



MANNHEIMER ZENTRUM FÜR
EUROPÄISCHE SOZIALFORSCHUNG

**Young Adults in Changing Welfare States.
Prolonged Transitions and Delayed Entries
for Under-30s in Finland, Sweden and
Germany in the '90s**

Arbeitspapiere

Working papers

Helena Laaksonen

Arbeitspapiere -
Mannheimer Zentrum für Europäische Sozialforschung
ISSN 1437-8574

Nr. 12, 2000

Helena Laaksonen

**Young Adults in Changing Welfare States.
Prolonged Transitions and Delayed Entries for Under-30s
in Finland, Sweden and Germany in the '90s**

Working Papers from the *International Project on Family Change and Family Policies*, Research Department A, Mannheim Centre for European Social Research.

The International Project on Family Change and Family Policies, co-directed by Prof. Flora (University of Mannheim, Mannheim Centre for European Social Research) and Profs. Kamerman and Kahn (Columbia University School of Social Work, New York), analyses changes in family structures and family policies in long-term and comparative perspectives in 20 countries in Europe and overseas. Primary output will be publication of a 7-volume-series on family changes and family policies, including five volumes with country studies and two comparative volumes. Another major objective is building up a family policy database which will include regularly updated time series. The project is supported by the Deutsche Forschungsgemeinschaft (DFG). Related to this project, the European Commission finances a training and mobility program of young researchers, which concentrates on recent developments of families in European welfare states in comparative perspective.

Laaksonen, Helena:

Young Adults in Changing Welfare States: Prolonged Transitions and Delayed Entries for Under-30s in Finland, Sweden and Germany in the '90s. / Helena

Laaksonen. –

Mannheim, 2000

(Arbeitspapiere - Mannheimer Zentrum für Europäische Sozialforschung ; 12)

ISSN 1437-8574

Not available in book shops.

Token fee: DM 5,-

Purchase: Mannheimer Zentrum für Europäische Sozialforschung (MZES), D – 68131 Mannheim

WWW: <http://www.mzes.uni-mannheim.de>

Editorial Note:

Helena Laaksonen is a researcher and doctoral student at the University of Tampere's Department of Sociology and Social Psychology. She is currently working for the project 'Alaluokkaistuminen hyvinvointi- ja terveysriskinä', which is financed by Academy of Finland. She is writing her doctoral dissertation on 'Young Adults in Changing Welfare States – Prolonged transitions and delayed entries for the under-30s in Finland, Sweden and Germany in the '90s'. From July 1998 to September 1999 she participated in the Training and Mobility Programme for Young Researchers (TMR) 'Family and Welfare State in Europe' during which time she conducted research at the 'Mannheimer Zentrum für Europäische Sozialforschung' (MZES) and the University of Tampere. Her research interests include citizenship rights, particularly of young adults, social exclusion and inclusion as well as the social construction of age groups.

Abstract

The paper compares young adults' position in the '90s in three European welfare states: Finland, Sweden and Germany. Finland and Sweden, which represent the Nordic welfare state model, experienced deep recession at the beginning of the decade. This caused high youth unemployment and low labour force participation compared to the earlier decade, when the model aimed at inclusion of all citizens in the labour market. In Germany, which represents the Central-European model of welfare, the reunification process caused the main problems. In all three countries, most of the under-20s are kept in the education system, and the participation in education in the under-25 age group has also risen. The countries' policies intensify the pushing effect of the labour market. During the '90s Finland and Sweden have prioritised education as a means of dealing with unemployment. The systems differ as expected in their ways of supporting young people in the transition to adulthood. In Finland and Sweden the measures are more individual, whereas in Germany the emphasis is on the parental family's ability to support their youngsters. When that fails, the support is often given to the family rather than the young person him/herself. However, in Finland and Sweden, the new policies also tend to place more emphasis on the family's responsibility.

Contents

1. Introduction – youth transitions in different welfare state types	1
2. Trends in the transitions in the '90s.....	3
Labour market transition.....	3
Household and family transitions.....	6
3. The Swedish employment line and young people's social rights	8
Youth guarantee	9
Education and youth guarantee.....	10
20-24-year-olds – more possibilities.....	10
Social assistance and labour market.....	11
Benefits for students	12
Support for independent housing?	12
In brief – the Swedish case	13
4. From work to school – the Finnish system in the '90s.....	13
Unemployment benefits	14
Labour market subsidy	14
Students' income	16
Last resort.....	17
Housing benefit.....	17
In brief – the Finnish case	18
5. Lengthened reliance on family support and earned insurance – the German system of welfare.....	18
Support for students	18
Family allowance for the parents of dependent adult children	19
Young people's rights in case of unemployment.....	19
Social assistance	20
Young people's housing	21
In brief – the German case.....	21
6. Conclusion: transition models and young people's social citizenship in Finland, Sweden and Germany.....	22

1. Introduction – youth transitions in different welfare state types

My study takes Gøsta Esping-Andersen's (1990: 26-27) three-fold typology of welfare state regimes as its starting point. I look at two of the regime types from the point of view of young adults (18-29-year-olds). As I am comparing Finland, Sweden and Germany, the regimes are the Nordic type (Esping-Andersen's social democratic regime) and the Central European type (Esping-Andersen's conservative or corporatist type). I am especially interested in the changes that the Finnish system is going through.

Finland is normally considered a representative of the Nordic welfare model although Sweden is the 'purest' one that other countries are compared with. That is exactly the reason why I want to compare Finland with Sweden. Though the systems are seemingly similar there are some persistent differences. I take Germany as a point of comparison for two reasons. First, some other studies (e.g. Kangas & Palme 1996; Ståhlberg 1995) would lead one to assume that the welfare systems are converging, though more often the developments are compared with the British ones. Second, Germany is generally considered exemplary in integrating young people into the labour market. Thus, I want to describe the models from the point of view of young people's transitions, to see what kinds of transition models prevail in these three countries. Another aim is to see how the patterns of transition have developed during the '90s, i.e. whether young people's transition models are converging or not and whether the countries' policies towards young adults are becoming more similar.

My particular interest lies in the transitions which 18-29-year-olds are going through or which in some cases they already have gone through. Youth as a concept is essentially characterised by transition: transition from childhood to adulthood. Thus, one could argue that a person is not an adult before at least some of the transitions are concluded. I insist on using rather the term young adults because the age of majority is 18 in all three countries. Thus, from the legalistic point of view underlining the different types of rights and duties a citizen can have, young people over 18 are adults in the sense of political and civil rights but lack some important social rights.

The transitions that I look at are the school-to-work transition, which I prefer to call labour market transition, household transition and family transition (Coles 1995: 5). Labour market transition is, in my view, the most important one, as it creates possibilities for economic independence, thus enabling young adults to leave home to start their own households and families. At least, this is the expected pattern if we leave the influence of state policies and family support out of consideration. Yet, there are differences which cannot be explained with this logic.

Additionally, going through the transitions implies entering full citizenship, or at least gaining the rights of a full-fledged citizen, especially so in relation to the social citizenship rights (Jones & Wallace 1992: 2). I argue that it is exactly this aspect that is worth looking at when comparing the welfare state models from the point of view of young adults.

The Nordic model is, according to the definition, characterised by *universal* benefits for all citizens as well as by the principle of (relatively) equal division of wealth (Anderson et al. 1993: 6). According to Esping-Andersen the Central-European model does not strive for social equality but rather aims to preserve status differences (1990: 27-28). That is why he calls it *conservative*. However, if one looks at the German system, some counter-arguments could be made too: the division of disposable income is not that unequal compared to Sweden, the prototype of the social democratic regime¹ (Income distribution survey in 1996: 2-3; Weick 1998: 17).

From the point of view of citizenship theory, the Nordic regime would be characterised by a more inclusive type of citizenship, whereas the Central European type would be more exclusive in nature, if we rely on the standard definitions. To a certain extent this is true, but the limitations of the Nordic model are revealed quite well as we focus on the groups that have a marginal position, if any, in the labour market. Young adults or youths make up one such group. Their relation to the labour market is transitional, which makes their relation to the welfare system and social rights also transitional. Their factual position is a product of their status, but it is also a product of state policies, which makes them a special target group as well as limits their access to social rights (and thus to full citizenship) by setting age limits. Thus, my argument is that Nordic universalism and the inclusiveness of the system are relative. There are structures of inequality built into the model, which the system preserves rather than equalises, for example the structure based on age and that based on labour market status. Both of these place the younger age groups in marginal positions.²

In addition to describing and comparing the transition models and policies related to youth transitions, my further purpose is to consider how these national models relate to the Esping-Andersenian regime types. The main question is *in what respect do the models exclude and include young adults?* A further question is thus *what do the patterns of exclusion and inclusion tell us about citizenship in the national models in relation to the Esping-Andersenian regime types?* This part of my work is policy analysis using mainly legislative sources. However, at the same time I try to connect my analysis to the preceding, more quantitative part where the development of the transitions is described. On the one hand, I aim to describe the models as they are at present, but on the other hand, I also aim to reveal the development trends since the '80s.

¹ One must bear in mind that Esping-Andersen developed his typology largely on the basis of pension systems. From some other point of view the regime types may appear somewhat different.

² Some special groups of young persons are clearly more excluded and have more difficulties making transitions than the average. Those at additional disadvantage would be immigrants, disabled persons, or young lone parents. However, as my purpose here is to describe the age-related transition patterns and policies in general in these welfare states, these special groups are beyond the scope of this paper. Yet, this is not to deny that ethnicity, disability, etc. would pose a relevant test to the welfare state models.

2. Trends in the transitions in the '90s

Labour market transition

It is a Europe-wide trend for young people to stay longer in education. In Finland and Sweden, however, this trend intensified as a result of a very deep economic recession in the early '90s. Since then, young people's labour market situation has been characterised by growing unemployment as well as shrinking labour market participation combined with increasing time spent in education.

A clear majority of the under-20s is in education in both countries now. In Finland, participation in education rose in the under-20 age group to around 70% in 1996 from ca. 60% in 1990. In Sweden, participation among 16-20-year-olds was 80% in 1996. The Swedish figures in every age group are higher than in Finland. In both countries participation in education has grown for every age group of under-30s during this decade, though the growth has been less marked among the over-24s. In the age group of 20-24s participation in education was ca. 30% in both countries in 1996. In the age group 25-29 a little less than one-tenth was in education, whereas in Sweden the participation was over one-tenth already in 1993, and in 1996 this share was ca. 16% (Nuora, Raportti 1/97; Statistical Yearbook of Sweden 1998: 31-32).

