# ANALYSIS OF VOCATIONAL PREPARATION IN THE MEMBER STATES OF THE EUROPEAN COMMUNITY

# COMMISSION OF THE EUROPEAN COMMUNITIES

# ANALYSIS OF VOCATIONAL PREPARATION IN THE MEMBER STATES OF THE EUROPEAN COMMUNITY

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## INTRODUCTION

Youth unemployment has grown rapidly for a number of years, in most western industrialized countries. Various policies have been introduced and tested to alleviate it. A very recent policy measure is contained in the Commission Recommendation of 6 July 1977 to the Member States on vocational preparation for young people who are unemployed or threatened by unemployment (1). "The principal object of this recommendation is to promote, in the Member States, means of providing, at the end of compulsory schooling, an appropriate vocational preparation for young people who have no other opportunity to receive vocational training either at school or with an employer. The term "vocational preparation" is used in this recommendation to designate those activities that aim to assure for young people a satisfactory transition from school to work by providing them with the minimum knowledge and skills necessary for working life".

This paper will attempt to assess the present needs and existing provision of vocational preparation in EEC member countries for young people between the end of compulsory school and the age of 20, who are either unemployed or threatened by unemployment, and who have no other opportunity for vocational training (2)(3). It has been divided into four chapters, the contents of which are as follows:

- A short survey of youth employment problems with special emphasis on the factors influencing youth unemployment.
- II. The magnitude of the problem in terms of numbers and training needs in the various Member States.
- III. A survey of present provision of vocational preparation in Member States, and an assessment of these programmes on the basis of the measures proposed in the Recommendation.

<sup>(1)</sup> The full text of the Recommendation is given in the Annex.

<sup>(2)</sup> The main source of this paper is a set of country reports on vocational preparation in member countries. Only other sources will be specifically referred to.

<sup>(3)</sup> In a number of cases we shall have to use data for the age-group under 25.

IV. The contribution of existing programmes towards alleviating unemployment or improving employment prospects for young participants to the programmes, in so far as it is possible presently.

# C H A P T E R I - A SHORT SURVEY OF YOUTH EMPLOYMENT PROBLEMS WITH SPECIAL EMPHASIS ON THE FACTORS INFLUENCING YOUTH UNEMPLOYMENT

In table 1 below, we present comparable rates of unemployment for the Member States of the Community, based on the Labour Force Sample Survey undertaken in all Member States in 1975.

Table 1. UNEMPLOYMENT RATES FOR THE 14-19 YEAR OLDS AND ALL AGE-GROUPS BY SEX IN E.E.C. MEMBER STATES 1975 (1)

14 - 19			All age-groups		
М	F	Total	М	F	Total
7.3	13.0	10.0	2.2	5.5	3.2
11.2	14.8	12.7	7.0	6.5	6.8
6.7	6.3	6.5	2.8	3.2	2.9
8.8	16.7	12.3	2.6	4.3	3.3
22.3	20.6	21.6	10.0	8.7	9.6
15.2	17.0	16.0	2.7	4.9	3.3
8.1	5.9	6.9	3.4	2.9	3.2
8.8	9.3	9.1	4.2	5.2	4.6
9.4	11.0	10.1	3.3	4.4	3.7
	7.3 11.2 6.7 8.8 22.3 15.2 8.1 8.8	M F  7.3 13.0 11.2 14.8 6.7 6.3 8.8 16.7 22.3 20.6 15.2 17.0 8.1 5.9 8.8 9.3	M F Total  7.3 13.0 10.0 11.2 14.8 12.7 6.7 6.3 6.5 8.8 16.7 12.3 22.3 20.6 21.6 15.2 17.0 16.0 8.1 5.9 6.9 8.8 9.3 9.1	M F Total M  7.3 13.0 10.0 2.2 11.2 14.8 12.7 7.0 6.7 6.3 6.5 2.8 8.8 16.7 12.3 2.6 22.3 20.6 21.6 10.0 15.2 17.0 16.0 2.7 8.1 5.9 6.9 3.4 8.8 9.3 9.1 4.2	M F Total M F  7.3 13.0 10.0 2.2 5.5 11.2 14.8 12.7 7.0 6.5 6.7 6.3 6.5 2.8 3.2 8.8 16.7 12.3 2.6 4.3 22.3 20.6 21.6 10.0 8.7 15.2 17.0 16.0 2.7 4.9 8.1 5.9 6.9 3.4 2.9 8.8 9.3 9.1 4.2 5.2

<sup>(1)</sup> Data for Luxembourg are not available.

On the average, the unemployment rates for the 14-19 year age-group are two to three times higher than the unemployment rates for all members of the labour force of the European Community. Irrespective of age, unemployment rates for women are generally higher than for men. People who do not actively seek work, but who would like to work if something was available (the discouraged worker effect) are not included among the unemployed in this table. If they were, unemployment rates for the 14-19 year olds and women would be higher, for discouraged workers are overrepresented among the young and women. A better overview of the relationship between unemployment and age is presented in table 2 below.

Table 2. UNEMPLOYMENT RATES FOR THE 14-19 YEAR OLDS AND THE 45-49 YEAR OLDS IN E.E.C. MEMBER STATES 1975

	14 - 19			45 - 49		
	М	F	Total	М	F	Total
Belgium	7.3	13.0	10.0	1.3	2.7	1.7
Denmark Germany	11.2	14.8	12.7 6.5	4.0 1.9	4.9 2.5	4.4 2.1
France	8.8	16.7	12.3	1.9	2.4	2.1
Ireland Italy	22.3 15.2	20.6 17.0	21.6 16.0	7.8 0.9	1.2	7.3 0.9
Netherlands	8.1	5.9	6.9	1.9	-	1.9
United Kingdom	8.8	9.3	9.1	3.0	3.7	3.3
EC - 9	9.4	11.0	10.1	2.0	2.7	2.2

On the average for the whole community, the unemployment rate for the 14-19 year olds was five times higher than that for adults between 45 and 49 in 1975. An uncritical comparison of unemployment rates between age-groups may however overstate the importance of the unemployment problem among young people. In the first place the turnover rate or the number of job changes per year, is much higher among young workers than among adults. A high rate of turnover increases the unemployment rate but is largely a result of a search activity, which aim is to match the characteristics of various jobs with skill levels, aptitudes and preferences. Second, the duration of unemployment tends to be shorter for young workers than for adults. For the individual, the duration of unemployment, more than anything, determines the hardships connected with it. But even when these factors are taken into account it is quite clear that differences in unemployment by age are presently far too high and prevent a necessary social and economic integration of the groups in the labour market.

Generally, in the natural course of firing and hiring, the 25-55 year old men tend to get hired first: this means that with a constant overall rate of unemployment, the rate for this group, will fall while for young people and for women it will increase, thereby exacerbating the divisions in the labour market and making a reduction in unemployment without re-igniting inflation, increasingly difficult. Apart from these considerations, table 2 shows the importance of work experience on the level of unemployment, which means that provision of work experience is an important policy measure to be considered to fight youth unemployment. But other

factors are equally important in determining the level of unemployment within each age-group.

In general, there is within each age-group a distinct and clear relationship between the level of unemployment and the skill-level (1). For the age-group under 20, the data for Germany in tables 3a) and b) are very representative.

Tabel 3a) UNEMPLOYED AND ACTIVE POPULATION UNDER 20 YEARS OF AGE BY LEVEL OF FORMAL EDUCATION

	Young unemployed	Young active population
	%	7.
Not completed compulsory schooling	33.3	13.0
Compulsory schooling only	58.8	54.0
Some secondary schooling	7.9	33.0
Total	100.0	100.0

SOURCE: Karen Schober-Gottwald, Der Weg in der Arbeitslosigkeit, MittAB n° 1, Stuttgart 1977.

<sup>(1)</sup> Italy may represent an exception to this rule.

Table 3b) UNEMPLOYED IN GAINFUL EMPLOYMENT BEFORE REDUNDANCY AND ACTIVE POPULATION UNDER 20 YEARS OF AGE BY VOCATIONAL QUALIFICATION (1)

	Young unemployed	Young active population
	%	%
Without vocational training	46.3	7.0
Vocational training drop-outs	24.2	17.0
With vocation training	29.5	76.0
Total	100.0	100.0

(1) Vocational training is here a synonym for the German apprenticeship scheme.

SOURCE: Karen Schober-Gottwald, Der Weg in der Arbeitslosigkeit, MittAB n° 1, Stuttgart 1977.

One third of the young unemployed in Germany had not obtained in 1974 a primary school certificate, while only 13% of the active population belonged to this group. This shows the importance of mastering the basic skills. Further general education as well as a completed apprenticeship reduces considerably the probability of becoming unemployed. Even uncomplete vocational training is of some importance. Table 3b) shows that the risk of becoming unemployed is 4.7 times higher for a young person without any vocational training than for a drop-out from an apprenticeship scheme.

Similar results are seen in a number of countries. For people in the same age-group, the higher the level of education the lower the rate of unemployment. The unemployment problem is particularly acute among those who lack the most basic general and vocational skills, like those who failed to complete compulsory education. There is very little research on the real competence of young people in basic disciplines. In the United States however, the National Assessment of Educational Progress found that 20 per cent of the 17 year olds failed to demonstrate adequate writing and computational skills of the type required in two thirds of the jobs obtained by young people who do not go to college. In the U.S.A. at least, the number of people who are at a serious disadvantage in meeting the basic skill

requirements for an initial job, is much larger than the number who has failed to complete compulsory education.

Most useful job skills are probably not acquired during formal education and training, but in an informal process of on-the-job training, from worker to worker. One might think that obtaining a job and acquiring on-the-job training would compensate for the lack of formal education or training. This may happen, but probably not for people with the lowest skills. All available evidence shows that people with the lowest formal skills, enter jobs where little or no on-the-job training is provided. A study undertaken by the Medical Research Council in Britain found for example, that at the lowest unskilled level, around 80% of the boys leaving school enter jobs where they receive no training of any sort (1). The likely explanation is that the cost of providing a certain skill level on the job, is higher for the initially low-skilled workers than for workers with higher formal skills. This leads to a kind of vicious circle for early school-leavers : they have difficulties in obtaining employment because they lack relevant education and training, and once employed they may easily lose their job because the high training costs or the characteristics of the work they perform, do not motivate firms to provide training. It was mentioned above that young workers have a higher rate of job change than adult workers and that this was a consequence of a search for the kind of job suiting their preferences and skills. On the other hand, the length of job search and thus the number of unemployment spells depend on a good knowledge of the world of work. American studies have shown that the higher the level of education the better the knowledge about the world of work (2). of tests undertaken by the National Assessment of Educational Progress, it was concluded that :"The competencies required for locating and securing employment are not well understood by most youth. The reports of 17 year olds and their performance on test exercises both indicate that this process is confusing and often frustrating to those seeking work" (3). Available evidence from Germany (4) also shows that it is the least skilled who abstain from consulting vocational counselling services. Vocational guidance may therefore be of some value in easing the transition from school to work for the least skilled, and has a natural place among

<sup>(1)</sup> Young School-Leavers at Work and College, Medical Research Council, 1971.

<sup>(2)</sup> H.S. PARNES, A.I.K. KOHEN, "Occupational Information and Labour Market Status: The Case of Young Men", The Journal of Human Resources, Winter 1975.

<sup>(3)</sup> R.W. TYLER, "The Competencies of Youth", in From School to Work, National Commission for Manpower Policy, Washington D.C. 1976.

