jobs. Although they are an asset, many young people face high levels of economic and social uncertainty. A difficult transition into the world of work has long-lasting consequences not only on youth but also on their families and communities.

The International Labour Office has long been active in youth employment, through its normative action and technical assistance to member States. One of the means of action of its Youth Employment Programme revolves around building and disseminating knowledge on emerging issues and innovative approaches.

In 2012, the International Labour Conference issued a resolution with a call for action to tackle the unprecedented youth employment crisis through a set of policy measures.<sup>3</sup> This resolution provides guiding principles and a package of inter-related policies for countries wanting to take immediate and targeted action to address the crisis of youth labour markets. The above-mentioned policy package includes activation strategies that combine income support for young jobseekers and active labour market programmes. The combination of unemployment insurance, unemployment assistance, employment guarantees or other measures tailored to the specific situation of different groups of young people is increasingly becoming a policy tool applied by several countries in different regions of the world.

The working paper *Promoting youth employment through activation strategies* provides an overview of the main features of youth activation strategies around the world. It covers strategies implemented in 33 selected countries from different regions with a view to contributing to the discussion on the emerging approach of activation strategies as a tool to tackle the youth employment challenge. It provides an overview of the main features of these strategies and attempts to conduct a preliminary assessment of what works and what does not in their implementation.

Werner Eichhorst and Ulf Rinne of the Institute for Labour Studies (IZA), Bonn, (Germany) conducted the analysis included in this paper with research support by Laura Acar, Franziska Neder and Alexander de Vivie, and helpful suggestions by Janneke Pieters. Niall O'Higgins of the University of Salerno (Italy) and Gianni Rosas, Head of the ILO's Programme on Youth Employment that is based in the Employment and Labour Market Policies Branch, reviewed the draft paper and provided inputs for its finalization.

Iyanatul Islam  
Chief  
Employment and  
Labour Market Policies Branch

<sup>3</sup> See ILO resolution "The youth employment crisis: A call for action", Geneva, 2012, accessible at [http://www.ilo.org/ilc/ILCSessions/101stSession/texts-adopted/WCMS\\_185950/lang--en/index.htm](http://www.ilo.org/ilc/ILCSessions/101stSession/texts-adopted/WCMS_185950/lang--en/index.htm)



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## Executive Summary

Youth employment has become a major issue around the globe with remarkable differences within regions and among countries. Institutional factors such as labour market regulations, minimum wages, vocational training systems, but also benefit regimes and activation strategies play a major role in facilitating, or hampering, the transition of young people into the labour market. Countries with more generous benefit systems tend to have larger active labour market policies in general, but also for young people specifically, as well as more systematic activation strategies that make benefits conditional to job search and/or participation in active measures..

The restrictions embedded in the benefit systems tend to affect young people in particular and, in some countries, such restrictions are stricter and more demanding for young people than for the prime-age unemployed. Despite some variation, benefit conditionality is a widely accepted principle in the design of unemployment protection schemes in advanced and emerging economies. The requirements to access and remain within the benefit system are quite restrictive for young people in many countries. Where unemployment benefit systems are more limited or lacking, active labour market programmes do have different objectives as they are often implemented as a means to transfer income to poor regions and/or groups of the population.

Taking into account the available findings regarding the effectiveness of active labour market programmes and activation strategies specifically targeting young people, it can clearly be evidenced that active labour market policies and activation instruments cannot solve massive youth unemployment problems alone, especially when labour demand is weak and when larger structural reforms are needed. Furthermore, not all active strategies are equally effective and their effectiveness also depends on the general functioning of the labour market.

Nevertheless, activation policies can play a role in addressing labour market problems of young people. First, activation strategies in terms of job search assistance, monitoring and sanctioning should not be suspended in a situation of crisis and high unemployment when labour demand is weak. Even in such a situation early interventions can help improve young people's situation in the labour market.

Access of young people to benefit systems enables the employment service to keep track of young people before they become long-term unemployed or inactive. In countries with well-developed benefit systems, implementation agencies are key to the effective delivery of activation strategies. This, of course, calls for an appropriate coverage of labour offices. These entities should not only monitor and sanction jobseekers but also organize suitable active labour market policies tailored to the needs of the target population. When used to test the availability of jobseekers for work, active measures should always be designed in a way that they generate added value in terms of improved

employment or earnings of participants. Monitoring and sanctioning play a crucial role in activation strategies as they are necessary ingredients of actual benefit conditionality. However, sanctioning should not be excessive but well balanced, particularly in the case of young people.

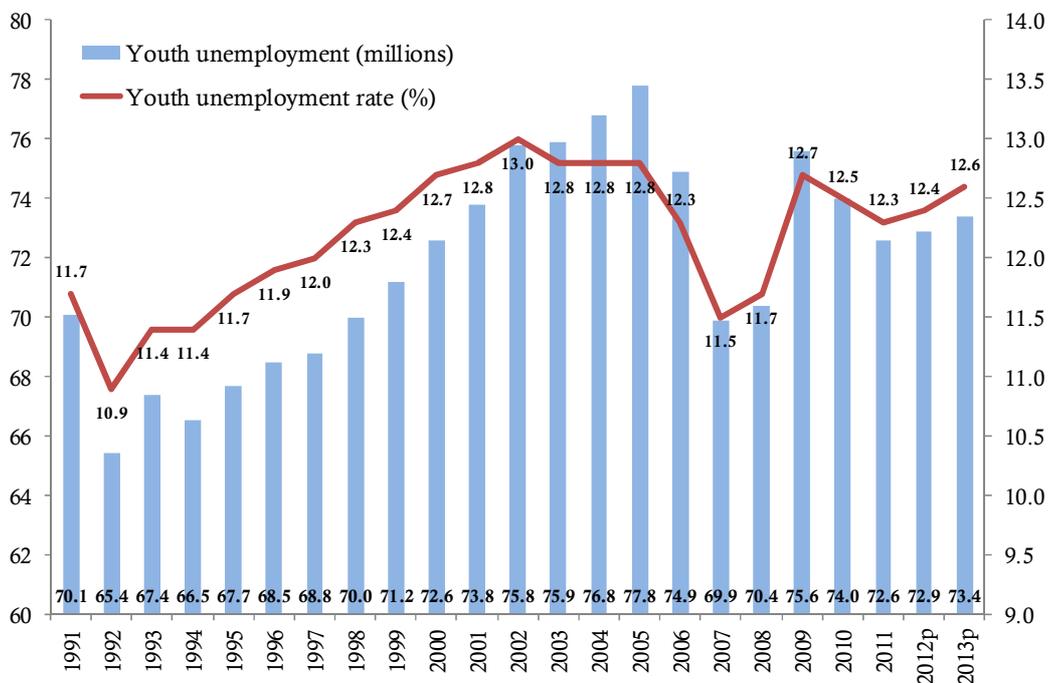
More attention should also be paid to paving the way for a medium-term integration of young people into decent and productive employment. In this respect, evaluation findings from developed and developing countries that deal with subsidized temporary employment suggest that it is not necessarily a good bridge into regular employment as it can lead to repeated fixed-term employment, particularly in segmented labour markets and when training is not part of the measures. Subsidized employment, preferably located in the private sector, should be combined with substantial job-related training in enterprises to increase the employability and productivity of young people. The same holds for direct public employment and public works that can be a tool for income distribution and generate some work experience in more basic institutional settings. Start-up support can be a useful tool to create jobs for young people and contribute to a more dynamic development of the economy, particularly in a difficult economic environment. Structural reforms lowering barriers to employment can enhance the effectiveness of activation policies.

This paper reviews the issues, theory, actual policies and empirical evidence pertaining to activation strategies related to young individuals. The remainder of the paper is organised as follows: Section 2 provides an overview about youth activation strategies. Section 3 describes recent and current initiatives in selected countries. Section 4 presents the available empirical evidence. Finally, Section 5 concludes and gives policy recommendations

# 1. Introduction

Young individuals are a particularly vulnerable group in the labour market. Their unemployment rate typically exceeds that of the adult generation (O’Higgins, 1997). This is, for example, due to the fact that young people face the critical barrier in entering the labour market. Youth unemployment has been globally increasing over the last years (see Figure 1). Despite a brief recovery in 2007/2008, it was projected to stand at 12.6 per cent in 2013. At the beginning of 2014, there was an estimated number of 74.5 million unemployed youth.<sup>4</sup> This means that currently more than 73 million youth are unemployed.<sup>5</sup>

Figure 1: Global Youth Unemployment and Unemployment Rate (1991-2013).



Source: ILO (2013).  
Notes: p=projection.

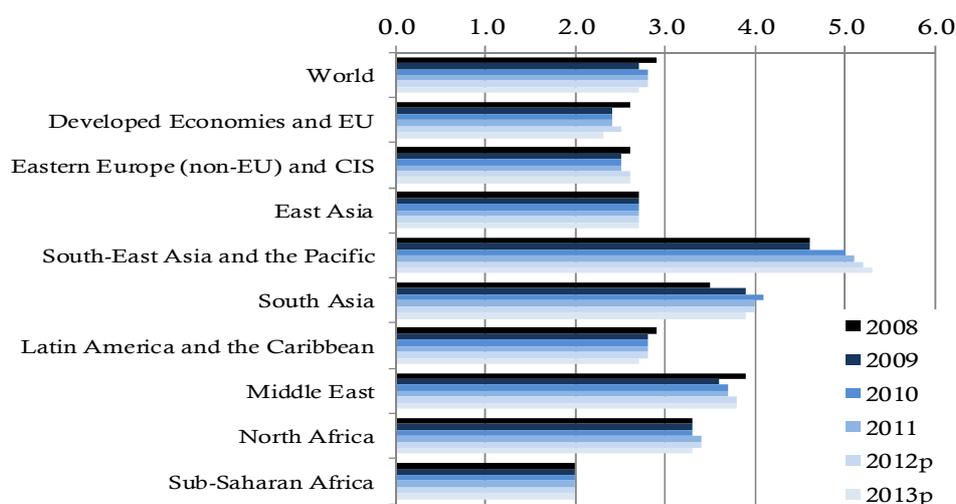
<sup>4</sup> ILO, *Global employment trends 2014: The risk of a jobless recovery*, Geneva, 2014.

<sup>5</sup> Throughout this paper, we use the UN definition of youth (15 to 24 years) and the ILO unemployment definition (see, e.g., O’Higgins, 1997, for a discussion of both issues).

Considering the impact that the Great Recession has had on labour markets, it is not surprising that a large number of young people are unemployed. A fall in aggregate demand increases youth unemployment in a very similar way as it affects overall (or adult) unemployment. This fact can be shown, for example, by analysing the youth-to-adult unemployment *ratios* for a number of countries and regions over time.

Figure 2 displays the results of this exercise, where the youth-to-adult unemployment ratios are calculated as the ratio of the youth unemployment rate over the unemployment rate among the population aged 25 years and above. Remarkably, and despite the Great Recession, these ratios have remained rather stable over time in most regions and also worldwide.<sup>6</sup> This means that variations in the youth unemployment rates are proportional to developments of the adult unemployment rates. In absolute terms, however, youth unemployment is much more variable over time. Globally, the current youth-to-adult unemployment ratio has been about 2.8. In addition, there is a remarkable heterogeneity across regions. While the youth-to-adult unemployment ratio is around 2 in Sub-Saharan Africa, it exceeds 5 in South-East Asia and the Pacific.<sup>7</sup>

**Figure 2: Global and regional youth-to-adult unemployment ratios (2008-2013)**



Source: ILO (2013).

Notes: p=projection.

<sup>6</sup> Exceptions are South East Asia and the Pacific as well as South Asia, where youth-to-adult unemployment ratios slightly increased during and after the crisis.

<sup>7</sup> There is substantial heterogeneity within regions. For example, while this ratio is around 1.5 in Germany, it is roughly 3 in France (Cahuc et al., 2013).

This heterogeneity of youth-to-adult unemployment ratios within and across regions demonstrates the crucial role that institutional settings and public policies play in influencing youth labour market dynamics. Hence, reducing youth unemployment in the long run often requires a range of structural reforms in areas such as labour market regulations and institutions as well as in the education system.<sup>8</sup>

This paper focuses on public policies, mainly activation strategies, which are implemented *within a given institutional and economic setting*.<sup>9</sup> Such policies can also enhance youth labour market integration, at least in the short run (World Bank, 2010). For example, if young people face a lack of labour demand, wage or training subsidies may be appropriate interventions. Or, if there are constraints in the job search and matching process, improving employment services appears to be a useful strategy.

These considerations may explain the popularity of active labour market policies (ALMP) that are specifically designed for young people. The importance of such measures is thus significant. For example, the young ALMP participants in EU-15 countries amounted to approximately 14 per cent of the youth labour force in 2007 (Caliendo et al., 2011). Average expenditure in the EU-15 is quite significant.<sup>10</sup>

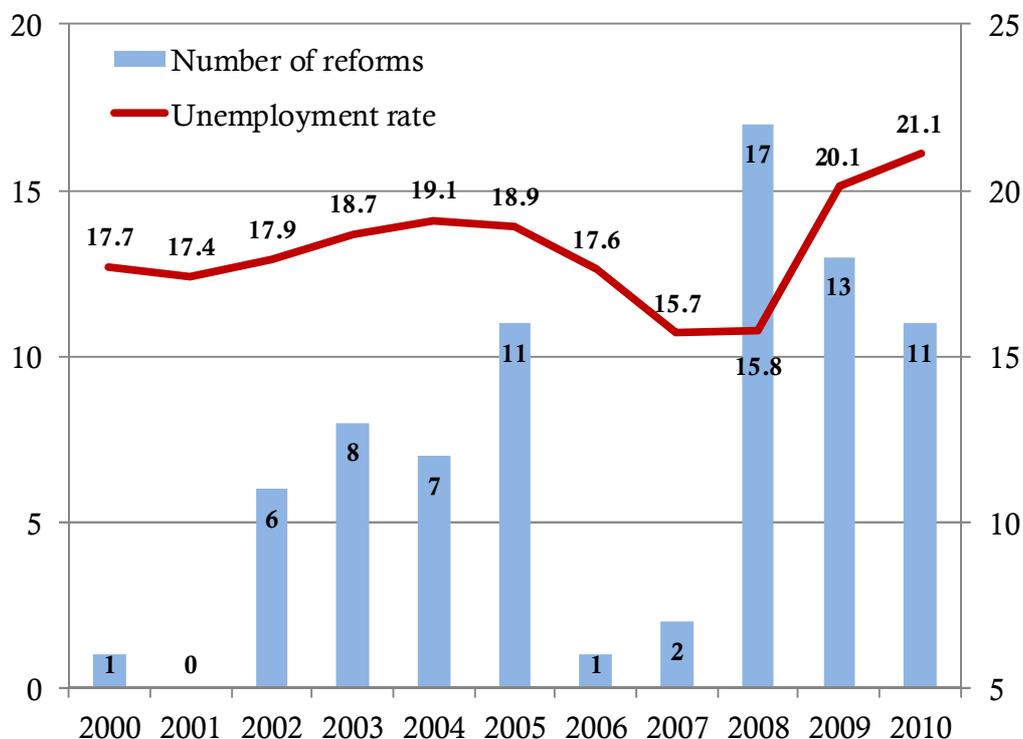
In addition, ALMPs that are specifically designed for youth are frequently subject to reforms, i.e. discretionary modification of programmes. Figure 3 displays the number of reforms in the EU-28 over time and relates these reforms to the trends in youth unemployment rate. First, there were in total 77 reforms between 2000 and 2010. Second, these reforms concentrated in two time periods: one period was between the early- to mid-2000s and another one during and after the Great Recession. When considering the development of youth unemployment in this context, it appears that policy makers reacted in both periods to a trend of rising youth unemployment by implementing reforms.

