

**MUTUAL LEARNING PROGRAMME:
PEER COUNTRY COMMENTS PAPER - MALTA**

An Employment Passport for School Dropouts

Peer Review on “Project Learning for Young Adults: A social integration programme helping young people back into work and education.”

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1 LABOUR MARKET SITUATION IN THE PEER COUNTRY

This paper has been prepared for a Peer Review within the framework of the Mutual Learning Programme. It provides information on Malta's comments on the policy example of the Host Country for the Peer Review. For information on the policy example, please refer to the Host Country Discussion Paper.

Although in terms of its geographical area Malta is the smallest member state of the European Union, it is also the most densely populated¹. As it also lacks natural resources, it must make optimum use of its human resources. In this context, the integration of youth in education and employment is directly related to the maintenance of economic and social well being.

In March 2009, the number of full-time, gainfully occupied individuals amounted to 93.5 % of the labour force, with an unemployment rate of 6.5 %². It should be noted, however, that the total number of inactive people in the population amounts to 41.3 %, which is among the highest in Europe³. There is also a wide disparity between the male and female activity rates: whereas the male activity rate is 66.6 % that of females is only 32.5 %. Traditionally, Maltese women stop working outside their homes when they have small children. In addition, although during the last decade there has been a consistent increase in the number of women joining the labour force, the employment and participation rate of women is still considerably lower than that in other EU member states. Today most young women look for a full-time job as soon as they finish schooling, but many stop working or prefer to take part-time jobs as they get older. This applies especially to women engaged in routine, unskilled jobs. Among young adults (15–24 years), the activity rate of males is 54.9 % and that of females is 49.2 %.

The largest category of employed males is engaged in manufacturing activities (18 %), followed by those working in the wholesale and retail trade sector (16 %). Women are commonly found in education related activities (17.1 %), followed by those working in the wholesale and retail trade sector (15.8 %).

The general unemployment rate in March 2009 was 6.5 %, which shows only a modest rise of 0.4 percentage points over the previous year. Nevertheless it should be noted that the largest group of unemployed persons is composed of young adults (15–24 year olds). During the last few years, the unemployment rate of young adults had been steadily decreasing. It has gradually reduced from around 50 % in the 1990s to 28.4 % in 2003 and 18.1 % in 2008. During the last twelve months, however, this trend has been reversed and currently, 35.2 % of young males and 33.2 % of young females are unemployed⁴. It is a matter of further concern that 50.2 % of the unemployed males and 34.4 % of females are long term unemployed⁵. Clearly, the current economic recession is a main contributing factor to the current situation. In its efforts to contain the impact of the recession, the government has been offering various incentives to industry aimed at minimising job

¹ The population density is 1 309 persons per square kilometre.

² *Labour Force Survey*, National Statistics Office (NSO), Malta, July 2009.

³ (Ibid). According to the LFS, the 'activity rate' refers to the number of persons aged between 15 and 64 years in full or part-time occupation as a percentage of the total population of working age (15-64 years). It includes, among others, persons undergoing education or training.

⁴ *Labour Force Survey*, National Statistics Office (NSO), Malta, July 2009, p. 9.

⁵ People looking for a job for at least 12 months.

losses⁶. Ironically, as an unintended consequence of this policy, employers may thus have a disincentive to hire new labour.

As a result of industrial restructuring and inadequate continuous vocational training (CVT), there is a mismatch of skills at national level between industrial requirements and skills available⁷. Although compulsory education was established in Malta during the 1940s and extended to 16 years of age during the 1970s, only 66.5 % of today's young adults⁸ have actually completed secondary education⁹ and only 8.5 % of the total population have completed tertiary education¹⁰. Indeed, 9 % of the working age population is still known to be illiterate. These tend to be school dropouts for whom specific educational and guidance policies are required so that they can become fully integrated into society. The inadequacy of the formal education system, together with the possibility of making money in occupations like the construction industry that may require little or no formal training, often serve as a deterrent to school attendance. Nevertheless, some significant developments in VET have recently been taking place, as witnessed by the increasing popularity of the vocational courses organised by the newly established Malta College of Arts, Science and Technology (MCAST) and those organised by the Employment and Training Corporation (ETC), as well as the enrolment in degree courses offered by the University and other private, higher education institutions. Between 1999 and 2009, the number of students in post-secondary, tertiary and vocational institutions has increased by 34.6 %¹¹. On the basis of official reports, two out of three young adults of both genders are now continuing their studies beyond the secondary level.

