



# **CEE YOUTH project**

Supporting Youth Employment  
in Central and Eastern Europe

## **Budapest KICK-OFF meeting**

24 January 2013

Novotel Hotel Danube, Budapest

Host: MGYOSZ-BUSINESSHUNGARY

wifi code: 04 danube – 04 danube



## Program

### 09:30 – 12:30 meeting in hotel conference room

- 09:30 – 10:00 welcome, introductions
- 10:00 – 10:30 discussing the project
- 10:30 – 10:50 presentation of Ms Györgyi Ignits, Deputy Head of Department - National Employment Agency, Hungary
- 10:50 – 11:00 questions + discussion
- 11:00– 11:20 presentation of Mr Patrik Kovács, President - Young Entrepreneurs Association, Hungary
- 11:20 – 11:30 questions + discussion
- 11:30 – 12:30 planning project activities and tools

### 12:30 – 14:00 lunch (in hotel)

### 14:00 – 17:00 meeting in hotel conference room

- 14:00 – 14:30 planning project activities and tools
- 14:30 – 14:50 presentation of Mr Dávid Szebeni, professor (assistant to Head of Department at Faculty of Economics) - Corvinus University
- 14:50 – 15:00 questions + discussion
- 15:00 – 15:20 presentation of Ms Katalin Antalpéter, Deputy Director - Gundel Vocational School
- 15:20 – 15:30 questions + discussion
- 15:30 – 17:00 planning project activities and tools

### 19:00 – 21:00 dinner in Kárpátia restaurant

The meeting is organized in the framework of the CEE YOUTH project. The event is supported by the European Commission.

**CEE YOUTH project**



## WELCOME

### **Introducing and Project Partners:**

Branimir Handjiev  
Ludmila Metzova  
Ana Maras  
Anze HirsI  
Martin Hošťák  
Peter Molnar  
Sandra Radakovic  
Biserka Sladovic  
Marion Poglitsch

### **MGYOSZ-BUSINESSHUNGARY**

BIA – Bulgaria  
BIA – Bulgaria  
MEF - Montenegro  
ZDS - Slovenia  
RUZ - Slovakia  
RUZ - Slovakia  
HUP - Croatia  
HUP - Croatia  
IV - Austria

### **Social Partners: Trade Unions:**

Trade Union Confederation 90 of Slovenia  
Independent Trade Unions of Croatia NHS  
Confederation of Trade Unions of Montenegro CTUM  
Confederation of Independent Trade Unions in Bulgaria CITUB  
Confederation of the Trade Unions of Slovak Republic KOZ SR  
National Confederation of Hungarian Trade Unions MSZOSZ

### **Employment Services:**

National Employment Office Slovenia  
National Employment Office Croatia  
National Employment Office Montenegro  
National Employment Office Bulgaria  
Public Employment Service Austria  
National Employment Office Hungary.



## **Presentation on the Project**

Duration of Project: November 23, 2012 – November 22, 2013 (12 months)

- Set OBJECTIVES
- Planned ACTIVITIES and TOOLS
- Approved BUDGET
- Expected OUTCOMES
  
- IDEAS
  
- Introduction to today's Hungarian SPEAKERS



## Presentation on the Project

### Set OBJECTIVES

- **raise awareness**, knowledge and understanding among employers, employees and their representatives on the advantages of employing young people;
- assist the social partners of CEE with the implementation of their specific objective of “promoting more and better apprenticeships and traineeship contracts” as part of the Framework Agreement through establishing a partnership for increasingly inclusive labour markets composed of social partner organisations, national employment services and other related public authorities;
- provide employees, employers and their representatives at all levels with **Best Practices** to locate obstacles to the gainful employment of youth and to create solutions to overcome them;
- **encourage employers** to offer more work experience, internships and apprenticeship opportunities to young people and help inspire young people to take up these opportunities.



## Presentation on the Project

### Planned ACTIVITIES and TOOLS

- awareness-raising national seminars for social partners, employers, employee representatives and other stakeholders
- international conference , the project's final event, which will be the main awareness-raising event
- producing and distributing information dissemination tools:
  - **a common project homepage**  
**-help in finding employment, being motivated and experiencing positive examples.**
  - **a 2,5 min info-video,**  
**-an impressive and popular solution making complex issues understandable and enjoyable**
  - **a 30 sec advertisement spot,**  
**-provide a perfect means to animate discussion on the topic at meetings and professional programs**
  - **an info-graphic,**  
**-allow the illustration of the complex processes and situations in an understandable, consumable form**
  - **3 online leaflets.**  
**-deliver a series of online leaflets with targeted messages to the employers will be a cost-effective solution that will allow access to numerous target-persons at several points during the campaign**



