

A stylized world map composed of a grid of dots in various shades of gray, with several dots highlighted in red. The map is centered behind the title text.

# The Challenge of Youth Employment in Present-Day Uruguay (2010–2014)

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- This article analyses social and economic factors affecting youth in terms of their access to skilled labour positions from a national and international perspective. It furthermore addresses ways and strategies of keeping young people well-trained and employed over the long term, while offering a look at the principal public responses to these issues over the last few years in efforts to confront these and related problems.
- By the same token the article provides a map of youth employment policies and professional training at present, with attention also being devoted to various aspects of institutionalization and strategic planning, the social dialogue, current programmes and specific actions addressing different youth groups.
- This policy area is characterised by a process of recognising rights at the formal level and increasing access to basic goods and services on the part of youth. As we shall see, however, individual circumstances and vulnerabilities constraining the exercise of recognised rights will inevitably continue to impose challenges over the short and medium term. Finally, the article seeks to identify important specific challenges, particularly those relating to education, professional training and access to decent work.



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## 1. Youth and Employment in Present-Day Uruguay

### 1.1 The Global and National Economic Situation and its Impact on Employment

The global economy has been struggling through an international crisis over the past four years, and a sustained recovery of developed economies remains a distant prospect. The European Union faces pressing fiscal and debt problems, particularly in certain countries, which are seriously hampering economic growth there. The situation in the United States is relatively similar, with a slumping economy and high unemployment rate (Almonte and Fajardo, 2011). The situation for emerging economies<sup>1</sup> offers a complete contrast, however, with high rates of growth being registered in recent years and good prospects for expansion over the short term (Mordecki et. al. 2011). In the region both Argentina and Brazil are exhibiting sustained high GDP growth rates combined with very low unemployment.

In the past few years, the Uruguayan economy has been growing at rates above the historical average (6 per cent in 2011), while achieving the lowest unemployment rate in its history (5.7 per cent in January 2012)<sup>2</sup>. This combines with an increase in real salaries (5.8 per cent of annual growth as of February 2012) and a reduction in poverty (13.7 per cent in 2011) and extreme poverty (0.5

per cent in 2011)<sup>3</sup>. This growth has been fuelled<sup>4</sup> by an increase in both internal and external demand, the latter as a result of growth by emerging economies (including Argentina and Brazil) and the rising price of commodities, and the former thanks to rising household incomes and foreign direct investment (Mordecki et. al. 2011). The most notable risks are related to the fact that Uruguay is still a small and vulnerable economy that needs to catch up in terms of international integration.

Current issues facing Uruguay include its significant commercial dependence on the region, although this has lessened over the past decade; the preponderance of raw material and food exports, which has been growing; the increase in foreign direct investment over the past few years, and sagging competitiveness due to the value of the national currency and prices (IECON, 2011). At the same time, while most productive sectors have contributed to the country's economic growth, they are not all expanding at the same pace. Experts see a need for greater diversification and structural change in production to foster the adoption of new technologies, increase national added value, strengthen backward and forward integration and promote the development of those sectors that generate the most and the best jobs (Torres, 2011).

The labour market in Uruguay has shown sustained improvement over the past decade, as is reflected not only by the low unemployment rate, but also by growth in employment (14.3 per cent between 2000 and 2010), a reduction in the percentage of workers without social security (from 36 per cent to 30.6 per cent between 2001 and 2010) and a decline in the wage gap, which rose up until the mid-2000s and began to drop in 2007 (Perazzo, 2012). In this situation marked by very low general unemployment, attention is being focused on those groups of the population exhibiting higher unemployment and lower levels of economic activity, such as women and youth. All this is coupled with constraints on economic growth that may be caused by a lack of qualified labour.

