3.2 The socio-economic background and the labour market

Austria

In recent years, thanks to its economic and social development, Austria has become one of the countries with the highest development indicators. For decades the Austrian economy has been driven by the export sector.

Like in many other countries, the Austrian population is also ageing. The country has founded its development primarily on immigration. There are great differences in migration flows between the rural and urban areas, to the advantage of the latter. However, the figures should be carefully interpreted with regard to the levels and qualifications, because certain groups of immigrants are scarcely qualified, or hold qualifications received abroad that are not recognised, as a result of which they are often employed in scarcely qualified jobs.

In recent years, there has been a change in the migration flows, with a growing number of immigrants from other EU Member States alongside the traditional flows from the Balkans and Turkey.

The Austrian educational system is characterised by early differentiation and a broad range of high-quality educational and training paths, as well as by an increasing permeability of the educational and training systems, the purpose of which is to foster the personal growth of young people and improve the opportunities for acquiring the professional know-how to attain independence and pursue lifelong learning.

A consequence of this arrangement is that approx. 75% of all persons in employment have successfully completed a vocational training and/or higher education course.

Furthermore, besides providing recognised professional qualifications, all the vocational training programmes lasting more than 2 years provide the necessary qualifications for accessing tertiary education.

The drop in population has also entailed a drop in the number of young people enrolled in VET and the ongoing economic crisis has certainly not helped. The rate of enrolment in apprenticeships has remained relatively constant for a long time since the mid-90s, after which it dropped (in 2011, 42% of young people of all age groups had undertaken apprenticeship training, while in 2013 the figure had already dropped to 39.5%).

The average age in the first apprenticeship year is up slightly (in 2013 the average was 16.5 years). An analysis of the previous qualifications of apprentices in their first apprenticeship year shows that, in the 2012/13 school year, slightly over one third (35.2%) of the students attending the first part-time professional school classes (10th year of schooling) had previously attended preparatory professional schools, 16.7% had attended a professional school, 14.3% an ordinary secondary school and 10.7% an upper secondary school with professional orientation.

The proportion of female apprentices increased slightly until 1990 and has recently stabilised at about 34%. The choice is for a limited number of professions: 50%, in fact, train for the retail trade or as office assistants or hairdressers.

Among male apprentices, the three most popular courses account all together for only approx. 35% of total attendance.

While the number of enterprises accepting apprentices has remained relatively stable for a long time, at the end of the 90s the number started to drop, almost certainly as a result of the international economic and financial crisis, as well as the drop in the number of fifteen-year-olds.

A challenge for the future remains the integration of young people with an immigrant background into the initial training system; these are under-represented in both vocational education and training in general and in apprenticeships. Furthermore, a high number of immigrant youths drop out of school at an early age (from the 9th grade). The aim, therefore, must be to train skilled workers, but also to ensure that many youths at risk of dropping out are encouraged to remain within the training process.

Germany

In 2008, children and young people aged below 20 accounted for 19% of the population, people aged between 20 and 65 accounted for 61%, and over 65-year-olds accounted for 20%. By 2060, about one every three citizens (32%) will be aged at least 65 years and the number of seventy-year-olds will be double the number of newborns.

By 2030, the 17-to-25 age group will shrink by about one fifth and there will be changes in the decisions made by young people about their educational careers. This trend will lead to the attainment of higher educational qualifications compared to today and the higher education reforms will increase the attractiveness of an academic education, entailing increased competition between the dual paths and upper secondary education.

In 2011, the percentage of over-65-year-olds in Germany will be 5.34% higher than in the other European countries. In 2060, the forecasted figure for the EU-27's dependence on over-65-year-olds will be 52.55%. The forecast for Germany, in 2060, is 7.34% higher than the EU average.

The drop in the total number of people aged between 20 and 65 will produce a shift in the population towards a longer working life. Currently, 20% of people in working age belong to the 20-to-30 year age group, 49% belong to the intermediate 30-to-50 year age group, and 31% belong to the 50-to-65 year age group (Federal Statistics Office, 2009).

People with an immigration background show considerable differences in relation to education, compared to those without an immigration background. 15.3% of the former have no diplomas or other qualifications and 45.0% have no vocational training or training qualifications (the corresponding figures for people without an immigration background are 2.0% and 19.6%, respectively), although in all cases people still engaged in training programmes have not been taken into account (Federal Statistics Office, 2011).

