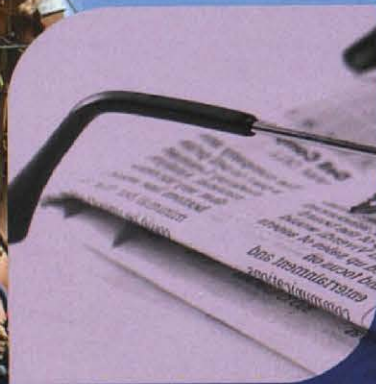




European Employment Observatory

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Youth employment in Malta

1. Trends

The 15-24 age group in Malta constitutes 18.7% of all the employed population (National Statistics Office (NSO), April-June 2005) (Table 1).

The youth unemployment rate stands at a high 17.5%, compared with the average unemployment rate of 7.8% (NSO, April-June 2005); 46.5% of all unemployed people are aged between 15 and 24 (NSO, April-June 2005). The figure decreased by 6.6 percentage points from the previous year (from 53.1% in April-June 2004). There is no significant discrepancy between the number of unemployed men and women in the 15-24 age group (Table 2). However, the figures equate to 36.5% of all unemployed men and 63.1% of all unemployed women. The higher female figure is because of the low economic activity rate of older women.

A survey carried out by the Employment and Training Corporation (ETC, Malta's public employment service) among unemployed people aged between 16 and 24 revealed that 18.6% of respondents did not complete compulsory schooling. The main reasons for leaving school were to find work or being bored at school. Early school leavers managed to find full-time employment, but their jobs consisted of manual work. If they

did not find work immediately, they were more likely to remain unemployed for a year or more than other young people.

By 2010, the EU aims to have more than 90% of students staying on at school after the age of 16. Malta aims to have 65% of young people studying beyond compulsory schooling by 2010 (up from 51.5% in December 2003). While the EU aims to have 85% of all 22-year-olds with upper secondary qualifications by 2010, Malta aims to increase its rate from 47.5% in 2003 to 65% in 2010. While Malta's targets are less ambitious, they are more realistic.

2. Measures taken to promote youth employment

2.1. Education and training policies

Preventing early school leaving

People with low or inadequate skill levels are much more likely to be excluded from the labour market. A number of policies

Table 1: Employed people (April-June 2005)

	Men		Women		Total	
	No	%	No	%	No	%
15-24	14 516	14.2	13 176	28.5	27 692	18.7
Others	87 592	85.5	33 049	71.5	120 641	81.3
Total	102 108	100	46 225	100	148 333	100

Source: NSO, 209/2005.

Table 2: Unemployed people by age (April-June 2005)

	Men		Women		Total	
	No	%	No	%	No	%
15-24	2 885	36.5	2 982	63.1	5 867	46.5
Others	5 011	63.5	1 748	36.9	6 759	53.5
Total	7 896	100	4 730	100	12 626	100

Source: NSO, 209/2005.

are being implemented to prevent young people from leaving school early. The government is seeking to enhance guidance for young people in their educational and career decisions, to motivate them to continue beyond compulsory schooling.

The national minimum curriculum (NMC) includes several subjects – personal and social education and social studies – to orient students towards work. The NMC is complemented by guidance and counselling services, whose objectives include providing personal and career guidance and counselling. However, there is no proper quality assurance system to ensure that the guidance objectives are being met. In 2005, the government set up a working group on career guidance to formulate a cohesive career guidance policy in compulsory schooling.

The government has implemented campaigns to encourage young women to continue schooling and also to take up science, engineering and information technology (IT) subjects. The campaigns included the use of role models to inspire female students to further their education in these areas.

Despite the efforts to prevent young people from leaving school after compulsory schooling, a substantial number still terminate their studies and look for work. In response to their needs, ETC organises various short courses to help them find employment and satisfy their immediate skill needs, to provide job motivation and basic functional literacy and numeracy.

