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Design and Influence of the EU's Youth OMC

A case study of the NEET's needs and The Netherlands (part 2)

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Abstract

Ever since its introduction in 2000 the open method of coordination (OMC) has generated a lively debate about its functioning and effectiveness. Many studies have indicated that it is very difficult to prove causal relations between the OMC and policy activities of the Member States. Nonetheless, it is possible to study the influence of the OMC at ideational level. This study aims to do this for the Youth OMC. Against the background of the creation of epistemic community and the theory of discursive diffusion a comparative discourse analysis is conducted between the EU's Youth OMC and Dutch youth policies. The discourse analysis for both levels focuses on youth (un)employment measures, in particular those addressing young people who are Neither in Employment, Education or Training (NEET). The study finds that in case of The Netherlands, the outcome of the analysis gives a mixed result on the influence of the Youth OMC. In terms of ideas and sort of measures the Youth OMC and Dutch youth policies are remarkable similar, especially concerning measures serving the NEET's needs, however, these have been developed at different moments in time. Overall The Netherlands seems to run ahead of the EU, and as such possibly influenced the Youth OMC and Dutch policies appear to be synchronous.

Keywords: Youth OMC, NEETs, Youth Guarantee, Discursive diffusion, Dutch youth policies

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1. Brief introduction part II

Being introduced as a general instrument for policy coordination in the EU's Lisbon Strategy of March 2000,¹ the open method of coordination (OMC) rapidly gained popularity in the field of social policies, including policies for youth.² Every OMC though is unique in its design and consequently its impact.³ Previous research on the Youth OMC has indicated that the strength of this OMC lies with the creation of a hybrid structure bringing together the eight action fields of EU youth policies.⁴ Furthermore, it has been illustrated that at institutional level, the hybrid structure of the Youth OMC has resulted in a panoply of instruments and mechanisms enforcing each other in creating incentives for Member States to act up in the field of youth policies.⁵ This development has been perceived as positive and an example of one of the strengths of the OMC as a mechanism to coordinate governance.⁶ Coordinated governance is presumed to create a stronger pressure on Member States to comply with EU measures. In other words, it suggests a bigger impact of EU measures on the domestic legal orders of the Member States.⁷ Following on this research, the obvious next question is: To which extend impacts the Youth OMC the Member States' domestic policies?

Empirical research on the effectiveness of the OMC in other policy fields, among which employment, social inclusion and pensions,⁸ has already pointed out that it is very difficult to assess the impact of the OMC on the national legal orders of the Member States. Unlike EU directives, for example, OMC objectives and guidelines do not need to be transposed into the national legal order.⁹ Instead efforts are to be undertaken to achieve the goals, hence the outcome of national measures is more important than the actual design.¹⁰ Nonetheless, previous empirical studies have also shown that it is possible to

¹ European Council Conclusions, of 23-34 March 2000, *Lisbon Strategy*.

² See for an overview of various OMCs: Bridgid LAFFAN and Colin SHAW: Classifying and Mapping OMC in Different Policy Areas. NEW GOV–New Modes of Governance paper, 02/09, 2009.

³ Cf. Frank VANDENBROUCKE: The EU and Social Protection; What should the European Convention Propose. *MPiJG Working Paper*, 02/6. 2002. 11.; and Susana BORRÁS – Claudio M. RADAELLI: Recalibrating the Open Method of Coordination: Towards Diverse and More Effective Usages. *SIEPS Report*, No. 2010/7.

⁴ Paul COPELAND – Beryl P. TER HAAR: The Open Methods of Coordination as Amplifier for EU Soft Law – The Case of EU Youth Policy. *Acta Juridica Hungarica*, Vol. 56., no. 1., 2015. 14–29.

⁵ Ibid.

⁶ Ibid; and on the OMC more general in terms of coordinated governance: Kenneth ARMSTRONG: *Governing Social Inclusion*. *Europeanization through Policy Coordination*. Oxford, Oxford University Press, 2010.

⁷ See on this also: Paul COPELAND – Beryl P. TER HAAR: The coordinated governance of EU social security policy: Will there ever be enough? In: Frans PENNINGS – Gijsbert VONK (eds.): *Research Handbook on European social security law*. Cheltenham, Edward Elgar, 2015. 201–232.

⁸ Among others: Milena BÜCHS: New Governance in European Social Policy: The Open Method of Coordination. London, Palgrave-MacMillan, 2007.; Contributions in Jonathan ZEITLIN – Philippe POCHET (eds.) – (with) Lars MAGNUSSEN: The Open Method of Co-ordination in Action: The European Employment and Social Inclusion Strategies. Brussels, P. I. E. Lang, 2005.; Manuele CITI – Martin RHODEs: New Modes of Governance in the EU: Common Objectives versus National Preferences. EURGOV, no. N-07-01, 2007.; and BORRÁS–RADAELLI op cit.

⁹ Among others: Gerda FALKNER – Oliver TREIB – Miriam HARTLAPP – Simone LEIBER: *Complying with Europe: EU Harmonization and Soft Law in the Member States.* Cambridge, Cambridge University Press, 2005.

¹⁰ Similar: Caroline DE LA PORTE: Is the Open Method of Coordination Appropriate for Organising Activities at European Level in Sensitive Policy Areas? *European Law Journal*, 2002., 39.; and Jonathan ZEITLIN: The Open Method of Coordination in Action. Theoretical Promise, Empirical Realities, Reform Strategy. In: ZEITLIN–POCHET–MAGNUSSEN op. cit. 448.

assess the influence of the OMC at the level of ideas and (policy) concepts.¹¹ In these studies linkages are made between the OMC's intention not only to influence Member States normatively (by setting common objectives; indicators; guidelines; recommendations that all steer towards certain outcomes), but also to influence Member States' policy choices cognitively.¹² The latter happens mostly through the elements of the OMC that are part of the peer review and monitoring mechanisms of the OMC. Moreover, it is by the combination of its institutional and procedural design and its iterative nature that the OMC can foster the development of an epistemic community at European level, which is an important aspect for further (policy) learning at national level.¹³

While many case studies exist about the effectiveness of the OMC, none of these studies focus on the Youth OMC. Consequently, in the doctrine about the OMC / new governance little is known about the Youth OMC in general,¹⁴ and even less in terms of its influence on Member States' youth policies. With in total eight action fields (education and training; employment and entrepreneurship; health & well-being; participation; voluntary activities; social inclusion; creativity & culture; and youth and the world), a full analysis of the Youth OMC goes beyond my abilities as labour law scholar. Therefore the study is limited in two ways. First, the material scope is limited to one of the eight action fields, namely employment and entrepreneurship. More particularly, it is focused on the group of young people who are 'Not in Employment, Education or Training' (NEET). Secondly, it is limited to a textual analysis for signs in national policies and regulations on youth matters that reflect EU youth employment policy.

