Youth unemployment

Belgium

Falke Tibax Finlay Weise Margo Natadiredja Marlon Sinnaeve Maxime Willems

INDEX

Ir	INTRODUCTION			
1	РО	DLICIES IN BELGIUM	3	
	1.1	FEDERAL POLICY	3	
	1.2	Policies in Flanders, Brussels and Wallonia	4	
	1.	.2.1 Flanders	4	
	1.	.2.2 Brussels	4	
	1.	.2.3 Wallonia	5	
	1.3	POLICIES IN ANTWERP	5	
2	VO	DCATIONAL TRAINING: TRAININGS & INTERNSHIPS	6	
3	PR	ROGRAMS OR MECHANISMS TO AVOID SCHOOL DROPOUTS	6	
4	SP	ECIAL YOUTH EMPLOYMENT PROGRAM: GOALS	6	
5	ТА	ARGETED PROGRAMS FOR YOUTH WITH SPECIFIC CHARACTERISTICS	7	
	5.1	PROGRAMS FOR EMPLOYMENT INTEGRATION OF YOUNG PEOPLE WITH DISABILITIES	7	
	5.2	EMPLOYMENT PROGRAMS FOR YOUNG PEOPLE WITH SOCIAL PROBLEMS	8	
6	EU	JROPEAN EMPLOYMENT STRATEGY	. 9	
	6.1	European Employment Strategy	9	
	6.2	RETHINKING EDUCATION	9	
	6.3	HOW IMPLEMENTED IN BELGIUM?	10	
	6.4	HOW IMPLEMENTED IN FLANDERS?	10	
	6.5	HOW IMPLEMENTED IN ANTWERP?	10	
С	CONCLUSION11			
7	RE	FERENCES	11	

Introduction

Belgium is a federal state. This means that Belgium has multiple regions, alongside their respective governments. The prime minister is the representative head of the state, and he leads the federal government. Belgium has three regions and three communities. Each has an autonomous government and parliament that holds as much power as the federal one. The regions are mainly defined by geographical standards. The communities are defined by language and culture, as Belgium has three national languages: Dutch, French and German. This means that each region has its own policies, parallel with the federal policies.

As of October 2012 Flanders has roughly 50 000 unemployed people under the age of 25, this comes down to an estimated 23,7% youth unemployment. This is an increase of almost 20% compared to the same situation last year. Brussels scores an estimated 13,9% youth unemployment. Wallonia scores an estimated 23,4% youth unemployment. Just like Brussels, Wallonia has an overall higher unemployment rate compared to Flanders. According to Eurostat, in 2011 Belgium as a country had a youth unemployment rate of 18,7%. The overall youth unemployment rate of the European Union is 21,4%. This means that Belgium has an average score compared to the other member states.

1 Policies in Belgium

1.1 Federal policy

The federal government organizes policies concerning social security, labour law, collective bargaining and fiscal policy. They are responsible for the employment in Belgium and organize internships. The RVA (national employment office) is a public institution for social security. The goals of the RVA are activation, prevention, reintegration, information, supervision and reconciling private life and the labour market. The RVA offers unemployment insurance and some employment measures.

Starting January 1st 2013, the RVA will create a new measure for lowly educated young people. They will be able to start working full-time in ready-to-go internships (see 1.2.1). The VDAB, the Flemish public employment office (see 1.2.1), will elaborate this provision. These internships offer young people the opportunity to get acquainted with the labour market and become active members of society. Instead of obtaining an income replacement, the student receives 900 euro each month; 200 euro from the employer, and 700 euro from the RVA. Students are required to work as an intern in an enterprise, for a non-profit organization or for the government for maximum period of six months.

Moreover, the federal government has organized an "employment initiation system" for people younger than 26 years old. The employment initiation system aims to give young people the

chance to find a sustainable job, by giving benefits to employers when they recruit young employees.

1.2 Policies in Flanders, Brussels and Wallonia

1.2.1 Flanders

In comparison to European countries, the Flemish statistics of 2009 of youth unemployment are lower than the European average, but still higher than The Netherlands, Austria, Denmark and Germany. It is important to know that there is a significant difference between Flanders on one hand and Wallonia and Brussels on the other.