1. The International crisis in 2008 and 2009 affected our country, though not significantly. Until 2010 this was reflected in a slowdown in the labour market, both in terms of job creation and quality of employment. The sectors most affected were the leather, textile, metal and clothing industries. According to the June 2009 report in the ECLAC/ILO Bulletin »The employment situation in Latin America and the Caribbean«: »In Uruguay, access to unemployment insurance has been broadened by relaxing requirements on length of employment and the number of contributions made and increasing the number of months of eligibility when GDP declines for two consecutive quarters. The measures were designed to increase access to unemployment insurance — which, historically, has been available to less than 25 per cent of unemployed persons — during a period in which the Uruguayan economy was beginning to slow down. The recent creation of the National Institute for Employment and Professional Training will make it possible to combine unemployment insurance with job-placement and training programmes. In addition to these measures, unemployment insurance has been made available when companies have curtailed their production by 25 per cent. In such cases, the system is activated after acceptance by both employers and unions. Moreover, there are unemployment-insurance programmes for the construction sector, direct-employment programmes for at-risk groups and tax- and social-security-payment exemption programmes for companies.« (ECLAC-ILO: 2009: 10)

2. National Statistics Institute (Instituto Nacional de Estadísticas, INE). www.ine.gub.uy. 2012.

3. Income-based poverty estimates, INE, 2011.

4. It must be noted that the major reforms implemented by the first progressive government (Tax Reform, Health Reform) and the consolidation of institutional structures in the world of work (Collective Bargaining, National Minimum Wage, etc.) are some of the most important elements in establishing a development model based on growth with equity and a reduction in inequality.

In order to understand the current situation surrounding work in our country, it is necessary to analyse labour relations in light of the evolution of the union movement and its impact. Since 2005 Uruguay has been characterised by a neo-corporatist structure due to the introduction, promotion and institutionalization of collective bargaining and stronger guarantees on union activity (Senatore; Méndez, 2010). All this has boosted unionisation levels.

## 1.2 Determining Factors and Key Aspects of Youth Employment in Uruguay

The crises of the eighties and the development model of the nineties left significant sectors of the population out of work, with long periods of unemployment causing serious distortions in the labour market, new family structures (and reproductive patterns) and a decline in the capacity of the educational system to promote social integration and access to jobs.

In present-day Uruguay, inequalities are for the most part attributable to social origin (and its symbolic implications), level of education<sup>5</sup> and residential segregation of the population. In sum, we can assert that youth »...

### Transformations in the Labour Market with an Impact Youth Employment

- 1) Young people consistently earn lower wages than adults (UNDP, 1999; Weller, 2006; quoted in Rossel, 2009);
- 2) The decline in the number of people returning to secondary education, widely documented in the literature on labour economics in the region (IADB, 2012);
- 3) Decades of exclusion have generated a culture characterised by a lack of standards and behaviours needed in a working environment among youth in vulnerable situations;
- 4) »The youngest persons under employment, most of whom dropped out of school, usually have accessed their employment through private contacts: three quarters of employed persons who are under 25 accessed their current job in this manner.« (Arim and Salas, 2006)

from low socio-cultural strata are caught up in a process of inter-generational reproduction of their social vulnerability.« (Alarcón, Anahí et. al. 2009: 4)

The union movement views youth employment as follows: In the first place, one of the key elements needed to achieve economic development with less inequality is to ensure better results for the vulnerable population in the education system at present<sup>6</sup>. This would undoubtedly help improve opportunities. Secondly, it posits that the wages of young people must be improved, as a significant percentage of employed youth earn very low wages (Instituto Cuesta Duarte, 2011)<sup>7</sup>. Thirdly, the gap between the youth unemployment rate and the general unemployment rate must be reduced.

Indeed, just like in the rest of the world, youth unemployment in Uruguay is significantly higher than for adults, while the employment rate is lower and the informal employment rate is considerably higher (Perazzo, 2012).

It is worth noting that throughout the past decade employment rates of young people between the ages of 18 and 24 have not returned to the rates attained in the nineties. The rebounding labour market in the past few years has mostly benefited people over 24.

Among the various age groups of the younger population, activity and employment rates tend to increase with age, while unemployment and informal employment rates decline with age. Women are in an unfavourable situation since they face a higher unemployment rate and a lower employment rate; this suggests that the traditional division of roles between men and women, in which the latter dedicate more time to household chores and care, begins at an early age (Brunini and Lijtenstein, 2011).

