

The Situation in Bavaria (Munich)

Unemployment in Germany, Bavaria, Munich

The unemployment rate of young people between 16-25 in Germany is among the lowest in the EU, and this is – besides of positive economic process and employment situation - mainly due to the large variety of educational measures available for school leavers.

German unemployment statistics (age 16 to 25 years) February 2015

Germany 258.026

West part 200.421

East part 57.605

Bavaria has a special good position among the Federal States regarding the low unemployment rate, and the fast recovery after the worldwide crisis 2008.

Bavarian unemployment statistics (age 16 to 25 years) February 2015

Bavaria 28.514

Munich used to be the capital of an economy based on agriculture and tourism, that started to develop to a high technology center from the middle 80th. Universities of high ranking, strong support of newly founded start-ups made it to one of the most attractive metropolitan regions in Europe. The services developed parallel to high technology, so that most of the people with low education found employment.

By today, unemployment of young people is only due to missing qualification – and to get a qualification often impeded at the entry, when they don't reach the minimum of skills necessary for a vocational training.

Differences between the east and the west of the country

To have a real view of the whole country we have to face the fact that the old federal states of Germany are in a different situation than the new ones, reconnected 1990 due to two causes: the labor market in the East is far worse, then in the West and institutions for educational measures started after a 40-year period of so-called „full employment“. Nowadays scientific research is conducted on the universities both East and West, e.g. the Thüringer Modell. Many of unemployed workforce moved to the western part, so the recent figures do not show the real sources of unemployment.

SME-s (KMU)

The backbone of Germany's industries- 99% of all enterprises -are the SME-s, small and medium-size enterprises (up to 1.000 employees). The SME-s have 60% of all employees, are responsible for 36% of sales and about 45% of gross investments and about the half of gross value.

The Industrial and Handcraft Chambers are responsible for supporting the setting up and development of new SMEs, as well as for the examinations for the masters in all employment areas where being a master is a precondition of the industry, in order to set up an independent company.

However there are a number of professions which can be set up independently without achieving the master exam/approval (f.e. floor tiler) and without requiring registration with the official register of handicrafts.

Differences within European Union

Europe has two gradients from North to South and from West to East. Europe is comprised of countries from north to south and from east to west and these economical and geographical differences have to be taken into account when generalizing outcomes from our studies. Funding for members of the so called "Lost Generation" is very different in each country according to their local industries' requirements for junior staff. As Germany is highly industrialized and the reproduction rate is only around 1.38 child per female (Statistisches Bundesamt 2011), it needs to help all available young people to gain a qualification that can open doors to the labor market. Research often demonstrates the advantages in terms of costs of providing sustained support for this, compared to the lifelong cost of unemployment benefits.

Social security and inclusion

Germany has two main laws for social affairs which are most important for working with young people: SGB II and SGB III. In addition is the "youth social code of law" which regulates the protection and support for young people.

The leading aim of all legislation is to provide young people with equal chances independently of their gender, nationality and belief. Social studies showed the importance of financial status along with the living environment and culture of families. Some social groups are inclined to segregation – ghettoisation – and their young people avoid the contact to German peer-groups, with the consequence having less practice of language and not getting used to social standards of the majority. Many initiatives – over all in cities – try to overcome the invisible fences between these groups and include all youngsters in sports, games or cultural events.

Best practices

Most important aim of all governmental and NGO efforts is to assure young people an independent and self-determined life. There is a social consensus about the meaning of these, mainly to have access to the labor market by sufficient knowledge and possibilities. This is not primarily a charity attitude, from the point of view of costs and benefits education override the costs of unemployment benefit.

The barriers to further education as vocational training, high school or employment can be of personal or social kind. It is important to define the actual status of the individuals, their strengths and weaknesses, lacking skills and abilities and then give the necessary support to them to achieve this main goal: self-determined life.

Since 2007 is the MBQ (Münchner Beschäftigungs- und Qualifizierungsprogramm) the Munich Program for Employment and Qualification, with the aim, that "all children should be able to develop their abilities regardless their origin (Leitlinie der Bildung im Curriculum).

A new promotion concept for the working area of youth social work regarding the world of work was set up. In the German practice education is always complemented by social work to equalize the disadvantage of weak social origin.

According to their self-concept the churches participated in social work from its beginning, we had honorable examples for ecumenical cooperation – e.g. BBJH, where the Catholic and Protestant Churches cooperated with different non-confessional educational institutions.

Governmental support

The Bavarian States Ministry of Economic Affairs, Media, Energy and Technology made a Pact for New Entrepreneurs, knowing that „enterprises are essential for a dynamic, thriving economy, while they assure the adaptability of the economy to a fast changing world-wide structure. They force competition and so they improve the national and international competitiveness of the companies in general.... A distinctive culture of start-ups is basic for the revitalization of entrepreneurship, the major essence of a social market economy. „

An important aim of this pact is to create cooperative working network of all the existent institutions concerned with the foundation of enterprises.

Our main problem: as the Chamber of Commerce in Munich said to our question, this pact and all other supports for young entrepreneurs are not concerned with the target group of our project, the NEET-s. To implement a start-up by the means of the Chambers (weather of Industry and Commerce or of Crafts) assumes the master craftsman's diploma – what is rarely achievable for our students.

Network of educational institutes

In Munich there is a huge network of over hundred educational institutions who are all concerned with the inclusion of those not or not enough qualified young people, and provide the necessary support to find their place in a middle school, or in a vocational school. There are many different models which help to find a customized solution for the complexity of capabilities, needs, talents and wishes of each young person.

SWOT Analysis of the current situation

Strengths

- Optimal labor market situation for young people in the Munich area
- A good network of providers
- Comprehensive test and evaluation at start and end of courses
- Individual coaching and tutoring
- Tracking of young people once they have left their educational institution
- All supportive courses are financed by the Office of Employment

Weaknesses

- Children grow up in families where there have been several generations of unemployment and there is no pattern of a daily work schedule
- Lack of a holistic information system covering all stations of the educational history. Information on each individual is often fragmentary from institution to institution
- There is no timely intervention and children from disadvantaged families require this from the first class
- The importance of self-reflexion is not clarified. Young people need an awareness of their own present position and what their desired position should be, and what is possible in the overall economic context.
- Dealing with money and planning is not practiced.

Opportunities (Options)

- Improved networking

Reaching the Lost Generation / To the foundation study – GERMANY

- Comprehensive information
- Information on each individual
- Networking of young entrepreneurs
- Mentoring and sponsorship

Threats

- No support from home
- Individual efforts can be undermined by the peer group.

Resources / Links

<http://www.unternehmerspiegel.de/index.php?id=uebersicht>

http://www.startup-in-bayern.de/fileadmin/startup/Dokumente/Gruenderpakt/Erlaeuterung_en_Existenzgruenderpakt.pdf

https://www.destatis.de/DE/Publikationen/WirtschaftStatistik/UnternehmenGewerbeanzeigen/KMUDeutschland2009122011.pdf?__blob=publicationFile

Münchner Bildungsbericht_2013

Münchener Chancenspiegel Bildung 2011