<sup>(4)</sup> Karen SCHOBER-GOTTWALD, op.cit.

instruments to alleviate youth unemployment. If we attempt to draw some policy implications from the analysis presented so far, we come up with the following policies to fight youth unemployment:

- 1. Increase the proportion of young people entering further education after compulsory schooling.
- 2. Give incentives to firms and enterprises to increase the provision of training places or work so that young school-leavers may acquire some work experience.
- 3. Increase the supply of vocational training.
- 4. Initiate programmes to reinforce basic skills.
- 5. Strengthen vocational guidance programmes.

The theory behind the Recommendation on vocational preparation is essentially the same as outlined in the analysis above, and presents a policy programme equivalent to items 2) to 5). More specifically vocational preparation should include (1):

- a) Vocational guidance.
- b) Certain basic skills as well as social skills needed at work.
- c) The understanding of basic principles of social and economic organisation, rights and duties of workers, etc.
- d) Some specific vocational training.
- e) Practical experience of work.

For further details see full text of the Recommendation in the Annex.

# C H A P T E R II - THE MAGNITUDE OF THE PROBLEM IN TERMS OF NUMBERS AND TRAINING NEEDS IN THE VARIOUS MEMBER STATES

The task before us is not only to determine the number of unemployed in the relevant age-group, but also the number of those threatened by unemployment because of their inadequate training. We shall then be confronted with a number of problems, which make this an all but impossible task:

- a) It is particularly difficult to estimate the number of young unemployed, since the attachment to the labour force is weak, especially among girls. After some time searching for a job, a young person may withdraw from the labour force (the "discouraged worker effect"); he will not therefore be considered as unemployed even though if offered a job he would take it.
- b) The duration of unemployment seems in general to be shorter for young people than for adult workers. Clearly it makes a lot of difference whether one experiences a spell of unemployment of two weeks or six months. Most people would not be concerned about the former, but would give priority to the latter. But there is no obvious way of deciding which duration of unemployment is sufficiently serious to be taken into consideration. Therefore various people may on the basis of this indicator have a widely differing appraisal of the magnitude of the unemployment problem.
- c) It is very difficult to determine, given the available information, to which extent different groups of people are threatened by unemployment. We know that people are more likely to become unemployed within a certain time-span if they have a low level of formal education, but this may be compensated by sufficient on-the-job training, and in many countries we have no information on this type of training. Thus, we may seriously overestimate the numbers threatened by unemployment if we concentrate only on the formal qualifications of early schoolleavers.

Sex is an important characteristic when assessing the probability of becoming unemployed, but in this case experiences differ between countries and occupations. Most countries have a lower unemployment rate among boys than among girls, but this is not generally true. In Germany, Ireland and the Netherlands the rate

- of unemployment for girls in the age-group 14-19 was lower than for boys in the same age-group according to the 1975 Labour Force Sample Survey.
- d) Being threatened by unemployment or even experiencing unemployment does not mean that a person necessarily considers vocational preparation as a solution to his employment problems. Many people who objectively possess many of the characteristics associated with a high level of unemployment, are not willing to undertake a training of any sort, especially the kind of training which reminds them of school.

Therefore the number of people willing to undertake training may be much lower than the number of unemployed or those seriously threatened by unemployment.

As a consequence of these difficulties we can only assess the need for vocational preparation by very crude methods. As a basis for the estimation of overall needs for vocational preparation we shall use a few national estimates of the number of unskilled in the country reports (1) on Denmark, Germany and the United Kingdom (2).

Denmark: 1/3: 2 = 16.5 per cent Germany: 8 x 5/4 = 10 per cent and

United Kingdom:  $\frac{167\ 700}{3\ 312\ 000}$  x 2: 100 = 10.1 per cent.

<sup>(1)</sup> See footnote 2 on page 5.

<sup>(2)</sup> In Denmark and Germany these estimates are proportions of the populations in different age-groups. Thus in Germany 8 per cent of the 15-19 year olds are considered unskilled, while in Denmark 1/3 of the 18-19 year olds belong to this category. In the United Kingdom on the other hand, 167 700 of the 16 and 17 year olds who entered employment in 1974 are known to have done so with little or no training, and can consequently be described as unskilled. Due to the difficulties in estimating the size of the labour force for the younger age-groups, we shall estimate the number of unskilled as a proportion of the population, and using the age-group 16-19 as the reference group, since the number of 15 year olds who have entered full employment is rather small in most countries. Assuming for simplicity's sake that all single year age-groups (i.e. 15,16, etc.) are of the same size, that, in Germany, there are no unskilled in the 15 age-group, that, in Denmark, all the unskilled are in the 18-19 age-group, and that, in the United Kingdom, the proportion of 18 and 19 year olds with little or no training is the same as for the 16 and 17 year-olds, we arrive at the following estimates of the proportion of unskilled in terms of the 16-19 year age-group for the three countries:

As proportions of the total populations in the 16-19 year age-group, we arrive at the following estimates for the number of unskilled: Denmark: 16.5 per cent, the Federal Republic of Germany: 10.0 per cent, United Kingdom: 10.1 per cent. In addition we know from chapter I above, that 20 per cent of the 17 year olds in the U.S.A. were considered as unskilled. Thus, the proportion of unskilled in the age-group 16-19 would seem to lie somewhere between 10 and 20 per cent of the total population in this age-group. In estimating the total number of unskilled for all countries in the Communities in this age-group we shall use these estimates as indications of the probable range of the need for vocational preparation relative to the size of the age-group. By multiplying the total number of people in the age-group 16-19 in each country by 10 and 20 per cent respectively, we arrive at a set of estimates indicative of the magnitude of the need for vocational preparation in the Communities. These estimates are presented in table 4 below.

Table 4. MAGNITUDE OF NEED FOR VOCATIONAL PREPARATION FOR THE AGE-GROUP 16-19 in EEC-MEMBER COUNTRIES. (BASED ON 1975 ACE-GROUPS)

	10 per cent of age-group	20 per cent of age-group
Belgium	61 100	122 200
Denmark (48 500)(1)	29 400	58 600
France	330 000	660 000
Germany (354 000)(1)	354 000	708 000
Ireland	23 100	46 200
Italy	326 000	652 000
Luxembourg	2 200	4 400
Netherlands	91 600	183 200
United Kingdom		
(335 400)(1)	331 200	662 400
EC - 9	1 548 600	2 389 000

(1) Independent estimates have been put in parenthesis.

Table 4 above provides estimates of the total need for vocational preparation, i.e. the need for vocational preparation among the unemployed as well as among the employed and inactive. The former group would seem to have the highest priority in the provision of vocational preparation, and it would consequently be of interest to estimate the number of unskilled among young unemployed under 20.

Three countries provided information on the young unemployed distributed by skill level. In Belgium in 1977 51.1 per cent of the unemployed men under 20 and 44.4 per cent of the unemployed women had only primary education or less; this was true of 31.0 per cent or 110 750 of the unemployed in the age-group under 22 in France, while 33.3 per cent of the unemployed registered in Germany in 1974 had not obtained a primary school certificate. For France and Germany additional information on the number of unskilled among the unemployed, is available.

A survey undertaken by the French Agence Nationale pour l'Emploi arrived at an estimate of 130 000 unskilled among the unemployed under 22, while the proportion of unemployed without any kind of vocational training in Germany was 46.3 per cent in 1974. On the basis of this information it seems safe to conclude that the number of unskilled among the unemployed under 20 in need of vocational preparation lies somewhere between 30 and 50 per cent of the unemployed. These two figures will be our two alternative estimates of the proportion of unskilled among the unemployed. Italy is probably an exception to this, since we know that people with secondary school diplomas and university graduates constitute the large majority of the unemployed in Italy, so in that case the proportion of the "ordinary" unskilled would probably be under 30 per cent (1).

In table 5 below we have presented the two alternative estimates of the need for vocational preparation among the unemployed under 20 based on the number of unemployed in that age-group according to the Labour Force Sample Survey in 1975. It should be stressed that these estimates of the need for vocational preparation are not in addition to but are included in the estimates presented in tabel 4 above.

<sup>(1)</sup> See table 5 below, page 17.

Table 5. MAGNITUDE OF NEED FOR VOCATIONAL PREPARATION AMONG THE UNEMPLOYED IN EEC-MEMBER COUNTRIES

	Number of	Number of unskilled			
	unemployed(1)	30 per cent	50 per cent		
Belgium	17 300	5 200	8 650		
Denmark	13 400	4 000	6 700		
France	121 000	36 300	60 500		
Germany	124 500	37 350	62 250		
Ireland	26 300	7 900	13 150		
Italy	159 600	47 900	79 800		
Luxembourg	-				
Netherlands	19 200	5 800	9 600		
United Kingdom	134 200	40 300	67 100		
EC - 9	615 600	184 750	307 750		

<sup>(1)</sup> Based on table V/5 p. 124 in <u>Labour Force Sample Survey 1975</u>, Statistical Office of the <u>European Communities</u>, <u>Brussels</u>, 1976.

In tables 4 and 5 above we have presented what can be called objective estimates of need for vocational training. These estimates may not, however correspond to the individual demand for such training. The country reports from Denmark and Germany provide some relevant information on this point. In February 1975, in Denmark, 31 per cent of the unemployed boys and 38 per cent of the unemployed girls in the age-group 15-19 were looking for some kind of vocational training, while 69 per cent and 62 per cent respectively were looking for jobs only. In the age-group 20-24, only 1 per cent of the men and 5 per cent of the women were actively looking for vocational training, whereas what they wanted first and foremost was a job. In Germany only 12% of the young unemployed without any vocational training in 1974, were stated to be willing to undertake or were actively looking for such training.

These data seem to indicate that the number of young people who would voluntarily undertake training or education could be far below the objectively estimated target population, though this number can be influenced by financial incentives and by appropriately organised training.

C H A P T E R III - A SURVEY OF PRESENT PROVISION OF VOCATIONAL
PREPARATION IN EEC MEMBER COUNTRIES AND AN
ASSESSMENT OF THESE PROGRAMMES ON THE BASIS
OF THE MEASURES PROPOSED IN THE RECOMMENDATION

Although the set of proposals contained in the Recommendation must be regarded as a whole, there are, as will be seen, very few programmes, if any, which contain all the measures proposed. addition programmes differ in their emphasis or scale of priorities. It is also doubtful whether programmes should meet all the requirements of the Recommendation, sometimes it may be more efficient to have single programmes directed towards meeting a few requirements, while the total government policy towards vocational preparation consisting of a number of programmes, may be compared with the whole set of measures proposed in the Recommendation. is however difficult to conduct a survey on the basis of whole government policies, for one may easily get lost in the maze of details. It is better therefore to distinguish the various programmes by pointing out their main characteristics, and discuss them separately on this basis; we will then, draw the main conclusions concerning all government programmes as compared to the Recommendation.

This is why the available material is presented in four separate sections:

- A. Measures primarily concerned with training and further education.
- B. Measures primarily concerned with work experience.
- C. Vocational guidance.
- D. General critical comments.

## A. Training and further education

Belgium has introduced so-called "Centres of guidance and training" for unemployed youth, which provide vocational guidance and induction training for all unemployed under 25, who receive unemployment allowances. These centres are divided into two sections; a section for introduction and a section for observation and

guidance. In the former, and for 2 or 3 days, small groups of young unemployed recently graduated from school are introduced to the labour market, the possibilities for training and work experience; their general level of knowledge is also assessed. They may then proceed to the section for observation and guidance where their aptitudes and motivation are analysed in order to suggest a suitable vocational training. Participants are also introduced to occupational requirements in industry and services. Each participant is given tasks closely related to the actual work situation. These tasks cover a wide range of activity such as metal-working, wood-working, housebuilding and plumbing. After this period of observation and guidance, generally lasting four weeks, a certain number of trainees proceed to traditional forms of vocational training.