<sup>8</sup> See, for example, World Bank (2007) for a proposal of such structural reforms.

<sup>9</sup> See Section 2 below for a detailed discussion and overview on youth activation policies.

<sup>10</sup> Between 1999 and 2002, the average annual expenditure was about €1.3 billion in EU-15 countries for ALMPs specifically targeted at unemployed youth (OECD, 2004).

Figure 3: Youth ALMP reforms and youth unemployment in EU-28 (2000-2010).



Sources: DG ECFIN, Labour Market Reforms Database; Eurostat.

Notes: Number of reforms in special ALMP schemes for youth in EU-28 countries. Unemployment rate of individuals less than 25 years in EU-28.

However, before implementing any reform of existing measures or introducing new ones, it should be clearly understood how youth unemployment could be tackled most effectively. Therefore, by selecting measures that successfully target the roots of the problem, this paper aims to provide empirical evidence for informed policy decisions, including in the area of youth activation policies.

## 2. Youth activation strategies: An overview

In general, young individuals are more vulnerable in the labour market than other population groups and labour market entry is a crucial stage in a person's career. The Great Recession broadly affected labour markets worldwide but young individuals were disproportionately affected. Among others, Bell and Blanchflower (2010, 2011a, 2011b) analyze the new rise in youth unemployment after the crisis with a particular focus on the United Kingdom and the United States. In fact, while in some countries youth unemployment was barely affected by the Great Recession, it dramatically increased elsewhere and reached new record highs.<sup>11</sup> A recent analysis of the negative effects of unemployment shows that when it happens in early working life it can create long-lasting scars affecting labour market outcomes much later in life (Schmillen and Umkehrer, 2013). This issue is especially relevant in times of economic crisis.

Important institutional settings and public policies influencing youth labour market outcomes are mainly found in three areas: (i) vocational education and training; (ii) minimum wages and employment protection; and (iii) activation measures and active labour market policies.<sup>12</sup> While the remainder of this paper deals extensively with the third area, this section gives an overview of critical issues in the other two areas.

Vocational education and training—as well as general education—play a crucial role in preparing young people for the labour market. First, low-skilled youth face high risks of unemployment and exclusion. Their unemployment rates generally exceed those of their higher-skilled peers (see for instance Bell and Blanchflower, 2011b). Second, vocational education and training are core factors in smoothing the transition from school to work. In this context, the quality of the education system is very important to match labour market needs as closely as possible and to avoid the skills mismatch. Third, the labour market outcomes may differ according to whether young people have completed general education or vocational training and, for the latter, school-based training or on-the-job training (or a combination of the two as in the case of the system of dual apprenticeship).

<sup>11</sup> See, for example, the diametrically opposite development of youth unemployment in the neighboring countries France and Germany (Cahuc et al., 2013).

<sup>12</sup> Note that the labor market situation of young people is also influenced by demographic factors, in particular by cohort size and labor demand in the economy (Biavaschi, 2012).

More specifically, what is the relative effectiveness of these different types of vocational training on the labour market outcomes of participants? In general, the empirical evidence on this issue is rather scarce and refers, almost exclusively, to high-income countries. Existing studies – as summarized in Biavaschi et al. (2012) and Eichhorst et al. (2012) – typically find a comparative advantage of countries with a dual apprenticeship system (e.g., Quintini and Manfredi, 2009) although this relationship is not necessary causal. Country-specific studies also identify a relative advantage of dual apprenticeship training, in particular with respect to early labour market outcomes, but this initial advantage fades away over time (e.g., Winkelmann, 1996; Plug and Groot, 1998; Bonnal et al., 2002; Parey, 2009). It however appears that dual apprenticeship systems are effective in smoothing school-to-work transition of young individuals.

Minimum wages and employment protection are part of another field affecting the labour market integration of youth. While this is true for labour market institutions in general, these two dimensions are particularly relevant. First, labour costs can be a substantial barrier in the transition from school to work, particularly for low-skilled young jobseekers. A number of studies document the detrimental employment effects for young people when a minimum wage is set too high (e.g., Abowd et al., 2000; Kramarz and Philippon, 2001; Neumark and Wascher, 2008). Other studies, however, find that effects are not necessarily negative (Portugal and Cardoso, 2006; Hyslop and Stillman, 2007). Second, the segmentation of the labour market between permanent contracts and fixed-term contracts (and other forms of flexible or non-standard employment) appears to affect young people more strongly than other population groups. While reforms liberalizing temporary contracts have created additional entry options into the labour market, in particular for youth in many European countries, there is strong evidence that these policies generate a highly fragmented labour market with a secondary segment of jobs characterized by excess labour turnover and very limited possibilities of a successful transition from fixed-term to permanent positions. This is aggravated by the lack of systematic vocational training. For countries such as France, Italy, Portugal or Spain, a number of studies have found a high risk of repeated spells of temporary employment and unemployment. This implies that the flexibilization of employment protection legislation on fixed-term contracts can in fact also contribute to severe youth unemployment (see, e.g. Cahuc and Postel-Vinay, 2002, and Blanchard and Landier, 2002).

The third area of institutional settings and public policies influencing youth labour market outcomes is the area of activation measures and active labour market policies. Such measures appear especially relevant because they are typically implemented within a given set of institutional and economic constraints — and are thus independent of broad and comprehensive structural reforms. The role of activation policies and active labour market policy programmes in general has been a core pillar of many governments' efforts to promote youth labour market integration in a situation of crisis.

Active labour market policies and activation strategies were designed to promote labour market integration by reducing job-finding obstacles, thereby increasing the probability of entering employment successfully by providing, for instance, job-related training that improves skills levels and productivity of jobseekers or through hiring subsidies designed to compensate for lack of work experience and other deficits. Five main types of active labour market policy (ALMPs) can be distinguished:

1. Job-search assistance.
2. Training programmes.
3. Subsidized employment with private enterprises (based on temporary contracts usually).
4. Direct job creation and public employment programmes.
5. Start-up subsidies, self-employment assistance and support.

In addition, it is important to take into account different country contexts. By adhering to the activation paradigm, most high-income countries, such as those of the OECD and the EU, link benefit receipt with participation in active measures. Hence, benefit receipt is made conditional upon active job search effort and the availability of the beneficiary to participate in different types of ALMPs.

Activation strategies work to incentivize and support at the same time (see Immervoll, 2012) This has emerged as a generally-accepted pattern to avoid work disincentives stemming from unconditional benefit access. Activation strategies include the enforcement of rigorous eligibility criteria for benefit recipients along with the provision of effective re-employment services (Immervoll and Scarpetta, 2012). Hence, participation in active measures is not voluntary but required to maintain access to benefits and avoid sanctioning. This type of activation implies a systematic articulation and interaction of benefit systems and active labour market policies. It requires both access to social benefits and an elaborate and efficient delivery of active labour market measures. In such a system, the access to unemployment benefits, as well as minimum income support, works as a mechanism for the administration to remain in contact with young people after they have left school. If young people can claim benefits, they can also be involved with active programmes. In many medium- and low-income countries, where social benefits are less generous or non-existent and the labour market policy administration is more limited in its capacity, activation policies are typically implemented as a sort of income transfer via direct job creation (i.e. by delivering some temporary experience through paid formal employment).

Against this backdrop, this study will provide an overview of the main characteristics of youth activation strategies around the world. It will cover relevant schemes in a representative sample of countries from different world regions. Most information is available for EU and OECD countries, but this paper also includes available information from some G20 (e.g. Brazil, South Africa) and developing countries.

### **3. Recent and current activation policy initiatives in selected countries**

This section discusses measures related to youth activation strategies in a representative sample of countries from different world regions. More specifically, this is done along the following dimensions:

1. existence of a benefit system for young people;
2. connection between the benefit system and active labour market policy measures (voluntary vs. conditional);
3. target population of young people (e.g. age limits, skills groups);
4. selection of participants into active measures;
5. main types of active programmes;
6. participation or expenditure figures;
7. evaluation findings;
8. responsible bodies for administration and delivery.

A comprehensive overview of activation strategies in 33 countries is provided shown in the Appendix of this paper. This overview contains information on the above-mentioned eight items.<sup>13</sup>

#### **3.1. Countries of the European Union**

Young people had already been on the agenda of the EU (“European Youth Pact,” March 2005) before the economic and financial crisis of 2008. The alarming consequences of the Great Recession on youth labour markets led many European policymakers to introduced a large number of (additional) youth employment programmes. In 2010, the European Council renewed the Lisbon and introduced the EU 2020 Strategy through which all EU member States committed to an active inclusion of young people. The main areas for action include education and training, employment and entrepreneurship. It is in this

<sup>13</sup> The 35 countries that are included are Austria, Belgium, Bulgaria, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, the Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, Switzerland, United Kingdom, Argentina, Australia, Brazil, Japan, Mexico, Peru, South Africa, Turkey and the USA.

context that a number of flagship initiatives were introduced.<sup>14</sup> Although the EU institutions have developed instruments of “soft” governance in the area of employment (see for instance the open method of coordination), it lacks legislative competence. Moreover, although member States can commit to mutually-agreed policy objectives, they can still decide independently on country-level implementation.

The EU institutions embraced employability, activation and labour market mobility as policy instruments to curb youth unemployment (see Lahusen, Schulz, and Graziano, 2013). The advantage of an activation orientation of these policies is that it helps to mobilize jobseekers into employment and avoid benefit dependency. All countries with a well-developed system of income support for the unemployed can benefit from a strong employment-focused activation system, which includes job search and matching assistance, reducing barriers to employment and sanctions when recipients fail to comply with the requirements. However, although these form the key pillars of a strong system, there is no unique formula for effective activation and the implementation has to be country specific (OECD Employment Outlook, 2013a).

The recent financial and economic crisis led to an increasing number of unemployed and therefore higher costs for unemployment benefits as well as an increased need for jobseekers’ support for reintegration through employment services and other active labour market programmes (ALMP). In general, activation strategies are implemented at the local level by the Public Employment Service (PES), sometimes with support of private providers of job placement and training services. The PES targets people of working age who are unemployed but can and are available to work and, at the same time, are in receipt of unemployment benefits conditional on compliance with employment and job search requirements (Immervoll and Scarpetta, 2012).

Access for young people to unemployment benefits is, however, very limited in most EU countries, both with respect to insurance and assistance benefits. Unemployment benefits are conditional on contributions to an unemployment insurance scheme for a minimum period of time. The amount of unemployment benefits depends on the age, the duration or tenure of the worker in the previous occupation and the overall unemployment insurance contributions of the unemployed person. In Bulgaria, Finland, France, Greece, Latvia, Luxembourg, the Netherlands, Slovenia, and Sweden less than a year of employment and/or contribution is required. More than one year is required in Belgium, Ireland, Italy, Lithuania, Poland, Portugal, Slovakia, and the United

<sup>14</sup> See, for example, the “Agenda for New Skills and Jobs,” “Youth on the Move,” the “Youth Opportunities Initiative,” “Your first EURES job,” the “Youth Employment Package,” the “Youth Employment Initiative,” and the “Youth Guarantee.”

Kingdom, while the duration of employment and/or contributions in the remaining countries of the EU is around 12 months.

In most countries the amount of unemployment benefits is dependent on previous income. In Austria, Belgium, Bulgaria, the Czech Republic, Estonia, Germany, Hungary, Italy, Latvia, and Slovakia benefits amount to 50-60 per cent of the income. The lowest percentage is in France with 40 per cent, and the highest is in Denmark with 90 per cent. In Spain, the Netherlands, Switzerland, Slovenia, Luxembourg the percentage lies between 70 and 85 per cent. In some countries, the percentage decreases the longer the unemployment persists (Belgium 60-40 per cent, Czech Republic 65-45 per cent, Estonia 50-40 per cent, Germany 67-60 per cent, Italy 60-40 per cent, Slovenia 80-50 per cent, and Spain 70-60 per cent). In contrast you find fixed benefit amounts in Finland, Sweden, Greece, Ireland, Lithuania and Poland. In Ireland and UK there are different payments for different age groups. In the United Kingdom, those aged 16-24 receive £56.80 per week, and those aged 25 or above receive £71.70 per week. In Ireland, the amount for the unemployed over 24 years is €188, but those aged 18-21 receive only €100 (€144 for those aged between 21 and 24).

The duration of the unemployment benefit also varies across countries. In Estonia, Greece, and Hungary it is 3 months. In Austria, Bulgaria, the Czech Republic it lasts about five months, while it is six months in Luxembourg, Poland, Slovakia and the UK. In Ireland, Italy, Latvia and Lithuania the duration is nine months. Recipients can receive unemployment benefits up to two years in Denmark, Finland, France, Germany, Spain, and Sweden. The longest duration of benefit entitlements is Slovenia (25 months), the Netherlands (38 months) and Portugal (38 months). If a graduate in Romania has not found work within 60 days after graduation, he or she is entitled to unemployment benefits for six months. In Switzerland, people aged less than 25 receive unemployment benefits for up to 200 days and all other age groups up to 520 days. In a number of countries means-tested unemployment assistance provides continued benefit entitlements once insurance benefits expire. These countries include Austria, Estonia, Finland, Germany, Hungary, Ireland, Portugal, Spain, and UK. Some countries also have an entrance age for eligibility which varies from 15 to 17 years (see Table 1).

**Table 1: Entrance age to be eligible for unemployment benefits (school leaving age)**

Age	Country
15 (15)	Slovenia
16 (16)	Estonia
16 (15)	Greece
16 (16)	Ireland
16 (16)	Luxembourg
16 (16)	Romania
17 (16)	Finland

Source: European Commission, Education and Training accessible at [www.europa.eu](http://www.europa.eu)

In most cases, young people entering the labour market and having not made any contribution to the unemployment insurance are not eligible to unemployment benefit. Some countries offer unemployment assistance to those who are not qualified for unemployment benefits. This includes Austria, Estonia, Finland, Germany, Hungary, Ireland, Netherlands, Spain, and the United Kingdom. In Austria and the Netherlands, recipients are eligible for unemployment assistance when they are in need of financial support. The duration of payment is 52 weeks and can be extended indefinitely in Austria. In the case of Estonia, the minimum age to be entitled to a flat-rate unemployment allowance is 16 years and recipients have to be unemployed and commit to an individual job-search plan. The maximum period is 270 days with a daily rate of €2.11. In Finland, those between 17-64 years old can receive a labour market subsidy. There is a special rule for young people who are aged between 17 and 24 that makes benefit payment conditional to participation in employment measures. These are paid from a minimum of 180 days to an indefinite period of time and amount €32.46 per working day. The basic provision in Germany is available for jobseekers aged 16-65 years. It consists of a six-month benefit that can be extended indefinitely. In Ireland individuals aged 18-66 are entitled to a jobseeker's allowance. This applies to the unemployed and those individuals who have been out of school for at least three months. The amount of the subsidy is the same as the unemployment benefit but for an unlimited period of time. In Spain, individuals can obtain unemployment assistance from six to 18 months if they sign an "activity" agreement with their employment centre and meet one of the following conditions: they are over 52 years old, have dependants or low income. The "income-based jobseeker allowance" is available for unemployed people aged from 18 to the pensionable age in the United Kingdom.

