

Youth Guarantees in The Nordic Countries

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I. The Nordic Countries. Similarities and Differences

The Nordic Countries are often considered one homogeneous unity. This is understandable as there indeed are great similarities between the countries. The languages in Denmark, Norway and Sweden are f.i. very close and a considerable part of the citizens of the other Nordic Countries speak and understand at least one of these languages. Meetings, exchange of information, negotiations and other forms of cooperation therefore take place without any translation and interpretation. Cultural heritage and history is to a large extent also common and people adhere to identical social values and ideals in education and upbringing of children.

There are, however, some fundamental differences between the Nordic Countries arising among others out of climatic conditions and of the presence or lack of natural resources. Denmark is thus basically an agricultural country, Iceland depends heavily on fishery, while Finland and Sweden are rich in forests and, in the case of Sweden, mineral deposits. Norway, besides the North Sea oil, possesses forests and minerals as well as rich fishing grounds.

This diversity gives rise to considerable differences in the structure and nature of the private sector, which again influences the labour market and the education system. Sweden and Finland have a considerable number of large, often multinational, enterprises, originally based on processing natural resources, while the overwhelming majority of firms in Denmark are very small, based on craft traditions and often acting as subcontractors for foreign companies. Norway is in this respect too "the country in the middle", and Iceland has only during the recent decades begun to develop major industries outside the fishery sector.

This difference in industrial development, plus Denmark's proximity to Germany is reflected in the structure of the labour market and of the upper secondary education system.

The skilled worker in Denmark is trained and certified according to rules developed in the 18th and 19th century originating from the old Guilds. The education and training system in Denmark is still in its modernised form adherent to the basic principle of apprenticeship: the training under contract in firms supplemented with periods in vocational schools, while Sweden finishes the training of its industrial workers after they have completed the comprehensive upper secondary school. Norway and Finland also apply a schoolbased upper secondary education system. In Norway, however, a traditional apprenticeship system of some size has existed as well as up to the educational reform in 1994. Iceland has traditionally had a multistream system including an apprentice system within the traditional crafts and trades.

These differences make the young persons' road to the labour market different. In Sweden and Finland the young often start with unskilled work, while Danish young people and to a certain extent Norwegian youngsters, having completed the vocational stream of upper secondary education, are getting employment (if any) as skilled workers.

The proportion of youngsters entering and in particular completing upper secondary education varies as well with Sweden having considerably higher rates than the other Nordic Countries. The difference is most significant between Denmark and Sweden. In Denmark the completion rate is appr. 80 per cent of a generation while it is nearly 90 per cent in Sweden. One explanation is the well established comprehensive "high-school" culture in Sweden, another very significant one is that the completion rate in countries applying a dual system like f.i. Denmark depends not only on the school system and capacity but also on the willingness of the employers to hire apprentices.

Due to the difference in completion rates in upper secondary education there is also a difference in youth unemployment. Denmark f.i. has a higher proportion of its youth unemployment among teenagers than the other Nordic Countries, where the agegroups 20 to 29 have experienced higher unemployment than unemployment in general. Some researchers in Sweden have even characterised the young workforce as buffers, meaning that the youth unemployment is mainly dependent on general economic conditions.

II. The Sixties. The decade of youth

The sixties is the first decade where the fate and well-being of young people really became an important issue in the political world, in the Nordic Countries as well as in the rest of the western world.

For the young people themselves it was a period of change, in education, in the world of work, in the "youth culture" and in the order of the society.

The education systems expanded rapidly: the duration of compulsory education was extended in most countries and the proportion of young people continuing in secondary education and training and at universities grew year for year.

It was in many ways a very promising period for the young. Education and training became accessible to many more. Young people got more to say in their own affairs, at home as well as in school and at universities, they got their own music, working hours were reduced and there was plenty of work, also for young people without any qualifications or experience.

The main concern of the education authorities in the Nordic Countries as well as in many other western countries was - besides providing capacity to meet the growing demand for education and training - equality. The expansion of the education system and the reforms of structure and content did apparently not level out the inequality, but left children of low status parents behind. Much thinking and many efforts were therefore directed towards increasing the proportion of young people from lower social classes attending school. The word "guarantee" was not often in the vocabulary yet, but it was a clearly expressed political goal that nobody should be prevented from continuing in upper secondary education or at university for economic reasons. As a result of that thinking rather generous economic support schemes were established in the Nordic Countries. As we have seen later with little effect.

III. The first wave of youth unemployment

Soon into the seventies the picture of modernisation, economic growth and increasing wealth for all groups of the population was scattered by the first oil crisis.

In a very short time unemployment became apparent. Particularly worrisome was it that the unemployment of young people grew more than the general unemployment. It furthermore gave rise to concern that earlier studies of cyclical unemployment had shown that youth unemployment went down in a slower rate than unemployment in general when economy improved. Official publications on the problem in Sweden gave several explanations to these tendencies: reluctance in firms to invest in training, last in/first out practices, the number of jobs requiring no qualifications or experience diminished rapidly and a certain fastidiousness had emerged among young people concerning jobs.

Table I
Rates of Youth Unemployment in the Nordic Countries

Age \ percent		1975	1976	1977	1978	1979
Denmark						
16-19	M	...	11,6	9,7	10,0	5,6
	W	...	17,4	18,0	15,5	12,9
20-24	M	...	11,7	10,0	9,9	8,3
	W	...	12,9	18,3	20,0	15,7
Finland						
16-19	M	...	12,5	19,7	21,8	18,5
	W	...	9,8	17,5	18,0	15,9
20-24	M	...	6,6	12,5	14,0	9,2
	W	...	3,9	7,6	9,7	7,5
Norway						
16-19	M	...	7,4	6,9	8,2	9,5
	W	...	10,2	8,7	10,2	11,4
20-24	M	...	4,4	2,4	3,6	4,5
	W	...	4,2	4,1	4,2	4,7
Sweden						
16-19	M	...	4,1	5,4	7,1	7,0
	W	...	7,0	8,1	8,7	7,9
20-24	M	...	2,2	2,9	4,3	3,6
	W	...	3,4	3,5	4,3	3,8

From: Yearbook of Nordic Statistics

The measures to combat youth unemployment in the Nordic Countries were, however, at first of rather traditional nature, although in some cases adapted to the particular situation of the young.

Sweden

In Sweden the authorities in this period thus employed three types of measures:

- Labour market oriented initiatives with special measures directed towards the young including better information about the labour market, intensified guidance activities and reaching-out activities towards the unemployed as well as towards firms
- Education and training measures comprising traditional activities like re-entering upper secondary education, short training courses and general "adult" education, but also a new arrangement: economic support to firms undertaking to train young people in a 6 months period according to plans worked out by the firm in co-operation with the local labour market authorities
- Relief work. These traditional activities were often supplemented with an element of education and training.

The programs were rather far-reaching. In 1973/74 33.000 young people participated. Education and training was an important component, 50 per cent of the participants took part in some kind of educational activities.

As the youth unemployment continued to increase even in spite of an emerging economic growth in the latter years of the decade the guarantee concept emerged in the political world. Around 1975 a proposal about issuing a guarantee of meaningful work or an education to all young people, who after one year after compulsory education had not found a workplace or a place in the upper secondary education, was put forward.

The following political debate resulted in 1977 in a decision that gave the educational and labour market authorities a joint responsibility for following all young people in two years after compulsory education, but fell short of issuing any guarantee. Instead the measures adopted in fighting youth unemployment were focused more clearly towards the different age groups. The measures comprised f.i. special labour market training courses and courses within the upper secondary education illustrating a further shift towards education and training as major measures.

Denmark

In Denmark the youth unemployment came into the political focus a little later than in Sweden, probably because the size of and the variation in unemployment in Denmark traditionally was higher than in the other Nordic Countries. The measures applied were like in Sweden mainly of rather traditional nature although intensified and sometimes modified to serve the particular needs of the young.

The measures comprised short training courses, relief work, training courses for semiskilled workers, special courses of introduction to the labour market and campaigns among the employers to take more apprentices.