In 1976, 6 368 trainees entered the introductory section, 3 225 or 52.2% went on to the section for observation and guidance and 2 164 completed the whole period. 1 204 or 18.9% of the original 6 368, started on some kind of vocational training course.

It is difficult to evaluate this programme on the basis of the Recommendation, as very little information is available. The target group seems to be the same as in the Recommendation, but the young unemployed who receive unemployment allowances are rarely the most disadvantaged group. In addition this programme does seem to cover points 3a)-c) and some of d) as well as meeting point 8) in the Recommendation (1), but one may doubt of the value of this programme on account of the very high number of drop-outs even though the programme is relatively short. One reason for the high number of drop-outs may be that one of the main aims of the centre is to ensure that only the most suitable go on to further training. Such an aim however does raise the question of whether this programme is suitable for the most unskilled school-leavers.

The National Employment Office plans to introduce next year in October a new programme called "Preparation for an Occupation". This type of programme will mainly be concerned with providing compensatory education in the use of the mother tongue and basic arithmetic to make good the deficiencies observed among a number of young unemployed in these areas.

Unemployment allowances will be given to those who are eligible and transport expenses will be covered.

In the case of <u>Denmark</u>, we may start with a short description of vocational preparation courses which are the responsibility of the Vocational Training Agency.

<sup>(1)</sup> See Annex.

These courses are organised locally and provide a broad introduction to one or several branches of industry but do not give any formal vocational competence. The main elements of these courses are:

- a) The social and economic organisation of Danish society.
- b) Vocational information on the occupational sector(s) in question.
- c) Information on vocational training possibilities in industry.
- d) Introduction to the work practices of the occupational sector in question, and
- e) Practical work in enterprise or institution of the participants' own choice.

The target group is not completely identical to the target group of the Recommendation as these courses have largely been reserved for the unemployed between 18-25, but young people under 18 may participate. Courses run in general for 6 to 8 weeks followed by 4 weeks of practical experience. There is however considerable variation in the length of courses, the shortest lasts 2 weeks and the longest 23 weeks.

On the local level where these courses are organised and set up, the involvement and cooperation between local authorities, schools and the social partners should be ensured.

Only those who are members of the state recognised unemployment funds receive unemployment benefits while attending the course, which means that only a very modest allowance is available for the unemployed school-leaver who may thus be deterred from participating.

During 1976-1977, 1 986 persons attended these courses with a concentration on the age-group 17-20 (69%) and a relatively low level of education (56% had only 10 years of education or less). In addition 90% had either been unemployed or had just left primary school. Thus, the actual group is very close to the target population of young unemployed. These courses seem also to cover the proposal on content set out in point 3) of the Recommendation.

There are two other programmes which ought to be mentioned, even though one of them is not specifically oriented towards the target group in the Recommendation. However, they both have an impact on the training possibilities of unqualified school-leavers.

a) The industrial training schemes are administered by the Training Services Agency and carried out in centres for industrial training and in large enterprises. They are mainly seen as instruments to ensure a smooth functioning of the Danish labour market, and were originally available for all unemployed. But in the fiscal year 1975-1976, 19 special courses primarily intended for the young unemployed were set up in which 194 participated. These courses lasted, on the average, 7 weeks, and their content was primarily directed towards jobs in building, construction and shipbuilding.

In addition, 21 400 persons below the age of 25 followed the normal industrial training courses, which must be distinguished from the special courses mentioned above. Among the participants there were certainly people belonging to the target group of the Recommendation.

b) The other programme is the so-called base year of the new vocational training system, which will provide 3 years of vocational training on the top of the base year. Since 1972 this system has been run on an experimental basis, but became a permanent part of the vocational training system in Denmark in 1977.

Training during the base year is classroom oriented but complemented with work experience. Participants are given a thorough introduction to a branch of industry but are also given lectures on general subjects, knowledge of society and the world of work. The overall aim is to provide participants with some kind of educational and vocational competence. The base year can therefore to some extent be regarded as a complete education.

It is primarily designed for the least qualified school-leavers from the 9 years compulsory school. However since no allowances are paid to participants and the teaching is classroom based, this programme has little attraction for the young people who are deeply alienated from all forms of formal schooling and who primarily look for paid work. In 1976-1977, 1 400 new places were provided for young unemployed, but in 1977 only 756 places had been filled: this is an indirect confirmation of the need to offer allowances if one wants to reach the unemployed.

In the case of <u>France</u>, we may start by mentioning courses concerned with industrial induction training (the "stages de pré-formation professionelle"). These courses are reserved for 16-18 year olds who have never worked but are registered as unemployed with ANPE (Agence Nationale pour l'Emploi). Their aim is to facilitate the transition to working life either by:

- a) Providing participants with the necessary knowledge to enter ordinary vocational training courses towards which they may be oriented;
- b) or preparing them for a direct transition to working life in the cases where it is not possible to offer a type of further education or training which is compatible with aptitudes and motivation.

The main objective of this kind of training is to give each participant the necessary knowledge to make a realistic choice of a profession. This is done by confronting the aptitudes and preferences of the individual with the characteristics of the jobs available on the local labour market.

In each locality, training units consisting of 40 participants are set up and are then divided into two sections to obtain homogeneous groups by age and education. Other groupings may also exist, e.g. by professional interest, etc.

The duration of each course is 14 weeks and they are undertaken in three annual sessions. Each course is divided into 4 stages:

- 1. The first few days are devoted to reception, presentation and preliminary evaluation.
- 2. The first two weeks are devoted to guidance, organisation of work and adjustment of groups.
- 3. The traineeship proper.
- 4. At the end of each course, placement in further training or search for suitable work will be organised through the ANPE.

9 050 young people took part in these training courses, in 1976. 8 085 young people completed this course successfully and, 5 834 went on to vocational training programmes ("les stages de formation professionelle") which aim is to provide young unemployed over 17 with some kind of vocational qualification. These courses have a duration of several months and participants are given cash benefits which vary with age.

Additional measures were introduced by the Government in July 1977 in response to the particular magnitude of youth unemployment in France. Included is a new programme for insertion into working life ("les stages de préparation à la vie professionnelle") which is intended for people between 16 and 25 who have never worked and who have never had any training whatsoever. There are no restrictions on whether participants are registered as unemployed or not.

The courses have a duration of 6 to 8 months and are organised in both private and public educational or training institutions. The objective is to obtain a vocational qualification or complete some kind of education if needed. One or several weeks of work experience in enterprises are included in the course and are closely related to the type of training or education received in the training institution. Both vocational and general subjects are included, as well as a strengthening of basic skills when necessary. Some time is also devoted to "social skills" education and vocational guidance.

While the aim is to obtain vocational qualification, it should also be related to the needs of the specific occupations in demand on the local labour market.

At the end of the course each participant receives a certificate stating his level of knowledge in the various disciplines taught.

An equivalent programme was introduced in 1975 with the objective of preparing young people under 20 who had never worked and lacked formal skills, but who wanted additional vocational training ("les stages de préparation professionnelle"). This type of training which lasts for 6 to 8 months, allows a direct transition to working life, but also into further vocational training. The programme consists of a package of vocational orientation, work experience and training which take place in training centres and enterprises. The drop-out rate has been very low - despite the low cash benefits alloted to participants, 410 French francs a month -, and is reported to have had a positive impact on attitudes, motivation and work habits. Two thirds of the final batch of participants (11 500) either found work or entered an apprenticeship scheme. The programme has been discontinued since the end of 1976, perhaps as a result of the criticism that neither employers nor trade-unions were sufficiently associated in the scheme. But apart from that criticism this programme does seem to follow closely the proposals included in the Recommendation.

The programmes so far introduced in France clearly give priority to the target group in the Recommendation, and the vocational induction programme seems to satisfy points 3b) and c). On the other hand, compared to the minimum wage (SMIC) of 1 494 FF a month, allowances are rather small even if expenses for lodging at the training centres are covered. In the country report the description of the teaching methods used in this programme shows that they may meet the requirements set down in point 5 of the Recommendation, i.e. that teaching methods be appropriate for the age-group in question. However this is difficult to judge without an expost evaluation.

The new measures introduced in July 1977, i.e. the insertion into working life programme, is one of the very few programmes which meets all the requirements in the Recommendation, as far as content is concerned. On the benefit side, the 16-18 year olds will receive 410 FF per month, while the 18-25 year olds will receive 90% of the minimum wage (SMIC).

With its apprentice-scheme, the Federal Republic of Germany has the largest vocational training programme of all Member States. However, as is shown in the first section of this report, there is a considerable number of young people who do not benefit from this system. To meet the training needs of unskilled young people, other

measures of vocational preparation have been introduced, of which the most important are:

The full-time school "zero version" of the "Berufsgrundbildungsjahr", is intended as a vocational training course for young people without a primary school diploma. A few trainees can on application, substitute this year for the compulsory part-time "Berufschule" under the apprentice system. This course provides broad initial training in one of 12 occupational areas and is largely classroom based. The impression is that this type of training is rapidly expanding. It is clearly concerned with the target group in the Recommendation, and its main emphasis seems to lie within the reinforcement and application of basic skills (3b in the Recommendation). However, participants are not paid any allowance. The "Bundesanstalt für Arbeit" (the Federal Institue of Labour) runs at present three types of courses specifically aimed at providing the target group concerned with vocational preparation:

- a) Basic training courses ("Grundausbildungslehrgänge"): G1,G2,G3 and G4.
- b) Promotion courses ("Förderungslehrgang"):
- c) Courses for improving participant's integration into the labour market. ("Lehrgang zur Verbesserung der Eingliederungsmöglichkeiten").

Altogether participants in such courses, which generally last one year numbered some 31 178 in 1975/76. The courses are practically oriented or can be regarded as direct substitues for apprentice-schemes, but the reinforcement and application of basic skills have high priority. Two of the basic training courses involve work experience, and one provides participants with some understanding of the basic principles of economic and social organisation.

Teaching is done in small groups which facilitates intensive personal guidance. There is a motivation problem, but assistance from psychologists and social workers has proven valuable in this respect. Although the target group is generally speaking the same for all these courses, they differ in their emphasis on specific characteristics. For example one of the basic training courses (G1) gives priority to school-leavers who have not succeeded in obtaining an apprenticeship contract due to a shortage of suitable vacancies. At the end of the course participants may obtain an apprenticeship contract. The remaining three basic training courses are either intended for young people who due to their poor scholastic results or for other reasons have no chance of obtaining an apprenticeship contract (G2 and G3), or for juvenile delinquents (G4). While these three courses are not designed specifically with applicants for apprenticeship contracts in mind, they are to a certain extent attended by young people who have not obtained a contract due to a

shortage of places. But their chances of securing a contract by attending these courses are minimal. Even though the various courses are quite specific as to target group, the allocation of participants by type of course has an element of arbitrariness, or is dictated by the situation in the local labour market. As a result the courses are very heterogeneous with regards to the education provided and the participants'age. The promotion courses are designed for two target groups, on the one hand, young people with the necessary ability for entering into vocational training, but who need some initial assistance; on the other hand, young people with learning difficulties due to a permanent handicap. Whereas nearly all male participants obtain an apprenticeship contract on completion of the course, only two thirds of the female participants do so. Girls are indeed underrepresented on the promotion courses, constituting two thirds of the young people without a training contract, but only one third of the participants of the promotion courses.