The increasing participation in education occurred simultaneously with the decline of labour force participation (LFP) and the rise of youth unemployment. Thus, the higher participation cannot be a sign of a sudden increase in attitudes favouring education. Actually, some studies show that people are continuously in favour of education, but when the labour market situation is good they choose rather the higher level of income that paid work offers.

The increase in participation in education can be partly explained by the *job-queue effect*. A simplified definition of this idea is that when unemployment is high, people have to compete for the few job offerings there are. The best way to get ahead in the competition, i.e. in the queue, is to get better qualifications (Müller & Shavit 1998: 7). Even if there is a danger of becoming over-qualified and even if more education is no longer a guarantee for avoiding unemployment, it is also a fact that the effect of no or low qualifications on one's chances has become even more negative during the '90s than before (Furusten & Skorpen 1998: 44; cf. Brauns, Müller & Steinmann 1997: 25; cf. Laaksonen 1999: 56-57).

Another explanation for the growing number of students is governmental policies motivated by the desire to lower the youth unemployment figures as well as to increase the educational levels of the younger age-groups and in that way improve their possibilities for later employment.

As tables 1 and 2 (below) display, the labour force participation (LFP) of younger age groups fell sharply between 1990-97 in Finland and Sweden. The decline was more drastic in Sweden, as before the recession participation was higher than in Finland. In 1997 there was no great difference between the countries in this respect. However, the youth unemployment figures continue to be much higher in Finland than in Sweden.

Table 1. Labour force participation and unemployment rates by age in Finland (selected years in the 1990s)

Year	Labour force participation rates					Unemployment rates				
	1990	1992	1994	1996	1997	1990	1992	1994	1996	1997
<i>Age</i>										
<20	36.8	27.5	22.6	22.2	27.9	8.6	27.9	36.7	29.1	33.6
20–24	70.8	65.2	61.5	59.6	61.7	5.9	24.1	32.4	26.7	21.3
<25	55.0	46.8	41.4	40.4	44.5	6.7	25.2	33.6	27.4	25.2
25–29	86.7	83.3	81.4	81.5	81.1	3.2	14.9	21.4	17.0	14.8
<65	75.7	73.5	72.5	72.9	72.1	3.5	13.2	18.5	16.4	12.7

Note: Figures based on population 15-74 years old.

Source: *Statistical Yearbook of Finland* 1991, p. 359, 1993, p. 337, 1995, p. 332, 1997, p. 333, 1998, p. 342.

Unemployment among the youngest age group in particular has been effectively kept down in Sweden, compared to the Finnish situation. In Finland, unemployment in this age group increased again in 1997 after some decline in 1996. This development could even reflect the growth of employment in the Finnish labour market, i.e. as the situation is getting better, young people are trying to enter working life, which the growing labour force participation figure also shows. However, older age groups have better chances to find employment because of their higher level of education.

Table 2. Labour force participation and unemployment rates by age in Sweden (selected years in the 1990s)

Year	Labour force participation rates					Unemployment rates				
	1990	1992	1994	1996	1997	1990	1992	1994	1996	1997
<i>Age</i>										
<20	49.1	36.6	27.2	25.9	24.6	4.5	10.3	16.5	14.3	14.2
20-24	82.7	75.1	65.8	63.2	63.0	3.0	10.9	16.7	16.1	15.7
25-34	91.5	88.8	83.9	84.7	83.2	1.6	6.2	9.9	9.5	9.4
<65	84.8	82.0	77.6	77.8	76.8	1.5	4.8	8.0	8.1	8.0

Note: Figures based on population 16-64 years old.

Source: *Statistiska meddelanden* 1991, p. 12, 1993, p. 10, 1995, p. 9, 1997, p. 9, 1998a, p. 9.

The German economy stagnated rather than going through a deep recession like the one experienced in Finland and Sweden. However, Germany continues to deal with the consequences of reunification. The critics say that the foremost way of dealing with the problems has been to impose western institutional constructions on the new states while unconditionally dismantling eastern practices and institu-

tions. They assume that this is one of the reasons for the continuing problems in the process of reunification (e.g. Locke & Jacoby 1997).

Overall unemployment and especially the unemployment of 20-24-year-olds are very high in the eastern, new states (*Länder*) compared to the western, old states. Yet the old pattern of young people's and women's relatively high participation in the labour force continues to apply in the east (tables 3 and 4 below).

Table 3. Youth unemployment rates in western and eastern Germany compared to total unemployment 1992-1997^a

Year	Western Germany						Eastern Germany					
	1992	1993	1994	1995	1996	1997	1992	1993	1994	1995	1996	1997
<i>Age</i>												
<20	5.4	6.6	7.0	8.4	8.9	9.0	– ^b	6.3	5.8	7.5	8.6	10.0
20-24	6.6	8.4	8.2	9.4	11.1	11.6	–	14.9	13.2	14.4	15.4	19.5
<25	6.3	8.0	7.9	9.1	10.5	10.9	–	12.2	11.0	12.3	13.2	16.2
Total	6.6	8.2	9.2	9.3	10.1	11.0	14.3	13.7	13.0	12.4	14.4	17.3

^a The total rates in the table are annual averages, whereas the age-specific figures are the rates at the end of December for each year.

^b Data not available.

Sources: For the age-specific rates, *Amtliche Nachrichten der Bundesanstalt für Arbeit* 2/1993, p. 22, 2/1994, p. 46, 2/1995, p. 149, 2/1996, p. 181, 2/1997, p. 149, 2/1998, p. 202. For the total rates of western Germany, *Statistical Yearbook 1998 for the Federal Republic of Germany*, p. 125. For the total rates of eastern Germany, *Arbeits- und Sozialstatistik, Hauptergebnisse 1998*, p. 68.

The youth unemployment rate has grown also in western Germany but more modestly and in line with the increase in overall unemployment. The under-20s' unemployment has remained under the overall unemployment level all through the decade. Thus, in western Germany, youth unemployment does not seem such an urgent policy issue as in Finland, Sweden and eastern Germany. By contrast, in eastern Germany unemployment in general is an urgent policy issue.

In Finland and Sweden, gender does not play a very important role when it comes to LFP or unemployment rates, if one does not go into more detailed breakdowns. In Germany gender plays a greater role already on this level, but differently in east and west. In the west female unemployment is not much higher than male unemployment but women's labour force participation is significantly lower. In the east the situation is reversed: female participation is high, but female unemployment is also very high.

Furthermore, as part of the imposition of the western system on the eastern states, there has been a clear downward trend in female labour force participation, along with an upward trend in unemploy-

ment (Silvia 1997: 164). According to table 4 (below), this downward trend in labour force participation is especially true for younger women.

Even though the labour markets differ in many respects in the three countries, there are still some similar developments in the 1990s. Young people are increasingly kept out or pushed out of the labour market in all three countries. Participation levels of the under-20s in particular were converging in the latter part of the '90s. Their participation was under 30% in all three countries, though the reduction has been sharpest in Sweden and eastern Germany.

Table 4. Labour force participation rates in the whole of Germany and eastern Germany by age for both sexes and for women (selected years in the 1990s)

Year	Both sexes				Female			
	1991	1992	1994	1996	1991	1992	1994	1996
<i>Germany, West & East</i>								
15-20	37.9	37.0	33.7	29.8	34.8	34.3	30.5	26.1
20-25	75.7	75.2	73.9	71.6	73.4	72.5	71.0	66.9
25-30	79.0	79.9	79.7	79.1	70.8	72.5	73.0	72.6
40-45	84.1	85.1	85.4	85.3	70.5	72.6	73.7	74.2
<i>Germany, East</i>								
15-20	53.1	46.8	37.4	35.5	46.3	42.7	32.7	30.0
20-25	88.1	86.2	84.8	82.3	87.2	84.8	82.5	78.1
25-30	96.2	95.0	92.3	89.7	96.2	95.1	92.3	87.7
40-45	98.1	97.6	97.2	95.9	96.9	96.6	96.0	94.9

Source: *Arbeits- und Sozialstatistik Hauptegebnisse 1998*, pp. 17 and 19.

Two further characteristics of the young people's average labour market position make them relatively more disadvantaged than the older age groups: the increasing share of fixed-term contracts and part-time jobs in all three countries. When looking at fixed-term and part-time jobs, the Finnish and Swedish labour markets are not as gender-neutral as they first appeared. Though this aspect is important, I will not consider it any further in this paper (Levnadsförhållanden 1998: 14; Nuora, Barometri 1/97: Nuoret ja työelämä; Statistics Finland 1995: 20-21; Statistisches Bundesamt 1993: 98; 1998: 92-93).

Household and family transitions

The changes in young people's labour market participation and employment have influenced their possibilities for economic as well as household independence. In income comparisons households headed by under-25s belong rather to the lower income classes than to the higher. Relative poverty has also increased among them, as has dependency on social assistance, especially in Finland and Sweden (Social Assistance 1998; Sosiaaliturva Suomessa 1994: 89; Statistiska meddelanden 1998b: 2-5;).

In Germany, young people are more often dependent on their parents. They live in the parental home longer than their Nordic counterparts *on average* and also depend on their parents' support after they have moved out (Statistisches Jahrbuch 1992: 504; 1998: 463; Statistisches Bundesamt 1997, 1/3: 34; Statistisches Jahrbuch 1992: 504; 1998: 463; Übersicht über das Sozialrecht 1997: 565-566; Weick 1998: 17). This pattern of dependency is clearly a product of the German system of welfare in which priority is given to assistance from family members and relatives rather than the public system of support.

However, it is difficult to get reliable information about economic or other support from parents to their children who live alone in Finland and Sweden. It can be assumed that not even in the Nordic countries does parental support end completely when the youngsters move out. Taking this into consideration, the dependencies of Nordic young adults might look more varied than those of their German counterparts.

In Finland the housing transition has not changed the way one could expect from the economic developments. One would expect that starting one's own household and family would depend on the economic position of young adults, and that as the labour market and thus economic position of the young adults has worsened, more people would stay longer in the parental home. Staying in parental home has diminished from 93 to 90% between 1990-96 in the 15-19 age group. In the 20-24 age group the reduction has been greater, from 48 to 40%, and in the 25-29 age group from 16 to 14% (Nuora, Perheellistyminen 2 1999). It is rather difficult to find reasons for this trend. One possible reason could be the growing participation in education, as starting upper secondary and tertiary education often requires moving to another municipality or to another part of the country completely. People are now also very mobile when looking for work.