It soon became apparent, however, that the measures applied and the means allocated were insufficient, and in 1977 a rather ambitious action plan for improving the situation of the unemployed in general and the young unemployed in particular was put into effect. To ease the pressure on the supply side favorable pension schemes for the 60 to 67 year-olds were introduced and for the first time in Denmark, a job-offer guarantee was initiated, giving all workers who had been unemployed for four years a nine month job in the private or public sector at normal wages. The employers received a substantial subsidy to meet the costs. The funds of the plan allocated to young people were quite substantial but the measures aimed at them were of rather supplementary nature. They, however, signaled a more comprehensive effort, and the local authorities were now directly implicated in finding jobs for their young citizens. According to a law passed in 1977 the municipalities and the counties were imposed to use a certain sum of money per citizen for fighting the youth unemployment. The money could be used for special relief work projects, for subsidies to firms employing and training young people, for establishing courses, for strengthening information and guidance and for establishing training places for apprentices in the private as well as the public sector.

The central government joined the efforts by supporting projects combining training and production and by establishing special introduction courses and courses for young unskilled workers. The government furthermore increased the capacity of the new modernised vocational training system (EFG) by nearly 10 per cent per year and used nearly 25 per cent of the special means allocated to fighting youth unemployment to provide training places in the private and public sector. In spite of these rather considerable measures some of the specialists and research workers in the field felt that new ways had to be found. They, like their colleagues in the other Nordic Countries, began to discuss the youth guarantee concept.

Finland

In Finland the economy was particularly hard hit from 1975, and the youth unemployment rate reached levels of 15 to 20 per cent in the latter half of the 70'es. Like in the other Nordic Countries the measures to combat youth unemployment were at first mainly the same as applied for unemployment in general.

In 1978 a government committee proposed to look into the possibilities of introducing a youth guarantee. The committee furthermore outlined a number of prerequisites for abolishing youth unemployment and issuing a guarantee. The committee recommended that a pilotprogram was begun in a number of municipalities. The committee predicted that a guarantee for education and training could be realized in a span of years, while a work guarantee required more fundamental changes in the labour market. Measures with an immediate effect were therefore introduced. The measures comprised establishing special youth consultancy services at the regional labour offices, improving the vocational guidance, and supporting vocational training of young unemployed. Furthermore subsidies to private enterprises employing young people were introduced and state offices took in young people as temporary workers and as assistants in the archives.

Norway

Norway was, like the other Nordic Countries, hit by the general international downturn in the economy. Although the unemployment never reached levels known in many other countries, it gave rise to concern that a major part of the unemployed were under 20.

From 1975 considerable subsidies were given to private firms employing young people under 18 and more workplaces for young people in the public sector were established. Furthermore private firms received subsidies for establishing training courses for young people under 20 and a number of other initiatives like improving the vocational guidance and establishing introduction courses for young people were introduced.

A report from the government to the parliament introduced in 1977 the youth guarantee concept as a major political goal. The guarantee should cover all young people under 20 and comprising education or work. It was the aim to realize the guarantee from 1982. No specific legislative initiatives were, however, taken.

III. The Youth unemployment continues. 1979-89. The emergence of the guarantee concept

The fight against youth unemployment in the Nordic Countries became more and more a priority in the latter half of the seventies as the youth unemployment continued to grow. The efforts were also better coordinated and evaluation and research was intensified.

It was, however, gradually becoming more and more apparent that the positive effects of the programs initiated were limited as can be seen in table II. A considerable proportion of the young people went back to unemployment when the special measures they participated in expired. It was furthermore obvious that young women to a lesser degree than young men were attracted to and affected by the programs, and there were few programs aimed specifically at the long-term unemployed and the young with insufficient educational background.

Table II
Rates of Youth Unemployment in the Nordic Countries

Age \ percent	1980	1981	1982	1983	1984	1985	1986	1987	1988	
Denmark										
16-19	M	...	12,7	...	17,7	10,0	8,5	5,5	7,8	5,7
	W	...	21,1	...	25,7	12,6	12,1	7,6	8,7	7,4
20-24	M	...	16,7	...	21,2	13,2	10,4	6,8	9,8	11,0
	W	...	19,7	...	20,8	17,3	13,1	10,1	12,9	11,7
Finland										
16-19	M	13,1	14,9	16,0	17,0	14,8	15,4	15,6	13,8	11,9
	W	14,0	14,2	14,8	16,1	14,8	12,9	11,8	10,7	9,9
20-24	M	6,1	7,0	8,4	9,5	8,7	8,3	10,0	9,3	7,9
	W	6,7	7,0	7,5	8,3	8,0	6,9	7,2	6,8	6,5
Norway										
16-19	M	8,2	9,4	12,1	12,1	11,5	7,9	7,2	6,8	12,3
	W	10,7	9,1	13,2	12,5	11,5	10,5	9,1	8,7	11,8
20-24	M	2,7	3,2	4,7	6,3	5,5	4,7	2,2	2,8	4,9
	W	3,3	4,4	5,2	8,0	6,0	5,7	4,5	5,4	6,7
Sweden										
16-19	M	6,5	8,2	9,6	9,9	5,1	4,7	4,3	3,6	2,9
	W	8,8	10,5	11,6	10,8	4,7	4,5	3,9	3,5	3,3
20-24	M	3,5	4,8	6,3	6,7	6,2	6,4	6,3	4,5	3,3
	W	3,9	4,6	5,8	6,9	7,0	6,3	6,1	4,3	3,6

From: Yearbook of Nordic Statistics

As a consequence the composition of the measures applied changed gradually. Even more emphasis was placed on keeping the teenagers from dropping out of education and training by expanding the capacity of the upper secondary education systems (including apprentice places in the private sector), by creating closer links between schools and the labour market in order to increase the employability of the school leavers, by establishing various kinds of introduction courses to the labour market and by increasing the efficiency of the guidance services. At the same time less funds were spent on short labour market training and relief work for very young. For those in their late teens and in their twenties support of private firms providing employment and training became a very important measure.

It became more and more evident in all the Nordic Countries that the unemployment and in particular the youth unemployment was not just a cyclical phenomenon but also closely linked to fundamental changes in the labour market, leaving less and less room for the unskilled and the untrained.

Discussions about how to design more farreaching measures particularly aimed at the young generation emerged while the proven measures continued to be refined and focussed. An important element in the discussions in all the Nordic Countries became gradually, as has been demonstrated above, the concept of a youth guarantee.

Denmark

In Denmark the idea of establishing a real guarantee to all unemployed under 25 years of age of an offer of education, training or work was launched officially in 1979 and a three year pilot project was established in 1980 covering two of the fourteen counties in Denmark.

The target group for the pilot projects were all young people below 25 years of age who were leaving school and not having a job or a place in an educational program. All young people in the target group were to be called upon by the local authorities. The guarantee comprised an offer of an individual guidance followed by an offer of primarily a vocational training program. The choice of education program was not totally free; it was limited to those programs which had available capacity. It was, however, assumed that the capacity of the vocational training system would be expanded and that preference was given, when he or she applied for a so-called "extraordinary" training place (i.e. a training place for which the firm received economic support). In case the young person were not motivated for a full vocational training program a short labour market training program followed by a period of work should be offered. Only in these cases where it was not possible to motivate the young person at all for a training program should he or she be offered a nine month workperiod, preferably in the private sector at ordinary wages. To the various offers were attached an individual follow-up service and assistance in finding a job or an education after the guarantee period.

The pilot projects were to be followed by an evaluation group. The group launched a number of research projects concerning the various aspects of the projects.

Simultaneously, ideas about establishing a general guarantee to all young people of access to an upper secondary education was launched. A proposal was put forward in the parliament by the Minister of Education, and in 1980 the proposal was passed. It was not stated in the parliamentary decision, when the guarantee should come into effect. It was merely stated that the government should expand the capacity of upper secondary education and improve the geographical distribution of it (in particular of the vocational education).

Meanwhile the "normal" activities combating unemployment continued, but were supplemented and expanded. In 1981 for instance the job offer to all long term unemployed was improved for young people. The unemployment period requested to become eligible for the program was reduced from 2 years to 1 year. At the same time a considerable increase in the capacity of the vocational training schools was implemented.

