



European Employment Observatory

EEO Review: Youth Employment Measures, 2010

Luxembourg

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1. Trends

The current financial and economic crisis, which has been affecting Luxembourg since 2008, has been characterised by a rise in the unemployment rate and plummeting economic growth. What has in particular become apparent in Luxembourg is that vulnerable groups, particularly young people (who in 2010 represented 37 % of the population with a total of 47% non-Luxembourgers¹), have been especially exposed to crisis-related risks. Although some of the measures to protect, to better prepare and to reintegrate young people back into the employment market had already been designed prior to the crisis, their long-term relevance has been emphasised more strongly in the current economic environment. The problems of young people were already analysed by Luxembourg's National Statistical Office (STATEC) in 2007², which highlighted some key issues for example: the level of education is crucial, a majority of young female and resident foreigners are particularly affected, the number of fixed-term employment contracts is relevant and six months is the average period for young people to find a job in Luxembourg. Eurostat data further revealed an increase of the general youth employment rate and a decrease of early school leavers, while the unemployment of low-skilled individuals remains a vital issue of concern.

There is evidence of a trend towards a multi-layered general legal framework and a consolidation of already existing youth policy measures, stipulated by the general legal framework of 2008 as regards youth³ or social aid schemes⁴, with more recent crisis-related measures on the employment front. On the one hand, youth objectives run transversely through the various ministerial agencies (in addition to governmental initiatives to counter youth unemployment) in order to: provide better employment opportunities through a deepening of competences and skills adapted to the requirements of an increasingly challenging employment market, foster entrepreneurship opportunities, and to reinforce the link between education and the economy. On the other hand, the interconnection between the reforms has become tangible, notably as educational reforms are still designed in tandem with and as a response to the development of the crisis with the implementation of employment measures and vocational training measures.

2. Measures taken to promote youth employment

2.1 School education and training policies

Over the last years, Luxembourg's educational system has been thoroughly reformed in order to achieve the objective of adapting school education to demographic, economic and labour market developments. The adaptation and reform process in the field of education and vocational education and training (VET) has led to an increase, as Eurostat data suggests, in youth employment and a decrease of early school leavers, while for some age groups (i.e. the low-skilled unemployed 20 to 24 age group), unemployment and the underlying risk of poverty and

¹Figures are taken from a study commissioned by the government and carried out by the University of Luxembourg, presented in July 2010. Internet: <http://www.mfi.public.lu>

²Les jeunes face au marché de travail, Statnews, Nr.41 (2007). Internet: http://www.statistiques.public.lu/fr/publications/series/bulletinStatec/2007/07_07_jeunes/07_07_jeunes.pdf

³Law of July 2008, 4 on youth (Mémorial A, number 109, 25 July 2008).

⁴Law of December 16, 2008 on youth and family social aid (Mémorial A, number 192, 22 December 2008) and Law of December 18, 2009 on social aid (Mémorial A, number 260, 29 December 2009).

social exclusion remains significant. A more general legal framework for young people was put forward in 2008, in addition to a definition of young people in the context of the law and the missions of the National Department of Youth⁵, which aims to foster a favourable environment enabling the positive development and integration of young people into Luxembourg's society. The overall situation of young people was also assessed in 2010 by the Ministry of Family and Integration with the objective of identifying youth issues as a transversal priority⁶. On the education front, the awareness of new required employment-related skills has been reinforced by the goals set in the context of the Lisbon strategy, especially as the European Commission occasionally specified several points to watch (i.e. as regards early school leavers). The general objectives and priorities have also been subsequently set out in Luxembourg's National Reform Programmes (NRPs) since 2005⁷ or, more recently, in the governmental programme 2009-2014⁸.