In order to ensure receipt of benefit, the jobseekers have to be immediately available for work and accept suitable job offers. While in Denmark, Estonia, Germany, Romania, Sweden, and Switzerland participants have to stay available and actively continue to look for work, in Austria, the Czech Republic, Italy, Poland and Spain they only have to meet the work availability condition and not the job search condition. In some countries (Belgium, Finland, Luxembourg, Slovenia and the UK) participants in some ALMPs (mostly in training programmes) are exempted from being available for work. Recipients of unemployment benefits in Denmark, Germany, Hungary, Ireland, and Poland are required to accept any job. This requirement also applies to those under 30 years of age in Switzerland. In contrast, recipients of unemployment benefits in Greece, Lithuania, and Romania can refuse job offers from other occupational areas indefinitely and without sanctions. The jobseeker's previous occupation and his or her qualifications are considered in the remaining countries (Venn, 2012).

As part of job-search assistance and monitoring, most countries follow a practice of intensive obligatory interviews between the jobseeker and an employment advisor. However, the frequency of such interviews varies. Beneficiaries are also required to report regularly on their job-search effort, while the PES refers unemployed clients to vacant jobs (Immervoll and

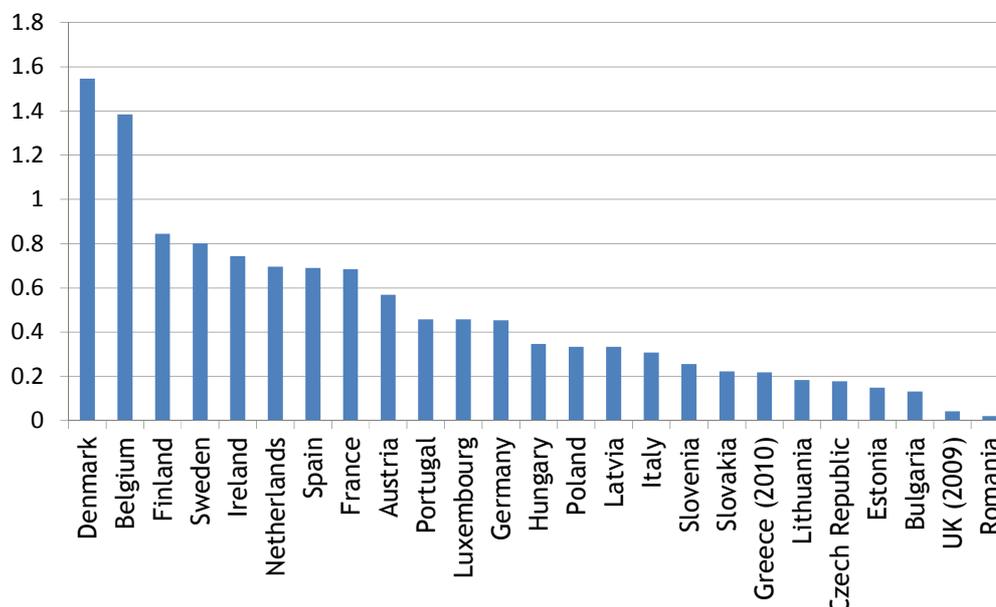
Scarpetta, 2012). In several countries, including Finland, France, Germany, Greece, Spain, Sweden, and the UK, the jobseeker and his or her PES counsellor develop an individual action plan together. In Sweden and the United Kingdom, participation in the tailored re-employment programmes is compulsory after a period of unsuccessful job search. The individual action plan determines several activities to help the jobseeker find work, including applications to vacancies, support in the improvement of *curriculum vitae*, participation in training programmes. In the Czech Republic only young people under 25 years old and university graduates are eligible to create an individual action plan with a PES counsellor.

In these programmes, there are sanctions for benefit recipients if they refuse a suitable job, fail to seek work or to attend appointments or employment programmes, or quit their jobs voluntarily. The strictness of sanctions varies as well. Some countries cut the unemployment benefits completely for a specified period of time, and others only reduce it. The frequency of violation also matters. The suspension of the benefit continues until the client complies. In Greece, Ireland, Italy, Luxembourg, Portugal, Romania, and Slovakia the benefits are cut completely for an initial refusal of a job offer or ALMP placement. The duration of suspension is relatively short (one month or less) in Denmark, Estonia, and Germany, but relatively long in Bulgaria, Lithuania, and Poland (Venn, 2012).

The expenditure for ALMPs varies significantly across EU countries from only 0.02 per cent of GDP in Romania up to 1.546 per cent of GDP in Denmark (see Figure 4)<sup>15</sup>. Nordic countries show the highest spending level. However, continental European countries have narrowed the gap and spend only slightly less. The activation expenditure in Eastern European countries and the United Kingdom is much smaller, but with opposing trends in Eastern Europe in the last ten years. While the amount of expenditures on income support is strongly counter-cyclical, spending on active programmes tends to react only moderately to the cycle in most countries (with the exception of Nordic countries). Because of the lack of strong responsiveness during recession, the amount of spending on active labour market programmes per unemployed person has a tendency to decrease while unemployment rises. It therefore becomes more difficult to effectively support jobseekers. When unemployment is high, independent job-search is more difficult. This implies that the unemployed may depend more on job-search assistance and other labour market programmes (Immervoll and Scarpetta, 2012).

<sup>15</sup> There is no specific data for youth-related programmes.

Figure 4: Expenditure in activation measures in 2011 as percentage GDP



Note: Activation measures for the unemployed and other target groups including the categories of training, job rotation and job sharing, employment incentives, supported employment and rehabilitation, direct job creation, and start-up incentives.

Source: Eurostat database.

In most countries training is the largest spending category (25 to 33 per cent of total spending) with the exception of Eastern Europe, where it only amounts to around 10 per cent. Additionally, English-speaking countries now spend much less on training than they did in 1990 (Immervoll, 2012). There is a specific type of training known as apprenticeship programmes in Austria, Belgium, Bulgaria, Denmark, Germany, Italy, Latvia, Portugal, and Slovenia. In 2008, Belgium introduced the “Youth Work Plan” which offers tailored guidance and integration into work through traineeships and internships. Participants get a benefit of €500 a month. The duration of the programme was recently prolonged to three years and the maximum entrance age was raised from 25 to 27. A similar programme exists in Bulgaria, the “First Job National Agreement”. This programme provides financial incentives to employers rather than jobseekers. The “National Training Pact” in Germany helps young people with weaker prospects find a training placement. Austria runs an “Apprentice Coaching Programme” that provides individual quality training. In the Netherlands, Slovakia and Sweden there are programmes to promote return to education. The Dutch “School Ex 2.0” programme encourages young people in secondary vocational education to continue studying and choose a course with greater relevance for the labour market. In Slovakia the “Youth Action Plan” supports the improvement of the quality and relevance of education and training, including vocational education and training.

Job subsidies and other demand side employment incentives have tended to grow as well. Subsidy programmes that encourage enterprises to integrate young people into the labour market can be found in Greece, Hungary, Italy, Lithuania, the Netherlands, Poland, Slovakia, Slovenia, and the United Kingdom. In contrast, spending on job creation has fallen. Entrepreneurship programmes take only a small share of total expenditure, but are very sizable in Eastern Europe (Immervoll, 2012). There are special programmes for young people to start a business in Hungary, Lithuania, Slovenia, Sweden and Spain. They support young entrepreneurs in acquiring and developing entrepreneurial knowledge and skills, as well as with funding.

Work experience is another important and common youth activation programme in the EU. In Austria, Belgium, Greece, Hungary, Italy, Lithuania, Luxembourg and Switzerland programmes offer job coaching to young people and give them the opportunity to gain initial experience through a traineeship. The “Semestre de Motivation” in Belgium is the period of time between education and work. During this period, young people are not eligible to the unemployment benefit but receive an “integration” benefit. This benefit is conditional upon the development of a personal action plan that may include, for instance, work experience or training. The duration depends on the age of the young jobseeker. Another programme offers new labour market entrants aged 16-24 in Greece the opportunity to take part in a traineeship for 6-12 months. During the traineeship they receive 80 per cent of the national minimum wage and are covered by full social security. There also exist a “motivation semester” in Switzerland for young people aged 18-24 who have not completed a VET programme. This programme offers school-to-work transition support, such as internships, for six months. While participating, young people are also eligible for unemployment benefit. In the United Kingdom and Sweden there are work experience programmes to give young unemployed people with little-or-no work experience the chance to gain valuable work-based skills and experience. In the United Kingdom the participants continue to receive benefits and must continue to look for permanent work.

There are special employment programmes for disadvantaged young people and early school leavers in Germany, Ireland, Italy, the Netherlands, Latvia, Luxembourg, Poland, and Sweden. They provide support in education, vocational training and social integration, work experience, and second change programmes. The “Momentum Project” in Ireland supports young unemployed under 25 years of age, who have been unemployed for 12 months, via free education and training projects. Through “Youth Workshops” in Latvia, people aged 15-24 without previous vocational education gain experience in three occupations and then make a career choice. The programme “Unga” (Youth Integration) in Sweden targets young people who are not registered with the employment service via network groups and the distribution of information flyers.

Another multi-country approach to tackle the youth employment crisis is the “Youth Guarantee”. The first European countries that implemented youth guarantees, were Sweden in 1984, Norway in 1993 and Finland in 1996. More recently, similar youth employment programmes were introduced in Austria, Germany, the Netherlands and Poland. A youth guarantee implies an entitlement to a job, training or education for a defined group of young people and an obligation for the PES or another public authority to provide services and/or implement programmes within a given period of time (ILO, 2013b). Within these common features, there are however country-specific differences in respect of duration, age of participants, educational level and other eligibility criteria.

In Sweden there is a youth guarantee for individuals below the age of 25 who are unemployed for more than three months. This guarantee offers job-readiness services, including job-search support, career guidance, coaching and traineeships, as well as help in identifying appropriate training courses. Young people who are not entitled to unemployment benefits receive “development benefits”. If they complete further education, they receive an amount that is equivalent to €16 plus an additional amount equivalent to approximately €6 per day in case young participants have not completed further education and are less than 20 years old (ILO, 2013a). In Finland, the Youth Guarantee covers everyone under the age of 25 and recent graduates under the age of 30, who have been unemployed for three months. It provides youth workshop, an outreach youth work scheme, and programmes for employment, education and young adults’ skills.

Since 2008 Austria has also implemented a youth guarantee. This ensures that after 4 or 6 months of unemployment, every unemployed youth person (aged 25 or below) receives an offer of an education or training programme or subsidized employment from the Austrian Employment Service. During participation in the supra-company apprenticeship young people receive €240 per month during the first two years and €555 per month during the third year. In Germany the government and the social partners have committed to ensuring sufficient positions in the dual apprenticeship system, although young people are not entitled to participate in an active measure by law. Apprenticeship training for 6 to 12 months is provided to young people in Germany who have finished compulsory education and have not yet completed a dual apprenticeship.

The above-mentioned experience has led European Union institutions to the adoption in April 2013 of a European youth guarantee that extends to all the 28 countries of the EU (ILO, 2013c) and should be rolled out through the implementation of national guarantee plans by 2014.

Between 2012 and 2013, a number of new youth strategies and programmes were adopted in Greece (National Action Plan), in Romania (National Plan to Stimulate Youth Employment) and in Spain (Youth Entrepreneurship and Employment Strategy 2013-2016). These instruments include a range of measures for youth employment: from job subsidies and career guidance to work-experience programmes, entrepreneurship, apprenticeship and traineeships. In Spain, the policy package also includes the

development of dual vocational training and the introduction of financial assistance for dropout youth who wish to return to compulsory education. With its National Action Plan, Greece introduced a voucher system for young unemployed people aged up to 29. This voucher combines training with a five-month job placement in a business, acting as a blend of theoretical and applied on-the-job training. The “MobiPro” programme in Germany is a special programme for young EU citizens aged from 18 to 35 (for some exceptions age can go up to 40 years) who are registered as unemployed. It offers company-based apprenticeships in Germany.

The Danish youth activation approach is based on early interventions with active labour market policy and “education first” over “work first”. Referral to active labour market programmes for young people is stricter than for unemployed adults. If the beneficiary is below the age of 30, the programme starts after three months (normally after 9 months) of unemployment but for youth below the age of 19 it starts immediately. In 2009, in an updated version of the earlier initiative “The Youth Effort,” the Danish government required benefit claimants below the age of 25 who have not completed a secondary education to complete their schooling in return for social assistance. Social benefits are paid up until a person returns to school, whereby they then begin to receive a study grant instead (Crowley et al., 2013).

The Netherlands pursues a strategy of part-time flexible employment opportunities for young people. This strategy has resulted in high levels of youth employment. The government of the Netherlands has accompanied these measures with provisions to mitigate the negative effect of non-standard employment contracts. These provisions have introduced increased employment protection, rights to training, wage guarantees and supplementary pensions (Crowley et al., 2013) so that this work experience can act as stepping stone to permanent full-time contracts by developing human capital and build social networks. The level of involuntary part-time work in the Netherlands is very low. It is striking that in the Netherlands the proportion of the unemployed youth not accessing benefits is high, both compared to Dutch adults and to youth in other countries. This is linked to the “Investment in Youth Act” of 2009, which severely limited the access to benefits for young people aged 18-27. Instead of receiving unemployment benefits, young people are immediately sent into activation programmes offering work and/or training.

Some countries pursuing an activation agenda have tightened conditions, reduced benefit duration or introduced more demanding behavioural requirements. This is the case for the activation of young people in Austria, Belgium, Denmark, Germany, Greece, and the United Kingdom that introduced new or reformed youth employment programmes. The number of countries in which the unemployment benefit is conditional to certain requirements has grown significantly. But the degree of strictness varies and is country-specific.

The eligibility requirements for young jobseekers are usually stricter than for adults. Also, the starting point of activation programme begins earlier or immediately after becoming unemployed.

In conclusion, many EU countries do not provide access of young unemployed people to unemployment benefits, especially if they have never worked. Social benefits should be ensured where appropriate to provide social security. At the same time, effective and efficient activation measures and conditionality should ensure that benefits are only awarded if the young person is engaged in an active job search or in further education or training (Lahusen, Schulz and Graziano, 2013).

### **3.2. Non-European countries**

Outside the European Union and its neighbouring countries, strategies for youth re-employment vary markedly and sometimes are not linked to the country's economic situation.