The courses, for improving participants'integration into the labour market are intended for people who due to a handicap will never be able to secure a training contract, but who need special assistance in order to develop skills conducive to their integration into the local labour market. The number of participants has increased sharply but they appear to have met with increasing difficulties in obtaining further training. Thus whereas in 1972/73, training was found for nearly 50 per cent of the participants, this proportion has fallen to 20 per cent in recent years.

Of late, the present content and organisation of the courses run by the Federal Institute of Labour have come under severe criticism, beeing seen as inadequate both in terms of quality and duration for improving vocational prospects. This is mainly attributable to the poor quality of the teaching staff, but the provisional nature of the premises is also partly responsible.

Furthermore the courses are mainly geared to the situation in the local labour market, with scant regard for the pedagogical problems involved in meeting the requirements of the target group concerned. In fact as these courses are mainly attended by people with marked educational deficiencies, criticism has been levelled at the fact that administrative responsibility for the courses lies with the Federal Institute of Labour. Finally it should also be noted that the courses have tended to accentuate rather than to diminish traditional divisions according to sex in the vocational training sector, since the courses attended by girls are almost exclusively in the areas of domestic science and administration.

In <u>Ireland</u>, two schemes may be termed vocational preparation: the Literacy scheme and the Pre-Employment courses.

On a small scale, the Literacy scheme is intended for illiterate school-leavers and adults. Only one third of the 150 participants were under 20, but 40 per cent were unemployed.

The Pre-Employment courses received 380 students during 1976-1977, but expect to enrol as many as 2 500 in 1977-1978. These courses are open to unemployed young people who wish to return to school for a year and most schools expect applicants to have completed junior second level school. Besides vocational training, programmes of basic education are included and one day a week is devoted to practical work experience. Trainees are not paid any allowance and would not be entitled to any payment even if they were unemployed. In conclusion it seems clear that the Pre-Employment courses to a large extent, cover point 3) in the Recommendation, but do not meet points 4) or 8).

Except for these courses, there is virtually no provision for vocational preparation in Ireland.

For <u>Italy</u>, there is at present no information available on programmes of vocational preparation, but a Law on Youth Employment was enacted in June 1977. Young people are required to register on a special youth list in order to measure the training needs and elaborate special employment programmes for this group. So far around 650 000 youth have registered, of which 60% hold a secondary school diploma or a university degree. Thus any provision for vocational training under this Law can hardly be said to give priority to the unskilled, at least in a formal sense. But in Italy the employment prospects may be worse for people with a high formal level of education than for people who are usually referred to as unqualified. They may also be some doubt as to whether this Law covers the meaning given in the Recommendation to vocational preparation for it is a law largely concerned with vocational training as such.

In <u>Luxembourg</u>, vocational preparation courses with a total capacity of 400 young people were introduced in the autumn of 1977. These courses consist of combined theoretical and practical training programme with 32 hours per week over a period of 8 months.

In the <u>Netherlands</u>, there seems to be only one training programme which can be placed under the heading vocational preparation, the Bridge Course for Young Unemployed.

The Bridge Course is intended for very unqualified young persons who need to improve their basic skills before entering any ordinary vocational training course. Participants are entitled to unemployment benefits and up to 31 July 1977, 650 persons attended the course. This programme is still experimental, but has apparently been successful as provision has been made for 900 participants during the 1977-1978 course. It offers as a rule 60 training days but this can be extended to 90 days. It is difficult to evaluate this course because of a lack of information, but it clearly gives priority to the target group in the Recommendation, while the content seems mainly to cover point 3b). Since participants are entitled to unemployment benefits the Bridge Courses meet the requirements of point 8) in the Recommendation.

In the <u>United Kingdom</u>, three courses provide increased further education and training opportunities for young unqualified people:

- a) Short Industrial Courses (SIC).
- b) Occupational Selection Courses (OSC),
- c) Wider Opportunities Courses (WOC).

In the training year 1976/77 the number of participants in these courses was over 13 000, distributed as follows:

SIC - 11 000 OSC - 2 000 WOC - 200

As late as 1974 only 1 000 young people were provided for. These courses are all run by the Training Services Agency (TSA) and generally last 12 to 13 weeks; they are undertaken in a wide variety of establishments, enterprises, colleges of further education and government skill centres.

Participants are paid £ 13.50 per week which exceeds the unemployment benefits for single persons in the 16-18 years agegroup, and in addition the costs of meals and travel are met by the TSA.

The Short Industrial Course, on a full-time basis, is designed to introduce youngsters to a range of tasks in a specific occupational area in order to prepare them for jobs like operators, semi-skilled workers and clerks. Some of the courses include Social and Life Skills (covered under points 3b) and c) in the Recommendation) as well as information on labour market prospects.

Concentrated technical instruction within an occupational area, is provided to every participant in the Occupational Selection Courses and is preceded by a phase of vocational counselling and guidance. It was established that this type of concentrated instruction combined with counselling and "Social and Life Skills" education had a lasting effect on the interest and motivation of the young participants. As a result, participants develop specific skills and reach a level of competence appreciated by potential employers; they also acquire a better basis for further training. These courses are full time and may have a duration of up to 24 weeks. Some characteristic features of these courses are:

- 1. Initial period of vocational assessment.
- Teaching and instruction in a vocational area indicated by the vocational assessment.
- 3. Social and Life Skills instruction.

While the SIC's and the OSC's provide specific training, the Wider Opportunities Courses represent a radically different approach as no attempt is made to supply skill-oriented training. The main objective is to help people learn to learn by giving participants carefully planned tasks which are designed to assist the individual in working out the basic elements of a number of skills. These courses are particularly designed for the most unqualified school-leavers, i.e. those who lack motivation, self-confidence and specific vocational interests. These courses may last up to 24 weeks, but participants may leave at any time if chances to find a suitable job are foreseen.

Seen as a whole these three types of courses come close to meet the most important specifications in the Recommendation. The only exception of any importance seems to be that these courses are only intended for the unemployed and are not meant for young people threatened by unemployment.

However the needs of this latter category have not been completely In 1976, two government departments (the Training neglected. Services Agency and the Department of Education) set up an experimental programme of pilot projects under the title of "Unified Vocational Preparation" aimed principally at young people under 18 employed in jobs which provide very little training. The pilot projects have included a number of the recommended features: careers guidance, training in the basic skills, general education on how society works, and links with further education and training. Furthermore the young people are given leave on full pay by their employers (who receive an allowance of £ 10 per week in compensation) so that they do not suffer financially from attending the course. In the training year 1976/77 some 150 young people participated in 14 pilot schemes. A large expansion was planned for 1977/78 but the programme has not yet emerged from the development stage.

## B. Work experience

Under this heading, we intend to survey programmes of vocational preparation the main objective of which is to provide work experience, combined with organised training or education, and vocational guidance.

In <u>Belgium</u> a programme of work experience was initiated in 1976 to establish a link between school and stable employment. It is organised on the basis of traineeships for young unemployed in enterprises and public administration. The target group of the programme is composed of young people under 30 who have never worked. All enterprises which have a minimum of 100 employees are required to have at least 1% of their work force employed through this programme. The duration of the traineeship is 6 months, which can be prolonged by another 6 months; trainees get 75% of the wages paid for an equivalent work function the first six months, and 90% the rest of the training period. 12 932 trainees had registered by April 1977 and 72.4% were under 22 years of age.

There may be some doubt as to whether this type of training belongs to a programme of vocational preparation as there is no provision for either organised training or vocational guidance. The participants on this programme can be distributed by level and type of education, a distribution which can be compared with an equivalent distribution of all unemployed under 25 years of age. While the proportion of all unemployed under 25 years age with only primary education or less was 44.5 per cent in 1977, only 6.4 per cent of the participants on the programme had such a low level of education. On the other hand, only 11.3 per cent of the unemployed had some kind of technical education, while this was true for as many as 47.6 per cent of the participants on the programme. Thus, this is hardly a programme for the least qualified, but then general programmes of this sort seldom are.

The "Plan Spitaels" foresees a considerable extension of this programme. The number of trainees as a proportion of the work force is to be raised from 1 per cent to 2 per cent in each enterprise, and the minimum size of the work force will be lowered to 50 employees. Trainees will be paid 90 per cent of the full wage from the beginning of the traineeship. Additional subsidies will be given to firms with less than 50 employees if they take in 1 or 2 trainees and to firms with more than 50 employees that engage more than 1 per cent of their work force as trainees.

In <u>Denmark</u>, programmes of work experience do not seem to have been introduced, and they are not mentioned in any available document.

France is more innovative than Denmark in this respect, having introduced two work experience programmes, one combining work and training ("les contrats emploi-formation") and one traineeship in enterprises ("les stages pratiques en entreprises").

The first (the "contrat emploi-formation") was introduced in 1976 and seeks to provide work combined with training, during work-hours for young unemployed between 17 and 25. A few 16 year olds are accepted if the jobs concerned require qualifications which cannot be obtained through an apprenticeship. If the training period lasts less than 500 hours, a period of employment of 6 months is guaranteed, increasing to one year if the training period is longer than 500 hours. Training may take place within the confines of the enterprise; but trainees may be released and trained in training centres. Employers are subsidised by the state to meet the expenses of taking on a trainee.

The traineeships in enterprises, introduced in 1977 have a duration of 6 to 8 months and are intended for young unemployed between 16 and 25. No formal qualifications are required to be accepted. An educational period of about 200 hours is included in the programme. It has a general character but should at the same time correspond to the content of the practical experience of each individual trainee.

The trainees who are not given any work contract, receive allowances of 410,- French francs per month if below the age of 19, and of 90% of the minimum wage (SMIC), otherwise. In addition expenses for accommodation and transportation are met by the state.

Within the limits set by the training provided, these programmes meet the requirements of the Recommendation on content and qualifications of the target group, but allowances of 410,-FF per month for people under 18 seem to be somewhat low.

According to the country report, the <u>Federal Republic of Germany</u> has only one programme especially concerned with work experience for young people, the so-called Guided Labour Contracts. This programme is based on contracts between trade unions and employers and is not regulated by law. In one of the Länder (Nord-Rhein Westphalia) however, the Ministry of Labour gives each employer between 300 and 1 200 DM,— and in addition pays 60% of the wage costs during the first six months; but young people between 15 and 20 must have been employed for a minimum of four weeks, and their labour contract must have a duration of at least six months. This measure was introduced in 1976 and attracted already 10 000 young people. The contract provides remedial training or education as well as vocational guidance.

Similarly, <u>Ireland</u> has not given priority to vocational preparation giving work experience. Only a relatively small programme, the Community Youth Training, provides such experience; participants are engaged in rehabilitation work for the local community.

As in the case of further education and training, <u>Italy</u> has no official programme to provide work experience to young unemployed, but, as mentioned above, has definite plans for the introduction of such programmes.

In the <u>Netherlands</u> there seems to be presently three programmes providing some work experience within the framework of vocational preparation:

- a) The Temporary Scheme for School-leavers, Vocational Training Stimulation.
- b) The Temporary Scheme for Pseudo-Jobs for Unemployed Apprentices.
- c) The Temporary Scheme for Subsidising Training Costs for Young Production Workers in the Ready-made Clothing Industry.

These programmes are training schemes provided by enterprises subsidised by the state; <u>b</u>) in particular provides two days of training per week for approximately one school-year.