On the demographic front, however, a very particular feature of Luxembourg's school system has been the large number of immigrant children, who must be viewed in the general context of increased immigration impacting upon the employment market. Immigrant children are three times more at risk of poverty and social exclusion⁹, which emphasises strongly that their school integration is a necessary preventive measure to reduce the number of poor youngsters. The ministerial Service de la scolarisation des enfants étrangers (Department for the Schooling of Immigrant Children) identified the increasing rate of immigrant children, climbing to 40.8 % in 2009¹⁰. Although some existing structures, for example the Cellule d'accueil pour élèves nouveaux arrivants (CASNA) and the Department for the Reception of New Foreign Pupils of the Ministry of Education and Vocational Training, have already dealt with this steady increase in immigrants. A series of course units seeks to address immigrant-related issues (i.e. linguistic competences in the trilingualism context) and prepare, though representing a rather difficult and challenging task, the efficient integration of immigrant children that has also been achieved through the grand-ducal regulation in 2009¹¹. Intercultural mediators have offered their help and because the number of immigrant children is multiplying, have provided translation assistance. In order to meet the need of an increasing international community and to put forward alternative instruments of education, the International Baccalaureate Diploma Programme (IB), targeting English-speaking students in Luxembourg, was introduced in the Athénée de Luxembourg secondary school¹².

Rather than being designed as a straightforward response to the crisis and to its effects on young people, the newly implemented legal framework for school education seeks to achieve long-term

⁵Internet: <http://www.snj.public.lu/>

⁶Internet: <http://www.mfi.public.lu/publications/RapportNationalSituationJeunesse/RapportIntegral.pdf>

⁷Internet: <http://www.odc.public.lu/publications/pnr/index.html>

⁸Internet: <http://www.gouvernement.lu/gouvernement/programme-2009/index.html>

⁹See Report on the situation of young people (2010), Ministry of Family and Integration, Internet: <http://www.mfi.public.lu/publications/RapportNationalSituationJeunesse/RapportIntegral.pdf> (p.191).

¹⁰Rapport d'activité du Ministère de l'Éducation et de la Formation professionnelle 2009, pp. 71-74, Internet: http://www.men.public.lu/publications/periodiques/rapports_activites/

¹¹Grand-Ducal regulation of June 16, 2009 on the determination of the functioning of classes destined for immigrant children (Mémorial A, number 144, 19 June 2009).

¹²Internet: <http://www.al.lu/international.html>

educational and professional objectives and to cushion potential future impacts on the employment market without representing, however, a guarantee that the problems faced by today's young people can be entirely wiped out. The reform of the school and VET system contributes to preventing early school leaving, to fostering the acquisition of skills and to setting up training schemes that allow young people to follow training in a professional environment. The three major reforms for the age groups under review include VET, secondary schooling and the future creation of a second chance school¹³. The crisis has shown that an available skilled workforce is essential for job creation in vital sectors of the economy (i.e. the IT sector) and that a recovery, reflected by progressive economic growth, will again require the recruitment of a skilled workforce in specific sectors of Luxembourg's economy.

A striking aspect of all the aforementioned reforms is their common objectives, guidelines, and focus on practical, competence-based and tailor-made education schemes. VET has been identified as being pivotal for the reinforcement of skills and is achieved through tailor-made training schemes, while also constituting a bridge between school education, the employment market, work experience (i.e. through apprenticeships in companies) and direct contact with actors from the economic sectors. In some sectors (i.e. agriculture, commerce), compensation for apprentices has been defined by law¹⁴.

More precisely, in the spirit of the interconnection of priorities as regards young people, the Minister of Education and Vocational Training presented the **Reform of VET**¹⁵. A total of 118 tailor-made training schemes were reviewed, adapted and reformed with the opportunity for students to obtain three diplomas: the certificat de capacité professionnelle, CCP (Certificate of Professional Competence), the diplôme d'aptitude professionnelle, DAP (Professional Qualification Diploma) and the diplôme de technicien, DT (Technician Diploma)¹⁶. The design of the diplomas is in line with the strategy to combine a new form of skills acquisition, based on competences, with a focus on practical training so as to increase the employability of students, while similarly forging contacts with the business community insofar as teaching schemes are modelled in close partnership with businesses of the involved sectors. The link is further reinforced through the partnership with the Chamber of Craft Workers¹⁷, whose expertise is invaluable. Additional pillars of the reform include: the introduction of semesters, a new modular system, a competence-based approach, a new evaluation approach and project work. The reform contributes to the adaptation of a more skills-focused business environment, as skilled workers enhance their chances to be recruited. It also constitutes a response to an increase of demand in

¹³The fundamental [primary] school for 3 to 11-year olds has been reformed by the Law of February 6, 2009 on the organisation of the fundamental school (Mémorial A, number 20, 6 February 2009). Two adjacent laws have complemented the legal framework of the fundamental school: the Law of February 6, 2009 on compulsory education (Mémorial A, number 20, 6 February 2009) and the Law of February 6, 2009 on the organisation of fundamental school staff (Mémorial A, number 20, 6 February 2009).