Germany has substantially shifted from a manufacturing to a services economy. The services sector, in fact, is the largest of the German economy.

The employment rate in Germany is significantly higher than the EU average.

In 2010, the unemployment rate within this group was 7.1%, above the EU average of 6.9%, a year later it had dropped to 6.0%, as a result of which it is 0.9% below the EU average (6.9%). Youth unemployment in Germany, in 2011, dropped by 1.3% to 8.6%. Instead, youth unemployment in the EU has increased consistently.

A high proportion of people in Germany have upper secondary school diplomas (58.7% in 2011, compared to an EU average of 46.6%). One underlying reason is the long tradition of the dual system in vocational training. Regarding higher education, Germany is close to the EU average.

The percentage of people in the 15 to 64 age group with only a qualification certificate was constantly well below the EU average in recent years (13.7% in 2011, compared to the EU percentage of 26.6%).

The school dropout rate in Germany (11.5%) is below the EU average (13.5%) and is rather good, overall, considering that it has constantly dropped in recent years.

The same applies to the figures relating to school participation. The level of participation is decidedly high (58.7%), in the 25 to 64 age group, in upper secondary and post-secondary education in the non-tertiary sector. The same applies to the tertiary sector, where Germany is 0.8% above the EU average.

The number of training contracts recently concluded has failed to satisfy the available supply and many vacancies have remained such; this is tantamount to a 3.7% shrinkage in the number of contracts: actually, the total demand has stopped at 2.7%, while the supply of places was 3.5 %.

The problem is probably due to the greater demands by enterprises regarding entry qualifications; it often occurs, in fact, that increasing numbers of young people drop out of school before they complete the necessary skills.

One indicator of the problem is the proportion of young people entering the so-called “transition system”, i.e. the period of pre-vocational training. There are 257,626 young people entering transition programmes before vocational training.

Friuli-Venezia Giulia

The ageing population trend is expected to rise until 2020, when over-65-year-olds will account for no less than one quarter of the total population (from 23.96% to 25.06-26.30%) and over-80-year-olds will rise from 7.2% to 7.8-8.3%, despite growing numbers of foreign immigrants, which, in the period between 2008 and 2012, have increased by about one third (accounting for almost 9% of the total resident population).

The population growth and mass education in the post-war period have determined an overall rise in the educational level of the inhabitants of this region. In 2011/12, 93% of all teenagers had enrolled in an upper secondary school, with one third attending the licei and 18% a technical school. The risk of dropping out of lower secondary school is very scarce indeed and early school leavers account for about 13%, two percentage points below the national average.

After 2005, the level of both school participation and vocational training by unemployed persons has also increased; lifelong learning seems to be considered a valid strategy for the development of human resources, regardless of its immediate application by enterprises.

In 2012, the number of people in the 25-64 age group that had attended a study course or a training course in FVG was 7.5% of the total (compared to the national average of 6.6%).

Foreign students in Friuli-Venezia Giulia rose by 5.2% between 2010 and 2011. The proportion of this school population stands at 11.5%, compared to a national average constantly at 8.8%. In primary schools, the foreign students percentage is 12.3%, 11.9% in lower secondary schools and 9.1% in upper secondary schools.

In 2011, 7.7% of university students were foreigners. In 2012, approx. 12.9% of vocational trainees were foreigners, although their numbers are dropping (- 5.4%). The average age of foreign participants is 25.7 years, well below the national average, which stands at 35.5 years. Vocational training students belong to no less than 132 different nationalities, although the largest group (15.2%) consists of Romanians.

Friuli-Venezia Giulia, despite all the favourable conditions mentioned above, has been hard hit by the recent economic crisis, which has worsened the level of well-being and heightened social inequality. In particular, there has been a rise in the number of temporary employment contracts and in labour underutilisation, especially among young people; from 2008, moreover, permanent employment contracts have become a marginal feature.

Labour supply (for people aged 15 and more), after dropping in 2009, has picked up again somewhat, however without regaining the pre-2008 levels, despite a significant acceleration in 2012.