Altogether, around 18 600 participants were involved in the three programmes during 1976-1977. Priority is given to unemployed school-leavers and young unemployed under 23. There is no information either on allowances paid to participants or on any other information which would allow a comparison with the Recommendation.

In the <u>United Kingdom</u> there are two work experience programmes designed for the young, the Work Experience Programme and the Community Industry Programme. The first was introduced in 1976 and is open to young unemployed aged 16-18.

- 3 000 schemes had been approved by April 1977, offering altogether 16 500 places for young people. In order to be approved a scheme proposed by an enterprise, must include:
- a) A period of induction training.
- b) A series of work experiences offering the widest possible variety.
- c) A training or further education component and
- d) Vocational guidance and counselling for participants.

Allowances of £ 16 per week are above the unemployement benefits for single people in this age-group.

The educational element has been strengthened and resources allocated to local schools and authorities to meet the costs of providing training and education to participants. The minimum length of each scheme is six months.

Again, as is the case with other British vocational preparation programmes, this measure seems to meet the relevant requirements in the Recommendation. According to figures from January 1977, the majority of young people entering the programme were 16 and 17 years old, had low school attainments and had had no previous job; 55% of all participants were girls.

The Community Industry programme initiated by the National Association of Youth Clubs in 1971 is unique among these programmes in the sense that it deliberately selects the most disadvantaged youth to participate in the work experience programme. Participants are recruited through the Career Service and given full-time employment for an average of 10 months, the maximum duration being 36 months. There is a review system built into the programme which monitors the progress of participants and supplements the individual guidance and counselling which is an important part of Participants may attend courses at colleges of the programme. education in combination with work. Projects are carried out in small groups of 8 to 10 people under the supervision of a team leader who is usually a skilled tradesman. Almost one half of the total number of participants (11 000) have entered full-time employment or further education upon completing this programme. Considering the very low initial skills of the participants, this proportion indicates, in my view, that the programme has been successful.

Wages for trainees and staff are paid out of government funds and local authorities meet other recurrent expenditure as well as capital expenditure. Wages are higher than unemployment benefits for the age-group as 16 year old trainees get £ 22.50 and 18 year olds, £ 29.10.

Employers, trade unions, local and central authorities participate in administering the programme, providing resources on which the programme may draw. As far as we are able to judge from available evidence, this programme is in general accordance with the requirements in the Recommendation.

# C. Vocational guidance

Vocational guidance is often an integral part of the programmes presented above, and is rarely effective outside the context of a training programme. This is borne out by Danish and British experiences described in detail in the country reports. Some of the most important problems confronting vocational guidance are:

- 1. Within schools it has low priority and is very often provided by teachers with scant knowledge of the labour market.
- Employment officers are in closer contact with the labour market, but the most unskilled young workers often avoid employment offices for there is no incentive for them to register as long as they get no unemployment benefits.
- 3. Although vocational guidance can do nothing but orient people either towards existing jobs or to training and further education, if conducted efficiently it can reduce the time spent on job search and thereby the duration of unemployment.

There are measures within the field of vocational guidance which go beyond traditional limits. The Danish Trustee-scheme is one of these, and we shall consider it in detail. It is still at an experimental stage and has been implemented in a few municipalities only: primary school-leavers will be contacted by a teacher-counsellor, on four occasions, during the 2 years following their leaving school; the counsellor will inquire on problems encountered in the transition from school to work, or in obtaining further education and training. These counsellors will then try to help, either by personal counselling or by referring youngsters to other bodies, such as for example employment offices, and in this way a contact is established with the most disadvantaged young people.

A report evaluating the effects on this scheme pointed to the fact that counsellors had been able to contact 98% of the school-leavers in the municipalities in 1975 and 1976. This report also stressed the need for a close and effective cooperation between the various bodies and institutions for a better guidance. These results are corroborated by the experience of a large Swedish pilot scheme on youth job placement where the need for individual personal attention was highlighted when attempting to place the most disadvantaged youth in stable employment (1).

<sup>(1)</sup> Intensified Work Placement for Youth, Institute for Social Research, Stockholm, March 1977.

# D. General critical comments

The most striking result of the survey of vocational preparation measures in EEC member countries is the almost total lack of vocational preparation for young people in employment. The only important exception is the British plan to implement pilot studies of vocational preparation for young people in employment. There are of course vocational training programmes which concern people already employed, such as the ITB (Industrial Training Board) programmes in the United Kingdom and the Adult Vocational Training Centres in the Netherlands which also cater for workers in the age-group considered here. The latter which was introduced as early as 1944 had 6 084 trainees in 1976 of which 40% were under 23. It is however most unlikely that these represented the most unqualified group of young unemployed.

It is quite understandable that little has been done for those who are already employed. In many member countries youth unemployment has reached such proportions, particularly among early school-leavers, that priority had to be given to that group. As work experience tends to reduce the probability of becoming unemployed, unemployed school-leavers are then the most disadvantaged group.

On the other hand, there is very little information on the relative degree of deprivation in terms of skills of the young people who attend courses of vocational preparation.

The work experience course in Belgium however attracted relatively qualified participants, an impression which is strengthened by information from other countries, like the United States and Sweden, which tends to show that the groups participating in further education and training rarely represent the most disadvantaged or deprived groups unless participants are deliberately screened. The most disadvantaged often disappear from the labour market and are very difficult to reach by traditional methods. This effect is strengthened by the very low number of places allocated to vocational preparation in most countries, which sometimes leads to a rationing of places.

In Britain, the number of applicants to the vocational preparation courses run by the Training Services Agency (Short Industrial Courses, Occupational Selection Courses and Wider Opportunities Courses) is twice the number of entrants. Such rationing may lead to selecting the youngsters with the highest probability of success, i.e. those most able to overcome the problems of the transition from school to work. In a sense therefore the most popular programmes may be superfluous because they attract those young people who will "make it" anyway. The efforts of programmes

such as the Community Industry programmes and a few German and Dutch programmes for the hard-core unemployed are therefore highly commendable.

In view of the fact that sufficient resources will probably never be allocated to vocational preparation, closer screening should be seriously considered in order to reach the most disadvantaged youth.

Measures should as far as possible follow the example of Community Industry in purposefully selecting the most disadvantaged. Even if relatively less people are placed in work or further training than in other programmes, it is not necessarily a sign of failure: the satisfactory results of the former measures are the outcome of a selection of the best prepared young unemployed.

Programmes may fail to attract young people simply because no or very small allowances are provided during the period of training. One example may be the failure of the new vocational training system in Denmark to attract young unemployed (see above).

During a period of high unemployment the loss in production of educating and training a person is smaller than usual, and the social costs of educating and training are therefore reduced. If one is convinced that the benefits from a training programme are considerable, cash benefits should be sufficiently high to ensure full utilisation of the capacity of the programme. These cash benefits are after all only a small part of the total costs of a programme.

Another problem relates to the difference in cash benefits between vocational preparation programmes and other vocational training programmes, e.g. apprenticeship-schemes. In France, for example, higher cash benefits in vocational preparation courses may have diverted people from apprenticeship schemes, undermining the whole idea of vocational preparation. In Britain the Manpower Services Commission has decided to pay the same cash benefits in all programmes so as to neutralize this effect.

Some young people do not receive unemployment benefits. They may be attracted to vocational preparation programmes with the sole objective of supplementing their income without any motivation or interest in the training offered.

The length of vocational preparation courses vary considerably between countries. In the United Kingdom the average duration is around 12 weeks, while equivalent courses on the continent last more than 6 months, and often as long as a year. It may be argued that the longer courses should be preferred for it is doubtful whether anyone is properly trained for a task after only a three

months training. But the longer courses may have much higher drop-out rates than the short courses due to the often very low motivation of participants. If the participants of a short course acquire the taste for more training and are able to see the relevance and need for further education and training, then the objective of vocational preparation has been reached. For in countries where short courses are the rule (e.g. the vocational preparation courses run by TSA in the United Kingdom), the road is open to further education and training in ordinary institutions. Nothing, in my view, is lost by using short courses in vocational preparation as long as there are possibilities for further education and training afterwards.

Many people however who enter these programmes want jobs as well as further education. If no jobs are available at the end of the programme, these people may feel they have been through a process leading only to failure. The continued success of such programmes may therefore depend on a parrallel expansion of overall employment prospects.

It is probable that most job skills, general or specific are acquired either formally or informally through on-the-job training after the worker has entered the work place. A survey of occupational training among adult workers in the United States found that only 40% used the skills they had acquired in formal education. The remaining 60% stated that they had acquired all of the job skills through informal, casual on-the-job training. Even two thirds of the college graduates reported that they had acquired all job skills in this informal way. When asked to rank in order of importance the various ways of obtaining present skills, only 12% listed formal training and specialised education (1).

Vocational preparation organised within training institutions can only very rarely simulate the informal process of on-the-job training. The skills obtained will be formal skills, useful as a basis for mastering a number of specific tasks, but rarely the specific skills needed directly for the tasks. This must necessarily be the case, for it is impossible to foresee or forecast the demand for the specific skills needed 6 months or a year ahead, even in the local labour market. For this reason it is very difficult to design government programmes which teach the skills actually used and needed. Thus, short courses of vocational preparation undertaken in training institutions may easily fall between two stools: they provide formal general training but not sufficient to reduce the costs of on-the-job training to the extent

<sup>(1)</sup> Referred to in Lester C. THUROW & Rovert E.B. LUCAS, the American Distribution of Income: A Structural Problem. Joint Economic Committee. Congress of the United States, 1972.

that firms will find it worthwhile to offer employment in order to train people for the specific jobs which may be available, and workers with only general skills will not be needed.

Work experience programmes are most effective when they include on-the-job training: in fact, one may argue that the essence of work experience is the provision of on-the-job training. But during a short course of 3 to 6 months, with no guarantee of a work contract, few employees have any incentive to undertake on-the-job training. For in a situation of general unemployment there is less demand for job skills than usual, and the demand for job skills determines which skills will be taught. Thus, unless the demand for labour in general is increased no on-the-job training will be provided.

In the case of on-the-job training the skilled workers on the factory floor exert a near monopoly in supplying it. In a situation of full employment with scarce labour on-the-job training will be supplied. The skilled workers then have no fear of being replaced. But if they feel that their own position is threatened by providing on-the-job training to potential competitors, they may considerably reduce their efforts. Thus in a situation of unemployment the supply of on-the-job training is cut back by the workers themselves.

These micro-aspects of training seem to be a little heeded in the current debate. But they show that it is one thing to secure the formal co-operation of employers organisations and the trade unions, and quite another thing to persuade the single firm or the skilled worker to participate actively in providing meaningful work experience to young unemployed people.

A common critique of present policies is that programmes seem to multiply, many are almost identical or they overlap to a large degree, which leads to a waste of resources. In addition this "embarras du choix" confuses potential clients and impedes the flow of information on possibilities for vocational preparation. result, authorities in the United Kingdom for example , plan to move towards a more coherent framework to implement measures of vocational preparation, which would ensure, it is hoped, a more efficient provision of vocational preparation. But we must also consider the fact that continuous experimentation is needed in this area and that one prerequisite for experimentation within bureaucratic systems is the construction of new programmes in order to remedy the defects of the old: it is indeed, almost impossible to introduce important changes into an old bureaucratic structure. If we then put all the programmes into a coherent framework, there is the danger that experimentation as such will disappear and that the feed-back process will dry up because the apparatus becomes too all embracing.

