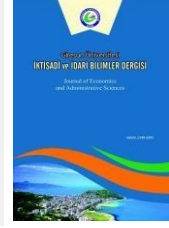


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LINKING THE COHESION FUNDS INTO THE INTEGRATION OF YOUTH IMMIGRANTS IN THE EUROPEAN LABOUR MARKETS

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ABSTRACT

This study focuses on the importance of allocating of a much higher share of the European Social Fund (ESF) as a part of cohesion funds, in order to help youth immigrants' access to the European labour markets. Its main goal is to highlight the responsibility of the European Union (EU) that should use all available means to remedy the situation, such as unemployment, educational attainment, low skills and other additional barriers, although tackling unemployment is mainly the responsibility of the member states. The funding system is a key instrument through which the EU can shape the integration policy developments in the member states, a particular attention is given to an analysis of labour market trends, problems and issues that foreign youth may face. The combined findings gathered from the sources (i.e. the European Commission, as well as other individual studies) are formulated into practical

ABSTRACT

This study focuses on the importance of allocating of a much higher share of the European Social Fund (ESF) as a part of cohesion funds, in order to help youth immigrants' access to the European labour markets. Its main goal is to highlight the responsibility of the European Union (EU) that should use all available means to remedy the situation, such as unemployment, educational attainment, low skills and other additional barriers, although tackling unemployment is mainly the responsibility of the member states. The funding system is a key instrument through which the EU can shape the integration policy developments in the member states, a particular attention is given to an analysis of labour market trends, problems and issues that foreign youth may face. The combined findings gathered from the sources (i.e. the European Commission, as well as other individual studies) are formulated into practical recommendations to assist the EU decision-makers and the national governments in their support of immigrant youth integration process.

Key Words: European Social Funds, European Labour Markets, Youth Immigrants

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INTRODUCTION

The labour market policies in EU indicates that foreign-born youth who in host countries has faced difficulties, and thus unable to integrate. This is despite that fact that the member states makes the integration of the immigrants into the labour market to be a top priority. This is especially true for less skilled youth immigrants is yet to be achieved regardig comprehensive integration strategies. The focus is on young people between 15-29 years of old that was even reinforced with the current economic crisis. This has necessitated concrete initiatives to support youth in getting jobs and dealing with related challenges.

The tackling social exclusion implies mobilisation of finance for the integration process. This seems the best policy for labour market participation of foreign youth. Optimizing European funds may dedicate the transition from school to work and training for especially less-skilled youth, and their adaptability in employment. Having said that, integration requires a range of policy actions taken at different stages and, amongs others, targeted youth immigrants. It is crucial to adress the consequences and impact of labour market integration as part of financial supplement process. This confirms the extent to which the issue of integration of youth immigrants into the labour markets is linked to the wider issue of financial tools. The integration remains tied to financial support in turn depends upon the practical success of member states' financial policies.

It is commonly believed that weak financial instruments can seriously hamper a youth's self-development and reduce their desire to be productive at local, national or European level. The member states need to be more responsive to youth immigrants' financial needs and develop a culture that is open to change and innovation. The capacity building of stakeholders including partners and civil society bodies shoud be enhanced so that employment, training or and programmes can be proper delivered in relation to labour market integration of youth immigrants.

The Structural Funds are consist of the European Regional Development Fund (ERDF), the Cohesion Fund and, more importantly the European Social Fund (ESF) that focused on employment, the development of human resources and the promotion of social integration.² At the EU level the ESF is the main financial instrument to invest in human capital. The ESF, Cohesion Fund and the ERDF are used to support the EU's cohesion policy, which has a key role to play in delivering the Europe 2020 strategy. It aims to tackle economic, social and territorial disparities across Europe. The importance

² The European Social Fund 2007-2011, A handbook for trade unions, Brussels, etui aisbl, Brussels, 2010.

of the cohesion policy is reflected in the fact that it accounts for more than 32% of the EU budget for 2014-2020 – that is EUR 351.8 billion (3) (European Commission 2014: 12). Obviously, the funds are the most important funding mechanism which lies in the Commission's disposal through investing in human capital.

The EU in partnership with the member states supports the less-favoured areas within the Union. These principal tools are used to reduce the socio-economic gap between the member states and between different territorial areas. They aim to boost economic and social cohesion, competitiveness and employment, in the context of a sustainable development model, the most important of the EU's political priorities. Thus the management of cohesion policy is focused on, regardless of its relation to their ethnic origin. Responding to the specific needs of vulnerable groups, the ESF has widely supported activities of foreign youth aimed at promoting an inclusive labour market in the EU in the context of unemployment and vocational training. The question is whether or these targeted measures are accompanied by policies that minimise any disadvantages that may be caused by a tight financial instruments.

1. ESF

The ESF is established by Article 162 of the Treaty on the Functioning of the European Union (TFEU). The timing of the review of EU funding to promote cohesion is linked to the proposal for a new Multiannual Financial Framework, as contained in the Commission's Work Programme (European Commission 2012: 3). The establishes the framework for action by the Structural Funds and the Cohesion Fund and lays down, in particular, the thematic objectives, the principles and the rules concerning programming, monitoring and evaluation, management and control. (European Commission 2012: 3). The ESF is the only financial to support employment, education and training. The Regulation (EU) No 1304/20131, states:

“ESF shall promote high levels of employment and job quality, improve access to the labour market, support geographical and occupational mobility of workers and facilitate their adaption to industrial change [...] encourage a high level of education and training for all and support the transition between education and employment for young people” (Art. 2.1).

Article 2(1) clearly shed on light on the issue of social exclusion as stated *“to combat poverty, enhance social inclusion, promote gender equality, non-discrimination and equal opportunities.”* This is to say, youth immigrants who are in difficulties as disadvantaged groups will get more support than native-born population to integrate into society.

In the 2007-13 programming period, around 10% of the total cohesion policy envelope amounting to EUR 32 billion is directly spent on education and training. With a total of budget of EUR 76 billion in the current programming period, it can make a major contribution in financing reforms of education and training systems, while the European Regional Development Fund can enhance access to good quality education infrastructure (European Commission 2013: 1)

Generally, the ESF will operate within the context of Article 174 TFEU, which calls for action by the EU to strengthen its economic, social and territorial cohesion and promote overall harmonious development. This can be done by reducing disparities between the levels of development of the regions and promoting development in the least-favoured regions (European Commission 2012: 3). As part of the concrete actions, promoting youth employment requires the ESF funds to be effectively used. It is now the member states' respective spheres of competence to allocate some part of their income so that the youth immigrant can take part in integration process. The European Commission is called to ensure that the funds available for helping out for youth immigrants who are in disadvantage group.

In the first place, the ESF regulations relate to the 'Community Initiatives' to support transnational and in novative actions. Approximately 5% of ESF funds were allocated to this schems until 2007. A greater emphasis is placed on using the ESF for combating youth unemployment, which will be a top priority in many member states. The EU's Youth Employment Initiative (YEI) partially financed from the ESF to reinforce and accelerate national measures to support schemes that guarantee every unemployed young person under the age of 25 a job, a training programme or an apprenticeship. The money from ESF will be used primarily to support regions experiencing youth unemployment rates above 25% (European Commission 2013: 16). Given a greater focus on combating youth unemployment, the YEI has been designed to help young people not in employment, education or training in regions experiencing youth unemployment rates above 25%. At least EUR 6.4 billion (in current prices) will be allocated to support the member states as they implement the Youth Guarantee scheme. This policy initiative seeks to ensure that all young people under 25 receive a decent offer of work, training or continued education within four months of becoming unemployed or leaving school/college (European Commission 2014: 13-14). It is clear that the investment priorities cover the entire spectrum of education and training for young people, apart from employment for women, disabled people, new professions and qualifications and adaptability, The current programming cycle of the ES, so called "Investing in People" covered the 2007- 2013 period. The employment-enhancing projects receieved 10% of the EU budget – equivalent to €75 billion investment. It

targetted promoting the social inclusion of less-favoured persons (14%) and improving access to employment and sustainability (30%).

Historically, the ESF has been reformed and adapted to keep pace with Europe's needs. In the early 1970s, for example, technical innovation meant that many farm workers were leaving agriculture – they received support to retrain for other jobs. In addition, the ESF started to help people who were looking for work in other EEC countries by funding language courses and advice about living in a foreign country. The spectre of increasing youth unemployment rose in the 1970s, so the ESF was used to help those with few qualifications by funding vocational training schemes. It was also around this time that it started to offer support to specific groups such as women, older workers and disabled people. The 1980s saw the ESF helping some of Europe's poorer regions unleash their human potential and reduce imbalances with the richer EEC nations. By the late Eighties, more than half of the ESF's expenditure was committed to employment schemes in places, such as Greece, southern Italy, Portugal and southern Spain. The ESF was reformed again in the 1990s to meet the demands of the Single Market, and a growing list of funding applications. Multiannual programmes were introduced and decided on through a partnership between the Commission and the member states. Then, in 1994, the ESF was deployed to ensure that as many people as possible could get jobs (European Commission, 2014: 5). The Fund in the current form provides socially excluded people (i.e., migrant groups) help via a wide range of projects design to integrate them into the labour market.