There are significant age-based employment gaps: the declining employment levels among young people, in the 24-to-34 age group in particular, has been partially set off by a sharp rise in employment in the 45-to-64 age group. Likewise, the economic activity rate has remained stable, due to a further increase among women, reaching 61% in 2012, while the male EAR in the period has dropped.

In 2014, employment dropped to 495,000, and the peak reached in 2007 now appears unattainable, with a growing gap among male workers. The employment rate in the 20-to-64 age group has dropped since 2011, reaching 67.3 in 2014.

Foreign workers account for 10% of the total, but the employment rate among foreigners has risen from 8% in 2008 to 17% in 2013.

Apprenticeships continue to be a marginal option and there has been an almost total decline of apprenticeships for professionalising skills.

Gender equality is supported and half the new contracts concluded in 2013 regarded young people aged 20 to 24 years, another 30% the 25-to-29 age group and less than 20% the younger age groups.

Italians account for the majority (82%), followed by workers from non-EU member countries (12%) and, lastly, by workers from EU member countries (6%). 13% of apprenticeships concern people with tertiary qualifications, while more than 40% concern workers with primary (11%) and lower secondary (30%) education.

Many contracts regarded the third sector, with 18% in the commercial segment; in the non-commercial segment, the highest percentage can be found in the catering and hotel industry; manufacturing absorbed one fifth of the total, with a considerable presence in the metalworking and agrifood segments.

Each enterprise used more than 4 apprenticeship contracts, with a lower number in agriculture and in the construction industry. Considering the total number of apprenticeships completed in 2013, but commenced in and after 2010, the average duration of the contracts was 8 months.

Autonomous Province of Bolzano

The Autonomous Province of Bolzano is located in northern Italy and borders with Austria. The province is predominantly mountainous, with 80% of the land area above 1200 m. 43% of the population is concentrated in the larger towns and cities, while 56.3% of the inhabitants live in rural areas.

The average age of the population is constantly increasing: 65.1% aged between 15 and 64 years, 18.7% has reached retirement age and under-15-year-olds account for only 16.2% of the population.

The population in South Tyrol belongs to three language groups: Italian (23.4%), German (62.3%) and Ladin (4.1%). Resident foreigners account for 8.8% of the population, with a lower average age compared to the locals, while over-65-year-olds account for only 4.5%.

At the end of November 2014, there were 58,041 registered companies, about 13,000 of which in the crafts sector, which number has remained unchanged compared to the previous year. The most representative segments are: agriculture, private services, retail, hotels and restaurants, construction and manufacturing.

Large enterprises (over 250 employees) account for only 0.1% of the total and employ 11.7% of all employees, while enterprises with less than 9 employees account for 92.8% of the total and employ 46.8% of total employees; enterprises with between 10 and 49 employees total 6,4%, those with between 50 and

249 employees 0.7%; medium-to-large enterprises (with over 50 employees) account for 0.8% of all enterprises and employ 26.6% of all employees.

Trade with neighbouring Austria (26% of total imports and 11% of total exports) and Germany (45% of total imports and 40% of total exports) plays an important role in local economy.

In 2014, the general unemployment rate was 4.2%, while the youth unemployment rate was 12.2%. There were about 11,000 job seekers.

The unemployment rate among 15-to-64 year olds is 73.4% (67% among women). 7.2% of workers are employed in agriculture, 21.4 in manufacturing and 71.4 in the services sector.

20% of workers are employed in the public sector.

Autonomous Province of Trento

The Province of Trento is located in north-eastern Italy and occupies about 2% of the country's area. It is predominantly mountainous, with 60% of the land area above 1000 m and only 20% below 600 m. Only 9% of the land is used for agricultural purposes and 18% is occupied by urban centres. Almost 50% of the population is concentrated in urban areas, which are gradually increasing in size, while depopulation is widespread in the mountains.

The population changes in recent years have highlighted phenomena such as the drop in fertility rates, increased immigration, an increase in average life expectancy and population ageing. The demographical situation, however, is less critical than in other regions thanks to above-average fertility rates.

In 2013, in Trentino, foreigners accounted for 9.5% of the entire population.

The labour market appears to be sound and dynamic: both the workforce and employment are on the rise, while unemployment and economic inactivity are dropping. However, some groups feature critical trends: youth unemployment, in fact, has exceeded 20% and the number of over-50-year-old males out of work is increasing.