One of the important issues in Flanders is labour mediation. The VDAB wants to find a job for every Flemish citizen. To reach this goal, the VDAB works together with other service providers. The Youth Work Plan supports this idea. The main goals of this action-oriented plan are as follows: activating Flemish unemployed young people (-25 years old) (i), providing sustainable employment (ii), aiding the process of jobhunting (iii), decreasing the amount of unqualified employees (iv), estimating possible problems with employment and the labour market (v), quick organisation of an action plan (vi) and individual education plans (vii). To reach these goals, the VDAB offers a broad spectrum of jobs. If a job is not found within the field of preference, the VDAB will offer extra courses for vocational training. For example: a geography teacher could also become a travel guide. In order to successfully reach its goals, there is continuous cooperation between the city or community, the OCMW (the public centre of societal wellbeing), the employers, the local social partners and other external partners.

Two other accents of the Flemish policy are workshops and competence centres. The workshops are meeting places in Belgium for all the organizations that help people find a job by drawing up an individual action plan. In the competence centres, young jobseekers focus on vocational training by learning about labour competences, like being on time, being polite, etc.

Alongside the VDAB service, we have FOREM in the Walloon region, and Actiris in Brussels. The existence of these three separate services in Belgium causes difficulties in the transition between the three regions. Nevertheless, Flanders, Brussels and Wallonia have already made arrangements to stimulate professional and interregional mobility.

1.2.2 Brussels

Actiris is Brussels' employment service. New graduates from Brussels have to enlist with Actiris. They provide an employment consultant who helps you throughout your search for work. Together you determine what you want and can do within the job market. Then you set up an action plan that states what actions you will undertake to realize your goal. During your job search, you will regularly meet with your employment consultant to discuss your progress. Actiris, similar to the Flemish VDAB, teaches you how to apply for a job and offers vocational training.

1.2.3 Wallonia

Similar to the VDAB and Actiris, we have FOREM in Wallonia. In Wallonia, people are also required to enlist right after they graduate or should they stop their education. Only when you have enlisted, can you receive concessions from ONEM (the service for labour resources). But before you receive these concessions, you are obliged to follow a professional integration internship for about a year. For Wallonia it is important that young job seekers get the opportunity to gain work experience. Wallonia also encourages part-time activities that make it possible to combine working and studying. FOREM also offers you personal help, much like Actiris and the VDAB. Nonetheless, FOREM and ONEM expect results. If it becomes apparent that a person is not putting effort into finding a new job, sanctions will be given. Once you have enlisted with FOREM, they make sure that you get job vacancies that fit your character and qualities.

1.3 Policies in Antwerp

When discussing the policy in Antwerp, it is important to make a distinction between the city and the province. The Antwerp policy is locally divided. Roughly, the Antwerp policy is about welfare, youth and education.

When we look at the statistics for the stream of unqualified people, we conclude that the statistics are as high as those from a Walloon city. Martine Klaassen gave us two possible explanations. Firstly, Antwerp has a large foreign population. Secondly, there is a large discrepancy between their acquired skills and those demanded by the labour market.

As a result, the Antwerp provincial policy for 2012 takes measures to help recent graduates be successful on the labour market. Firstly, Antwerp wants to reach this goal by cooperating on a large scale. Secondly, we mention the project "TRANSIT". This project focuses on early graduates, school dropouts and focuses on every target group and each form of education in Antwerp.

Furthermore, the province and the city of Antwerp want to create equal education chances. That is why they emphasize the importance of a good connection between education and the labour market. Students have to be supervised in order to help them choose a fitting study. Antwerp also wants to improve the escort and the support of pupils, so that problems can be prevented and solved.