⁶ For example: Companies may be allowed to operate on a 4 day week basis and may send their employees to ETC for retraining on the fifth day of the week. On this day, the employees remunerated by government at the minimum wage rate.

⁷ *A Human Resources Strategy and Policy for Malta*, Employment and Training Corporation, Malta, 2006. pp. 132-135. See also: *Study and Action Plan for the Restructuring of Malta's Manufacturing Industry*, Chamber of Commerce and the Federation of Industry, Malta, June 1996.

⁸ 16-25 year olds. Refer to p. 79.

⁹ Secondary education in Malta normally extends from 11 to around 16 years of age.

¹⁰ This should be compared with the EU average of 20.5 %.

¹¹ *Malta in Figures 2002*, National Statistics Office (NSO), Malta, p. 10; *Malta in Figures 2009*, National Statistics Office (NSO), Malta, p. 13.

2 ASSESSMENT OF THE POLICY MEASURE

The main institution responsible for the provision of employment services in Malta is the Employment and Training Corporation (ETC)¹². This body is government funded and falls under the Ministry for Public Policy. It is primarily responsible for providing a public employment service, managing state-financed vocational training schemes and maintaining labour market information. Its clients include all unemployed people and other job seekers. It offers a wide range of CVT courses with the aim of upgrading their skills and so to enable them to find suitable jobs. It also aims to meet the changing requirements of industry. Although it is not an educational institution, the ETC operates as an intermediary between education and industry and only offers its own courses - usually on an *ad hoc* basis – where no other provider is available. Even so, the ETC offers more than 110 specialised courses, usually of a short duration, on a wide range of subjects. These include courses providing basic skills such as literacy, IT, finance, commerce, social care, and various trades according to labour market demands. Many of the ETC's courses are intended for job seekers and make use of traditional, pedagogical methods of instruction. However, the development of social skills and psychological self empowerment are increasingly prominently featured.

An empirical study by Gatt et al. (2006) has argued that the factors associated with the school to work transition in Malta largely follow the pattern which prevails in other countries¹³. According to this study, the type of secondary school that a young person attends has a considerable impact on the type of occupational path followed in later life. Furthermore, it has been argued that: the provision of guidance in Malta's secondary schools is inadequate, the curriculum used in most schools is too detached from the world of work, the preparation of young persons for work is inadequate, and employers play a very limited role within the present educational system. Of course, the availability of work or otherwise for school leavers is another crucial factor affecting the school to work transition. The study by Gatt has also concluded that the reasons why 'youths at risk' drop out of school include: peer influence, being bullied at school, lack of interest in school, medical reasons, and an unstable and unsupportive family background.

On the basis of these observations, one might justifiably argue that the solution to problems associated with school dropouts and youth unemployment in Slovenia may be equally effective in Malta.

In an effort to alleviate such problems, the ETC - with assistance from the European Social Fund – has recently launched some innovative VET projects in Malta. These include the *Basic Employment Passport Scheme*, and the *REACH Project for School Dropouts*. These projects are briefly presented below.

The Basic Employment Passport Scheme (BEPS)

The aim of this scheme is to provide basic employment skills to young school leavers who come out of the educational system with few or no skills or academic qualifications. The scheme targets those youths that normally have no other option but to register at the employment office once they finish compulsory education. The programme is compulsory for first time registrants. Those refusing to participate are not allowed to continue registering for work and so risk losing their unemployment benefits. All participants are paid a weekly training grant of EUR 25 for the whole duration of the programme, subject to 80 % course attendance. No entry requirements are set for those selected to participate in the proposed programme but participants are

¹² The Employment and Training Corporation is a public corporation established by an Act of Parliament in 1990 as a semi autonomous body with a distinct legal personality.