One new element was, however, added to the package. It was in 1982 made compulsory for the municipalities to keep in personal contact with all young people in the municipality, not participating in an education and training program and to offer them advice and guidance. This follow-up service showed to be of great value and were later made a permanent element in the guidance services. Furthermore in 1981 as well as in 1982 a number of new measures aimed at increasing the number of training places in private firms were introduced (subsidies to the employers, streamlining the procedure for approval of a firm as a training place etc.). As the youth unemployment continued to be serious the government in 1982 and 1983 issued a temporary guarantee offering all school leavers a place in the upper secondary education. This guarantee was, however, only a limited success as the supply of places in the vocational schools did not correspond to the demands of the young people wishing to enter branches like food-processing, graphical trades and service trades instead of the places available within metal trades, building and construction.

The government furthermore announced that it intended to introduce permanently as from 1984 a general youth guarantee offering all under 25 an education, training or a job. The guarantee should be based on the experiences from the two pilot projects, as it was originally foreseen that the project should be expanded gradually until it reached national coverage.

An evaluation report about the two pilot projects was published in November 1982. The report concluded that they had been a moderate success. The best results were obtained for persons under 20. The projects furthermore showed that:

- contacts were established with more long-term unemployed than in previous programs
- participants continued to look for ordinary jobs
- it was complicated to establish and maintain contact with the target group
- the personal guidance was important
- the number of places in relevant education (including training places in firms) was too little
- co-operation and co-ordination between the various authorities was crucial, but difficult to establish
- it was important that counselling and guidance continued during the whole guarantee period
- new types of education and training suited for the lesser gifted had to be established
- the combined education/production program (Production Schools) were a very good offer, specially for the youngest
- more short education and training programs for persons over 20 were needed (health and care for example.)
- stable economic situation during the guarantee period was important
- job training was most efficient when combined with training
- the women in the projects needed special attention
- good quality of the various offers was important.

Surveys of the employment situation after the guarantee period showed that 62 per cent of the participants were still unemployed, 20 per cent got work and 10 per cent started education. The remaining 8 per cent were pregnant, in military service, were ill etc.

Most of the participants wanted more education. The main obstacles for that was economy, lack of capacity in education and for the young women the need to provide for young children.

The planned general youth guarantee was never realised. A new conservative-liberal government came into power in the autumn of 1982. They found that the guarantee concept had unwanted side effects, like creating unrealistic expectations among young people and keeping them from getting work on ordinary conditions. It furthermore found that the concept was too complicated and too costly, compared to the results obtained.

Besides pursuing an economic policy leading to growth and increasing employment the new government intended instead to put even more emphasis on education and training by increasing the capacity in upper secondary education and in universities, by guaranteeing all young people a place in upper secondary education, by increasing the number of training places in the private and public sector (see table III), by improving geographical distribution, by giving better assistance to small and medium enterprises in matters of education, by simplifying the bureaucracy etc.

Table III
Number of new places in enterprises for apprentices

Year	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989
Number	28.799	30.505	30.507	31.040	34.864	39.118	35.747	33.445	33.361	29.858

From: "Statistisk Årbog"

The government stated furthermore that job offers to young people would be necessary only in a few years more until the economic upswing had reduced the unemployment considerably. In the meantime the best one could do for the young people was to offer them education and training as well as relevant work.

In the following years the number of unemployed young people in fact decreased, partly due to improved economic conditions. However, a number of measures to combat youth unemployment continued and a few new measures were introduced. In 1984 education and training were given even higher priority by introducing a special subsidy for young people under 25 who preferred education instead of a job offer and in 1985 the municipalities and counties were given an even freer hand in spending money allocated for combating youth unemployment. The tendency towards emphasizing education and training and giving priority to active labour market initiatives continued in the following years.

In 1987 the economy stagnated as the government introduced rather severe austerity measures. The youth unemployment stopped falling and unemployment among the 25 to 29 year-olds increased. The age limit for applying the special youth measures was therefore raised to 30, while the total funding was kept on the same level as in previous years.

No new initiatives were introduced in the last years of the decade, but the tendency to reduce the attractiveness of the passive policy measures continued while some of the measures in fighting the youth unemployment, which had been particularly successful in the past were eventually to be continued on a permanent basis. This was the case for the combined training/production schools, the municipal youth guidance and counselling service for all young people under 19, and the subsidy scheme for training places in firms.

Sweden

In Sweden the youth unemployment in the late seventies remained on a relatively high level in spite of improved economic conditions in general. The situation gave rise to a further sharpening of the organisation of the fight against youth unemployment and of the measures applied. In 1980 a shift in the general direction of the measures applied was initiated as the responsibility for the 16 and 17 year-olds was placed solely with the local educational authorities. If the young person was not in work or ordinary education, a special one year "work introduction" course should be established or, as a last resort, temporary relief work or short training courses provided. Moreover the capacity of the upper secondary education was increased, the small apprenticeship sector encouraged and short introduction programs to the upper secondary education established. The economic support of young people was changed as well, giving equal support to all young people no matter which measure the young person chose. The new measures were not named a youth guarantee. However, in practice they functioned as such. Furthermore various local guarantees were put into effect by municipalities. The policy begun in 1980 offering young people under 20 education and training instead of work continued in the following years. For those over 20 or more the major measures were still short training courses and relief work.

In 1981 a new economic downturn occurred and the employment situation worsened. The measures introduced or improved in 1980 and 1981 proved even more necessary in the following years when Sweden was hurt by devaluation, relatively high inflation and a youth unemployment not experienced for twenty years.

The situation gave rise to a considerable political concern and in 1983 the government proposed new comprehensive efforts in overcoming the 18 to 19 year-olds employment problem. The proposal consisted of a number of measures changing the ordinary relief work into a focused introduction to the labour

market. The measures comprised among others support to private firms engaging 18 to 19 year-olds, establishment of apprentice places in the private and public sector and increased capacity in the education system. These measures should be accompanied by a new legislation giving all young people a guarantee of work.

In 1984 the first genuine youth guarantee was introduced. The Youth Team program, as it was called, consisted of a guarantee of 100 per cent subsidised work in the public sector 4 hours a day for all unemployed aged 18 to 19 during a period of six months. The basic philosophy of the program was close to ideas put forward during the youth unemployment in the seventies about creating "Youth Brigades" to perform jobs within fields like recycling, environment and care. It was during the debates in the parliament on the proposal underlined that the program was to be seen as a last measure if all other efforts failed to place the young people at the labour market.

The government furthermore introduced a recruitment subsidy scheme. Companies engaging young people over 20 or longterm unemployed received under this program a subsidy of 50 per cent of the salary costs.

The Youth Team program was very successful, the unemployment rate of the age group dropped considerably, when it was introduced, and remained very low until the program ended in 1989.

Although successful, the program was criticised for being only a substitute for real, lasting work being confined to the public sector, offering only half days work and the participants only performing low level jobs.

It was furthermore claimed that it kept the participants from entering the ordinary labour market. Partly as a consequence of the critics a new program was introduced in 1987 called Job Introduction, according to which private employers received 60 per cent of the wage costs for employing young persons age 17 to 19 years old for a period of 6 to 12 months. In 1989 this measure was supplemented with introduction placements in the public sector.

The youth guarantee scheme was not like in Denmark followed by a discussion about introducing a general youth guarantee comprising both work and education, as there, due to the structure of the upper secondary education, were virtually no capacity limitations for admitting young people to education.

Iceland

Iceland presents in many ways a picture different from that of the other Nordic Countries, not only because the population is much smaller (about 270.000 compared to f.i. Norway's 5 million) and the economy of the country to a large extend based on fishery, but also in the traditions and structure of the education system and of the labour market.

The upper secondary education takes place in a number of different school types, vocational schools, schools for general education and integrated comprehensive schools. Like in the other Nordic Countries access is free and 90 per cent of a generation continues from compulsory education to upper secondary schools.

However, the completion rate is much lower than in other Nordic Countries. Some figures indicate that it is around 60 per cent. Part of the reason behind that is probably the modular structure of the education

system, partly that the labour market in Iceland functions differently from other countries. Educational background does not seem to have had the same importance here.