6. The union movement believes that early integration into the labour market should be avoided: »Ideally, young people would enter the labour market after they complete their schooling. This is not in line with the reality faced by most young people in our country, however... One of the aims of the Equity Plan (Plan de Equidad) is to encourage young people to remain in the educational system by means of Family Allowances (Asignaciones Familiares)... Additional proposals have also been made. A few examples are: to offer more flexible educational options... to increase the provision of education and change it to make it more »accessible« for certain groups. One example here is night shifts, but the possibility of including shifts that allow young mothers to continue studying should also be considered, it is argued. The union movement has also called for pilot programs to be imitated that include teaching methods more in tune with the needs of these groups.« (PIT-CNT – Youth Department – 2011)

7. Of the 215,000 people under 25 years of age in employment, 168,000 earn a net salary of less than 10,000 Uruguayan pesos (approx. 460 US-Dollar).

Young people are mainly employed privately as salaried workers, with a significant presence in the commercial sector, particularly among the 18-to-24 age group. Manufacturing is also relevant, as are the sectors of agriculture, forestry and fishing, with employment of youth in the latter being on par with adult age groups.

It is furthermore particularly worrying that one out of every two young people (aged 18 to 24) in employment work over 40 hours per week (Brunini and Lijtenstein, 2011). This makes it difficult to combine work, studies and training. The different levels of education attained by young people are one of the most heterogeneous aspects between generations, and this is a crucial factor affecting present and future standards of living. In Uruguay, 24.5 per cent of adolescents between the ages of 15 and 17 do not go to school, with this figure rising to 53.2 per cent among young people between 18 and 24 (Brunini and Lijtenstein, 2011). This situation has historically characterised the country; indeed, younger persons have a higher average number of years in formal education than older ones. Uruguay lags behind other MERCOSUR countries in this regard, and its secondary

school completion rates have not increased significantly in the past 15 years (Amarante, 2011).

One part of the young population requiring special attention is youth who are neither employed nor undergoing education, who in 2010 accounted for 17.8 per cent of the total number of young people between 15 and 29, a figure which has remained relatively stable over the past 25 years. This population exhibits considerable heterogeneity, however. 5.4 per cent of Uruguayan youth do not study or work, instead performing domestic duties, while 6.1 per cent do not study or work but are seeking employment. 6.3 per cent do not study, work or seek employment, and are not responsible for household duties. This in turn varies depending on the region: 23 per cent in small towns in the interior and 14 per cent in Montevideo. It also varies in terms of gender: Women are disproportionately affected and are concentrated in the subcategory of those who do not study or work and are responsible for domestic duties (Ministry of Work and Social Security; Ministry of Social Development, 2011).

#### Public Responses up Until the Progressive Era

The study of adolescence and youth has gained considerably in importance, and a few years ago public policies began to pay special attention to the issue. In our country this process started in 1985 (Alarcón et. al. 2009).

Generally speaking, work or employment-related youth programmes in our country aim to improve employability through job training; these are services with targeted intervention guidelines, except in the case of formal technical training (in Spanish, UTU).

A series of initiatives aimed at integrating young people from low income sectors into the labour market, while returning them to, or improving their relationship with, the formal educational system. In 1994 the National Youth Institute (Instituto Nacional de la Juventud, INJU) established the Young Option Project (Proyecto Opción

Joven). This led in 1996 to the establishment of the Pro Youth Programme (Programa Projoven), managed by the National Employment Board (Junta Nacional de Empleo). Another programme worth mentioning is the INJU's First Work Experience Programme (created in 1992), which offers the possibility of obtaining a formal job for the first time.

Another significant initiative addressing this issue implemented since democracy was restored was the Youth Employment Law (Ley de Empleo Juvenil), which promotes job contracts for young people with the goal of improving their employability through theoretical and practical training at professional training institutions and private enterprises. The law was passed in 1997, but it went out of force after the implementation of the 2007 Tax Reform.

## 2. Responses, Initiatives and Challenges

### 2.1 Foundations in Understanding the Current Emphasis on Youth Employment

The new institutional approach to active employment policies was elaborated during the first progressive government (2005–2009), and several of the available tools were altered. At the macro level, the Public Employment Centres (Centros Públicos de Empleo, CEPE<sup>8</sup>) were established, the Uruguay Studies<sup>9</sup> (Uruguay Estudia) programme was implemented, and in 2008 the tripartite National Employment and Professional Training Institute (Instituto Nacional de Empleo y Formación Profesional, INEFOP) was established by law.