In Sweden, the development is more in line with expectations. In 1990, ca. 80% of the 18-19-year olds lived with their parents, while in 1996 ca. 86% of them did. In the 20-24 age group the share of those living with their parents has been about one-fifth since the mid-70s. This age group has also increasingly stayed in the parental home during the '90s: in 1996, over 30% were living with their parents. In the oldest group of young adults, most have succeeded in the household transition and only about ten per cent stay in the parental home, although there has been a slight increase in this proportion too. However, different sources give divergent figures of which some are lower than the ones presented here (Krokig väg till vuxen 1996: 141-142, 144; Svensk Ungdomsstatistik 1997: 35, 97).

Despite this increase, Swedish youths on average still tend to leave the parental home earlier than the Finns. Comparisons to Germany reveal that there are more young people in the under-20 age group who do not live in the parental home in Germany than in Finland and Sweden. The share of 18-20-year-olds living in the parental home is particularly low for women in eastern Germany, of whom only 64% lived with their parents (Bendit 1999: 23; Gaiser 1999: 67). In Finland and Sweden 20 years of age is a limit after which people start moving out and after that the shares of people living with their parents are clearly lower than in Germany. Thus, on average Germans leave parental home later,

even though they start leaving at an earlier age than the Finns and the Swedes. Women tend to leave the parental home earlier than men in all three countries.

There is a clear tendency towards growing number of young adults living single in Finland and to some extent also in Germany and Sweden. This is coupled with the decreasing number of young adults with children. One obvious reason for these developments is the growing participation in education as well as the lengthening total time that is spent in studies.

To conclude, the poor labour market situation and lengthening stays in education have generally delayed other youth transitions in Sweden, Finland and Germany. However, the delays manifest themselves differently in different national settings. In Finland and Sweden, dependence on social assistance has increased in the younger age groups more than in the older age groups. On the other hand, in Sweden also the dependency on parental support has grown, since more people have delayed starting their own households. In Finland the development is contrary to this. More people live as singles in their own households now than at the beginning of the '90s. This may be taken as evidence for less dependency on parents. However, it is not clear whether parents support their offspring even when they live in a separate household.

There have been fewer changes in the German case during the '90s, though labour market participation has gone down there too, and youth unemployment has grown since reunification. The German case reveals more a picture of continuing long dependency on parents' support. An interesting difference from the Finnish and Swedish patterns is the fact that a greater share of the German under-20s have moved out of the parental home than in Finland or Sweden. Before the developments of the '90s Swedish young adults used to move out earlier.

Thus, 20 years seems to be the limit for household transition more strictly in Finland than in the other two countries, though this is somewhat more true nowadays for Sweden than for Germany. In the following, I aim to explain these differences through the types of organising of welfare state structures in these countries. There are certain age limits in the Finnish and Swedish systems which partly explain the pattern, especially the importance of the age limit of 20. On the other hand there are also explanations why the differences between the age groups in Germany are not as clear as in the Nordic countries. I have summarized the main points in table 5 in the Appendix to make it easier to compare the characteristics of the national systems.

3. The Swedish employment line and young people's social rights

One of the leading characteristics of the Swedish welfare state has been the policy striving for full employment. It is often referred to as the 'employment line' (*arbetslinje*) in policy formulations and in research done by Swedish social scientists. The system of social security is tied to it (Blomsterberg 1996: 77-78; Perjos 1999: 19; SOU 1997:40, 94). According to this policy, unemployment benefits as well as social assistance are conditioned with willingness to work or to take part in labour market

measures. The measures are put in order of preference. If a person cannot find employment he/she should first be offered training (courses or regular education), and second, practice in a workplace or in temporary employment. The last option is to receive the labour market benefit 'passively' (SOU 1997:40, 94). The system seems very similar to work-fare, but is not as strict in practice mostly because of the wording of the system in law and the delegation of the executive power to the municipal authorities.

Though vocational training has been part of the employment line policy ever since its creation (e.g. Schröder 1991), the *primacy* of training or education in dealing with unemployment is a product of the recession in the '90s. The basic idea is still to keep people working or otherwise active, not to give them benefits for just passive waiting. It is another question how well this policy really activates people to meaningful activity which would improve their chances of being employed in the regular labour market.

Youth guarantee

In the case of youths, the employment line is built into a system called the youth guarantee (*ungdomsgaranti*). Sweden is considered a forerunner in its development. Accordingly, in the '90s the word 'guarantee' is often used in Sweden in connection with policy changes that are concerned with young people's position in the welfare system.

Youth guarantee refers to policies that combine education and vocational guidance, and to labour market measures that aim at integrating youth within the labour market, and thus within the work society. The term was invented in the '70s when youth unemployment started to grow in Europe. It connotes a certain right, i.e. society guarantees young people entry into the labour market or at least the means to lower the threshold for them. This is a very positive and idealistic interpretation of the system, the one preferred by the politicians. Another question is whether the guarantee also connotes the obligation of youths to take part in the measures that are available to them. As it is considered and constructed to follow the employment line, it indeed obliges the members of the target group (Blomsterberg 1996: 77-78, 82-87).

The Swedish youth guarantee has been developed step by step. At first it applied only to under-18s. With the Act on public employment in youth teams (SFS 1983:1070), the guarantee was extended to all under-20s and the former system of relief works for over-18s was replaced. This meant that it was no longer possible for under-20s to maintain their own independent households on income from relief work. Each step in the development of the youth guarantee has meant that another group of young people has been subject to measures different from the general labour market measures. They have also gradually been cut off from the general unemployment allowance (*KAS – kontant arbetsmarknadsstöd*) paid to unemployed persons not entitled to payments from an unemployment benefit society (Blomsterberg 1996: 99, 105, 110-111; Ungdomsstyrelsen 1996: 8).

In the '90s the youth guarantee has been extended to apply to all under-25s who are out of work. The core legislation regulating the reformed system consists of the Act and the Decree on Municipalities' Responsibility on Youths and the Act and the Decree on Municipalities' Responsibility on youths between 20 to 24 years of age (SFS 1995:706; 1995:712; 1997:1268; 1997:1278). The first two apply to under-20s. The drafting of these acts and decrees was combined with changes in other parts of the legislation.

Education and youth guarantee

Though training and education are used as ways of diminishing unemployment in almost any age group, in the younger age groups this tendency is more pronounced. As a part of the youth guarantee the state has built up an educational guarantee (*utbildningsgaranti*). The upper secondary education in *gymnasieskolan* was lengthened to three years during the first half of the '90s. Since the school year 95/96 the municipalities have had an obligation to offer all youths a three-year upper secondary education in *gymnasieskolan* (Ungdomsstyrelsen 1997: 3). Those who have gone through the shorter two-year, more vocationally-orientated option are offered supplementary training. This is part of the national strategy of raising the population's overall level of qualifications (*kunskapslyft*), but at the same time it neatly reduces youth unemployment (Blomsterberg 1996: 108; Prop. 1994/95:100, Bilaga 11).

Thus, in the under-20 age group, youth guarantee firstly means educational guarantee. Before the new legislation on municipalities' responsibility for under-20s, the state took over the responsibilities for organising employment and training for young people after they had finished their upper secondary education in *gymnasieskolan*. With the municipalities' extended responsibility since 1 October 1995, young people's possibility to take part in state-organised employment measures ended. The compensation level in the municipal employment measures is lower than in the state-organised ones, which again contributes to the under-20s' reduced level of income. The primary purpose of the reform is to make participation in secondary education even higher. Thus, the participants in the municipal follow-up programmes (*KUP*) are most often those who have already completed the three-year upper secondary education. However, school dropouts and those who do not continue in upper secondary schools also belong under the municipal responsibility and are directed to municipal employment measures. The compensation from taking part in *KUP* is graded according to the level of education, so that those who have three-year upper secondary education get the highest compensation and those with no upper secondary degree get the least (Schröder 1996: 7; Ungdomsstyrelsen 1996: 13; 1997: 3-4).

20-24-year-olds – more possibilities

In the case of 20-24-year-olds, the municipalities are to organise some support measure after 90 days of unemployment. They are to be directed to labour market measures or education within ten days. The same time period applies to the under-20s. Thus, the goal is that no young person should have to be unemployed more than 100 days at a time (Ungdomsstyrelsen 1996: 11; SFS 1995:706; 1997:1268).

However, there is a wide spectrum of measures available as soon as one has turned 20. Though the municipalities are responsible for organising the support, 20-24s have the right to take part in the state-organised employment measures. Also the compensation for taking part in the system differs from that available to younger persons. There are three different forms of financial benefits that may be paid to the participants. The choice between the three is dependent on the status of the person in question, i.e. if the person is entitled to unemployment benefit the benefit will be paid following the regulations of the act on unemployment insurance in the form of study benefit (*utbildningsbidrag*). If the person is not entitled to unemployment benefit but is receiving income support the municipality must pay an equal sum as compensation for personal development (*utvecklingsersättning*). If the person is not even receiving income support the municipality must pay him/her compensation for taking part in the measures. However, the level of compensation is very low in this case (SFS 1997:1268).

According to a follow-up study of the municipalities' responsibility for young people between 20-24 years of age, the application of the system differs by municipality. In some municipalities it is common to complement the income from the labour market measures with social assistance, whereas in some municipalities the participants do not even know that they have this option. Whether the participants' moving out of their parental home during the measures is supported or not also differs by the municipality (Ståhl 1999: 4, 18).

Thus, it is a bit difficult to draw any conclusion as to whether the system of municipalities' responsibility for youths supports independence from parents or social assistance. For some participants it does, depending on their level of education, work experience, and age as well as on the municipality they happen to live in.

Social assistance and labour market

According to the Act on Social Assistance (1980:620) everyone has an individual right to this last-resort benefit. As a person who cannot him/herself take care of his/her needs or cannot have his/her livelihood by other means has a right to social assistance, the other means can be interpreted to mean someone else's income. However, this kind of interpretation is limited by other legislation. In the case of young people, as a rule, their parents do not have responsibility to maintain them after their 18th birthday unless they are studying, as discussed below.

Social assistance is clearly a part of the 'employment line'. The ultimate responsibility for empowering people to take care of themselves is given to the social authorities; e.g. in the case of under-25s, they can direct a person to an activity that would add to his/her skills if there are no suitable labour market measures for him/her. Furthermore, this can be demanded in return for receiving the last-resort benefit. In case of those who have already had their 25th birthday this regulation also exists but in a less strict form. The way it is written in the Act on Social Assistance, it seems that the under-25s cannot get any benefit without taking part in some sort of measures, organised either by the employment authorities or the social authorities. However, it must be underlined that although the authorities *can* demand

that people take part in special measures in return for social assistance, it is another question whether they really *do* so.

