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Youth employment of the most  
vulnerable

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APVV-15-0722 Social trap - costs and the way out

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- country bordering with Ukraine
- 1% of EU population
- 0.5% of EU GDP
- automotive industry 1/6 of DE
- regional differences within SK
- extremely high long term unemployment – up to 33%
- NEET is EU average

- 5 million inhabitants
  - 240 000 in Roma settlements
  - plus 160 000 other Roma
- in Eastern Slovakia: 10% of people live in Roma settlements/ghettos
- 24 thousand young Roma from segregated settlements should enter labour market in next 4 years

- “Local strategies of complex approach”, 2007-2013, budget 178 mio €,
  - 7€ per person per month
  - 41% were used (on 31th dec 2015)
- 2014-2020: budget 380 mio €
  - 15€ per person per month



# Current actions in Roma communities

- primary and pre-primary schools
  - state project
  - Teach for Slovakia
- community centers and work
- health services
- housing and accommodation
  - around 15€ per person per month

# Current youth guarantee actions

- training of unemployed
  - around 1% of unemployed get some sort of training
- unemployed working for employers (public or private)
- subsidized fixed-term employment (paying 80% to 105% of salaries with very subjective criteria on the employers)



# Youth guarantee actions in Roma communities

- do long term projects with reliable financing
  - don't make gaps in the projects
- do make activities in a scope similar to the problem
  - if there are 200 000 LTU, activities must reach tens of thousands
- do involve also other stakeholders than municipalities





# Recommended actions for the youth

- higher social subsidies to students at secondary schools
  - access to secondary schools in bigger cities
- Life long learning, continuous learning
- individual action plan
- inclusive market
- graduate employment bonus

- massive use of social aspects of public procurement via inclusive enterprises
- inclusive enterprises: focused on employing former LTU (as 75% of their employees)
- to create jobs for 50 000 LTU
- <http://www.iz.sk/en/projects/inclusive-growth>

- necessary budget of 700 mio €
  - but 60% come back to the public budget immediately (taxes paid, social contributions paid, ...)
- where procuring services, there is difference between
  - amount on the invoice
  - costs of the public sector

# Graduate employment bonus

- **automatic** financial bonus for employing graduate on an **open-ended** labour contract
- 100€ - university graduate
- 200€ - elementary school graduate
  - for 6 months

# Transparent procurement of private employment services

- public procurement processes to make use of private employment services
  - well defined target group and specific goals
  - small number of participants (15-25 people)
  - frequent small procurements
  - reasonable total budget



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- [www.iz.sk](http://www.iz.sk)