



ITALIA 2020

Action plan for youth employability through learning and employment integration

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⋮ DRAFT TRANSLATION, CHECK AGAINST TEXT AS DELIVERED ⋮

I would like to remind everyone, especially governments engaged in boosting the world's economic and social assets, that the primary capital to be safeguarded and valued is man, the human person in his or her integrity: "Man is the source, the focus and the aim of all economic and social life"

Pope Benedict XVI, Caritas in Veritate (Charity in Truth)

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Our ambition, our commitment

People first, and our young people first and foremost. That is our ambition. And that is our commitment for the Italy of the future.

We know that it is people first and foremost who are suffering the effects of the current economic crisis. Our priority in recent months has, therefore, been to tackle the effects of the recession on the employment situation. Thanks to an extraordinary effort in which the Regions and social partners too were involved, we have succeeded, more than other countries, in limiting job losses and the rise in unemployment.

We have avoided large-scale redundancies and, with these, the impoverishment of our businesses' human capital. We have protected the workers most badly hit by the crisis, including over-55s with weak skills and occupational profiles, by extending and increasing the flexibility of the *cassa integrazione* scheme. For the first time, we have extended the "social buffer" system to all types of jobs, including so-called "a-typical" and temporary ones. And we have included sectors previously excluded, such as services, the professions and the third sector.

We are convinced, however, that our country must do more than merely limit the effects of the crisis. We need to find the force to react. To take action as of now for the recovery. To transform the recession into an extraordinary opportunity for change.

It is from young people, from their energies and talents, that we must make a new start. With them – and for them – we want to build the Italy of the future. A more dynamic and competitive Italy, equipped with a motivated and skilled workforce. With open and more inclusive labour markets. With fewer barriers and cultural, geographical, generational and gender divides.

We share the views and concerns of many. Young Italians are penalised by a society that is, quite simply, stuck. Inward-looking. Unable to nurture and build upon all of its human capital. Unable to recognise merit and reward its many talents.

What we do not agree with is the rhetoric of the "precarious" labour market as an inevitable destiny for the new generations, a rhetoric that absolves us of responsibility to act. The mechanistic consequence of the necessary modernisation of the rules of a world of work that is changing at an unprecedented pace.

If we are truly worried about the future of our young people we must reject the misleading conviction that job quality depends simply on labour market reform. If that were the case, the solution to complex problems that affect industrialised economies just as much as developing ones would be easily within our reach.



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We cannot deceive ourselves. And, most important, we cannot deceive our young people and their families by fuelling unjustified expectations that, when not met, generate apathy and scepticism and, with them, easy excuses.

It is not through laws and decrees that employment precariousness can be countered and the profound sense of disquiet and insecurity that afflicts our boys and girls can be fought.

We need to explain to our young people and their families that processes of true change can never occur without a sense of personal commitment and responsibility. That useful reforms – whether already undertaken or still to be made – do not replace, but rather spur effective and timely behaviour by individuals and institutions, by providing constant opportunities to extol and enhance the responsibilities and freedom of each and every one of us.

The first responsibilities are most certainly ours, in the work of political guidance and governance carried out by our respective ministries. We are firmly convinced that the employment future of young Italians depends primarily on more efficient coordination and integration between renewed education and training pathways and the labour market.

With respect to their contemporaries in other countries, our young people's first encounter with the labour market comes far too late. And, what is more, with knowledge and skills that are hardly "spendable". This is partly because of their lack of any true contact with the world of work, by reason of the Italian prejudice whereby those who study do not work, and those who work do not study. Almost entirely absent, in spite of all our efforts in recent years, are any modern job placement and guidance services to help young people make a faster transition to the labour market. Including by enabling schools and universities to continually redesign and adapt their learning provision and maintain a constant and close contact with the regions in which they operate.

It is the marked self-referentiality of our education and training system that has such a negative effect on young people's employment prospects. This is the main reason why they frequently end up trapped in the margins of the labour market, with low-grade jobs and skills, and not infrequently with a total lack of consistency between their school career and employment career.

To counter the self-referentiality of our schools and teachers it is important to foster a virtuous competition between schools and, even more so, between universities so that young people are encouraged to choose the best – even if they are more difficult – seats of learning. Because it is here that they can build sound foundations for their

future. Competition of this kind is also necessary to reward and support the best of our educational institutions with a view to optimising resources. Competition is necessary to raise the standards of our weakest, struggling centres of learning – to help them attain excellence, with specific incentives as well as improvement and support pathways.

In the context of a new and more integrated relationship between training and education and the world of work, a carefully judged but vital reflection is needed on two priority issues. These are: the mobility of university students and advanced vocational training; and the legal value of educational qualifications.

Student mobility is hindered by cultural obstacles, it is true, but also by serious logistical and financial obstacles. We must therefore invest in mobility by moving on from an approach based on multiplying the number of establishments to one that offers real choice. First, by making merit-based scholarships and residencies more widely available. And second, by putting in place funding instruments for students wishing to invest in their futures. Indeed, higher education is not a cost but an investment, as shown, *inter alia*, by the higher incomes that degrees and vocational qualifications lead to in our country also.

The legal value of educational qualifications, by contrast, has been revealed as unable to guarantee quality and properly differentiate students' learning pathways. Courses of the same type and level do not necessarily provide adequate quality in the knowledge, skills and competences acquired by the students taking them. This also makes it very difficult to dismantle the “diploma factories” of secondary-school and degree-level education. For this, the legal value of the diploma must gradually be replaced by an approach based on course accreditation, with courses evaluated on the basis of their ability to provide a high-quality education that meets the needs of the individual, the economy and society. Only in this way will it be possible to replace purely formal certification with a recognition of the substantive quality of the courses concerned, by effectively strengthening and building on schools' and universities' teaching autonomy.

Our proposal – of eliminating the legal value of education qualifications – starting, in the medium-term, at the university level, will need to be debated in Parliament. This debate must be conducted in an open and constructive spirit, with the necessary awareness that we must to support, without further delay, a culture of merit in the choice of centres of learning and training. The relativisation of the qualification-based approach does not depend solely on legislative initiatives, but is first and foremost a cultural battle that must lead young people, their families and the business system to set a higher value on the quality of the results actually obtained than on the ritual and rigid procedures undertaken to achieve them. And convince them to lend greater support to those institutions that ensure certified, substantial quality rather than to



defend those that are merely convenient in logistical terms and generous in their formal evaluations.

Preparing today's young people for tomorrow's labour markets

For too many years now we have been debating, without any useful conclusions, job precariousness - subsidies regardless of merit - the “blanket” stabilisation of insecure employment positions. This is a limited outlook, indeed it is a backwards look, and one that confuses and deceives young people. It looks to a world of work that no longer exists and which we have long demanded, unsuccessfully, to govern through laws as abstractly rigid as they are widely disregarded in working environments, because they are impossible to comply with and far removed from the real needs of workers and enterprises.

Instead, more far-sighted countries look to the future. They are equipping themselves to compete in the information and knowledge economy by investing in people, and young people in particular. They design high-quality learning and training pathways that are accessible to all and in line with the needs of the economy. They prepare today's young people to operate in tomorrow's labour market. They attract “brains” from all over the world by offering them places in universities, research centres, advanced training facilities and businesses. They create stable employment prospects by focusing on skills, competences and merit and not on legal and contractual rigidities which, by placing the matching of employment supply and demand in an unnecessary straitjacket, depress the dynamics of the labour market.

They are countries that take action to address the drastic demographic changes currently taking place in order to provide their economies with “well-prepared individuals” who are able to lead, rather than be subject to, the dynamics of an economic system in constant flux. They help their young people gain an early understanding of their aptitudes, cultivate their talents, build sound social welfare and pensions plans that enable them to integrate public and private provision. They accustom their young people to early contact with the world of work and provide them with access to training pathways leading to recognised vocational skills of equal educational and cultural dignity as those with a more academic focus. They help businesses and the social partners to understand in advance, and build in schools and universities, their future occupational requirements and new trades and crafts as well as adequate and appropriate educational and training responses.

They are countries that innovate with respect to occupational structures and frameworks. They plan young people's entry to the workplace well in advance, through contracts with a true training content, guidance services and alternating school-work pathways, and technical and vocational training. But also through apprenticeships, of high quality and of equal dignity with more academic pathways. They invest in doctorates and research contracts, as extraordinary opportunities for collaboration between universities and the economic system, and also support the aim of equipping the new "green" jobs with competences of the highest level. They educate their young people in self-employment, risk and the values of enterprise.

Close indeed is the relationship between educational level, job prospects, job quality, satisfactory income levels, equal opportunities for occupational growth, labour productivity and capacity for innovation. And it is on this relationship that we too must now work to make up for lost time.

The projections to 2020 see Italy in serious difficulty in the international and comparative context, with respect to its demographic, employment and growth prospects. A severe shortage of the high-level and intermediate skills required by the new jobs, and an overall mismatch between learning provision and labour market requirements, are also forecast.

The already shaky equilibria of the labour market and welfare system will be placed increasingly in question by the ageing of the population and by geographical imbalances that, even over the next few years, will produce increased migratory pressures and progressive urban migration.

If we do not introduce corrective measures the current high drop-out rates seen in our schools and universities will persist. Levels that, in a context of declining demographic growth, we can no longer afford or tolerate.

These are the true crisis points afflicting our labour market. And it is on these that we must take action right now, without further delay.

To move forward in this direction, we do not need to invent anything new. If anything, we need to complete, piece by piece, the reform already launched – in our country too – over the last decade.

We are referring, in particular, to the Biagi Law and the various reform initiatives currently under way in our schools and universities. These, in all their huge potential, are still largely unexplored. They are met with a conservative, even ideological spirit, because of an old, but deeply rooted, concept of educational and training models. A concept that is far from reality. That still leads people to see school and employment



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from a “never the twain shall meet” perspective. And, as a consequence, to artificially perpetuate a personal development sequence that dissociates the learning and study periods in life from those of work and participation in active life.