Benefits for students

There are two main forms³ of financial assistance to students: student aid (*studiehjälp*) and study allowance (*studiemedel*). Study allowance is composed of a study grant (*studiebidrag*) and a study loan. Student aid is meant for students in upper secondary school. However, it is only possible to get it until the first half of the year in which the student turns 20. After that, one is eligible for the study allowance. There is no lower age limit for the study allowance, as it is primarily targeted to support those who study at the tertiary level (SFS 1973:349; SOU 1997: 40: 130-131).

The amount of the study allowance is higher than the student aid, even when only the grant is taken into consideration, but with the loan the difference is considerable (SOU 1997: 40: 131). It is obvious when looking at the system that under-20-year-old students in upper secondary schools are expected to be dependants of their parents. In fact, parents are responsible for maintaining their adult children when they are in secondary education and less than 21 years of age (SFS 1949:381). It is also possible to receive a special extended family allowance for children who study in comprehensive or upper secondary schools. The age limit for the general family allowance is 16 (SFS 1947:529).

Support for independent housing?

In Sweden, young people have more possibilities for establishing their own households than in Finland or Germany, as indicated by the relatively high percentages of young Swedes living outside the parental home.

Between the mid-60s and mid-70s the availability of housing was improved greatly as a result of what was called the *million programme*, under which a million flats were built to alleviate the housing shortage. This programme made it possible for young people to move out earlier, as older and smaller apartments became vacant when other people moved to the new and bigger flats (Krokig väg till vuxen 1996: 141).

In addition to housing provided by the public sector (municipalities or state), there is a special housing benefit for households without children. One has to be 18-28 years old to get it (SFS 1993:737), thus it is clearly targeted to support young adults' household transition.

The system also supports buying one's own apartment. From age 16 onwards a person may save money in a special savings account. The saving can continue until the 29th birthday, after which there is no right to get a special loan connected to a youth housing account. The rate of interest paid on the account and the highest amount one can save each month is regulated by law, as is the minimum

³ There are also other types of assistance available for students, e.g. special housing benefits and assistance for paying for trips to school, which I do not consider here.

period of saving before taking out the loan and the amount of loan one can get with a particular sum of savings (SFS 1988:846).

In brief – the Swedish case

In the Swedish case, 20 is an important age limit in relation to rights to many forms of benefits and support measures. If one is a student at the upper secondary level there is a difference in the amount of benefit one gets. The municipal employment measures also differ for the under-20s and the 20-24-year-olds.

In addition to age, the level of education (three-year upper secondary or lower) and labour market participation affect the types and levels of benefits one can get. The parental responsibility for their adult offspring (after the 18th birthday) is also conditioned by age as well as student status.

It can be concluded that the relation of non-working young adults to the welfare system is mainly a product of their age, labour market experience, educational level and social status as students, unemployed or participants in special labour market measures. Their individual independence from parental home is supported, but to a greater extent only after the 20th birthday.

4. From work to school – the Finnish system in the '90s

In Finland there is no explicitly stated employment line nor youth guarantee, but the methods used are quite similar to the Swedish ones, and the government has more or less committed itself to the policy of full employment ever since the '70s. In the earlier stages in the development of the youth guarantee, however, there was a clear difference between the two countries. The Swedish guarantee was intended to be comprehensive, functioning similarly in all parts of the country and applying to all people of certain age. In Finland it started with limited experimental projects, and there was no intention to make it applicable to all people under certain age limit. The projects were rather aimed at problem groups (Blomsterberg 1996: 83).

It can be said that, in Finland, a comprehensive youth guarantee was created during the latter part of the '80s. From the beginning of 1988 onwards, the Employment Act (SSK 275/87) functioned as a basis for creating jobs for unemployed young people as well as for long-term unemployed.⁴ The unemployed under-20-year-olds were to be directed either to work or practical training after three-month unemployment for a period of six months. If there were no suitable vacancies the municipalities were to organise the working opportunities. It is noteworthy that also in the Finnish system the municipalities were given the responsibility for organising the measures, as in Sweden too.

⁴ Long-term unemployed are those who have been unemployed for a year or more.

The Employment Act was reformed in three instances (SSK 1733/91; 595/92; 1696/92). The first change (effective from the beginning of 1992) did not affect the position of under-20-year-olds. It gave the long-term unemployed a possibility to give up this kind of six-month employment arranged by the municipality or the state. In the beginning of August 1992 came the first change affecting the young unemployed, when the required three-month unemployment was extended to six months. At the beginning of 1993 the municipalities' duty to provide employment was removed. The authorities are only expected to direct employment appropriations primarily to employment of the young and the long-term unemployed. In this connection the 'young unemployed' came to refer to all those under 25. The age limit of 20 was no longer given special attention (SSK 130/93).

The length of employment organised with the employment appropriations has been under debate ever since the extension of the working period required to be eligible for unemployment benefits (SSK 602/84; 1541/93; 666/96). The employment organised with the employment appropriations is still six months. The decision on the length is given to the Ministry of Employment, but the upper limit in the law is set at ten months, the same length of time as required to be eligible for unemployment benefits. The required unemployment period before employment on appropriations is now five months. Nevertheless, one must keep in mind that the under-25-year-olds and those unemployed for a year or longer must be given special attention and furthermore, there is no duty to employ, i.e. the annual appropriations set the final limit (SSK 273/95). Still, in Finland, as in Sweden, it is now much harder than in the '80s for young people to maintain their livelihood by taking part in the public employment measures.

Unemployment benefits

In Finland there are three different benefits available to unemployed persons: the basic unemployment benefit, the earnings-based benefit, and labour market subsidy. The first two are regulated by the Unemployment Benefit Act (SSK 602/84). Only those who have been members of an unemployment benefit society and paid the required fee to the society can obtain the earnings-based benefit. Until 1997 an unemployed person had to be a member for six months immediately preceding the unemployment to obtain the earnings-based benefit; now the same period is ten months. The basic benefit can be obtained by those who have worked the required period but are not members of an unemployment society and have not paid the insurance fees to the society (SSK 602/84; 666/96). Consequently, it is difficult for a young person to get either the basic benefit or the earnings-based benefit. Thus, the only available benefit is the labour market subsidy with its stricter terms.

Labour market subsidy

The labour market subsidy is the third form of unemployment benefit. The benefits regulated by the Unemployment Benefit Act are clearly intended for citizens in the labour market, people who have earned the right to the benefits in working life. The labour market subsidy is for those who are excluded from the system for some reason. Unemployment benefits are limited in time, whereas the labour market subsidy can continue in theory until the person is eligible for a pension. Whereas the insurance type of unemployment benefits are affected only by a person's own additional income or

certain welfare benefits, the labour market subsidy is means-tested. It is also lower for persons still living in the parental home. It also takes into account the spouse's income when the person is married or cohabiting, except when the recipient takes part in labour market measures. This is meant to underline its purpose of motivating people to work.

In effect, the Labour Market Subsidy Act (SSK 1542/93) is largely directed at young adults trying to enter the labour market. In their case it can also be interpreted as a system of 'forced education'. The Labour Market Subsidy Act obliges under-25-year-olds to take part in vocational training, also at the kind of vocational schools where students are entitled to student benefit. The Unemployment Benefit Act also contains such a requirement, but there it applies to under-20s (SSK 1401/97). Older persons are only obliged to take part in training during which they are entitled to labour market subsidy. This means that young adults are forced to support themselves partly through loans, as half of the student benefit is a real benefit and half of it is a bank loan. The loan is considered income if a student tries to apply for income support.

The system of 'forced education' has been tightened gradually during the '90s. At first, there was only six-week waiting period if a 17-19-year-old did not accept the student place offered by the employment authorities (SSK 98/90).⁵ When the Labour Market Subsidy Act came into force at the beginning of 1994 it obliged the under-25s to take part in vocational training with the same sanction. The greatest reform so far came into force at the beginning of 1996 and 1997 (SSK 1705/95; 665/96). It made it compulsory to *apply* to vocational schools if a person did not already have a vocational degree. In 1996 this was required of unemployed job seekers who were not entitled to unemployment benefit and were 18-19 years old. In 1997 the requirement was extended to 18-24-year-olds.

The Finnish school system differs from that in Sweden at the upper secondary level. In Finland there is no comprehensive upper secondary school that includes both vocational and more academic training. These two branches are divided into 1) vocational schools where the pupils specialise in one occupation of their choice, and 2) upper secondary schools (*lukio*) which prepare for studies in higher education and which give fewer chances for specialisation, though there is increasingly room for choice between the subjects. Yet the municipalities have the final responsibility for upper secondary education in Finland too, as they do in Sweden.

However, the point is that in the sense of the Labour Market Subsidy Act, only degrees attained in vocational schools qualify for the right to labour market subsidy, whereas degrees from the *lukio* do not. Thus, the legislation attempts to make unemployment a zero-option for the under-25s without a vocational degree. It is another question whether the system is really fulfilling its purpose. A follow-up report of the Finnish Commission for Youth Policy (*Nuorisosiain neuvottelukunta*) (Nuora, Arvio 1999) is rather sceptical about the effects of the reform. It argues that the reforms have activated the already active and education-orientated young persons, whereas those with negative and reserved attitudes

have become even more excluded. The effects on reducing unemployment of the 20-24s are especially modest according to the Commission. It suggests that more targeted policies are needed to include these people.

Those young people who take part in regular education at the upper secondary or tertiary level do not get the labour market subsidy, as it is the last option before social assistance. These two are in fact often combined because of the low compensation level of labour market subsidy.

Students' income

People in education have a right to student benefit, which can be considered a universal benefit, even though recipients' own income has an effect on its amount. Most people are entitled to the benefit, especially when they live outside the parental home, as they often do.

The Act on Financial Aid to Students (SSK 65/94) puts it quite clearly that 'parents are responsible for the costs of their child's education even after he/she has reached the age of majority, if it is considered reasonable.' Yet, this point is normally considered only when the child lives in the parental home. This regulation is similar to the Swedish one. In both countries the primary norm is that the parent's duty to support his/her child ends when the child has reached the age of 18, i.e. the age of majority. At this point a person has full civil and political rights, and he/she is generally expected to be financially independent of his/her parents (SFS 1949:381;SSK 704/75). In Finland, family allowance is not paid after the child reaches age 17. In the Act on Family Allowance the benefit is divided into family allowance paid to the parents of under-16s and to lengthened family allowance, which can be paid to parents of under 17s (796/1992).