¹⁴Grand-ducal legislation of July 26, 2010 on compensation for apprentices in the craft, commerce and agriculture sectors (Mémorial A, number 124, 30 July 2010).

¹⁵ Internet: http://www.men.public.lu/priorites/formation_professionnelle/index.html

¹⁶Law of December 19, 2008 on the reform of professional training (Mémorial A, number 220, 20 December 2008).

¹⁷ Internet: <http://www.cdm.lu>

the craft sector¹⁸. Furthermore, the flexibility of the modular system means that candidates who fail in a particular module of their training scheme only need to sit that particular module again.

The reform of the **secondary system**¹⁹, which is made up of both enseignement secondaire classique (classical secondary education) and enseignement secondaire technique (technical secondary education) is based on a new approach, centring on flexibility with project work, the elaboration of a portfolio, a large degree of specialisation, and knowledge-based training with a competence-based learning approach at its core. Language teaching will be revised and to some extent adapted with a focus on the English language²⁰. The larger degree of specialisation at the heart of the technical diploma is bound to contribute to the employability of students in the labour market. The reform complements newly established tailor-made educational training schemes, for example for nurses, who can in the future obtain a double certification (BTS diploma and high school diploma). As regards the new BTS technical diploma²¹, three specialisations have been designed (IT, technical engineering and work management).²²

The instituted legal framework²³ of the **second chance school** is among the most innovative and conceptual measures, destined for young people aged 16 to 24 to address a still worrying concern. The project seeks to reinforce the motivation of young people who left school and would like to be reintegrated back into the traditional school or VET system, whilst increasing their social, practical and general skills. In spite of the fact that the number of early school leavers has decreased from 14.6 % (2008) to 8.5 % (2009) according to Eurostat data, largely due to a set of measures already in place aiming to integrate early school leavers back into training schemes or education, the topic remains high on the agenda of the government, as underlined in a recent governmental assessment²⁴. The specificity of the school resides in a contract signed between the school and the applicant for the period of two years. The applicant is selected by the head of school in cooperation with the Action locale pour jeunes, ALJ²⁵ (Local Action for Young People). Assessments and orientation decisions by the school are taken on the basis of a portfolio which is prepared for each student. As already reflected by other school reforms, the focus is again placed on practical and intra-company work experience. More generally, in the field of school integration and the prevention of school exclusion, grand-ducal regulation now gives secondary schools the opportunity to organise activities and classes with the objective of preventing students with learning disabilities from being excluded from the teaching circuit²⁶. Other recent school pilot projects, all embodying new varying concepts, include interdisciplinary teaching methods or the competence-based approach, and include: the pilot secondary school

¹⁸Lëtzebuenger Journal, 'Alle Paramenter zeigen nach oben', 16 September 2010.

¹⁹No legal framework has yet been implemented; a draft bill is likely to be presented in 2012.

²⁰Internet: http://www.men.public.lu/sys_edu/postprimaire/es/index.html

²¹Internet: <http://www.guichet.public.lu/fr/citoyens/enseignement-formation/etudes-superieures/enseignement-professionnel-superieur/inscription-bts/index.html>

²²L'Essentiel, Trois nouveaux BTS dès le mois de septembre, 25 June 2010.

²³Law of May 12, 2009 on the creation of a second chance school (Mémorial A, number 105, 20 May 2009).

²⁴Internet: <http://www.mfi.public.lu/publications/RapportNationalSituationJeunesse/AvisGouvernement.pdf> (XIX)

²⁵Internet: http://www.alj.lu/index.php?option=com_content&task=view&id=12%E2%8C%A9=fr

²⁶Grand-Ducal legislation of March 25, 2009 determining the modalities with which secondary schools can organize activities or classes to prevent school exclusion from students with learning disabilities (Mémorial A, number 67, 2 April 2009).