The labour market in Iceland is also much less specialised than in bigger countries, much work is seasonal and people have always changed occupation rather often. One exception from this structure can, however, be found: within the crafts the traditional dual system like in Denmark and Germany is applied.

Another reason why educational background is of less importance than in other countries is that students in Iceland work during their long summer holidays and have jobs after school. They can thus at a very early stage demonstrate work experience. Pupils in 7th, 8th and 9th grade are offered jobs by municipalities for the whole of the long summer holidays or for shorter periods of 4 to 8 weeks doing for example gardening and ordinary maintenance.

The older students traditionally get seasonal jobs in the private sector like for instance the tourist trades. The after-school work plays an important role too, 1/3 of the students work in average 15 hours per week after school.

The unemployment was for many years very low in Iceland (1 to 2 per cent) and there were very little need for unemployment measures. Those in existence in the 80's were of the same kind as in most other countries: Municipal relief work and short training courses and with no special measures for young people, but in 1989 the situation changed. The unemployment among young people nearly tripled in one year (although still on a very low level compared to other countries (1,6 per cent)).

Norway

In Norway the government had in 1977 declared that it intended to introduce a general youth guarantee from 1982, and a number of local experiments in six counties began in 1980. The results of the projects showed a moderate success. Like the other Nordic Countries Norway, however, experienced a period with a low economic growth and relatively high inflation in the first years of the 80's. Furthermore the generations of young people were unusually large. A comprehensive action plan dealing with youth unemployment was therefore drawn up in 1981. The plan did not contain a youth guarantee. The efforts to combat the growing unemployment among young people were instead concentrated on support to temporary relief work, creation of new jobs in enterprises by economic support to private firms and a considerable expansion of the capacity of education and training together with improvements in the guidance and counselling services. Various experiments and pilot projects were to be carried out, specially in the field of follow-up services for the very young.

The youth unemployment remained on a relatively high level during the following years. Analysis furthermore showed that a substantial part of the young unemployed were those with only compulsory education. The Norwegian policy was therefore even more directed towards improving the education and training opportunities for the young people. The capacity of the upper secondary schools was increased considerably, firms were encouraged to take in more apprentices and temporary training places (up to 26 weeks) were established.

In the mid 80's the economy started growing at a more satisfactory rate again, but the measures aimed at helping young people enter the labour market continued. Employers could still receive subsidies if they employed young people, and now even to 24 year-olds (originally the age limit was 18) and subsidies to work introduction and training places were still possible. The youth guarantee, originally planned for 1982, was instituted in 1985. It gave a guarantee to all young people below 20 for a job or an education. In

the following years the efforts of realizing the guarantee were intensified f.i. by increasing the number of study places in upper secondary school and by increasing the compensation rates to firms employing young people as trainees and apprentices. Simultaneously the situation of the 20 to 24 year-olds who now experienced growing unemployment as a result of the youth guarantee, received increased attention.

The 20 to 24 year-olds, who experienced the most severe difficulties in the late 80'es were those with a weak education and training background. The government therefore introduced a new program in 1989 for this group, called "work for security". It gave economic subsidies to private firms engaging 20 to 24 year-olds to jobs consisting of 80 per cent work and 20 per cent job-seeking or education.

The youth guarantee introduced in 1985 was not a guarantee in the legal sense, but a promise from the government to the young people. The realization of the guarantee was followed closely by a committee with representatives from the various ministries involved and from representatives for the municipalities.

As a result of the expansion of the capacity of the upper secondary education and the efforts to stimulate the apprentice scheme the proportion of the young people entering education and training increased considerably in the late 80'es.

The youth unemployment decreased or remained constant as a result of the youth guarantee. It was, however, difficult to match the number, the kind and the geographical distribution of school places with the wishes of the young people, even if efficient measures to inform about vacant places in the schools were applied. As a result of this a number of school places were vacant and a number of young people did not get any education and training. It was furthermore evident that the ordinary structure of the education system was not flexible enough. There was a need to establish special courses f.i. combining education and training with work experience.

The training place system introduced some years earlier proved very valuable as it, within this system, was possible to combine guidance, introduction, training and work experience during a period of 3 to 6 months according to the young person's needs. There was also a need to improve the guidance and counselling and to introduce a follow-up service for the 16 and 17 year-olds who were not in work or in school.

As a result of the concern over the young people who in spite of the improved possibilities did not want to participate in any of the ordinary guarantee elements experiments with one year programs combining education and work introduction began in several municipalities.

Simultaneously with the evaluation of the progress in the realization of the youth guarantee concept it was considered to give the guarantee a legal base. Several bills were drafted, but in 1988 it was decided not to carry on with the legal work. Instead the efforts were concentrated on improving the content of the guarantee by increasing the number of training places and by encouraging the municipalities to establish a 10th school year in which the pupils combined school with work introduction in private firms and in local administration.

Finland

In Finland the ideas about a general youth guarantee took a major step forward in 1979 as a committee presented a blueprint for such a guarantee. Plans were also discussed in parliamentary committee and in 1981 a pilot project was launched. The inspiration to the guarantee scheme came according to Finnish civil servants partly from OECD and partly from the other Nordic Countries. The project started with 29

municipalities in 1981, but ended up with 64 in 1983. The government allocated a considerable sum of money for the project.

The basic idea behind the guarantee was, like in the other Nordic Countries, to offer all young people a place in the upper secondary education in order to improve the competence of the young people or to provide them with an "ordinary " job. Only if this was not possible special measures were applied. In Finland these measures were mainly work introduction places with subsidies from the state and municipal workplaces.

The labour offices got extra manpower for the project as the labour market initiatives played a dominant role in realizing the guarantee. The labour force services (placement service, guidance and counselling etc.) was a very important element in the project as the basic philosophy was primarily to place the young people in ordinary jobs. Only if this failed special measures were applied. These measures were workplaces in the municipal works, subsidies to private firms engaging unemployed young people and relatively short training courses.

The role of education was more modest. Generally the capacity in education was considered sufficient, but as in the other Nordic Countries, the study fields offered did not correspond very well with the wishes of the young people. It was also more difficult than foreseen to establish an efficient co-operation between the various authorities at the local level and to create unorthodox models combining work, training and education of the very young.

The youth unemployment in Finland was still high when the pilot project began in 1981, and it remained rather high during the project period. It was therefore concluded that the guarantee had no immediate effect on the level of unemployment. Figures, however, showed a positive effect in the length of the unemployment period, which is considered a very important factor if a marginalization of young people is to be avoided. It was furthermore a lesson that the guidance and counselling was very important, in particular if individual solutions was found.

The project also demonstrated that the school was the most important factor in preparing young people for the working life, as it was very difficult for labour market measures to remedy an insufficient education. It was therefore encouraging that the capacity of the education system was expanded as a result of the project. The importance of the efforts of the municipalities in creating workplaces of a certain quality was also demonstrated.

Among the negative experiences the organisers pointed at the unrealistic expectations the notion "guarantee" gave rise to. The positive effects were, however, dominant and like in other Nordic Countries some of the experiments proved so efficient that they became a permanent element in the transition measures. In Finland the best example of such a success is the municipal workshops for unemployed young people. These workshops have also played an important role in the unemployment fight in the 90'es.

Even before a thorough evaluation of the project had taken place, the Finnish government decided that the youth guarantee from the beginning of 1984 should cover all of Finland. The guarantee comprised a placement service for young people under 25 and special measures like subsidies to private firms taking in apprentices or young trainees or special support to young people during an introduction period.

The expansion of the guarantee gave rise to increasing difficulties in realizing the aims in full. But the existence of the guarantee focused the attention at the magnitude of the task and strengthened the efforts

of assisting young people finding a place in the adult work. It furthermore showed light on particular important areas where more had to be done, like f.i. the role of the education authorities and of the municipalities in creating workplaces.

The responsibility of the local authorities was underlined in 1988, when it was decreed that the municipalities were obliged to provide a workplace or a place as a trainee for a six month period for all young people under 20 if a place in education or at the ordinary labour market had not been found during a three month period. That guarantee was in force until 1992, when the unemployment reached hitherto unheard heights and new measures were necessary.

