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What does it take to become employable? Guiding young people into the labour market

Joint seminar of EU Agencies hosted by the European Parliament: working together for youth unemployment — From education to the workplace: a global challenge

1. The role of vocational education and training in youth employment

1.1. VET is key to meeting labour-market requirements

Analysis of current and future skill needs indicates that jobs requiring medium-level qualifications (most of them calling for a vocational qualification) account for around 50% of all jobs and that this proportion will remain stable over the next decade. However, ongoing structural changes suggest that there will be a higher proportion of jobs requiring high-level qualifications (up to about 31% of jobs in 2020) and a lower proportion of those requiring only low-level qualifications.

This means that vocational education and training (VET) will remain one of the major qualifying pathways for the labour market. It also means that:

- VET provision should be diversified and developed at the higher qualification levels (post-secondary and higher education);
- VET should play an inclusion function by attracting young people who would otherwise drop out of education with only low levels of qualification and so face increasing difficulties in the labour market.

1.2. Large share of youth cohort with VET qualifications

In 2009, about 48% of young people in the EU aged 25 to 34 held a medium-level qualification (around one-fifth had only a low level of qualification and about one-third a high level of education). Of those qualified at medium level, just over 70% graduated from VET.

Millions ■ Low qualification ■ Medium qualification ■ High qualification 250 200 31% 28% 23% 150 48% 49% 50% 100 50 29% 23% 19% 0 2015 2016 2018 2014 2007 2017 2 201

Figure 1. Past and likely future labour demand by qualification, 15-64 year-olds in the EU-27+

NB: EU-27+ refers to the 27 EU Member States plus Norway and Switzerland Source: Cedefop (IER estimates based on E3ME, EDMOD and BALMOD).

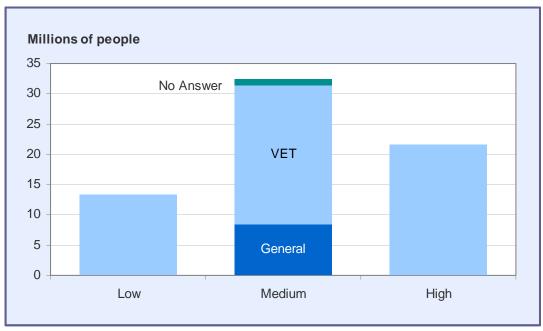


Figure 2. Young adults (25-34 year-olds) by educational attainment and programme orientation, EU, 2009

NB: Data are still undergoing validation and results should not be used or quoted in any publication
Source: Cedefop calculation based on Eurostat, Labour Force Survey, 2009 Ad Hoc Module on transition of young people into the labour market.

1.3. Low- and medium-level qualifications are most affected by the crisis

While tertiary education appeared to have provided some protection against unemployment during the economic crisis, young people with low levels of education have been badly hit. Young people with medium-level qualifications have also suffered, although less than those with low levels of education.

% 25 Pre-primary, primary and 20 low er secondary education 15 Upper secondary and postsecondary non-tertiary 10 education 5 Tertiary education n 2010 Q1 2008 Q1 8 2006 Q1 g g 2005 2009

Figure 3. Unemployment rates of young adults (25-34 year-olds) by highest educational attainment

Source: Cedefop calculation based on Eurostat, Labour Force Survey, extraction 24.05.2011

1.4. VET offers young people better employment chances than does general education

Again considering people with medium-level qualifications, more than three-quarters of young people aged 25-34 with VET qualifications were employed in 2009. While people from VET are less likely to go on to further education, the likelihood of being unemployed for people with a medium-level VET qualification is 2.4 percentage points lower than for those with a medium-level qualification obtained in the general stream. At tertiary level, academic (ISCED 5a) and vocational (ISCED 5b) graduates perform equally well in managing the transition to the labour market.

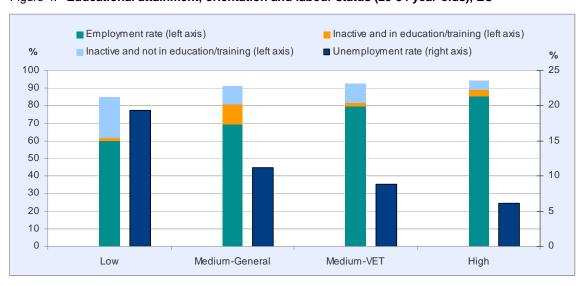


Figure 4. Educational attainment, orientation and labour status (25-34 year-olds), EU

Source: Cedefop calculation based on Eurostat, Labour Force Survey, 2009 Ad Hoc Module on transition of young people into the labour market. Notes: Data are still undergoing validation and results should not be used or quoted in any publication

1.5. VET graduates as entrepreneurs

As underlined in the Agenda for New Skills and Jobs, entrepreneurship and selfemployment should become a more widespread means of creating jobs and fighting social exclusion. This is particularly true when it comes to reducing youth unemployment. Here again, VET appears to offer some comparative advantage to young people. Evidence shows that young people with medium-level VET are more likely to be self-employed than those from the general stream. Young adults with VET also account for the largest proportion of the self-employed in this age group: 2.3 million people.