It is only by recovering the educational and cultural dimension of work, in all employment experiences, that we will be able to overcome long-standing bad habits and prejudices, especially towards manual labour and technical and vocational teaching and training. Such attitudes distance our young people from occupational prospects that could provide them with opportunities for extraordinary fulfilment and accomplishment – for themselves, and for the common good.

It seems to us, therefore, that inclination, responsibility and spirit of initiative must be encouraged and enhanced from the outset. Right now. The choices, decisions and experiences of youth will be decisive for our young people’s employment and occupational future. Boys and girls must therefore, from their early schooldays, be given the learning and teaching resources they need to take ownership of their future and not fall victim to the limits and inertia of our learning institutions.

It is our duty, therefore, to support young people’s membership of associations and clubs during their school and university days, as opportunities for socialisation and a growing awareness of their own and others’ needs. As opportunities for informal learning, where they can acquire those cross-cutting competences that the projections to 2020 tell us will be increasingly sought-after in the labour market and in all sectors of the economy.

Responsibility, spirit of initiative, motivation and creativity are also vital in promoting young people’s entrepreneurship and in rewarding – including in allocating funding for research and university spin-offs – those with worthwhile ideas and the capacity to put them into practice.

This is the only realistic way to transform the current crisis into a major opportunity. To once more give young people concrete employment prospects and, with these, confidence and hope in the future. To soften the tones of destructive self-criticism that the press, and often young people themselves, are liable to project onto the opportunities for career success and fulfilment in Italy.

Our priorities for full youth employability

To achieve full employability for our young people, we have identified six priority areas of intervention that we aim to implement rapidly, following an integrated vision and with the help of all the actors involved. The task of driving, coordinating and monitoring the process will be entrusted to a shared “flight deck”.

We are convinced that this integrated vision, and the method of institutional collaboration, are essential instruments in raising the levels of key citizenship competences of each individual and fostering their human, cultural and social growth throughout their lives.

(1) Easing the transition from school to work

The difficult transition from the world of education and training to that of work is one of the critical points in our country and is highlighted in all the international benchmark studies.

First, there is the question of the “timing” of the transition. This is too long and fuels worrying long-term unemployment, including intellectual unemployment. The outcomes of the transition are alarming. The percentage of graduates working in areas not consistent with their diploma or degree subjects is the highest in Europe. All too many young people, without guidance and support from their schools or the institutions, still focus their future choices on poor learning pathways that lead to a labour market dead end.

A second question concerns the “modes” of transition. Job-seeking mainly takes place through informal, often friendship-based, networks that not infrequently operate on the edges of the law. The percentage of workers channelled through the public employment centres, and authorised private employment agencies operating under precise authorisation/accreditation arrangements, is still low.

Scarcely and poorly monitored is the transition between the various stages and levels of education and training. This generates significant drop-out and dispersion levels, not least as a result of the inability to guide young people to choose pathways that are a good fit for their aptitudes and potential.

Reducing the time required for the generational transition from school to work and reducing the level of job mismatches require a set of integrated, structured active employment policy initiatives. These should increase the fluidity and transparency of the mechanisms regulating the matching of labour market demand and supply and anticipate contacts between students and businesses throughout their education, training and university careers.

It is important to strengthen the network of authorised or accredited operators present in the labour market, combat the informal channels operating outwith the system and relaunch the national continuous labour exchange. It is even more vital for guidance and career initiatives to be developed directly within schools and universities, as



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envisaged by the Biagi Law. In this, the privileged position of these institutions should be exploited to full effect in pointing out to businesses the young people possessing the educational experience that most closely matches the position they wish to fill. At the same time, for schools and universities this activity can be an extraordinary sensor to gauge the quality of their learning provision and how closely it corresponds to the requirements of the surrounding economic fabric and, most important, of their students.

Strengthening this set of activities will help to reduce in advance the risk of long-term youth unemployment and non-employment and limit the risk of the competences acquired by young people being a poor match for labour market demand.

Our approach to this challenge must, however, be more ambitious and structural. Merely creating placement structures in schools and universities is not enough to guarantee a sound employment future for our young people. It is the schools and universities that, at the institutional level, and with the active involvement of all the students' teachers, professors and families, must play a vital and irreplaceable role of "intermediation" between young people and society. They must do so by educating and training our boys and girls and giving them a suitable preparation for entering the labour market.

At the same time, efficient guidance services must be set up and disseminated for the families of young people on the verge of choosing their courses of study, right from the early cycles of the educational system. It is important to provide students about to enrol at university with a complete picture of graduates' routes into employment and the labour market demand for people with the competences they will gain from their chosen faculty. The aim here is to avoid building up hopes or creating ambiguity that is only clarified at the end of their studies, with resulting frustration and inevitable career and personal dissatisfaction.

If they are to act as effective tools in achieving the goal of combating unemployment and achieving stable insertion in the labour market, training and guidance pathways must be placed outside the traditional transmission of knowledge (understood as a set of cultural and technical knowledge to perform a given job). They must also have an increasing impact on the concrete application of knowledge in a given organisational context, and on the routes to follow for insertion in the processes involved in the production of goods and services.

From this perspective, modern placement "levers" might be alternating school-work learning and training pathways. And, most notably, apprenticeships which, by providing practical experience in an authentic work setting, enable students to obtain certification. Apprenticeships such as the version that enables students to exercise their right-duty to education and training, enabling them to obtain a "second-

cycle” qualification. And, even more, the advanced-learning apprenticeships designed both for technical-vocational pathways and for obtaining a university degree or even a doctorate. From this perspective, it seems useful to recover teaching positions in schools and universities that have a specific role of personalised tutoring, counselling and holding the students concerned in these alternating training pathways. Teaching positions that can also engage in an on-going dialogue with learners’ workplace tutors in co-designing their training.

Underpinning any true education and training pathway in the workplace is the opportunity to convey an initial understanding to the student of the culture of rights and duties, responsibility, ethics and organisation, including in their relationships with and respect for others.

Promoting a culture of work and business organisation from a very early age can also generate a truly effective lifelong learning system and increase the benefits it offers to workers and employers.

The education and training system will be able to perform this fundamental intermediation role if it succeeds in shifting its focus from procedures to results and, more important still, to beneficiaries.

Rather than concentrate solely on the formal and bureaucratic elements of learning pathways (duration, procedures, physical locations), the focus must be on the knowledge, skills and competences the individual has acquired and is able to demonstrate.

The learning and training pathways envisaged by education systems must be tailored to individual needs by drawing up personalised study plans, strengthening their integration with the labour market, increasing the transparency and mobility of qualifications, improving the recognition of non-formal and informal learning, enabling young people to acquire truly spendable skills, and educating them to use their critical sense in their approach to the reality surrounding them.

In future, it will be important to move on from the traditional rigid, standardised learning pathways towards flexible, customised study pathways, including during secondary education.

To bring together each individual’s learning experience – in the classroom, on the job, during apprenticeships, in the workplace – the Citizen’s Training Logbook is a key tool. Introduced by the Biagi Law, it is still only used on a pilot basis in a few Italian Regions. The Logbook is a competence certification instrument that presents qualifications in a transparent manner, thus facilitating the dialogue between training



systems and labour market and placing the individual at the centre of the process.

Compiling the logbook is an opportunity to provide meaning to people's learning experience and pathways, which do not always appear coherent and/or spendable. The logbook should also contain details of the individual's schooling, training goals achieved and competences acquired outwith the educational system. Their schooling and vocational "history" should follow on seamlessly in the logbook in order to bring study and work, school and enterprise, personal care experience and social and vocational service, and school and workplace or vocational tutor together in a concrete manner.

Lastly, a need is felt for points of reference external to the schooling system. By moving on from the traditional self-referentiality of our learning system, these would help gain an understanding of the differences between one region of Italy and another and identify critical points needing further attention.

In this respect, it is crucial to grasp the challenge of achieving an education system providing high-quality learning and training and preventing early school leaving, especially with regard to the regions of southern Italy. The creation of a national evaluation system which, in continuous feed-back with schools and teachers, conducts surveys and on-going monitoring using appropriate testing tools would help gain an awareness of the true state of learning in Italy. Above all, it would pave the way for financial, cultural and teaching initiatives to support, rehabilitate and develop students and the learning system. Initiatives that would not be standardised and equally yet randomly distributed, as is the case now, but linked to actual contexts and circumstances, and highly targeted to resolve specific problems.

A far-reaching survey at the national level to identify businesses' occupational needs, including by making better use of the regular Excelsior surveys, could be a useful means of designing learning and training pathways in a more effective manner, with input from the social partners and the business system. This would also help rationalise the use of public and private funding intended for this purpose.

At the same time, we are confident in the commitment and ability of schools and universities to use to best effect the instruments already identified in the current legislation governing school and universities for local-level consultation on the needs felt by the business community.



(2) Revitalising technical-vocational teaching

Another serious limit experienced by Italy in international competition is the lack of intermediate and advanced technical and vocational profiles.

The intermediate technical deficit is estimated at 180,000 units. We are thus seeing the paradox of businesses that cannot find the skilled manpower they need to compete on international markets and young people un- or under-employed because their competences are not needed on the labour market or are spendable only in sectors and spheres experiencing low employment growth.

Technical instruction is an opportunity for both young people and businesses and, more than anything, a necessity for the country. The economic recovery cannot take place without a renaissance of the manufacturing sector and of the “Made in Italy” brand, which are historically closely linked to technical institutes.

This serious anomaly requires, on the one hand, improved guidance and, on the other, a reorganisation, relaunch and up-grading of technical education. This should be developed up to the third level by establishing advanced technical institutes in the technology areas most strategic to innovation and competitiveness, especially in the case of small- and medium-sized enterprises (SMEs). Recourse should be made to apprenticeships with a high training content and, most notably, the construction of technical and vocational education and training pathways in the workplace and on the job. These choices and decisions will help significantly reduce the abstract nature of the scholastic culture and, at the same time, the mismatch between demand and supply on the labour market. They will improve young people’s employability and help adults remain in the labour market.