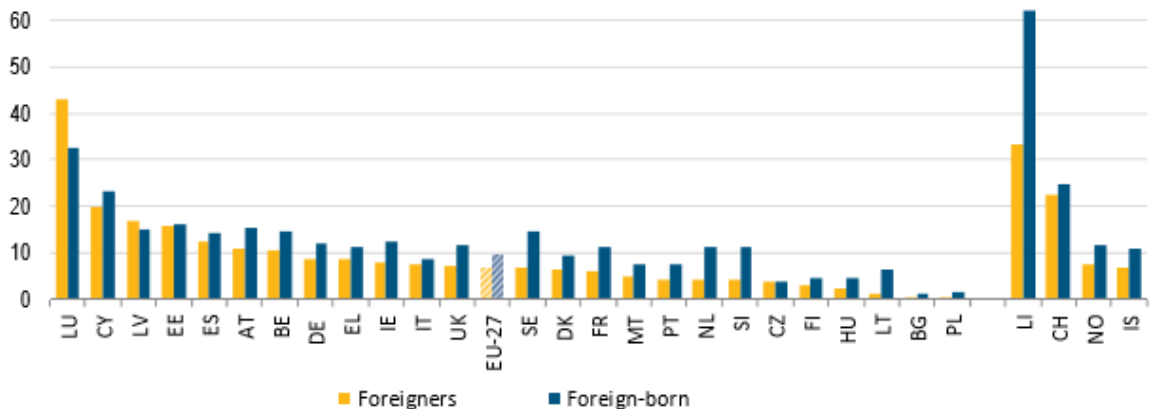
It is clear that priority actions for the ESF 2014-2020 points to promoting social inclusion, combating poverty and any discrimination. Under this priority ESF focuses on the active inclusion of disadvantaged people and finances initiatives aimed at integrating into sustainable and quality employment people excluded from the labour market in order to improve their employability.³ As regards to migrants, fighting marginalisation is key to this. Under priority actions for the ESF 2014-2020, ESF supports organizations around the EU to realise projects aimed at training people and helping them to get a job. The ESF benefits job-seekers and inactive people, including the longterm unemployed and people far from the labour market, young people, in particular those not in employment, education or training (NEET) or young people at risk of social exclusion. The YEI is integrated in the ESF as Chapter IV of the ESF Regulation and will support direct actions helping young people NEETs, under the age of 25, such as job provision, traineeships and apprenticeships, business start-up. The Initiative will be open to all regions experiencing youth unemployment rates above 25% in 2012. Member States will have to complement this assistance with substantial

³ Briefing On European Social Fund 2014 – 2020, European Platform for Rehabilitation, February 2014.

additional ESF funding and national investments in structural reforms to modernize employment, social and education services for young people. The specific ex-ante conditionality for YEI lies with the implementation of national strategic policy framework promoting youth employment.⁴

Over the next programming period, therefore, the EU’s funding instruments for investing in people will have a vital role to play in getting people back to work and out of difficulties. Training, investment in skills, lifelong learning, counselling, career advice, mobility schemes and much more are on offer to improve people’s employability and strengthen the competitiveness of Europe’s workforce (European Commission 2014: 13-14). Figure 1. shows that 32.4 million residents in the EU were born outside the EU and 16.5 million in another member state, out of 48.9 million foreign-born - 9.7% of the total population in 2011. In some EU member states, notably in Luxembourg, Ireland, Hungary, Cyprus and Malta, foreign-born who outnumber those born outside the EU, came from other EU countries.

Figure 1: Proportion of foreigners and foreign-born in the total population, 2011 (%)



No data by country of birth for RO, SK, ME, HR, MK and TR

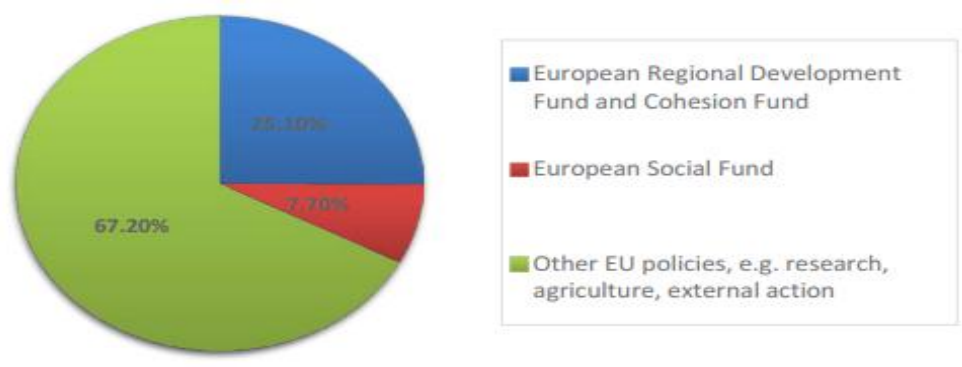
Source: Eurostat (online data code migr_pop1ctz and migr_pop3ctb)

In recent years, structural funds have been deployed to help combat spiralling youth unemployment via the so called “youth action teams” in the eight member states with the – at the time - highest levels of youth unemployment, namely Greece, Ireland, Italy, Latvia, Lithuania, Portugal, Slovakia and Spain. Around EUR 4.2 billion of ESF funding was re-allocated to help young people, among others, gain speedier access to training and the jobs market. The money should help about one million young people (European Commission 2014: 30). For the 2014-2020 period, more than €80 billion allocated to human capital investment in the member states, with €3.2 billion is

⁴ Briefing On European Social Fund 2014 – 2020, European Platform for Rehabilitation, February 2014.

earmarked for the Youth Employment Initiative. Quite apart from this, around 20% of ESF investments will be devoted to activities increasing social inclusion and fight poverty amongs the youth, which is known as thematic concentration. Within this period, three of the cohesion policy's thematic objectives are identified included promoting employment and supporting labour mobility, and social inclusion and combating poverty and investing in education, skills and lifelong learning. Under new rules, EU Member States are required to dedicate a minimum share of its Structural and Investment Funds' budget to the use of ESF and to ensure that at least 20% of the ESF budget will be used to support active, comprehensive and sustainable social inclusion policies in each country (See Figure 2).

Figure 2: The EU's total budget and different Structural Funds 2014-2020



Source: European Commission

The multiannual financial framework (MFF) defines the Community's policy priorities between 2014 and 2020. Through the MFF, the EU has committed to investing about one trillion euro over the next seven years. For the first time, the ESF has been allocated a minimum share of the cohesion policy budget of 23.1%. That means at least EUR 80 billion (in current prices) has been set aside for the ESF for 2014 to 2020. That gives a funding stream of more than EUR 10 billion per year during this new programming period to contribute to meeting the employment and poverty targets laid down in Europe 2020. These call for 75 % of 20 – 64 years old to be in employment and at least 20 million fewer people in or at risk of poverty and social exclusion. It is worth noting that the actual share of the ESF will be set in light of the specific challenges the member states need to address in the areas covered by the ESF and is therefore very likely to increase. EUR 6.4 billion (in current prices) has been allocated to the new Youth Employment Initiative (YEI). The YEI is linked to the ESF and will provide extra support to the regions which are most affected by high rates of youth unemployment (European Commission 2014: 11).

Moreover, the EFS finances initiatives enhancing access to lifelong learning, upgrading the skills and competences of the workforce, and increasing the labour market relevance of education and training systems. It includes support for intermediate, technical and higher level skills, and skills needed by SMEs, as well as it helps low skilled people to progress at work.⁵ The ESF's growing sophistication and remit have seen its budget expand over the years from around 1% of total Community spending to over 7%. The fund's success has also spurred the EU to develop other programmes and funding packages tailored to the needs of particular groups, or to deal with specific employment and social issues. By way of example, Youthstart was established in the 1990s to help young people without qualifications get their first job (European Commission 2014: 10).

A tangible outcome of the labour market is not only associate with the educational attainment or skill level of youth immigrants, but also with the funding policies of the member states. In pursuing the priorities, the ESF support the member states for sustainable and equality employment, and thus creates the chances for youth first step in the labour market, although the current policy is focused on the all forms of discrimination in the labour market. The key point is to set up national active inclusion strategies, with a view of sustainable integration of the youth into employment. Quite apart from this, the ESF operates on the basis of the partnership principle. The basic rule is to pursue the social partners' involvement in every phase of the funds' interventions so that high-quality partnerships can be pursued. The social partners are promoters of a large number of projects financed by the ESF. They are potential beneficiaries under all the ESF priorities in all member states and are particularly involved in the adaptability of workers field, especially in the access to training and lifelong learning. The ESF regulation instructs managing authorities to encourage adequate participation of the social partners in actions funded by the ESF.

Additionally, the European Commission has adopted the German federal Operational Programme for the implementation of ESF in the period 2014-2020. This programme outlines the priorities and objectives to spend over €4.8 billion (of which over €2.6 billion from the ESF), contributing to creating jobs and strengthening social cohesion across Germany. This national programme will be supplemented by 16 regional programmes that will address specific challenges in the Länder. One of the priorities of the programme is the disadvantage of young people. 38% of total funding will be dedicated to promoting social inclusion and combatting poverty with a focus on

⁵ Briefing On European Social Fund 2014 – 2020, European Platform for Rehabilitation, February 2014.

the sustainable labour market integration of the long-term unemployed, the sustainable placement of migrants into employment or vocational and educational training, and improved access of disadvantaged young people to employment, training and education (including through implementation of the Youth Guarantee). Approximately 73,000 long-term unemployed, 150,000 migrants and 100,000 disadvantaged young people are due to be supported through these measures.⁶

2. EU Policy

Give European policy debate has focused on the integration of youth immigrants in the labour market social inclusion is seen an essential part of youth development (see European Commission, 2009, 2011). In fact, the recent Commission report (2014) has targetted the migrants, with educational difficulties, cultural differences and economic obstacles.⁷ This points to the disadvantaged backgrounds in learning mobility initiatives. Moreover, a particular reference in a report by the Council of Europe (2013) was made to young people with disabilities to the extent of which the needs of these specific groups should be highlighted in the EU-wide.⁸ This in turn highlights the EU's structural policies that help to reduce disparities within the European Social Model.