In a number of cases vocational training programmes are considered temporary, (e.g. France and the Netherlands). This could well be so, if the present widespread youth unemployment was a short-term phenomenon, likely to be reduced considerably as economies recover stable growth paths. But the evidence is against this: present economic policies will not lead to better employment prospects in the near future, rather there is a danger that unemployment might increase even more. The present level of youth unemployment may be a sign that a structural change has occurred which has reduced permanently the employability of school-leavers with minimal qualifications. If this view is correct, then even an accelerated rate of growth may not have much impact on the level of youth unemployment.

However, permanent vocational preparation programmes introduce other problems. Since the difficulties encountered by young people during the transition period may be due to deficiencies in the school system and the labour market, one can envisage the introduction of certain reforms in both, to cope with these difficulties. But permanent vocational preparation programmes may obstruct such reforms. For if the transition period becomes institutionalized, the incentive within the school system to adapt to changes in the labour market and vice versa, may be eroded. The forces making for change in the school system will be further weakened by the existence of a vocational preparation system coming in between schooling and employment. Thus we may end up with a more rigid school system and a more rigid labour market, because all the problems encountered by young people leaving school will have been referred to the vocational preparation system. The existence of such system may therefore in the end be a serious threat to reforms in the labour market and the school system, contrary to the wishes of most proponents of vocational preparation programmes.

In Italy there is a special situation with regards to vocational preparation programmes because holders of secondary school diplomas and university graduates are the most important categories of young people threatened by unemployment. In this country therefore the target group for vocational preparation needs to be extended both in terms of age and of formal level of education. However, the employment problems of people with a relatively high level of education are not recent. They started many years ago, as shown in the table below.

Table 6. UNEMPLOYED BY LEVEL OF EDUCATION.
PERSONS SEARCHING FOR FIRST JOB. ITALY

	1966	1970	1975
	%	%	%
Illiterate	0.0	0.3	0.2
Primary education - not completed - completed	3.1 34.0	2.3 24.5	1.5 17.2
Completed secondary education	32.3	30.9	35.8
Completed higher education University graduates	26.5 4.1	36.2 5.8	36.3 9.1
Total	100.0	100.0	100.0

Nevertheless, the number of people with secondary and higher education increased continuously between 1966 and 1975. I am inclined to believe that wage differentials between people with secondary and higher education and people with less education, are so large that people prefer to go through secondary school and even higher education, even if they have to wait for a long time to find a job after graduation (1). An effective solution to the labour market problems in Italy would therefore seem to lie outside the school system, and consist of measures which would change the distribution of earnings in favour of people with relatively low levels of education.

This section will be concluded by table 7 below which shows the total number of young people presently enrolled in various programmes of vocational preparation, compared with the training needs estimates presented in table 4. Column II represents only a rough estimate of the numbers enrolled and may not do justice to the efforts of particular countries. The man-year estimates in column III are based on column II and on available evidence on the average length of the various courses. One man-year is equal to 10 months.

<sup>(1)</sup> The characteristics of the Italian labour market described here are also found in a number of countries, where the explanation for these characteristics offered above seems to fit the facts. See M. Blaug: Education and Employment in Developing countries, ILO, Geneva, 1973.

Even if the different estimates were inexact, the relative magnitudes probably convey the correct impression, which is that most countries have a long way to go until sufficient resources are available for vocational preparation.

Table 7. THE NUMBER OF YOUNG PEOPLE ENROLLED IN VARIOUS PROGRAMMES
OF VOCATIONAL PREPARATION 1976-1977 COMPARED TO THE
MAGNITUDE OF TRAINING NEEDS

	I	II	III	IV
	Total number of unskilled	Enrolment	Man-years	Percentage of unskilled enrolled (II:Ix100) %
Belgium Denmark France Germany Ireland Italy Netherlands	61 100-122 200 29 400- 58 600 330 000-660 000 354 000-708 000 23 100- 46 200 326 000-652 000 91 600-183 200	18 760 2 742 48 350 71 578 Negligible Negligible 19 250	8 396 1 352 31 300 67 578 - - 8 740	15,4-30,7 4,7-9,3 7,3-14,6 10,1-20,2 - 10,5-21,0
United Kingdom	331 200-662 400	25 200	13 200	3,8-7,6

# Courses included:

Belgium: a) Courses at the Centres for Guidance and Training.

b) The work experience programme ("les stages des jeunes dans les entreprises et dans l'administration").

Denmark: a) Vocational Preparation Courses.

b) Base-year of EFG-system, the number of places filled by previous unemployed.

France: a) Industrial induction training ("les stages de préformation professionnelle").

- b) Industrial insertion training ("les stages de préparation professionnelle").
- c) A work experience programme ("les contracts emploiformation").

Germany: a) "Berufsgrundbildungsjahr".

- b) Courses at the "Bundesanstalt für Arbeit".
- c) Guided Labour Contracts.

# The Netherlands:

- a) Bridge Courses for Young Unemployed.
- b) The Temporary Scheme for School-leavers Vocational Training Stimulation.
- c) The Temporary Scheme for Pseudo-Jobs for Unemployed Apprentices.
- d) The Temporary Scheme for Subsidising Training Costs for Young Production Workers in the Ready-made Clothing Industry.

# The United Kingdom:

- a) Short Industrial Courses.
- b) Occupational Selection Courses.
- c) Wider Opportunities Courses.
- d) Work Experience Programme.
- e) Community Industry.

# C H A P T E R IV - THE CONTRIBUTION OF VOCATIONAL PREPARATION TOWARDS ALLEVIATING YOUTH UNEMPLOYMENT AND IMPROVING EMPLOYMENT PROSPECTS

This section will be relatively short for the simple reason that very little information is available on the effect of these programmes on unemployment and employment prospects. This is not a surprise however: most of them are new, and until now it has been impossible to evaluate them. In addition there are a number of important methodological problems involved in evaluating such programmes:

- 1. The fact that someone gets a job after a programme of vocational preparation cannot be attributed only to the programme. A number of factors have to be controlled to establish its impact, such as individual maturing, the probability of getting a job anyway (the probability of getting a job without having been through a vocational preparation programme is not nil), changes in local labour market conditions etc.
- 2. The fact that somebody gets a job after a vocational preparation programme is not conclusive evidence that he now belongs to a less vulnerable group in the labour market. Longitudinal studies of one or two years should be undertaken to find out whether the labour market behaviour has changed significantly in the desired direction: comparisons should be made with a control group who has not been through a vocational preparation programme. An assessment of this type is probably within the reach of very few programmes.

American experience shows that there is a small improvement in labour market prospects of successful trainees, but there is little improvement in long-term prospects. Very few unqualified school-leavers manage to break out of the secondary labour market (1)(2).

<sup>(1)</sup> Policy Options for the Teen-age Unemployment Problem. Background paper n° 13, 1976, Congressional Budget Office, Washington D.C.

<sup>(2)</sup> To use the language associated with the theory of dual labour markets, a secondary labour market is characterised by frequent job changes, chronically high unemployment and low and stagnating income with age.

The primary labour market, on the other hand, is characterised by stable jobs, high earnings and low unemployment.

3. The success of individual programmes does not imply that employment prospects in general for young unskilled school-leavers have improved: in so far as one person is placed in a job, another one is displaced. Vocational preparation programmes may therefore result in a lot of effort with no net progress. The person who benefitted from a vocational preparation programme has moved a notch up in the labour queue, but in doing so has pushed someone else downwards. The net effect of such programmes on total employment may in fact be negative, for the amount of resources allocated to these programmes may, depending on the method of financing, reduce private sector investment and consumption, thereby reducing the total demand for labour.

What is at stake is really a redistribution of the amount of skills towards the lower spectrum of the skill distribution. But this requires greater efforts, not only because present efforts are so small when compared to the number of unskilled, but also because the number of highly skilled is still increasing relatively fast in many countries, gradually moving the skill distribution further in the direction of the highly skilled. Thus the long-term labour market prospects of the low skilled may be continuously deteriorating, despite such efforts as vocational preparation programmes. And, the groups suffering high unemployment, gradually become less skilled because they are deprived of on-the-job training.

With these considerations in mind, we shall review the information available -for Denmark, France, Germany and the United Kingdomon the impact of vocational preparation programmes; we shall attempt to determine the proportion of trainees who find a job upon completing their training programme. The courses of vocational preparation in Denmark seem moderately successful in that between 30 and 50 % obtained a job and around 30% went on to further training. The same impression is conveyed by the assessment of "les stages de préparation professionnelle" in France where on the average 48% obtained work or entered an apprenticeship. The experience from Germany is somewhat conflicting. While only one third of the Guided Labour Contract Programmes leavers were unemployed for quite a long time after completing the programme, 2/3 of the participants in the "Berufsbildungsjahr" could not enter an apprenticeship after having successfully completed this type of education.

We have already described the effect of courses at the Federal Institute of Labour on training and employment prospects. For completeness we shall repeat the main results here. The basic training courses preparing for vocational training in industry have on the average succeeded in placing 50 per cent of the participants upon completion of the course. In the other basic training courses not specifically designed to prepare for further vocational training,

the chance of securing an apprenticeship contract after completion of a course is considered minimal.

The integration courses which prepare young people with learning difficulties for employment has experienced growing difficulties in placing people in further training, at the same time as the number of young people attending these courses has risen sharply. In the beginning of the 1970's it was possible to secure further training for half of the participants, but in recent years this figure has fallen below 20 per cent.

For men the probability of securing further training by attending a promotion course is as high as 98 per cent, while only two thirds of the girls obtain further vocational training.

The participants to the TSA-courses in the United Kingdom seem to find jobs rather quickly. It has been estimated that about half of them find a job immediately upon completing the course and in a follow-up study in Bradford, 80% found a job within the three months following the end of their courses. This corresponds to an average duration of unemployment for the under 25 of about three months in the 1976-1977 period (1).

The drop-out rate does not imply that the programmes have failed, one has to consider also the motivation and interest of those joining the programme, and one cannot control such factors. But drop-out rates may indicate the proportion expected to benefit from vocational preparation programmes; in Belgium, only 34.0% of those who entered the so-called centres for guidance and training completed the programme successfully, 31.3% completed the traineeship in enterprises but only 5.7% of the original entrants went on to further training after that. The situation in France is better in that 64.5% of the participants in the industrial induction course completed it successfully. In Germany the drop-out rate in the Guided Labour Contract programmes was low. Only 15% dropped out during the first six months and became unemployed. The data presented here are obviously not sufficient to draw any definite conclusion, particularly on the long-term effects. But the programmes surveyed do not convey an altogether bleak picture, and we shall probably be reasonably satisfied if it turns out that these results give a correct impression of the effects of present programmes of vocational preparation.

<sup>(1)</sup> G. HUTCHINSON: Occupational Choice and Motivation of Youth: United Kingdom, London, 1977.



### SUMMARY

During the 1970's youth unemployment has become a serious social and economic problem in the Member States of the European Community. For the EEC as a whole, the unemployment rate in the age-group 14-19, is almost three times the total rate of unemployment. This estimate may even be on the low side if we count some of the inactive persons among the unemployed.

The labour market is strongly divided in two: a primary sector with stable employment and a secondary labour market with very high unemployment. This is most clearly seen when we compare the unemployment rate of 14-19 year old boys with that of 45-49 years old men. According to the Labour Force Survey undertaken in all EEC countries in 1975, the latter was only 2.0% for the EEC as a whole while the former was almost 5 times higher or 9.4%. Even if this difference may overstate the relative importance of the unemployment problem among the young, due to the shorter duration of unemployment in this age-group, there is no doubt that differences in unemployment by age are unacceptably high and prevent the necessary social and economic integration of the groups in the labour market.