In 2013, the employment rate among 20-to-64 year olds was 70.5% and the unemployment rate had reached 6.6%, slightly less than half the national average.

Despite the unfavourable economic situation and the uncertainties regarding the national and provincial finances, Trentino has suffered less than other regions as a result of the difficult situation. These positive trends are undoubtedly also due to the expansionist measures introduced by the local authorities. The production system is characterised by very high quality segments and niches and a good rate of innovation; the employment level and labour market participation rate are both good.

The recession has hit almost all the main production sectors, with the construction sector posting the worst results (-5.8%), while manufacturing in general and the services sector also feature a negative sign (-3 and -1%, respectively). On the contrary, the agricultural sector, in 2013, recorded a significantly positive growth (+5%). The weaknesses of the Trentino system are a slow production dynamics and a limited economic growth in the medium-to-long term, plus the limited internationalisation of the Trentino production system, a considerable dependency of private enterprises on contracts with the public sector and, last but not least, the presence of scarcely dynamic small-to-medium enterprises and the limited number of people employed in technology-intensive production sectors and knowledge-intensive services.

Overall, Trentino is an economically prosperous area, with a good welfare system and high-quality environmental resources, biodiversity and cultural heritage.

Regarding training, there are significant investments in research and development, with some scientific research centres of excellence and a renowned university.

School attendance levels are good (the rate of participation in upper secondary education amounts to 98.7%), as is also the quality of secondary education (in the national and PISA surveys, Trentino consistently overachieves, in terms of performance and fairness, compared to the national average), and of university education (63.1 of upper secondary students go on to university), although since 2004 there has been a gradual decline in university enrolment rates. The proportion of NEETs (young people not in employment, education or training) is lower than in the rest of the country, amounting to 11%.

About 24% of lower secondary school (middle school) leavers now choose to go on to vocational education and training (VET). 56% of qualified students are willing to continue their training by enrolling in the fourth year of VET and about 10% are willing to continue to an upper secondary school path.

Since 2004 there has been a progressive drop in the continuation of studies up to University level.

Poland

Given the specificities of the various regions in Poland, the Polish partner has chosen to report the socio-demographic figures for the region of Pomerania, which is one of the country's three Baltic regions and occupies 6% of the country's land area.

The population in this region is mostly concentrated in the urban areas and more than half are females.

The economic potential of the region is based predominantly on traditional manufacturing sectors, such as shipbuilding, refineries, food processing, engineering, furniture-making and tourism.

Shipbuilding, represented by ship repair and building yards and by the companies of the relevant supply chain, still plays an important role in the region, followed by the oil refining sector.

The food processing industry too has an important place in Pomerania's economy, in particular fish processing, which produces the highest income, totalling about 28% of the value of all sales in the sector.

But new sectors are also developing: IT, electronics and biotechnologies, as well as business process outsourcing (BPO) and shared services centres (SSC). Currently, about 14,500 people are employed in more than 40 centres of this kind and the number of jobs will continue to rise in these sectors, due to the growing presence of foreign companies. The demand for foreign language skills, including the less common languages, is increasing precisely because of the growth in this sector.

The employment figures shown here are those relating to 2013 and 2014.

Between 2013 and 2014 there was a drop in unemployment, from 14.6% in March 2013 to 13.4% in March 2014; 51.2% were men and a later survey, carried out at the end of 2014, reported a slightly higher percentage for women (53.6%), compared to men, who stood at 46.4%.

The largest group of unemployed was the 25-to-34 age group (27.7%), down by 1.1% compared to the previous year. On the other hand, the proportion of unemployed aged between 45 and 54 increased by 0.1%, standing at 18.7%. At the end of March 2014, the largest group of unemployed was again the 25-to-34 age group (28.2%), up by 0.5% from December.

At the end of 2013, the number of enterprises registered with REGON had risen by 2.5% compared to the previous year, dropping by 0.8% in the public sector and increasing by 2.7% in the private sector, compared to December 2012.

43% of workers were employed in manufacturing (41.3%); compared to the previous year, there was a drop in the electrical, gas, steam and hot water sectors (29.8%) and an increase in activities relating to culture, entertainment and leisure activities (6.8%), accommodation and catering (6.7%).