During the 2007-2013 programming period the ESF focused on four areas of particular relevance to the social partners and their members: adaptability among workers and businesses, access to employment, social inclusion, and promoting partnerships for reform.⁹ European policy-makers have thus called for urgent action on youth employment, notably via the implementation of a European Youth Guarantee, in the context of an ongoing economic crisis and significant austerity measures. This scheme seeks to ensure that all young people aged under 25 receive a good-quality offer of employment, continued education, apprenticeship or traineeship within four months of becoming unemployed or leaving formal education. The European Youth Guarantee has put an explicit focus on early intervention and rapid activation of the guarantee once a young person leaves education, training or employment (OECD 2014: 12).

⁶European Social Fund: more than €2.6 billion to boost employment and social inclusion in Germany, European Commission, http://europa.eu/rapid/press-release_IP-14-1183_en.htm

⁷European Commission (2014) Erasmus+ Inclusion and Diversity Strategy – in the field of Youth. Accessed October 2015 at: http://ec.europa.eu/youth/library/reports/inclusiondiversity-strategy_en.pdf

⁸Council of Europe (2013) Recommendation CM/Rec(2013)2 of the Committee of Ministers to member States on ensuring full inclusion of children and young persons with disabilities into society. Accessed October 2013 at:

[https://wcd.coe.int/ViewDoc.jsp?Ref=CM/Rec\(2013\)2&Language=lanEnglish&Ver=original&BackColorInternet=C3C3C3&BackColorIntranet=EDB021&BackColorLogged=F5D383](https://wcd.coe.int/ViewDoc.jsp?Ref=CM/Rec(2013)2&Language=lanEnglish&Ver=original&BackColorInternet=C3C3C3&BackColorIntranet=EDB021&BackColorLogged=F5D383)

⁹The European Social Fund 2007-2013, A handbook for trade unions, Brussels, 2010 Brussels

From a youth perspective, social inclusion implies equal access to jobs, education and other opportunities. It is not surprising that the European Commission in its "EU Youth Strategy (2010-2018)", set out the principle objectives as the creation of more and equal opportunities for youth in education and the labour market. This strategy brings all young people in solidarity. Likewise, the strategy (2013-2015) that focused on the vehicles of social inclusion, identified eight main fields of action including mobilizing the opportunities of youth work and youth centres.

In a similar vein, the European Commission emphasised the necessity to combat poverty and social exclusion in the renewed social agenda and in the Europe 2020 Strategy, which was launched in 2010 (European Commission 2010: 2). Regarding future priorities, the informal dialogue with the member states for Cohesion Policy 2014-20 is now underway. This ongoing programming is designed for effective budgetary policies. It requires all the member states transform their national policies into European domain. As part of the strategy, the European Commission keeps an eye on the the member states' programmes for the structural reforms and accordingly issues country specific recommendations for the next 12-18 months. For poverty and social inclusion, the EU's ambition is to lift at least 20 million people out of poverty and social exclusion. The Fund's role in providing learning and training opportunities also means it plays a part in meeting Europe 2020's education targets, which are to reduce school drop-out rates to below 10% and to ensure that at least 40 % of 30-34 years olds complete tertiary education (European Commission 2014: 22).

Under Europe 2020 Strategy in June 2010, the seven flagships were announced to underpin the smart, sustainable and inclusive growth. In this regards, the "Innovation Union" as one of these seven flagships aims to improve conditions and access to finance for research and innovation, to ensure that innovative ideas can be turned into products and services that create growth and jobs (European Commission (2010a: 6). Simply, the EU and its member states are expected to create innovation change and innovation in key areas. One initiative of kind is the Youth on the Move, which seeks to improve the opportunities young people have in the realms of education and employment. Youth on the Move presents a framework of policy priorities for action at national and EU level to reduce youth unemployment by facilitating the transition from school to work and reducing labour market segmentation. Particular focus is put on the role of public employment services, promoting the Youth Guarantee scheme to ensure all young people are in a job, in education or in activation, creating a European Vacancy Monitor and supporting young entrepreneurs (Eurostat 2014: 6).

Achieving the Europe 2020 objectives implies quality education and training, successful labour market integration and mobility that are keys to unleashing all young

people's potential. All EU funds have an important role in delivering the Europe 2020 goals: creating growth and jobs, tackling climate change and energy dependence, and reducing poverty and social exclusion. The ESF focuses on the three social targets of the Europe 2020 strategy:

- increasing participation in training and employment;
- reducing early school leaving and increasing third level education;
- reducing by at least 20 million the number of people at risk of poverty and social exclusion by 2020.¹⁰

As for ESF Regulation, the European Commission has prepared the draft Common Provision Regulations that is closely aligned to Europe 2020 objectives. The draft ESF Regulation defines 18 investment priorities out of which the following three concerns directly relate to education and training policies. This is so-called thematic objectives under "Investing in education, skills and lifelong learning":

- Reducing early school-leaving and promoting equal access to good quality earlychildhood, primary and secondary education;
- Improving the quality, efficiency and openness of tertiary and equivalent education with a view to increasing participation and attainment levels;
- Enhancing access to lifelong learning, upgrading the skills and competences of the workforce and increasing the labour market relevance of education and training systems (European Commission 2013: 2).

As further development, the EU adopted its Regulations for five European Structural and Investment Funds (ESIF) in December 2013, which include the ESF, for the period 2014-2020. These EU funds are linked to the EU social and territorial "cohesion policy" and represent the main source of investment at EU level to help the member states to restore and increase growth and ensure a job recovery while ensuring sustainable development, in line with the Europe 2020 objectives.¹¹ The ESI funds, will remain the main funding instruments to invest in education and training in the next programming period. The member states should capitalize on the opportunities created by the new framework in order to bring about tangible results in education and training (European Commission 2013a: 1). It seems that developing a comprehensive funding proities will remain policy objectives of the EU in the medium or long term.

¹⁰Briefing on European Social Fund 2014-2020, European Platform for Rehabilitation, February 2014.

¹¹Briefing on European Social Fund 2014-2020, European Platform for Rehabilitation, February 2014.

It is also worth noting that the ESF is expected to support the rolling out of the Youth Employment Initiative (YEI) in the regions that are most badly affected by youth joblessness for the period of 2014-2020. As pointed out in the Commission report (2014), the ESF has had, and will continue to have, a key role in tackling Europe's high rates of youth unemployment. This is possible by funding training schemes which give young people the skills and life confidence they need to enter the labour market (European Commission 2014: 23). In short, the ESF is being charge to help drive change, notably in order to improve employment, education and skill composition of foreign youth.

3. Linking Policy and Funding

Transition from School to Work

The prolonged economic crisis, which started in 2008, still casts a shadow over Europe's immediate future. That crisis sparked a recession that has pushed unemployment to record highs across the EU. Around 26 million people (10.8 %) were looking for work in the EU in January 2014. The unemployment rate for young people is even worse, and stood at 23.4 % at the start of 2014. That means about 5.6 million people under the age of 25 are struggling to get their adult lives off to a good start (European Commission 2014: 4). The recession, hit southern European countries especially hard. Spain, Portugal, Greece and Italy are still facing ballooning youth unemployment rates. Recent figures from the Italian institute of statistics, showed a record high youth unemployment rate of 44%. Similar levels are registered in Spain (53%), Greece (53%) and Portugal (36%). These numbers are one of the main reasons many southern-Europeans have packed their belongings, and are migrating. According to the Portuguese national institute of statistics, almost 200,000 Portuguese people aged 20-40 have left Portugal since 2010, although intra-European migration flows are complex to investigate though, due to undocumented journey of young migrants. Based on official data, the Spanish National Statistics office counted 133,000 young migrants between 2008-2013. While, Italy hit a similar amount in four years, with 135,831 young leaving the *Belpaese* since 2010. The UK's Office for National Statistics reported a rise of 58,000 migrants in the 12 months to September 2013, mainly fuelled by the recession-hit southern European countries of Spain, Portugal, Italy and Greece, as well as Poland.¹² Since there is an imbalance of employment and unemployment in different EU member states and young people migrate and work in states where they find jobs matching their qualifications and aspirations, one could consider this a redistribution of

¹²Guardian, Datablog, Crowdsourcing youth migration from southern Europe to the UK, 2 October 2014.

the labour markets of the different countries. This redistribution helps the crisis-weakened countries to decrease the pressure on the labour market and at the same time highly qualified migrants are profitable for the North, since they have a positive impact on the shortage of skilled labour and the ageing society of North-Western Europe.¹³

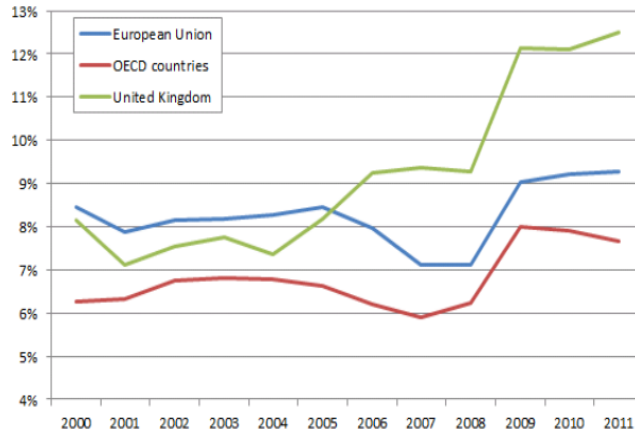
These trends in youth unemployment remind us that across Europe young people are facing serious difficulties in completing their studies and finding work, with attendant problems in related areas such as transitions to independent adulthood (Aassve et al. 2013: 3). It also reminds us that youth unemployment is more susceptible to cyclical economic changes than overall unemployment. It may seem difficult to remedy the situation to increase employment opportunities for this particular groups in the European labour markets.