Technical education needs to be adapted and improved. However, it is essential for its general structure and identity to be recognisably distinct from those typically found in secondary schools (technical ones included) and in gradual, continuous education and vocational training pathways. This naturally does not rule out, indeed it requires – concurrently yet avoiding any overlap whatsoever – the fullest possible integration between the systems concerned. We must remain keenly and intensely focused on the relationships between 5-year technical education pathways, state vocational education pathways (again 5-years) and the regional vocational training courses now available in some Regions and lasting from 3 to 7 years.

Without this careful integration/distinction between technical education pathways and vocational education and training, the stakes we have placed on the post-secondary, non-university vocational learning experience could be lost and a sector of learning that exists the world over might never see the light of day and grow strong, as it



deserves, at the service of our people and the country as a whole.

The “upgrading” of our technical and vocational studies will necessarily include a reskilling of our teaching community.

A national plan should be drawn up to develop the necessary technical culture to strengthen guidance, improve governance, develop innovative refresher courses and pathways for teachers, keep programmes up-to-date with scientific and technological innovation, modernise laboratories and workshops in close liaison with the demands of business, and enhance traineeships, internships, school-work alternation and school-business liaison by establishing new technical-scientific committees.

The innovations introduced with the technical education reform should be consolidated along these lines. The reform envisages the creation of such committees, the aim being to strengthen the synergistic link between the educational goals of the school system, local needs, and the occupational and labour needs expressed by the world of business. The technical-scientific committees would be composed jointly of teachers and experts from the world of work, the professions and scientific and technological research. They would have a consultative and advisory role on how best to organise guidance areas and use the available spaces of autonomy and flexibility in the organisation of learning provision. These committees would be required to formulate the criteria to select experts from the world of work and the professions. The criteria could then be used by technical institutes, through specific contracts, to enrich training provision with specific teaching activities requiring specialist competences.

In this way, an accountant, an entrepreneur, a lawyer, or a bookkeeper could be involved in teaching – even without a teaching qualification.

(3) Revitalising apprenticeship contracts

Monitoring reports suggest that only 20 out of a hundred apprentices receive any form of training. Too few indeed for a form of contract with huge potential in terms of supporting job quality and employment productivity.

Far from being a “simple” employment contract, apprenticeships are in effect an innovative placement instrument based on the integration of the education and training systems and the labour market. It has eliminated the old, artificial distinction between “in-house” training and training conducted outside the enterprise and provides young people with a rapid, stable entry to the world of work.

And yet, of the 3 types introduced by the Biagi Law, only the vocational apprenticeship is currently in operation, albeit with marked regional and sectoral differences. This form of apprenticeship leads to a contractual qualification through on-the-job training and the acquisition of basic, cross-cutting and technical-vocational competences.

Entirely virtual, in the absence of the necessary agreements between State and Regions, is the apprenticeship designed to fulfil the right-duty to education and training. A format which, if it became fully operational, would enable beneficiaries to acquire a vocational qualification – therefore, a study certification and to effectively combat dropping out. Beneficiaries would be the many young people hired as apprentices and who hold at most the middle-school diploma (a good 54.4%, to which should be added 3% with no qualification at all).

The same applies for the “third level” apprenticeship, which is intended to lead to a diploma or advanced training qualification, even including research doctorates. This is a unique opportunity, especially for our SMEs, to invest – at a reasonable cost – in research and innovation. But it was used, in effect, only in the context of a pilot project that ended some time ago and involved no more than 1000 apprentices.

Apprenticeship contracts thus remain, in the great majority of cases, a simple temporary employment contract with no additional or improved training component. Even though such a component is envisaged and, indeed, set forth in the law as the distinguishing feature of the contractual model in question.

We therefore intend to support and reward the initiatives the universities wish to undertake to develop projects for innovation in teaching, projects that are able to grasp these great opportunities.

In supporting the business system and enhancing our young people’s skills, a relaunch of the apprenticeship contract is therefore of decisive importance. This will necessarily entail a greater emphasis on the workplace training component and on greater involvement by the social partners and the bilateral model. The Regions’ efforts should be focused, on the contrary, on relaunching the “duty-right” version of the apprenticeship and the version leading to a diploma or university qualification.

(4) Rethinking the use of training internships, work-experience in the curriculum, health and safety education, pensions protection from school and university age

Training and guidance internships have played a key role in bringing learning and training situations closer to the labour market, including from a placement perspective.



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They have for many years – along with training-employment contracts and apprenticeships – been one of the few channels for young people to enter the labour market.

Alongside good practice, however, a worrying deterioration in training and guidance internships can be observed. They are not infrequently used as a channel for recruiting low-cost labour, with no training – or even purely guidance – value.

Their use can and must therefore be reconsidered and re-assessed, especially in light of the most recent developments in the legal framework, which envisage a range of provisions to ease young people's insertion in the labour market.

The introduction of “employment-insertion” contracts and the new apprenticeship has been accompanied by the introduction of the reduced-hours, modulated and flexible (part-time, job-sharing, intermittent employment) contracts now available to employers. This can but lead to a recovery of the training and guidance component of internships, especially as part of education and training pathways.

The function of training and guidance internships should be revitalised by uncoupling them from the excessive restrictions imposed by university pathways. These, by too often envisaging an excessively low number of hours, heavy bureaucratic obligations, and learning that is remote from any real needs, can deter enterprises from using an instrument that in fact is highly useful to them as well as to young people. Indeed, it enables employers to get to know possible future candidates for possible future jobs. Internships should therefore be designed in a flexible manner, with both content and duration shaped as required. The responsibility of the universities', as promoters, remains an essential component in overseeing students' workplace training projects and ensuring that they go well.

Equally important are further initiatives to enable young students to engage in early work experience, including occasional work, during their school and university careers. The occasional work envisaged by the Biagi reform and considerably expanded by subsequent legislative amendments to it, offers students a chance to work in all sectors of the economy during their holidays and weekends.

We believe strongly in “work vouchers”, a form of occasional work regulated by the Biagi Law. For students, this is not just an earning opportunity, but also an additional opportunity to become more aware and better informed of the world of work by learning its rules, contexts, and entry and occupational growth opportunities.

The stable link between school and the world of work, including through internships and work experience, plays a decisive role in promoting and supporting the development and dissemination of an accident-prevention culture in living, study and

employment contexts. From this perspective, education on health and safety in the workplace can be of concrete value in the overall teaching programme followed by autonomous schools. It would enable new methodologies to be tested to promote and support workers' safety with a view of providing them with quality jobs.

Early contact with the world of work helps young people to understand in good time the importance of building up their future pension, which will necessarily be linked to the amounts of contributions paid. Complementary pension schemes will play a key role, as will the recognition for pension purposes of years spent at university, by equating them to periods in employment eligible for pension purposes. These can be added to any earlier period spent in work (starting with work vouchers for young students under 25 years old) in a unified national insurance account.

(5) Rethinking the role of university learning

Improving our country's technical and vocational studies at the secondary and higher level must go hand in hand with a comprehensive review of the quality and function of university studies.

The system that sees our young school-leavers enrol en masse in universities does not correspond with the real needs of the world of work, or indeed with the students' own growth prospects. Significant numbers of young people leave university as early as year one, thus complicating their transition to employment. The very identity of our universities is at risk; in filling the gap made by the lack of a strong national system of higher education in technical and vocational subjects, they have lost part of their prestige and authority.

The number of graduates finding work that fits their education is thus decreasing. More than half our graduates are in jobs where the requirement is a generic degree, or else are under-employed in jobs and with tasks that do not require a degree at all. The fact that most of those obtaining a first degree then choose to continue their studies with a two-year specialisation merits more than a passing reflection.

The Community institutions have long declared that they want Europe to be the most competitive and dynamic knowledge-based economy in the world. Central to this, in addition to the creation of an advanced vocational training and learning system at the higher education level, linked to technical-vocational training, is the role of scientific research and of the university system in general.

Today, more than ever, this challenge is decisive if we are to compete on the global markets and marry our goals of innovation and growth with those of the full and fruitful development of the individual. To meet this challenge, Italian



Action plan for youth employability through learning and employment integration

universities must make up the serious delays accumulated thus far, as repeatedly – and persistently – shown by international benchmarking studies.

All components of the university system, starting with those responsible for policy leadership and guidance, must rise to the demand for renewal – courageously and without ideological preconceptions. They must be transparent in their conduct and results, and demonstrate – with hard evidence – that they are able to design and plan our country's future together.

First, we need to complete the path already embarked on, of simplifying and reducing the number of three-year degree courses. Their purpose is not to channel young people into prematurely specialised and compulsorily vocational pathways, but to provide a solid, broad, in-depth base onto which each can then graft his or her vocational or career path, depending on their personal life-decisions. The three-year degree must provide sound knowledge, in terms of method and content, the prerequisite both for those who decide to enter the world of work straight away and those who opt to continue their studies.

The process of reviewing study courses is showing its first fruits and should be further accelerated. In so doing, attention must be paid to designing learning provision that focuses on results and on the area's employment needs. We expect that the entirely academic and self-referential approach typified by the proliferation of courses will be replaced in a short space of time by a real evaluation of the needs of students and the world of work, with the elimination of courses unable to meet the high training and educational standards that today are so vital.

We must abandon the old concept of the degree as the single and final point of arrival in students' lives and careers. Instead, we must encourage universities to envisage learning provision in line with the idea of lifelong learning, with training and further study extended to those already in work. This would strengthen and build on (including in terms of reciprocal investment) the bond between students and their alma mater.

We need, once and for all, to move on from the sterile contraposition between vocational and other university studies. Against a background of such great change in occupational profiles, where combinations of diverse knowledge and skills are often needed, the three-year degree should be considered as part of a truly lifelong learning journey.

Everyone should be given the opportunity to obtain further competences in addition to and different from those envisaged by degree courses. This can be done, as was mentioned, by encouraging lifelong learning, and by putting together short courses on specific subjects that can also be followed during the individual's university studies.