In this process of development, discussion and dialogue known as «Towards a National Youth Plan» as well as in the Youth Plan 2011–2015, work and professional training have specified a priority in helping to create a model of social, educational and labour inclusion that is linked to the concept of citizenship. The model also takes into account the demands of the world of work and the reality of young people as well as their own demands, ideas and proposals.

The first key theme in the National Dialogue for Employment (Diálogo Nacional por el Empleo, DNE) was Youth Training and Employment, which led to several specific agreements laying the ground for a National Agreement on Decent Work for Youth (Acuerdo Nacional por el Trabajo Decente Joven, ANTDJ). This agreement is an expression of the political desire of key actors involved in employment and work (the government, PIT-CNT, business chambers and social organizations) to make the issue of youth employment a priority of the national agenda.

8. The CEPE are centres that integrate, coordinate and provide services related to the National Employment Directorate's (Dirección Nacional de Empleo, DINA) programme areas: employment; public services; productive enterprises; professional training. They are supposed to function as meeting points for business owners and job-seekers. They work on the basis of agreements between the DINA and departmental governments. With regard to employment services, they offer information, guidance and job placement.

9. This programme is being implemented jointly by various public bodies and is headed by the Ministry of Education and Culture (Ministerio de Educación y Cultura, MEC). Different social and business actors as well as workers can also take part. It seeks to establish flexible programmes that can adapt to the different realities faced by young people and recognise acquired knowledge and capabilities. Two types of intervention are envisaged: a) reintroduction and completion of General Basic Education (primary and mid-level basic education); b) completion of upper mid-level higher education.

It should be noted that the union movement holds that in 2012 the main challenge to reverse the situation of youth unemployment is improving the level of education and inclusion among youth in critical situations and women heads of household. It furthermore contends that these groups must therefore be the main focus for the educational system and the INEFOP<sup>10</sup>.

In order to improve these situations in times of international crisis, the union movement<sup>11</sup> has drawn attention to the need to encourage the establishment of a contingency fund for employment and income support programmes during periods of crisis. It has also called for the elaboration of criteria to activate use of these programmes, promotion of mechanisms to guarantee counter-cyclical saving of a portion of the Labour Reconversion Fund (Fondo de Reversión Laboral) and mechanisms to realign expenditure on employment policy with priorities based on the economic cycle. This proposal has met with partial agreement in the National Dialogue for Employment.

By acknowledging these issues, the union movement has highlighted the need to implement active employment policies and to assign the same importance to the current situation of the labour market in our country as other economic policies (Cuesta Duarte, 2008).

### 2.2. Challenges and Agreements on Youth Employment in Present-Day Uruguay (2010–2014)

#### Youth Employment Policy-Building Mechanisms

The Work chapter of the National Youth Plan 2011–2015 (Plan Nacional de Juventudes, PNJ) together with agreements reached under the Youth Employment and Training area of the National Dialogue for Employment make up the current road map for youth employment policy. During the present term of government, progress is thus

10. See «Propuestas para el Plan 2012 del PIT-CNT», [www.pitcnt.org.uy](http://www.pitcnt.org.uy).

11. From this perspective «...during periods of expansion, active policies should aim to train human resources and match supply and demand... (reclassification centred on the needs of expanding sectors, intervention in the process of job placement, support for productive enterprises through guidance and linking with sources of funding, etc.). During periods of contraction, active policies are to focus on preventing the most »vulnerable« sectors of the population from disengaging from the labour market and avoiding loss of job security.» (Cuesta Duarte, 2008).

being made towards establishment of inter-institutional coordination in the public sector and social dialogue as the basis for the development of active policies. Linking these with a productive development strategy and economic policies is another element in efforts that need to be intensified in order to find a sustainable solution to the major issues affecting a significant percentage of Uruguayan youth.

The Youth Plan reflects the technical and political agreements reached in the National Council for Social Policy (Consejo Nacional de Políticas Sociales) and Social Cabinet (Gabinete Social). It sums up strategic guidelines and priorities for different public bodies. Access to decent work stands out among these guidelines, with a set of goals and actions addressing training, employment and entrepreneurship.