The figures are even greater for the immigrants youth. In many EU member states, immigrants have lower employment rates than the native-born population. In North-Western Europe, this is particularly true for immigrants from middle and low-income countries - and particularly for migrant women. This also leaves room for considerable improvements (Münz 2010: 15). In many cases, policies result in conflicting measures and goals; their impact is very limited; and when targets are established they deal with nominal objectives for reducing unemployment or creating a number of training opportunities, rather than focusing on improving the quality of jobs and reducing vulnerabilities (International Labour Organization 2012: 13). An increase of unemployment of rates for the foreign-born youth aged 14-24 years in the period of 2000-2011 is evident (Figure 1.) A high proportion was recorded in 2011 by 9.3% in 2011 followed on from a 9% in 2009. In the same period, this trend was even the highest in the UK among the OECD countries, reached almost 12.5%, as compared with 7.8%. High youth unemployment rates reflect, to some degree, the difficulties faced by young people in finding jobs. However, this does not necessarily mean that the group of unemployed persons aged between 15 and 24 is large, as many young people are studying full-time and are therefore neither working nor looking for a job (so they are not part of the labour force which is used as the denominator for calculating the unemployment rate). For this reason, the youth unemployment ratio is calculated as an alternative concept as the share of unemployed youths among the whole of the youth population.¹⁴

¹³Young Europeans on the Move – Portrait of a New Generation of Migrant, [Julia Brillling](#) and Judith Nahrwold, 23. Sep. 2014.

¹⁴¹⁴Eurostat, Statistics Explained, Unemployment and Beyond, June 2015.

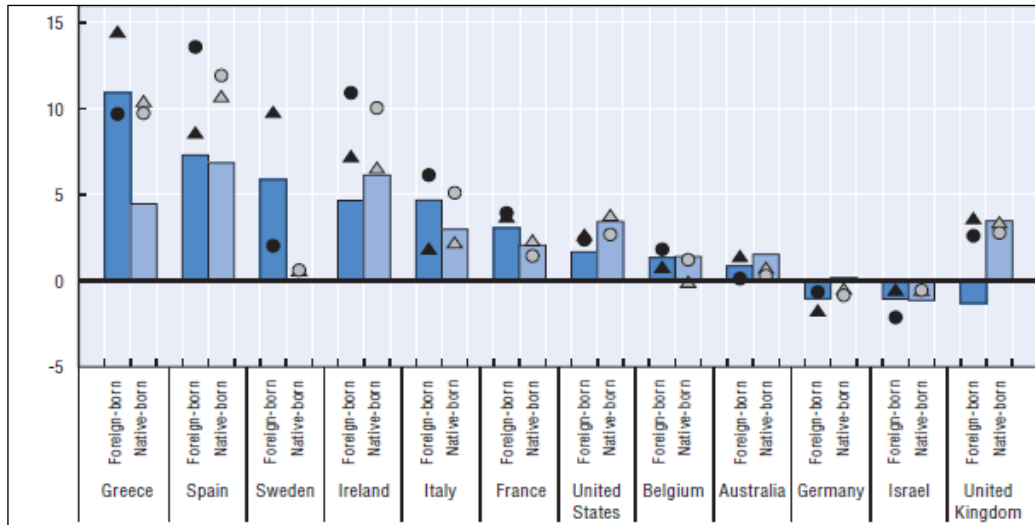
Figure 2. Youth unemployment as a proportion of population aged 15-24 years, 2000-2011



Source: OECD StatExtracts

While the unemployment rate is a good measure of difficulties faced by young people in the labour market, it does not capture the situation of inactive young people who are not engaged in education or training – some of whom face a high risk of social and economic exclusion. A measure that captures both the risk of unemployment and inactivity is the share of youth neither in employment nor in education and training – the so-called NEET rate (OECD 2012: 3). This is to say, the engagement in education and training is the key determinant of the participation rate for the foreign-born youth in the labour market depends. So the lower participation rate derives from the lower engagement in education and training. Figure 3 illustrates an upward trend in the share of migrant youth in NEET in the period of 2008-2009, compared to the native-born. This trend was particularly evident in Greece (15%), Spain (14%), Sweden (10%), Ireland (7%) and Italy (6%). It is reasonable to conclude that the increase share of youth immigrants in the labour market, especially of unskilled individuals raises concerns the lack of education and training, with the reflection of their labour market outcomes. They will likely to be first hit by unemployment, if their skills are not utilised in full.

Figure 3. Changes in NEET rates and long-term and short-term unemployment for youth by place of birth, in selected OECD countries, 2008-11



Sources: European Labour Force Surveys (Eurostat); Australia, Israel: Labour Force Surveys; United States: Current Population Surveys.

Some inactive youth may have chosen to withdraw from the labour market – notably, young women engaged in child bearing and rearing. But for many young people inactivity is the result of discouragement and marginalisation, which may reflect the accumulation of multiple disadvantages such as poverty and other forms of social exclusion (OECD 2012: 5). As a result, the substantial effect of this situation is the socio-economic exclusion. An estimated 4.1 million are homeless across the EU, including young people, migrants and families with children. There is an increasing divergence in terms of deprivation within and between the member states. In 2011, the best EU welfare systems reduced the risk of poverty by 35 %; the least effective by less than 15 % (European Commission 2014: 60). Even those who are employed can experience precarious situations with low pay, poor quality working conditions and weak social security coverage. Lack of family – work-life reconciliation measures, discrimination, and absence of skills required by the current labour market may constitute further barriers of youth employment (European Commission, 2011; 16).

Overall, labour market outcomes for those who are employed in the European countries are much weaker on average, compared with the native-born population. This points to the obstacles in labour market opportunities for youth immigrants which may, in the medium run, be overcome with concrete actions by the EU policy makers. Many socially marginalised people have difficulty entering the labour market because they do not have the requisite skills, education or experience. For these individuals, taking a straight-forward training course may not be enough to help them into work. Their needs are more complex, which is why the ESF supports projects that offer integrated

pathways to work. People are given counselling to identify their needs and ambitions before being placed in a training scheme that is right for them. Once they have acquired the requisite skills, they will be given guidance on how to apply for work. This could include coaching on job interview techniques and help with applications and CVs. Often, when people find work, they continue to receive support from the project in cooperation with their employers (European Commission 2014: 30).

One positive aspect of the European labour markets is that the number of Information Communication Technology jobs is growing – by 3% each year during the economic crisis. There are currently 700,000 unfilled Information Technology (IT) jobs in Europe. Thus, the European Commission has called on member states to encourage the development of IT skills among young people. The Commission is issuing a call to action to companies, governments, educators, social partners, employment service providers and civil society to join us in a massive effort to “turn the tide”. Young Europeans are encouraged to have the tools to enter digital careers or to create jobs as entrepreneurs.¹⁵ In fact that there are tens of thousands of jobs available for nurses and healthcare workers, electricians and a number of other areas of skilled labour in Germany. The most of the newcomers to Germany as a result of economic crisis, are well-educated and come from other countries in Europe. ‘All sides will profit hugely from the influx because the new wave of immigrants is younger and better educated than the average population’, as German Labour Minister Ursula von der Leyen stated.¹⁶

If the employment goals of Europe 2020 are to be achieved, ways must be found to equip the EU’s young people for the jobs of today and tomorrow. That is why the ESF provides millions every year to fund training and apprenticeship schemes that are specifically tailored to the needs of this group. Along with learning skills, there is often a focus on mentoring and counselling which is particularly valuable to young people who have never worked before (European Commission 2014: 30). In addition to this, the OECD has recently estimated the ‘net impact’ of immigration on public finances. In fact, on the one hand, immigrants have, on average, a more favourable age-structure which results in a more favourable picture for health or pensions expenditures, leading to a positive impact on public finances (i.e. the taxes they pay are larger than the services they receive). On the other hand, the same age-structure of immigrants results in higher expenditures on education – due to the fact that they have more school-age

¹⁵Public Policy Matters, EC calls on governments to encourage IT skills among youth, The Information Daily.com.January 30, 2013.

¹⁶Tspiegel Online International, World from Berlin: 'All Will Profit from New Wave of Immigrants' May 2013, <http://www.spiegel.de/international/europe/press-review-on-mass-influx-of-european-immigrants-to-germany-a-898786.html>

children – and lower estimated payments of indirect tax due to lower (Giovannini 2014: 2).