ETC seeks to strengthen existing courses and improve their quality by ensuring that they are certified, accredited and cost-effective. Furthermore, courses are reviewed according to labour market needs through research conducted among Maltese employers. In general, ETC programmes have proved effective in helping unemployed young people.

Ensuring that vocational training facilitates entry to the labour market

Malta College of Arts, Science and Technology (MCAST) is the largest provider of vocational education and training in Malta. It provides vocational and professional training responsive to the needs of individuals and the economy. MCAST and other educational institutions work with government ministries to facilitate the school-to-work transition.

The Institute of Tourism Studies (ITS) also offers youth vocational training that incorporates work experience. ITS is responsible for supplying the tourist industry with personnel trained to international standards.

Special training programmes for young people

ETC also provides training for unemployed people. ETC offers a variety of short, competence-based training programmes.

The following are its main programmes:

- The 'Active youth' scheme helps young people to develop their talents while contributing to the community. ETC pays every participant a weekly subsidy for six months.
- The 'Basic employment passport' scheme is a 12-week programme that gives school leavers training in applied literacy and numeracy, basic IT skills, technology and social skills.
- The 'Bridging the gap' scheme trains groups who are particularly vulnerable to unemployment and social exclusion. These include people with disabilities and ex-substance abusers.
- The 'Employment training placement' scheme assists employers to provide the necessary training to newly recruited people, and is particularly beneficial to unemployed young people. ETC subsidises 50% of the national minimum wage and assists single parents by paying them childcare allowance.
- Job clubs take participants on orientation visits to employers.
- The 'Job experience' scheme combines in-house training and work experience to help young people to gain experience, self-confidence and self-esteem. Participants are attached to a company for a maximum of 13 weeks.
- Job-search seminars inform young jobseekers about the services offered by ETC and teach them about job-search and labour market developments.
- The 'Youth outreach' programme provides training in job-searching skills to young people living in deprived areas.
- The 'Jobseeker direct freephone' is a telephone service to keep unemployed people up to date with the latest vacancies and help them find suitable jobs.
- The 'Supported employment' scheme aims to increase the successful participation of registered unemployed people with disabilities in competitive employment.

Social partners emphasise that the government should develop more links between education and work experience. Some schemes have been successful in this, including the two national apprenticeship schemes organised by ETC.

Ensuring that higher education meets labour market demands

The University of Malta has developed several courses to increase relevance to Maltese economic needs. These include health and safety, translating and interpreting, IT and

advanced courses in psychology. University departments are also becoming more conscious of adapting their existing courses to current demands. The recently established MCAST has been praised by employers' associations for its practical courses and strong links with the world of work.

In the national Lisbon reform programme 2005-08 (NRP), the government committed itself to ensuring that formal, informal and non-formal qualifications and skills are certified, to ensure a better match between all educational levels and the labour market. The Malta Professional and Vocational Qualifications Awards Council was set up in 2000, but did not standardise the Maltese certification system. The government has therefore allocated funding to improve the certification system.

2.2. Labour market and employment-related policies

ETC seeks to strengthen existing schemes and improve their quality and cost-effectiveness. However, little is known about the review process of such schemes. In examining the success of its schemes, ETC needs to focus more on the number of job placements rather than the number of participants in such schemes. Overall, ETC seems to be quite effective. Between October 2004 and September 2005, it made 4 000 job placements.

The government's emphasis on reducing early school leaving postpones entry to the labour market. This might be viewed as a manoeuvre to postpone unemployment at a time when many graduate and technical jobs are becoming saturated. However, education increases employability. While ETC schemes do not always achieve the desired results, they tend not to postpone unemployment. In fact, several schemes are carried out while registering for work.

Enterprises are entitled to fiscal incentives if they create full-time jobs for young people unemployed for more than two years.

ETC has reintroduced an entrepreneurship scheme to generate economic growth through self-employment. It admitted the first group of participants in September 2005. ETC provides training, finance, mentoring and marketing support. Each client group is assisted through a specific, tailor-made programme.