(‘lycée-pilote’, launched in 2008 with a legal framework modified in 2009²⁷), the Lycée Ermesinde (the former Née Lycée)²⁸ designed in 2005 or the interregional Schengen-Lyzeum Perl (SLP)²⁹, launched in 2007 and based among others on transnational teaching methods. However, the profound nature of the reforms and the underlying philosophy, sparked some criticism and both the implementation and organisation difficulties were highlighted on many occasions by sectoral education trade unions. The SEW (Syndikat Erzéiung a Wëssenschaft – Science and Education Union) of the OGB-L trade union underlined for example, the too rapid implementation of the reforms or the increasing administrative burden that teachers have faced up to now³⁰. As far as the reform of VET is concerned, it has been stressed in the context of multilingualism, that a majority of training schemes are not organised in French, although the share of French students has been on the rise³¹.

The reform process has also entailed new guidelines for the recognition of diplomas and, while university degrees have already been recognised through long-established procedures³², the government instituted the **validation of knowledge acquired through experience (V.K.E.)**³³ and an initial two-step procedure has been established for more than 100 candidates³⁴. Dossiers are to be presented by applicants to the Ministry of Education and Vocational Training³⁵. The measure is not only destined for young people,³⁶ but it can also contribute to a change in career pathway, to finding a new job or to re- integration back into the labour market. It can however be difficult to implement in some sectors.

Young people can further improve skills and reinforce their employability by benefiting from the large number of vocational training courses in the context of the general **lifelong learning (LLL) strategies** and offered for example by the National Institute of Languages³⁷, the various professional chambers³⁸ and sector-specific associations or the National Institute for the Development of Continuous Vocational Training (INFPC)³⁹. As the number of LLL courses has increased over the last years, the government announced that LLL should be embedded in a much more coherent structure with the creation of an advisory department⁴⁰. As the government put forward measures to provide several ‘leaves’ in the context of its lifelong learning strategy, a

²⁷ Grand-ducal legislation of May 12, 2009 modifying the law of July 25, 2009 on the creation of a pilot secondary school (Mémorial A, number 106, 20 May 2009).

²⁸ Internet: <http://neielycee.lu>

²⁹ Internet: <http://schengenlyzeum.eu>

³⁰ Tageblatt, ”Wir wollen nicht alles zurückdrehen, aber...”, 29 November 2010.

³¹ D’Lëtzebuurger Land, « Luxemboug ist Vorreiter », 24 September 2010.

³² Internet: <http://www.cedies.public.lu/fr/reconnaitre-diplome/index.html>

³³ Internet: http://www.men.public.lu/sys_edu/form_vie/vae/index.html

³⁴ Tageblatt, Kompetenzen in Diplome ummünzen, 17 March 2010.

³⁵ Grand-ducal legislation of January, 11 on the organisation of the validation of knowledge acquired through experience of diplomas and certificates (Mémorial A, number 6, 19 January 2010).

³⁶ Lëtzebuurger Journal, ‘Alle Paramenter zeigen nach oben’ (16 September 2010).

³⁷ Internet: <http://www.insl.lu/>

³⁸ Internet: <http://www.llc.lu/>

³⁹ Internet: <http://www.infpc.lu>

⁴⁰ Internet: <http://www.gouvernement.lu/gouvernement/programme-2009/programme-2009/programme-gouvernemental-2009.pdf> (p.73).

youth leave was created within the Law on Individual Training Leave⁴¹ and destined to support the participation of young people in courses or apprenticeships.

2.2 Labour market and employment-related policies and access to benefits

As regards active labour market policies, general job search assistance and guidance for young people, the government programme 2009-2014 announced the fusion of assistance and orientation agencies into a central department where young people obtain documentation, expertise, advice and guidance. In practice, the merger of information and guidance centres concerns traditional departments such as Local Action for Young People, the Services de psychologie et d'orientation scolaires, CPOS (Department for School Psychology and Orientation)⁴², the Centre de documentation et d'information sur l'enseignement supérieur, CEDIES⁴³ (Department for Higher Education Information and Documentation) and the Service de l'emploi des jeunes⁴⁴ (Youth Employment Department) within the National Employment Agency (ADEM). Besides those services offered by the professional associations (i.e. within VET), two main guidance services already exist: the first, CEDIES, offers guidance and orientation in the context of higher education (universities, distance learning, etc), career paths and student loans. The second, ADEM's Youth Employment Department, has been orientated towards employment or job seeker guidance and constitutes a pivotal actor in the fight against youth unemployment⁴⁵. A single professional guidance department has the merit of efficiently combining education and employment orientation, as well as offering guidance as to future skills required by the employment market. General compensation measures for jobseekers and more particularly for young people, are managed by ADEM⁴⁶. The guidance and orientation services for jobseekers offered by ADEM have been more recently transferred to local branches in order to tackle unemployment on the local level: this has been the case for example with the new regional ADEM branch in Differdange. It has been signalled in this context, that it has been located in this area in the south, because the number of early school leavers and youth unemployment are significant concerns; there are 360 jobseekers under the age of 26 (20%)⁴⁷.

