

YOUTH SCORECARD: ANALYSES BASED ON THE LABOUR FORCE SURVEY AND LABOUR MARKET & SOCIAL PROTECTION DATAWAREHOUSE

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1. Abstract

The analyses for this survey are part of the thematic scorecard about young people in the labour market, which was developed by the Policy Research Centre Work and Social Economy. The starting point for the elaboration of this scorecard was education and the study also examines the transition to the labour market. The study then examined young people's first job and the continuation of their career in the labour market. It examined how young people in general and school-leavers in particular fare in the labour market. The emphasis is on the situation of Flemish youth but the study also examined these aspects in a wider Belgian and European framework.

A first contribution in this context (Stevens, 2009) focused on the transition from education to the labour market, in addition to analyses relating to one's first job, in a European comparative perspective. In two other contributions (Tielens & Herremans, 2009; Herremans & Tielens, 2009) an overview was provided of the different types of entry jobs for school-leavers in the Flemish Region as well as the expected development in the labour market during the first year of one's career.

Data sets were developed with the most important statistics and indicators in function of monitoring based on the scorecard. The data can be consulted on the Centre's website (www.steunpuntwse.be / section 'cijfers' / 'thematische boordtabellen' / 'jongeren').

Key words:

Youth; labour market entry; career; monitoring

2. Study objectives

The analyses for this survey are part of the thematic scorecard for young people in the job market developed by the Policy Research Centre Work and Social Economy. This scorecard can be used as a tool for monitoring young people's entry in the labour market and the continuation of their career. Based on statistics, indicators and descriptive analyses new insights are provided about their entry in the labour market, the characteristics of this first entry job and the continuation of their career in the labour market.

3. Methods and data

Descriptive analyses were used in function of labour market monitoring.

Three data sources were used for this purpose:

- the Labour Force Survey of the FPS Economy, Directorate General Statistics, hereinafter BLFS;
- Eurostat's Labour Force Survey (LFS);
- the Labour Market & Social Protection Datawarehouse of the Crossroads Bank for Social Security (Datawarehouse AM&SB).

4. Findings

4.1 Transition phase (BLFS/LFS)

The analysis shows that on the whole Flemish young people between the ages of 15 and 19 years are frequently still in school in 2007, compared with the European average; often for an initial training in mainstream education, and usually without combining these studies with a job. The fact that education is compulsory until the age of 18 and that there are statutory restrictions on student labour can probably explain this in part. The proportion of schoolgoing youngsters in Flanders drops sharply in the 20-24 age group. However if students are still studying, then they do so exclusively. Meaning that Flemish students tend to combine their studies with a job less frequently than their European counterparts. In addition the situation of Flemish youngsters in the 20-24 age group who no longer have a link with education is rosier compared with the rest of Europe: more Flemish school-leavers are employed. The outflow from education continues between the ages of 25 and 29 years, in Flanders as well as in Europe, but the involvement in education and training on average is higher in Europe. It is apparent, however, that Flemish school-leavers fare better than the average European in the sense that more Flemish 25 to 29-year olds who are no longer in school are employed.

4.2 European benchmarks (BLFS/LFS)

In the frame of the European objectives the aim is to limit the unqualified outflow to 10% and to raise the share of qualified young people – who at least hold a diploma of secondary education – to 85% (initially by 2010). The figures demonstrate that the Flemish Region is ranked in the European top ten in this frame. Overall, Flanders has already achieved these two objectives. In terms of the unqualified outflow Flanders is ranked with Slovenia, Poland, Slovakia and Lithuania in Eastern Europe and with Finland and Sweden in Northern Europe. These countries have already achieved the benchmark. The other European Member States have not yet achieved the 10% limit. Some countries are on track, including Belgium, but other countries still have a lot of work to do. The Southern European Member States especially, such as Portugal, Spain and Italy, still need to curtail their unqualified outflow. The Brussels Capital Region is also lagging in this respect. Flanders also performs well in terms of the share of qualified young people. In the other regions the level of education, by contrast, needs to be further boosted, meaning that Belgium as a whole still will have to make a final effort if it wishes to achieve the European target of 85% by 2010. This also applies to a host of other European countries, which are mainly located in Southern Europe.