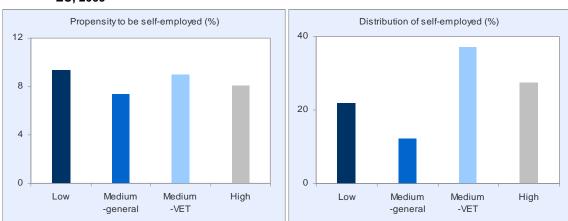


Figure 5. Professional status of young adults by educational attainment and programme orientation, EU, 2009

Source: Cedefop calculation based on Eurostat, Labour Force Survey, 2009 Ad Hoc Module on transition of young people into the labour market. Notes: Data are still undergoing validation and results should not be used or quoted in any publication

2. Young people benefit from support measures when managing the transition to jobs

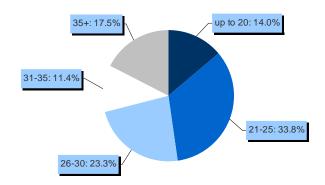
2.1. Documenting skills and competences – Europass

Europass (¹) has been very popular with young people since its launch in 2005. About 50% of the Europass CV online users (12.6 million CVs completed online and 15 million CV templates downloaded from the Europass website (²)) are aged 16-25. Young people with limited work experience appreciate the space provided in the 'Personal skills and competences' section of the CV to mention skills acquired in non-formal settings. Moreover, feedback provided by the National Europass Centres shows that young jobseekers make use of the Europass Mobility to demonstrate the learning outcomes acquired abroad, including in voluntary work.

⁽¹⁾ http://europass.cedefop.europa.eu/. See Cedefop's Briefing Note '10 Million Europass CVs generated online' on the Cedefop website at http://www.cedefop.europa.eu/EN/Files/9031_en.pdf

⁽²⁾ State of play: 30 April 2011, see statistics at http://europass.cedefop.europa.eu/europass/home/hornav/Statistics.csp

Figure 6. Use of the Europass CV online by age group



2.2. Information, guidance and counselling

Information, guidance and counselling play a key role in matching individuals with the education, training and jobs that suits them best. They help individuals to fulfil their potential and respond adequately to the challenges they encounter during learning trajectories and work careers. They also help to improve self-knowledge and self-confidence and support education and career decisions by providing individuals with a better understanding of the learning, career and employment options that suit them best. Guidance and counselling, together with education and training, also help to develop career management skills, i.e. the skills that allow people to find and secure employment, proactively develop a career and be aware of their preferences, abilities, aspirations and limitations. Guidance and counselling also play a role in providing young people with access to support networks and services. Consequently, public employment services and other actors (such as NGOs) should also be involved in providing guidance.

Guidance is a fundamental part of any policy that aims at speeding up the education-to-work transition and reducing the economic and social costs associated with early school leaving. In the absence of professional guidance, guidance provided through informal and non-formal means can be vital, but access to formal guidance should be available to all, especially young people at risk of exclusion. Guidance services should be tailored to the specific needs, interests and preferences of young people. They must rely on a variety of delivery channels, combining online services and tools with traditional face-to-face counselling. For guidance to have an impact, it must not be not seen as an isolated policy but one that is closely linked to education/training policy, labour market policy and economic and social policies.

2.3. Entrepreneurial learning

Entrepreneurship is a source of economic growth and job creation. However, it is not only a means of creating new businesses; it should also be considered as a general mind-set that should guide everyone's actions throughout their careers, in work environments and in daily life. Entrepreneurship in Europe should be developed by providing entrepreneurship programmes and developing entrepreneurial learning in education and training. Guidance and counselling also has a role to play in promoting entrepreneurship as a career option for all and developing entrepreneurial attitudes.

There are a number of entrepreneurship-oriented activities that initial VET institutions throughout Europe have introduced to ensure that students become familiar with the fundamental principles of entrepreneurship: initiative, pro-activity, creativity, independence, confidence, innovation and determination. Those activities are intended to encourage an entrepreneurial attitude rather than emphasise business mechanisms like accounting and marketing.

3. Conclusion

Young people can reinforce their employability by choosing a professional qualification that is suited to them, developing their career management skills and learning to learn competence, by being aware of their own personal attributes, capacities and abilities, and finally by being able to adequately document and promote their knowledge, skills and competence in the labour market.

VET is a key structural element of education and employment policies; it is instrumental in matching young people to jobs and it facilitates the transition to the labour market. Support measures such as the Europass, guidance and counselling and the development of entrepreneurial attitudes help to make the transition smoother.

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