In the first part of this study, which is published in the previous issue 1 of 2020 this journal, I elaborated on the concepts and theories regarding the creation of an epistemic community in general and on policy learning (discursive diffusion) in the context of the OMC in particular. These concepts and theories are used to analyse the influence of the Youth OMC. Furthermore, I analysed the historical development of the Youth OMC, with a particular focus on the action field 'employment and entrepreneurship' for the target group NEET. Additionally, I unpacked the Youth OMC's institutional structure, positioning it also in the wider EU policy framework it is part of, including Europe 2020. This was followed by a content analysis of the most important documents and initiatives part of the Youth OMC.

In this part of the study I will analyse the youth employment policies and measures of The Netherlands. The analysis is based on a desk research examining documents on youth employment measures and policies. These documents include parliamentary documents and other publicly available documents,

¹¹ For an overview and analysis of this research: BORRÁS–RADAELLI op. cit. 27–37.

¹² Jonathan ZEITLIN: The Open Method of Coordination and Reform of National Social and Employment Policies. Influences, Mechanisms, Effects. In: Martin HEIDENREICH – Jonathan ZEITLIN (eds.): Changing European Employment and Welfare Regimes. London, Routledge, 2009. 217.

¹³ Cf. David M. TRUBEK – James S. MOSHER: New Governance, Employment Policy, and the European Social Model. In Jonathan ZEITLIN – David M. TRUBEK (eds.): *Governing Work and Welfare in a New Economy*. Oxford, Oxford University Press, 2003. 47.

¹⁴ An exception on research focus is my previous work on the topic with COPELAND op. cit. note 4.

reports, opinions, etc. of actors that have been involved with or were of influence on respective youth employment policy or measure. This is followed by a comparative discourse analysis between the Youth OMC measures described and analysed in part 1 and the Dutch measures described analysed in this part. As indicated above, it is almost impossible to prove direct causal relations between the OMC and measures adopted by the Member States. However, following the theories on epistemic community and discursive diffusion, influence of the Youth OMC on Dutch measures can be assumed when similar language, underlying ideas and concepts used at EU level are echoed in the national policies and measures. Therefore, the comparative analyses aims to trace down such similarities. The last section draws some general conclusions about the Youth OMC, its design, governance structure, and influence on Dutch policies at ideational level.

2. Dutch Youth Unemployment Policy

Part I concluded with brief reflective conclusions about the development of the Youth OMC regarding the policies dealing with the NEET's needs. Particularly relevant for this part of the study was the observation that the content of the genuine EU youth employment policies over the course of time made a shift in focus from employment measures and policies as a resource for empowerment of young people to participate to their fullest capability in society more broadly, into measures investing in youth employment as a goal in itself. Second, the issue of the NEET's needs are at ideational level strongly geared by the Youth OMC via the Youth Guarantee and the promotion of traineeships and apprentices, etc. When searching for signs of discursive diffusion between the EU and the Member States, in this study the Netherlands, it is interesting to analyse whether a similar shift of sort of policies (from empowering to investment) and measures resembling the youth guarantee can be found in the Dutch national policies.

Thereto the case study on The Netherlands covers a similar period as the discourse analysis on the Youth OMC, starting at the early 1990s till about 2016. The analysis is based on documents only, i.e. the measures themselves, including parliamentary documents and doctrinal writing. The relevant policies and measures are found by an assessment of the Dutch employment reform programme which are draw as part of the EES. Furthermore, it is based on the snow ball effect following references in the found policies and measures to other policies and measures. Furthermore, the found policies and measures will be distinguished in four policy areas: 1) comprehensive youth programmes; 2) specific youth (un)employment measures; 3) educational measures; and 4) labour law and social security measures. However, to gain a better understanding of the context in which the Dutch policies and measures have been adopted, an overview is sketched of youth (un)employment in The Netherlands over the course of time.

2.1. Youth (un)employment in The Netherlands

Figure 4 illustrates the development of youth unemployment over a period of 40 years, i.e. from 1974 to the first half of 2017. The data has been derived from various sources, among which the OECD Labour Force data (data till 2006), EURO Stat and CBS (Central Bureau of Statistics) (both data for 2006-2017). The data is not fully consistent over the course of time, since the definition for employment, and therewith for unemployment, has changed twice: in 1986 and 2015.¹⁵ In particular the latter change affected the data significantly. Before 2015 a person was considered to be employed if he worked for 12 hours per week or more. This definition was based on the presumption that a person employed for 12 hours per week could earn a substantial income.¹⁶ In 2015 the CBS changed the definition in line with that of the International Labour Organisation (ILO), i.e. everyone who works more than one hour per week is no longer considered as searching for employment.¹⁷ Consequently, the unemployment rate is lower than it would have been under the previous definition.¹⁸ Since it is unclear how different the youth unemployment rate would be, speculations vary between 37% instead of 11% in 2015 and 13,2% instead of 9,8% in 2017,19 I have not adjusted the data for this. Furthermore, it doesn't seem necessary to adjust the data, because the definition used since 2015 is the same that is used by Eurostat.²⁰ The youth unemployment rate for The Netherlands is thus comparable with that of other EU Member States.

¹⁵ Cf. Paul DE BEER: *Het onderste kwart. Werk en werkloosheid aan de onderkant van de arbeidsmarkt.* Sociaal Cultureel Planbureau, Cahier 132, 1996.; and Wibe SALVERDA: Jeugdwerkloosheid is veel hoger dan zij lijkt. *NRC*, 28 March 2015.

¹⁶ Jeannine JULEN: Hoe werkloos zijn jongeren nu echt? *Trouw*, 17 February 2017.

¹⁷ More precisely, the definition is: 1) Someone aged 15 to 74 (in Italy, Spain, the United Kingdom, Iceland, Norway: 16 to 74 years); 2) without work during the reference week; 3) available to start work within the next two weeks (or has already found a job to start within the next three months); and 4) actively having sought employment at some time during the last four weeks.

