Summary: In light of the recent political momentum for youth guarantees and the recent calls for youth guarantees by ILO Director-General, the ILO Youth Employment Programme and the New Zealand Council of Trade Unions are organizing an online discussion on the topic of “Youth Guarantees in Asia and the Pacific: Challenges and Opportunities” from 5 to 19 November 2012.

The discussion will take place on the ILO’s Asia-Pacific Youth Employment Network at: www.apyouthnet.ilo.org

Background
The ILO Asia-Pacific Youth Employment Network (APYouthNet) organizes regular online discussions on selected youth employment topics. For the next series of discussions, the APYouthNet team has proposed the topic of Youth Guarantees and the scheme’s potential for the Asia-Pacific region.

With record levels of youth unemployment and youth inactivity in the European Union (EU), EU Member States have been actively engaged in designing and implementing policies aimed at tackling the ongoing youth employment crisis. One of the policy measures which are gaining increasing political momentum is the youth guarantee scheme. The Party of European Socialists has launched a campaign “Your future is my future – a European Youth Guarantee now”1 which is calling for a European Youth Guarantee as a way to tackle youth unemployment. The suggested youth guarantee (which can be implemented at the national level) is a guarantee that ensures that every young person in Europe is offered a job, further education or work-focused training at the latest four months after leaving education or after becoming unemployed. Recently, the ILO Director-General Guy Ryder has called for a

1 www.youth-guarantee.eu
universal youth employment guarantee. The ILO has listed youth guarantees in its release on successful youth employment interventions and stated that in Finland the success rate of the youth guarantee scheme was estimated at more than 80 per cent.

The idea of a youth guarantee is not new. In fact, the first youth guarantee programme was introduced in Sweden in 1984, followed by Norway in 1993 and Denmark and Finland in 1996. These programmes have been periodically revised and adapted; Sweden has introduced a new job guarantee scheme in 2007 and Finland has just announced a revised youth guarantee for 2013. According to an announcement made by the Finnish Ministry of Education in September 2012, all jobless people under the age of 25 and new graduates aged under 30 will be offered a job, on-the-job training, a study place, or a period in a workshop or rehabilitation, within three months of becoming unemployed. Furthermore, everyone completing their basic education will be guaranteed a place of study. The announcement also stated that a skills programme for young adults will be launched for those lacking or having dropped out of secondary level education and opportunities of small and medium-sized enterprises (SMEs) to take on young people for apprenticeship training will be enhanced. Youth workshop activities and youth outreach work will be increased. Employers may be granted a pay subsidy of 650 euros for salary expenses of a young person. According to the Ministry, the additional investment in young people amounts to approximately 87 million euros.

While these schemes differ and vary according to the specific country context, they share the same aim of reducing the time young people spend in unemployment and inactivity. Public employment services (PES) play a central role in the implementation of the youth guarantee scheme. Young job seekers are first provided with a personalised needs assessment and employment plan and are then offered either a job or further training opportunity (within a guaranteed time frame).

A recent study on the effectiveness of youth employment policies by the Eurofound’s European Monitoring Centre on Change has reviewed the effectiveness of youth guarantee schemes in Sweden and Finland. The study identified as one of the strengths of the policy measure its ability to help young people to make better informed decisions about their transition to work through counselling and tailored career advice and training/job opportunities. The study also found that the youth guarantee scheme improves the quality and speed of employment services provided to young people and as such acts as an incentive to the PES to focus on the specific needs of the young job seekers. In addition, youth guarantees aim to address youth unemployment before disengagement with the labour market sets in. However, the study also found that youth guarantees seem to be more effective for young

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4 European Foundation for the Improvement of Living and Working Conditions. 2012. *Youth Guarantee: Experiences from Finland and Sweden* (Dublin)

5 [http://www.tem.fi/?106266_m=107772&l=en&s=4712](http://www.tem.fi/?106266_m=107772&l=en&s=4712)
people who are work-ready than long-term unemployed youth and youth with more complex needs. The study also points out that the success of youth guarantees can be highly dependent on other public policies, such as, the PES infrastructure and capacity, availability of training opportunities, apprenticeships and internships and the broader labour market situation.

Similar programmes in other countries focus more on enhancing educational attainment to improve future employability. In New Zealand, the objective of the Youth Guarantee initiative is to improve transitions between school, tertiary education and work, by providing improved access to study to 16- and 17-year-olds not currently in education. In New Zealand, there are currently 2,500 full time Youth Guarantee student places at 39 polytechnics and private training establishments around New Zealand. These places allow young people under the age of 18 who have left school to study a range of vocational courses, without paying student fees. In 2012, Youth Guarantee and Youth Training places will combine under Youth Guarantee. This is estimated to bring the total number of fees-free tertiary places in tertiary education to 7,500 (New Zealand Ministry of Education).

Some States in Australia have also introduced similar education focused youth guarantee initiatives. Victoria’s Education and Training Reform Act 2006 provides a guaranteed place in TAFE Institutions, the Centre for Adult Education, Adult Multicultural Education Services and participating adult community education providers, to young people who have not completed Year 12 or its equivalent.

Online discussion
The moderated online discussion brings together constituents and stakeholders from across the Asia-Pacific region and beyond in order to: i) take stock of existing similar policy measures; ii) identify challenges involved in designing and implementing youth guarantees; iii) discuss suggestions and recommendations for designing and implementing youth guarantees from the social partners, youth groups and other stakeholders; iv) identify areas (and countries) for future research and potential pilot youth guarantee schemes.

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