## **Presentation on the Project**

### **EVENTS:**

**24 Jan 2013                      Kick-off Partner meeting in Budapest**

**Project coordinator and partner activities:**

meetings and consultations with branch and other member associations, trade unions, experts, institutions, and research institutions, national discussions on the content and design of the information dissemination tools creating project website finalizing the design, translation in the national languages of the various information dissemination tools

**18 April 2013                      Interim Partner meeting in Vienna**

**Project coordinator and partner activities:**

organisation of seminars in partner countries with national and foreign experts, providing info materials and handouts in local language, translation in the national languages and finalizing the national versions of the information dissemination tools dissemination of the information dissemination tools in national languages in the partner countries meetings and consultations with branch and other member associations trade unions, experts updating project website and national EA and TU websites

**10 September 2013                      Interim Partner meeting in Podgorica**

**Project coordinator and partner activities:**

organisation of seminars in partner countries with national and foreign experts, finalizing common position paper dissemination of the information dissemination tools in national languages in the partner countries meetings and consultations with branch and other member associations trade unions, experts updating project website and national EA and TU websites

**14 November 2013                      Final Conference in Budapest**



## Presentation on the Project

### Expected OUTCOMES

Today's youth are more educated than ever. However, current levels of youth unemployment present European economies and societies with a systemic risk and significant inefficiencies. In line with the main message of BUSINESSEUROPE's Communication "Creating Opportunities for Youth", CEE social partners feel that they must take steps to assist young peoples' transitions from school to work. Reducing labour market rigidities and stimulating job creation are ways of doing this. At the same time, mismatches between skills supply and demand ought to be reduced.

The project partners acknowledge that an **efficient education system** is a necessary condition for a functional labour market. For that to be achieved, **better synergies between the world of education and the world of work should be promoted at all levels.**

There is evidence that **well-functioning apprenticeship systems** contribute to corporate competitiveness. Such apprenticeship systems seem to be correlated with high youth employment.

In order to make them a more attractive option for young people, the social partners of CEE have chosen to focus on how to **improve the quality and image of apprenticeships** in this project.

Experience, knowledge and materials acquired and produced under the duration of the project will be shared with EAs and TUs in countries that are not involved in the current project. Dissemination will be carried out through existing networks and through the Social Dialogue Committee.

Given that the key beneficiary of the project is youth, the communication strategy designed for implementation will focus on new media, i.e., the internet and social media. Any success experienced in this regard can be transferred to other projects and thus **increase communications efficiency** and better reach new target groups.





## Presentation on the Project

### Approved BUDGET

Total project budget	271,663	EUR
EC grant (80%)	217,331	EUR
Partners' contribution	43,782.47	EUR
MGYOSZ's contribution	10,550.15	EUR



## Presentation on the Project

### IDEAS by MGYOSZ-BUSINESSHUNGARY

**Message:** „Opportunities for Youth – Success for Companies”

7 countries - 7 young persons - 7 stories/missions

Eg.:

early school leaver	(employment agencies)	
VET school student	(Gundel School)	+ mobility?!
graduate-intern	(Corvinus Uni)	
start-upper / entrepreneur	(FIVOSZ)	
female apprentice	STEM for girls initiative	
dual training	(Audi)	

#### Use of Tools:

website - surveys by country, legal frame, youth guarantee, national initiatives, best practices, career orientation, etc

30 sec film – show 7 good examples, like heroes on mission („my mission is/was...”)

2,5 min film – introducing 7 young persons’ stories

3 online leaflets - aimed at companies – opportunities, cost-benefit ratios by country

- topics:
1. incentives for employing Youth
  2. cost-benefit gain on recruitment
  3. fresh eye, creativity, flexibility, innovation

Infographics - cost-benefit analysis

+press releases

+intensive social media use (FB, YouTube)

+make seminars more interactive, „Youth-friendly” approach

## YOUTH EMPLOYMENT DATA COLLECTION

Unemployment figure for total population (2012 data) %

Unemployment figure for population aged 15-24 (2012 data) %

Is there an upward or downward trend in youth unemployment rate?