¹⁸ SALVERDA op. cit.; who argues that if the data would be adjusted to the definition used before 2015, the youth unemployment rate would be around 37%, instead of the 11% in 2015. This would be the same level of unemployment as in countries like Spain, Greece, Italy, Cyprus, Ireland and Portugal. Also, it is much higher than during the crisis of the early 1980s (around 26%), when concerns were raised about a lost generation because so many young people were unable to find a job, as has been done in 2013 (Cf. K. TEN HAVE – G. JEHOEL-GIJSBERS: Werkloze Jongeren: een verloren generatie? *Tijdschrift voor arbeidsvraagstukken*, 1986.; and Fabian DEKKER: Jeugdwerklozen: wij zijn niet verloren. *Sociale Vraagstukken*, 15 December 2013). See also: JULEN op. cit.; who indicates the same as Salverda, however, in her article the adjusted unemployment rate would be around 13,2%, instead of the 9,8% in 2017.

¹⁹ Idem.

²⁰ ec.europa.eu/eurostat/statistics-explained/index.php/Youth_unemployment#Definition_of_unemployment_and_youth_ unemployment_indicators.

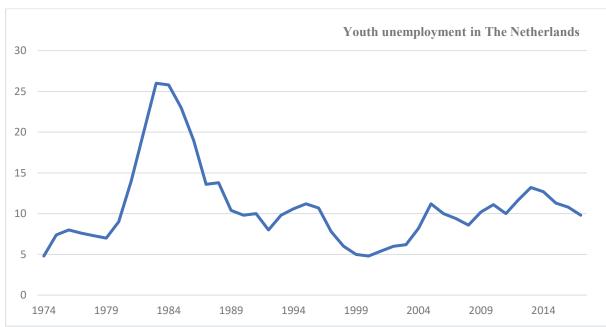


Figure 1. Development youth unemployment in The Netherlands from 1974–2017²¹

Following the development of the youth unemployment rate over the course of time for The Netherlands, four periods stand out. The first period is the early 1980s. A period that was hit by crisis²² which made unemployment rates rise to unprecedented levels, up to almost 26% in 1983. The second period of higher levels of youth unemployment is between 1994 and 1996, and the third the financial and economic crisis of 2008, with its top in 2013. Another period that stands out are the years around the turn of the century, i.e. 1999 to 2003, when the youth unemployment rates were the lowest in this 40 year period.

Some further specifics of Dutch youth unemployment are the following. In general young people with (parents with) a migrant background *(niet-westerse allochtonen)* are more often unemployed than young people with a Dutch background. On average this is about twice as often.²³ Furthermore, the percentage of NEETs among unemployed young people is relatively low compared with the EU average levels: 5,7% among young people with a migrant background and 3,2% among young people with a Dutch background in 2013,²⁴ whereas the European average was at approximately 20%.²⁵

In relation to EU 28, the Netherlands knows a relatively low to average level of youth unemployment over the course of time and ranked in 2017 in the top five Member States with the lowest level of youth unemployment.²⁶ In terms of in and out of education and employment, as discussed in Part 1, Section 3.2, The Netherlands is categorised in group 4, characterised by a relatively high level of employment

²¹ Based on the various sources described above.

²² Cf. Rita BHAGELOE-DATADIN: *De huidige crisis vergeleken met die van de jaren 80*. Central Bureau of Statistics, 2012.

²³ Cf. Maak baan voor een nieuwe generatie. (Report Social Economic Council.) 2013. 11.

²⁴ Ibid. 13.

²⁵ Cf. ec.europa.eu/eurostat/statistics-explained/index.php/File:Share_of_young_people_neither_in_employment_nor_in_education_and_training,_by_age,_EU-28,_2006%E2%80%9316.PNG.

²⁶ <u>ec.europa.eu/eurostat/statistics-explained/index.php/File:Youth_unemployment_figures,_2007-2016_(%25)_T1.png</u>

during education and a low to average level of unemployment.²⁷ Figure 5 illustrates the situation in The Netherlands in 2012. What is particular for The Netherlands is that there is a relatively high level of unemployment among students at the age of 15 to 17 years. This can be explained by the fact that it is common practice that people start to look for work at a young age.²⁸ It is also the consequence of a so called 'dual study programme' in specific fields of tertiary education that includes practical work phases.²⁹ These unemployment rates decline steadily at higher ages, however, they are counterbalanced by a rise in unemployment among those not in education, which brings the unemployment level for 2012 at 11,7%.³⁰

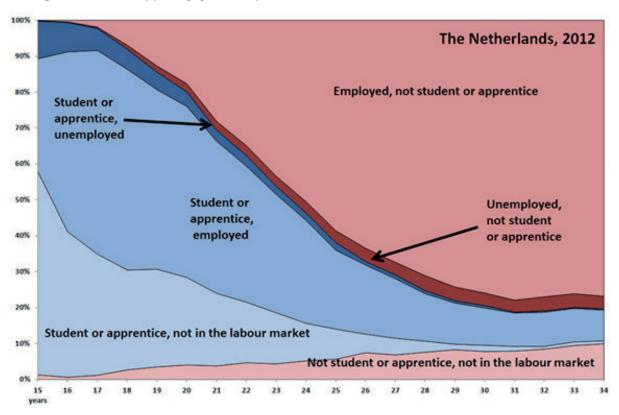


Figure 2. Structure of youth population by education and labour market status, The Netherlands, 2012

Source: Eurostat Statistics Explained: Youth unemployment (2012)

When reviewing various government documents, official reports, literature on youth (un) employment and newspaper articles,³¹ the following causes can be identified for youth unemployment in the Netherlands:

²⁷ ec.europa.eu/eurostat/statistics-explained/index.php/Main_Page

²⁸ Cf. Euro statistics explained, Participation of young people in education and the labour market, available at: <u>ec.europa.eu/</u> <u>eurostat/statistics-explained/index.php/Main_Page/</u>

²⁹ Ibid.

³⁰ Ibid.

³¹ This list is based on various sources, especially: *Letter to Parliament on 'Agenda Aanpak Jeugdwerkloosheid 2015-2016*. Ministry of Social Affairs, 31 March 2015.; DEKKER op cit.; Report Social Economic Council op cit.