2 Vocational training: trainings & internships

There are many education institutions in Flanders provide vocational programmes. Furthermore, Syntra Flanders and the VDAB provide vocational training. Syntra Flanders is the Flemish agency for entrepreneurial training. Their training belongs to the policy designed by the Flemish Ministry for Work and Social Economy. Syntra directs training that prepares students for entrepreneurship and self-employment (see paragraph 4). One of the aims of the VDAB is to encourage people to participate in lifelong learning, a goal that is shared on an international scale with the European Union. Lastly, the VDAB also tries to attune education to the labour market.

3 Programs or mechanisms to avoid school dropouts

Belgian law dictates compulsory education from the ages 6 to 18. This means if students haven't finished high school at the age of eighteen, they are legally allowed to drop out. This results in students not graduating, and the lack of a diploma. Antwerp, like any other province, is no exception to these laws. Compulsory education is a responsibility of various federal entities. When these students regret their decision, there are a few back-up plans. They can switch to a system that combines learning and work on a part-time level. However, as we previously mentioned, this means they are not eligible for the Youth Work Plan. Another option is what is called adult education or second chance education. Lastly, if a student fails his or her year in school they are (if eligible) able to combine 2 years of high school in one. This is called 'middle jury'.

According to the goals of the Europe 2020 plan, Flanders needs to reduce school drop outs to 5,2% (Jacobs M, 2011). At this point, Flanders is going in the right direction. We need to decrease the NEET¹ rate. By reforming high schools, Flanders wants to upgrade the technical and professional disciplines. Schools have invested in new technical equipment, and collaboration between schools has been encouraged. The youth need to make conscious choices about college that match their interests and abilities. Flanders has to make college interesting for everyone. Another goal of the Flemish community is to extend its' bonus system to bring down the cost of access to higher education.

4 Special youth employment program: goals

To simplify the transition from education into the labour market, Belgium has organized internships. When that internship comes to an end, the employer (if participating in the youth employment program) must offer an open-ended contract of employment lasting at least two months. The internship itself must be planned to last for at least two months and be at least part-time. We have different kinds of internships: VDAB-internships, student internships, individual training, etc. Students are often missing any work experience when they (don't) graduate from high school. This

¹ Not in employment, education or training.

makes it harder to find a job right away. The most important way to find a job is the interim offices and free applications in Belgium, especially for students who are applying for work right after high school (Sinnaeve, 2004).

For the VDAB, synchronization between the education system and the labour market is a very important issue. A better collaboration would improve education and job choices. A project called "the Start of a Career" aims to prepare youth (specifically school dropouts) for the entry into the labour market, with just a couple of lessons. Other students receive this preparation when they are still in high school. Another goal designed by youth employment programs is making bottleneck professions more attractive. Furthermore, when it comes to establishing a better connection to the youth, spreading information through social media (Facebook, Twitter, etc.) has become a very important platform. However, face-to-face communication remains crucial when it comes to informing the youth.

5 Targeted programs for youth with specific characteristics

There are four main groups with specific characteristics that distinguish them from others as defined by the VDAB. Those groups are divided as follows: people with a disability (i), foreigners (ii), the elderly (iii) and those with a low education (iv). These groups form the majority of the unemployed. Because of the recent aging in the whole of Europe, a shortage in the active, working population has been predicted. This is why nowadays many institutions are busy trying to find solutions to involve and include these groups in the labour market, because every competent person is necessary to keep our labour market in action. Taking into consideration the theme of youth unemployment, I will first discuss the policies concerning youth with disabilities. Then I will discuss the policies concerning youth with social problems.

5.1 Programs for employment integration of young people with disabilities

To commence, it is important stating that there is no concrete difference between the elderly disabled, and those of a younger age, in terms of employment integration by the VDAB. However, it is required that the VDAB confirms the presence of a disability. When you have announced your disability to the VDAB, they will invite you to step by. Together with the VDAB you will discuss the support you need as an individual. There are three possibilities: an employment service that assists job-seekers in their job search and application efforts (GTB) (i), a centre for labour market research (GA) if you don't know what your strengths are or which jobs suite you (ii) and a centre for individualised placement and coaching services (GOB) where you can follow courses or commence internships (iii). You also get a personal guide who helps you find a job. Afterwards you have to inquire into your rights through BTOM's. These are special employment supporting measures. These measures are financial compensations that improve seeking for work or helps you accomplish your work. Finally you have to finalize is requesting the BTOM's. There are several options, such as assistance by an interpreter for a deaf person, compensation for labour tools,

labour clothes and adjustments to the work place, compensation for your transport costs, employment in a protected working place, for when the normal labour circuit is not feasible because of your disability and VOP (Flemish support bonus). VOP is a bonus that the VDAB gives to your employer because he hires you.