4. Education

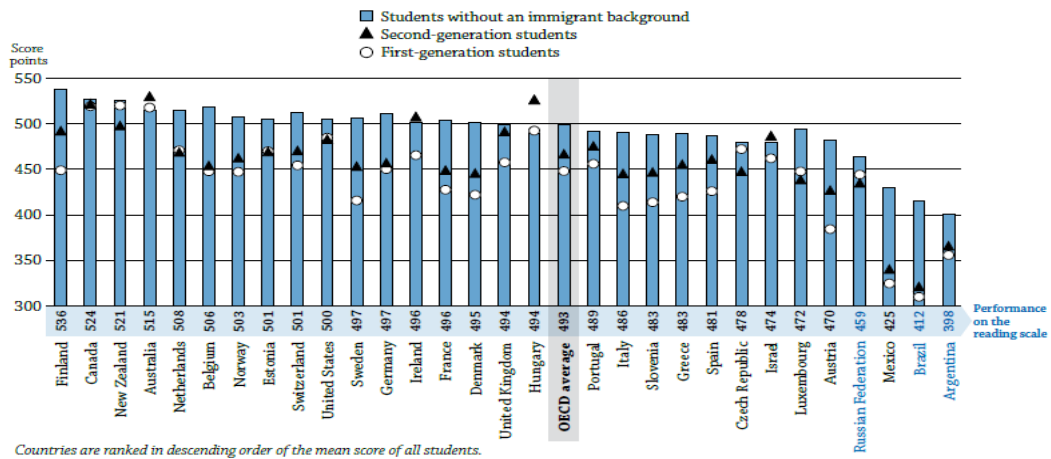
From a theoretical perspective, sustainable migration models can offer Europe a distinct advantage over other industrialised nations and emerging economies that are increasingly hungry for skilled workers. But a clear obstacle for Europe in this global competition for skilled workers is the lack of co-ordination between EU member states. Europe can offer a diversity that few others can match, but the EU must use this to its advantage (Ziller 2013: 3). A key question for labour migration and labour market policies is whether migrants can take full advantage of their education and training skills by taking up work at a commensurate skill level - or, conversely, whether they experience considerable de-skilling by being employed in occupations at a lower skill level (Cangiano 2012: 38).

In the first place, the age and education level of the working age population are two elements that are decisive in determining the average employment rate. Immigrants are wide underrepresented in every economically active age groups and among workers with no or low qualifications. Such structural factors may account in part of differences with native-born in average employment rates (OECD 2015: 86). Two factors are particularly relevant. First, there is a steep rise in participation in the labour market between the ages of 15 and 24. Second, young people in education are often also employed or unemployed, so there is an overlap between labour market and education (Eurostat 2014: 6).

Focusing on the impact of the economic crisis in education systems indicates that in most countries pre-primary, primary and secondary budgets have been sheltered. Some countries increased public investment in upper secondary education and developed stimulus measures strengthening these education levels to alleviate unemployment and meet the increasing education demand of a changed labour market (OECD 2012b: 75). Although Greece, Iceland, Ireland or Portugal, where fiscal pressures have forced significant budget cuts, education has been one of the less affected sectors in relative terms. For example, in Ireland the current public expenditure allocation for education expenditure in 2010 was 5% less than the allocation for 2009, but the overall education funding for primary and secondary education increased by 10% and 7% between 2007 and 2010 and decreased by 3% at tertiary level (Damme and Karkkainen, 2011). As Heckman pointed out, investing allows students to acquire skills and knowledge that shape their development and that are very difficult to acquire later on (Heckman, 2011). This may escalate the acquisition of skills and knowledge in the tertiary education years of education.

The provision of training or further education to upgrade skills and qualifications is another pathway of risks faced by the foreign-born youth because they are outperform students in most EU member states. Figure 4 presents significant gaps in average educational attainment. A performance gap among the first-and second-generation students is also evident, as later outperform first-generation students.

Figure 4. Reading performance, by immigrant status



Source: OECD, PISA 2009 Database.

In recent years, an increasing number of young people have chosen to continue their studies beyond compulsory schooling in order to have better chances on the labour market. Although today’s young people are less numerous and better educated than their older counterparts, the transition into the labour market often remains difficult for them, and many of those who have already gained a foothold in the labour market hold lower quality jobs (European Commission 2009: 83). For example, the most recent immigrants are over-represented in the very high-skilled and very low-skilled occupations in the UK. Immigrants are, on average, more educated than their UK-born counterparts and the educational attainment gap has been rising over time since more recent immigrants are more educated than other immigrants. Around 10% of all migrants are in full-time education.¹⁷ The labour market conditions requires skills match in accordance with the initial education of you immigrants so that this situation does not affect the integration of inexperienced young people into employment.

The educational success of second-generation migrants is also reflected in the fact that, for both men and women, at EU level, the shares of second-generation migrants with low educational attainment tend to be slightly lower than their counterparts with native-born parents (respectively lower by four and one percentage points for persons

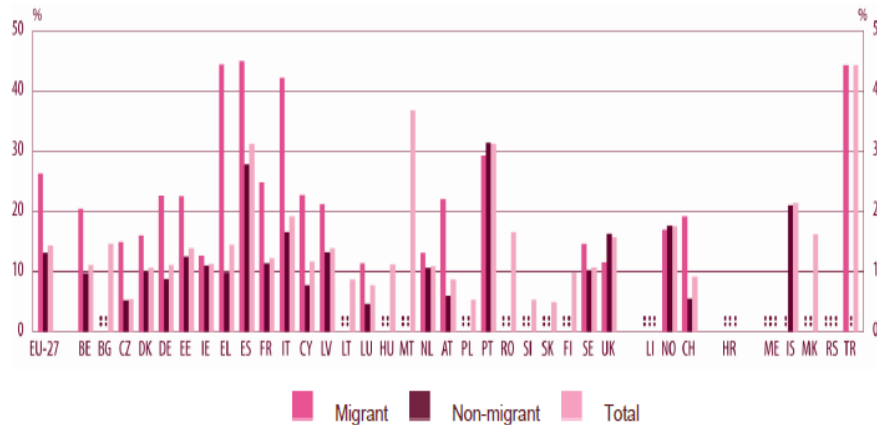
¹⁷Centre for Economic Performance, Immigration and the UK Labour Market: The latest evidence from economic research, London School of Economics and Political Science, June 2012.

with mixed backgrounds and persons with foreign backgrounds) (Eurostat 2011: 59). Some member states, in particular are developing into a magnet for well-qualified, young immigrants from the EU. Due to the shortage of skilled workers, they are a blessing for Germany, as Christine Langenfeld, the chair of the Expert Council of German Foundations on Integration and Migration (SVR), stated.¹⁸ The transition of young people from school to the labour market may be gradual, depending on their situation regarding education, in particular. Young people who are still in education may enter the labour market progressively. Those studying in vocational programmes may work as apprentices; others may work part-time (a few hours each week or month) either to finance their studies or to earn money for other personal reasons (European Commission 2009: 83).

Generally, the first-generation migrants exhibit very different labour market behaviour in the labour market. The migrants and potential migrants are very diverse with different lifetime goals, motivations, and Networks (Baláz et al. 2004: 26). Figure 5 presents a significant proportion of migrants that was trapped in the long-term unemployment and inactivity, when they dropped out of school in 2009. A high proportion (26.3% of the migrant population) was recorded as the early school leavers, when compared to 13.1% for the non-migrant population. Notably, the highest proportion was evident in Greece (34.5%) followed by Italy (25.6%) and Spain (17.1%). Moreover, the communication on “Tackling early school leaving” reaffirms the links between early school leaving and social disadvantage and low education backgrounds. As young people with a migrant origin are often concentrated in lower socio-economic groups, their average rate of early school leaving is double that of native youth (26.4% vs. 13.1% in 2009) (European Commission 2011: 23). Furthermore, many unskilled school-leavers are also ill-prepared for to-day’s labour market: the lack of an upper secondary education qualification, generally regarded as the minimum credential required for successful labour market entry and a basis for further participation in lifelong learning, puts them at a disadvantage in the labour market (Scarpetta 2006: 7). Under these circumstances, the ESF funding can support a broad range of actions and initiatives to reduce early school leaving. Prevention measures are usually involved with good quality early childhood education and care. This requires an adequate offer of places, particularly in disadvantaged areas.

¹⁸Tspiegel Online International, World from Berlin: 'All Will Profit from New Wave of Immigrants' May 2013, <http://www.spiegel.de/international/europe/press-review-on-mass-influx-of-european-immigrants-to-germany-a-898786.html>

Figure 5. Early school leavers as a percentage of the migrant, non-migrant and total population, by country, 2009



Source: Eurostat – LFS. Online data code: not available

Notes: Early school leaver is defined as a person aged 18 to 24 with at most lower secondary education and who is not in further education or training. Migrant is defined as a person for whom the country of birth is not the reference country.

Recent report from the OECD report (2015) suggests that in most EU member states young immigrants are more likely to be formally overqualified for the jobs they hold than native-born. Differences in overqualification rates between people with a migrant background and those born to native-born parents are more pronounced in the EU than any other countries (i.e. United States). The rates of overqualification among the employed native-born offspring of two migrant parents is 28%, compared with 24% for the children of native-born. Rates vary from 12% in Luxembourg to more than 40% in Spain, with gaps between the offspring of the foreign- and native-born particularly high – at 10 percentage points or more – in European Countries, such as Germany and the Netherlands (OECD 2015c: 264).

Against this background, the educational performance of children with an immigration background is, usually, substantially lower than that of native children in nearly all EU member states (European Parliament 2011: 11). The skill composition of migrants is being differentiated by EU citizenship and the third-country citizenship (Biffl 2011: 4). This is so-called “disadvantageous segments” of education systems. It is the early disadvantages that foreign-born youth is educated in segregated environments. Isolation of migrants and ethnic minorities within the context of separation implies that their aspirations and possibilities of participating in the labour markets are affected by such segments.