- Flexibility of the labour market. Many young workers start in flexible jobs and in times of economic recession it are the flexible contracts that are terminated as first.
- Economic cycle. Due to low to moderate economic growth it is difficult for young people to find jobs since they lack experience.
- Lack of sufficient education (*startkwalificatie*). Early school leavers and drop outs have to enter the labour market without proper preparation which makes it more difficult to find employment.
- Ethnicity and social background. Statistical data indicates an unemployment rate of 30% among young people with a migrant background, against an unemployment rate of app. 10% among young people with a Dutch background. There are many causes for this, among which insufficient education, poor social area they live in (*probleemwijken*), and negative prejudices.
- Mismatch between education and needs labour market. Young people tent to choose studies that prepare for jobs with limited chances of employment (often in the socio-economic and cultural sector), instead of studies that prepare for jobs with high chances of employment (often in healthcare, technic, industry, construction and education).

With the first serious growth of unemployment in The Netherlands since the Second World War, in 1974, it was the idea that it was just a temporary phenomenon that could be solved with good traditional Keynesian policies to boost the economy.³² However, unemployment didn't resolve and after the second oil crisis in the 1980s, unemployment rates increased to a record of over 25% (see figure 4 above). At this point it became clear that it was not a temporary issue, but a structural one and that special measures were needed to re-divide work.³³ For example, older workers were send on early retirement in order to make place for younger workers, and workers in employment were asked to work shorter in order to create more jobs in the same employment.³⁴ During the second half of the 1980s another problem occurred: the economy recovered and in a period of seven years (between 1985 and 1992) about 700.000 jobs were created, however, unemployment declined slowly with only 100.000 people.³⁵ It were not the unemployed who benefited from the new jobs, instead it were people newly entering the labour market.³⁶ During the early 1980s it was just everyone who could end up in (long term) unemployment, this time, however, it were mainly low-skilled workers and people with a migrant background.³⁷ Consequently, the attention on policy making shifted from general economic

³² DE BEER op cit. 9.

³³ Ibid.

³⁴ Ibid.

³⁵ Ibid.

³⁶ Ibid. 10.

³⁷ Ibid.

policies to specific policy measures for particular groups of workers, i.e. low-skilled workers and people with a migrant background.³⁸

2.2. Youth Guarantee in The Netherlands

Till the turn of the century these more general (youth) unemployment measures were beneficial for young people as well. Their unemployment rate dropped back to the level of the early 1970s, around 5-6% (see figure 4). The most significant policies were the Guaranteed Youth Employment Act and, its more general successor, the Deployment Jobseekers (Youth) Act (*Wet Inschakeling Werkzoekenden*).³⁹ The core idea of these acts resembles that of the 2013 EU's Youth Guarantee, namely, an integrated, tailormade programme to support young unemployed people who register with the Employment Office and/or claim social assistance with the municipality social service department in order to foster a speedy (re-)enter into the labour market.⁴⁰ Depending on the needs of the jobseeker, the tailormade programme includes training, work experience schemes, etc. If the programme doesn't lead to a job within 12 months, the jobseeker will be offered a subsidised job.⁴¹

One of the key measures that further developed this idea of youth guarantee, is the Youth Investment Act (*Wet Investeren in Jongeren*), which was adopted in July 2009.⁴² The act is based on the assumption that young people are ideally working or in education, and that young people who have completed their education would more easily find employment and therefore would be able to provide in their own livelihood.⁴³ Therefore, the Youth Investment Act introduces a right for young people aged 18 to 27 who are not in employment, nor in education or training (NEET) to claim an offer for either employment, education or training. NEETs can claim this right after registration with the municipality. When the NEET claims this right, the municipality is obliged to make an offer for employment, education or training which is suitable for the capacity and circumstances of the individual young person applying for it.⁴⁴ If such an offer does not generate enough income, the young person is entitled to (additional) social assistance benefit.⁴⁵ Such an offer can include one measure (for example an offer for a work to

⁴⁴ Ibid. 7.

³⁸ Ibid.

³⁹ Cf. National Reform Programme 1998 and 1999 of the Netherlands submitted to the European Commission as part of the European Employment Strategy, available at: <u>ec.europa.eu/social/main.jsp?catId=101&langId=en.</u>

⁴⁰ Ibid.

⁴¹ Ibid.

⁴² Staatsblad van het Koninkrijk der Nederlanden of 2 July 2009, Wet van 1 juli 2009, houdende bevordering duurzame arbeidsinschakeling jongeren tot 27 jaar (Wet investeren in jongeren), 2009, no. 282.

⁴³ Second Chamber of Parliament Memory van Toelichting Wet Investeren in Jongeren, 2008–2009, 31 775, no.3, 2–4.

⁴⁵ Ibid.

learn place) or a series of measures, depending on the situation of the young individual.⁴⁶ If the young person refuses a suitable offer, he or she will not be eligible for the social assistance benefit.⁴⁷ After the refusal the young person can ask for a new offer. Once an offer is accepted the young person has to observe certain obligations, including cooperating in the determination of a suitable offer; participate in an assessment to establish his or her capacity; and participation in the employment, education or training to the best abilities.⁴⁸ When the young person refuses to participate, or isn't taking it serious enough, the municipality has the right to withdraw the offer. Such a withdrawal may also result into the exclusion from the (complementary) social assistance benefit.⁴⁹

This act is a paradigm shift compared to the Work and Social Assistance Act (*Wet Werk en Bijstand*), as well as its predecessors the Youth Employment Guarantee Scheme (1992) and the Deployment of Jobseekers (Youth) Act (1998). The default setting in these acts is that a person who is not in employment, nor in education or training, can be entitled to a social assistance benefit.⁵⁰ Irrespective the age of the person. Once the entitlement to the social assistance benefit is established and the applicant has not found employment within a certain period (6 months for young people and one year for people above 23) a personalised plan will be drawn up to support the jobseeker.⁵¹ The paradigm shift in the Youth Investment Act is that young people, i.e. persons aged between 18 and 27, do not have an entitlement to a social assistance benefit. As described above, they have a right to an offer for employment, education or training. Only when the personal circumstances of the young person claiming this right are of such nature that no suitable offer can be made or the offer doesn't generate enough income, an entitlement exists to a (complementary) social assistance benefit.⁵² Although initially this paradigm shift was reason to draft a separate law, in 2011 the Youth Investment Act was integrated in the Work and Social Assistance Act.⁵³

⁴⁶ Ibid. 4.

⁴⁷ Ibid. 15.

⁴⁸ Ibid. 17.

⁴⁹ Ibid.

⁵⁰ Of course there are some further requirements, for example a means test.