As previously mentioned, there are special working places for people with a disability, namely protected working places. Principally all of the employees in these working places are disabled, of which 75% are mentally disabled. These working places are financed by the VSWSE (Flemish allowance agency for work and social economy).

There are also GIBOs (specialized individual professional education). These are individual professional educations in the workplace for people with a disability who are looking for a job. The employer does not pay wages, but instead offers productivity remuneration, transportation costs and insurance for industrial accidents. The job seeker gets a bonus on top of his social welfare, which leads to his income becoming similar to a net salary.

5.2 Employment programs for young people with social problems

Antwerp has made dropouts a priority in their local policy. Their aim is to find work experience for dropouts within a year. In order to achieve this, the city has certain initiatives, such as establishing a dropout forum (i), providing a more preventive method of working alongside the VDAB (ii), and research the profiles of dropouts so they can refer them to the circuit of professional or social activation (iii).

The city of Antwerp also wants to develop more accessible entry-level jobs. These would be meant for job seekers who cannot find a job in the normal economic circuit or the social circuit.

An initiative of the Flemish policy concerning EAD (proportional labour participation and diversity) is a diversity plan. Diversity plans stimulate companies, organisations and governments to offer disadvantaged groups more opportunities on the labour market. As previously mentioned, these disadvantaged groups consist of foreigners, lowly educated people and people with a physical or social disability. Companies and organisations can obtain allowances for the effort they put into these diversity plans.

Similar to the protected working places for disabled people, there are also social working places. The organisations that are acknowledged as social working places are non-profit organisations and concern themselves with the integration of the disadvantaged groups in the labour market. The employment of these people is financed by the VSWSE through wage subsidies and allowance frameworks.(Departement werk en sociale economie, 2012d) In general, it can be said that they are trying to focus on the capacities of the (young) job seekers with a disability or a social problem, both in Antwerp and the whole of Flanders. Different organisations try to bring out these competences in the job seekers. They also try to guide them in their search for employment. On the other hand these organisations try to stimulate companies to hire people from disadvantaged groups by "rewarding" them with bonuses.

6 European Employment Strategy

Youth unemployment is a crucial issue on the European agenda. Across the European Union, the member states are attempting to recover from the recent financial and economical crises by stimulating economic growth through various strategies. These crises have also been a major benefactor to the youth unemployment rate (which is close to 23% in the European Union). At the same time however, there are more than 2 million job vacancies that cannot be filled. These vacancies stem from a lack of decent training or education, bottleneck professions, shortage of social institutions that provide support, etc. Many efforts have been undertaken by the European Union, more specifically by the European Commission to improve the youth unemployment rate. The cornerstone of Europe's plans against (youth) unemployment is the European Social Fund (ESF). It has been in use since 1957 and is set up to reduce differences in prosperity and living standards across EU Member States and regions, Its goal is to promote economic and social cohesion, therefore also taking up action against youth unemployment. To do this, 75 billion euros is being invested in the member states between 2007 and 2013. To counter youth unemployment, the ESF has helped the EU launch the 'Youth Opportunities Initiative" which concentrates on innovation, facilitating job search in other EU countries and fortifying partnerships between political authorities, corporate life and trade unions on all levels from European to local. It is part of the EU's youth on the move initiative.

The YOI focuses primarily on helping those who left school or training early without acquiring upper-secondary education and aiding graduates to get a first work experience.

6.1 European Employment Strategy

The European Employment Strategy (EES) is a strategy designed to focus Europe's efforts in a coordinated manner. This strategy - in line with the Europe 2020 strategy - attempts to create more and better jobs in the EU, and finding solutions for the present vacancies in the job market, focusing on unemployment strategies that include the promotion of youth- and self-employment and job creation.