Main Actions of the PNJ Under the Work Chapter

- National Agreement on Decent Work
- Youth employment law
- Social and work integration of youth at social risk
- Campaign to promote decent work
- Programme to promote decent work
- First work experience
- Support during initial experience of independent life after graduation from an institution (young people in INAU homes)

The tripartite dialogue is not only embodied in collective bargaining and in the wage councils - it is also the main focus in the development of employment policies. In this context, the National Dialogue for Employment, developed in 2011 with the involvement of various public bodies, the union movement, business chambers and social organizations, aimed at producing agreements on the specification and implementation of employment policies that improve sustainability in the process of development and economic growth with Decent Work (Youth Employment Unit-MTSS, 2011: 7).

The first key theme in this dialogue was youth employment and training. Four main topics were identified, regarding several framework and other specific agreements which have been reached.

Main actions Agreed Under the National Dialogue for Employment's Central Theme Youth Employment and Training

1. Education and Professional Training
  - Integrated professional training system
  - Promoting and combining flexible mechanisms for young people to complete each phase of education that take into account the individual profile and situation of each young person
  - Introduction of educational-career guidance at educational centres.
2. Career Guidance and Job Placement
  - Moving towards a system that integrates all job placement and professional services.
3. Quality in Employment
  - Making work compatible with studying
  - Reducing informal employment among youth
  - Developing tripartite policies and campaigns to draw awareness to labour rights, security, occupational health and hygiene, discrimination and sexual harassment on the job.
4. Young Entrepreneurs
  - Strengthening support (credit, guidance, tax benefits)

Some of these actions included in the PNJ and the DNE are still ongoing, some are being designed and some have not shown any visible progress.

The union movement, specifically the Youth Department of the PIT-CNT, has put forward arguments in arenas of social participation that deal with youth employment. Some of these are part of the agreements described above, while others have yet to attain the same level of elaboration. Some of the main issues under debate highlighted by the union movement worth noting here are: a reduction in working hours to 6 hours a day, the creation of a public job exchange service, implementation of a system of scholarships and paid internships, and the establishment of care services adapted to the realities of work (in particular child-care facilities).



Youth work and employment have begun to be included as a relevant issue in the country's regional and international integration policy. The most salient areas are MERCOSUR and those issues promoted by the ILO at international and regional levels, which offer the most firmly established forums for tripartite dialogue. MERCOSUR has promoted the establishment of a Regional Youth Employment Plan with tripartite support, which is a tremendous challenge given the nature of the current integration process. The guidelines in this plan include contributions and proposals from the region to the 101st International Labour Conference, which is to take place this year.

In the framework of this event, Uruguay, like other countries, held a National Tripartite Forum entitled Decent Work for Youth in Uruguay. This facilitated progress in the joint monitoring of the agreements reached under the National Youth Plan and the National Dialogue for Employment. The debate focused on job training and career paths for decent work, career guidance and job placement, and youth and sustainable business.

At the regional level it is worth noting the role of the youth union movement. It has helped by means of participation and coordination to strengthen the role of workers in the discussion and their influence on the establishment of a regional youth employment plan, as well as other initiatives to be considered at the International Labour Conference.

#### Policy Implementation Mechanisms

The establishment of the MTSS's Youth Employment Unit (Unidad de Empleo Juvenil, UEJ) in 2010 constitutes a continuation of the institutional strengthening process by the Executive. This is aimed at facilitating the design and implementation of youth employment policies, including enhancing the leadership and coordination capabilities of the INJU. This unit seeks to mainstream the youth perspective into different areas of the Ministry of Labour and work, i.e. working conditions, job formalisation, health and safety, wages and access mechanisms to name a few.

The main goal of the UEJ is to contribute to the design, monitoring, evaluation and coordination of public policies in the field of youth employment in permanent col-

laboration with other national and local public bodies, workers' unions, business chambers and social organizations. It also plays a role coordinating and monitoring political and technical agreements in this field. It has coordinated the first key theme in the National Dialogue for Employment and taken part in the design of the programs described below.

The first political action worth highlighting is the Joint Job Placement for the Youth Initiative (Experiencia Conjunta de Intermediación Laboral Juvenil) developed by the National Employment Directorate (Dirección Nacional de Empleo, DINA-E-MTSS) and INJU-MIDES, known as Nexo (Nexus). This initiative is part of the strategy to develop an integrated job placement system as agreed upon in the National Dialogue for Employment, and its goal is to lay the ground for the coordination of each body's services and capabilities.