⁵¹ Second Chamber of Parliament Memory van Toelichting Regeling voor de totstandkoming van een gemeentelijk werkfonds voor voorzieningen ter bevordering van de toetreding tot het arbeidsproces van langdurig werklozen en jongeren (Wet inschakeling werkzoekenden), 1996–1997, 25 122, no. 3.

⁵² Second Chamber of Parliament, Memory van Toelichting Wet Investeren in Jongeren, op cit. 4–5.

⁵³ Staatsblad van het Koninkrijk der Nederlanden, Wet van 22 december 2011 tot wijziging van de Wet werk en bijstand en samenvoeging van die wet met de Wet investeren in jongeren gericht op bevordering van deelname aan de arbeidsmarkt en vergroting van de eigen verantwoordelijkheid van uitkeringsgerechtigden, Jaargang 2011, 650.

2.3. Other youth (un)employment measures adopted by The Netherlands in the period 1998–2017

Overall the Dutch youth (un)employment measures can be distinguished in four policy areas: 1) comprehensive youth programmes; 2) specific youth (un)employment measures; 3) educational measures; and 4) labour law and social security measures. Figure 6 provides an (non-exhaustive) overview of the measures adopted by the Netherlands in the period 1998–2017 in these four policy areas.

Comprehensive youth programmes focus not only on the employment situation of young people, but take their full situation of life into account, thus including their social background, their housing situation, level of education, etc. Also these programmes have a wider age-range, often starting at early childhood till the moment they leave formal education. For example, the programme Operation Young, which was adopted in 2004 and ran till 2008,⁵⁴ aimed to counter social exclusion among young people in general. Thereto twelve themes for policy action were identified, among which the maximalisation of the achievement of a start qualification by young people in order to improve their opportunities on the labour market.⁵⁵ The 2006 Temporary Neighbourhood, Education and Sport scheme, for example, aims to encourage local authorities to address the problems of young people (age 4–19 years) by creating a coherent set of activities linked to the situation of young people, in particular those at risk of poverty.⁵⁶

	Year 1992	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
1. Comprehensive	1992	1350	1555	2000	2001	2002	2003		tion You		2007	2008	2003	2010	2011	2012	2015	2014	2015	2010
Youth Policy										6	Broad Ini	tiative o	n Social	Cohesio	on					
									Temporary neighbourhood, education and sport scheme											
											Special	Ministe	r for Yo	uth and	Family					
										1	G4 Inte	grated a	approac	h						
																			Participa	tion Act
2. Youth	Guara	nteed Yo	uth Empl	oyment	Act															
unemployment	Deployment Job Seekers (Youth) Act																			
policy							Task	force You	uth Une	mploym	ent				_					
								Youth	Investr	ment Act	t (work-s	tudy rig	ht)							
															_	_			t (work-si	tudy right)
												Continu	uation A	ction Pla	an Youth	Unemp	-			
																		-	n Unempl	,
																	Ambas	sador Yo	outh Une	mployment
Education			Action	-		ol leavin	-													
policy						ducation														
				Better	r equipp	ed labou	ır market													
								Better					-		akmansc	hap 201:	1-2015"			
									Proj	ect Depi		Work ar		·						
		National SME apprenticeship initiative Focussed target group: troubled young people																		
															Foc					ng people
																Preve	ent abse			
																	Schoo	l ex 2.0		
4. Other policies									Collec			om LIFO					un hac'r	and the	a ki a a	
targeting young										Tax	reductio	n emplo	·		-	ers gettir	-	qualific	duon	
people													E	xtensio	_	erm cor				
															We	ork Capa	city Act			

Figure 3. Overview Dutch measures to tackle youth unemployment in the period 1998–2017

⁵⁴ Regeling van de Staatssecretaris van Volksgezondheid, Welzijn en Sport van 19 april 2004, nr. DBO-8464687, houdende instelling Operatie JONG (Instellingsregeling Operatie JONG).

⁵⁵ See for a complete list of themes the document: Operatie JONG, 12 Thema's van Operatie Jong: Plannen Van Aanpak, November 2004.

⁵⁶ Staatsblad van het Koninkrijk der Nederlanden Tijdelijke Stimuleringsmaatregeling buurt, onderwijs en sport, 2004, no. 193.

Education policy related to youth unemployment measures can be divided into three focus areas: 1) combatting early school drop outs; 2) creation of apprenticeship positions; and 3) a better connection between education and the labour market. The first focus area is directed at secondary vocational education (MBO) in particular, since this is the level of education with the highest number of drop outs. More importantly, secondary vocational education is the level which is considered to be at least needed to find a job. In Dutch policy documents this is referred to as "basic qualification".

Characteristic for the Dutch policy to combat early school drop outs is an approach to prevent that young people drop out. For example, via a policy on absenteeism which became increasingly more strict over the course of time. The 1999 action plan on early school leaving, for example, enhanced the enforcement of the obligation that young people up to the age of 16 years have to be enrolled in formal education (schoolplicht).⁵⁷ Whereas, the later approach involves a wide range of stakeholders involved with young people and education, which enables a more comprehensive action. For example, schools have to report absenteeism to a regional centre, which is also in contact with the municipality, social workers, youth care workers, school counsellors, etc. The regional centre is thus in the position to bring together various actors to firstly assess what the reason for the absenteeism is, e.g. problems at home, wrong choice of study (loss of motivation), etc.⁵⁸ Secondly, based on the underlying problem resulting in absenteeism, or school drop out, a plan can be drawn up to assist the young person to stay, or go back, in education.⁵⁹ Other measures to combat early school drop outs are: dual course education, i.e. learning and working at the same time;⁶⁰ School Ex 2.0, which provides targeted funding to support activities which aim to assist young people in obtaining a basic qualification.⁶¹

The national SME (Small and Medium size Enterprises) apprentice initiative of 2007 is another example of a measure combatting early school drop outs.⁶² Part of the initiative is the appointment of 'work-brokers' whose task it is to match jobs with young people. As liaison between schools and the market, in particular small and medium sized enterprises, 'work-brokers' outline to schools what is needed in the market. As such, this initiative also contributes to creating a better connection between the needs of the market and education. Another measure adopted in this area is the establishment of a 'project department' within in the Ministry of Education, Culture and Science, which has resulted in the establishment of 'learn-work kiosks'.⁶³ The 'kiosks' link all stakeholders involved with education

⁵⁷ Second Chamber of Parliament, Voortijdig Schoolverlaten, 1998–1999, 26695, no. 2.