Although the differences in unemployment rates between young people and adults show the importance of work experience, other factors are equally important in determining the level of unemployment among the young. There is for example within each age-group a clear and distinct relationship between the level of unemployment and the skill level (Italy may be an exception). Young people without primary school certificates are the most vulnerable group, and this indicates the importance of basic skills. Even a rudimentary education beyond this stage reduces considerably the risk of becoming unemployed. In Germany for example, the risk is many times higher for a young person without any vocational training than for a drop-out from an apprenticeship scheme.

The least skilled cannot even benefit from on-the-job training, as they usually enter jobs where little or no training is provided.

The high rate of job-change per year among young people may be a sign that the search for a suitable job is ineffective due to a

lack of information; vocational guidance may be needed to reduce the waste of effort devoted to job search.

The characteristics of youth unemployment sketched above, has led the Commission to recommend that member countries introduce vocational preparation programmes to alleviate youth unemployment. Such programmes should include:

- a) Vocational guidance.
- b) Strengthening of basic skills as well as of social skills needed at work.
- c) Understanding of basic principles of social and economic organisation, rights, and duties of workers.
- d) Some specific vocational training.
- e) Practical experience of work.

The specific concern of the Recommendation is the category of young people who are either unemployed or threatened by unemployment and lack formal educational qualifications. In this paper we have attempted to estimate the size of the target group by using the following indicators:

- 1. The number of unskilled under 20 years of age, measured against the population aged 16-19.
- The number of unskilled among the unemployed under 20 years of age.

Information of these indicators was only available for a few member countries. Information on indicator 1 exists for only three countries, Denmark, Germany and the U.K. giving the number of unskilled as a proportion of the 16-19 year olds as 16.5 per cent in Denmark, 10 per cent in Germany and 10.1 per cent in the U.K. In addition U.S.A. data indicate that 20 per cent of the 17 year olds could be regarded as unskilled. As alternative estimates of the number of unskilled in the population 16-19 we used 10 per cent and 20 per cent.

Concerning indicator 2, information available for Belgium, France and Germany showed that the unskilled as a proportion of the unemployed under 20 seemed to lie somewhere between 30 and 50 per cent. These numbers were then used as a basis for alternative estimates of the number of unskilled among the unemployed. For Italy however, 30 per cent unskilled in the ordinary sense among the unemployed is probably an overestimate since the large majority of unemployed in Italy are holders of secondary school certificates or are university graduates.

In the case of Denmark and Germany information was available on the number of unemployed actively looking for some kind of vocational training. These people represented only a small proportion of the unemployed, the large majority seeking only employment; this may indicate that the number of people who would voluntarily enrol in a vocational preparation programme, is far lower than the number of unemployed or threatened by unemployment. A survey of the estimates of training needs is presented in table 4 (see page 15).

The next step was to confront the existing programmes to alleviate youth unemployment in member countries, with the proposals contained in the Commission Recommendation, as well as with the estimated training needs.

Very few programmes, if any, meet all the requirements set out in the Recommendation, but some of them seem to come very close such as the vocational proparation courses in Denmark, the "stages de préparation professionnelle" in France and the set of courses organised by the Training Services Agency in the United Kingdom as well as Community Industry in the same country. The latter needs special mentioning as it is to my knowledge the only programme where the least skilled are actively encouraged to enrol in the programme.

Vocational preparation courses introduced in the member countries are available only for a minority of the young unemployed. from a pilot scheme recently introduced in the United Kingdom, there are no training opportunities for people who have a job but are threatened by unemployment. Some of the programmes have been implemented as preliminary measures to combat youth unemployment, even though all available evidence shows that this is not a temporary phenomenon. The conclusion therefore seems to be that vocational training programmes need to be expanded considerably and made permanent to have an appreciable impact on employment prospects of young people. When intake is limited in a particular vocational training programme, there is a danger that only the most motivated and best qualified are accepted. Experience with such programmes from Belgium and especially from the United States tends to show that groups participating in equivalent programmes do not normally represent the most disadvantaged groups, unless participants are deliberately screened. The most disadvantaged often disappear from the labour market and are very difficult to reach by traditional methods. Thus rationing leads to a selection of youngsters with the highest probability of success and with least problems in overcoming the problems of transition from school to work. In a sense therefore the most popular programmes may be superfluous because they attract those young people who will make it anyway. The effort of programmes such as Community Industry in the United Kingdom, which deliberately seeks out the most disadvantaged is therefore highly commendable.

Very little information is available on the relative success of vocational preparation programmes undertaken in EEC countries. This is not surprising as most programmes were introduced only very recently and as a thorough evaluation is extremely tricky.

Three main problems connected with the evaluation of such programmes must be mentioned:

- a) the fact that somebody gets a job or goes on to further education or training after completing a vocational preparation programme is not conclusive evidence of the effectiveness of the programme, since the probability of getting a job or continuing to further education is not nil for someone not attending a programme;
- b) success in a vocational preparation programme does not necessarily mean that a person no longer belongs to a vulnerable group in the labour market. This can only be established through longitudinal studies of one or two years which will show whether labour market behaviour has changed significantly. (Hence the need for a long period of evaluation);
- c) the success of individuals in such programmes may hide the fact that their overall impact may be negligible. For in, so far as one is able to place a person in a job, one only displaces another unskilled school-leaver. The result may therefore be a lot of gross effort with no net progress. The information available nevertheless indicates that young people who successfully go through a programme, experience less problems in overcoming the problems of transition to working life than the average unskilled school-leaver. A good example is given by the TSA-courses in the United Kingdom where 50% of the participants obtained work immediately after their training. Data on drop-outs are scarce and conflicting; the relative number of drop-outs is of course no measure of programme efficiency, but it may indicate the ability of participants to benefit from such programmes. In Belgium for example only 18.9% completed successfully the programme at the centres for guidance and training while in an equivalent but longer course in France 64.5% completed it successfully.

TEXT OF COMMISSION RECOMMENDATION

### COMMISSION RECOMMENDATION

of 6 July 1977

to the Member States on vocational preparation for young people who are unemployed or threatened by unemployment

(77/467/EEC)

I

### BASIS FOR ACTION

### The employment problems of young people

- 1. Youth unemployment in the European Community has grown continuously since 1970. The level of youth unemployment has more than doubled since 1973. In the spring of 1977 approximately 2 000 000 young people under 25 in the European Community were unemployed.
- 2. The outlook is uncertain. The expected improvement in the economic situation should result in some increase in employment. In most Member States the increase in demand for output is leading to a revival in the demand for labour. It remains to be seen whether this demand will be adequate to absorb the available labour.
- 3. In addition the potential labour supply in Member States is expected to increase by about two million people between 1976 and 1980 owing to a significant increase in the number of people entering the labour market and a fall in the number of those retiring. Unemployment as a whole will remain a serious socio-economic problem, and youth unemployment may become more acute. In the longer term (from about 1985 onwards) the situation should become easier as the young people born in the years of low birth rates since 1968 start entering the labour market.
- 4. Youth unemployment is not caused solely by quantitative factors. It is also the outcome of a growing difference between the characteristics of the young people entering the labour market and the nature of the jobs which the economy provides for them, particularly in terms of the level of qualifications and the conditions of work.
- 5. It is always a serious matter for young people to find that work cannot be obtained when they enter the labour market. The traumatic effect of being rejected from active participation in economic life

before one has even had the experience of a job and the independence which this gives tends to warp the attitude of young people to work itself, to job mobility and to society at large for many years ahead.

6. To solve the unemployment problems of young people calls for action over a wide range: economic policy, education policy, labour-market policy, in which the Communities have already started a number of actions.

However, in the Commission's opinion, the most urgent task is to help those young people who are unemployed or threatened by unemployment and who have no opportunity for vocational training. Hence the Commission has decided, as a first step, to draw up a recommendation concerning the vocational preparation of young people in this specific category. The Commission concurs with the opinion expressed by both the European Parliament and the Economic and Social Committee that this recommendation should be supplemented by additional (and possibly more binding) measures to promote the employment of young people.

- 7. The decision as to priority meets the wish of the Social Partners as it was expressed at the meeting of the Standing Employment Committee of 3 June 1975, and the concern expressed on numerous occasions by Ministers of social affairs. There have been intensive consultations with the national authorities and with the Social Partners; the experience of certain Member States in this field was also taken into account.
- 8. During the preparatory work, it became apparent that it was helpful to distinguish young people in employment difficulties according to their situation:
- the situation of young people who are unemployed and who have never received adequate vocational training,
- the situation of young people who have found employment without having received vocational training, and for this reason are threatened by unemployment,

- the situation of young people who have received a vocational training but who have either been unable to find a job or have lost their job.
- In agreement with the Social Partners, the present recommendation is aimed at the first of these situations, which covers, in most Member States, a substantial proportion of the unemployed. The second situation is also covered in the present recommendation in so far as the problems of these young people are the same as those of the young people in the first situation. On the other hand, the problems of young people who have received vocational training are of a different character and, for this reason are not covered in this recommendation.

# The relation of this recommendation to other action of the Community

- This recommendation is situated in the context of the previous actions of the Community in the field of vocational training. The 1963 Council Decision on the General Principles for Implementing a Vocational Training Policy provides that 'in conformity with these general principles and in order to obtain the objectives stated therein, the Commission may propose to the Council or to the Member States, within the framework of the Treaty, such appropriate measures as may appear to be necessary' (1).
- The General Guidelines for the Development of the Programme of Vocational Training at Community Level (2) accepted by the Council on 26 July 1971 reinforced the Council's intention that vocational training should be used as an instrument of an active employment policy. The Recommendation of the Commission on Vocational Guidance (3) has already called upon Member States to develop vocational guidance for young people and adults; to adapt the organizational development of vocational guidance and its means of action to the needs of the population; to be concerned with better continuity in vocational guidance and its close cooperation with employment offices, and to strengthen the general coordination of the vocational guidance and other services; and to strengthen cooperation within the Community.
- The Social Action Programme approved by the Council in 1974 (4) includes the examination by the

Commission of the possibility of developing Community initiatives to help, among others, unemployed school leavers. The Council Decision of 22 July 1975 (5), to make grants from the European Social Fund available to young unemployed people, particularly those seeking their first employment, represents an initial step in this direction. The proposed recommendation represents another. The Commission intends as far as possible to take into account the terms of the recommendation in the allocation of Social Fund grants to training programmes for young people.

The problems of transition from school to work are also being tackled in the Action programme in the field of education approved by the Council and the Ministers of Education meeting within the Council on 9 February 1976 (6).

The specific measures to be taken were enumerated in a subsequent resolution in December 1976 (7). At Community level they include pilot projects, studies and visits, as well as the preparation of reports and statistics.

Certain aspects of the employment problems of women and girls are dealt with in the Council Directive of 9 February 1976 (8) on the equal treatment for men and women as regards access to employment, vocational training, and promotion. This Directive lays down the principle of non-discrimination between men and women in, inter alia, vocational training. In accordance with this principle, the present recommendation applies with equal force to young men and young women without discrimination. However the special problems of young women in the field of vocational training require additional measures which the Commission is currently preparing.

### The target category of young people

The specific concern of this recommendation is the large number of young people who enter the labour market every year without adequate preparation tor the world of work. They leave school at the minimum school leaving age (which in the Community ranges from 14 to 16 years), often with a poor effective command of the basic skills. Since at present they receive little guidance or training, they have difficulty in finding employment at times when the general level of unemployment is high. Thus it is this category of young people which needs the help of well integrated guidance, training and placement services.