¹³ Gatt Suzanne & Gatt Kevin, *The School to Work Transition of Young People in Malta*, Employment and Training Corporation, Malta, 2006, pp. 13–14. See also: Gatt Suzanne, *Project ESF 57: REACH – Evaluation Report*, Employment and Training Corporation, Malta, 2007.

assessed upon entry so that the educational achievements and/or the work experience may be evaluated and certified. The initial evaluation process is used to determine the starting point of each participant. The BEPS lasts for eight weeks and includes training in both basic, general life skills and job related skills. The BEPS consists of two parts: the Basic Skills programme (Part A) is followed by a Work Experience or Further Skills Training phase (Part B). The course components include: training in Basic Skills (e.g. Applied Literacy and Numeracy, Digital Literacy, Basic IT Skills, Social and Personal Skills including self-confidence and self-direction, Learning Skills and Technology). Alternative training methods are used to ensure an adequate level of knowledge and skills transfer. The approach to training which is adopted during all sessions is one which aims at helping the participants to become aware of their capabilities and deficiencies as learners. The capabilities are exploited and the deficiencies are tackled through the development of compensating strategies. In addition to the experienced trainers, a number of university students undertaking psychology, education and youth studies are engaged as tutors. This ensures that both trainees and tutors are roughly of the same age group.

Past experience has demonstrated that, after completing the programme, some of the participants decided to extend their studies by enrolling in further training courses, while others went directly into employment. Out of the 292 participants who enrolled in the original BEPS¹⁴, 192 were males. Approximately 84 % of participants had entered the programme voluntarily while 16 % were pushed to do so by the ETC's employment advisors. When asked, through an anonymous questionnaire, whether the course was worthwhile and whether they would recommend it to others, the participants' answers were overwhelmingly affirmative¹⁵. Despite some initial teething problems, overall the scheme has been considered a success by the organisers¹⁶. The scheme was originally intended for a limited time frame, but its success has inspired the ETC to embark on other ventures designed along the same lines and extended to a wider audience.

The REACH School Dropouts Project

This project was launched in 2007, following a number of pilot experiments in the previous years. In 2007, it was introduced in two schools with different degrees of success. One weakness of the programme was that the schools were not used to the involvement of community organisations. The idea was to offer an alternative curriculum to specific young adults who have practically dropped out of school. The risk factors with respect to school dropouts are said to be: school-related, student-related, community-related, and family-related. Hence the project aims to empower participants to meet these challenges. In addition to basic life skills, literacy, numeracy and IT skills, the programme provides an alternative learning environment and explores different methodologies which better suit the individual students' needs. It also exposes the students to different working environments to assist them in identifying their talents and interests. The project lasts for six months and is organised for small groups, each containing twelve participants. All the participants are identified by the local school heads. The project is organised as a collaborative effort, with the involvement of different actors. Thus, in addition to ETC, other agencies with educational, careers guidance, social and family workers are involved in its implementation. The project is jointly funded by the ETC and the Ministry of Education. While the curriculum followed in this project has much in common with that of BEPS, it is mainly intended for youths who have not yet reached the official school leaving age. They are still legally bound to attend at a particular school - although they habitually

¹⁴ The original scheme was started in 2000. An evaluation of this experience was carried out by means of two anonymous questionnaires, one addressed to trainers and the other to trainees.

¹⁵ Cutajar Joe, *An Analysis of the Basic Employment Passport Scheme organised during the 2000-2001 Operational Year*, Employment and Training Corporation, Malta, 2002.

¹⁶ A comprehensive evaluation of the programme would also take into account both the rate of occupational placement of the participants by comparison with non-participants, and the costs of the programme per participant by comparison with the possible alternative use of the same amounts per student in the regular schools. Such an analysis, however, goes beyond the scope of the present report.

fail to do so in practice. For this reason, the cooperation of the school authorities, social and family workers is crucial for the implementation of the project.

The two examples above suggest that the policies being adopted by ETC in Malta and in Slovenia to provide access to employment among 'at risk' young adults have much in common. Arguably, one main difference between the two approaches is the greater emphasis in the Malta cases on actual employment experiences as part of the programmes. This may be the effect of the two pronged strategy of ETC combining both *employment and training* in its mission statement.