IV. Youth unemployment returns. New ways to combat it? 1989-1996

Much experience in guiding the young people into a stable position in the world of work was gained in the seventies and the eighties in the Nordic Countries. Many of the measures applied were identical in all or most of the countries but some of them were closely related to specific conditions on the local labour market. All the Nordic Countries started out in the 70'es with traditional unemployment measures. They all gradually refined the measures employed and focussed increasingly towards the young. At first the youth unemployment was considered a cyclical phenomenon but research and time quickly demonstrated its structural aspects and for a long period it remained higher than the countries were ready to accept.

Many measures proved to be of little value, others had only a very short-lived impact, while others again had unwanted side effects. Some measures though proved to be of lasting value, becoming a permanent part of national legislation. However, a general feeling of the inadequacy of the applied measures was widespread. The ideas of a youth guarantee were therefore received with enthusiasm and experiments were initiated - and funded with remarkable speed and often with little preparation and thoughts of their consequences.

The excitement over the new tool was rather quickly replaced by an apprehension of its limits. The young people were at first inclined to understand the expression as a legal right to education, training and a permanent workplace according to their own choice. When the limitations of the guarantee was disclosed many young people felt let down. Among the architects and the administrators of the guarantee it was realized that the expression "youth guarantee" was only a headline, although a very valuable one, signalling the responsibility of the society for its young citizens. The real problems of having meaningful jobs for the young people and an education system that could respond to the demands of the young people remained.

Much energy and many funds were therefore spent in all the Nordic Countries in the last five to six years of the 80'es on increasing the capacity and the diversity of the upper secondary education and to encourage the employers to hire more young people.

The authorities in the Nordic Countries were thus not unprepared when the youth unemployment started growing again in the late eighties and the beginning of the nineties (see table IV). The most dramatic rise came in Finland and Sweden, both countries where unemployment has traditionally been very low. In Finland the unemployment among young people rose from about 7 per cent in 1990 to nearly 30 per cent in 1994 and in Sweden from about 4 per cent to around 17 per cent in the same period. A similar trend was seen in Iceland. The youth unemployment also grew in Norway and in Denmark, but not to the same dramatic levels.

Table IV
Rates of Youth Unemployment in the Nordic Countries

16 - 24 year-olds

Percent		1990	1991	1992	1993	1994	1995	1996
	M	8,6	9,1	10,2	10,5	10,8	8,8	6,8
Denmark	W	12,2	12,2	13,0	12,9	13,1	11,0	8,5
	M	7,6	12,9	29,1	42,6	48,5	42,7	40,3
Finland	W	7,2	8,2	18,7	32,7	41,4	36,7	35,0
	M	12,4	13,6	15,0	14,5	13,1	12,2	12,3
Norway	W	10,9	12,1	12,7	13,2	12,1	11,6	13,1
	M	3,8	7,4	13,7	21,7	19,0	16,6	16,7
Sweden	W	3,6	5,8	9,1	15,0	14,3	14,0	14,5

From : Yearbook of Nordic Statistics

Sweden

In 1988 Sweden introduced a very ambitious experiment with reforms of the vocational training in upper secondary education. 6000 experimental places were established in the first year, increasing to more than 11000 in 1990. More than 50 per cent of the municipalities in Sweden participated. The main features of the experiment was an increase in the vocational training program from two to three years, giving room for periods of training at the workplaces. The experiments were initiated because it was felt that the Swedish upper secondary school due to its broad and comprehensive nature had difficulty in giving the young people sufficient and relevant qualifications and to offer real life working conditions in the vocational training. The result has been that labour market entry for many young people was through a number of non skilled jobs.

The youth unemployment increased dramatically from 1990 as a consequence of the severe economic crisis in Sweden and hitting in particular those who had a weak training background. It thus became even more obvious that a thorough reform of the vocational training system was necessary. A reform of the vocational training system was, however, not enough in order to relieve the acute employment situation of the young people. Labour market measures with quick and visible effects were urgently needed. The unemployment period required for being eligible to a place covered by "recruitment-support" was shortened, the number of introduction places was increased and the subsidies heightened and the number of study places in tertiary education increased considerably.

The pressure on these and other measures continued, however, as a consequence of the growing youth unemployment and as a result a new program, called "Youth Practice" was initiated in 1992. It was a program covering 18 to 25 years old unemployed (thus extending the eligible age group considerably) and consisting of a 6 months work period in the private and public sector. As a new principle in Swedish labour market policy the young workers did not receive a normal wage, but an allowance well below that, unless they were entitled to unemployment benefits. The employers had at first the work of the unemployed for free, later on he or she had to pay 1,000 SEK per month. The young people were supposed to participate in guidance and counselling activities and to pursue job-seeking in four to eight hours a week.

The program was very attractive for employers and it soon covered a considerable part of the young unemployed.

The youth unemployment remained in 1993 and 1994 on a very high level in Sweden, and it was felt that a more comprehensive and coherent labour market policy for the young was needed. In late 1994 the government proposed an action program. The program put much emphasis on education and training, improved the tax reduction for employers hiring unemployed and directed the attention even more towards providing "real" work for young people through an introduction program for those between 20 and 24. The introduction program consisted of a four month workpractice followed by an employment, if necessary subsidized by the government. The program which came into effect in 1995 was called "Work Place Introduction". As it is the case of the other Swedish labour market programs access is guaranteed if the unemployment period has lasted more than 100 days.

For those under 20 a measure called "Municipal programs" was introduced, consolidating earlier efforts to introduce teenagers, mainly drop-outs from upper secondary school, to the labour market and placing with the municipalities the responsibility for training and labour market introduction for these age groups. The program gave the municipalities a considerable freedom in choosing which models to apply.

The new structure of upper secondary education which was introduced in 1991 after the three year experimental program provided the municipalities with a very useful tool. All vocationally oriented programs were extended from two to three years and the number of "lines" reduced from more than 35 to 16.

The vocational program contains according to this reform 40 per cent general subjects and at least 15 per cent of the total teaching hours has to take place at workplaces under the responsibility of the school. The costs of this workplace training is financed through a levy on all salaries.

For those who are not attracted by one of the 16 national programs, so-called individual programs are established. Within these programs education can be tailored according to the students' needs and abilities. In practice many of these programs function as introduction programs to the ordinary programs.

The new upper secondary education structure thus still has room for practically every young person. Participation figures confirm that 97 per cent of all young persons enter upper secondary education.

The new structure also creates the basis for a closer contact between the world of work and the school, thus diminishing the discrepancy between the needs of the labour market and the students preferences in education, lying behind much of the youth unemployment.

Iceland

The youth unemployment was very little in Iceland in the seventies and the eighties. From 1989 the unemployment, however, increased to a level of 15 per cent for the 16 to 19 year-olds and to 10 to 12 per cent for the 20 to 24 year-olds, hitting in particular those with only a short education and training background.

This came as something of a shock for Iceland. Some of the municipalities therefore started job training projects and guidance services. Other municipalities went different ways: one of them for instance. issued its own guarantee: "No unemployed under 25" and the municipality in fact succeeded in getting jobs for more than 98 per cent of those who applied.

To the traditional measures, open for all unemployed, meeting places for young people were opened. In Reykjavik where a substantial part of the Icelandic population live, the meeting place is open for many activities, many of them within the cultural field. The government is, however, of the opinion that the present measures need an overview and possibly a revision. A committee is expected to report to the government soon.

Furthermore a reform of the educational structure is under way, partly to gear education better to the labour market. In the upper secondary school the modular system introduced in 1988 will be preserved. A special introduction course for those who have not completed basic education will be established, special education and guidance will be increased and a short program of one to two years duration will be available to those who do not qualify for normal access or who has not yet decided, which kind of education they prefer. All these measures aim at increasing the proportion of young people having an upper secondary education and thus improving their situation at the labour market.

Finland

The youth unemployment in Finland fell like in the other Nordic Countries to manageable levels in the late 80'es. As late as in 1990 the labour market authorities were of the opinion that the major part of the occupational problems of young people could be solved by the existing measures. In the fall of 1990 the youth unemployment, however, increased dramatically as Finland underwent its most serious recession since the thirties.