The aim here is to encourage interdisciplinary learning during, and not just after, the traditional university years by enabling students to attend parallel courses, including at degree level, even if these differ greatly in nature.

A versatile, destructured, learning provision therefore needs to be established. one that overturns the traditional “single-course” model and marries the historic and necessary training of the critical sense that is a natural feature of university life, with the conquest of concrete technical skills that can be “spent” immediately in employment situations.

This is how we should interpret the directives issued so far for the reorganisation of our university courses and the guidelines for university planning and programming for 2010-12.

(6) Opening up research doctorates to the economic system and labour market

Italian companies are poorly informed about and make little use of research doctorates. In the countries leading in the international competition stakes, companies use – and generously fund – research doctorates as an extraordinary opportunity to innovate and grow. An opportunity to recruit the best talent and invest in the excellent levels of competences required by the new labour markets. In Italy, on the other hand, those who can append “PhD” to their name are destined, if they are lucky, to an academic career.

Educated for the self-referential “market” of the universities, those PhDs – by no means few – who do not enter an academic career remain unemployed and are forced, after a long wait, to accept modest jobs. Simply put, their aptitudes and skills are not particularly appealing to employers and, as a result, they find themselves with pay and productivity levels no different from those holding a standard degree.

We need to eliminate this serious anomaly, which leads to a vicious circle and deprives the country of a significant pool of resources to support private sector research, create strategic employment positions for businesses and the professions, and equip the country with a new leadership class.

As part of a renewed concept of advanced university learning and research a rethink of the research doctorate and post-doctorate, which must open up radically to the labour market and that of the professions, is of strategic importance. This is also true in support of innovation and growth in the economy, not just from the limited perspective of a university career.



Action plan for youth employability through learning and employment integration

It is important for the scientific value of doctorates to be high and internationally recognised as such, as well as spendable, where needed, on the labour market. Doctorates are the highest degree of specialisation a university can provide, both for those who intend to devote their time to research and those who wish to enter the business world with a significant baggage of competences and planning and research expertise.

The current situation shows some clear problems.

Italy has over 2,200 doctorate courses, with an average of 5.6 students per course. This degree of fragmentation is clearly too high. It makes it impossible to create those communities of young scholars engaged in specific research fields that are the true strength of doctorate studies.

Initiatives are already under way to allocate doctorate funding, from now on, only to courses set up by universities that have sufficient qualitative and quantitative competences. They must also have research structures of sufficiently high standards, and course organisation structures designed to avoid fragmentation and waste. Following an approach based on co-financing and multiplication of the (few) resources available, public funding should also reward those doctorates that are able to obtain private funding – a sure indicator, *inter alia*, of the quality of the learning and research pathway on offer.

In the twenty years since the current model was introduced, Italian doctorates have been depicted – often negatively – as mere self-referential schools to train and co-opt future professors, rather than as centres of research that advance the knowledge available to the country's production system. It comes as no surprise, therefore, that with few exceptions they have not been able to attract and channel either significant private funding or robust collaboration with the local and national economic fabric.

At the international level, very few countries today continue to describe doctorate students' work in terms of study alone. Of the 37 members of the "Bologna Process", only 10 (including, in addition to Italy, Russia, the United Kingdom, Ireland and the Czech Republic) still use the term "student" for those working on their doctorates. In 22 countries (including Austria, Belgium, Germany, Spain, Sweden and Switzerland) the concept encompasses both work and study. In three countries (Denmark, the Netherlands and Bosnia-Herzegovina) individuals working on their doctorates are considered as employees, as envisaged by the Biagi Law, for those following doctorate "apprenticeships".

Doctorates must also acquire an increasingly international dimension and encourage mobility in young people. Today, less than 5% of doctorate students in Italy come from abroad. We need to take action on this front, not least by simplifying the entry

and selection procedures. We need to promptly implement EU recommendations on the creation of a European Research Area with a view to facilitating the free movement of scholars.

The international dimension of doctorates should also be incentivised at the “exit” end. The highest possible number of Italian doctorate students, regardless of specialisation, should therefore conduct part of their research abroad. This will expose them to practices, methods and theories that are often unknown in our academic community, but which would expand the horizons and networks of Italy’s future leadership.

**YOUNG PEOPLE: FROM SCHOOL, TO UNIVERSITY, TO
WORK**

A PATHWAY OF INTERPRETATION

Young people: who, how many, and how many in 2020

In the international comparisons and discussions young people are generally considered as being under 25 years of age – not just at the social and statistical level, but also in legislative terms. This definition also applies, therefore, to the spheres of application of employment policies defined at the national level in line with the strict European provisions governing state aid and, most notably, assistance for employment and training.

The mere fact that, in the current political debate and socio-economic investigations, we speak of young people as persons well over 30, gives an insight to the Italian anomaly and some of the main ambiguities which, as we have sought to point out in the Italia 2020 action plan, are key features of the debate on “precarious” employment and labour market reform.

Italy has just over 14 million people aged 15 to 34, or 23% of the resident population (National Statistics Institute (ISTAT) data at 31 December 2008). Their inclusion in the category of “young people” is a result of the delay, at least with respect to their contemporaries in other countries, both in entering work and in leaving their family home. Nearly all Italian young people live at home at age 24. At 18-19 years of age, 96.9% are still living in the family home; between 20 and 24, 86.1%. The percentage remains high for the 25-29 age group, at 59.2%, and for 30-34 year-olds it is 28.9%.

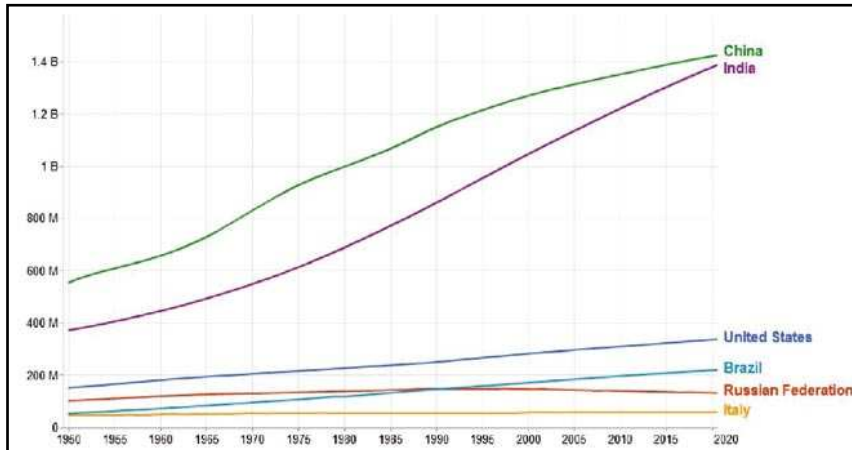
If we bring the definition into line with international comparisons, then 10.1% of the total population (ISTAT data) is in the 15-24 age group. Many of these young people have never had any contact with the world of work. Which highlights the fact that, alongside a problem of insecurity and the difficult transition from school to work, Italy has a serious demographic problem linked to the progressive ageing of the population.

The countries that have experienced the highest rates of economic and demographic growth in recent years (the so-called BRIC countries (Brazil, Russia, India and China), to which can be added, for comparison, the United States of America), have much higher proportions of young people (15-24) as a percentage of the total population: 16.7% for Brazil, 17% for China, 18.3% for India, 14% for Russia and the USA (source: Census). To complete the picture, the data for Europe are closer to Italy than to the BRIC countries: 11.6% for Germany, 12.8% France, 11.2% Spain and 13.4% for Great Britain (Eurostat data). While these figures are lower than for the states analysed earlier, the percentages are still higher than in Italy.

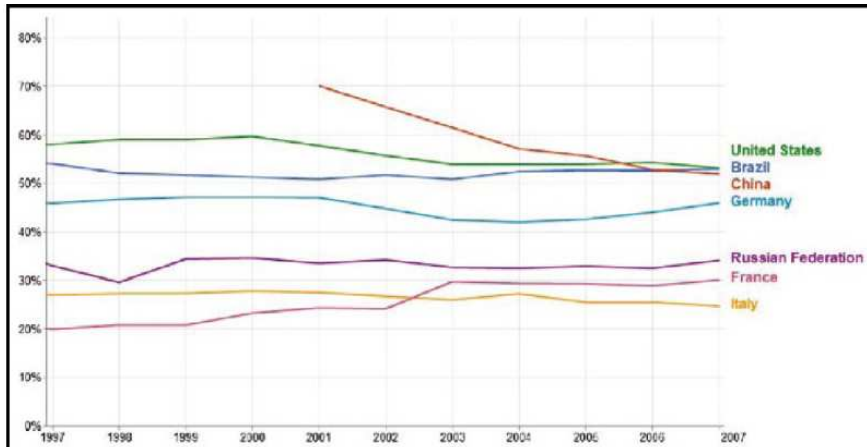
The demographic projections to 2020 also favour the BRIC countries, most notably India and China, as can be seen from the graph (source: calculation based on OECD data). The projections for Italy give an estimated rise of 800,000 in the number of 15-24 year-olds by



2020.



Young people and work: employment and unemployment rates



The labour market indicators and youth (15-24) unemployment figures also see Italy at the tail-end of the international statistics, both at the global and European levels.

The youth employment rate in Italy before the crisis (2007) was 24.7%, compared with 51.9% for China, 52.9% for Brazil, 34.1% for Russia, 53.1% for the USA, 55.9% for the UK, 42.9% for Spain, 45.9% for Germany and 30.1% for France (OECD data which do not include India).

Young people were one of the categories worst hit by the negative economic climate. So much so that the ISTAT data for 2009 give a youth employment rate three percentage points lower: 21.7%. The figure for the 25-34 age group is of course higher (67.5%), for population groups we can correctly define as young, since under 35. This is in line with the employment rate in other countries.