The programme is therefore based on mechanisms instituted by the Ministry of Labour, such as the above-mentioned CEPES, and the capabilities of the INJU. It fosters recruitment and referral of young people seeking employment, offering them guidance. It furthermore monitors work and education and generates links with the business sector. Coordination between institutions strengthens each institution's most specific services in the various areas and for different youth profiles.

It must be noted that this is a new approach instituted in 2011, and has only been carried out in Montevideo. The next stages will be specified on the basis of the joint evaluation that is to take place this year<sup>12</sup>.

Among the agreements reached is a commitment to encourage and promote public awareness of the importance of decent work for youth. Thus the DINA-E, the Labour Inspectorate (Inspección del Trabajo, IGTSS) and the INJU are designing a campaign for decent work for youth. This campaign will seek to generate public debate over the issue, with reference being made to labour rights, training opportunities for young people and adolescents, and youth responsibilities in education and employment. The campaign is to be implemented through mechanisms and media used by youth, including mass media.

12. The goal of this first pilot phase is to provide 100 young people with jobs.



### Outline of the Work and Training for Youth Policy 2010–2014

1. A comprehensive approach to the issue requires coordination between the field of education and the area of work, and social integration.
2. In the medium term, significant changes must be made in the social protection network for this age group, with a particular focus being placed on the acquisition of educational capital compatible with career and family life.
3. One crucial condition is: to significantly increase coverage regarding training, job placement and labour use support.
4. In order to implement effective active employment policies, these must be linked to government-guided economic development and social dialogue within each sector.

Uruguay currently lacks a valid legal framework for youth employment. The last youth employment law (1997), as pointed out above, went out of effect with the Tax Reform of 2007, eliminating benefits for businesses that hired young people under certain conditions. Its implementation was difficult, with clumsy management of mechanisms and without the necessary institutional capacity, both of which have been criticised by workers and employers.

The national government has proposed a new youth employment law, which is currently being discussed with social actors, to consolidate a legislative project that takes into account different views and firmly establishes operational rules that promote decent work for youth. It is hoped that the management of the mechanisms and various activities that this project would establish the law is adopted would boost efficiency and coverage.

Noteworthy among these is the creation of new types of contracts related to different social and educational characteristics of youth. The first is aimed at unemployed youth with a low level of education, the second seeks to provide young people their first experience with a formal job both in the private and public sectors. Another targets graduates from the different educational and professional training programmes.

In each case, appropriate working conditions and wages are guaranteed in line with general labour laws and the decisions issued by wage councils in each sector together with access to social security, the health system and workplace accident insurance. A form of practical training at a company as part of ongoing training at an educational institution, and therefore unpaid, is also provided for.