⁵⁸ Cf. <u>nji.nl/Voortijdig-schoolverlaten-en-verzuim-Beleid-Wet--en-regelgeving</u>

⁵⁹ Second Chamber of Parliament, Voortijdig Schoolverlaten, 2016–2017, 26695, no 108 and no. 119.

⁶⁰ National Action Programme The Netherlands, submitted as part of the European Employment Strategy, May 2000, 12.

⁶¹ Cf. mboraad.nl/themas/aanpak-jeugdwerkloosheid

 ⁶² 2007 Progress Report on the Dutch National Reform Programme for 2005 - 2008, submitted in the context of the Lisbon Strategy, 59.

⁶³ See for more elaborate information about this at: <u>lerenenwerken.nl/</u>.

and the labour market at local level, with the goal to develop activities, arrangements, products and services to improve the connection between education and the labour market.⁶⁴

The SME apprentice initiative is also an example of policies to create a better link between education and the labour market. The improvement of the connection between education and the labour markets is necessary, since there is a significant mismatch between the two,⁶⁵ Regarding the content of the measures two types can be distinguished: measures dealing with the content and quality of education; and measures guiding the choices for studies by young people. The aim of the first type of measures is to better attune the content of the education programmes and specific course to the needs of the labour market. An example of these measures is the action plan "Focus op Vakmanschap 2011–2015".⁶⁶ The aim of the second type of measures is to influence the choice of students towards studies preparing for jobs in demand at the labour market. An example of the latter is Technology Pact 2020.⁶⁷

Within the fourth policy area, labour law and social security law, four measures attract particular attention (see figure 6). The first of these is a change in collective dismissal legislation, namely the replacement of the principle of seniority based on last in, first out (LIFO) to determine the order of people to be dismissed, by the principle of reflection by age groups (afspiegelingsregel).⁶⁸ The underlying assumption for this change is the following. The seniority principle rewards, in a sense, the loyalty of workers, i.e. the longer a worker is in employment, the higher the seniority will be, and often, the stronger the protection against for example dismissal. Workers with a high seniority are often young people; they just entered the labour market and haven't had the opportunity yet to build long years of service. Since young workers have in general a low level of seniority, the LIFO-system affects young workers unevenly more than other workers.⁶⁹ Reflection by age compensates for the lack of seniority among young people, since the selection of dismissals is spread over age-groups reflecting the overall composition of personnel based on age. More specifically, based on the principle of reflection by age, the group of workers is firstly divided by function or similar functions, within the function groups the employees are divided by age, which is often as follows: 15-25; 25-35; 35-

⁶⁴ Ibid.

⁶⁵ It has always been part of the EES guidelines on EU level, but Dutch studies have also shown that young people often do not base their choice of study topic on the prospect of the study on the labour market. Cf. Research Centre for Education and the Labour Market: *De arbeidsmarkt naar opleiding en beroep tot 2020*. Maastricht, Maastricht University, 2015. (ROA-R-2015/6), 51 et seq.

⁶⁶ Letter of the Minister of Education, Culture and Science to the Chair of the Second Chamber of Parliament of 16 February 2016 on the action plan mbo "Focus op vakmanschap 2011–2015".

⁶⁷ See for more information: techniekpact.nl/.

⁶⁸ Cf. the rules of the UWV (an administrative body responsible to issue dismissal permits in case of collective dismissals): <u>uwv.nl/werkgevers/werknemer-en-ontslag/ik-wil-ontslag-aanvragen/detail/ontslag-via-uwv/ontslagaanvraag-wegens-</u> <u>bedrijfseconomische-redenen/rekening-houden-met-de-ontslagvolgorde-afspiegelingsbeginsel.</u>

⁶⁹ Cf. Letter of the Minister of Social Affairs and Employment the Chair of the Second Chamber of Parliament of 25 May 2004, Notitie heroverweging van het last-in/first-out beginsel bij bedrijfseconomisch ontslag, Kamerstukken II, 2003-2004, 29 200 XV, nr. 87. See on this also: Albertine G. VELDMAN: Voorbij het 'lifo-beginsel' bij reorganisatie: wat zijn wenselijke en geoorloofde selectiegronden voor ontslagkeuze en afvloeiingsvoorwaarden? *Arbeid Integraal*, 2005. 43–59.

45; 45-55; 55- retirement.⁷⁰ Thirdly, based on the number of workers per age group a percentage of dismissals is assigned to the groups. Thus, for example, if out of 100 workers, 15 workers are between the age of 15-25, than 15% of the dismissals will fall within this age-group. Fourthly, within each age-group the principle of seniority is applied to determine the order of persons to be dismissed. This means that within the age-group 15-25 the seniority principle is applied to determine which persons are to be dismissed up to 15% of the total dismissals.⁷¹ The result is that the number of dismissals is representatively divided over the age groups. Compared to the LIFO-system this means that often less young people are dismissed, and probably more older workers.

The second labour law measure affecting the labour market position of young people was the temporary act to extend the number (from three to four) and duration (from three years to four years) of fixed term contracts for young people up to the age of 27.72 The measure is adopted in addition to the Youth Investment Act [see section 2.2 (above)] and aims to improve the opportunities of young people to find a job or stay longer active on the labour market. The measure has been contested for several reasons, among which that it may enhance the precarious position of young people at the labour market instead of improving it. On the one hand it enhances young people's precariousness, because they will be employed on fixed term contracts for a longer period, which in itself is considered precarious in terms of depriving them from long term job-security.⁷³ On the other hand, it improves the situation of young people, since in times of crisis employers may be more willing to hire workers for a fixedterm duration in order to wait and see how their business will develop in such uncertain situations.⁷⁴ An extension of the number and duration of fixed-term contracts may result in an additional year of employment, whereas without this opportunity the alternative is more likely to be the termination of employment, since employers are not willing (or able) to risk continuation by a contract of indefinite term.⁷⁵ The measure intended to offer some extra flexibility during the crisis, based on the presumption that once the economy would recover, employers would be willing to convert fixed-term contracts into indefinite term contracts. Therefore, the measure was temporary, for two years initially with an option to prolong it for another two years. However, the evaluation of the measure by the end of the second year showed that the measure was less effective as was presumed and thus it ended *de jure*.⁷⁶

⁷⁰ Cf. ontslag.nl/bedrijfseconomisch-ontslag/hoe-werkt-het-afspiegelingsbeginsel/

⁷¹ Ibid.