The crisis hit young Italians much harder than older workers. While the comparative data for youth employment are most definitely negative, this is not so for total employment, which saw a relatively limited loss of jobs.

The European Union's unemployment rate reached 8.9% in 2009, compared with 7.0% a year earlier. In 2009 Italy's unemployment rate was lower than the EU's, albeit in the presence of growing non-employment.

Taking the EU average, the youth (15-24) unemployment rate reached 19.6% in 2009. For Italy, the figure for that year was 25.4%, about 6 percentage points higher.

It should be noted that the national average reflects the extreme lack of uniformity in Italy's geographical situation. While the youth unemployment rate is 18.2% in the north (with a minimum level of 16.3% for males), it goes as high as 36% for young people living in the south of the country.

The impact of the negative economic cycle on young people led to a significant fall in employment numbers: 300,000 fewer than the previous year, representing 79% of the overall fall in employment. The area of young people not engaged in work, education or training increased (by 142,000), as did the number of students (an additional 83,000. To these should be added a further 47,000 who previously were student-workers and presumably opted to prolong their studies in view of their reduced employment prospects). Given that the population of young people fell by 28,000 in 2009, the extent of the contraction in employment seems even more worrying (the employment rate for 15-34 year-olds is 34.7%).

Young job-seekers by age-group and educational qualification – average, 2009

Qualification	Total (1,074,000)	
	15-24	25-34
Primary school diploma	9,000	22,000
Middle school diploma	162,000	186,000
2-3 year diploma	39,000	39,000
4-5 year diploma	217,000	235,000
Short degree, degree, doctorate	22,000	143,000
Total	449,000	625,000



Unemployment rate in Italy and the principal European countries

ITALY				
Age Group	North	Centre	South	Italy
15-24	18.2	24.8	36.0	25.4
25-34	6.4	9.8	18.1	10.5
TOTAL POPULATION	5.3	7.2	12.5	7.8

Countries	2007	2008	2009
EU (27 countries)	15.3	15.4	19.6
Germany	11.1	9.9	10.4
Spain	18.2	24.6	37.8
France	19.6	19.1	23.3
Italy	20.3	21.2	25.3
UK	14.3	15	19.1

Long-term unemployment index

AGE GROUP	North	Centre	South	Italy	Base
Male and Female					
15-24	0.47	0.85	1.84	10.0	1.00
25-34	0.40	0.84	2.13	4.5	1.00
TOTAL	0.58	1.00	1.77	3.4	1.00

Young people and job type

From calculations based on ISTAT's labour force data, we find that 30% of young employed people aged 15 to 29 are in set term employment, compared with 8% of the rest of the population. This confirms a widespread perception as to the definitive change in employment pathways. People no longer enter the labour market through standard contracts, but through a series of contracts that to varying degrees are temporary and/or atypical. The focus is no longer on the "job" itself so much as on the pathway, in other words the possibility of being in work. Action is urgently needed, therefore, to improve people's employability and adaptability to reduce their transition times between one job and another.

By mainly affecting temporary and flexible jobs, the economic-financial crisis hit young people harder than others. Its most severe consequences are those affecting non-standard contracts. The number of these fell by 240,000 units in 2009 (63% of the overall fall in employment), while standard (full- or part-time) contracts saw a loss of 140,000 units.



Employed persons (2009 average) by age group and job type (ISTAT Labour Force data)

AGE GROUP	Job Type		
	Total employed	Atypical jobs	Standard e partly standard
Absolute Values			
15-29	3,485,000	1,035,000	2,450,000
30-64	19,540,000	1,513,000	18,027,000
Total	23,025,000	2,548,000	20,477,000
Percentage Values			
15-29	100.0	29.7	70.3
30-64	100.0	7.7	92.3
Total	100.0	11.1	88.9

Youth employment is particularly concentrated in the service and specialist craft/artisan sectors. While these sectors are of medium specialisation, the figures for intellectual professions are low. The low presence of entrepreneurs and managers is understandable, in view of the age group concerned.

Employed persons by age group and occupation (ISTAT Labour Force data)

OCCUPATIONS	15-24 years	25-34 years	Average 15-34	Total 15-64
ITALY				
Legal profession, managers, entrepreneurs	0.8	2.2	1.9	4.3
Intellectual professions	1.3	8.8	7.3	10.3
Intermediate technical occupations	12.9	21.5	19.8	20.4
Executive-administrative occupations	12.0	12.2	12.2	11.0
Occupations connected with sale of services	29.5	18.6	20.7	16.5
Artisans, skilled workers, farm workers	24.1	19.0	20.0	18.8
Equipment and vehicle drivers	7.8	8.4	8.3	8.0
Low-skilled occupations	10.1	8.2	8.6	9.7
Armed forces	1.4	1.2	1.3	1.1
Total	100.0	100.0	100.0	100.0

Last year saw a dramatic drop in the number of apprenticeship contracts which, as we know, are young people's main entry channel to the labour market. There were 645,986 apprentices in 2008 and just 567,842 in 2009, a fall of 78,144 (over 12%).



The crisis undoubtedly influenced the fall in the number of apprentices. However, it is true that businesses and their advisers view apprenticeships as overly complex contracts and a source of uncertainty, not to mention a high risk of legal disputes. It is much easier for them to use training internships (which at present are clearly being abused) or else forms of autonomous “collaboration” (i.e. semi-self-employment) or flexible employment contracts.

The uncertain division of competences between State, Regions and social partners in regulating the subject plays a part in its overall complexity. Suffice to note that in 2009 146,942 apprenticeship contracts were set up under the Treu Law of 1997, a “residual” law still operating where the Biagi Law has not yet been implemented. This still applies in certain sectors of the economy, and also for young people, given that the “first level” apprenticeship envisaged by the Biagi Law for the exercise of the right-duty to education and training is in no way operational.

Traineeships and work vouchers

According to the latest Excelsior Unioncamere report, from 2007 to 2008 the number of traineeships in private companies in Italy increased by 19.3% (from 256,000 in 2007 to 305,400 in 2008). The number of those finding work (even with temporary contracts) immediately after the traineeship fell, from just under 13% in 2007 to just over 9% in 2008. Nearly 69% of big Italian companies had trainees in 2008, but reported a 9-point fall in post-traineeship hiring in the space of just one year.

ISTAT’s PLUS survey in 2008 noted that traineeships are seen by young people as a probation period, with a view to being hired. Their average duration is 6-12 months. From a period of guidance and training (and as a result unpaid and relatively short), traineeships have gradually been transformed into “job-insertion pathways” and viewed thus by both enterprises and workers.

With the aim of providing a realistic alternative to “false” traineeships and bring jobs in the black or otherwise informal economy into the light of day (for example summer or seasonal jobs, agricultural work, school repeats), the Biagi Law introduced work vouchers. These came into full operation in 2008 and can be used by the under-25s for occasional or “auxiliary” Saturday or Sunday work or during holiday periods. One condition is that they must be enrolled in school or another educational establishment, of any level, and the jobs must fit in with their schooling commitments. For students enrolled at university, the jobs can be at any time of the year.

From August 2008 to June 2010 alone, more than 2,200,000 work vouchers for people aged under 25 were sold. A total of 22,642 young workers were paid using this instrument.



Self-employment, “project” contracts and entrepreneurship

ISTAT figures give the number of self-employed workers aged 15-34 as 1,262,000. This is a considerable number and deserves attention by labour market and training professionals.

Expected use of “project” contracts (Excelsior)

	Expected no. Project-workers* in 2009 (ann.change.)**	Project-workers expected in 2009			
		by educational level (% of total)			
		University	Secondary and post-secondary	Vocational qualification	No training
TOTAL	185,960	38.3	51.7	5.2	4.8
INDUSTRY	41,140	28.9	56.3	6.3	8.5
<i>Industry in the strict sense</i>	28,290	29.7	58.1	5.1	7.1
<i>Construction</i>	12,840	27.2	52.1	8.9	11.7
SERVICES	144,830	40.9	50.5	4.9	3.7
GEOGRAPHICAL DISTRIBUTION					
North-West	58,990	36.8	54.5	5.2	3.5
North-East	39,650	41.2	46.1	5.6	7.0
Centre	51,230	34.9	55.5	5.4	4.3
South and Islands	36,090	42.1	48.1	4.8	5.0
SIZE					
1-9 employees	94,870	37.8	52.3	4.8	5.1
10-49 employees	44,660	35.0	53.9	5.9	5.2
50-249 employees	28,420	37.3	51.3	7.0	4.3
250-499 employees	6,270	45.3	48.3	6.0	0.4
500 and more	11,750	52.6	42.0	1.6	3.8

13% of employed persons aged 15 to 24 and 20.5% of those aged 25 to 34 are self-employed, while the figures for dependent employment are 86.9% and 79.5% respectively. As regards the source of this employment, we can see, in line with the increasing move to services in the economy, that most self-employed workers are in the service sector (9.4% of the 15-24 age group and 14,6% of 25 to 34 year-olds). Next come industry and agriculture. A geographical breakdown shows that the south has a higher percentage of self-employed than the north. In the younger group, self-employed account for 15.9%, rising to 25.2% in the 25-29 age group; in both cases, above the national average. The north, by contrast, is below the national average for self-employment, in both age groups and for all economic macro-sectors.



An instrument which, like traineeships, lends itself to abuse, is the “project” contract. These are normally reserved for young people of a medium to high educational level.

Youth inactivity rates

Italy has one of the lowest rates of youth inactivity in Europe, one that is – as might be expected – worsening as a result of the crisis.

In 2009, just over 2 million young people, or 21.2% of the population aged 15-29, were outside the education-training-employment circuits. These young people are defined as “NEET” (not in education, employment or training), and in Italy as “NÈ NÈ” (neither in education nor in the workplace).

According to the OECD, in 2007 in Italy the proportion of NEETs was much higher than the European average for all age groups: among 15-19 year-olds, just under double the EU average (10.2% compared with 5.8% for the UE). The figure rises to 22.6% for the 20-24 age group, compared with 14.6% for Europe. For the 25-29 age group, the figure is 25.6% (compared with 17.2% in Europe).