In Japan, the unemployed labour force is expected to actively engage in finding jobs. In order to facilitate the job search, unemployed persons are granted benefits for a maximum period of six months, provided that they have previously been employed in a job with more than 20 working hours per week and for no less than 31 days. After graduation, young people are urged to find a job that strongly fits their skills and interests – minimizing the risk of becoming jobless in the first place. Under the programme “Hello Work”, non-profit organizations as well as private entities (represented by well-networked counsellors with experience in private enterprises) work with young labour market entrants who graduated in the last three years to provide individualized school-job transmission elements including job matching, start-up subsidies as well as training and soft-skill courses. In this programme, a system of subsidies partially supports the participating entrepreneurs. However, the prospective gains from young and internally skilled workforce are a sufficient incentive to take part in such a programme.

The Australian unemployment benefit is completely financed by national funds. What is more notable is that Australia does not set any maximum limit to the duration of the benefit. However, unemployed people are obliged to write at least ten job applications within two weeks, and if requested by their administrating “Centrelink” – the institution responsible for unemployment issues – they must also take part in training and other ALMP programmes. Of these, the most established is the “work-for-the-dole” policy, initially only aimed at young jobseekers. Today, it obliges all long-term recipients of the unemployment benefit to gain unpaid work-experience in exchange. Increasingly and through the consideration of career aspirations and goals of participants, this measure has proven to be an efficient way to develop skills and to build networks that are likely to facilitate re-employment. In the recent economic crisis, the Australian labour market showed almost no negative signs. This may point to the possibility for other countries to review the Australian

strategy with a view to incorporating its features in their activation strategies. However, as the crisis had only limited consequences for youth employment, Australian policy makers only recently set their focus on activating the young unemployed – mainly induced by demographic change.

With the so-called “Youth Allowance”, Australian students and apprentices between the age of 15 and 24 are eligible for financial support while taking part in training, internships or post-12 year education. In addition, the new administration is trying to motivate and reactivate the long-term unemployed youth with a programme known as the “Job Commitment Bonus.” Any Australian between the age of 18 to 30 who has been unemployed at least 12 months, then gets a job and remains off welfare for a continuous period of 12 months, receives AUS\$2500 and gets rewarded with additional AUS\$4000 if he or she can stay in this same job for a further 12 months. Also, long-term jobseekers may be eligible to apply for “Relocation Assistance”, a financial assistance of up to AUS\$6000 if their new job makes them move to another area and AUS\$3000 for a metropolitan area other than their former place of living. Additional benefits apply if family members have to move as well. Thus, the Australian labour market policy is rather rigidly defined for those who are already unemployed. However, recent policies have – similar to the Japanese approach – focused on easing the school-to-work transition that seeks to preemptively limit the risk of youth unemployment. The “Learn or Earn” programme demands that every Australian below the age of 17 either participates in education and/or training full time or that combines it with part-time social activities – with the aim to keep the prospective workforce occupied at full capacity.

The activation approach of the United States (US) is rather multifaceted. Apart from some basic guidelines regarding the minimal duration of the unemployment benefit and the role of employers in paying contributions to their workers’ insurance,<sup>16</sup> many States have their own regulations, e.g. with regard to how long the unemployed are compensated and how the payment is calculated.<sup>17</sup> Concerning young people, many federal States have special criteria limiting the benefit eligibility to students who have employment that covers such benefits. Many of them use school attendance as a criterion for excluding benefit eligibility, and some others, such as Louisiana and New Jersey, do not apply students’ benefits during holiday periods.

<sup>16</sup> Generally, employers must pay both state and Federal unemployment taxes if: (1) they pay wages to employees totaling \$1,500, or more, in any quarter of a calendar year; or, (2) they had at least one employee during any day of a week during 20 weeks in a calendar year.

<sup>17</sup> For a more detailed inter-state comparison, see <http://oui.doleta.gov/unemploy/comparison2013.asp>.

In contrast to workless benefit rights, policies intending to activate the young unemployed are often led, or at least administrated, at the national level. The Department of Labour's Employment and Training Administration supports various programmes aimed at facilitating the transition from school to work. Among these are the "Job Corps", a residential education and job training programme and the "YouthBuild", a community-based alternative education programme providing job training and educational opportunities while preparing for an upcoming college education. Both programmes address at-risk youth aged 16-24 and with low income. In "Formula-Funded Grants", federal resources are provided to local institutions and are weighted on the basis of local youth unemployment rates. The purpose of these grants is to invest in low-income youth aged 14-21 who face barriers to employment by preparing them for employment and/or post-secondary education through strong linkages between academic and occupational learning. Building on the "2012 Summer Jobs+" programme, the government introduced the "Youth Jobs+", which brought together elected officials, local businesses, non-profit organizations and faith-based institutions to create pathways to employment for young Americans. The participation of private enterprises and the development of a web-based job-search application named "SummerJobs+ Bank," indicate that youth unemployment has seriously gained importance and is being strongly addressed.

It might be argued that the rather large expansion of active labour market programmes and their target groups in the countries referred to above is due to the fact that they are mature economies able to afford financial support to prevent an excess of youth unemployment. However, emerging economies from the G20, such as South Africa, have also developed systems to support the unemployed in various ways. Despite the fact that the government has pursued a number of strategies since 1994 aimed at better equipping the unemployed to become economically independent (e.g. public training courses, firm-internal training subsidies, public work programmes), youth unemployment in South Africa is very high with about half of the youth labour force (aged 15-24) being unemployed. Studies investigating the effectiveness show that many of these programmes did not produce significant benefit. In some cases they actually had negative employment effects on participants (see Kluge, 2006). This is likely to be due to the fact that the jobs provided usually have low labour intensity and low skill-development perspectives, thus, deterring young unemployed from participation. However, the recent plans of the National Youth Service Programme (NYSP) are more promising. In this programme young people are provided with credits towards qualification in an area of economic demand, therefore, allowing them to develop soft skills that they require to negotiate full participation in society and the economy and to obtain comprehensive work experience (see Mayer et al, 2011). Another reform passed in late 2013 is the "Employment Tax Incentive Bill" which uses tax incentives to encourage employers to take on young trainees. This law proposes a youth wage subsidy aimed at providing on-the-job training and the development of soft skills through increasing work experience for people between 18 and 29 years old.

Another separate problem is based on locational issues: many governmental labour market agencies lack establishments in rural areas. Some young citizens living in urban areas can afford an education in private schools, which are often equipped with in-house job-transfer institutions or even direct connections to business enterprises. Rural areas show much larger youth unemployment rates, partially because infrastructural under-development hinders potentially work-willing young school graduates from further acquisition of skills. Thus, a better institutional allocation in areas that are more affected might help address a significant part of the youth unemployment problems of South Africa.

Turkey has very few policies to promote youth employment. Although the federal unemployment benefit system is relatively generous to salaried employees,<sup>18</sup> others – such as the young workforce – are excluded. The failure to cover these groups is often criticized. Measures to combat youth employment have started to be adopted only recently. The largest of these measures is the “Skill ‘10”, a programme that aims to strengthen vocational education infrastructure through purchase of equipment for enterprises in less-developed regions. This programme pays social security contributions to young (18-29 years old) employees with a view to increasing employment rates. However, the project’s financial support is still regionally and temporarily limited, and even now, it is lacking proper indicators that lead to long-term employment for its target groups. A promising step could be the expansion of the programme “Create Jobs” – that is managed by the Turkish Employment Service’s (İŞKUR) – to secondary schools. Since 2008, İŞKUR continues to provide ALMPs to all unemployed, regardless of whether they are insured or not. Still, with 250,000 beneficiaries in 2011, the project remains limited in scope and below the needs of the workforce, especially young people.<sup>19</sup>

Latin American countries differ in intensity of their commitment to strengthen the labour market integration of young people. Brazil, for example, is one of six<sup>20</sup> countries in Latin America having introduced recent reforms to the unemployment insurance system by increasing both the obligations of the unemployed for job acceptance and that of the institutions to match suggestions on personal skills. These reforms are a first step in improving the local labour market. However, the vacancies offered to the unemployed by Brazil’s public employment service (Sistema Nacional de Empleo – SINE) often require low-

<sup>18</sup> The unemployed receive a non-decreasing payment of 50% of their average previous wage, but not more than the official minimum wage. Payments are provided when the applicant can prove at least 600 days of contribution in the last 3 years before becoming unemployed. Duration of benefits varies from 180 up to 300 days, depending on contribution time.

<sup>19</sup> Including vocational training courses tailored to small groups’ demands, wage subsidies, counselling, internships and entrepreneurship programs.

<sup>20</sup> ILO (2011).

level skills and they lack in attractiveness. When combined with the policy that unemployment benefit recipients are not penalized if they do not engage in active job search, this suggests that SINE might need to strive for systematic reforms. In addition, relatively high restrictions in the required amount of previous employment make the access to benefits (which are provided at most 5 months) quite hard, especially for young people. Also, a less discussed issue is that newly-graduated labour market entrants are not entitled to job-finding assistance.

In spite of these problems, the Brazilian government provides a comparably wide range of measures addressing the young unemployed. The largest one is the “ProJovem” programme. This programme includes various tried and tested policies such as reintegration into the educational system, development of communication and life skills, community action and job-search assistance. Its implementation strategies differ according to the individual characteristics of participants (e.g. low-educated without basic education or young graduates from families with income lower than the minimum wage). However, a recent survey showed that less than 10 per cent of ProJovem’s potential target group is aware of the existence of this programme or of other youth employment initiatives.<sup>21</sup> Other projects such as “Nossa Primeira Terra” and “Pronaf Jovem” aim to assist young people living in rural areas by supporting them in buying land and financing small enterprises, respectively.<sup>22</sup> However, a large proportion of the potential beneficiaries of such programmes lack proper access to institutional support and communication systems, which reduces significantly the awareness of the support for which they might potentially be eligible. Still, the adoption of new programmes such as “Estação Juventude”, a one-stop shop for job-search assistance and skills development courses – which is being piloted in larger Brazilian cities, signals that Brazil is increasingly engaged in implementing measures to promote youth employment.

Another hopeful example is Peru that adopted a series of policies to meet its international commitments of achieving the Millennium Development Goals, particularly that aiming to “achieve full and productive employment and decent work for all, including women and young people.” In 2011, the Congress created a separate Ministry for Development and Social Inclusion (MIDIS). The policies “Trabaja Peru” (Peru Works) and “Jóvenes a la Obra” (Youth Get to Work) were among its first activities. Whereas the former programme creates jobs for the at-risk unemployed in general, the latter focuses on those aged 15-29 and provides technical job training and strengthen participants’ role when contacting employing enterprises for the first time (see Quipu Commission, 2012). Its predecessor programme “ProJoven” had reached over 73,000 young unemployed during its fifteen years of activity (see González-Velosa et al., 2012).

<sup>21</sup> See OECD (2013a, p. 165)

<sup>22</sup> Nossa Primeira Terra spent R\$ 106m (€33m) between 2004 and 2012.

While Peru and Brazil have developed several promising measures to promote employment among their young population, other Latin American countries have only recently started to review their youth employment interventions. In these latter cases, intensive regulations and simultaneous weak punishments for informal employment make only a disproportionately low part of workforce officially registered as employed (see e.g. Dabla-Norris et al., 2008) and, therefore, not eligible for potential unemployment benefits. Also, the duration of unemployment benefits in these countries tends to be relatively low. In Argentina for example, it increases more with age than with the amount of time of the employee's contribution, often putting obstacles on young people. In Mexico, the situation is even more severe in that the unemployed are only supported (being paid the national minimum wage for up to six months, provided they have previously worked for half of a year) if they are registered to live in Mexico City. Other publicly financed youth policies practically do not exist, and if so, jobseekers applying for financial support need to pass an extended selection process. At the same time, the Mexican and Argentinian labour markets are comparably less flexible, due to disproportionately high dismissal costs. In sum and in spite of recent policy innovations in Latin American labour markets, benefit and activation programmes are often only accessible to a small share of the workforce that could be eligible.

## 4. What works? An interim assessment

Given the broad range of available active labour market policies that could be part of activation strategies, a crucial question is what kind of measures are more effective and in which contexts. A related question revolves around the success factors of these policies and the time they are implemented (e.g. effectiveness in times of crisis as compared to the results in periods of economic growth), as well as the influence exerted by the institutional set-up on the performance of the same policies.

This section assesses the performance of different measures. This exercise should be viewed as an interim assessment of potential and actual effects as it is based only on currently available evaluation studies. Moreover, the available evidence mainly assesses the effectiveness of a single measure, that is a given programme often part of a broader activation strategy. The evidence from evaluation of overall activation strategies is still limited. In a separate section, this paper assesses the effects of “activation policies” in a narrower sense — given the available empirical evidence. As activation policies generally put requirements and obligations on jobseekers (Boeri and van Ours, 2008, p. 271), this exercise concentrates on the effects of monitoring and sanctions as means to assess (and potentially react on) compliance.

Biavaschi et al. (2012) provide an overarching summary of active labour market policies and the available empirical evidence that is in turn based on different studies (for advanced economies see for instance Card et al., 2010, Martin and Grubb, 2001 and Quintini et al., 2007). When distinguishing between the five main types of active labour market policies, these authors draw the following general conclusions for programmes targeting the entire population of unemployed:

1. job-search assistance and sanctions have positive short-run effects on employment outcomes;
2. publicly-sponsored training programmes have positive medium-run effects, in particular, if of high-quality and tailored to labour market needs;
3. targeted and temporary employment subsidies to employers are effective, but costly, and they tend to have significant (unintended) side effects so that net employment gains are less of a clear cut;
4. direct public job creation is most problematic in promoting transitions to employment; and
5. start-up subsidies have proven to be a quite effective instrument.

Along similar lines, but with a specific focus on findings of evaluation studies conducted in transition and developing countries, Betcherman et al. (2004) draw the following general conclusions, again for the five main types of active labour market policies that can be distinguished.<sup>23</sup> These general conclusions are valid for programmes targeting the entire unemployed population in developing countries:

1. employment services, including job search assistance, generally have positive employment and earnings effects, but their coverage in developing countries is questionable due to a large extent of informality in labour markets. Effects are also limited if labour demand is low;
2. only few evaluations on training programmes for the unemployed are available for developing countries, and those that do exist, paint a less favourable picture. Programmes seem to work best if on-the-job training is included, and employers are actively involved;
3. wage subsidies often do not have positive impact;
4. direct public job creation (or public works programmes) seems effective in providing a short-term safety net but is ineffective in improving employment outcomes of participants;
5. some evidence on the effects of start-up subsidies (or self-employment assistance) is positive, in particular for older and high-skilled workers.

The general conclusions for transition and developing countries are thus somewhat different from those for developed countries. In addition, the conclusions of both studies (Biavaschi et al., 2012; Betcherman et al., 2004) are fairly general. In particular, the programme effects may not necessarily reflect the specific effects for the group of young individuals. In this context, Card et al. (2010) noted that, at least in developed countries, most active labour market policies that were specifically targeted at young unemployed individuals seemed less effective than broader interventions targeting the unemployed in general. At the same time, there is compelling evidence pointing towards the important role of early interventions for young people who are most at risk, both with respect to activation at an early stage of unemployment (e.g., Martin and Grubb, 2001; Quintini, Martin and Martin, 2007) and early in life (e.g., Heckman, 2000; Rodriguez-Planas, 2012).