<sup>(1)</sup> Decision 63/266/EEC; OJ No 63, 20. 4. 1963 - Fourth

principle. OJ No C 81, 12. 8. 1971, p. 5.

<sup>(2)</sup> OJ No 154, 24. 8. 1966, p. 2815/66. (4) Council resolution of 21. 1. 1974; OJ No C 13, 12. 2.

<sup>(\*)</sup> OJ No L 199, 30. 7. 1975, p. 36. (\*) OJ No C 38, 19. 2. 1976, p. 1. (\*) OJ No C 308, 30. 12. 1976, p. 1. (\*) OJ No L 39, 14. 2. 1976, p. 40.

- 16. The recommendation should provide help for those young people who, without any prior vocational training, have found work of an unskilled type. Such work is often subject to redundancy at short notice. The recommendation therefore also covers young people who have or have had a job of this type. The aim is to improve their chances of keeping their jobs or of finding new jobs.
- 17. The action proposed in this recommendation should in no way be regarded as affecting the efforts of Member States to expend their general vocational training system.

### Vocational preparation

- 18. The principal object of this recommendation is to promote, in the Member States, means of providing, at the end of compulsory schooling, an appropriate vocational preparation for young people who have no other opportunity to receive vocational training either at school or with an employer. The term 'vocational preparation' is used in this recommendation to designate those activities that aim to assure for young people a satisfactory transition from school to work by providing them with the minimum knowledge and skills necessary for working life.
- 19. Despite the progress made in recent years in the area of vocational training, a large proportion of school leavers in the Community still receive little or no vocational training either before or after leaving school. Even at times of full employment the transition from school to working life is often a painful and frustrating experience. When work is difficult to find this experience of unemployment in the early years may affect the attitude to work of young people throughout their lives.
- 20. Hence governments should assume the responsibility for ensuring that unemployed young people receive effective vocational preparation. The form and content of such preparation will vary according to the content of the compulsory education provided by the individual Member State, the needs of its labour market, and the needs of the young people concerned.
- 21. The young people who have the greatest difficulty in finding jobs are often those who also have benifited least from what the school system was able to offer. They may therefore already have begun to consider themselves failures and be lacking in confidence. Their knowledge of career opportunities is also

likely to be limited. Hence the provision of vocational guidance becomes more important and should include the assessment of aptitudes and abilities using methods that do not rely solely on the school record, so that advice on appropriate job opportunities and the appropriate training for them may be given.

- 22. The school leavers who have the poorest results also often lack basic skills that are taken for granted in the adult world. They find it difficult to understand instructions, to complete forms, to communicate effectively by word of mouth and writing, and to use the social and other services provided by Member States. Hence some reinforcement of basic knowledge and skills, and help with the application of these to practical situations is likely to be needed.
- Many of those who leave school at the minimum school leaving age do so because they find the school atmosphere uncongenial and unresponsive to their adolescent interests. Therefore the vocational preparation proposed should be set in a context appropriate to young adults and related closely to their practical needs. Formidable tasks remain in developing the right approaches and systems. It is possible that the relevant methods and techniques in the field of adult education and training which have been developed in the Member States since the Second World War may be useful. The preparation should equip young people not only with the social skills needed at work, but also provide basic practical training in a well defined area of skills, such as building, engineering or office-work. This basic training should be so designed as to enable the trainee to undertake a specific job in the chosen area and also qualify him to move into recognized courses of operative or craft training.
- 24. Since the problems of many young people also stem from ignorance of the world of work, contextual studies and practical experience should form part of vocational preparation:
- (i) contextual studies would include material relevant to people at work, such as the basic principles of economic and social organization, the law relating to social security and employment, the roles of management and of trade unions, the nature of the world of work, industrial safety and hygiene, industrial relations and the use of guidance, training and placement services;

- (ii) practical experience of work could be provided by various means which could include one of the following:
  - (a) encouraging employers, where appropriate by means of incentives, to take on young people for periods of practical experiences without commitment.
  - (b) simulating work experience in the training context.
  - (c) organizing a publicly financed work-creation programme.
- 25. Where vocational preparation involves 'in-plant' training or work experience provided with aid from public funds, it is important that this is organized so as to achieve the greatest benefit for the trainee. There is a danger that the training or work experience will be too limited in scope, restricted to specific skills of immediate utility, i.e. its content will be influenced more by the need of the employer for immediate production than by the broader needs of the trainees. Hence it is necessary for public authorities to take measures to ensure the quality of such 'in-plant' training and work experience.
- 26. In order to ensure that no obstacles are placed in the way of young people who wish to undertake such vocational preparation, governments should take action in two areas:
- (i) young people threatened by unemployment should be given reasonable leave of absence from their work in order to attend such courses, with the aim of enabling them to keep their jobs or to find new jobs;
- (ii) all young people attending these courses (both those who are unemployed and those in employment) should be paid maintenance allowances. The allowance should be related to means and should be sufficient to cover reasonable living expenses, fees (if any) and the incidental costs of the courses, and should be large enough to ensure that young persons attending such forms of vocational preparation are financially better off than they would be if they remained unemployed.
- 27. In order to achieve the recommended objective of providing adequate vocational preparation for all unemployed young people, it will be necessary to use all existing and potential educational and training resources. The Social Partners have both resources and experience to contribute and should therefore be associated with the planning, organization and implementation of vocational preparation programmes.

The coordination of legislation relating to compulsory school attendance and to access to work

28. In one Member State the minimum school leaving age is lower than the minimum age at which young people may begin work or apprenticeships or attend training courses at institutions run by the employment services, since these activities are classified as work. Clearly this situation is unsatisfactory. Until the school leaving age is raised to close the gap between it and the minimum age for work the law should be changed so as to permit school leavers to undertake vocational training or to take up employment.

### The coordination of services

29. It seems necessary to draw attention in this context to the importance (recognized previously in the Recommendation of the Commission on Vocational Guidance (1) to the importance of close coordination of the activities of guidance, training and placement. In particular it is important that the vocational guidance and vocational training services work in close liaison with the placement services. At present this does not always occur since in a number of Member States the responsibility for the different services continues to rest with different government departments or agencies.

### Statutory basis

The Commission of the European Communities has therefore prepared the following recommendation to the Member States. The recommendation finds its basis in those provisions of the Treaty of Rome which are directly concerned with the employment and training of young people. These include Article 117 which expressly stresses the need for an improvement in the living and working conditions of workers; Article 118 which assigns to the Commission the duty of promoting close cooperation between Member States on social problems, particularly on employment, and basic and advanced vocational training; the general principles for implementing a common vocational training policy laid down by the Council on the basis of Article 128. The recommendation is based on Article 155, which empowers the Commission to formulate recommendations.

<sup>(1)</sup> See paragraph 11.

### RECOMMENDATION

### Introduction

1. On these grounds and as a first action to promote the employment of young people, the Commission of the European Communities, pursuant to the objectives and terms of the Treaty establishing the European Economic Community and in particular to Article 155 thereof, to the Decision of the Council of Ministers of 2 April 1963 and after consulting the European Parliament (1) and the Economic and Social Committee (2) recommends to the Member States that they take the measures set out below.

### A. VOCATIONAL PREPARATION

- 2. Vocational preparation should be made available to young people between the end of compulsory attendance and the age of 25 who are either unemployed or thereatened by unemployment, and who have no other opportunity for vocational training. Where necessary, priority should be given to those who leave school with no formal educational qualifications.
- 3. The object of vocational preparation should include, as appropriate:
- (a) vocational guidance, aimed at relating the aptitudes and interests of the young person concerned to training and to employment opportunities;
- (b) the reinforcement and application of basic skills such as oral and written expression and elementary mathematical calculation, as well as the social skills needed to work:
- (c) understanding the basic principles of economic and social organization, the law relating to social security and employment, the roles of management and of trade unions, the nature of the world of work, industrial safety and hygiene, industrial relations, and the use of guidance, training and placement services;
- (d) practical initial training in a broad skills area which is so designed as to enable the trainee to undertake a specific job in the chosen area and also qualify him to undertake more advanced training at a later stage;
- (1) Resolution of the European Parliament embodying its opinion on the recommendation: 18 November 1976. OJ No C 293, 13. 12. 1976, p. 48.
- (2) Opinion of the Economic and Social Committee on the draft recommendation: 26 January 1977. OJ No C 61, 10. 3. 1977, p. 25

- (e) practical experience of work, either in an enterprise or by such other means as provide equivalent experience.
- 4. Vocational preparation should use modern teaching methods appropriate to the age and adult status of the young people.
- 5. In providing vocational preparation full use should be made of all existing training resources and experience including those of employers, trade unions, and other appropriate bodies. The Social Partners should be associated with the planning, organization and implementation of vocational preparation.
- 6. Where vocational preparation involves the financing from public funds of in-plant training and/or work experience, public authorities should ensure that both the training and the work experience is of good quality and relevant to the needs of the young people.
- 7. Young people threatened by unemployment should be given reasonable leave of absence from their work in order to undertake vocational preparation, with the aim of enabling them to keep their jobs or to find new jobs.
- 8. Allowances sufficient to cover maintenance, fees (if any) and the incidental costs of courses should be paid, in accordance with means, to young people attending publicly approved forms of vocational preparation. The maintenance allowance should be large enough to ensure that young people attending such forms of vocational preparation are financially better off than they would be if they remained unemployed.
- Action should be taken to inform young people of the schemes of vocational preparation available and of the facilities provided to enable them to follow the courses.
- B. COORDINATION OF LEGISLATION RELATING TO COMPULSORY SCHOOL ATTENDANCE AND TO ACCESS TO WORK
- 10. The Member States shall examine their legislation and take such steps as may be necessary to ensure that young people who leave school at the minimum school leaving age are not prevented by legal restrictions from undertaking vocational training or taking up employment.

### C. THE COORDINATION OF SERVICES

11. The Member States should ensure that there is effective coordination between the vocational guidance services, the vocational training services and placement services. In order to ensure full information about the condition of the labour market Member States should ensure that employers and trade unions are associated with these services at both national and local levels.

### D. TIMING AND REPORTS

12. (a) The Member States shall inform the Commission before 31 December 1978 and at yearly

- intervals thereafter of the measures that they have taken to implement this recommenda-
- (b) The Commission will periodically publish a report on the action taken by Member States to implement this recommendation.

Done at Brussels, 6 July 1977.

For the Commission

Henk VREDELING

Vice-President

## European Communities - Commission

# Analysis of vocational preparation in the Member States of the European Community

By Olav Magnusson, Institute of Education, European Cultural Foundation

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This report analyses the provision of vocational preparation in the European Community, in the context of the Commission's Recommendation of 6 July 1977 to the Member States on vocational preparation for young people. The report assesses the present needs and existing provision of vocational preparation in the Member States for young people between the end of compulsory school and the age of 20, who are either unemployed or threatened by unemployment and who have no other opportunity for vocational training. It is divided into four chapters, the contents of which are as follows:

- A short survey of youth unemployment problems with special emphasis on the factors influencing youth unemployment.
- The magnitude of the problem in terms of numbers and training needs in the various Member States.
- III. A survey of existing provision of vocational preparation in the Member States, and an assessment of these programmes on the basis of the measures proposed in the Recommendation.
- IV. The contribution of existing programmes towards alleviating the unemployment or improving the employment prospects of the young participants in these programmes.

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