ETC tries to facilitate the transition from education to work by assigning an employment adviser to unemployed young people if they are registered for more than three months. In-depth interviews are carried out, and young people are then referred to the guidance unit for further assistance. After four months of unemployment, youth registrants are asked to participate in a work motivation course and in the job club. Subsequently, all young people who need further assistance are helped to develop personal action plans.

3. Problematic features of youth employment

Young people tend to experience more part-time and temporary work. A high proportion of 16-24-year-olds are in part-time work, especially men; 47% of all male part-timers are in this age group (Table 3).

Most people on temporary contracts are aged 16-24 (3 667 people – 48%) (Table 4). More young men tend to work on temporary contracts than do women. For many young people, part-time work and temporary contracts are the obligatory first step to more stable employment.

Young people, including those with tertiary education, tend to earn less than older workers with similar qualifications. The minimum wage for workers aged 16 and 17 is less than for those aged 18 and over. Also, though no data are available, it is widely known that many young people do undeclared work, especially in the hospitality industry. The government has vowed to protect young people from exploitation at work.

4. Roles of the labour market actors – a coordinated policy approach to youth employment

The main responsibility for youth policy lies with the Ministry of Education, Youth and Employment (MEYE). MEYE reviews the national youth policy every three years in collaboration with the National Youth Council, the University of Malta's Programme of Youth Studies, governmental organisations and public authorities. Implementation of the national youth policy is carried out by several ministries and government departments.

Both ETC and MCAST have employers' representatives on their boards. The two organisations have established good relationships with employers to assist in workforce development programmes and reduce skill gaps in the labour market.

The National Action Plan for Employment, and subsequently the National Reform Programme have defined the role of ETC in young people's education-to-work transition. The NRP 2005-08 specifically mentions the need to revise ETC's youth strategy and provide personalised employment paths for unemployed young people.

Table 3: Part-time work (including full-time with reduced hours), employed people (January-March 2005)

	Men		Women		Total	
	No	%	No	%	No	%
16-24	1 841	47.2	2 205	20.8	4 046	27.9
25-34	440 (*)	11.3	2 363	22.3	2 803	19.3
35-54	860 (*)	22.0	5 201	49.0	6 061	41.8
55-64	519 (*)	13.3	844 (*)	8.0	1 363 (*)	9.4
65+	244 (*)	6.3	0 (*)	0.0	244 (*)	1.7
Total	3 904	100.0	10 613	100.0	14 517	100.0

(*) Under-represented because of small sample size.
Source: NSO.

Table 4: Employed people on a temporary contract (January-March 2005)

	Men		Women		Total	
	No	%	No	%	No	%
16-24	2 241	53.0	1 426 (*)	41.4	3 667	47.8
25-34	557 (*)	13.2	755 (*)	21.9	1 312 (*)	17.1
35-54	1 083 (*)	25.6	1 160 (*)	33.7	2 243	29.2
55-64	241 (*)	5.7	100 (*)	2.9	341 (*)	4.4
65+	107 (*)	2.5	0	0	107 (*)	1.4
Total	4 229	100.0	3 441	100.0	7 670	100.0

(*) Under-represented because of small sample size.
Source: NSO.

5. Conclusions

Considering the limited resources, a variety of measures are undertaken to increase young people's participation in the labour market. Wide-ranging reforms within the education sector may, in the medium and long term, improve young people's employment possibilities.

The government needs to enhance assessment of the various initiatives that are meant to help young people in their careers.

At present, there is insufficient regular and transparent evaluation of the schemes and projects. The Employment and Training Corporation tends to emphasise the numbers of participants in schemes, rather than the schemes' usefulness to employers and in getting good, stable jobs. ETC should also start refocusing on unemployed young people with higher education.

It is hoped that the government, in collaboration with other important actors, will continue strengthening existing youth policies to improve young people's lives through, among other things, better employment opportunities.

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