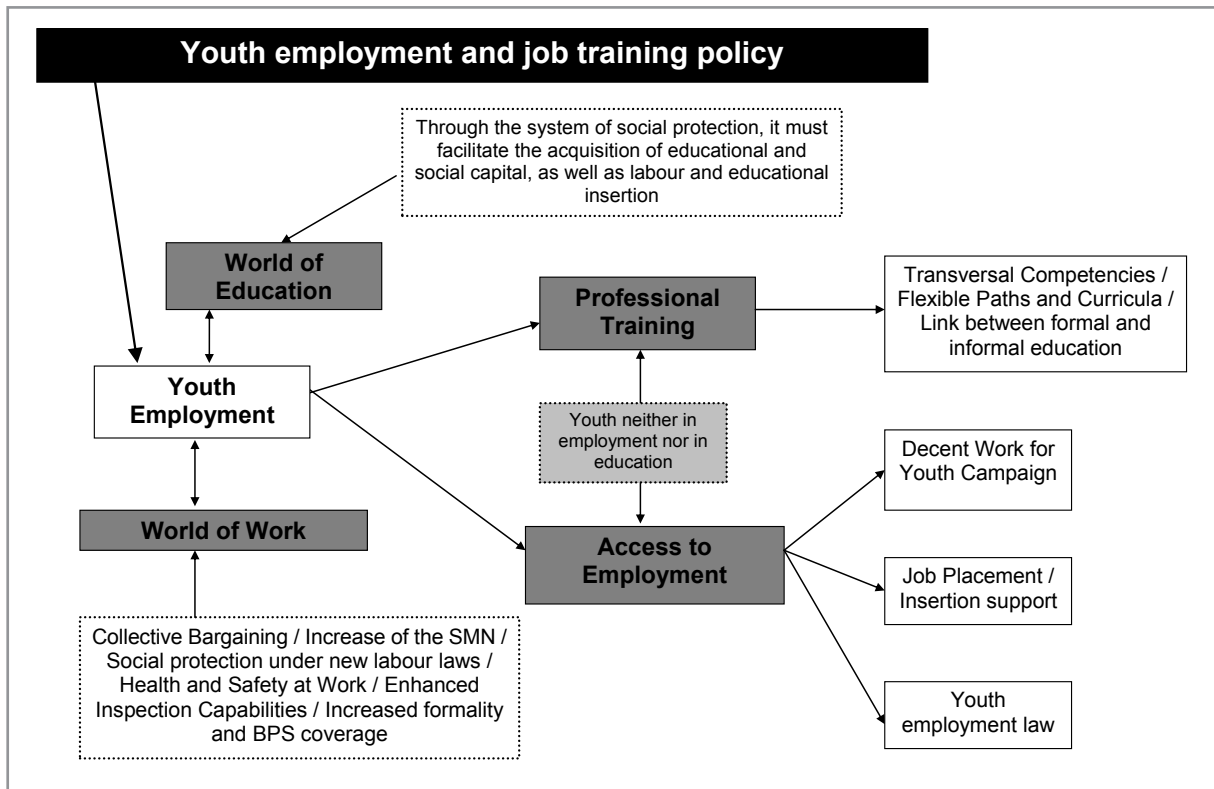
The different types of contracts offer varying levels of subsidies to companies, which are to be higher in the case of contracts that allow young people to combine work and studies, as well as contracts which target highly vulnerable young people, those with dependant children and those with a low level of education.

Among the measures designed to encourage combining work and studies, priority must be given to reducing the number of hours young people work so they can dedicate more time to formal education or professional training. This mechanism implies that the state would fund the hours not worked, which would be devoted to education instead, and that specific agreements would be signed between employers and workers to implement it. In this regard, it is planned to have those sectors that require systematic shift rotation to adjust their schedules to allow young workers to keep going to school.

One of the most important challenges is posed by youth who are neither employed nor undergoing education, particularly those in the most vulnerable situations linked to poverty and exclusion. These situations require comprehensive, joint approaches to reverse disadvantaged social, educational and job histories.

One specific policy launched recently is the Networked Youth (Jóvenes en Red) programme<sup>13</sup>, designed and implemented jointly by various public bodies in the social,

13. This programme has a management and coordination team and several regional teams with educators, teachers workshop facilitators between Montevideo and the Metropolitan Area and the northern area, in Artigas and Cerro Largo.



educational and work areas<sup>14</sup>. The general aim of this policy is to promote the rights of adolescents and young people between 14 and 24 who have left the educational system and the formal job market, with a comprehensive and regional approach and a special focus on educational inclusion, access to employment and integration into the social security network (Comisión Interinstitucional Jóvenes en Red, 2011).

The main elements of the programme are: a) individual help, including monitoring and support for graduation; b) specific training and access to existing options; c) employment, including job placement and guidance; d) community strengthening.

Networked Youth aims to reach 2200 young people in its first stage. To this end, it relies on a strategy based on a comprehensive approach to youth and adolescence from a territorial and local perspective, with decentralised and deconcentrated management.

14. Ministry of Social Development (Coordinator), Ministry of Labour, Ministry of Education and Culture, Ministry of Tourism and Sport, Ministry of Defense, Ministry of Health, Uruguayan Institute for Childhood and Adolescence, Technical-Professional Education Council of the National Administration of Public Education (Consejo de Educación Técnico Profesional de la Administración Nacional de Educación Pública).