In 1992 the government had to abolish the guarantee instituted in 1988 as the municipalities were no longer able to provide jobs or trainingplaces. The traditional measures in fighting the youth unemployment continue. The major instrument was still subsidising work as a means of labour market introduction. The subsidy could be given for maximum 10 months. Sometimes combinations of work and training were supported. In cases where apprentice training was included support could be for the duration of the entire apprenticeship.

In 1993 the youth unemployment figures reached 34 per cent in spite of a rapid increase in the number of full time students. In total nearly 100.000 young people under 25 (out of a population of 5 million) were unemployed. In the fall of 1993 a high level commission proposed a program for 1994 to 1996 consisting of a considerable increase in the number of training places in industry and of study places in upper secondary and tertiary education. Furthermore young people under 20 should be placed in practical work in private firms without wages but with unemployment benefits. The program also contained a major increase in the capacity of the workshops for young people. These workshops had existed since the mid-1980s. The majority of the workshops are run by the municipalities. The aim is to teach young people to manage their life, how to tackle the job seeking period and how to develop their personal abilities. In 1995 300 such workshops were established with 7000 trainees.

Like in Sweden the vocational streams of the upper secondary education system were criticized for not being flexible enough and not responding to the needs of the economy and the demands of the young people. In 1991 a major pilot program around upper secondary education and the post secondary vocational schools was therefore launched. The aim was to create more flexible and individual study programs by encouraging co-operation between the educational institutions.

The pilot program resulted in a major reform of the curricula for all "streams" of upper secondary education, giving schools and students better possibilities to compose study plans consisting of elements from vocational programs as well as from general education and designing curricula corresponding better

to the needs of the new knowledge intensive industries emerging in Finland in these years. As one of the results it is expected that the drop-out rate from upper secondary education which was already reduced during the beginning of the nineties, will decrease further. The new system was implemented from 1996.

The major increase of the capacity of the education and training system at upper secondary and of post secondary schools (AMK's) proposed for 1994 to 1996 proved difficult to realize in full as it became necessary to introduce rather tough austerity measures. The increase that was actually realized as well as the improvement of the guidance and information systems proved, however, efficient as the unemployment started falling soon after the measures were implemented.

In the fall of 1994 a presidential committee on employment issued a document "Unemployment Down To 200,000" containing an action plan for reducing the unemployment. One of the elements of that plan was to implement the proposal of the government commission "Employment 1994-1996" in full. Another was a recommendation that the Ministry of Education should start working on a plan for further development of the vocational training in order to improve the quality and relevance of it and to involve industry more directly in the training f.i. through an increase in the apprenticeship program.

In 1995 a new government continued to strengthen the efforts to combat youth unemployment. An "Employment Program 1996-99" was decided upon with special emphasis on giving early school-leavers and young drop-outs access to vocational training. Some of the programs should be of basic nature, lasting only 2 to 3 years. The aim being to attract 50 per cent of those who do not continue after compulsory school. The plan emphasised the importance of co-operation with the social partners in the dimensioning of the various vocational programs and in the design of curricula.

By the end of 1995 a comprehensive "Development Plan for Education and Research 1995-2000" was published. The plan contained a "guarantee" that there would be a place in upper secondary education for all young people and room for 60 to 65 per cent of the relevant age groups in post secondary education.

Norway

The general trend in Norway towards increasing the education and training element in the fight against the youth unemployment begun in the latter half of the 80's continued in the following years. Three fields of priority emerged: 1) the transition from compulsory education and training to upper secondary education and training, 2) the insufficient capacity of the upper secondary schools and the discrepancy between the kind of education and training offered and the wishes and demands of the young people and 3) the group of 20 to 24 year-olds who tended to have a higher unemployment than the rest of the workforce being a very composite group, often with social problems and a weak educational background. The labour market authorities increasingly applied setting up individual action plans, often in co-operation with other local authorities for improving the employability of these young people. Main elements in these plans were - and are - often labour market training and guidance in how to seek employment. In the so-called Workfare Scheme - which is open for unemployed over 25 as well - these two elements were combined. The long-term unemployed is working 80 per cent of normal work hours and the remaining 20 per cent is to be spent on applying for jobs.

Later versions of this program have placed even more emphasis on training, for instance in the form of three days work, one day of training and one day of job seeking.

Considerable increases in the capacity of the upper secondary schools as well as in tertiary education were implemented in the beginning of the 90's and more emphasis was given to increase the role of

apprenticeship and of systematic training in the practise places offered young people. These initiatives reflected the still more intensified co-operation between the labour market authorities and the world of education.

The main problem in the fight for giving the young people a better start remained, however, the upper secondary education system. The main complaints were:

- too many left school with very few qualifications
- too many geographical and social inequalities remained
- insufficient assistance to handicapped and to drop-outs
- falling status of the vocational training
- too difficult for graduates from vocational training to gain access to tertiary education
- lack of capacity in the apprentice system
- the relations between the world of work and the school were not close enough
- the structure of the education system was too complicated
- the content of the education and training was out of date.

In 1993 the government produced a longterm program for fighting the youth unemployment covering 1994 to 1997. The program contained three priority areas:

- a strengthening of upper secondary and tertiary education
- facilitating the young people's entry into the labour market
- labour market initiatives containing training and selfemployment.

Within the part of the program which dealt with facilitating young people's entry into the labour market a commission was established to look into the causes of youth unemployment. The commission's findings pointed at the importance of relevant training and workexperience. Furthermore the commission found that introduction wages in Norway were probably too high compared with wages for experienced workers. The commission suggested that further initiatives were taken in the field of training places.

The main element of the program dealing with labour market initiatives was the youth guarantee giving all young people who were not in education or in work an offer of a 6 months job with or without training. In 1995 this guarantee was extended to 20 to 24 year-olds as well.

The plans' main measure in the field of education was a reform of the upper secondary education called "Reform 94" which was to be introduced gradually from 1994.

he main features of the reform were:

- a legal right for all young persons to a three years upper secondary education
- a simplification of the structure, reducing the number of programs from 109 to 13
- every program has to give competence to a job, to further studies or both
- the structure of the vocational training programs are now dual, two years of education in school followed by one or two years of training as apprentices in a company and
- a follow-up service established by the counties for every one of those who have not applied for upper secondary education or have dropped out.

The legal right to education and training is limited to one out of three priorities. It comprises the apprenticeship period as well. In case of an insufficient number of apprentice places in companies, the counties are obliged to provide alternative school based training. The apprentice system is administered by the counties in close co-operation with the social partners.

Denmark

The change of government in Denmark in 1983 brought about a change in the means of fighting youth unemployment. The basic thinking was still that education and training was the major weapon in fighting youth unemployment. However, more importance was now in the following years attached to providing capacity in the ordinary upper secondary education system, to induce young people to continue in education and training after compulsory education and, last not least, to prevent young people from dropping out.

Part of this work was a change in the vocational training set-up. Since 1977 two systems had existed side by side: the "traditional" apprenticeship system where young people started by having a three to four year-contract with an employer. During these three to four years the apprentice spent about 10 weeks every year in a vocational school. The employer paid the apprentice wages according to rates negotiated by the national labour unions and the employers federations. During the school period the apprentice received wages from his or her employer as usual, but the employer was reimbursed by a national fund to which all employers contributed.

Parallel to this system, which had been constantly modernised, Denmark in the seventies had introduced the so-called EFG-system, a system combining school and labour market training in a new way. To make young people choose better and to reduce the drop-out, a one year school-based broad education and training period preceded the two or three years alternance ("apprenticeship") period that concluded the education. Originally it was foreseen that the EFG-system would replace the apprenticeship system in a short span of years through competition. It did not happen, mainly because many employers preferred to influence the young apprentices from day one and because the capacity of the EFG system was not expanded sufficiently.

In 1991 it was therefore decided to merge the two systems, keeping some of the advantages of the EFG system while making the vocational training more flexible and responsive to the needs of the economy.

Both systems as well as the new system are, however, still dependent on the willingness among employers to employ apprentices and rapid expansion of the capacity of the vocational training required more training places in companies in particular in trades considered "future safe", than the employer could or would provide.

