



High-Level Forum on Jobs for Youth
Addressing Policy Challenges in OECD Countries
Oslo, Norway 20-21 September 2010



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Welcome Address at the Ministerial meeting

by

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Ministers, Ladies and Gentlemen:

Also on behalf of the Secretary General of the OECD, Mr. Angel Gurría, I would like to welcome you all to this Ministerial meeting. It is an honour and a privilege for me to be here, among such distinguished guests, to discuss one of the most urgent topics facing policymakers today— how to help the many young people that are currently struggling to find a job and to keep it, and ensure them a bright future.

I would like to start by expressing my gratitude also on behalf of all my colleagues to Ms. HANNE BJURSTRØM, the Minister of Labour of Norway, for hosting this Ministerial meeting and chairing it. I would also like to thank the Ministers and high-level officials participating here today. I am sure that our discussions and conclusions will provide valuable inputs to continue advancing solutions for this topical issue.

The jobs crisis hits youth very hard. Youth unemployment is approaching 20% in the OECD area, with almost 4 million more young unemployed than at the onset of the financial crisis. However, this OECD average hides considerable disparity across countries. More than one in four active youth is currently unemployed in six countries (Finland, Greece, Ireland, Italy, the Slovak Republic and Sweden) and in Spain the youth unemployment rate is more than 40%. By contrast, a number of countries managed to keep the youth unemployment rate below double digits (Austria, Germany, Japan, Korea, Mexico, the Netherlands, Norway and Switzerland).

Although the job losses have affected all social groups, as ever, it is the disadvantaged young people in the labour market – youth who are low-skilled, immigrants, from ethnic minorities and on temporary contracts – who have borne the brunt of the jobs crisis.

Coping with a job loss in a weak labour market – when job offers are scarce and competition among jobseekers is fierce – is difficult for anyone. But for disadvantaged youth lacking basic education, failure to

find a first job or keep it for long can have negative long-term consequences on their career prospects that some experts refer to as “scarring”.

Reducing high youth unemployment should be a centre piece of our policies. We cannot allow this crisis to result in a “scarred” generation. While it is essential to strengthen the economic recovery and in particular ensure that it is a job-rich recovery, a number of measures can make the difference for youth and there is a great deal we can learn from each others on what works for different groups. In particular, job-search assistance, training opportunities and programmes to prevent dropping out of school, subsidies for apprenticeship contracts for unskilled youth, and second-chance schools, are even more critical at this juncture.

The OECD report prepared for this High-level Policy Forum provides a synthesis of the main lessons which have emerged from the in-depth review on *Jobs for Youth* that took place during 2006 and 2010 in 16 OECD countries. But it also presents the key measures implemented by OECD countries during the crisis to boost youth employment. Most OECD countries have indeed acted swiftly during the crisis by scaling up resources for youth programmes. But there is a strong need to keep the momentum, even in the early phases of the recovery and provide adequate resources for cost-effective youth measures.

The synthesis report highlights a number of good practices to prevent current school-leavers to having “scars” from the crisis. It stresses the importance of measures to encourage youth to stay in education until they have acquired a recognised diploma, those to try to reconnect school dropouts with the education system as well as the battery of measures that can be applied to help those youth already in the labour market but jobless. Among them, the report stresses the multiple dividends yielded by the apprenticeship schemes in promoting the transition from school to work when many employers are still wary about the future and uncertain about hiring new workers.

Actions are needed to prevent most school-leavers from being trapped in long spells of unemployment. But the target group for intensive assistance should be the hard-core group of youth

cumulating disadvantages and at high risk of long-term unemployment and inactivity. It is therefore crucial that governments tackle the structural barriers this hard-core group faces in education and in the labour market, and coordinate their efforts with social partners, schools and other stakeholders.

Ministers, ladies and gentlemen,

Our sessions today represent a unique opportunity to compare experiences in responding to youth joblessness and discuss how best to intervene in the months to come to sustain our fight against youth unemployment.

Needless to say, we do have a great challenge in front of us. I look forward to our discussion during our meeting to find ways to tackle them successfully.

Thank you.