### 3. Final Thoughts

Reflecting on youth and employment implies questioning the political, institutional (the system of social security), social, economic and cultural conditions that affect their development. It also means taking into account and formulating responses to the variety of situations that Uruguayan youth experience. In line with some of the actions carried out during the progressive era, democracy needs to be deepened and citizens more actively involved.

From a human rights perspective, the issues of education and work for youth should be included as a key element in the national political agenda; the contribution of development agencies and international bodies is important to this end.

Analysis must cross the borderlines of academia and establish a dialogue with public policies and social actors to contribute to short-term actions involving education

### Factors Affecting Youth Employment

- Social origin and socioeconomic segmentation
- Labour market segmentation
- Family histories
- Educational and job performance
- Access to social networks and social capital

and work<sup>15</sup>. This is a determining factor in consolidating active development and employment policies capable of dealing both with periods of growth and development with higher levels of prosperity and equality, and those of slowdown and crisis.

Regarding the international debate on the minimum wage for young people<sup>16</sup>, it must be noted that a minimum wage for youth which is lower than the general national minimum wage or the corresponding categories for each sector is not only discriminatory, but may also encourage young people to drop out of school.

Those programmes that are part of the logic of social security, of a new approach to risks that affect youth, particularly those who are most vulnerable, must include the latter as key actors and generate specific strategies with comprehensive approaches<sup>17</sup>.

Past experience shows that the joint implementation of programmes by bodies specialising in youth, education

and employment must be enhanced<sup>18</sup> in order to force the government to take responsibility for the multidimensional nature of problems.

At the level of MERCOSUR, progress must be made toward a competence certification system that specifies the formal and informal skills needed for a working position.

The possibility of sustaining the growth of quality youth employment in our country necessarily implies increasing the qualifications of current and future labour, making work compatible with care and household duties (early education centres with universal coverage) and with studying<sup>19</sup>, and reducing the number of workers without social security.

### Main Challenges in the Short and Medium Term

- Significant increase in completion rates for secondary education
- Institutional capabilities that offer coverage according to relevant guidance, support and job placement needs
- An integrated professional training system
- Care system

15. In the framework of an integrated professional training system (a key aspect of the DNE), one example of this is educational chains. These »...require, as a coordinating instrument, a system that certifies learning and competencies regardless of how they have been acquired. The second tool for the development of educational chains should be other short-term offers, or those compatible with work, that complement short courses...It should be a goal of secondary education that every young person acquires the minimum skills needed for employability.« (Lasida: 2005: 96)

16. This mechanism does not exist in any MERCOSUR country (AMARANTE: 2011).

17. Following the establishment of MIDES, social policies have been institutionalised and systematised, and the mainstreaming of public interventions has been defined as an ideal social strategy, both to compensate for inequalities and to make interventions more effective and efficient.

18. »Just over half (55.5 per cent) of social programmes are implemented by a single public body, usually the institutions that govern the sector involved.« (Alarcón, Anahí et. al. 2009: 25)

19. A compensatory system that provides incentives by offering allowances to young people who carry on studying while in employment would be desirable.

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## Abbreviations

<b>ANTDJ</b>	Acuerdo Nacional por el Trabajo Decente Joven (National Agreement on Decent Work for Youth)
<b>CEPE</b>	Centros Públicos de Empleo (Public Employment Centres)
<b>IECON</b>	Instituto de Economía- Facultad de Ciencias Económicas y Administración
<b>IGTSS</b>	Inspección General del Trabajo y la Seguridad Social
<b>INEFOP</b>	Instituto Nacional de Empleo y Formación Profesional (National Employment and Professional Training Institute)
<b>INJU</b>	Instituto Nacional de la Juventud (National Youth Institute)
<b>MIDES</b>	Ministerio de Desarrollo Social
<b>MTSS</b>	Ministerio de Trabajo y de Seguridad Social
<b>PIT-CNT</b>	Plenario Intersindical de Trabajadores – Central Nacional de Trabajadores
<b>PNJ</b>	Plan Nacional de Juventudes (National Youth Plan)
<b>Projuven</b>	It doesn't exist an abbreviation
<b>UEJ</b>	Unidad de Empleo Juvenil (Youth Employment Unit)
<b>UNDP</b>	United Nations Development Programme
<b>UTU</b>	Universidad del Trabajo del Uruguay



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