Before August 1997 there was an age limit of 20 years in the Act on Financial Aid to Students. People who were under 20 were not entitled to the full amount of student benefit even when they lived outside the parental home. At the beginning of August 1997 the limit was lowered to 19, and finally to 18 at the beginning of August 1998. But the age limit of 20 still applies to those who live with their parents. Lowering the age limit has been justified by the governmental policy aim of activating young people to education (SSK 65/94; 1117/97; HE 161/1996; HE 140/1997.)

All the same, students still remain the only group in Finnish society who are expected to cover part of their basic income with loans.⁶ As most students are under 30 years of age and furthermore, as student status has become the most frequent social status among those under 25, it is the young adults that are expected to take out loans (Laaksonen 1997; 1998). This was not such a problem before the recession, as an educated person was fairly certain to get a job after education. Besides, most students were able to work during holidays and many also worked during the semester. All this has

⁵ When the Unemployment Benefit Act came into force in the beginning of the '80s this waiting period concerned only the 17-year-olds (SSK 602/84).

⁶ However, loans are not defined as basic income in law. It is more a practice of the social security authorities in municipalities. Student benefit is basic income (e.g. PeVL 4/1995).

changed during the '90s. The recession and other societal developments have forced more and more young people, even some not willing to study at all, into this economically weak position out of the labour market from employment or unemployment to non-employment. (Santamäki-Vuori & Sauramo 1995: 25.)

Last resort

The last-resort benefit for all people is income support, which is means-tested (SSK 1412/97; HE 217/1997). Income support is, however, not an easy way out for those who do not accept a job or other activities offered by the authorities, because refusal may cause a 20% reduction to basic income support, and repeated refusal even a 40% reduction. Thus the system is connected to and conditioned with the labour market measures and benefits, similar to Sweden. The difference is that in Sweden the social authorities have the ultimate responsibility of directing people to the labour market, whereas in Finland the division of labour between the employment authorities and the social authorities is clearer.

The recession has forced more and more young people to resort to this last income option. The basic unemployment benefit and the labour market subsidy are clearly not enough for living in modern Finland, nor is the student benefit. In poverty research both students and the unemployed are found to be poor measured with several different methods (e.g. Kangas & Ritakallio 1996). Though the government insisted in its bills concerning the changes to the Labour Market Subsidy Act that the amount of young recipients of income support would not increase (HE 172/1995; 75/1996), the 'unexpected' has happened.

Housing benefit

In Finland there is no particular housing benefit for young households, but there is a housing benefit for students, which mostly applies to young households. Furthermore, there is no obstacle for young people to get the normal housing benefit targeted to low-income households. Actually, the explicit policy is to target the housing benefits particularly to young people, families with children, the over-indebted, households with inadequate housing, and to the homeless. Thus, young people are a special target group (Sosiaali- ja terveystietokeskus 1998: 22). Unlike Sweden, Finland offers a housing benefit that is specially designed for 18-28-year olds. Thus, the intention to target housing allowance to young people is codified in the legislation.

Public housing is available to the young as well as older persons. There are both municipal and state-owned flats, especially in the urban areas. In all university towns special student housing is also available. These as well as most of the state-owned houses are normally managed by special foundations. Access to public housing is limited by income, which often favours young people who rarely reach the limits. Yet there is a constant shortage of suitable housing in the growing urban areas.

In brief – the Finnish case

Both in Finland and Sweden it has been made more difficult for young adults to gain economic independence by taking part in labour market measures, as was possible during the '80s.

In Finland, it is more difficult to fulfil the working proviso because the required working period has been extended. There is no age limit that would as such deny young people the unemployment benefits or the labour market benefit. Age limits regulate the conditions on which a person gets the benefit. Age 20 is not an important limit in getting any benefit in Finland, except in the case of students who live in the parental home, whereas in Sweden this age serves as a limit in several respects. In Finland the important limit has effectively been lifted to 25 during this decade.

Officially, parental responsibility for maintaining their children ends at the child's 18th birthday. However, if the children study the parental responsibility continues. In Finland there is no compensation for this responsibility in the form of an extended family allowance after the child has reached age 17.

It can be said that young adults' citizenship rights are dependent on the state of their transition to the labour market, i.e. their social status, and partly on their own household, but also on their age. The 'earning principle' is very strong, but it has been changed to include participation in education. That is, one must earn rights to benefits, but one can earn these rights partly by getting a degree at the upper secondary or tertiary level.

5. Lengthened reliance on family support and earned insurance – the German system of welfare

One of the cornerstones of the system of social security in Germany is the principle of subsidiarity. It implies both right and duty to all. On the one hand, everyone can be made to pay for the maintenance of relatives, but on the other hand, everyone also has a right to maintenance when in need. (BGB § 1601 & 1602 in Schwab & Wagenitz 1998.) This particular act makes young adults who are not capable of maintaining themselves dependent on their parents' decisions (BGB § 1612 in Schwab & Wagenitz 1998; Grandke 1998: 165-166). This has been the case since the lowering of the age of majority to 18 in 1974 (BGBl 1974 Nr. 87 Gesetz zur Neuregelung des Volljährigkeitsalters). Furthermore, last year the Act on Maintenance of the Child (KindUG BGB § 1603 in Schwab & Wagenitz 1998) was reformed to strengthen the duty of low-income parents to maintain their unmarried children who are studying and still living in the parental home. This is one example of how legislation can be used to hinder the independence process of young adults. On the other hand, the changes also affect the parents' rights by possibly diminishing the amount of income they have for their own use.

Support for students

Following the logic of the principle of subsidiarity at the level of the family, parents have the primary responsibility for maintaining their offspring when these are not able to do so themselves. If the chil-

dren are married the spouse is responsible for maintenance in the first place. This is also the case when the children are studying if they are not supporting themselves with their own work at the same time. However, the parents only need to support their children during studies for the child's first degree. If he/she wants to study for another degree at the university level, the parents are no longer responsible for maintenance – or at least it is not required by law.

When a student cannot gain his/her livelihood from relatives or from own income, he/she has a right to student benefits from the state. These are regulated in the Federal Act on Support for Students (*Bundesausbildungsförderungsgesetz*, BAföG in SGB). In principle every student is entitled to some form of benefits. However, in reality, the number of recipients is low and diminishing, as the benefit is means-tested, taking parents' and/or the student's own income into account (BAföG – Die Antragstellung; Übersicht über das Sozialrecht 1997: 519).

There is an upper limit of 30 years of age to the student benefits. Yet, in some cases a person is entitled to the benefits even after the 30th birthday. Only studies leading to a degree can be supported, and in general, only the first degree at the university level is supported. The recipient may be entitled to a full allowance in some rare cases. However, the benefit most people get is a combination of half allowance, half loan. There is also a new form of BAföG which is just loan (BAföG – Die Antragstellung; Übersicht über das Sozialrecht 1997: 513-534). When the child takes part in the vocational training system he/she is supported by a different system regulated in the employment legislation (*Arbeitsförderung*). Also in this case the parents have the primary duty to maintain their offspring (Übersicht über das Sozialrecht 1997: 48)

Family allowance for the parents of dependent adult children

In addition to the BAföG support to the students themselves, it is possible for their parents to get family allowance. The general family allowance is paid until the child's 18th birthday. After that the parents may get family allowance if their child is unemployed, up to the child's 21st birthday. When the child is studying, the family allowance is paid until he/she is 27 years old. In certain cases the age limit is even higher.

Thus, the German system supports the family, i.e. the parents who are maintaining their offspring, as well as the students. In addition to the family allowance the maintenance responsibilities are also taken into account in the tax system, but I will limit the discussion to the paid benefits here (Übersicht über das Sozialrecht 1997: 495-496, 498). The system is in line with the policy underlining the importance of the family institution. Actually, the family is placed under special protection of the state already in the Constitution of the Federal Republic of Germany (GG Art. 6).

Young people's rights in case of unemployment

There are two different unemployment benefits, as there are in Sweden. However, there is no clear lower age limit for either the insurance-based (*Arbeitslosengeld*) or the means-tested variant (*Arbeitslosenhilfe*). The means-tested benefit is not limited in time, as long as the recipient is unemployed;

thus it resembles the Finnish labour market subsidy. Because it is means-tested, young persons' possibility to get it is limited. The insurance-based benefit is paid to unemployed persons who have worked (or at least paid the insurance) for twelve months during the three years immediately preceding the unemployment. Thus, it could be difficult for young persons to meet this requirement. Furthermore, even when they do meet it, they most probably have rights to a shorter period of *Arbeitslosengeld*. Namely, the length of the time an unemployed person is entitled to the benefit depends on the length of time the person has been paying the insurance. The minimum is six months for persons who have paid for 12-15 months. From 16 months onwards the benefit period is eight months, and from 20 paid insurance months onwards it is ten months, and so on. Thus, the right to income-based unemployment benefit is regulated by a much more powerful earnings principle than in Finland or Sweden (*Arbeitsförderung*, <http://www.bma.bund.de>; *Übersicht über das Sozialrecht 1997*: 73-82).

In case of unemployment, young people can be subject to state employment measures. The under-25s are also a special target group, as some restrictions to the state-supported employment do not apply in their case (*Übersicht über das Sozialrecht 1997*: 68).

There is a special new government programme to create jobs and apprenticeships for young people, as their inclusion in the labour market is considered to be of special importance. Though youth unemployment is relatively low in Germany, as discussed above, the programme underlines the especially grave prospects of unemployment for young persons. There are 450,000 unemployed young people under 25 years of age, and the problem is especially serious in the eastern states. Thus, the government considers it important to offer them possibilities for improving their life chances (*Sofortprogramm 1999*). However, there has been some criticism of this programme as it aims to create 100,000 jobs, which would leave around 400,000 young people still without this possibility (e.g. *Deutscher Bundestag*: Drucksache 14/335 from 28th January 1999).

Social assistance

Everyone resident in Germany has an individual right to social assistance. However, this right is only realised if he/she cannot get the maintenance from those relatives who are responsible for supporting him/her according to the principle of subsidiarity. Naturally, the principle is especially strict in connection with this form of benefit (*BSHG*; *Sozialhilfe*, <http://www.bma.bund.de>).