The EES provides a framework for monitoring progress, coordinating and reporting the compliance of the member states according to the Europe 2020 goals. The European Commission is in charge of annually analysing the National Reform Programmes (NRPs) sent by each national government of the member states of the EU. This means that Europe and its member states are collaborating on both an intergovernmental and supranational level. One of the main EES targets is relevant to the subject of youth unemployment: the school dropout rate must decline with 10%. Another goal is to raise the employment level of the European population up to 75% between the ages of 20 and 64 years old.

6.2 Rethinking Education

On the 20th of November 2012, the European Commission announced their plans to reform education fundamentally in order to stimulate growth. Androulla Vassiliou, Commissioner for

Education, Culture, Multilingualism and Youth stated that a fundamental shift in education is necessary to stimulate growth. According to her, "Rethinking education is not just a question of money. Whilst it is true that we need to invest more in education and training, it is clear that education systems also need to modernise and be more flexible in how they operate to respond to the real needs today's society".

Furthermore, she stresses that merely having spend time in education is no longer sufficient. Skills are key to productivity, and to be aware of what skills are necessary in the job market, education and employment must be brought closer together. Strengthening the links between enterprises and students give young people a taste of employment through increased work-based learning (for example, by introducing world-class vocational education and training systems). Thus, education forms a crucial a part of the Annual Growth Survey, a survey designed to chart a clear direction on where Europe should be heading in the next cycle of what is called "the European Semester".

6.3 How implemented in Belgium?

The Urbact Project is a European project that allows cities to invest in local projects and learn from other Urbact cities. The project propositions offered by 4 Belgian cities (Brussels, Antwerp, Ghent and Mons) were green-lit, and are now funded by the European Regional Development Fund. Urbact allows various European cities to work together on projects and share experience. One of the four major missions within Urbact is the My Generation project, which focuses on the promotion of the young generations potential in the job market.

6.4 How implemented in Flanders?

In Flanders there is an ESF agency that is responsible for all funds from ESF, designated for projects in Flanders. This agency offers a network for Flemish labour markets. It implements and innovates labour market policies as well support the Flemish Reform Programme (as a result of the Lisbon strategy). Local Flemish projects that wish to make use of ESF money can call upon the agency and put in a request.

6.5 How implemented in Antwerp?

Within the city of Antwerp there are a few projects funded by ESF money. The city fights against inequality on the job market. Through "Equal Labour for Neighbours" and the BPA-W, "A Specific plan for Work Aptitude", they try to integrate people from socially vulnerable classes into the job market. In the same line the city of Antwerp participates in the "integrated NT2offer", which fortifies the Flemish integration policy, mainly by teaching immigrants Dutch and showing them the knowhow of Flemish society.

The My Generation project (Urbact) is also active within Antwerp, helping the city expand het knowledge on centres for youth competence. All in all, Youth unemployment does not seem to be a major concern within the Antwerp policy.

Conclusion

The main goal for this paper was describing the Belgian situation concerning youth unemployment on different scales (federal, regional, local), with ties to the European Union and their agenda. Hopefully it has become apparent that there are a large amount of initiatives and institutions devoted to resolving youth unemployment. However, we also wish to stress that there is a lack of coordination between these different projects, and this is a very important issue. Belgium is a divided country, with different regions that have their own socio-economic problems. These regions each have different institutions that act independently, according to their own needs. This is why there are many initiatives on a smaller scale.

We have also reached the conclusion that one of the main goals set by these different initiatives is to attune education to the needs of the labour market, in order to simplify the transition between graduating, and finding a job. There is a large discrepancy between the skills a person has when graduating school, and those required on the labour market. This is why more training programmes have been developed that stress the importance of skills and internships to acquire work experience.

Finally, it is important to mention the goals set by the European Union. Europe as a whole is trying to work towards creating more jobs, better jobs and economic growth as part of the Europe 2020 strategy. This presents a very difficult situation, as the different member states each have their own socio-economic situations, much like the different regions of Belgium. A lot of funding is going towards solving these unemployment issues, and it will be important to study how these changes are passed down from European legislation, and translated to concrete initiatives in cities, regions and countries.