List of existing tax incentives and other forms of benefits for companies when employing young people:

List of existing Youth Guarantee schemes/measures in your country:

List of programs, initiatives at your organization fostering youth employment:

Describe the state of work-based trainings:

Describe the opportunities offered to young entrepreneurs:

List the short- and long-term needs of employers regarding young workforce:



## Figures (2012)

	EU %	HU %
early school leavers' rate	14,1	11,2
mobility rate	2,8	2
loss due to youth unemployment (EUROFOUND)	1,2% of GDP	2% of GDP



## Figures (2012)

Overall unemployment rate	10,9%
Youth unemployment rate (15-24)	29,9%



## Recent changes in the Educational and Vocational System in Hungary

Vocational training	Before reforms in 2011	Since reforms in 2011
Compulsory age of education	Till the age of <b>18</b>	Till the age of <b>16</b>
Company-based training allowed	From the age of <b>17</b> (3rd year of training)	From the age of <b>15</b> ( <b>1st</b> year of training)
Proportion of general knowledge subjects	<b>Min.</b> 1/3 of total training hours	<b>Max.</b> 1/3 of total training hours
administrative burden on companies	smaller	bigger
subsidy for company per apprentice/trainee / year	cca. 3000 EUR	cca. 1570 EUR =50% of minimal wage
duration of training	4 or 5 years	2+2 or 3 years



## Presentation on HUNGARIAN Youth Employment

### Situation:

- Demographic trends – decreasing and ageing population
- Number of students choosing vocational training is too low in relation to labour market needs
- Number of students choosing higher education is too high in relation to labour market needs
- Prestige of vocational training and of crafts is low
- Need for skilled workers is high (eg: construction and engineering)

### Reforms:

*In 2012 the Hungarian government set the **age for finishing compulsory education** to 15 (earlier 18), with the aim of **sending more young people to vocational schools or workplaces**.*

*Thus making it legally possible to train and/or employ 15 year-olds.*

*Basically **paving the way for the dual education system**.*

*The Hungarian government adopted a new Educational Law which aims:*

*-basically to divert students from higher education towards vocational education*

*-by **decreasing places available in colleges and universities***

*-by empowering vocational education*

*-apprentices/trainees should be trained at **in-company workshops** instead of school-based ones*



## Presentation on HUNGARIAN Youth Employment

### **Government Initiatives:**

#### **„FIRST JOB GUARANTEE” PROGRAM**

2012. sept-dec.

3.5 billion HUF(=12.5 million EUR)

*companies employing graduates (full or part time) get an allowance of 100% on wage and social contribution tax for 4 months*

*max. amount = 200% of minimal wage*

*already 4000 entrants at work + 3000 applicants*

#### **„START CARD”**

*available since 2004 for jobseekers*

*offering tax incentives for companies employing graduates/entrants/young mother/over-55-year-olds*

*for employers employing graduates/entrants/ young mothers the incentive means that the employer can pay social contribution tax only on 10% of the gross salary in the first year, and only on 20% of the gross salary in the second year*

#### **„WORKPLACE PROTECTION” ACTION PLAN**

*from 2013-*

*companies employing graduates under 25-year-old get an allowance of 50% on social contribution tax for 2 years (till gross 100.000 HUF salary)*

*companies employing new entrants under 25-year-old get an allowance of 100% on social contribution tax for 2 years*

*will also be applied for young mothers, above 55-year-olds, low-skilled workers and long-term unemployed.*

*Aims to reach ca.200.000 young people.*





## Presentation on HUNGARIAN Youth Employment

### Government Initiatives:

#### ***Apprenticeship programme***

- Bridge 1 and 2 program to get basic skills and competencies, and VET
- 8,5 billion HUF
- from 1 January 2013
- tendering process
- to reach ca.2000-4000 companies, ca.4000-10000 apprentices
- if the company employs ex-trainee after finishing training, it gets an allowance of 25% of minimum wage for 1 year.

The government is launching a program **to support young entrepreneurs:**

- 7 billion HUF (=25million EUR)
- 18-35-year-olds
- expected to reach 1600 people
- to assist in setting up a business, mentoring, training
- 3 million HUF non-refundable aid

#### ***Mobility Programme***

- gives financial support for re-location for job
- for the long-term unemployed (min.3 months)
- for max.18 months
- 330 EUR – 130 EUR for rent



## Presentations

10.30 – 10.50 **Ms Györgyi Ignits**, Deputy Head of Department - National Employment Agency, Hungary  
10.50 – 11.00 questions + discussion

11.00– 11.20 **Mr Patrik Kovács**, President - Young Entrepreneurs Association, Hungary  
11.20 – 11.30 questions + discussion

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14.30 – 14.50 **Mr Dávid Szebeni**, professor, assistant to Head of Dept. at Fac. of Economics, Corvinus University  
14.50 – 15.00 questions + discussion

15.00 – 15.20 **Ms Katalin Antalpéter**, Deputy Director - Gundel Vocational School  
15.20 – 15.30 questions + discussion



**Thank you**  
for participating  
at  
the CEE YOUTH project  
Budapest KICK-OFF meeting