The right to social assistance for maintenance is conditional on willingness to take part in special measures and to accept work when offered. Since 1993 *assistance to work* has been a special part of social assistance. It is especially aimed towards creating possibilities to work for young people. The opportunities are intended to improve one's ability to become integrated within the labour market (*Übersicht über das Sozialrecht 1997*: 568). Thus, in the German system there is also a very similar trend towards work-fare models as in Sweden and Finland, particularly in the case of young people. However, this is also more a potential outcome than a wide-ranging practice.

Young people's housing

According to a recent study (Becker 1999: 82), the housing situation in Germany is relatively good. Thus, it is generally not considered important to even discuss a special youth housing policy, let alone organise special housing provision for them. As Ruth Becker (ibid.: 91) explains, this is a token of the German tradition, according to which the market should have precedence in providing housing, and state- or municipally-organised housing is strictly rejected. The purpose has continuously been to strengthen the market and to reduce state intervention, which follows the idea of the German conservative welfare model quite well.

There is some rent-controlled, publicly-subsidised housing (*Sozialer Wohnungsbau*), but the supply is decreasing. According to Becker, there are only 2 million publicly-financed flats, while there are 11.2 million households entitled to these flats in western Germany. If the type of subsidised flats is compared to the type of households entitled to them, the discrepancy becomes even clearer: 40% of the households entitled to a publicly-financed flat are one-person households, whereas only 40% of the subsidised flats are smaller than 61 square metres. Thus, there are simply not enough flats of suitable size for one-person households in public housing. As a result, young people depend on private markets where their bargaining position is very poor (ibid.: 90, 96-98).

In addition, 'housing benefits are not intended to put people with low incomes (for example, adolescent and young adults in training) in a position to approach the housing market as competitive housing customers' (ibid.: 94). One reason is the system of *Mietobergrenze*, which sets the highest admissible rent. If the rent is higher, the tenant pays the difference. Considering young people's low level of income, this system affects them especially.

For the inhabitants of the new states the situation is different, but I am not going to describe it here, as the purpose is to show the main principles of the German system. I would expect that the system is changing rather towards the western German model, though slowly.

In brief – the German case

The German system of social security is generally based on labour relations as well as family relations, as the principle of subsidiarity takes the primary role whenever the person has not earned the right to some insurance-based benefit.

Young people are seldom excluded on the basis of their age. Rather, because of their transitional position they have not earned rights to individual social security and are thus dependants of their parents, as the principle of subsidiarity requires.

However, as the German system is so proudly presented as a 'welfare state' (*Sozialstaat*) and as the family institution is placed under the state's special protection, there are different measures to help the family, i.e. the parents, in their duties. It can be said that young people get their rights more by proxy, as family members, than as individuals.

6. Conclusion: transition models and young people's social citizenship in Finland, Sweden and Germany

In this paper, I wanted to look at the two welfare state types, the Nordic and the Central European, from the point of view of young adults. The discussion in the second chapter dealt with the transitions that young adults are going through. The labour market transition has been postponed in all three countries. In Finland and Sweden this means both low labour force participation and high unemployment. In Germany youth unemployment is relatively low but labour force participation is also low compared to older population groups.

Comparing the participation figures shows that the situation of the under-20s has become more similar in the three countries, whereas there are more differences in the older age groups. Sweden and Finland have become very similar in this respect, though youth unemployment is much higher in Finland than in the other two countries. Due to the postponement of labour market transition, young people's economic independence has diminished in the two Nordic countries but in Germany no major changes have occurred in this respect. The case of housing transition is more diversified. In Finland and Sweden there is a clear division at around 20 years of age, after which the housing transition accelerates. In Germany there is a pattern of continuous dependency on parents combined with more people moving out of the parental home before their 20th birthday than in the Nordic countries. The development of family formation is moving in a similar direction in all three countries, as there is a slight tendency towards living single.

Thus, there are still clearly different patterns of transition in these countries. However, in the light of statistics they have converged rather than diverged. This is partly due to the changes made in Finland and Sweden during the recession of the '90s. Young people's possibility to start their own households on the basis of income from public sources has been made more difficult in the Nordic countries.

In Sweden this effort has been even stronger than in Finland. In the Swedish system, under-20s are clearly expected to be dependent on parental support, as indicated by differing benefits for people under 20 as compared to those who have reached age 20 (see Appendix). The same tendency is evident in Finland, the difference being that the important limit has been raised to 25 years of age. Before the policy changes, age 20 was an important milestone for gaining social rights also in Finland.

In the German system, age limits are actually less important than the dividing line between people who have established their position in the labour market and those who have not. Those who have an established position have rights to individual insurance-based benefits, whereas those who have no established position are primarily dependent on their family members' income and only secondly on public support measures. In the Nordic countries, established position in the labour market is also important. It overrides the age limits, in theory. However, as young people often do not have established positions in the labour market, they are subject to the age limits. Thus, in practice the age limits have become decisive during the '90s.

Though the differences are evident, in all the systems labour force participation or rather working life participation is the most important way of earning social citizenship rights. It is so important that some researchers talk instead about *labour market citizenship* (Suikkanen & Viinamäki 1999: 191). They see an individual's citizenship as shaped by his/her work history, present status in the labour market (employed or non-working), nature of employment (open or subsidised and temporary or permanent employment), educational and social qualifications, his/her family circumstances and the opportunities provided by the family circumstances as well as the educational and employment opportunities a particular individual has. These are the most important elements in including and excluding young adults from citizenship in all the three countries, though as mentioned, in Germany the importance of work career is more underlined.

In the Nordic countries independence is understood as a twofold idea. On the one hand, young persons' moving out of the parental home and entry into the labour market is supported by different public measures. In this case dependence is interpreted to mean continued parental support. On the other hand, when a person lives outside the parental home but is not integrated in the labour market and earning his/her own living, he/she is considered dependent on the public system. The German system views dependency on public support rather more seriously.

In the German system family is considered a cornerstone of the welfare system. Actually, it is considered the cornerstone in supporting the transition process too, as the welfare system seems to support the family in its supportive task rather than the young person who is supposed to be going through the transitions. Thus, young people are expected to get their social rights by proxy, through their family members rather than directly. The basic assumption built into the system is that the family supports its members; there is no interest in verifying whether this is actually the case. In the Nordic countries family has clearly less importance; however, the changes have imposed more importance on the family institution than it had during the '80s. This is again a weak sign of convergence between the Nordic countries and Germany. However, there is still a long way to officially making family the most important aid in the transition to adulthood.

In the Nordic countries, the governments prefer (vocational) education to such an extent that getting a degree can qualify for the means-tested unemployment benefits. This can be interpreted positively as an effort at inclusion or negatively as a way of forcing young people into the educational system away from burdening the unemployment benefit systems, i.e. excluding them from the group of unemployment benefit recipients. Similar efforts at inclusion are also present in the German system. In the new government programme to create 100,000 jobs for the under-25s, places of education are also included as job creation, as are some other measures that are not really jobs. The denoted policy purpose is to integrate young people into working life.

The student benefit system is clearly more supportive of independent living in Sweden and Finland than in Germany (in that order). Also the housing benefits and measures seem more inclusive and individual in the Nordic countries, though this aspect was not very extensively considered in my paper.

In brief, citizenship is an exclusive concept as such. The German model excludes young adults from full social citizenship rights primarily according to their labour market status. In the German model one can be an independent citizen only by gaining a position in working life. This is in line with the picture of the Central-European welfare model given in the earlier research. The Nordic countries, on the other hand, also exclude people on the same basis. They are not the paradise of universal citizenship. The fact that entry into the insurance-based system has become more difficult during the recession, not only because of the recession but also because of the policies to cut welfare spending, makes the work basis of the system only more pronounced. The exclusion and inclusion of people on the sole basis of their age, on the other hand, makes it more obvious that there are other built-in inequalities in the system, inequalities that are considered somewhat natural.

References

- Amtliche Nachrichten der Bundesanstalt für Arbeit (1993) 41: 2. Nürnberg: Bundesanstalt für Arbeit.
- (1994) 42: 2. Nürnberg: Bundesanstalt für Arbeit.
- (1995) 43: 2. Nürnberg: Bundesanstalt für Arbeit.
- (1996) 44: 2. Nürnberg: Bundesanstalt für Arbeit.
- (1997) 45: 2. Nürnberg: Bundesanstalt für Arbeit.
- (1998) 46: 2. Nürnberg: Bundesanstalt für Arbeit.
- Anderson, Jan Otto, Kosonen, Pekka & Vartiainen, Juhana (1993) *The Finnish Model of Economic and Social Policy – From Emulation to Crash*. Meddelanden från ekonomiskstatsvetenskapliga fakulteten vid Åbo Akademi. Nationalekonomiska institutionen, Ser. A: 401.
- Arbeitsförderung, <http://www.bma.bund.de/de/sicherung/kapit02.htm>. Home page of the Federal Ministry for Work and Social Order. 16th September 1999.
- Arbeits- und Sozialstatistik Hauptergebnisse 1998. Bonn: Bundesministerium für Arbeit und Sozialordnung.
- BAföG – Die Antragstellung. http://alf.zfn.uni-bremen.de/~asta/baf_antrag.html. Home page of the University of Bremen 16th September, 1999.
- Becker, Ruth (1999) The housing market and housing policy for adolescents and young outside the parental home. In Bendit, René, Gaiser, Wolfgang & Marbach, Jan H. (eds.) *Youth and Housing in Germany and the European Union. Data and Trends on Housing: Biographical, Social and Political Aspects*, 81-106. Opladen: Leske + Budrich.
- Bendit, René (1999) Youth-Life and the process of leaving home in Europe. In Bendit, René, Gaiser, Wolfgang & Marbach, Jan H. (eds.) *Youth and Housing in Germany and the European Union. Data and Trends on Housing: Biographical, Social and Political Aspects*, 19-50. Opladen: Leske + Budrich.
- Bendit, René, Gaiser, Wolfgang & Marbach, Jan H. (eds.) (1999) *Youth and Housing in Germany and the European Union. Data and Trends on Housing: Biographical, Social and Political Aspects*. Opladen: Leske + Budrich.
- Blom, Raimo (ed.) (1999) *Mikä Suomessa muuttui? Sosiologinen kuva 1990-luvusta*. Helsinki: Gaudeamus – Hanki ja jää.
- Blomsterberg, Marianne (1996) *Garanterade karriärer? Om social styrning och sysselsättningspolitik för ungdomar*. Monograph from the Department of Sociology, Göteborg University, No 58.
- Braun, Michael & Mohler, Peter Ph. (eds.) (1998) *Blickpunkt Gesellschaft 4. Soziale Ungleichheit in Deutschland*. Opladen/Wiesbaden: Westdeutscher Verlag.
- Brauns, Hildegard, Müller, Walter & Steinmann, Susanne (1997) *Educational Expansion and Returns to Education. A Comparative Study on Germany, France, the UK, and Hungary*. Working paper No. 23. Mannheim: Mannheimer Zentrum für Europäische Sozialforschung.
- Coles, Bob (1995) *Youth and Social Policy. Youth citizenship and young careers*. London: UCL Press.
- Deutscher Bundestag: Drucksache 14/335 from 28th January 1999. <http://dip.bundestag.de>. The home pages of the government of the Federal Republic of Germany, 20th April 1999.