The most fundamental employment measure to combat youth unemployment and cushion the effects of the economic crisis, has been the modification of the labour market policies for young people implemented in 2006. Through a rapidly introduced and to some extent controversial bill⁴⁸, a new practical-based contract has been added to the already existing temporary **employment initiation contracts**: the contrat d'appui-emploi, CAE (Employment Support Contract), the contrat d'initiation à l'emploi, CIE (Employment Initiation Contract) and the new

⁴¹Law of October 24, 2007 on the creation of an individual training leave (Mémorial A, number 241, 28 December 2007).

⁴²Internet: <http://www.cpos.public.lu/cpos/index.html>

⁴³Internet: <http://www.cedies.public.lu/fr/index.html>

⁴⁴Internet: <http://www.adem.public.lu/demandeur/servicejeunes/index.html>

⁴⁵The ADEM will be subjected to a major reform. Although no draft bill is yet available, information leaked through the press that a major pillar of the future ALE will be the guidance and orientation service for job seekers in general.

⁴⁶For a detailed overview see internet: <http://www.adem.public.lu/demandeur/indemnites/salarie/index.html>

⁴⁷Luxemburger Wort, "Op Rendez-vous, selon les besoins du client", 13 November 2011.

⁴⁸Law of November 11, 2009 on a number of temporary measures destined to counter the effects of the economic crisis on young people (Mémorial A, number 222, 19 November 2009).

contrat d'initiation à l'emploi – expérience pratique, CIE-EP (Employment Initiation Contract - Practical Experience) for young people with an academic degree. Contracts cover a 24 month period and income is up to between 120 % and 150 % of the minimum wage, depending on the qualification (CAE and CIE contracts, 80 % to 120 % of the minimum wage; CIE-experience: 120 % to 150 %). Through the three contracts, companies are also incited to recruit young people by receiving an allowance of 30 % through the Employment Fund if they meet certain conditions (i.e. providing an open-ended contract without a trial run). Another incentive for companies and related to the new CIE is the fact that the employers' social contributions are covered by the Fund. Although constituting a recent measure of the anti-crisis package, the CIE-experience had a promising impact in July 2010 and represented 100 contracts out of the 753 general CIE contracts⁴⁹.

The promotion of **young entrepreneurs** in the context of company and job creation, can be placed in the context of general measures that have been put forward by the Ministry of the Economy and Foreign Trade and the Ministry of Medium-sized Businesses, among their priorities⁵⁰. Other more tailor-made initiatives to support creative young people and promoted in collaboration with actors from the private sector, include the initiative 'Luxembourg's young entrepreneurs: the promotion of entrepreneurship at educational level'⁵¹ which aims both to familiarise young people with entrepreneurship through project work and to reinforce the links between schools and companies. The 'Competition for the most creative young entrepreneur of Luxembourg'⁵² (CYEL) is sponsored by the professional associations (i.e. Chamber of Trade), government agencies in the field of research and innovation (Luxinnovation), and a panoply of private companies (i.e. KPMG). The GENIAL children competition has been organised by Luxinnovation and the Ministry of Education and Vocational Training⁵³. Other initiatives include 'FUSE Price'⁵⁴, launched by students of economics. In addition to the close link with actors from the specific sectors that promote and seek to attract young people, the initiatives demonstrate how the employment market is inextricably linked to innovation, entrepreneurship and school education through work experience, orientation, unemployment prevention and skills improvement. In addition to the University of Luxembourg (created in 2003), the various international **mobility schemes** (i.e. Comenius, Erasmus, etc.) have been managed since 2007 by the National Agency for the European Education and Vocational Training programme (ANEFORÉ)⁵⁵ and 2000 students from Luxembourg have participated in the Erasmus mobility scheme since its introduction⁵⁶.