In 2007, Betcherman et al. conducted a meta-analysis of the programmes included in the Youth Employment Inventory and found that there were no statistically significant differences across categories of interventions in terms of impact or cost-effectiveness.<sup>24</sup> These findings suggest that particular types of

<sup>23</sup> Note that the findings of Betcherman et al. (2004) do not differ much from an earlier study that considers similar, but fewer evaluation studies (Dar and Tzannatos, 1999).

<sup>24</sup> The Youth Employment Inventory is an online database and inventory of interventions that are designed to integrate young people into the labour market. See Betcherman et al.

programmes should not generally be favoured over others. Policy should rather choose interventions based on the specific obstacles to employment that may exist within particular contexts.

Hence, in order to draw more specific conclusions, in particular for the group of young unemployed individuals, it appears useful to review available evaluation studies of specific programmes applied to specific contexts, i.e., mainly at the national level. This, of course, may have the disadvantage of only being able to draw conclusions that are not necessarily generalizable. On the other hand, it is likely more relevant to be able to rely on *specific* conclusions for a given context. In anticipation of potentially different results, we perform this analysis separately for developed and developing countries.

#### **4.1. Evidence on ALMP in developed countries**

The empirical evidence on the impact of youth interventions in developed countries is vast. We thus focus on a limited number of selected studies below. This exercise should nonetheless allow us to draw a comprehensive picture—at least to some extent.

Caliendo et al. (2011) analyzed the effects on labour market outcomes of participation in the various active labour market policy measures for unemployed individuals below the age of 26 in Germany. By using a random sample of young unemployment entrants in 2002, the authors were able to assess the effects on short-term as well as on long-term employment probabilities for participants relative to non-participants. Results are as follows. First, they find that participation in public sector job creation schemes is harmful for employment prospects in the short run and ineffective in the long run. Second, for the remaining active labour market policy measures, effects are generally positive. However, the strongest effects in terms of long-run employment outcomes are found for participants in wage subsidy strategies. In terms of the heterogeneity of effects with respect to skills level, the authors reported that almost all programmes improved the labour market prospects of high- and medium-skilled youth to a greater extent than those of low-skilled youth.

Similarly, Larsson (2003) investigated the effectiveness of two active labour market policy measures for youth in Sweden in the early 1990s, namely a subsidized work programme in both the public and private sector (“Youth Practice”) and a training programme. Her results indicated zero or negative short-term impacts of both programmes on participants’ subsequent labour

(2007) for detailed information about the results of the meta-analysis as well as the Youth Employment Inventory website at [www.youth-employment-inventory.org](http://www.youth-employment-inventory.org)

market outcomes, and mainly zero or slightly positive long-run effects. She also reported that treatment effects were more positive during a favourable economic cycle. In a comparative perspective, the youth practice programme appeared less harmful to participants than the training programme. Finally, rather than to infer from her results that participants would have been better off had there been no programmes at all, she points out that her results should be interpreted with the perspective that it was better to wait and postpone the decision to participate. As is the case in many developed countries (such as in Sweden or Germany), any individual can and probably will enter some active labour market policy measure after a sufficiently long unemployment spell.

Centeno et al. (2009) analyzed the effects of participation in two different job-search programmes that were implemented in Portugal in the late 1990s. In particular, one of the two programmes was specifically targeted at young unemployed (less than 25 years old) at an early stage of their unemployment spell (i.e. before they had been registered as unemployed for six months). This programme provided job search assistance to its participants, which in turn included mandatory participation in vocational guidance, counselling, monitoring, and training. Results indicated that the programme targeted at the younger unemployed had negative effects as it prolonged the unemployment durations of participants compared to non-participants. The authors argued that this “modest” result could be explained by the lack of wage subsidies as an additional element of assistance.

Hohmeyer and Wolff (2012) analyzed the effects of participation in the so-called “One-Euro-Jobs” in Germany, a programme following a welfare-to-work or workfare approach to activate welfare recipients on a larger scale. When separately assessing effects for different socio-demographic groups, they found negative employment effects for welfare recipients younger than 25 years and welfare recipients whose last job ended during the year prior to programme start. In contrast, positive employment effects were found to be relatively strong for some older age-groups and for people who were not regularly employed for more than one year. The authors concluded this particular programme was effective for longer-term and the older unemployed, but appeared harmful for other groups, including the youth unemployed.

In stark contrast, De Giorgi (2005) reported positive effects of a major welfare-to-work programme for young people in the United Kingdom named “the New Deal for Young People”. Explicitly targeted at 18 to 24-year-old unemployed youth, the specific design of the mandatory programme – a combination of job search assistance, training, wage subsidies and job experience – increased the employment of its participants by about 5 per cent. The author argues that this specific programme is one of the few examples of an effective welfare-to-work policy because of: the nature of its participants (which are not particularly disadvantaged), the incentives set through significant sanctions for non-compliance and the particular combination of different measures aimed at improving participants’ human capital.

Caliendo and Künn (2013) studied the effectiveness of two different start-up subsidies for unemployed individuals in Germany under different economic conditions by comparing the labour market outcomes of the programme participants with those of other unemployed individuals. While businesses run by participants in the first subsidy programme experienced slightly longer firm survival, higher income and more job creation in favourable areas, businesses run by participants in the second subsidy programme experienced a negative relationship between business success and economic conditions. The authors argue that limited job opportunities in areas characterized by deprived economic conditions probably encouraged participants in the second subsidy to remain self-employed. Participants in the first subsidy programme appeared quite similar to general business founders, while participants in the second subsidy programme were rather atypical and different from general business founders. Still, a regression analysis shows that both programmes are effective policy tools and increase future employment probabilities and earnings of participants. Hence, their results confirm the promising evidence of the effectiveness of start-up subsidies for the general population of the unemployed. In addition, Caliendo and Künn (2011) found that start-up subsidies are especially helpful for young and/or low-educated workers.

#### **4.2. Evidence on ALMP in developing countries**

Evidence from the Youth Employment Inventory indicates that, in general, the employment impact of youth interventions tends to be more favourable in transition and developing countries than in developed economies (Betcherman et al., 2007).

For instance, the impact of youth training programmes in developing countries appears positive – and in particular, more positive than in developed countries (Betcherman et al., 2004). While the experience with such programmes is mostly negative in Europe or the United States, the favourable findings in developing countries can be mainly attributed specifically to the encouraging assessment of the *Jovenes* programmes in Latin America. For example, Ibarrarán and Rosas-Shady (2009) summarized the findings from rigorous evaluation studies in seven Latin American countries.<sup>25</sup> They reported generally positive employment effects of these programmes, which ranged from modest to large impact. Job quality increases through participation in these programmes and effects on earnings also appeared positive, although data were less reliable on the latter issue. It should be noted that all of these effects are short- or medium term impact. Since the evidence from developed countries points to negligible impact in the short run and more positive impact in the

<sup>25</sup> These seven countries are Argentina, Chile, Colombia, the Dominican Republic, Mexico, Panama, and Peru.

longer run, one would expect even larger positive impacts in developing countries if measured over a longer period.

Public works programmes have somewhat different objectives, or at least additional aims, in developing countries than public job creation programmes in developed economies. Their extra value revolves around the provision of social safety nets. Andrews and Krieziu (2013) noted that, while evidence of their impact in terms of labour market outcomes is scarce, public works programmes in developing countries contribute to social cohesion across a wide range of low-income and fragile settings, typically as an indirect effect. Moreover, the authors refer to emerging evidence that shows that these programmes work to promote inclusion and equality.<sup>26</sup>

Burns et al. (2010) investigated the potential effects of wage subsidies in dealing with South Africa's unemployment problem. In this context, the authors referred to existing evidence from other developing countries. For example, Betcherman et al. (2004) and Dar and Tzannatos (1999) concluded that firm-side subsidies do not appear effective in stimulating employment, which seems to be particularly true in transition and developing countries. Burns et al. (2010) therefore advised not to use wage subsidies as the primary or dominant policy tool to combat the broader unemployment problem. If used, they should be combined with training, targeted at industries that are particularly sensitive to labour costs and focused on youth.

Fiszbein and Schady (2009) reviewed the evidence on conditional cash transfers (CCT) in developing countries.<sup>27</sup> These programmes are somewhat in the category of welfare-to-work approaches, although their focus is more strongly on the provision of health and education services as well as on the implementation of social protection policies. The authors' review of the CCT experience confirmed the notion that these programmes have been effective in reducing short-term poverty and in increasing the use of education and health services. However, they also highlighted that the programmes were not a policy instrument appropriate to all poor households or to all circumstances. In particular, the evidence of their impact on final outcomes in education and health appeared to be mixed and deserved further attention, including with respect to the specifics of programme design and participants' interactions with other interventions.

<sup>26</sup> For more specific evidence on these programmes in developing countries, see, e.g., McCord (2012), who critically reviews public works programmes in eastern and southern Africa.

<sup>27</sup> Note that conditional cash transfers have generally rather little to do with youth employment—except that they may constitute a way of raising education levels.

Evidence on start-up subsidies in developing countries is rather scarce. Based on the available evidence, Cho and Honorati (2013) performed a synthetic and systematic review of the effectiveness of various entrepreneurship programmes in developing countries. They reported wide variation in programme effectiveness across different interventions depending on outcomes, types of beneficiaries, and country context. But overall, entrepreneurship programmes had a positive impact for youth. Providing a package of training and financing appeared particularly effective for labour activities. As one example, Blattman et al. (2012) analyzed the impact of such a start-up subsidies in Uganda, which provides relatively unconditional cash transfers to small groups of young people to help start new businesses. The authors examined the effect of this credit on unemployment, assuming no credit abuse and high borrowers' returns to physical capital. Nonetheless, the study should be regarded as a special case since it examined a region just emerging from economic stagnation and political insecurity, including insurgency, banditry and wars in neighbouring states. The programme focused on vocational training and employment, where applicants were required to form a group of roughly 15 to 25 participants and submit a proposal for purchasing skills training, tools, and other materials required for starting a business.<sup>28</sup> The groups were otherwise free of supervision or oversight in the actual spending. Results showed that participants gained both in terms of employment and earnings from the improved access to finance. In the treatment group, the real annual returns were roughly 35 per cent, thus substantially exceeding the public real prime lending rate (five per cent) and real commercial lending rates (15 to 25 per cent), but lower than rates from microfinance institutions (200 per cent). This suggests that access to credit and capital could stimulate employment growth in rural Africa. In particular, the results suggest that relatively unsupervised and unconditional cash grants (which are cheaper to implement) can be effectively and responsibly used. However, part of the programme's success may be due to group organization, potentially acting as a motivating and disciplinary device.

#### **4.3. Evidence on activation strategies**

Monitoring and sanctions are central policy tools allowing public employment services to check (and potentially react on) compliance or of the unemployed with obligations as part of activation policies. Such obligations can, for example, be defined in terms of accepting suitable job offers, participating in offered active labour market policy schemes, sending out a specific number of applications, or being present at meetings with the caseworker.

<sup>28</sup> On average, successful groups received a lump sum cash transfer of \$7,108 to a jointly held bank account.

Non-compliance with any of such obligations may result in a sanction. This could imply, for example, that welfare benefits are reduced for a specific time period, or even completely withdrawn. Sanctions therefore set incentives to comply with job search requirements and they ultimately aim at increasing the transition rate from unemployment into employment (i.e. by combatting moral hazard).

Monitoring is a necessary tool to detect non-compliance of the unemployed with their obligations. However, the effect of monitoring alone is usually not analyzed. Instead, the empirical literature mainly analyzed the effects of sanctions on various outcomes, most importantly on the transition from unemployment to employment. Additionally, the implementation of a system of monitoring and sanctions generally requires a significant administrative capacity of the Public Employment Service. Typically, this is not the case in developing countries and, hence, studies assessing the impact of such a system (or, more specifically, sanctions) are only available for developed economies.

The available empirical evidence on the effects of sanctions in developed economies can be summarized as follows (see van den Berg et al., 2013, and references therein). First, most studies detect a positive impact of sanctions on job-finding rates. Second, evidence points towards an increased probability of leaving the labour force and welfare receipt. Third, some studies suggest negative impacts of sanctions on job match quality, i.e. wages are lower and/or jobs are less stable. Fourth, evidence suggests that an increased use of sanctions reduces their effectiveness (van der Klaauw and van Ours, 2013). Finally, although the vast majority of empirical studies do not explicitly focus on youth, some evidence suggests that the effectiveness of sanctions increases with age, at least up to a certain age (van den Berg et al., 2004; van der Klaauw and van Ours, 2013).

A recent study, however, explicitly analyses the effects of sanctions on youth. Van den Berg et al. (2013) studied the impact of sanctions on transition rates into employment for young unemployed in Germany. Based on an inflow sample of young male welfare recipients in West Germany in 2007 and 2008, their results confirmed positive impact of sanctions on the transition rate into employment. When distinguishing between mild and strong sanctions, they found that both types of sanction led to an increased transition rate to work, but that this effect was higher for strong sanctions. However, a part of the sanction effect is due to the fear of intensified monitoring after the punishment. In this respect, the authors argued that in the case of a first punishment during a welfare spell it was not necessary to give the maximum possible sanction. Finally, van den Berg et al. (2013) also found that the effects of sanction did not depend on their timing within the welfare spell, i.e. on the moment they were imposed.

## 5. Conclusions and implications

Youth employment has become a major issue around the globe with remarkable differences across regions and countries. Benefit regimes and activation strategies play a major role in facilitating, or hampering, a smooth transition of young people into the labour market. Countries with more generous benefit systems tend to have larger active labour market policies in general and for young people in particular. They also have more systematic activation strategies that are implemented to make the receipt of benefits conditional upon participation in active measures and engagement in job search. The restrictions embedded in benefit system tend to affect young unemployed people in particular and, in some countries, activation strategies are stricter and more demanding for young people than for adult unemployed.

In general, and despite some variation in programme design and implementation, benefit conditionality is an accepted principle in the design of unemployment protection schemes in mature emerging economies. Eligibility requirements are quite restrictive for young people in many countries. Where unemployment benefit systems are more limited or lacking, active labour market programmes do have different objectives as they are often implemented as a means to transfer income to poor regions and deserving groups in society.

Against this backdrop and when taking into account the available findings regarding the effectiveness of active labour market policies and activation strategies specifically targeting young people, it can clearly be seen that these policies and strategies cannot solve massive youth unemployment alone, especially when the macroeconomic environment generates weak labour demand and when larger structural reforms are needed to revive the economy. Furthermore, not all policies and strategies are effective as much of their effectiveness depends on the general functioning of the labour market.