- Esping-Andersen, Gøsta (1990) *The Three Worlds of Welfare Capitalism*. Oxford: Polity Press.
- Furusten, Thomas & Skorpen, Ann-Mari (1998) *Vid sidan av – om ungdomars inträde på nittioalets arbetsmarknad*. Ungdomsstyrelsens utredningar 13. Stockholm: Ungdomsstyrelsen.
- Gaiser, Wolfgang (1999) *Young People and Housing: A challenge for individuals and the welfare state*. In Bendit, René, Gaiser, Wolfgang & Marbach, Jan H. (eds.) *Youth and Housing in Germany and the European Union. Data and Trends on Housing: Biographical, Social and Political Aspects*, 51-79. Opladen: Leske + Budrich.
- Grandke, Anita (1998) *Zu den Neuregelungen im Unterhaltsrecht Volljähriger*. In *Familie, Partnerschaft, Recht. Interdisziplinäres Fachjournal für die Praxis*. (4): 4, pp. 162-166.
- Income distribution survey in 1996 (1998) *Statistiska meddelanden. Sveriges officiella statistik*. Örebro: Statistics Sweden.
- Jones, Gill & Wallace, Claire (1992) *Youth, Family and Citizenship*. Buckingham: Open University Press.
- Kangas, Olli & Palme, Joakim (1996) *The development of occupational pensions in Finland and Sweden: class politics and institutional feedbacks*. Swedish Institute for Social Research, Reprint 490. Stockholm : Stockholms universitet.
- Kangas, Olli & Ritakallio, Veli-Matti (eds.). 1996. *Kuka on köyhä? Köyhyys 1990-luvun puolivälin Suomessa*. English Summary. *Who is Poor? Finnish Poverty in the mid-1990s*. STAKES, Tutkimuksia/ Research Reports 65, Helsinki.
- Krokig väg till vuxen: ungdomsrapporten 1996. Del 1: En kartläggning av ungdomars livsvillkor. Ungdomsstyrelsens utredningar 6. Stockholm: Ungdomsstyrelsen.
- Laaksonen, Helena (1997) *Growth of Mass Unemployment and its Significance to the Societal Position of the Younger Generations. The case of Finland of the '90s*. European Sociological Association Third Conference: Inclusions Exclusions, 27.-30. August 1997, University of Essex, UK. [An unpublished seminar paper].
- (1998) *Growth of the Economically Inactive Population 1988-1994 and Marginalization Tendencies in the 1990s*. In Blom & Melin (eds.) 1998. *Economic Crisis, Social Change and New Social Divisions in Finland*. Series A/29. Department of Sociology and Social Psychology, University of Tampere.
- (1999) *Suomalaisen yhteiskunnan uusjako*. In Blom, Raimo (ed.) *Mikä Suomessa muuttui? Sosiologinen kuva 1990-luvusta*. Helsinki: Gaudeamus – Hanki ja jää.
- Levnadsförhållanden (1998) *Rapport 92. Sysselsättning, arbetstiden och arbetsmiljö 1994-1995*. Sveriges Officiella Statistik. Stockholm: Statistics Sweden (SCB).
- Locke, Richard M. & Jacoby, Wade (1997) *The Dilemmas of Diffusion: Institutional Transfer and the Remaking of Vocational Training Practices in Eastern Germany*. In Turner, Lowell (ed.) *Negotiating the New Germany. Can Social Partnership Survive?* pp. 33-68. London: ILR Press.
- Müller, Walter & Shavit, Yossi (1998) *The Institutional Embeddedness of the Stratification Process. A Comparative Study of Qualifications and Occupations in Thirteen Countries*. In Shavit, Yossi & Müller, Walter (eds.) *From School to Work. A Comparative Study of Educational Qualifications and Occupational Destinations*, 1-48. Oxford: Clarendon Press.
- Nuora, Arvio (1998). *Arvio alle 25-vuotiaisiin kohdistuneesta työmarkkinatuen saantiehtojen muutoksen vaikutuksista*. [http:// www.minedu.fi/nuora/arvio_tyomarkkinatuesta.html](http://www.minedu.fi/nuora/arvio_tyomarkkinatuesta.html). 7th April 1999.

- Nuora, Barometri 1/97. Nuoret ja työelämä. The home pages of the Finnish Ministry of Education, Nuorisosiain neuvottelukunta: [http:// www.minedu.fi/nuora/nba12_97.html](http://www.minedu.fi/nuora/nba12_97.html). 7th April 1999.
- Nuora, Perheellistyminen 1 (1999) <http://www.minedu.fi/nuora/indikaattorit/perhe1.html>. The home pages of the Finnish Ministry of Education, Nuorisosiain neuvottelukunta. 7th April 1999.
- Nuora, Perheellistyminen 2 (1999) <http://www.minedu.fi/nuora/indikaattorit/perhe2.html>. The home pages of the Finnish Ministry of Education, Nuorisosiain neuvottelukunta. 7th April 1999.
- Nuora, Raportti 1/97. Mitä nuoret tekevät? Raportti 15-29-vuotiaiden pääasiallisesta toiminnasta vuosina 1990-1996. The home pages of the Finnish Ministry of Education, Nuorisosiain neuvottelukunta: http://www.minedu.fi/nuora/ra1_1_97.html. 7th April 1999.
- Perjos, Solveig (1999) En bro mellan utbildning och arbete – utvärdering av utvecklingsgarantin.
- Santamäki-Vuori, Tuire & Sauramo, Pekka. (1995) Nuorten työttömyys Suomessa vuosina 1993-94. English Summary. Youth Unemployment in Finland in 1993-1994. Studies in Labour Policy, no: 107. Helsinki: Ministry of Labour.
- Schröder, Lena (1991) Från springpojke till fullgod arbetare. Om bakgrunden till 1930-talets ungdomsreservarbete. Uppsala papers in economic history. Research report no 27. Department of Economic History. Uppsala: University of Uppsala.
- (1996) Programmes for unemployed youth. SWEDEN. Paper prepared for the European Union Community Initiative *Employment – Youthstart*. May 1996.
- Schwab, Dieter & Wagenitz, Thomas (1998) Familienrechtliche Gesetze – Synoptische Textausgabe mit dem neuen Kindschaftsrecht, dem Kindesunterhaltsgesetz und dem neuen Eheschließungsrecht sowie einer Einführung in die Reformgesetze. 2. Auflage. Bielefeld: Verlag Ernst und Werner Gieseking.
- Shavit, Yossi & Müller, Walter (eds.) (1991) From School to Work. A Comparative Study of Educational Qualifications and Occupational Destinations. Oxford: Clarendon Press.
- Silvia, Stephen J. (1997) Political Adaptation to Growing Labour Market Segmentation. In Turner, Lowell (ed.) *Negotiating the New Germany. Can Social Partnership Survive?* pp. 157-176. London: ILR Press.
- Social assistance 1998. Statistics – Social Welfare. The National Board of Health and Welfare. Official Statistics of Sweden. Stockholm: Socialstyrelsen.
- Sofortprogramm 1999. <http://www.100000jobs.de/ueberblick.htm>. Homepages of Bundesanstalt für Arbeit 29.03.1999.
- Sosiaali- ja terveystietomus 1998. Ministry of Social Affairs and Health. <http://www.vn.fi/stm/suomi/eho/julkaisut/sosteker/sisalto.htm>. 10th September 1999.
- Sosiaaliturva Suomessa 1994. Sosiaaliturva 1996:3. Helsinki: Sosiaali- ja terveysministeriö, Talous ja suunniteluosasto.
- SOU 1997:40 Unga och arbete. Delbetänkande från ungdomspolitiska kommittén. Statens offentliga utredningar. Stockholm. [Printed from <http://www.regeringen.se/propositioner/sou/index.html>].
- Sozialhilfe, <http://www.bma.bund.de/de/sozialhilfe/daten.htm>.
- Ståhl, Lena (1999) Utvecklingsgarantin för långtidsarbetslösa ungdomar i 10 kommuner. Ungdomsstyrelsens utredningar 16. Stockholm.
- Ståhlberg, Ann-Charlotte (1995) Pension Reform in Sweden. *Scandinavian Journal of Social Welfare*, 4/95.

- Statistical Yearbook 1998 for the Federal Republic of Germany. Wiesbaden: Federal Statistical Office.
- Statistical Yearbook of Finland 1991. Official Statistics of Finland (SVT). Vol. 86 (new series). Helsinki: Central Statistical Office of Finland.
- Statistical Yearbook of Finland 1993. Official Statistics of Finland (SVT). Vol. 88 (new series). Helsinki: Statistics Finland.
- Statistical Yearbook of Finland 1995. Official Statistics of Finland (SVT). Vol. 90 (new series). Helsinki: Statistics Finland.
- Statistical Yearbook of Finland 1997. Official Statistics of Finland (SVT). Vol. 92 (new series). Helsinki: Statistics Finland.
- Statistical Yearbook of Finland 1998. Official Statistics of Finland (SVT). Vol. 93 (new series). Helsinki: Statistics Finland.
- Statistical Yearbook of Sweden 1998. Vol. 84. Official Statistics of Sweden. Örebro: Statistics Sweden.
- Statistics Finland (1995) Changes in Working Life during the Recession. Supplementary Labour Force Survey, Autumn 1993. Labour market 1995:2. Helsinki.
- (1996) Income Distribution Statistics 1994. (SVT) Income and Consumption 1996:10. Helsinki.
- (1997) Income Distribution Statistics 1995. (SVT) Income and Consumption 1997:12. Helsinki.
- (1998) Income Distribution Statistics 1996. (SVT) Income and Consumption 1998:14. Helsinki.
- (1999) Income Distribution Statistics 1997. (SVT) Income and Consumption 1999:15. Helsinki.
- Statistisches Bundesamt. Bevölkerung und Erwerbstätigkeit 1993. Fachserie 1. Reihe 3. Haushalte und Familien. Ergebnisse des Mikrozensus.
- Bevölkerung und Erwerbstätigkeit 1997. Fachserie 1. Reihe 3. Haushalte und Familien. Ergebnisse des Mikrozensus.
- (1998) Bevölkerung und Erwerbstätigkeit 1998. Fachserie 1. Reihe 4.1.1. Stand und Entwicklung der Erwerbstätigkeit. Ergebnisse des Mikrozensus.
- Statistisches Jahrbuch 1992 für die Bundesrepublik Deutschland. Wiesbaden: Statistisches Bundesamt.
- Statistisches Jahrbuch 1998 für die Bundesrepublik Deutschland. Statistical Yearbook 1998. Wiesbaden: Statistisches Bundesamt.
- Statistiska meddelanden (1991) Arbetskraftsundersökningarna 1990. Sveriges officiella statistik. Örebro: Statistics Sweden.
- (1993) Arbetskraftsundersökningarna 1992. Sveriges officiella statistik. Örebro: Statistics Sweden.
- (1995) Arbetskraftsundersökningarna 1994. Sveriges officiella statistik. Örebro: Statistics Sweden.
- (1997) Arbetskraftsundersökningarna 1996. Sveriges officiella statistik. Örebro: Statistics Sweden.
- (1998a). Arbetskraftsundersökningarna 1997. Sveriges officiella statistik. Örebro: Statistics Sweden.
- (1998b) Income distribution survey in 1996. Sveriges officiella statistik. Örebro: Statistics Sweden.