Moreover, the crisis led the government more recently to revise its **student loan policy** in an effort to make students financially independent from their parents while reducing government spending: student loan schemes will no longer be calculated on an income or child allowance

⁴⁹National Conjuncture Committee, August 2010.

⁵⁰See governmental programme 2009-2014: pp. 26-58.

⁵¹Jonk Entrepreneuren Luxembourg: la promotion de l'esprit dans l'éducation: www.jonk-entrepreneuren.lu

⁵²Concours du Jeune entrepreneur le plus créatif du Luxembourg: www.cyel.lu

⁵³Internet: <http://www.luxinnovation.lu/site/content/FR/400/463/1309/C6230/>

⁵⁴Internet: <http://www.fuse.lu>

⁵⁵Internet: <http://www.anefore.lu/fr/accueil-anefore>

⁵⁶Le Quotidien, La mobilité européenne séduit les jeunes, 27 November 2011.

base (family allowances are fully suppressed) and loans of EUR 12 000 per year are paid to students to finance their higher education. Although the measure has already been criticised by the trade unions because of its impact on cross-border workers⁵⁷, it is too early to assess its impact on students' access to higher education.

2.3 Addressing problematic features of youth employment

In addition to youth unemployment in general and the slight decrease in the number of early school leavers as shown above, the 2007 STATEC study underlined that the number of fixed-term contracts is high for young people aged 15 to 29 (18 % compared to 6 % of the total salaried workforce). STATEC also notes that 18 % of young people in this age group benefit from a governmental employment measure (July 2010: CAE, 213; CIE, 753; CIE-experience, 100). Some recent studies and assessments (i.e. by CEPS/INSTEAD⁵⁸ in the context of non-qualified young people to be reintegrated back into the employment market, Caritas⁵⁹ or the Ministry of Family and Integration) have underlined that youth poverty has increased and that young people aged between 0 and 17 are particularly vulnerable⁶⁰ and exposed to poverty-related risks. Besides measures already in place (i.e. RMG guaranteed minimum wage for those aged 25 or over, with certain exceptions), poverty and social exclusion are also priorities in the governmental programme (p.78) and the recent report by the Ministry of Family and Integration will enable the implementation of complementary measures to the current legal framework, addressing in particular social aid schemes for young people and families, managed by the Office national de l'enfance (National Childhood Office)⁶¹.

2.4 Roles of the labour market actors

As already underlined, labour market actors – including professional associations, private actors and social partners – play a pivotal role both in the implementation of labour market policies (i.e. through the National Tripartite Coordination Committee⁶²), through assessments (i.e. Chamber of Commerce⁶³), direct implication of future employers (i.e. VET reform) or by contributing more generally to a critical mass which accompanies the reform process. The direct link between employment, the economy and school education is often supported by a close partnership that is reinforced by various networks between the labour market actors. In the context of the new CIE-experience, applicants sign a contract with the employer and a copy is sent to the Minister of Work and Employment.

⁵⁷ Internet : http://www.ogb-l.lu/cgi-bin/ogb-l/press_release.cgi?press_release=20101006160116

⁵⁸ Internet :

<http://www.ceps.lu/pdf/3/art1381.pdf?CFID=1114458&CFTOKEN=97270794&jsessionid=8430546d7663bc14c33f132de561186e4225>

⁵⁹ Internet : http://www.caritas.lu/Files/Publications/caritas_sozialalmanach_2010-final1.pdf

⁶⁰ Internet : <http://www.mfi.public.lu/publications/RapportNationalSituationJeunesse/RapportIntegral.pdf> (p.190)

⁶¹ Law of December 16, 2008 on youth and family aid (Mémorial A, number 192, 22 December 2008) and Law of December 18, 2009 on social aid (Mémorial A, number 260, 29 December 2009).