7 References

Actiris.). Gedaan met studeren? Plan je toekomst! , from http://www.actiris.be/tabid/260/language/nl-BE/Default.aspx

Departement werk en sociale economie. (2012a). Beschutte werkplaatsen, from <u>http://www.werk.be/cijfers/het-beleid-cijfers/maatregelen-sociale-economie</u>

Departement werk en sociale economie. (2012b). Diversiteitsplannen, from http://www.werk.be/cijfers/het-beleid-cijfers/maatregelen-werk

Departement werk en sociale economie. (2012c). Individuele Beroepsopleiding in de Onderneming, from <u>http://www.werk.be/cijfers/het-beleid-cijfers/maatregelen-sociale-</u> economie

Departement werk en sociale economie. (2012d). Sociale werkplaatsen, from http://www.werk.be/cijfers/het-beleid-cijfers/maatregelen-sociale-economie

Europa. (2012). National Reform Program of Belgium from http://www.be2020.eu/nhp/download_det.php?IS=99&KeyPub=14&PRN=Y

European Commission (Producer). (2012). Agenda for new skills and jobs. Retrieved from http://ec.europa.eu/social/main.jsp?langld=en&catId=958

European Commission (Producer). (2012). Education and training in the Member States. Retrieved from <u>http://ec.europa.eu/education/more-information/education-and-training-in-the-member-states_en.htm</u>

European Commission (Producer). (2012). European Employment Strategy. Retrieved from <u>http://ec.europa.eu/social/main.jsp?catId=101&langId=en</u>

European Commission (Producer). (2012). Funding versus Implementing Agencies of Mobility Schemes Retrieved from <u>http://ec.europa.eu/education/documents/more-information/belgium-mobility.pdf</u>

European Commission (Producer). (2012). Inclusive growth – a high-employment economy delivering economic, social and territorial cohesion. Retrieved from

http://ec.europa.eu/europe2020/europe-2020-in-a-nutshell/priorities/inclusivegrowth/index_en.htm

European Union (Producer). (2012). Commission presents new Rethinking Education strategy.

Het diversiteitsbeleid van de VDAB : de Vlaamse arbeidsmarkt moet kleur bekennen. (2007). *Tijdschrift van het Steunpunt WSE*, 10.

Jacobs M, S. M., Herremans W. (2011). Jongeren op de vlaamse arbeidsmarkt. Over startkwalificaties, ntredejobs en arbeidsmarktprestaties. *Over. Werk*, 126.

Le Forem. (2012). Vous cherchez un emploi? Nous allons vous y aider! , from http://www.leforem.be/particuliers/conseils/profil/jeunes.html

RVA.(2012).Retrieved03/12/2012,fromhttp://www.rva.be/frames/frameset.aspx?Path=DRVA/&Items=1&Language=NL

Sinnaeve, I. (2004). Jongeren en werk. Over mogen, moeten, willen en kunnen werken. (pp. 119-140).

Stad Antwerpen, & OCMW Antwerpen. (2008-2013). Lokaal Sociaal Beleidsplan 2008-2013. 141.

Van Landeghem, G., Van Damme, J. (2011a). Vroege schoolverlaters in Vlaanderen. evolutie van de ongekwalificeerde uitrstoom tot 2009, kort verslag. Retrieved from http://www.steunpuntloopbanen.be/publi_upload/OD1_2011_46_VroegeSchoolverlaters-kortverslag.pdf

VDAB (Producer). (2012). Individuele beroepsopleiding (IBO). Retrieved from http://www.vdab.be/ibo/defaultwz.shtml

VDAB (Producer). (2012). Instapopleiding. VDAB. Retrieved from http://www.vdab.be/ibo/instapopleiding.shtml

13

VDAB. (2012). Een arbeidshandicap en werkzoekende? Retrieved from <u>http://www.vdab.be/arbeidshandicap/defaultwz.shtml</u>