These differentials can be ascribed, first of all, to young people’s higher employment rates in other European countries. And second, in Italy the NEET condition is more closely linked to inactivity than to unemployment.

The negative economic cycle amplified the already low inclusive capacity of the Italian economy with respect to young people. The proportion of NEETs amongst the young which fell slightly between 2004 and 2006 (from 21.1% to 20.0%). It remained essentially stable over the next two years, only to begin rising again in 2009.

Young people losing their jobs also began to swell the ranks of the NEETs from the second half of 2008; the increased propensity to prolong studies works in the opposite direction.

The effects of the worsening employment situation can also be seen in the contribution made by people formerly in employment to the increase in the NEETs’ ranks (of which, however, they account for less than 12%). The formerly employed stay out of work for a much shorter time, on average, than NEETs looking for their first job (9 and 25 months respectively).

Lastly, the number of young NEETs who are inactive as a result of giving up active job-seeking grew in 2009. The difficulties encountered in finding work kept 436,000 young people, already outside education and training channels, out of the labour market too, at least the formal one.



Inactivity rates by age group in the principal European countries

Country	15-19 years				20-24 years				25-29 years			
	Males		Females		Males		Females		Males		Females	
	2007	2009	2007	2009	2007	2009	2007	2009	2007	2009	2007	2009
EU (27 countries)	74.1	75.5	78.3	79	31.4	32	41.4	41.5	11	11.4	23.9	23.1
Germany	66.2	66	70.7	71.6	26.1	26.4	31.9	31.4	13.2	12.8	22.1	20.2
Spain	72.2	76.8	80.3	83.6	27.9	30.2	37.6	37	9.4	10.3	19.1	16.9
France	79.5	80.8	87.4	86.4	35.2	32	41.9	40.2	6.7	6.9	18.4	17.7
Italy	86.4	88.5	91.6	93.1	42.2	44.1	58.5	60	19.6	21.6	36.9	37.4
UK	54.3	57.6	54.9	57.2	17	19.8	28.3	29.5	7.7	7.7	23.8	22.9

Education and training

The low level of education in young adults is one of the main problems highlighted in all the international surveys. In our country, a very high percentage of young adults has no secondary-level diploma or certification. Systematic action is therefore needed to encourage the highest possible number of young adults back into learning or training to enable them to obtain a secondary-level qualification as well as competences that will help them achieve full insertion in the world of work.

Many of the problems young people encounter on the labour market – and the “precariousness” to which they are exposed – can be attributed to the quality of the education system of learning and training and of the university system. And, most notably, to the lack of coordination with the labour market, which gives rise to a long and complex occupational transition. The preference for attending high school is very strong, even though technical and vocational institutes, as well as apprenticeships, not infrequently respond better to the requirements of the world of work.

The school drop-out and early leaving rate is also worrying. Italy has 2,326,298 young people aged 14 to 17. Of these, 94.3% are enrolled in some form of education, which is compulsory until 16 years, while 5.4% are not in any training and employment pathway – a good 125,620 boys and girls.

To these figures should be added the number of students who leave school as soon as they reach working age – without any qualification. The drop-out rate is 1.9% in the first year of secondary school and 1% the second year (in total, just over 32,220 young people leave school during the first two years of secondary school). In comparison, only in Spain is a worse result found in terms of early school-leaving. As regards the probable duration of their studies (in years), France too has a lower figure than we do, against a high rate of school attendance, however.



School attendance indicators

Indicators	Years			
	2000/01	2005/06	2006/07	2007/08
School attendance rate, senior secondary school (a)	86.3	92.4	92.5	93.0
Qualification rate (b)	12.6	16.6	16.8	16.8
School-leaving diploma rate (c)	72.4	78.0	76.5	73.9
Senior secondary productivity rate (d)	67.4	70.4	68.6	66.6
Participation rate initial v.t.(e)	3.9	3.3	4.3	n.a.
Participation rate initial post-secondary v.t.(f)	1.4	1.0	1.4	n.a.
Labour force holding at least one ISCED certificate 3	52.0	59.2	60.0	61.0

(a) Total attendees in relation to the population of 14-18 year-olds. This indicator varies with respect to the attendance rates calculated by age, since the number of enrolled students also includes 19-20 year-olds behind with their studies and still enrolled in level II secondary school

(b) Percentage of students gaining qualifications at state vocational institutes in relation to the average 16-17 year-old population

(c) Number holding school-leaving certificates in relation to the average 19-20 year-old population

(d) Number of – internal – holders of school-leaving certificates in relation to the numbers enrolled in the 1st year of secondary school 5 years earlier

(e) Total enrolled in first-level courses out of the total of 14-18 year-olds

(f) Total enrolled in second-level and IFTS courses out of the total of 19-24 year-olds.

Rates of overall school attendance by students' age; school years 2000/01, 2006/08 and 2007/08*

Age	Years		
	2000/01	2006/2007	2007/2008
14 years	102.2	98.7	99.3
15 years	92.9	94.6	95.0
16 years	84.8	89.5	89.1
17 years	77.3	83.7	83.6
18 years	68.0	75.3	75.6
14-17 years	89.0	91.7	91.7
14-18 years	84.6	88.4	88.4

The rate of overall attendance is calculated on enrolments to level I and level II secondary school and takes into account actual enrolments by single age and by those ages grouped together.

* refers to students enrolled in level I and level II secondary school



Students enrolled in level II secondary school, by type of school and by school years (YoY change and % value)

Type of school	School years				% change		
	2000-01	2006-07	2007-08	2008-09	2007-08/ 2006-07	2008-09/ 2000-01	2008-09/ 2007-08
Absolute value							
Vocational institutes	535,980	557,612	557,251	551,117	-0.1	2.8	-1.1
Technical institutes	983,605	938,200	930,578	917,200	-0.8	-6.8	-1.4
Secondary schools	759,228	912,580	931,749	928,247	2.1	22.2	-0.4
Teacher-training (a)	195,351	217,757	219,991	220,891	1.0	13.1	0.4
Art (b)	96,345	102,861	101,237	99,488	-1.6	3.3	-1.7
Total	2,570,509	2,729,010	2,740,806	2,716,943	0.4	5.7	-0.9
<i>% breakdown</i>							
Vocational institutes	20.9	20.4	20.3	20.3			
Technical institutes	38.3	34.4	34.0	33.8			
Secondary schools	29.5	33.4	34.0	34.1			
Teacher-training (a)	7.6	8.0	8.0	8.1			
Art (b)	3.7	3.8	3.7	3.7			
Total	100.0	100.0	100.0	100.0			

- (a) Secondary schools and psycho-pedagogical and personal care service institutes
(b) Art institutes and secondary schools specialising in art

Distribution of 14-17 year-olds outside training and learning by geographical area, in absolute and percentage terms (2008-09 school year)

Geographical breakdown	Annual change	%
North-west	27,198	21.6
North-east	10,844	8.6
Centre	16,536	13.1
South	51,428	40.9
Islands	19,847	15.8
Total	125,853	100.0





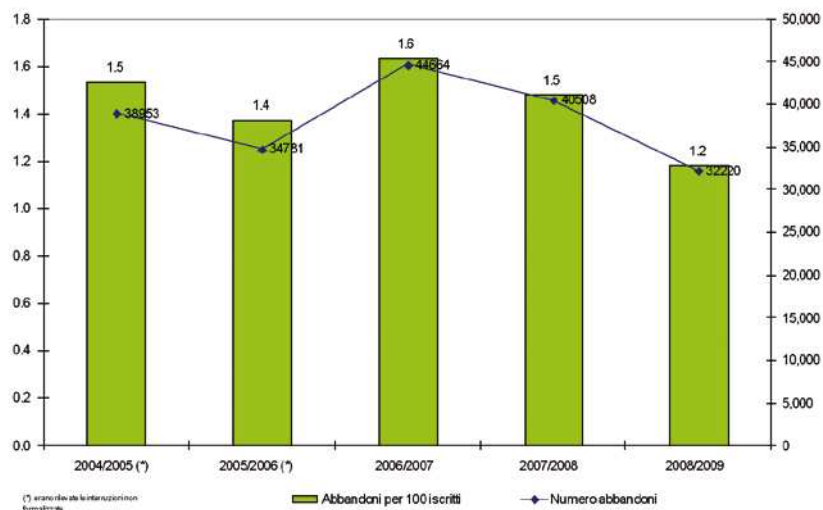
Early school-leaving in EU countries - 2008

Country	
Italy	19.7%
Germany	11.8%
France	11.8%
Spain	31.9%
United Kingdom	17%
Sweden	11.1%

School attendance – 2006

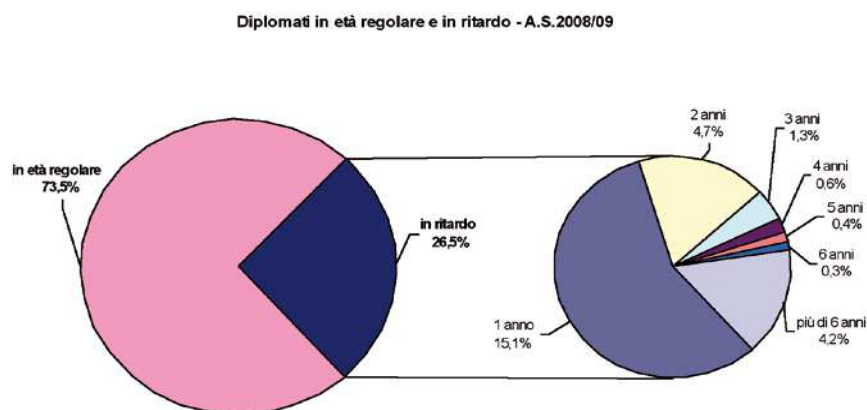
Country	Attendance expectancy (in years)	Attendance rate 15-19
Italy	17.1	81.5%
Germany	17.5	88.6%
France	16.7	85.9%
Spain	16.4	69.7%
United Kingdom	17.2	80.2%
United States	17.1	78.4%