⁶² <http://www.ceps.lu/pdf/10/art1489.pdf?CFID=1114458&CFTOKEN=97270794&jsessionid=8430546d7663bc14c33f132de561186e4225>

⁶³ Internet: <http://www.cc.lu/>

3. Conclusions

In this report, it has been succinctly analyzed how the government has put forward measures to address recent challenges relating to the youth of Luxembourg. The interconnection between school, employment, general youth policy and entrepreneurship has been at the core of governmental policy. The measures to support young people in their effort to integrate themselves into the employment market, have been defined as transversal and long-term continuing governmental objectives, underlining the multi-layered and intricate nature of the topic under review. Whereas the school and VET reform addressed long-term and Lisbon-based objectives to adapt the education system to requirements by the employment market, more targeted crisis-related measures have been implemented as a means of cushioning a possible impact by young job seekers on the employment rate. Although some age groups, as Eurostat data suggests, witnessed a significant decrease that can to some extent be explained by the success of already implemented measures, it is in particular the unemployment of the low-skilled that is still high (i.e. youth unemployment in the 20-24 age group). It is therefore vital that this positive trend is to be pursued through the constant adaptation and fostering of measures, while the existing framework is to be further consolidated. A modified labour market policy added to the agreed 2006 legal framework and leading to the creation of the new CIE-experience contract, has made it possible to keep young people in a job while giving them the opportunity to gain a glimpse of working life. A government assessment will show if these temporary measures have contributed successfully to the integration of young people into stable contracts of work and will also indicate what permanent governmental initiatives will need to be designed in the long run. The report also demonstrates that a social partnership as well as networking between labour market actors, ranging from ministries to professional associations, has been vital in the implementation of reforms and the creation of new work incentives.

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- Grand-Ducal regulation of June 16, 2009 on the determination of the functioning of classes destined for immigrant children (Mémorial A, number 144, 19 June 2009).
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Annex:

Table 1: YOUTH EMPLOYMENT / UNEMPLOYMENT TRENDS (Q1 data)									
Data	Age group 15-19			Age group 20-24			Age group 25-29		
	2008	2009	2010	2008	2009	2010	2008	2009	2010
Employment rate (%)	(7.8)	(8.4)	(7.1)	37.3	32.7	31.8	76.8	83.9	83.4
Unemployment rate (%)	-	(29.9)	-	(18.6)	(23.3)	(14.8)	(7.5)	(7.5)	(4.9)
Long-term unemployment as a % of unemployed	-	-	-	-	-	-	-	-	-
Youth unemployment to population ratio	-	(3.6)	-	(8.5)	(9.9)	(5.5)	(6.2)	(6.8)	(4.3)

Source: Eurostat, Labour Force Survey

- : Data not available

Data in brackets not reliable due to small sample size.

Table 2: YOUTH UNEMPLOYMENT TRENDS (Q1 data, %)						
Data	Age group 15-24		Age group 20-24		Age group 25-29	
	2009	2010	2009	2010	2009	2010
Unemployment for the low-skilled (ISCED 0-2)	24.5	26.6	25.6	28.3	0.0	5.5
Unemployment for the medium-skilled (ISCED 3-4)	20.9	-	20.0	11.3	9.2	5.7
Unemployment for the high skilled (ISCED 5-6)	36.2	-	33.1	11.2	7.5	3.7

Source: Eurostat, Labour Force Survey. Data non-seasonally adjusted

- : Data not available

Table 3: YOUTH TEMPORARY CONTRACTS (% OF EMPLOYEES) (Annual data)				
Data	Age group 15-19		Age group 20-24	
	2009		2009	
Temporary work as a % of employment	57.6		32.2	
			10.7	

Source: Eurostat, Labour Force Survey. Data non-seasonally adjusted

Table 4: NEITHER IN EMPLOYMENT NOR IN ANY EDUCATION OR TRAINING (NEET) (Annual data)		
Data	Age group 15-19	Age group 20-24
	2008	2008
NEET rate (% of the age group) (annual averages)	-	(10.0)

Source: Eurostat, EU Labour Force Survey, Annual averages

- : Data either not available or not reliable due to very small sample size

Table 5: EARLY SCHOOL LEAVERS* (Annual data)		
Data	Age group 18-24	
	2008	2009
Early school leavers (% of the age group)	14.6	8.5

Source: Eurostat, Labour Force Survey

* Percentage of the population aged 18-24 having attained at most lower secondary education and not being involved in further education or training.

Table 6: DIFFERENCE IN YOUTH UNEMPLOYMENT RATE BETWEEN Q4-2009 AND Q4-2007		
Data	Age group 15-19	Age group 15-24
Difference in youth unemployment rate between Q4-2009 and Q4-2007	-	5.8

Source: Eurostat, Labour Force Survey. Data non-seasonally adjusted

- : Data not available