The lack of places created a serious drop-out problem. While 90 per cent of those leaving compulsory education entered upper secondary education, less than 80 per cent completed it. The main effort in the late eighties and the beginning of the nineties was thus directed towards providing a sufficient number of places for apprentices in companies in order to realize the aim of giving every young person an upper secondary education which gives competence to further studies or to a job. The means to increase the number of training places applied were two fold: making it easier to be recognised as a learning place and encouraging firms to take in more apprentices. The means were mainly economic subsidies to the employers for taking apprentices, but also an appeal to the responsibility, many employers, specially within the crafts, felt towards the future of their trades.

The subsidy measure had been in use since 1978. From 1987 several modifications were tried, but the number of training places still remained insufficient, during some years it even fell to the level of 1980 (see tables III and V).

In 1990 the situation was so serious that an agreement between the opposition and the government was made. Among the measures agreed upon was that the vocational schools were given the responsibility for visiting employers to persuade them to take more apprentices.

Table V
Number of new places in enterprises for apprentices

Year	1990	1991	1992	1993	1994	1995
Number	30.403	34.474	30.554	31.839	32.239	36.480

From: "Statistisk Årbog"

Furthermore a school-based practical training program was set up for those who had not been able to acquire an ordinary training place. The cost of this training was to be covered by the employers through the levy introduced earlier to finance apprentices' wages during school periods. To be eligible for the school based program the student had to meet certain aptitude criteria.

At first this scheme did not have the effects expected, mainly due to its image of being an emergency solution attracting only the least qualified students. After a few modifications the scheme, however, now seems to be working, and from 1996 it is a permanent institution in the vocational training system. It does not constitute a 100 per cent guarantee enabling all students to complete their vocational training in exactly the desired trade. Besides fulfilling the aptitude criteria mentioned above certain - but rather few - trades published in a so-called "negative list" are exempted from the guarantee. It is trades where it is expected that future employment will be diminishing, trades where the number of ordinary training places is sufficient to cover future needs, or trades where it is impossible to create a "real" working life situation at school. It has, however, been a major step forward in securing all young people an upper secondary education, specially when it is seen together with the other provision in the agreement between the opposition and the government: that free access to vocational education was to be granted from 1991. The two measures taken together have brought the guarantee issued by the parliament in 1980 very close to its full realisation.

The proportion of young people completing an upper secondary education increased in the following years, but the number of young people who had dropped out of the education system or had not felt compelled to participate in any program were still cause for worry. In 1990 a special "youth grant" was introduced. The grant was given to young unemployed people who were on social welfare and was considerably higher than that. In order to get the grant they were obliged to accept a so-called "activation offer" of maximum five months duration. The offers could consist of a period in a "Production School", a "Day Folk High School", of relief work, of a volunteer in a youth og sports club or as an assistant to an adult worker. The scheme was at first restricted to one offer for the 18 to 19 year-olds. Later it was extended to 18 to 24 year-olds and the limitation in number of offers lifted.

For the young people who were on unemployment benefit it was an obligation and a legal right to receive two nine months offers of either work, education or support for selfemployment.

Although a considerable number of participants in the youth grant scheme actually continued in education or got work, the Minister of Education felt that it was still possible to come closer to the aim of the government - that more than 95 per cent of all young people shall complete an upper secondary education, which gives competence, either to further studies or to work.

In November 1993 the minister therefore submitted a plan to the parliament describing how this goal could be met. The basic philosophy behind the plan was that in order to have practically all young people complete an upper secondary education there had to be many programs in the system attractive and suitable for the young people. It was furthermore considered important that the young people could go from compulsory education to upper secondary education and from one program to another without too much difficulty. There had to be possibilities for the lesser gifted and there had to be a high degree of flexibility in the system, allowing students - within certain limits - to compose their own program.

Finally, it was according to the plan essential that the guidance was intensified on all levels, being able to follow each young person throughout the education and a while after.

Most of the plan is now being implemented. One of the most interesting innovations in the plan was the so-called "Free youth education". It constitutes basically a two year program designed by the young person and consisting of moduls from existing programs and maybe combined with periods of work or travel abroad. Depending on the composition of the program it gives access to tertiary education.

The implementation of the plan: "Education for all" is followed and evaluated by a research project, but already now several beneficial effects of the plan can be seen.

In the autumn of 1995 a further strengthening of the incitement for young people 18 to 24 years old to complete an education or training was discussed during the political negotiations about the budget for 1996.

A "coherent package" was agreed upon. The existing guarantee of an education or training was improved. For those on social security benefits the duration of guaranteed education or training period was extended from 6 to 18 months. The young people on unemployment benefit were given the same opportunity after 6 months unemployment. Declining the offer meant that the unemployment benefit was terminated and replaced by the much lower social security benefit.

During the period of education and training the young people receive either 50 per cent of the unemployment benefit or an ordinary study grant (which is also considerably lower than the unemployment benefit).

Part of the "package" was funding of a number of new training courses lasting from 3 to 18 months with the main emphasis on workshop training. The subsidy to employers undertaking training of apprentices - which had undergone several modifications since its introduction in 1978 was now abolished. Subsidies were from 1997 to be given only for apprentices in a particularly vulnerable situation.

V. Experiences. What can be learned from the past 25 years?

A considerable sum of experiences has been gathered in the Nordic Countries during the last 25 years fight against youth unemployment. A better understanding of the causes and effects of the unemployment and as a more clear insight in the functioning of the labour market for young people has been obtained. The knowledge and experience were put to use continuously as they were gained, leading to more and more finetuned measures within education policy as well as labour market policy.

The various guarantee concepts played a central role in the architecture of the measures ending up with reforms of youth policy in the 90'es in all the Nordic Countries containing some kind of guarantee (with the possible exception of Iceland).

The first youth guarantees issued in the late seventies and the beginning of the eighties were typically a combination of one or more of the following elements:

- a guarantee of a temporary job, plus maybe a short labour market training
- a guarantee of a study place in an upper secondary school
- a "political" promise about a future guarantee, sometimes underpinned with rather unspecific direction about how to pursue the goal.

The first guarantees were all local experiments although some of them covered a considerable number of young people (like f.i. the pilot project in Finland ending up with 64 participating municipalities). They were all based on the existing structures of education and labour market training and the already applied kind of job offers, but the capacity of education and training was in most cases increased and the efforts of job procurements intensified through co-operation with the local industry and/or through economic incentives. Furthermore much manpower was used in making contacts with young people constituting the target group and in setting up individual programs and rendering assistance and advice.

The very concept of the guarantees gave rise to many problems even among political decisionmakers and among those planning and implementing the pilot projects. It was a widespread perception that it was the intention to guarantee the young people an education or a job according to their wishes, without any limitation. When the scope and content of the guarantees were clarified many were disappointed and frustrated.

The difficulties arising from the nature of the guarantee concept led in Denmark the government to abandon using the word "guarantee". Instead Denmark gave priority to increasing the capacity of upper secondary education and training (including apprenticeship places in the public and private sectors) and to providing job offers early in the unemployment period.

Norway did not abolish the "total guarantee" concept altogether in spite of the difficulties. It was still the intention to introduce the guarantee sooner or later. Very thorough and longlasting reflections on the possibilities of introducing the youth guarantee as a legal notion led, however, to a policy very much like the Danish but without abandoning the guarantee concept.

In Sweden the confusion about the content and the limits of a youth guarantee apparently did not affect the policy directions. Without laying down any legal definition of a guarantee concept Sweden as a matter of fact gave all young people an offer of an upper secondary education or a temporary job from the mid 80'es.

Finland introduced a general youth guarantee in 1984, even before the pilot projects, begun in 1981, were finished and evaluated. Like in Denmark the guarantee notion caused some confusion among the young and the general public and considerable efforts were spent explaining the content and the limitations of the guarantee. The main component of the national guarantee was the job offer as the capacity of the upper secondary education system was considered in reasonable accordance with the needs of the economy. In 1992 the job guarantee had to be abolished as the municipalities could not satisfy the need for jobs.