Nevertheless, activation policies can play an important role in protecting young people during unemployment and in facilitating their transition to jobs. First, activation strategies in terms of job search assistance, monitoring and sanctioning should not be suspended in a situation of crisis and high unemployment when labour demand is weak. Even in such situations their important early activation function prevents young people to fall into long-term unemployment, worker discouragement and other forms of inactivity. In this respect, access of young people to benefit systems enables the employment service to track them before they become long-term unemployed or inactive. In countries with well-developed benefit systems, well-functioning administrative agencies are essential for the effective delivery of activation strategies. This, of course, also calls for an appropriate local presence of the offices of these agencies. They should not only monitor and sanction jobseekers but also organize suitable support active labour market programmes tailored to the needs of the target population. When used to test the availability of jobseekers for

work, these programmes should always be designed in a way that they generate added value in terms of improved employability and employment prospects. Monitoring and sanctioning have a crucial role to play in the activation, as they are necessary ingredients of actual benefit conditionality. However, sanctioning should be well balanced and not excessive, particularly in the case of young people.

The current youth employment crisis calls for more attention by policy-makers to measures that promote the medium- to long term integration of young people into decent and productive employment so that they can benefit from and contribute to a more dynamic economy. In this respect, evaluation findings from developed and developing countries that deal with subsidized temporary employment suggest that it is not necessarily a good bridge into regular employment as it can lead to repeated fixed-term employment alternate by unemployment spells, particularly in segmented labour markets and when training is under-developed. Hence, subsidized forms of employment, preferably located in the private sector, should be combined with substantial job-related training with employers to increase the employability and productivity of young people. The same tends to hold true for direct public employment and public work programmes that can act a tool for income redistribution and generate some work experience, particularly in more basic institutional settings. Furthermore, start-up support can be a useful tool to create jobs for young people and contribute to a more dynamic development of the economy, particularly in a difficult economic environment. Of course, structural reforms lowering institutional barriers to employment facilitate the functioning of active labour market policies and activation strategies. This calls, in particular, for reforms to reconcile dual and segmented labour markets, measures to lower the barriers for self-employment and for interventions that foster a closer interaction between schools and employment, specifically via dual vocational training and other forms of work experience.

The assessment of available empirical evidence of the potential of five different programme types of active labour market policy in developed and developing countries provide a rather mixed picture. Nevertheless, it seems possible to draw a few general conclusions and specific lessons from interventions targeted at young people, which are also valid for activation strategies.

First, according to Betcherman et al. (2007), *there are no major differences in terms of impact or cost-effectiveness across the various categories of interventions*. This suggests that no particular type of measures is generally more successful than others, but that policy should thoroughly consider which type of intervention best addresses the problem of concern. For

example, the appropriate intervention will depend on whether labour supply or labour demand has been identified as the main constraint.<sup>29</sup>

Second, *interventions tend to be more successful in developing and transition countries* than in advanced economies. However, there is so far no consensus in the literature about the explanations for this finding. Potential explanations that are discussed include differences in the extent to which “disadvantaged” youth are targeted, as well as systemic differences in labour market institutions and policies.

Third, *youth programmes have a lower likelihood of having a positive impact in countries where labour markets are too rigid* (Betcherman et al., 2007). If protective employment rules create barriers for entrants, active labour market policy programmes will not be able to overcome these barriers. Policy should thus take a comprehensive approach to improving youth employment, implementing well-designed interventions and ensuring that other labour market policies and institutions do not price out young people compared to other age-group workers. Relying solely on active labour market policy may not target the root causes of the problem. In many instances, structural reforms appear as the more appropriate remedy.

Finally and *when sanctions are used as one of the tools of activation policies, they generally have a positive impact on the transition rates to employment for the unemployed*. However, this may come at the cost of a lower job-match quality and their effectiveness might be lower for youth. For this age group, it does not seem to matter in terms of effectiveness whether a sanction is imposed at an early stage of unemployment or not.

<sup>29</sup> See, for example, Cunningham et al. (2010, Table 1) for a “menu” of constraints and appropriate interventions.

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## APPENDIX: Youth activation strategies in 33 selected countries

Country	Benefit system	Conditionality	Duration and payment	Target population	Programmes for youth	Participants' selection	Types of ALMP	Administration Entity	Sources
<b>Austria</b>	1) UE benefit (mandatory) 2) UE assistance (mandatory) Self-employed voluntary	1) Yes 2) No	1) 25-52 weeks, basic amount is 55% of daily net income 2) 52 weeks, may be extended indefinitely	1) Unemployed unemployment insurance for at least 52 weeks in (24 months) Under 25 years: 26 weeks (in 12 months) 2) No right to unemployment benefit and need of financial support	1) NEBA 2) AMS 3) Youth Coaching (Jan 2013) 4) Youth Guarantee 5) Apprentice Coaching Program	1) Disabled and young people 2) Young unemployed people 3) Youths from the 9th year of school onward 4) Unemployed (more than 6 or 4 months) under 25 years 5) Youth in Apprenticeship	1) Youth and Work coaching: school to work transition 2) Training, VET, information 3) Help to find an educational or vocational path, Training guarantee for young people aged 15-18 (since 2008) "Future for Youth" action program for young people aged 19-24 4) Guarantee to receive an offer of education or training programme, or subsidised employment 5) Ensure individual training success, measures to enhance the quality of instruction	1) Federal Social Office of Austria 2) Austrian Public Employment Service (AMS) 3) BBRZ Austria 4) AMS 5) AMS	<a href="http://ec.europa.eu/europe2020/making-it-happen/country-specific-recommendations">http://ec.europa.eu/europe2020/making-it-happen/country-specific-recommendations</a> . <a href="http://www.ams.at/english/14608.html">http://www.ams.at/english/14608.html</a> ; <a href="http://www.ams.at/english/14609.html">http://www.ams.at/english/14609.html</a> , <a href="http://www.neba.at/">http://www.neba.at/</a> , <a href="http://ec.europa.eu/europe2020/pdf/nd/nrp2013_austria_en.pdf">http://ec.europa.eu/europe2020/pdf/nd/nrp2013_austria_en.pdf</a> , <a href="http://ec.europa.eu/europe2020/pdf/nd/annex22013_austria_en.pdf">http://ec.europa.eu/europe2020/pdf/nd/annex22013_austria_en.pdf</a>
<b>Belgium</b>	UE benefit	Yes	60%-40% of previous earning	Unemployed under the age of 65, having worked a minimum number of days 312-624 (in 18-36 months)	1) "Semestre de motivation" 2) Youth Work Plan (2008)	1) Young graduates 2) Young job seekers	1) Personal interview, create a personal action plan, working experience, training etc. 2) Offered a tailored guidance, integration traineeships/internships, benefits during the programme	1) National Employment Office 2) Government	<a href="http://ec.europa.eu/europe2020/making-it-happen/country-specific-recommendations">http://ec.europa.eu/europe2020/making-it-happen/country-specific-recommendations</a> , <a href="http://www.rva.be/home/MenuDE.htm">http://www.rva.be/home/MenuDE.htm</a> , <a href="http://ec.europa.eu/europe2020/pdf/nd/sp2013_belgium_en.pdf">http://ec.europa.eu/europe2020/pdf/nd/sp2013_belgium_en.pdf</a> , <a href="http://ec.europa.eu/europe2020/pdf/nd/nrp2013_belgium_en.pdf">http://ec.europa.eu/europe2020/pdf/nd/nrp2013_belgium_en.pdf</a>

Country	Benefit system	Conditionality	Duration and payment	Target population	Programmes for youth	Participants' selection	Types of ALMP	Administration Entity	Sources
<b>Bulgaria</b>	UE benefit	Yes	4-12 months 60% of the average wage/ contributory income	Unemployed, contributions for at least 9 months (in 15) Individual action plan, unemployed under 29 years	First Job National Agreement 2012	Youth up to 29 years	Vocational training, first and second degree of a professional qualification, key competences, financial incentives to employers	Government and social partners, OPHRD	<a href="http://ec.europa.eu/europe2020/making-it-happen/country-specific-recommendations">http://ec.europa.eu/europe2020/making-it-happen/country-specific-recommendations</a> , <a href="http://www.noi.bg/en/faqs/faqs/1473-unemplbenef">http://www.noi.bg/en/faqs/faqs/1473-unemplbenef</a> , <a href="http://www.noi.bg/en/faqs">http://www.noi.bg/en/faqs</a> , <a href="http://ec.europa.eu/europe2020/pdf/nd/nr p2013_bulgaria_en.pdf">http://ec.europa.eu/europe2020/pdf/nd/nr p2013_bulgaria_en.pdf</a>
<b>Czech Republic</b>	Earnings-related UE benefit	Yes	5 months (aged over 50: up to 11 months), 65%-45% previous income	Unemployed, work for at least twelve months (in 3 years)	Labour office	Aged under 25 and university graduates	Individual action plan	Labour office	<a href="http://ec.europa.eu/europe2020/making-it-happen/country-specific-recommendations">http://ec.europa.eu/europe2020/making-it-happen/country-specific-recommendations</a> , <a href="http://www.mpsv.cz/en/1604">http://www.mpsv.cz/en/1604</a>
<b>Denmark</b>	UE insurance (voluntary)	Yes	1) Up to 2 years 90% of previous income 2) 18 months duration DKK 646 (€ 87) per working day	1) Unemployed aged 18-63, member of an unemployment insurance fund 2) Young People immediately after vocational training or military service:	1) Comprehensive youth unemployment package 2013 2) Youth Effort	1) Young people 2) Unemployment benefit claimants under 25 years not completed secondary school	1) Vocational educations, Training consultants which helps students in bridge building finding a training place, Job rotation scheme, Vocational scheme, companies subsidies 2) Education First, complete schooling	Government	<a href="http://ec.europa.eu/europe2020/making-it-happen/country-specific-recommendations">http://ec.europa.eu/europe2020/making-it-happen/country-specific-recommendations</a> , <a href="http://www.nordsoc.org/en/Denmark/Unemployment/">http://www.nordsoc.org/en/Denmark/Unemployment/</a> , <a href="http://ec.europa.eu/europe2020/pdf/nd/annex12013_denmark_en.pdf">http://ec.europa.eu/europe2020/pdf/nd/annex12013_denmark_en.pdf</a>
<b>Estonia</b>	1) UE insurance benefit (compulsory) 2) flat-rate State UE allowances	1) Yes 2) Yes (individual job searching plan)	1) 6-12 months, 50% -40% of previous earnings 2) maximum period of 270 days, daily rate	1) Unemployed aged 16-pensionable age, contributions for at least 12 months (in 36)	"Developing youth work quality" for period 2008-2013	Young people	Improving concept of training policy in youth field (both formal and non-formal, and for trainers), trainings for youth workers in order to develop skills and	European Social Foundation Programme	<a href="http://ec.europa.eu/europe2020/making-it-happen/country-specific-recommendations">http://ec.europa.eu/europe2020/making-it-happen/country-specific-recommendations</a> ;

Country	Benefit system	Conditionality	Duration and payment	Target population	Programmes for youth	Participants' selection	Types of ALMP	Administration Entity	Sources
			of € 2,11	2) unemployed who do not qualify for unemployment benefit			knowledge necessary to work effectively with young people and support young people's transitions to the labour market		
<b>Finland</b>	1) earning related allowance (voluntary) 2) basic allowance 3) labour market subsidy	Yes Employment plan	1)/2) 500 working days 2) € 31,36 per day 3) 180 days minimum-indefinite period € 32,46	1)/2) Unemployed aged 17-64, have worked for 34 weeks in 28 months 1) plus membership in an unemployment benefit fund for at least 10 months 3) Unemployed aged 17-64 not entitled to unemployment benefit, persons aged 17-24 during participation in employment promotion measures	Youth Guarantee	Everyone under the age of 25 and recent graduates under age of 30	Guarantee for employment within three months after becoming unemployed: educational, young adults' skills programme, youth workshop, and outreach youth work, enterprise workshops.	The Finnish Ministry of Education and Culture in collaboration with the Ministry of Employment and the Economy and the Ministry of Social Affairs and Health	<a href="http://ec.europa.eu/europe2020/making-it-happen/country-specific-recommendations/">http://ec.europa.eu/europe2020/making-it-happen/country-specific-recommendations/</a> ; <a href="http://www.tootukassa.ee/eng">http://www.tootukassa.ee/eng</a> , <a href="http://www.nordsoc.org/en/Finland/Unemployment/">http://www.nordsoc.org/en/Finland/Unemployment/</a> , <a href="http://www.kela.fi/web/en/unemployment">http://www.kela.fi/web/en/unemployment</a> , <a href="http://www.tyj.fi/eng/home/">http://www.tyj.fi/eng/home/</a> , <a href="http://www.nuorisotakuu.fi/en/youth_guarantee">http://www.nuorisotakuu.fi/en/youth_guarantee</a> , <a href="http://www.minedu.fi/OPM/Nuoriso/nuorisotyoen_kohteet_ja_rahoytus/?lang=en">http://www.minedu.fi/OPM/Nuoriso/nuorisotyoen_kohteet_ja_rahoytus/?lang=en</a> , <a href="http://ec.europa.eu/europe2020/pdf/nd/nrp2013_finland_en.pdf">http://ec.europa.eu/europe2020/pdf/nd/nrp2013_finland_en.pdf</a>
<b>France</b>	UE benefit	Yes Personal-ised	4-24 months, 40.4% of the	Unemployed and in	"Emplois d'avenir"	Young people aged 16-25 years,	Facilitate the labour market entrance,	Government and companies	<a href="http://ec.europa.eu/europe2020/making-it-happen/country-specific-">http://ec.europa.eu/europe2020/making-it-happen/country-specific-</a>

Country	Benefit system	Conditionality	Duration and payment	Target population	Programmes for youth	Participants' selection	Types of ALMP	Administration Entity	Sources
		back-to-work action plan	reference wage	unemployment insurance scheme for at least four months (in 28 months)		hardly have any qualification	trainings, further education, contracts for three years between young people and companies		recommendations; <a href="http://www.pole-emploi.fr/accueil/">http://www.pole-emploi.fr/accueil/</a>
<b>Germany</b>	1) UE benefit 2) Basic Provision	1) Yes Integration Agreement 2) Yes	1) 6-24 months, 67%-60% of net earnings 2) 6 months-unlimited	1) Unemployed, contributions for 12 months in 2 years 2) Unemployed aged 16-65	1) The National Pact to Promote Training and Young Skilled Workers (National Training Pact) 2) Initiative „JUGEND STÄRKEN“, Strengthens young people 3) MobiPro-EU	1) Young people 2) Disadvantaged young people especially migrants 3) Young people in the EU aged 18-35 years, in some cases 40 years	1) Tap into all available training opportunities, ensure a training place 2) Support in education, vocational training and social integration, second change programmes, competence agencies 3) Company-based apprenticeship in Germany for people registered as unemployed in the EU	1) Federal Ministry of Education and Research 2) ESF-Programme, EU 3) ZAV	<a href="http://ec.europa.eu/europe2020/making-it-happen/country-specific-recommendations/">http://ec.europa.eu/europe2020/making-it-happen/country-specific-recommendations/</a> ; <a href="http://ec.europa.eu/europe2020/pdf/nd/nrp2013_germany_de.pdf">http://ec.europa.eu/europe2020/pdf/nd/nrp2013_germany_de.pdf</a>

