Youth Unemployment and Public Policies in Italy

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This chapter identifies and evaluates relevant existing employment youth policies in relation to disadvantage; more specifically, it analyses which actors are responsible for the development and delivery of employment policy, what is the relationship between the state and various actors, what are the forms of social innovation and its role in the delivery and development of existing and new youth employment policies.

Methods

The qualitative methodology adopted has two components: (a) Literature review and collection of available national data; (b) Semi-directive interviews. The interviewees have been conducted with prominent stakeholders engaged in the definition of public policies tackling problematic issues related to youth unemployment.

National definitions

Inequalities are examined with respect to three dimensions relevant for youth well-being: education, employment and participation. The aim is to explore inequalities in terms of opportunities, capabilities and outcomes, adopting the multidimensional definition of disadvantage and corrosive disadvantage.

The stakeholders interviewed highlighted that the most disadvantaged amongst young generations are the long-term unemployed young people (the 15 to 24 years old ones) with low educational levels. Disadvantage is mainly related to educational processes, e.g. mismatch between the skill demand and supply, early school leaving and the diffused absence of familial support. In addition, the economic crisis brought about by an increase in the number of young people who are excluded from the labour market and unable to be agents of processes of empowerment.

On the labour market, youth (15-24 years old) unemployment rate has increased almost consistently from 2007 to 2013 and the gap between youth and overall unemployment rate has widened. The Italian labour market situation is also greatly unequal across regions, with the South showing the highest overall unemployment rates as well as youth unemployment. In addition, the number of youth Neither in Employment nor Education nor Training (NEETs) is particularly high in Italy: 21.4% at the end of 2012. Breaking down the age group of young people into 15-19 year olds and 20-24 year olds, the length of duration of unemployment is higher amongst the older group of youth, suggesting that the risk of long-term and permanent unemployment increases along the transition from school to work.
Policies, instruments and levels of intervention

The stakeholders involved in the research agreed on the lack of well-targeted policies and sufficient financial resources dedicated to contrast youth unemployment; existing policies often appear to overlap and are scarcely integrated at the national and regional level; the young unemployed are not sufficiently involved in policy making and their participation is generally not incentivized.

The main policies available to young people, in the Italian labour market, have been analysed: Law 196/1997 introduced apprenticeship contracts (apprendistato) for young people (16-24 years old) in all work sectors; the Biagi reform (2003) introduced flexibility in the labour market enhancing various forms of atypical contracts; Decreto Lavoro (Law 76/2013) provided incentives in order to employ young workers (18-29 years old). The Youth Guarantee (2014-2020) is beginning a long-term plan to tackle youth unemployment in Italy with the aim to favor fixed term contracts, auto-entrepreneurship (e.g. start-ups) and to contrast social exclusion in the Southern Italian regions.

A lack of tertiary education enrollment and attainment (University), compared to other European countries, has also been highlighted. Moreover, resources for employment support services are significantly lower compared to other European countries. A general lack of youth participation in influencing public policies aimed at tackling unemployment has been outlined. If disadvantage is identified but not institutionally addressed, several actors intervene as substitutes of the State: for a general impoverishment of families and the third sector organizations, commonly young unemployed people turn to the black-market in order to find a job.

Policy making and implementation

The stakeholders outlined general limits in the development, delivery and implementation of current public policies tackling poverty and inequalities. Young unemployed appeared not sufficiently involved in policy implementation processes and they rarely turn to existing local employment support services available for delivering re-qualification programs to favor the entry in the work market or municipalities in order to apply for the Social Card.

The policies tackling inequalities involve national and local levels of interventions. With regards to the implementation of the Decreto Lavoro, the Ministry of Labour has normative, monitoring and controlling responsibilities at the national level. The resources available for tackling poverty at the local level appeared hugely inadequate. However, the Social Card is gradually becoming a subsidy to unemployment. A minimum income, networks of support for labour market entrance and during the transitions between two works are needed.

Social innovation and the role of social innovation in the delivery and development of existing and new youth policy

A general absence of social innovative policies oriented to disadvantage youth in Italy has been outlined. The involved stakeholders quoted a number of good practices in reference to innovative services that aim to tackle social needs and to contrast youth unemployment, especially at the local level.
All the interviewees gave a very broad definition of social innovation. The existing policies are generally perceived as not socially innovative. All the interviewees outlined a general need to support the introduction and implementation of innovative ideas. Third sector organizations are especially prone to realize new bottom-up ideas. For example, Legacoopsociali quoted several examples of social innovation policies (e.g. start-up projects).