In this regard, a study from the European Commission (2005) suggests that there is a rising concern about segregation and its effects on equal chances of quality education. This is particularly true for the EU member states with longer traditions of immigration. Educational policies often form part of urban policy programmes, and

several countries provide specific educational support to areas with a high representation of immigrants. Most of the public support is directed to primary and secondary education, but there are sporadic examples of initiatives from universities and higher education institutes aimed at increasing representation of ethnic minorities and immigrants, notably Sweden, France, Netherlands, the UK and Belgium. Almost all member states provide specific support to immigrant children in schools. Support for learning the language of the host country is by far the most common component (European Commission 2005: 35).

Reasons for the pattern of educational disadvantage among children from a migrant background are socio-economic conditions, language and educational background. First generation migrants experienced particular difficulties as in many countries they are more than one and a half year behind their native peers at the age of 15. It is necessary to accommodate increased diversity of mother tongues, cultural perspectives and attainments (European Commission 2011: 23). The recent shift away from kinship-based immigration policies and toward an emphasis on skills and labor-market related criteria in many EU countries suggests that the European policy debate on immigration is not driven by ethnic politics (Zimmermann and Kahanec 2010: 20). Again, the financial mechanism that is already in place needs to be made more visible to immigrant youth, who also need to be more help out than native-born in tertiary education.

Without a good education, and subsequent training opportunities, a person is less likely to get and retain a good job and more likely to suffer poverty and social exclusion. The cycle starts with school – it is vital that young people leave formal education with good qualifications which will help them to enter the labour market or go on to university (European Commission 2014: 22). It should also be noted that, during an economic downturn and early phases of the recovery, apprenticeships programmes can play a vital role in promoting access to jobs to youth. But even in countries where the apprenticeship system is well established (Germany, Austria, Switzerland and Luxembourg), employers become reluctant to offer apprenticeships, especially to those youth lacking educational qualifications and from an immigrant background” (Scarpetta 2006: 24). In this regard, an important expectation of IT training companies is that relevant high-quality industry based e-skills training and certifications (those which are highly appreciated and in demand by employers and IT practitioners) receive some form of recognition by formal education systems in Europe (i.e. integrated to national qualification systems) (Korte et al. 2007: 13).¹⁹

It is generally agreed that the educational system provides young people the successful passage via crucial resources such as knowledge, skills, as well as attitudes

¹⁹E-skills training refers to a horizontal objective in the framework of market information and development, certification, supply-demand matching, and support to employability.

for their social inclusion in other life domains. Also, creating an inclusive community is a primary goal of the Council of Europe in its “Agenda 2020”, focused on the integration of excluded young people in the field of youth social inclusion on a wider European level. Poverty allows social disadvantages to concentrate in the affected group who might slip towards social exclusion. By all means, this is targeted financial support for groups with socio-economically disadvantaged backgrounds.

Given the measures targeted specifically children with migrant background, it is crucial to support early school leaving of migrant children by financial means. In order to ensure education and training for those who dropped out, compensation measures provides a major incentives for a successful completing the study programmes. It is equally important to note that the systematic language support, together with active desegregation policy, which improve the social, ethnical and cultural “mixture” in schools, imply children can acquire appropriate skills as primary thematic objectives. Within this general framework, the ESF should provide social, financial, educational and psychological support for young people in difficulties by pursuing its primary thematic objectives.

Quite apart from this, education partly reflects immigrants’ occupation. As Ziller (2013) has pointed out, rising demand around the world for workers with expertise can not be met by investing in education or by promoting full-time employment for women, nor by reducing the number of people who drop out of training (Ziller 2013: 3). Education systems in Europe are slowly adapting to the needs of immigrants. Areas that need to be targeted include supporting educational programmes for immigrants, recognition of immigrants’ formal qualifications, introductory programmes for newcomers and their families and the promotion of social integration at schools (European Parliament 2011: 11).

To elaborate this point further, there is, in practice, plenty of support for youngsters who have dropped out of school early and have few, if any qualifications, as already noted. The ESF supports initiatives that offer motivated young people ways back into formal education so they can get those vital qualifications and become more employable. For hard-to-reach youngsters, projects are available that offer training in more informal ways. A good example of this type of work comes from the Czech Republic where a mix of theatre work, job training and counselling is giving youngsters who have left institutional care the opportunity to take qualifications and gain self-confidence (European Commission 2014: 30). Identifying youth with low skills and at risk of dropping out, in the Netherlands, thirty-nine regional report and Co-ordination centres have been established to support youth in continuing their education and guiding their school –to –work transition. The Ministry of Education, Culture and Science allocated funding for better guidance for student in their study and carer choice. The

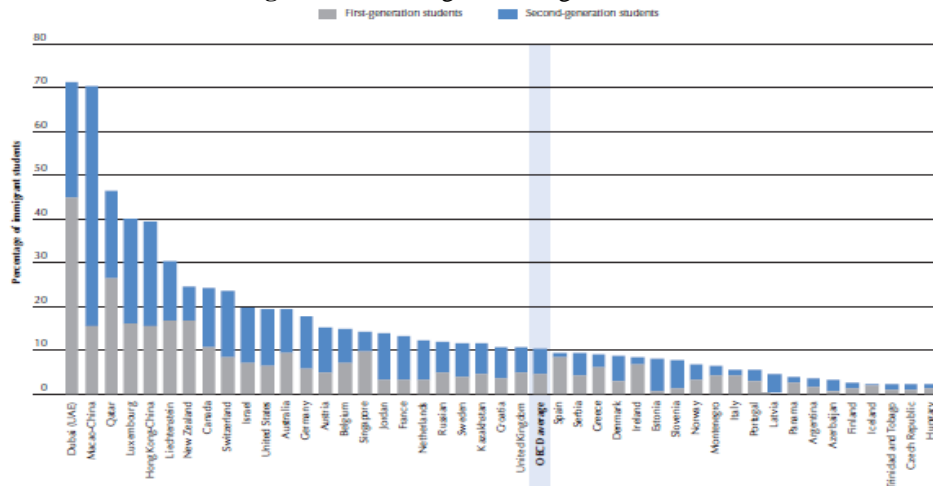
implementation of these policies has coincided with a decline in dropout rates from 5.5% to 2.1% in 2013 (OECD 2015: 56). The pressure of economic crisis on the domestic workforce has also led to some reassessment of post-study entry into labour markets in other member states. For example, a new government scholarship programme in Hungary, which was implemented from 2013 onwards, is designed to promote the participation of students through series of bilateral agreements. Similarly, Poland has sought to develop specific links with other European countries, as well as outside Europe. Under these new international students students, Poland has introduced a new scholarship programme for Ukrainians (OECD 2015b: 45).

5. Skills Composition of Youth Immigrants

To assess the barriers to labour market participation, a common approach is to consider the skill composition of immigrant youth. Highly skilled and professional workers have become central players in globalization (Appleyard 2001: 17). International mobility of the highly skilled concerns men and women with a broad range of educational and occupational backgrounds; university students, nurses, IT specialists, researchers, business executives and managers, and intra-company transferees. Some of these highly skilled individuals, such as graduate students, IT specialists and business managers, migrate on a temporary basis, while others migrate with an intention to settle permanently in the host country (OECD 2002: 5).

First of all, it is right to point out that over 10% of children attending education are from a migrant background in many member states. So, there is a significant share of immigrant student population that varies considerably across the EU member states. Schools must therefore adjust to their presence and build their particular needs into the traditional focus (European Commission 2011: 23). To exemplify this point further, Figure 6 shows a greater proportion of immigrant students in most EU member states in 2009. For young people with a migrant background or belonging to specific ethnic groups, more tailored measures may be needed to improve the progress made by this fast growing youth population, who often experience particular difficulties in starting their career. This flagship initiative is also relevant for migration because the bulk of incoming migrants are very young, but also because there are serious policy challenges related to the integration of the children and descendants of immigrants (European Commission 2011: 23).

Figure 6. Percentage of immigrant Students



Not: Countries are ranked in descending order of the percentage of immigrant students (first- and second-generation students).

Source: OECD PISA 2009 Database.

Common barriers to education include age of arrival and difficulty integrating into a new school, language difficulties, pressures on schools to respond to rapidly changing student profiles, particular practices in national education systems, family background and parental expectations, financial pressures, low aspirations and expectations, and a lack of awareness of education routes and options (Froy and Pyne 2011: 13). In this regard, some practical suggestions on the Learning Mobility of Young People provided by the European Commission.²⁰ It gives an overview of the added of future employability and professional and intercultural skills, and language learning. It also envisaged practical and bureaucratic obstacles to mobility for disadvantaged young people, with a prominent role for international youth work. Support for youth workers in the mobility field means strengthening integration and anti-discrimination policies regarding social inclusion.