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<b>Greece</b>	UE insurance (mandatory OAED is only for salaried workers and employees)	Yes individual action plan	Basic allowance amounts to € 360, 5-12 months	Unemployed at least 16 years old and unemployment insurance for a minimum period of 125 days	1) Work experience program 2) Subsidy program for enterprises 3) National Action Plan Jan 2013	1) New labour market entrants aged 16-24 2) Up to 35-year-old unemployed graduates of university and technological Higher Education Institutes 3) Young people	1) Traineeship, 6-12 months, 80% of the NMW and full social security 2) Create 5.000 new full time jobs, subsidization part of the (non) wage cost for a period of 24 months 3) Promote youth employment, training and entrepreneurship, community-based work programs, voucher for labour market entrance	Ministry of Labour Social Security and Welfare Public Employment Services (OAED)	<a href="http://ec.europa.eu/europe2020/making-it-happen/country-specific-recommendations">http://ec.europa.eu/europe2020/making-it-happen/country-specific-recommendations</a> ; <a href="http://www.oeaed.gr/index.php?option=com_content&amp;view=article&amp;id=906&amp;Itemid=526&amp;lang=en">http://www.oeaed.gr/index.php?option=com_content&amp;view=article&amp;id=906&amp;Itemid=526&amp;lang=en</a> , <a href="http://www.eurofound.europa.eu/eiro/studies/tn1206018s/gr1206019q.html">http://www.eurofound.europa.eu/eiro/studies/tn1206018s/gr1206019q.html</a> , <a href="http://ec.europa.eu/europe2020/pdf/nd/nrp2013_greece_en.pdf">http://ec.europa.eu/europe2020/pdf/nd/nrp2013_greece_en.pdf</a> , <a href="http://ec.europa.eu/europe2020/pdf/nd/nrp2013_greece_en.pdf">http://ec.europa.eu/europe2020/pdf/nd/nrp2013_greece_en.pdf</a>
<b>Hungary</b>	1) Jobseeker's-Allowance (compulsory) 2) Jobseeker's Assistant	Yes	1) 36-90 days 60% of previous average payment (max. € 326) 2) 40% of the compulsory minimum wage	1) Jobseeker who has worked for at least 360 days (in 3 years) 2) Unemployed not qualified for Jobseeker's Allowance	1) First Job Guarantee 2) Programme to support business start-ups 3) Traineeship programme 4) Supporting NGO-based employment programmes	1) Young people 2) Young people between 18-35 3) Young people 4) Young people, primarily disadvantaged entrants	1) Support of young entrants to the labour market, work experience 2) Acquisition and development of entrepreneurial knowledge 3) Transition from vocational training to employment 4) Permanently integrate into the labour market	Ministry of National Economy	<a href="http://ec.europa.eu/europe2020/making-it-happen/country-specific-recommendations">http://ec.europa.eu/europe2020/making-it-happen/country-specific-recommendations</a> , <a href="https://ec.europa.eu/eures/main.jsp?lang=en&amp;acro=living&amp;catId=8998&amp;parentId=7846&amp;countryId=HU&amp;langChanged=true">https://ec.europa.eu/eures/main.jsp?lang=en&amp;acro=living&amp;catId=8998&amp;parentId=7846&amp;countryId=HU&amp;langChanged=true</a> , <a href="http://ec.europa.eu/europe2020/pdf/nd/cp2013_hungary_en.pdf">http://ec.europa.eu/europe2020/pdf/nd/cp2013_hungary_en.pdf</a>
<b>Ireland</b>	1) Jobseeker's Allowance 2) Jobseeker's Benefit	Yes	188€ per week, for youth (under 24) reduced rates: 18-21:100€	1) Unemployed aged 18-66 and out of school for at least 3 months	1) Youthreach programme 2) Youth Employment	1) Unemployed young early school leavers aged 15-20 2) Unemployed	1) National programme of second-chance education and training (FAS training), work experience	1) Two Government Departments Education & Science and	<a href="http://ec.europa.eu/europe2020/making-it-happen/country-specific-recommendations">http://ec.europa.eu/europe2020/making-it-happen/country-specific-recommendations</a> , <a href="http://www.welfare.ie/en">http://www.welfare.ie/en</a> , <a href="http://www.citizensinformation.ie">http://www.citizensinformation.ie</a> ,

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			22-24: 144€ 1) Unlimited period 2) Up to 312 days	2) Unemployed 16-66 with enough social insurance (PRSI) contributions	Scheme 3) Momentum Dec 2012	youth aged 18-24 in Northern Ireland 3) 12 months unemployed for under 25 special offers	2) Work-experience opportunities, Skill Development Programme for permanent work 3) Free education and training projects to allow 6,500 long-term unemployed	Enterprise, Trade and Employment 2) Department for Employment and Learning 3) Government initiative	<a href="http://www.youth.ie/advocacy/youth_employment">http://www.youth.ie/advocacy/youth_employment</a> , <a href="http://www.momentumskills.ie/genFAQs.aspx#Q1">http://www.momentumskills.ie/genFAQs.aspx#Q1</a>
<b>Italy</b>	UE benefit	Yes	7-12 months 60-40% of the prior salary	Dismissed, insured for at least two years and 52 weeks (in 2 years)	1) Cohesion Action Plan including Youth Employment Plan in Sicily 2) Apprenticeship, trades and artisan professions (AMVA) 3) Tax credit scheme 4) Job Of My Life 5) FixO programme	1) Young people and NEET 2) Young people 3) People under 30 years 4) 18-35 years old 5) Students and graduates	1) New education activities, new mobility opportunities, support for entrepreneurship and early school leaving 2) Promote labour market entry, support apprenticeship schemes 3) Encourage employment 4) Cooperation with Germany, dual apprenticeship programme 5) Facilitate entry into the workforce via information, counselling, traineeships, job offers	1) WCBC Community Cohesion Team 2) Ministry for Employment and Social Policies 3) EURES 4) Ministry of Labour 5) Ministry of Labour	<a href="http://ec.europa.eu/europe2020/making-it-happen/country-specific-recommendations">http://ec.europa.eu/europe2020/making-it-happen/country-specific-recommendations</a> ; <a href="http://ec.europa.eu/europe2020/pdf/nd/nrp2013_italy_en.pdf">http://ec.europa.eu/europe2020/pdf/nd/nrp2013_italy_en.pdf</a> , <a href="http://europa.eu/rapid/press-release_MEMO-13-464_en.htm">http://europa.eu/rapid/press-release_MEMO-13-464_en.htm</a> , <a href="http://ec.europa.eu/europe2020/pdf/youth_en.pdf">http://ec.europa.eu/europe2020/pdf/youth_en.pdf</a>
<b>Latvia</b>	UE benefit	No	Income related 50-65% of insurance record, duration 4-9 months	Unemployed, worked for at least one year and contributions for more than nine	1) Acquiring Vocational Education Programmes, Basic Skills and	1) Under 25 years 2) People aged 15-24 without previous vocational education	1) In partnership with VET schools, 12-18 month programmes, acquisition of vocational competences and skills for occupational	Government	<a href="http://ec.europa.eu/europe2020/making-it-happen/country-specific-recommendations">http://ec.europa.eu/europe2020/making-it-happen/country-specific-recommendations</a> ;

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				months	Competences for Sustaining Education and Career Development 2) Youth Workshops		activities and further education 2) Experience 3 professions and make a well-informed career choice		
<b>Lithuania</b>	UE insurance (mandatory)	Yes	6-9 months, fixed component equals the state supported income LTL 350 (€ 101). Plus a variable component dependent on former insured income, max LTL 650 (€ 188)	Minimum period of insurance is 18 months (in 3 years)	1) Raising Youth Employment (2012) 2) Enterprise Lithuania 3) Support for the first job Aug 2012	1) Graduates under 29 years 2) Youth entrepreneurship 3) Young person, 16 to 29 years of age, employed for the first time	1) Help qualified unemployed people to acquire the missing skills right in their work place, Employers' subsidies 2) Information, business start-ups, funding and development 3) Compensation of a part of salary, work experience, encouraging employers to provide considerable training during the first months	1) Lithuanian Labour Exchange 2) Entrepreneurship Promotion Fund 3) European Social Fund	<a href="http://ec.europa.eu/europe2020/making-it-happen/country-specific-recommendations">http://ec.europa.eu/europe2020/making-it-happen/country-specific-recommendations</a> ; <a href="http://www.invega.lt/en/services/support-for-the-first-job-2.htm">http://www.invega.lt/en/services/support-for-the-first-job-2.htm</a>
<b>Luxembourg</b>	UE benefit (mandatory)	Yes	80%-85% of the previous earning, max. 12 months	Unemployed aged 16-64, worked for at least 26 weeks Youth under 21 after leaving school	Guidance Centre, the so-called "House of Orientation" Sep 2012	Young people	Presentations in schools, assisting with the transition from school to work, help for early school leavers, individual assistance until training, employment or occupational solution	Government	<a href="http://ec.europa.eu/europe2020/making-it-happen/country-specific-recommendations">http://ec.europa.eu/europe2020/making-it-happen/country-specific-recommendations</a> , <a href="http://www.bienvue.lu/page.php?url=ins-taller/emploi/chomage&amp;lang=en">http://www.bienvue.lu/page.php?url=ins-taller/emploi/chomage&amp;lang=en</a> ,
<b>Nether-</b>	1) UE benefit	1) Yes	1) 70%-75%	1) Unemployed	1) School Ex	1) Young people	1) Promote secondary	1) Ministry of	<a href="http://ec.europa.eu/europe2020/making-it">http://ec.europa.eu/europe2020/making-it</a>

Country	Benefit system	Conditionality	Duration and payment	Target population	Programmes for youth	Participants' selection	Types of ALMP	Administration Entity	Sources
<b>Netherlands</b>	2) Social Assistance benefit		last daily wage for 3-38 months	under 65 years, worked for at least 26 (in 36) weeks	2.0 2) Sector plans 3) 'Early school leavers' scheme 4) Investment in Youth Act	2) Young people 3) Early school leavers 4) Young unemployed 18-27	vocational education, studying longer, choose a course with greater relevance for the labour market 2) Traineeships and work placements, cooperation between the education sector and business, improve the quality of technical education and attract more young people to technical professions 3) Performance-related subsidies, funds to set up programmes 4) Immediately sending into ALMP, training or work	Education, Culture and Science 2) OCW, SZW, EZ, NEMO 3) Ministry of Education, Culture and Science and directors of MBO schools	happen/country-specific-recommendations, <a href="http://ec.europa.eu/europe2020/pdf/nd/nr p2013_netherlands_en.pdf">http://ec.europa.eu/europe2020/pdf/nd/nr p2013_netherlands_en.pdf</a>
<b>Poland</b>	UE benefit (mandatory)	No	6 or 12 months PLN 794.20 (€ 188) per month first three months, and PLN 623.60 (€ 148) thereafter	Unemployed workforces and self-employed, employed 365 days before (in 18 months)	1) Young people on the labour market (2012) For example "Your Career – Your Choice" 2) VLC as a provider of labour market services 3) Guaranteed	1)/2)/3) Persons under 30 4) Young people aged 15–24 at the risk of social exclusion 5) Young people from small towns	1) Pilot project, individually designed plan, trainings, courses in a vocational school, postgraduate studies 2) Occupational consultancy, job placement and training 3) Employee benefit for 12 months, when hiring an unemployed person under 30 4) Activation and social integration by training,	1) Labour Fund, Labour Offices 2) Ministry of Labour and Social Policy, Voluntary Labour Corps (VLC) 3) Labour Fund 4) Information Society Development Foundation 5) Information	<a href="http://ec.europa.eu/europe2020/making-it-happen/country-specific-recommendations">http://ec.europa.eu/europe2020/making-it-happen/country-specific-recommendations</a> , <a href="http://ec.europa.eu/europe2020/pdf/nd/nr p2013_poland_en.pdf">http://ec.europa.eu/europe2020/pdf/nd/nr p2013_poland_en.pdf</a>

Country	Benefit system	Conditionality	Duration and payment	Target population	Programmes for youth	Participants' selection	Types of ALMP	Administration Entity	Sources
					Employee Benefits Fund 4) "VLC as a provider of labour market services", "New perspectives", "New perspectives 2" and "Youth Skill Academy 2" 5) "Link to the Future. Youth. Internet. Career"		on-the-job training, career guidance and job placement services, information 5) Planning future, meetings in small towns with young inspiring professionals	Society Development Foundation	
<b>Portugal</b>	1) UE Benefit 2) UE Assistance	Only to workers whose per capita family unit income does not exceed 110% of the IAS Social Support Index	1)/2) 9-38 months (age and contributions) 1) Income-related 2) 80%-100% of the IAS	1) Unemployed, worked for 450 days (in 24 months) 2) Not entitled to unemployment benefit	Impulso Jovem	Young people	Traineeships in key economic sectors, professional internships, support for the contracting (vocational training and entrepreneurship) of people aged 18-30 years old via reimbursement of employer's social security contributions	ESF	<a href="http://ec.europa.eu/europe2020/making-it-happen/country-specific-recommendations">http://ec.europa.eu/europe2020/making-it-happen/country-specific-recommendations</a> , <a href="http://europa.eu/rapid/press-release_MEMO-13-464_de.htm">http://europa.eu/rapid/press-release_MEMO-13-464_de.htm</a> , <a href="http://ec.europa.eu/europe2020/pdf/barroso/report_en.pdf">http://ec.europa.eu/europe2020/pdf/barroso/report_en.pdf</a> , <a href="http://ec.europa.eu/europe2020/pdf/youth_en.pdf">http://ec.europa.eu/europe2020/pdf/youth_en.pdf</a>
<b>Romania</b>	UE Indemnity	Yes	6-12 months for graduates 6 months	Unemployed aged 16-pensionage, contributions for	National Plan to Stimulate Youth Employment	Young people	Mobility bonuses, job subsidies, professional guidance and entrepreneurship	European Social Fund, unemployment insurance	<a href="http://ec.europa.eu/europe2020/making-it-happen/country-specific-recommendations">http://ec.europa.eu/europe2020/making-it-happen/country-specific-recommendations</a> ,