- Suikkanen, Asko & Viinamäki, Leena (1999) Life Paths and Labour Market Citizenship. In Christiansen, Jens, Koistinen, Pertti & Kovalainen, Anne (eds.) Working Europe. Reshaping European Employment Systems. Aldershot: Ashgate.
- Svensk ungdomsstatistik 1997. Ungdomsstyrelsens utredningar 9. Stockholm: Ungdomsstyrelsen.
- Turner, Lowell (ed.) (1997) Negotiating the New Germany. Can Social Partnership Survive? London: ILR Press.
- Übersicht über das Sozialrecht (1997) 4., neubearbeitete und erweiterte Auflage. Stand: 1. Januar 1997. Bonn: Das Bundesministerium für Arbeit und Sozialordnung.
- Ungdomsstyrelsen (1996) Kommunernas ansvar för arbetslösa ungdomar upp till 20 år – en kartläggning. Redovisning av regeringsuppdrag dnr 318-173/96. Ungdomsstyrelsens utredningar 7. Stockholm.
- (1997) Kommunernas ansvar för arbetslösa ungdomar – en utvärdering. Ungdomsstyrelsens utredningar 8. Stockholm.
- Vogel, Joachim (1997) Materiell ojämlikhet – i tids- och internationellt perspektiv. In Valfärd och ojämlikhet i ett 20 års perspektiv. Levnadsförhållanden 1975-1995. Rapport nr 91, 393-409. Stockholm: Statistics Sweden.
- Valfärd och ojämlikhet i ett 20 års perspektiv. Levnadsförhållanden 1975-1995. Rapport nr 91 (1997), 393-409. Stockholm: Statistics Sweden.
- Weick, Stefan (1998) Einkommensungleichheit. In Braun, Michael & Mohler, Peter Ph. (eds.) Blickpunkt Gesellschaft 4. Soziale Ungleichheit in Deutschland. Opladen/Wiesbaden: Westdeutscher Verlag.

Legislative references

Finland

The Finnish Code of Statutes – Suomen säädöskokoelma (SSK)

704/75 the Act on Maintenance of the Child.

602/84 the Unemployment Benefit Act.

275/87 the Employment Act.

98/90 the Act on Changes to the Unemployment Benefit Act.

1733/91 the Act on Changes and Temporary Changes to the Employment Act.

595/92 the Act on Temporary Changes to the Employment Act.

1696/92 the Act on Changes to the Employment Act.

130/93 the Presidential Decree on Employment.

1541/93 the Act on Changes to the Unemployment Benefit Act.

1542/93 the Labour Market Subsidy Act.

65/94 the Act on Financial Aid to Students.

273/95 the Presidential Decree on Changes to the Decree on Employment.

1705/95 the Act on Changes to the Labour Market Subsidy Act.

665/96 the Act on Changes to the Labour Market Subsidy Act.

666/96 the Act on Changes to the Unemployment Benefit Act.

1117/97 the Act on Changes to the Act on Financial Aid to Students.

1401/97 the Act on Changes and Temporary Changes to the Unemployment Benefit Act.

1412/97 the Basic Income Support Act.

Finnish Government bills and other law-drafting documents

HE 172/1995, the government bill on changes to the Labour Market Subsidy Act.

HE 75/1996, the government bill on changes to the Labour Market Subsidy Act.

HE 161/1996 the government bill on changes to the Act on Financial Aid to Students.

HE 140/1997 the government bill on changes to the Act on Financial Aid to Students.

HE 217/1997 the government bill on the Basic Income Support Act and on the abolition of some regulations in the Social Assistance Act and Decree.

Sweden

The Swedish Code of Statutes – Svensk författningssamling (SFS)

1947:529 the Act on General Family Allowance. *Lag om allmänna barnbidrag.*

1949:381 the Law on Parenthood. *Föräldrabalk.*

1973:349 the Act on Study Allowance. *Studiestödslag.*

1980:620 the Act on Social Assistance. *Socialtjänstlag.*

1983:1070 the Act on Public Employment in Youth Teams. *Lag om arbete i ungdomslag hos offentliga arbetsgivare*

1988:846 the Act on youth saving for housing. *Lag om ungdomsbosparande.*

1993:737 the Act on housing allowance. *Lag om bostadsbidrag.*

1995:706 the Act on Municipalities' Responsibility for Youths. *Lag om kommunernas ansvar för ungdomar.*

1995:712 the Decree on Municipalities' Responsibility for Youths. *Förordning om kommunernas ansvar för ungdomar.*

1997:1268 the Act on Municipalities' Responsibility for youths between 20 to 24 years of age. *Lag om kommunernas ansvar för ungdomar mellan 20 och 24 år.*

1997:1278 the Decree on Municipalities' Responsibility for youths between 20 to 24 years of age. *Förordning om kommunernas ansvar för ungdomar mellan 20 och 24 år.*

Swedish Government bills and other law-drafting documents

Prop. 1994/95:100; Förslag till statsbudget för budgetåret 1995/96, Bilaga 11 (Bill for budget for the budget year 1995/96, Appendix 11).

Germany

Federal Law Gazette – Bundesgesetzblatt (BGBI)

BGBI 1974 Nr. 87 Gesetz zur Neuregelung des Volljährigkeitsalters vom 31. Juli 1974, 1713-1716. (*The Act on Reform of the Age of Majority*).

BGB Bürgerliches Gesetzbuch

KindUG. The Act on Maintenance of the Child. *Kindesunterhaltsgesetz.*

SGB Sozialgesetzbuch

BAföG The Federal Act on Support for Students. *Bundesausbildungsförderungsgesetz.*

BSHG The Federal Act on Social Assistance. *Bundessozialhilfegesetz.*

GG the Constitution of the Federal Republic of Germany. *Grundgesetz.*

APPENDIX

Table 5. Young people's access to social rights in Finland, Sweden and Germany. Age and other limits to student, unemployment, housing and last-resort benefits in comparison

Type of benefit	Finland	Sweden	Germany
Support for students	<ul style="list-style-type: none"> - student benefit <i>Opintotuki</i>; partly loan; means-tested on own income; benefit reduced when recipient is staying in parental household; can be obtained for a limited time 	<ul style="list-style-type: none"> - student aid <i>Studiehjälp</i>; for studies at upper secondary level; upper age limit 20 - study grant <i>Studiebidrag</i>; for studies at tertiary level; studies at secondary level after right for student aid is terminated; can be obtained for a limited time; combination of loan and allowance - special extended family allowance for children in upper secondary schools 	<ul style="list-style-type: none"> - parents have primary responsibility to maintain their studying children - when parental support and/or own income not available, right to student benefit according to BAFöG: in form of full allowance, half loan, half allowance or full loan; upper age limit 30; first degree at university level supported - parents entitled to extended family allowance until student is 27 (sometimes longer)
Unemployment / labour market	<ul style="list-style-type: none"> - means-tested labour market subsidy <i>Työmarkkinatuki</i>; lower for persons living in parental household; limited by income of the spouse; persons under 25 required to apply for vocational schools - basic unemployment benefit <i>Perusturva</i>; limited by working proviso; persons under 20 required to go to suitable vocational schools when so directed by employment authorities; can be obtained for a limited time - insurance-based benefit <i>Ansioturva</i>; limited by working proviso; membership in unemployment society required; can be obtained for a limited time 	<ul style="list-style-type: none"> - basic unemployment benefit <i>Grundförsäkring</i>; limited by working proviso; lower age limit of 20; can be obtained for limited time; commutation to working proviso: newly-acquired vocational degree. - insurance-based benefit <i>Inkomstbortfallsförsäkring</i>; limited by working proviso; membership in unemployment society required; labour market measures do not qualify for working proviso for persons first entering the labour market; can be obtained for a limited time 	<ul style="list-style-type: none"> - means-tested <i>Arbeitslosenhilfe</i>; limited by principle of subsidiarity - insurance-based <i>Arbeitslosengeld</i>; limited by combination of graduated working provisos and payment periods, i.e. longer periods in work guarantee longer periods of payment; can be obtained for a limited time depending on length of work experience - parents entitled to extended family allowance until unemployed child is 21
Social Assistance (last resort)	<ul style="list-style-type: none"> - means-tested income support <i>Toimeentulotuki</i>; subjective right; conditioned by requirement or at least willingness to take part in the labour market or special measures; means-testing on household members' income 	<ul style="list-style-type: none"> - means-tested <i>Social Bidrag</i>; subjective right; conditioned by requirement or at least willingness to take part in the labour market or special measures; means-testing on household members' income 	<ul style="list-style-type: none"> - means-tested <i>Sozialhilfe</i>; subjective right; conditioned by taking part in different inclusion measures when offered; means-testing on close relatives' income also when not in same household
Housing allowance	<ul style="list-style-type: none"> - general housing allowance targeted to young people (and some other disadvantaged groups) 	<ul style="list-style-type: none"> - housing allowance for households without children; can be obtained by 18-28-year-olds 	<ul style="list-style-type: none"> - no special allowance for young households - general housing allowance not targeted to young people