Early school-leaving in different school years





Holders of school-leaving diploma – standard age and late qualification



Post-diploma training and employment choices

Year of obtaining diploma and enrolment in the following year	Diploma holders	Diploma holders per 100 contemporaries	Enrolled at university		Diploma holders who did not continue to the next year		
			number	per 100 contemporaries	number	out of 100 contemporaries	out of 100 diploma holders
2000	444.4	69.9	295.5	46.5	148.9	23.4	33.5
2001	455.8	72.6	331.4	52.8	124.4	19.8	27.3
2002	443.8	73.6	346.9	55.3	96.9	15.4	21.8
2003	454.1	76.4	353.1	57.3	101.0	16.4	22.2
2004	454.2	75.6	347.7	57.2	106.5	17.5	23.5
2005	446.6	77.3	331.9	57.4	114.7	19.8	25.7
2006	449.1	77.5	323.9	56.0	125.2	21.6	27.9
2007	449.7	77.6	308.2	53.2	141.5	24.4	31.5
2008	446.7	73.8	307.5	50.7	139.2	23.1	31.2
2009	446.0	73.4	292.5	48.4	153.5	25.4	34.4

Education quality

The Programme for International Student Assessment (PISA) survey is designed to ascertain, on a 3-year basis, education system outcomes in a comparative framework. It



provided a worrying snapshot of education in Italy: the average score of Italian students in the various overall rankings is always lower than the OECD average.

Comparative PISA scores 2006

Subject	ITALY	OECD
Scientific literacy	475	500
Mathematical literacy	462	498
Reading literacy	469	492

A closer analysis of the programme results (such as the one conducted by INVALSI on Italian performance) is useful to extrapolate some data that merit further study. A marked divide in qualitative performance emerges between students in the north and south of the country. Those in the north-east are above the OECD average, those in the north-west at the average level, those in the centre slightly below the average and those of the south and islands well below the OECD average.

It is clear that there is no genetic or racial difference between Italian youngsters in the different parts of the country. The reason for these differences in performance levels lies in the quality of their schools. The research has shown that the variance in the results can partly be explained by that in school-type (secondary school results are better than those of technical institutes, which in turn are better than those of vocational institutes). It does not correspond, however, to households' socio-economic status (this factor explains 10% of the total variance, less than the OECD average of 14.4%), as some commentators often argue.

An analysis of scholastic results for the early years of secondary training, the last stumbling blocks before dropping out and often a temporary parking place where young people have no ambition to obtain their qualification before transferring to the world of work, testifies to the extent of the problem.

It is no coincidence that the highest percentage of failures in second-level secondary school, regardless of type of school, is found in the first two years. 20.9% of pupils fail to pass after their first year, and 14.9% after the second (Ministry for Education, Universities and Research (MIUR) statistics service).

According to the figures shown here, in addition to the nearly 126,000 young people of compulsory school age who are not following any learning pathway, just over 300,000 abandon their studies in the first two years of secondary school, certainly without obtaining any certificate. This does not take into account the students repeating the lower secondary cycles. Taken with the groups already identified, these give us an estimated figure of just under 430,000 per school year who fail to obtain any certificate or qualification higher than what in Italy is known as the *licenza media* (lower-secondary diploma).

Population aged 25-64 in EU countries who have obtained at most a lower secondary education - 2008

Country	%
Italy	46.7
Germany	14.7
France	30.2
Spain	49.0
UK	26.6
Sweden	15.0

The student records office reports that 47.7% of university students, considering all types of degree, are recorded as being “within the prescribed course duration”. 45.9% are “outwith the prescribed course duration”. One student in six is inactive (with no exams/credits in the calendar year concerned). Overall, half of the students enrolled end up exceeding their prescribed course duration and 60% do not obtain their degree.

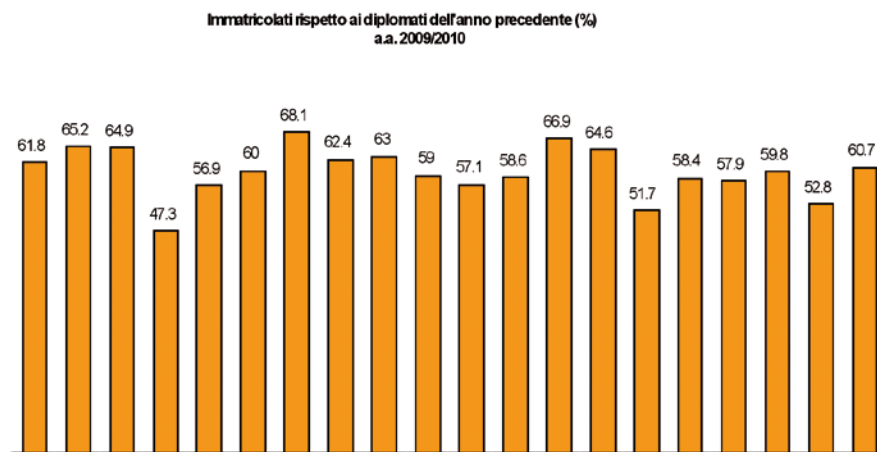
Italian universities have for decades been undergoing a profound qualitative and quantitative change. The opening up of the system to larger numbers has meant that the 300,000 students of academic year (a.y.) 1960/61 became 1,060,000 in 1980/81 and 1,809,000 in 2007/2008: up 603%. University provision has increased as a result, with about 95 state and other universities in 2008, 593 faculties and 62,000 lecturers and professors.

The secondary school-university transfer rate is 65.8% (a.y. 2007/08). This rate is strongly influenced by the type of school attended: it applies to nearly all secondary school-leavers (with diploma), while the rate for vocational institutes is much lower (27.4%). School performance too influences young people’s propensity to continue their studies. Nearly all students who score over 90/100 for their school-leaving diploma continue. Of those with a lower mark, of 70/100, less than half (43.3%) continue.

Italy’s net access rate to university education (55%) is just under the OECD average (56%) and is among the highest in Europe after Finland (76%) and the United Kingdom (57%). It is ahead of countries such as Japan (45%) and Germany (35%).



*University enrolments with respect to the previous year's school-leavers (%),
academic year. 2009/10*



In academic year 2007/08 the courses attracting the highest number of enrolments were in the following sectors: economics-statistics (14.7 for each 100 enrolled), politics-social (11.2 for each 100) and law (10.5).

Following the reform of the study pathways under Ministerial Decree 509/99 an increase in the numbers of young graduates (22-24 years old) was observed. That can be explained by the creation of three-year degrees (the age-group indicated would include students completing their degree in time and those up to two years late). Another explanation is the number of students completing their specialist or single-cycle pathways within the standard timescale. The “3+2” system has therefore halved the “academic seniors” statistics: while in 2001 70% of students graduating were over 26, by 2007 the percentage had more than halved. At the same time, the possibility of obtaining a three-year degree has significantly increased the percentage of students aged 35-plus: from 6.2% in 2001 to 11.4% in 2007.

At the first level, 4.3% of graduates in 2008 were “early”, i.e. ahead of the scheduled timescale. 6.9%, on the other hand, graduated over 4 years late. About 57% of the students enrolled in the first year graduate and, taking only the three-year degrees, just 15% graduate “in time” (the percentage was essentially unchanged from 2001 to 2006).

The figures reported by the OECD’s Education at a Glance report are not, therefore, unexpected. They give a third-level education rate of 35% for Italy, compared with 23% for Germany, 32% for Spain, 40% for Sweden and 39% for the UK.



Breakdown of graduates by age (%)

Year	21 yrs or less	22 yrs	23 yrs	24 yrs	25 yrs	26 yrs	27 yrs	28 yrs	29 yrs	30-34 yrs	35 yrs and more	Total
01	0.2	1.6	3.8	9.9	15.7	16.2	13.9	10.7	7.6	14.2	6.2	100.0
2002	0.3	2.4	4.4	10.4	15.4	14.9	12.5	10.0	7.3	14.4	8.0	100.0
2003	0.4	5.5	5.7	10.7	14.5	13.5	10.8	8.6	6.7	14.1	9.3	100.0
2004	1.3	9.8	9.1	11.9	13.8	11.7	9.2	7.0	5.4	12.4	8.5	100.0
2005	1.5	10.4	14.2	13.2	13.1	10.2	7.7	5.8	4.4	10.7	8.7	100.0
2006	1.0	10.4	14.8	13.9	13.7	10.0	7.2	5.4	4.0	10.0	9.5	100.0
2007	0.7	10.1	14.4	13.8	14.4	10.1	6.9	4.9	5.7	9.4	11.4	100.0

Most surprising, therefore, is the analysis of the average degree score obtained (in 2008), the breakdown of which does not send out a significant message to the world of work. The 106-110 band is by far the largest (43%)! The students seem clever indeed... or could it be that the university marking system does not work all that effectively?

Graduates by degree score – calendar year 2008 (MIUR)

Degree score	% of graduates
66 – 90	10.0
91 -100	27.2
101 – 100	19.0
106 – 110	21.8
110 <i>summa cum laude</i>	21.7

The “return” on education

From the point of view of the employment “return” of a university degree, the unemployment rate for graduates aged 25-34 is 11.2%, compared with 8% for holders of the secondary school diploma and 23.7% for young people with only their middle-school certificate. Italy is the only country in Europe where the unemployment rate for young male graduates is higher than for their contemporaries with a lower education level, since the benefits of education only become apparent over time.

Of the young people with secondary school diplomas who found work 3 years after leaving school, about 83% of those from vocational and technical institutes found a full-time job



(compared with 50% of former high-school students). Moreover, these young people are more likely to have higher pay levels, with over 42% earning over 1,000 euros per month.