4.3 School-leavers and their first job (Datawarehouse, AM&SB)

We used the Datawarehouse AM&SB to examine the school-leavers in their first job as the group of 15-24 year-olds who were employed in Q4 of 2005 and who were not working from Q2 of 2004 up to and including Q3 of 2005 (six previous quarters). The result is a population of 24,198 school-leavers who are employed in their first job (for a total population of 205,933 young workers).

The large majority of employed school-leavers and the total number of young workers are older than 20 years of age. The number of young people who leave school before this age and are employed is relatively limited. Men leave school and enter the labour market at a younger age than women. On average the male school-leaver is 20.9 years as he embarks on his first job experience, while the average age for women is 21.4 years.

Almost half of the school-leavers who enter their first job has found a regular full-time job. Almost a quarter of this population are employed as (full-time or part-time) temp workers and just under one quarter of this population has found a regular part-time job. Only a very small proportion of school-leavers decide to become self-employed and a small minority find employment through an Individual Vocational Training in a Company (IBO), as an apprenticeship or through an activation measure. Men tend to find a regular full-time job or a temp job more frequently than women. Women tend to find a regular part-time job more frequently. Moreover women tend to find a regular part-time job, irrespective of their initial status, more frequently as their career evolves. This demonstrates that regular part-time employment is not a typical entry job for women, but in effect it is a rather structural trend.

More than half of the school-leavers who enter the labour market end up in the lowest wage bracket of less than € 80 gross a day. One third find themselves in the € 80-99 wage bracket. Only one in ten school-leavers earns a gross salary of € 100 or more. Women tend to end up in the lowest wage bracket more frequently than men and tend to evolve to a higher wage bracket less frequently than their male counterparts.

In six out of ten cases school-leavers end up finding a job in the tertiary (commercial) services sector. Three out of ten school-leavers enter the (non-commercial) quaternary services sector and just over one out of ten school-leavers find a job in the secondary sector (industry and construction). The share of the tertiary sector is quite high among school-leavers. This is explained by the importance of temp work for one's entry job.

A total of 15.7% of school-leavers who entered the labour market are no longer working one year after this date. 11.6% of the school-leavers who entered the labour market are still employed one year later but have been unemployed for some time in the meantime. 72.7% of all school-leavers who entered the labour market are still employed without interruption one year later. There are small differences between men and women in the sense that women stand a slightly higher chance of not being employed one year after their entry in the labour market and stand a smaller chance of being employed without interruption.

4.4 Starting out as a temp: half the battle is won (Datawarehouse AM&SB)

We already described that many young people who accept a temp job may expect to see their career develop positively. This conclusion was also confirmed in the analyses described here as regards school-leavers' first jobs. In the case of almost half of all school-leavers who were working as a temp (52.4%) this temp job was a stepping stone to full-time regular employment. An additional conclusion is that school-leavers who entered the labour market in low-paid temp jobs stood a better chance of upward wage mobility in comparison with other statutes (regular full-time, regular part-time, activation). Half of these school-leavers (50.6%) succeeded in moving into a higher wage bracket within the year. These results seem to confirm that even an entry job as a low-paid temp worker offers an opportunity for promising career development with upward wage mobility. This conclusion can largely be explained by the fact that many of the young people whose entry job was a temp job moved on to a regular full-time job within the year, a transition, which was often accompanied by a move to a higher wage bracket.

5. Conclusions and policy implications

A good understanding of the transition from education to the labour market and of the situation of school-leavers in the labour market is essential to arrive at a relevant and effective policy in terms of the labour market integration of young people. The scorecard can be used as an instrument to monitor the labour market entry of young people and the continuation of their career. Based on statistics, indicators and descriptive analyses new insights are provided about young people's entry in the labour market, the characteristics of their entry job and the continuation of their career in the labour market process.

Full reference of study report(s) and or paper(s) and other key publications of the study summarised here

Stevens, E. (2009). *Jongeren in beeld. Een analyse op basis van EAK/LFS. Boordtabel Jongeren*. Leuven: Policy Research Centre Work and Social Economy

Tielens, M., & Herremans, W. (2009). *Schoolverlaters in hun eerste job. Een analyse op basis van het Datawarehouse AM&SM. Boordtabel jongeren*. Leuven: Policy Research Centre Work and Social Economy

Herremans, W., & Tielens, M. (2009). Als uitzendkracht begonnen, is half gewonnen. Loopbaanverloop van schoolverlaters tijdens het eerste werkjaar. *Over.Werk, Tijdschrift van het Steunpunt Werk en Sociale Economie*, 19(3), pp. 80-86.

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