3 ASSESSMENT OF THE SUCCESS FACTORS AND TRANSFERABILITY

The need to focus on 'hard to employ' young adults and early school dropouts is known to exist in both Malta and Slovenia. Given the failure of the existing educational institutions to deal effectively with vulnerable groups of young adults, the programme organisers in both countries need to discover and adopt alternative ways of addressing them. It is therefore important to learn from successful benchmark experiences on the pattern of the EU's Open Method of Coordination. The above accounts (p.6-7) of similar projects with unemployed young adults, organised by the ETC, clearly indicate that no major obstacles are likely to be encountered in transferring some of the main factors contributing to the success of the Slovenian experience to Malta. This applies particularly to the following practices:

- a) the design of educational programmes based on contemporary interdisciplinary knowledge and with the use of innovative and informal pedagogical methods;
- b) the facility for course participants to shape their own programmes according to their individual needs, abilities and potential;
- c) the combination of individual counselling services with collective group therapy based on accounts of past personal experiences, which hindered the participants' educational and / or work progression;
- d) the need to take into account the family, subculture and economic environment of the school dropouts;
- e) the active involvement of the local community and local institutions in the programme.

However, there are also some challenges, which will need to be addressed and overcome in order to organise such programmes effectively in Malta. These may include the following:

- a) A significant part of the programme would need to be devoted to the teaching of basic skills like literacy, numeracy and IT. (One gets the impression that the need to teach such basic subjects is not so acute in Slovenia).
- b) As most academic text books used in Malta's schools, particularly on technical subjects, are in English, the organisers would need to adapt these for use by Maltese working class youths. (Past experience suggests that young people from a working class background are not so familiar with the use of technical English. In fact, schools suggest that the language barrier may serve as one of the 'pushing-out' factors for working class children - just as it sets them apart from middle class values).
- c) The mentors are likely to find it difficult to use 'informal' teaching methods without adequate advance training; Maltese mentors are also likely to face similar problems as in Slovenia, with regard to their own educational backgrounds and those of their organisations.
- d) Past experience suggests that in order to ensure the participation of vulnerable young adults in such programmes, a 'carrot and stick' approach may be required. In other

words, both tangible incentives and sanctions would need to be offered to vulnerable groups in order to ensure their participation. Again, this does not seem to be the case in Slovenia where the programme is completely voluntary.

One problem that has been identified in the Slovenian programme, which is not likely to emerge in Malta, is the lack of a central coordinating institution. Clearly this role would be performed by the ETC, which would also assume a central responsibility for involving other local institutions in the project. Likewise, funding problems may not be as acute as in Malta because the ETC would incorporate the project expenses into its own budget. It should be noted, however, that without the support of ESF funds such projects would run into serious financial difficulties.

4 QUESTIONS

- How is the selection process of participants done in practice? What are the criteria for selection?
- The impression one gets is that employers do not play any direct part in the Slovenian project? If so, why? Wouldn't the programme benefit from the participation of employers who could provide, for instance, a work based apprenticeship experience to participants?
- What exactly is meant by the use of a non-formal methodology in teaching? Can some concrete examples be given?
- Can the Slovenian project be implemented for young adults with special needs?
- Following successful completion of the programme, do the participants receive any formal qualification in terms of the National Qualifications Framework, which they could use when applying for employment?

ANNEX 1: SUMMARY TABLE

Labour market situation in the Peer Country
<ul style="list-style-type: none"> • In Malta, the national unemployment rate is 6.5 %. • The highest incidence of unemployment is among young adults – recently on the increase. • Significant developments in CVT have taken place in recent years.
Assessment of the policy measure
<ul style="list-style-type: none"> • The ETC carries the main responsibility for policies dealing with youth unemployment. • The Basic Employment Passport Scheme is perceived both trainers and participants as having a positive outcome. However, a comparative assessment of the possible alternative uses of resources is also required. • The REACH School Dropouts Project has shown the need for collaboration among a number of different professionals and institutions. These include the school, community, parents and youths. As a result of the project, a number of students have actually returned to school.
Assessment of success factors and transferability
<ul style="list-style-type: none"> • No major problems of transferability are anticipated. • If such programmes are to be transferred to Malta, some specific challenges need to be tackled such as the provision of basic skills – including literacy, numeracy and IT. • The concept of non-formal methodology needs to be better specified. • The trainers need to be specifically trained in advance.
Questions
<ul style="list-style-type: none"> • Would the programme benefit from the involvement of employers? • What are the employment outcomes of the project for the participants - in the short, medium and long term? • How do the results of the project compare with those obtained through the traditional methods? • Are successful participants awarded any accreditation in terms of the National Qualifications Framework?