Country	Benefit system	Conditionality	Duration and payment	Target population	Programmes for youth	Participants' selection	Types of ALMP	Administration Entity	Sources
				12 months (in 24), graduates who do not find work during 60 days after graduation	(2013) (plan is currently subject to the inter-ministerial approval procedure)		counselling, business simulation, apprenticeship at work, higher graduates' traineeships, partnerships between schools, universities, and companies and other organizations	budget, and state budget	<a href="http://ec.europa.eu/europe2020/pdf/nd/prg2013_romania_en.pdf">http://ec.europa.eu/europe2020/pdf/nd/prg2013_romania_en.pdf</a>
<b>Slovakia</b>	UE Benefit	Yes (at least every month)	Max. 6 months 50% of the daily assessment basis	Unemployed, contributions for at least two years (in three)	1) Youth Action Plan 2) Boosting Job Creation, promoting the employment of jobless in local government (Nov 2012)	1) Young people 2) Applicants up to 29 years of age	1) Quality and relevance of education, including vocational education and training, 2) Promoting the creation of jobs, financing of a portion of employers' costs through social security cost	1) MoLSAF and MoESRS 2) Central Office of Labour, Social Affairs and Family	<a href="http://ec.europa.eu/europe2020/making-it-happen/country-specific-recommendations">http://ec.europa.eu/europe2020/making-it-happen/country-specific-recommendations</a> ; <a href="http://www.upsvar.sk/sluzby-zamestnanosti/informacie-pre-obcanov-pri-evidovani-sa-na-urade-psvr/prava-a-povinnosti-uchadzaca-o-zamestnanie.html?page_id=12927">http://www.upsvar.sk/sluzby-zamestnanosti/informacie-pre-obcanov-pri-evidovani-sa-na-urade-psvr/prava-a-povinnosti-uchadzaca-o-zamestnanie.html?page_id=12927</a> , <a href="http://ec.europa.eu/europe2020/pdf/nd/nrp2013_slovakia_en.pdf">http://ec.europa.eu/europe2020/pdf/nd/nrp2013_slovakia_en.pdf</a>
<b>Slovenia</b>	UE Benefit (mandatory)	Yes	3-25 months 80%-50% earnings	Unemployed aged 15-65, worked for at least 9 months (in 24)	1) Integration into Labour Market 2) Confidently into the World of Entrepreneurship 2013 3) Encouraging the employment of first job	1) Young people 2) Entrepreneurs striving for putting their own business ideas to practice 3) First jobseekers 4) First jobseekers	1) Vocational training programmes 2) Mentoring and additional training 3) Acquisition and improvement of the competences, knowledge and skills of first job seekers in the field of social protection 4) Employment subsidy, integration of young people into work and	1) Government 2) European Social Fund 3) Social Chamber of Slovenia 4) Government	<a href="http://ec.europa.eu/europe2020/making-it-happen/country-specific-recommendations">http://ec.europa.eu/europe2020/making-it-happen/country-specific-recommendations</a> , <a href="http://ec.europa.eu/europe2020/pdf/barroso/report_en.pdf">http://ec.europa.eu/europe2020/pdf/barroso/report_en.pdf</a> , <a href="http://ec.europa.eu/europe2020/pdf/nd/nrp2013_slovenia_en.pdf">http://ec.europa.eu/europe2020/pdf/nd/nrp2013_slovenia_en.pdf</a>

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					seekers in the field of social protection – trainees (2012) 4) First Challenge		improve their chances of employment		
<b>Spain</b>	1) UE benefit 2) UE Assistance	1)/2) Yes Activity Agreement	1) 4 months-2 years, 70%-60% contributions 2) 6-18 months	1) Unemployed aged 16-65, contributions for at least 365 days (in 6 years) 2) Not entitled to unemployment benefit and meet one of the following conditions: over 52, dependants, low income	Youth Entrepreneurship and Employment Strategy 2013-2016	Young unemployed people under 30	Training programmes, work experience, development of dual vocational training, aids for those returning to compulsory education, financial incentives for hiring, entrepreneurship, advice and guidance services	Ministry of Employment and Social Security	<a href="http://ec.europa.eu/europe2020/making-it-happen/country-specific-recommendations">http://ec.europa.eu/europe2020/making-it-happen/country-specific-recommendations</a> , <a href="http://ec.europa.eu/europe2020/pdf/nd/nrp2013_spain_en.pdf">http://ec.europa.eu/europe2020/pdf/nd/nrp2013_spain_en.pdf</a>
<b>Sweden</b>	1) Earnings-related benefit (voluntary) 2) Basic insurance (mandatory)	Yes Activity Reports	300-450 days 1) 80-70% former earning 2) SEK 320 (€ 37) per day, maximum compensation is SEK 680 (€ 78) per day	1) Unemployed and a member of an unemployment insurance fund for at least 12 months, worked for 6 months (in 12) 2) Meet the working	1) Youth Job Programme 2) Unga (Youth Integration) 3) Youth on the move 4) Youth to Work 5) Plug In 2013	1) Aged 16-24 years 2) Young people who are not registered with the Employment Agency 3) Unemployed young people under 25, no basic	1) Work experience, education, training, entrepreneur support, employability rehabilitation programme 2) Network groups, distributing information 3) Participate in a measure for scholastic motivation from first day	Arbetsförmedlingen, SALAR	<a href="http://ec.europa.eu/europe2020/making-it-happen/country-specific-recommendations">http://ec.europa.eu/europe2020/making-it-happen/country-specific-recommendations</a> , <a href="http://www.nordsoc.org/en/Sweden/Unemployment1/">http://www.nordsoc.org/en/Sweden/Unemployment1/</a> , <a href="http://www.arbetsformedlingen.se">www.arbetsformedlingen.se</a> , <a href="http://ec.europa.eu/europe2020/pdf/nd/nrp2013_sweden_en.pdf">http://ec.europa.eu/europe2020/pdf/nd/nrp2013_sweden_en.pdf</a>

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				condition but not the membership condition unemployed aged 20+	6) Work Guarantee	qualifications for tertiary education, not completed upper secondary school 4) Young people 5) Young drop-outs 6) Young unemployed under 25 years	of unemployment 4) Support for the municipalities, support for integration into work, "Sweden's most Important Jobs" communications initiative, jobs in the welfare sector 5) Reduce upper secondary school drop-out rates and greater opportunity to complete studies 6) Unemployed for 3 months, guarantee for help and guidance with job seeking, coaching and traineeships		
<b>Switzerland</b>	UE insurance (compulsory)	Yes	200 days (aged under 25)-520 days 70% - 80% contributions (max. CHF 10,500 (€ 8,741) per month)	Unemployed, worked for at least 12 months (in 2 years)	Motivation Semester	Youth who have not completed VET, aged 15-24	Support for school to work transition, internships etc. for 6 months	SECO	<a href="http://ec.europa.eu/europe2020/making-it-happen/country-specific-recommendations">http://ec.europa.eu/europe2020/making-it-happen/country-specific-recommendations</a>
<b>UK</b>	1) Contribution-based Jobseeker Allowance (JA) 2) Income-based JA	1)/2) Yes Jobseeker Agreement	1)/2) Aged 16-24: 56,80 pounds aged 25 or over: 71,70 pounds	1)/2) Unemployed aged 18-pension age 1) Contributions in the last two	1) Youth Contract Jan 2013 2) Work Experience	1) Young unemployed people aged 18-24 and NEETs aged 16 to 17 2) Young	1) Wage incentives for young people advice from day one of unemployment support for businesses to give jobs, training or work	1) Government 2) English UK members	<a href="http://ec.europa.eu/europe2020/making-it-happen/country-specific-recommendations">http://ec.europa.eu/europe2020/making-it-happen/country-specific-recommendations</a> , <a href="http://www.gov.uk">www.gov.uk</a> , <a href="http://ec.europa.eu/europe2020/pdf/nd/nrp2013_uk_en.pdf">http://ec.europa.eu/europe2020/pdf/nd/nrp2013_uk_en.pdf</a>

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			1) For 182 days maybe later you are able to get income-based JA	complete tax years		unemployed people with little or no work experience	experience 2) Gain valuable work-based skills and experience		
<b>Argentina</b>	UE insurance (mandatory)	Amount decreases over time, no matter what commitment	Duration: 2-18 months, increasing in age (over 45) and in months of contribution during the last 3 years. Extent: 50% of the best salary; max. 250-400 pesos (29-46 €) per month	Those whose employment in recent past exceeds a threshold: In-company and seasonal workers: >12 months in the last 3 years. Contract labour: >90 days in the last 12 months.	Proyecto Joven	Training unemployed older than 16 living in a poor household and having attained less than secondary education	Classroom-based training with following internship in firms which do not have to pay any stipend or wage	Ministry of Labour, National Social Security Administration (ANSES), ICAPs (Instituciones de Capacitación: providing training)	<a href="http://www.ifmr.co.in/blog/2013/02/21/unemployment-support-in-argentina-chile-and-brazil/">http://www.ifmr.co.in/blog/2013/02/21/unemployment-support-in-argentina-chile-and-brazil/</a>
<b>Australia</b>	UE benefit is financed with national UE insurance fund	Yes Frequent applications and training participation required.	Duration: potentially unlimited Extent: \$492,60 up to \$537,80 (320-351€) per month	Everyone without a job	Youth Allowance	Young workforce aged 15-24, Early School Leavers (ESLs), young (<30) long-term unemployed	Guarantee for vocational education; subsidies for start-up enterprises and job-caused relocation	Centrelink	<a href="http://www.nationals.org.au/Portals/0/2013/policy/The%20Coalition%E2%80%99s%20Policy%20to%20Increase%20Employment%20Participation.pdf">http://www.nationals.org.au/Portals/0/2013/policy/The%20Coalition%E2%80%99s%20Policy%20to%20Increase%20Employment%20Participation.pdf</a>
<b>Brazil</b>	UE insurance (mandatory)	No	Duration: 3 up to max. 5 months, increasing in total time being employed in the last 3 years.	Employees who have had a formal labour contract during the last six months or have	1) Estação Juventude 2) ProJovem (PJ) 3) Nossa Primeira	) tba  ) 15- to 17- olds	1) One-stop public employment service 2) reintegration into educational system, training in ICT, communication, life	2) PJ adolescente: Ministry of Social Development PJ Urbano & PJ	<a href="http://www.ifmr.co.in/blog/2013/02/21/unemployment-support-in-argentina-chile-and-brazil/">http://www.ifmr.co.in/blog/2013/02/21/unemployment-support-in-argentina-chile-and-brazil/</a> , <a href="http://thebrazilbusiness.com/article/unemployment-benefits-in-brazil">http://thebrazilbusiness.com/article/unemployment-benefits-in-brazil</a> ,

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			ent: 50%-80% of average salary, but maximal 1.235,91 R\$ (387,90 €) per month	been legally self-employed for at least 15 months	Terra 4) PRONAF Jovem	from supported families; urban 18- to 29-olds without basic education. young from families who earn less than the minimum wage.  3 and 4) 16-29 in rural areas	skills, community action, job search 3) lower interest rates for buying land 4) finance agricultural, rural tourism or handicraft projects	campo: Ministry of Education, PJ Trabalhador: Ministry of Labour and Employment	<a href="http://www.secom.gov.br/sobre-a-secom/acoes-e-programas">http://www.secom.gov.br/sobre-a-secom/acoes-e-programas</a>
<b>Japan</b>	UE insurance (mandatory)	No	Duration: 6 months Extent: daily benefit equals the earnings of the last 6 months divided by 180	Employees with recently more than 20 hours of work per week	Hello Work to Support New Graduates	High school graduates, "Freeters", NEETs	Start-up subsidies, Training, Job Matching	Ministry of Health, Labour and Welfare	<a href="http://www.mhlw.go.jp/english/dl/employment_eng.pdf">http://www.mhlw.go.jp/english/dl/employment_eng.pdf</a> , <a href="http://www.jil.go.jp/english/laborinfo/librariy/documents/lj_law11.pdf">http://www.jil.go.jp/english/laborinfo/librariy/documents/lj_law11.pdf</a>
<b>Mexico</b>	Voluntary and only existent in Mexico City	Yes Appli-cations required.	Duration: 6 months	Those who have worked for at least 6 months before becoming unemployed	Parts of Becas a la Capacitación para el Trabajo (Bécate) (especially 1))	Workless older than 16 years	1) On-the-job training (1-3m) of selected young workforces with 100% wage subsidies. 2) job information, linking 3) self-employment grants	Ministry of Employment, National Employment Service	<a href="http://www.ilo.org/gimi/gess/ShowTheme.do?tid=2667">http://www.ilo.org/gimi/gess/ShowTheme.do?tid=2667</a>
<b>Peru</b>	Mandatory. Social security payments at 13% of gross earnings go to the	Yes Appli-cations required.	Duration: 2-12 months, increasing in contribution in	Compensacion por Tiempo de Servicio covers private workers	Jóvenes a la Obra (ProJoven)	16 -29 aged from lower socio-economic status without higher	Job training, labour-demand matching, supporting entrepreneurial issues	Labour Ministry (MINTRA)	<a href="http://www.americasquarterly.org/node/2882">http://www.americasquarterly.org/node/2882</a>

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	federal pension fund (Oficina de Normalización Previsional)		the last 3 years.	with at least 4 hours/day of work who are not covered elsewhere		education or university studies			
<b>South Africa</b>	UE Benefit is financed with the UE Insurance Fund to which employers pay 2% of all their workers' earnings	Yes Refusal of participation can result in payments being completely broken off	Duration: Payments are provided until all partly-paid benefits are used up  Extent: 58-30% of average wage in the last 6 months, decreasing in income; not more than 3077,62 Rand/month (217,02€)	Everyone who loses his job and is still willing and capable to work	Expanded Public Works Programme	Women, youth, disabled	Job creation in public sector	National Youth Development Agency (NYDA) / Local and regional governments	<a href="http://www.ukzn.ac.za/dhr/hr-%20labour%20relations/Acts/Amended%20Act%20-%20Unemployment%20Insurance.pdf">http://www.ukzn.ac.za/dhr/hr-%20labour%20relations/Acts/Amended%20Act%20-%20Unemployment%20Insurance.pdf</a>
<b>Turkey</b>	State-run social security scheme (Sosyal Sigortalar Kurumu, SSK) is mandatory for most employees (see "Target People")	No	Duration: 180 to 300 days, depending on employment record. Extent: 50 % of last 4 months' average gross wage but not higher than official minimum wage (1021,50	Required: 600 days' contributions in the last 3 years out of which 120 are in the last 12 months. Not for employers, self-employed and unpaid family workers	Skill '10	Young (18-29) and female unemployed	Strengthening of vocational education infrastructure through purchases of equipment. Reduced social security contributions for young and female interns	Turkish Employment Agency (ISKUR); Ministry of Labour and Social Security	<a href="http://www.invest.gov.tr">http://www.invest.gov.tr</a> , <a href="http://www.iskur.gov.tr/">http://www.iskur.gov.tr/</a> , <a href="http://www.csgb.gov.tr/csgbPortal/cgm.portal?page=asgari">http://www.csgb.gov.tr/csgbPortal/cgm.portal?page=asgari</a>

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			Lira = 364,80 €).						
<b>USA</b>	UE insurance is mandatory	Yes	Maximal duration varies between states from 26 weeks to 76 weeks but might be lifted in (economic) crises.	Workers who a) earned \$1500 or more in each of the last four quarters or b) can prove having worked in at least 20 of the last 52 weeks	1) Job Corps YouthBuild 2) Formula Funded Grants 3) Youth Jobs+	1) at-risk youth (16-24) 2)	1) Education, job training. 2) Preparation for post-secondary education 3) job ad app	Department of Labour's Employment and Training Administration	<a href="http://www.jobcorps.gov/home.aspx">http://www.jobcorps.gov/home.aspx</a> <a href="http://ows.doleta.gov/unemploy">http://ows.doleta.gov/unemploy</a> , <a href="http://www.dol.gov/dol/topic/training/youth.htm">http://www.dol.gov/dol/topic/training/youth.htm</a>

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International Labour Office  
Employment Policy Department  
4, route des Morillons  
CH-1211 Geneva 22

Email: [emp\\_policy@ilo.org](mailto:emp_policy@ilo.org)