In the transition from secondary school diploma to degree, the unemployment rate in our country increases by about 9% in men and decreases, albeit slightly, in women (by 2.5%). In the rest of Europe, a degree always brings advantages. In Germany, the graduate unemployment rate is 55.3% lower for males and 45.4% lower for females; in France the rates are respectively 8.2% and 35.5% lower. Greece too has better percentages than ours: male graduate unemployment is 8.2% lower, female 40.4%.

These data are balanced by the figures for per capita income. In 2006, pay levels for graduates aged 25-64, if compared with those of their contemporaries with only a secondary school diploma, show a fairly high differential with respect to other European countries. Earnings are 65% higher in Italy, compared with 64% in Germany, 59% in the UK, 49% in France and 32% in Spain. In Ireland (69%), the US (76%) and Portugal (77%), the pay differentials were higher than in Italy.

Supply-demand mismatch and education's failure to adjust

Graduates from 2004 who in 2007 were in on-going employment, broken down by need and value of their degree with respect to the job performed, by type of degree

	Substantive need		
	Degree required	Degree not required	Total
Formal requirement			
Long degree courses			
Degree required	58.1	10.9	68.9
Degree not required	11.0	20.0	31.1
Total	69.1	30.9	100.0
3-year degree courses (a)			
Degree required	56.1	9.8	65.8
Degree not required	12.7	21.4	34.2
Total	68.8	31.2	100.0

(a) Those who subsequently obtained a specialist degree required to enter their current job are not included

Degrees in demand for employment – ISTAT and MIUR (a) data, excluding those who chose to continue their studies



- corsi lunghi – Long courses
- corsi triennali – 3-year courses
- Subject groups:
- Defence and security
- Medicine
- Chemistry-pharmacy
- Engineering
- Architecture
- Geo-biology
- Agriculture
- Science
- Law
- Total
- Physical education
- Arts
- Economics-statistics
- Teaching
- Psychology
- Languages
- Politics-social

The educational qualification and type of employment entered are not always consistent. It remains true, however, that the match is closer for graduates from longer degree courses, compared with those who took the three-year degree. 65.8% of the three-year graduates say they are in a job where their specific degree was a requirement, a figure that compares with 69% for graduates from longer degree courses.



Action plan for youth employability through learning and employment integration

As regards the substantive, and more purely formal, need for a particular degree for a given type of employment, about 69% of graduates in both groups say that their university education was indeed necessary. About 31% could perform their job without their university learning. Only 58.1% of graduates from long degree courses said that their degree and the work they do were a full match, in both formal and substantive terms. This compares with 56.1% for three-year graduates. 20% of long-degree graduates and 21.4% of three-year graduates are over-qualified for their jobs. The match between education received and work engaged in varies, of course, in relation to the subjects studied and the course duration.

It is graduates from long courses in the engineering group of subjects (with 83% employed in jobs that require a degree), and most notably chemistry-pharmacy (94%) and medicine (nearly 100%), who see their qualifications receive the greatest recognition. For graduates from three-year courses, it is only in the health sector that particularly high numbers are in jobs where their degree was required (94%). Following at a distance are engineering and chemistry-pharmacy (66% for each). Over 6 three-year graduates out of 10 in law and the arts found jobs where a degree was not a requirement. For long degree courses, it was mainly graduates from political-social subjects (53.5%), languages (44.4%) and psychology (41.7%) who found themselves in jobs where the degree obtained in 2004 was not a requirement

Graduates from 2004 who in 2007 would not re-enrol on the course just completed, because dissatisfied with the subsequent employment outcome – 2007, percentage values (ISTAT and MIUR data)



lauree in corsi lunghi – Degrees, long courses

lauree in corsi triennali – Degrees, 3-year courses



Subject groups:
Defence and security
Medicine
Chemistry-pharmacy
Engineering
Architecture
Geo-biology
Agriculture
Science
Law
Total
Physical education
Arts
Economics-statistics
Teaching
Psychology
Languages
Politics-social

Education and training mismatch and employment needs

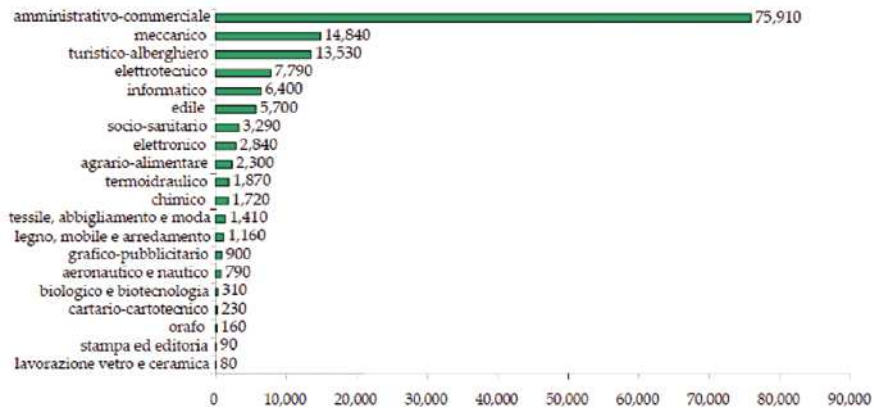
Even in the midst of the crisis many Italian companies could not find the occupational profiles they needed. This confirms that one of the Italian labour market's main problems is the marked mismatch between labour supply and demand.

It is estimated that in recent years a good 76,319 jobs (Confindustria) and 23,446 artisan jobs (Confartigianato) were not filled. According to ISTAT, Italy has 85,000 unfilled job vacancies. If we sum the Confindustria and Confartigianato estimates (which clearly cannot count the same job twice), in 2009 approximately 99,765 jobs remained to be filled. Enterprises' demand is mainly for workers with technical secondary school/training institute diplomas.



Action plan for youth employability through learning and employment integration

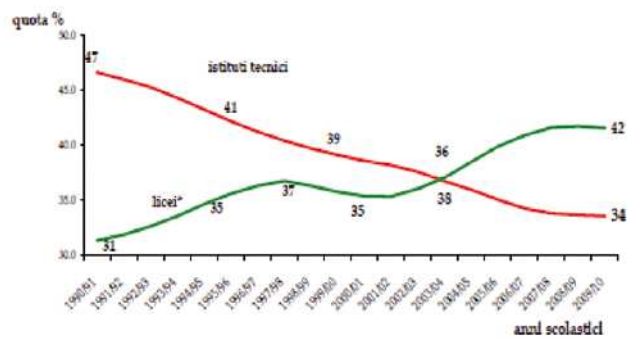
Employers' demand for holders of technical-vocational diplomas (Excelsior data)



Administrative-commercial
Engineering
Tourism-hospitality
Electro-technical
IT
Construction
Social-health
Electronics
Agri-food
Heating and plumbing
Chemical
Textiles, clothing and fashion
Wood, furniture and furnishings
Design-advertising
Aeronautical and nautical
Biology and biotechnology
Paper and cardboard
Goldsmith
Printing and publishing
Glass and ceramics

Notwithstanding the situation indicated by these figures, that latest data available for enrolments for school year 2010/11 tell us that numbers entering the reformed secondary schools are up 6.3% on the current year, while enrolments in technical and vocational institutes show a decrease.

Enrolments in secondary schools and technical institutes(MIUR data)



Percentage share
 Technical institutes
 School year

As a consequence, enrolments in three-year education and training courses are rising: by over 4% in Lombardy. In southern Italy, these courses are not available, a fact that will persuade young people to opt for the senior secondaries, notwithstanding the need in the region for different types of qualifications and skill sets.



Employers' non-seasonal hiring forecasts, by major occupational groups, 2009

OCCUPATIONAL GROUPS	Non-seasonal hirings, 2009		
	Absolute	% breakdown	% change on 2008
Management & highly specialised clerical staff, technical	112,850	21.6	3.8
1. Managers	1,740	0.3	0.0
2. Intellectual, scientific and highly specialised occupations	23,360	4.5	4.7
3. Technical occupations	87,750	16.8	3.7
Clerical, commercial and services	191,850	36.6	11.2
4. Clerical	61,140	11.7	3.5
5. Skilled occupations in commerce and services	130,710	25.0	15.7
Specialised manual workers,	151,290	28.9	-14.5
6. Specialised manual	94,600	18.1	-10.0
7. Plant operators and semi-skilled manual workers (fixed and mobile machinery)	56,690	10.8	-21.2
Unskilled occupations	67,630	12.9	3.2
Total	523,620	100.0	-

We can observe the increase in recruitment of highly specialised occupational profiles. Of these, the most numerous group is “technical” in the strict sense. With 88,000 hirings predicted and an increase in percentage share from 16.2% in 2008 to 16.8% in 2009, this is one of today’s most sought-after occupational categories.

The jobs deemed hardest to fill in 2009 were in industry in the strict sense (23% of hirings) and services (20%). The main cause of this difficulty is the lack of sufficiently qualified and experienced candidates, experience being a quality in increasingly high demand by employers making recruitment choices.

In northern Italy especially, enterprises are having difficulty finding suitably qualified workers, especially very small firms and large ones with 250-499 employees. The former are having problems filling 22.4% of their vacancies, the latter 24%.

From the micro-sectoral standpoint, the lack of qualified workers in the textile, clothing and shoes, wood and furniture-making, rubber and plastics, metallurgy and engineering, and vehicles sectors all complain of a shortage of skilled workers. For these companies,

their recruitment difficulties are worsened by the loss of suitable staff, enticed away by competing firms in the sector.

In the services, recruitment difficulties are being experienced in commerce, vehicle and motor-cycle repair, technical services, research and development, and the health sector. The last-named, with 35% of its jobs difficult to fill, is finding the greatest difficulties as a result of the lack of suitable candidates on the labour market supply side.

Experience, even generic, is a requirement in 74% of job candidates. Vocational as opposed to sectoral experience is increasingly prized, for all occupational groups. Demand for experience is clearly highest for management positions (nearly 90% of cases), followed closely by skilled manual workers and highly specialised occupations, both at about 70%. The category seeing the lowest demand for experience (but still nearly 40%), was unskilled occupations.

People First!