Mainly, a hidden barrier points to the globalisation and technological developments appear to have an ever-increasing effect on daily life, and the demand for different types of labour and skills changes, sometimes at a rapid pace. While enterprises try to improve their productivity and become more competitive and innovative, they may well seek to pass on risk to the labour force through greater flexibility — both in relation to those already in employment, as well as those searching for a new job.²¹ Economic networks can offer businesses various possibilities - for example, in

²⁰European Commission (2010) Youth on the Move. Results of the consultation on the Green Paper on the Learning Mobility of Young People. Accessed October 2015 at: http://pjpeu.coe.int/documents/1017981/1663184/Results+pconsult+green+paper+mobility_en.pdf/c12dc56d-a0b5-40f9-81b3-0420255a1e54

²¹Eurostat, Statistics Explained, Unemployment and Beyond, June 2015.

the form of complementary assets: specific skills which in combination can lead to a more or less unique product - but can also trap them in traditions which can hamper innovation (Wolff 2014: 670). That's why the European Commission estimates that by 2020, 35% of jobs will require high qualifications and 12 million jobs will be lost that previously required no qualifications at all. About 80 million people in the EU are estimated to have only low or basic skills, which is why funding is committed to projects that give more Europeans access to training and lifelong learning schemes. In this context, it is very important to find out what skills Europe will need in the future. This information can then be used to provide training in areas that match what the economy needs going forward (European Commission 2014: 15).

Yet, despite the worsening global shortage of skilled workers, young migrants with acquired skills and training commonly face non-recognition of training credentials and experience. The frequent result is “deskilling” where they are only able to obtain jobs at far below their level of qualifications. Not infrequently, this means relegation to precarious and poorly paid work. At a time in which appropriately skilled people are lacking, these phenomena represent an appalling “brain waste”.²² Another avenue of brain waste and de-skilling occurs when migrant youth cannot get jobs commensurate to their training or education due to legal or professional restrictions on employment of foreigners. This occurs as a consequence of legislation restricting certain fields and professions to citizens or to “national preference” rules, sometimes adopted for certain trades and occupations at the behest of unions or professional associations to “protect” local workers and control market competition.²³

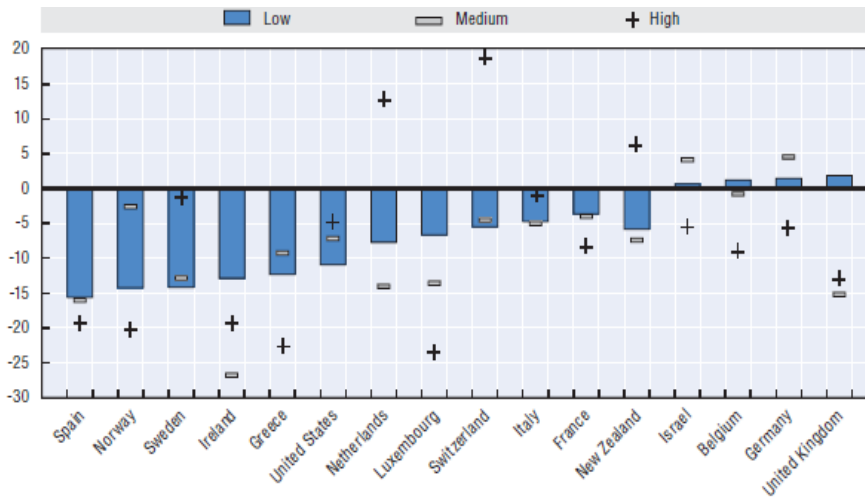
In 2012, many the EU-27 member states faced important employment losses due to the immigrant youth of all education levels. In the period of 2008-2011, an upward trend was recorded in most member states (see Figure 7). The fall was observed in Ireland and Spain, whilst this loss was less significant in France. A higher employment rates for low-skilled youth were experienced by other countries, while better educated was visible in some countries, notably Ireland, Spain, France and Luxembourg. The Picture becomes even more clear when it is understood that a fall of high-skilled young migrants, although the rate fall varied ranging from 19 to 23 percentage points in Luxembourg, Greece, Norway, Spain and Ireland. As regards to a lack of qualification, the gap in employment level between the two groups depends on an unskilled labour force. Unless action is taken, a significant problem is matching labour demand to labour

²² Youth –Migration-Employment Burning Issues for Governance, Development and Cohesion ©UNICEF/NYHQ2011-2260/Dorminio

²³ Youth –Migration-Employment Burning Issues for Governance, Development and Cohesion ©UNICEF/NYHQ2011-2260/Dorminio

supply. It is necessarily be concluded that the education and training policies of the the member states should be focused on increasing and adapting skills. The financial resources should be focused on providing better learning opportunities at all levels.

Figure 7. Changes in migrant youth (15-24) employment by education level in selected OECD countries, 2008-2011



Sources: European Labour Force Surveys (Eurostat); Israel, New-Zealand: Labour Force Surveys; United States: Current Population Surveys.

A particular problem, relates to the growing difficulties in filling current job vacancies faced by the EU enterprises, at the same time an increased demand for highly skilled workers. So long as there are mismatches between educational and professional choices and labour market needs, there is no question that a real demand exists for specific skills, varying from one country to another, which quite often can not be met within the EU (Kyrieri 2007: 21). Only a small number of the newly arriving migrants are selected according to their skills and professional experience. Many ambitious immigrants are employed below their skill levels (Münz 2007: 15). Indeed, many of the EU's member states, notably Germany, the UK and Belgium, are already faced with shortages of qualified staff in the health sector as well as in the science, technology, engineering and mathematics (STEM) professions (Ziller 2013: 3). By and large, the children of immigrants – in particular those who are native-born – appear to be less concentrated in sectors, such as manufacturing, construction, wholesale and hotel and restaurants than their immigrant parents. However, there is wide variation between countries, with perhaps the exception of the hotel and restaurant sector, where young immigrants tend to be overrepresented in most countries – although the differences are often not statistically significant (Liebig and Widmaier, 1997: 33).

Therefore, Europe's workers must be adaptable and learn new skills if they are to retain their place in the labour market. Up-skilling the workforce is particularly

important as the economy grows ever-more sophisticated (European Commission 2014: 15). Within the context of the European employment strategy (EES) , there are a number of measures that are designed to help encourage people to remain in work or find a new job, including: the promotion of a life-cycle approach to work, encouraging lifelong learning, improving support to those seeking a job, as well as ensuring equal opportunities.²⁴ The new investment priority of ESF on “reducing early school-leaving and promoting equal access to good quality early childhood, primary and secondary education and care” represents an essential factor of successful for improving educational outcomes and breaking the cycle of disadvantage.²⁵ Having said that, Priority 3 for Better Education concerns skills and lifelong learning, such as opening doors to learning to acquire qualifications. These funding instruments will also help the EU and its member states cope with a number of longer-term challenges. The world of work is ever-changing due to the introduction of new technologies and the rigours of competing in a global marketplace (European Commission 2014: 15).

Of course, the extent to which inadequate funding creates risks in employability will depend on the wider performance of youth immigrants. However, the UK’s recent experience of migration is seems unique. A large share of immigrants that are UK-born is working in professional occupations. But there are more immigrants in processing and elementary occupations (such as bar work and waiters) than might be expected given their qualifications. This occupational mix in both high-skilled and less skilled jobs is reflected in the distribution of immigrants across industries. The health, hotel and restaurant sectors employ relatively more migrant workers than other sectors. The agriculture and energy sectors employ relatively fewer migrant workers than other.²⁶

Under this situation, it is right to claim that there may be a link between labour-market mismatch and discrimination, which makes certain groups more susceptible to mismatch. More importantly, migrants may be faced with lower recognition of their qualifications, if obtained in country of origin, than is warranted on economic grounds.²⁷ A study by Battu and Sloane (2004) and Lindley (2009) suggested that individuals from some ethnic groups, are significantly more likely to be overeducated than whites and giving the impression that the optimal matches are difficult to be

²⁴Eurostat, Statistics Explained, Unemployment and Beyond, June 2015.

²⁵Briefing On European Social Fund 2014 – 2020, European Platform for Rehabilitation, February 2014.

²⁶Centre for Economic Performance, ImmigraGermany, Belgium and the UK. A significant employment losses

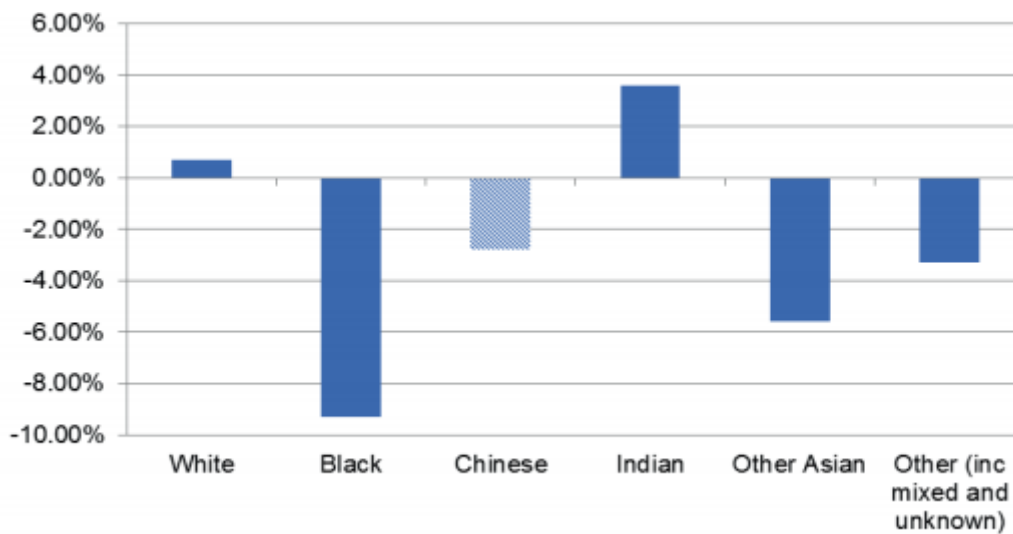
for medium and high-skilled youth, wtion and the UK Labour Market, the latest evidence from economic

research, London School of Economics and Political Science, June 2012.