⁷² Memorie van Toelichting, *Tijdelijke verruiming van de mogelijkheid in artikel 668a van Boek 7 van het Burgerlijk Wetboek om arbeidsovereenkomsten voor bepaalde tijd aan te gaan in verband met het bevorderen van de arbeidsparticipatie van jongeren.* Second Chamber of Parliament, 2008–2009, 32 058, no. 3.

⁷³ Cf. Eurofound, NEETs. Young People not in Employment, Education or Training: Characteristics, Costs and Policy Responses in Europe. Luxembourg, Publications Office of the European Union, 2012.; and Malcom SARGEANT: Young People and Age Discrimination. E-Journal of International and Comparative Labour Studies, 2013.

⁷⁴ Memorie van Toelichting, *Tijdelijke verruiming van de mogelijkheid in artikel 668a van Boek 7 van het Burgerlijk Wetboek*, op. cit. 3.

⁷⁵ Ibid.

⁷⁶ Letter by the Minister of Social Affairs and Employment to the Chair of the First Chamber of Parliament, on *Tijdelijke verruiming* van de mogelijkheid in artikel 668a van Boek 7 van het Burgerlijk Wetboek om arbeidsovereenkomsten voor bepaalde tijd aan te

The two other measures that attract attention are within social security law. The first is a reduction up to \notin 3000,- in social security payments for employers who assist young people in obtaining a diploma at basic qualification level (MBO2-level).⁷⁷ And the second measure aims at young disabled persons. Instead of assessing to what extent they are not fit for the labour market, which was done under the Invalidity Insurance (Young Disabled Persons) Act, the Work Capacity Act and its successor, the Participation Act, assess the (young) worker's capacity for the labour market based on what the person can do.⁷⁸

3. Comparative Discourse Analysis of the Youth OMC and Dutch Youth Policies

When comparing the development of EU Youth (unemployment) Policies with Dutch Youth (unemployment) Policies, at the service, both give a similar image in development of levels of youth unemployment, as well as the sort of measures to tackle youth unemployment and how those measures can be related to each other. Although at different moments in time, both the EU (in 2013) and The Netherlands (1992 and 2009), prioritise the development and implementation of measures for young people who are neither in employment, education nor training (NEETs). Central in these policies is the idea of Youth Guarantee. Given the significance of this policy idea, it makes sense to put this at the heart of youth unemployment policies. When this is done, the image shown in Figure 7 can be drawn for the EU as well as The Netherlands.

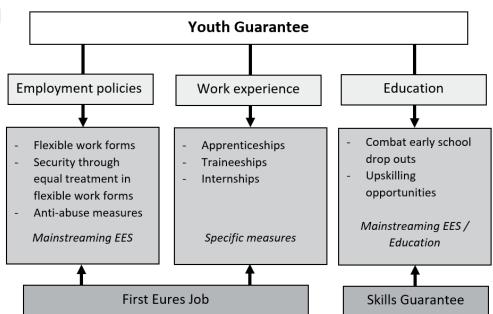


Figure 4: Image EU and Dutch youth (unemployment) policies

gaan in verband met het bevorderen van de arbeidsparticipatie van jongeren. First Chamber of Parliament, 2011–2012, 32 058, no. H.

⁷⁷ National Reform Programme The Netherlands, submitted as part of the European Employment Strategy, 2006.

⁷⁸ National Action Programmes The Netherlands, submitted as part of the European Employment Strategy, 2008–2010; 2011 and 2012.

In terms of ideational diffusion, the outcomes of the Dutch Youth (unemployment) Policies are thus rather similar compared with those of the EU's Youth OMC. This indicates that there is some influence between the Youth OMC and the Dutch Youth Policies. However, induced diffusion and learning goes two ways: from the top (EU) to the bottom (The Netherlands) and vice versa, from the bottom (The Netherlands) to the top (EU). When comparing the actual developments over the course of time, the picture changes.

The early developments of more comprehensive EU Youth Policies, i.e. the 1991 Council Resolution on Priority actions in the youth field and the 2001 White Paper New impetus for European Youth are about empowerment of young people; about participation and active citizenship of young people. The early developments in The Netherlands, i.e. the 1992 Guarantee Youth Employment Act and its successor, the 1998 Deployment Jobseekers (Youth) Act, are about investment in young people by offering them a youth guarantee. The guarantee offered is a rather embryotic version of the one introduced in 2009, nonetheless, the core idea is already there: an offer for employment, education or training in order to facilitate the transition out of a benefit (back) into the labour market. Furthermore, such an offer is made after 12 months only, which implies that it is a measure to combat long-term unemployment especially.

The next moment in time of interest is 2005 when the EU adopts the Youth Pact. The discourse shifts a little from a rather comfortable position of young people in society and the labour market to the recognition of the vulnerability of young people. Concerns are expressed about the employment situation of young people. More particularly, young people need to be equipped through education and training, and solidarity is to be developed between the generations. The shift can be explained by the slight increase in youth unemployment rates, but more likely because it is integrated with the relaunch of the Lisbon Strategy which is about growth, employment and inclusion. Moreover, it gives youth policy a stronger connection with the EES in which youth employment issues are to be mainstreamed.

The same period is the most intensive period of activities for The Netherlands. The attention for youth unemployment is increasing. In 2003 the Taskforce Youth Unemployment is established which task is to create 40.000 jobs for young people by 2007. The Taskforce succeeded in this gloriously and more importantly, it laid out a programme for further policy development to tackle youth unemployment. The main legacy of the Taskforce are probably two things. Firstly, the creation of regionally organised networks concerned with youth issues, in particular for young people in education. Secondly, the idea of preventive measures, in the sense of keeping young people in education so they can obtain a basic qualification which enhances their opportunities on the labour market. Preventive measure include better guidance and coaching of students, especially in the choice of study, in terms of motivation as well as future job perspectives. This generated a vivid policy activity, especially in the field of education. For example, the G4 Integrated Approach, the National SME Apprentice Initiative, and the establishment of RMCs (i.e. regional registration and coordination centres). This focus on educational

measures, fits with the idea of the Youth Pact that young people need to be equipped through education and training.