Much time was spent trying to work out legal texts defining the content of a permanent youth guarantee and laying down its limits in the late 80'es. The conclusion was, however, that it was extremely difficult in

a market economy society to establish a legal base for a guarantee that would give the young people a guarantee they felt satisfactory and at the same time did not interfere in the functioning of the labour market.

Looking in the back mirror the discussions about the nature of the guarantees probably delayed the fight against the youth unemployment and diverted the attention from other important aspects. Luckily enough much of the discussion took place at a time when youth unemployment were decreasing in the Nordic Countries.

Also seen in a perspective another basic problem greatly reduced the usefulness of the first youth guarantees. Much of the disappointment among the young people arose out of the lack of quality of the guarantees. Often the jobs offered were a kind of relief work or menial jobs in the public sector, the vacant places in the schools were often within trades the young people found uninteresting and the subsidized training places in industry and business went to those with good school records. For rather many young people the youth guarantee actions were just formal offers.

In general it was though the opinion that the job guarantees brought some improvement in the employment situation among the young people. For rather many it was, however, only a temporary relief as many returned to unemployment when the work period expired. One undisputed benefit seems, however, to have come out of the guarantees: They were of great importance in preventing an early exclusion from the labour market.

A general lesson that can be extracted from the various evaluation reports, is that a whole range of prerequisites had to be fulfilled if a guarantee was to be an important tool. Within the education field the most important ones are:

- sufficient school capacity with appropriate geographical distribution to guarantee free access
- sufficient number of training places in companies or in schools to guarantee that the upper secondary education can be completed
- - suitable passages between the compulsory education and the upper secondary education
- an upper secondary education structure with many options making it possible for all young people to find or compose a program according to their liking and abilities
- a structure that has ample "bridges" between the various programs making shifts of direction possible without major time loss
- a close co-operation with the social partners to secure the employability
- close ties with post-secondary education institutions to make access to post-secondary education possible
- -a comprehensive guidance and counselling system being able to follow every individual from compulsory education to well after graduation from upper secondary education
- - a grant-system that guarantees that nobody is excluded from upper secondary education for economic reasons
- a pedagogy that meets every young person on his or her terms.

Another finding in all the Nordic Countries was that a distinction between two groups of young people had to be made when designing a guarantee. The group under 19 had to be assisted with measures found within education and training. For those in their 20'es the most important was to prevent an exclusion from the labour market or an early marginalization. The tools for that group were - and are - labour market courses and work training. For both groups the economic conditions played, however, a major role. It

showed a main obstacle for motivating young people to enter education that the study grants were considerably lower than the unemployment benefits or the social security payments.

It was, however, and is even more so today, increasingly difficult to make a clear distinction between educational measures and labour market initiatives. Much education and training has to take place in a workplace environment in order to provide graduates who are employable and workplace training has to contain strong elements of education.

The experience from the 80's was furthermore that although unemployment among the 16 to 19 year-olds was a serious problem, it was the field where significant results showed reasonably soon, at least for the 16 to 17 year-olds. Problems remained for the 18 to 19 year-olds as well as for the 20 to 24 year-olds. Later also those in the agegroup 25 to 29 became a problem. The main reason was that there among these young people were still many who did not get an education and training in their teens. For the 18 to 19 year-olds it was for several years the opinion that the sudden changes to adult wages when the young reached the age of 18 contributed to the high unemployment among them. Several studies of the problem were undertaken. In Denmark it was concluded that the change to adult wages had no significant effect, in Norway it was the result that it had a certain limited effect.

In all the Nordic Countries it became obvious rather soon that the implementation of a youth guarantee depends very much on the local communities and on a close co-operation at the local level between the education authorities, the labour offices and the local industry and business. Early proposals about introducing a quota system obliging enterprises to employ a certain number of young people were thus abandoned. As a consequence of the importance of the local communities the main responsibility for fulfilling the guarantee promises in all the Nordic Countries was during the 80's placed with the municipalities as far as the teenagers were concerned and with the local labour market offices for the young adults.

Analysis of the educational reforms of the 90's in the Nordic Countries show that many of the experiences from the guarantee experiments in the 80's have been put to use. The upper secondary systems are now geared to receive practically all the young people leaving compulsory education and to enable them to leave the education system with a competence, constituting a de facto or a legal guarantee for an education giving vocational competence and/or access to tertiary education.

Furthermore systems have been established in all the Nordic Countries which very soon identify all young unemployed and make sure that a plan for further education and/or employment is drawn up and implemented. The municipalities are obliged to follow all young people for at least two years after they have finished compulsory education to check if they are in education or work.

In all the Nordic Countries special programs providing an introduction to upper secondary education has been established. Examples are the combinations of practical work and a 10th school year in Denmark and Norway, the so-called individual programs in Sweden and the Production Schools in Denmark. Furthermore, closer links between the local labour market and the schools have been established in order to prepare the pupils in the late years of the compulsory education better for the world of work.

All Nordic Countries have expanded the capacity of the upper secondary education and improved its geographical coverage. They have also made sure that no one has to leave the upper secondary education due to lack of training places in enterprises. In Norway and Denmark the local authorities or the school have to provide training capacity and programs in the schools if places can not be found in enterprises. In Sweden the municipalities also have to provide training outside the school during the vocational training.

The new upper secondary education structures respond, too, to the request for flexibility and openness. In Sweden all the various programs have a flexibility that allows the local authorities to design programs well suited to the local labour market needs and in accordance with the student's wishes and needs. In Norway the local authorities can deviate from the so-called "2+model" of vocational training allowing students with difficulties to complete a vocational training program where most or all the training takes place in an enterprise. Sweden furthermore has the "Individual Program", Denmark has a special two years basic vocational training program (EGU) and the "Free Youth Education Program" and Finland has introduced a considerable flexibility in its vocational education structure, allowing schools and local authorities to design special programs for students with particular needs.

In Finland, Norway and Sweden, where the schools and the education authorities had the sole responsibility for the content of the vocational training, one of the points of criticism were its lack of relevance and correspondance with the needs if the enterprises. To a certain extend the same criticism was voiced from advanced industrial enterprises in Denmark. There the criticism was that the labour market organizations, which have a decisive influence on the vocational training programs, did not respond fast enough to new needs. In all the Nordic Countries this criticism has been taken up. In Finland, Norway and Sweden the local labour market has become much more involved in the upper secondary education. In Denmark a legislation has been passed, allowing the Minister of Education to establish special trade committees for newly emerged trades on his own initiative, thus shortcutting the ordinary, rather timeconsuming procedure.

As a result of these education reforms the percentage of a generation completing an upper secondary education with relevant and usable qualifications is increasing in all the Nordic Countries.

It has to be admitted, however, that contributing to this development are the economic incentives beginning to be applied in the late 80'es. They have different forms, but they all adhere to the "stick and carrot" principle, rewarding those who enter education and training, and reducing their social allowances if they decline.

The reforms of the 90'es have not eradicated youth unemployment in the Nordic Countries. They have, however, reduced the number of very young people at the labour market considerably and they have improved the quality and relevance of the vocational training. Problems still exist f.i. in the provision of a sufficient number of attractive training places, in the employability of those coming from the short vocational training programs and in the competence attributed to the special programs in upper secondary education.

The reforms have not (yet) had any major effect on the employment of the young adults. There are, however, tendencies in the distribution of the unemployment between the agegroups, showing f.i. in Finland that the better trained young adults are less unemployed than older workers or young workers with a weak educational background.

Postscript

When I began writing this paper, I encountered a difficulty, I had gravely underestimated. A major part of the information about the fight against youth unemployment and about the experiments with various forms of youth guarantees in the late 70'es and the beginning of the 80'es had to be retrieved from a considerable number of official publications and papers, many of which had long ago been removed from the shelf of the libraries, if they had ever been there, and stored in distant archives.

Many publications and papers were only found with the help of government officials working with these matters at the time and now either close to retirement or transferred to other official functions long ago.

Another problem was that rather much additional information had to be collected from unpublished material or from the memory of people involved in the projects. Luckily the "old colleagues network" functioned and the memory of the veterans was unaffected by the years passed. I am thus much indebted to quite a number of former colleagues for their patience and their willingness and I am grateful to OECD for having entrusted me with this task, which in a few years time would have been impossible to accomplish.

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