²⁷The skill matching challenge Analysing skill mismatch and policy implications Luxembourg: Publications Office of the European Union, The European Centre for the Development of Vocational Training (cedefop), 2010.

located. Graduates from an ethnic minority background also appear to be less likely to move into a graduate job or study, although this varies quite widely between groups (Foley and Brinkley 2012: 6). Figure 8 illustrate, for example, graduates from the ethnic groups, particularly from Black backgrounds were less likely to find a graduate job or study than graduates from White and Indian backgrounds. The Futuretrack cohort study also found that graduates from a White or Asian background tend to be more likely to enter graduate employment.²⁸

Figure 8. Percentage point difference from the sector-adjusted average for proportion moving into graduate job or further study, split by ethnic group



Source: HEFCE, 2013.

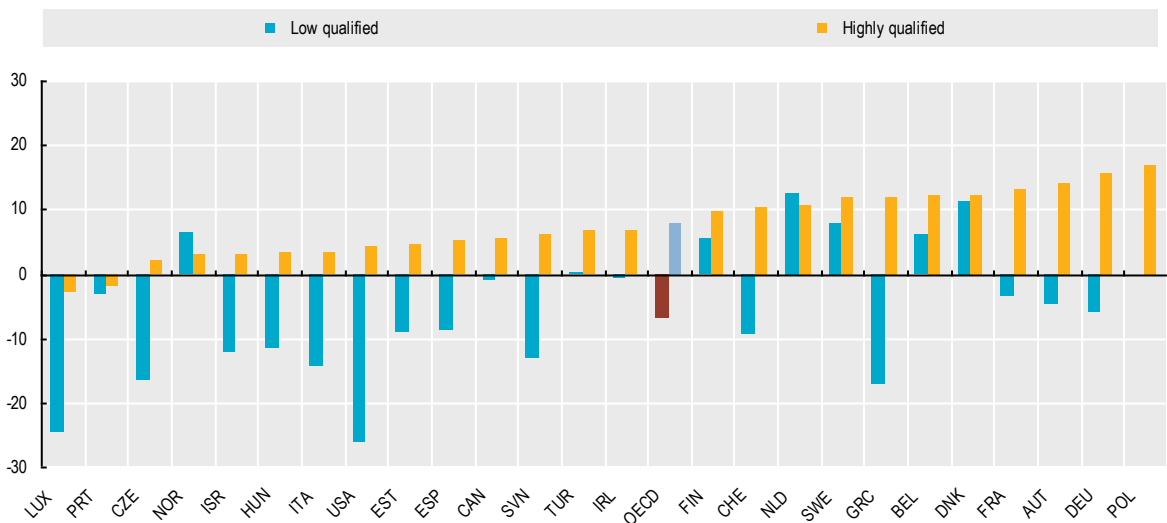
In practice, it is the formal educational qualification levels which mediate how individuals are perceived by employers and social actors and their access to different types of employment (OECD 2012: 43). The average rate of overqualification in Europe has risen by about 5 percentage points from 2004 to 2010. About 1.5 percentage points of this total occurred during the economic recession (2008-2010), presumably because individuals, faced with stronger job competition, more readily accepted jobs that did not match their qualifications and skills. Affecting mostly younger workers and migrants, overqualification also points to discrimination towards certain groups or to segmented labour markets. According to the recent OECD Survey of Adult Skills, qualification mismatch is particularly common among the foreign-born workers and those employed in smaller-sized establishments, in part-time jobs or on fixed-term contracts. Of course, some instances of qualification mismatch may occur when workers have lower skills

²⁸Summary Report: Futuretrack Stage 4 – Transitions into employment, further study and other outcomes, p.8: http://www.hecsu.ac.uk/assets/assets/documents/Futuretrack_Stage_4_Summary.pdf

than would be expected at their level, due to either poor performance in initial education or to depreciation of their skills over time.²⁹

To reiterate, the belief that the children of immigrants are underqualified in the EU member states is widespread and endlessly repeated by politicians and commentators as if it is a fact. According to OECD figures in 2011, only 19% of native-born youths were overqualified.³⁰ It is usually the case that the youth immigrants obtain an upper secondary qualification. Given that, the risk of unemployment is twice as high for those with low skilled youth. This is especially true for foreign-born female migrants. On average, even with those the highest qualifications have higher employment rates than natives. This situation is confirmed by Figure 9, highlighting marked differences in education rate between the youth immigrants and natives. In short, it would be right to conclude from this experience that the EU policies have failed to remedy skill shortages in the labour markets and right to argue that addressing the financial restrictions may demand more generous funding and support for the most affected. In part this may be a question of raising the level of skills.

Figure 9. Gap in education rate between native-born and foreign-born population by educational attainment, 2007



Source: OECD Factbook 2010: Economic, Environment and Social Statistics, Population and Migration-International Migration-Migration and Employment

Apart from these general consideration that improving young people’s skills may be crucial to address the many challenges Europe is facing, the EU’s ability to remain competitive and to innovate relies on language skills: it is assumed that educational

²⁹ World Economic Forum Global Agenda Council on Employment, Matching Skills and Labour Market Needs Building Social Partnerships for Better Skills and Better Jobs January 2014 Davos-Klosters, Switzerland 22-25 January.

³⁰The term overqualification implies more skilled or educated than it is required for a job.

performance gaps between native and non-native students relate to the socio-economic differences as well as language barriers (OECD, 2010). That said, language is key to higher educational performance. Many migrant youths have difficulty in integrating at school because of the language barriers. It is worth noting that second - and third - generations have faced such barriers. According to a survey by Eurobarometer Focus Groups (2011), speaking a common language was the most important factor to stimulate integration, as indicated by both non-EU immigrants and the general public.³¹ Offering immigrant youth extra dominant tongue language assistance in early education can assist in tackling language problems which, if left unaddressed, can affect school performance (Liebig et al. 2012: 24). Hence, education is crucial to ensure that these pupils are equipped to become integrated in the receiving country. At the same time, migration can be enriching for the educational experience of all: linguistic and cultural diversity may bring an invaluable resource to schools. It can help to deepen and strengthen pedagogies, skills and knowledge itself (European Commission 2011:23). In the new globalised economy, immigrants' insights about foreign markets, transnational networks and language skills can bring added value to employers (Kalas et al. 2010: 11). A diverse workforce with a large pool of skills and experience is more likely to be creative and open to new ideas than a homogeneous one. In the new globalised economy, immigrants' insights about foreign markets, transnational networks and language skills can bring added value to employers (Kallas et al. 2015: 16). In particular, language training courses for immigrant children are essential for promoting their integration within the school system. The success of integration policies in education is also linked to the use of resources at local level and to the coordination between governments and schools (European Parliament 2011: 11).

6. Policy Recommendation

Comprehensive policies that lead on from, particularly the Europe 2020 strategy address the long-term labour market needs of foreign-born youth require a focus on the promotion of equal opportunities in relation to the native population. Its is to ensure social cohesion in the EU- wide, since young with immigrant background faces extra barriers with regard to the integrating into the labour market. Given the social exclusion have a wide variety of causes policymakers should have a financial tools to promote integration as part of social inclusion policies. So enhance proper participation of the youth immigrants into the labour markets can be enhanced.

After identifying the main problems already discussed above, a set of general recommendations can be made:

³¹Qualitative Eurobarometer, 'Migrant Integration: Aggregate Report' May 2011
http://ec.europa.eu/public_opinion/archives/quali/ql_5969_migrant_en.pdf

Firstly, given increasing difficulty of accessing to employment, quality early job searches should focus on measures to address question, pointing to better financial support for children with a migrant background, active desegregation policy, which can improve the social, ethnic and cultural mix in schools, helps integration into the labour markets. A particular attention should be given to financial incentives for students' performance-based scholarships, who may wish to combine work and study to facilitate their school-to-work transition.

Secondly, the funding system can play an important role in promoting sustainable and quality employment, let alone supporting the youth immigrants' mobility across the member states. Policies supporting job-seekers and inactive people with migrant background, in particularly those in NEET or young people at the risks of social exclusion lies at the heart of ESF and a change in this area is not recommended, even if set-up funding for young entrepreneurs should be provided, especially countries or regions experiencing high youth unemployment. New financial system can be essentially targeted at companies that have to cope with low-skilled foreign-born youths or lack of qualified workers.

Thirdly, through the ESF, the member states should support specific objectives, especially investing in education, training and vocational training for skills and lifelong learning, in order to ensure a successful labour market outcome, with a special focus on young immigrants. Regarding allocation of structural or cohesion funds, the EU policies should adress compensatory measures in poor regions, with the aim of improving educational outcomes and breaking the cycle of disadvantage.

Fourthly, new, and an effective social network or partnership principle will be needed to increase the overall effectiveness of policies supported by the ESF. Improving cooperation between a variety of partners including local authorities, schools, public employment services, social enterprises is essential to overcome discrimination in the labour market. While establishing closer ties between local firms implies job creation and this should be accompanied by participation of non-governmental Organizations (NGOs).

Fiftly, ESF funding should be used to create platforms for exchanging of good practices between the member states and innovative approaches, just as new ways of building bridges with the potential employer and employee or migrant families and communities from different backgrounds which need to be developed. Providing sufficient and stable resources to tertiary education, the EU member state should be encouraged for best practice exchange among national agents in the labour market. They can learn each other's experiences in tackling discrimination.

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