Some other measures adopted in this period fit with the kind of measures promoted by the Youth Pact, as well as the EES. Although no reference is made to it in the national measures, nor the parliamentary history thereof, they match with the ideas expressed in the Youth Pact and the EES. For example, Operation Young includes the maximalisation of the achievement of a start qualification, which is a form of better equipment through education. Another example is the change of system by which the order of dismissals is to be determined in case of collective dismissals, fits with the idea of more generational friendly policies taking into account the position of young workers and older workers. The temporary extension the number of successive fixed term contracts for young people, fits with the guidelines of the EES which promote the use of more flexible forms of employment.

The Youth Pact is followed by the 2009 Youth Strategy, which brings together all youth policy fields. It also continues the shift from empowerment to investment. Youth unemployment is priority of the Youth Strategy's first policy-cycle. Measures that are promoted include initiatives to increase and improve investments in the provision of suitable skills for jobs in demand on the labour market; to devise flexicurity strategies, and to promote quality internships and apprenticeships. These are all initiatives that have been developed by The Netherlands since 2004. In this period though, the Dutch focus lies with the further development of the youth guarantee by the Youth Investment Act into a work-study right. The work-study right is the right of a young person who is neither in employment, education nor training (NEET) to an offer for employment, education or training upon registration with the municipality. The municipality is obliged to provide such an offer within a period of four months after registration. This right is instead of an entitlement to a social assistance benefit, which is different for people aged above 27, who have an entitlement to a social assistance benefit and only after a period of 12 months a right to an offer for a tailormade programme to assist them to get into steady employment.

This idea of youth guarantee can indirectly already be found in the first guidelines of the EES in its early years, i.e. 1998, 1999, and 2000. However, these guidelines disappear and the momentum to continue down this path seems to return only in 2013 when the EU introduces Youth Guarantee, as part of the Youth Employment Package. The emphasis put on the use of funds to support the implementation of Youth Guarantee indicates that it is an investment in young people. Moreover, a special fund is established, the Youth Employment Initiative. Youth Guarantee is strongly supported by initiatives generating opportunities for work experience, for example the quality frameworks for internships and apprenticeships. The underlying aim of these measures is to ease the transition from education into the labour market.

In the Netherlands not much attention is paid to the idea of youth guarantee, on the contrary, the Youth Investment Act is terminated in 2011 and the work-study right is integrated in the general

Work and Social Assistance Act. The right remains unchanged though. Instead, the policy focus in this period lies with the further development of measures to combat school drop outs. In particular the programme to prevent absenteeism is aimed to identify potential school drop outs in an early stage in order to prevent a complete drop out. The in 2007 established RMCs play a crucial role in this. Furthermore, the target group of these measures is more focused, i.e. "troubled young people". In general these are young people who are disadvantaged for several reasons. For example, because they grew up in poverty or in poor neighbourhoods, or because they are of an ethnic minority, etc. Considerable funds have been made available to support these initiatives.

Thus while the outcome of the youth (unemployment) policies are similar in ideas and goals, the development of these policies do not follow a similar path in time. In general it seems that the developments in The Netherlands run ahead of those at EU level. At least, the Dutch approach has been one of investment since the 1990s, whereas the EU approach developed from mainly empowerment to mainly investment. Given the relatively low unemployment rates of The Netherlands compared to the EU average, it is tempting to argue that instead policy diffusion from EU level to the Dutch level (thus top down), it seems more likely that in the case of the Netherlands there is a situation of policy diffusion from the bottom up, thus from The Netherland up to the EU. However, proof of this cannot be found, moreover, an overview of good practices collected during a peer-learning conference merely one good practice of The Netherlands is included.⁷⁹

4. Conclusions

What this study illustrates about the Youth OMC is that the Youth OMC as governance mechanism is mainly about the coordination of governance. The Youth OMC created a regulatory regime that brings together all EU initiatives dealing with youth. Within this general regulatory regime the OMC identifies and sets policy goals and priorities. Furthermore, it determines which of these need to be mainstreamed in other, existing policy regimes, in particularly the EES and Education OMC. Additionally, it develops its own youth employment programme, for example the 2005 Youth Pact, the 2012 Youth Employment Package and the 2016 programme Investing in Europe's Youth. These programmes coordinate various initiatives, among which Youth Guarantee, the Youth Employment Initiative, the Quality Frameworks for Traineeships and Apprenticeships, etc.

Although there are disadvantages for the OMC to mainstream its policies into other programmes, it leaves for example the further interpretation and development of the policy up to other institutions and actors, it appears to have been particularly beneficial for the Youth OMC. Not necessarily in terms of

⁷⁹ Cf. European Commission Conclusions on the Conference Good Practice in the Youth Field. Encouraging the Participation of Young People with Fewer Opportunities, held on 3–4 March 2008.

making the Youth OMC more visible, but definitely in making its goals and initiatives more tangible. In particular, since Europe 2020 and the European Semester, which connected to the Youth OMC via the Flagship Initiative Youth on the Move.

The dramatically high levels of youth unemployment during the years of crisis (and still continuing in some countries) and seen again during the COVID-19 pandemic can be seen as an explanation why the Youth OMC underwent its most significant development in a period, i.e. 2009–2012, in which most OMCs lost their momentum. For example, in this period the OMC on Social Inclusion was transformed into a platform with the adoption of Europe 2020 in 2010 and with merely a poverty target left in the Employment Strategy it has become completely invisible. The urge to do something for young people was (and still is) pressing and with the limited competence for the EU to act, the OMC seems to be the best option to support Member States in this field.

To determine to what extent the Youth OMC has been of influence on the Member States requires further research. In the case of The Netherlands a mixed picture emerged. On the one hand the measures and initiatives of the Dutch policies fit with the ideas and goals of the Youth OMC. On the other hand, these developments are not in phase in terms of time, indeed, often The Netherlands seems to run ahead of the EU. This seems to be more an indication of bottom up discursive diffusion, rather than top down. Although this is part of it, the OMC involves both, top-down governance mechanisms and bottom-up mechanisms, and typical for the EU, after all the EU is what the Member States want it to be, it is of little help when studying the influence of the OMC on the Member States (top-down). If already any influence, this is probably mostly from the Youth Pact. This is the only period in which the policy ideas of the EU and The Netherlands are more or less synchronous. Influence may also be found in the use of the term NEETs, young people who are neither in employment, education, nor training. It resonates in the policies of the EU as well as The Netherlands. Lastly, from a very optimistic point of view it could be argued that at least some influence between the Youth OMC and the Dutch youth policies is going on given the fact that the policy mix dealing with the NEET's needs show a remarkable resemblance.