

Transformations of Work and Welfare – Apprentices under Neoliberalism

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1 Introduction¹

Recent developments within European welfare regimes have been described as varying forms of polarization and fragmentation (Atzmüller 2015; Atzmüller, Krenn and Papouschek 2012). In relation to welfare policies for young people a growing bifurcation of labour market and educational activities and strategies became obvious (Atzmüller and Knecht 2016). This concerns the shift towards activation policies, which, on one hand, try to adapt people to the demands of flexible markets and, on the other hand, is the growing importance of Vocational Education and Training (VET) and human capital formation linked to the shift towards social investment, which promises to offer equal chances for everyone.

The relative success of the Austrian VET and employment system for young people is often ascribed to the efficacy of the so-called dual system of VET. It combines training on the job with education in a public vocational school. The system is based on the joint commitment of the social partners and the state to combine the provision of a skilled workforce for the Austrian economy with a smooth transition of young people into stable employment.

When confronted with a range of crisis symptoms of the dual system over the last years, which lead to a reduction of both job training places and of the number of companies offering apprenticeships, a so-called Training Guarantee (Ausbildungsgarantie) was passed in 2008 based on an agreement between the social partner organisations of the employers and employees. Through this scheme every young person who cannot find an apprenticeship in the (regular) labour market, is offered a publicly financed training spot in supra-company training sites, provided mostly by third-sector organizations. The complementation of the traditional training providers of the dual system by a third pillar (supra-company training sites) to offer the Training Guarantee was certainly a remarkable development which attracted a lot of international interest and was used as a best practice example for EU policies to tackle youth unemployment. Notwithstanding the successes of these measures the business side raised concerns about the cost of supra-company training places from the beginning. Under the new conservative far-right coalition government strategies to prioritise VET in companies have emerged and to reduce the attractiveness of supra-company training for young school-leavers.

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In order to understand the developments in the youth transition system of the Austrian welfare state, taking a single focus on these flagship *social investment policies* would not be sufficient to understand emerging ambivalences and. Apart from the implementation of supra-company training sites the crisis has also brought the youth transition system into employment closer to the more and more *workfarist active labour market policy regime* of Austria (Atzmüller 2009), which will even be strengthened by the most recent developments under the new coalition government and the side-lining of social partnership, i.e. weakening of the unions and workers chamber influence.

Thus, a range of increasingly mandatory measures has been implemented over the last years which in particular aim at reaching early school leavers and possible NEETs. Increasingly a disciplinary and punitive approach has become to be seen the best way to make sure that no one drops out of education, training or employment. These developments have become part of a deepening polarization and fragmentation of the youth transition system of the Austrian welfare system, as they reinforce social inequalities among young people and create a range of ambivalences which form a slippery slope towards the legitimation of financial cuts for young people a further deepening of disciplinary approaches to youth integration.

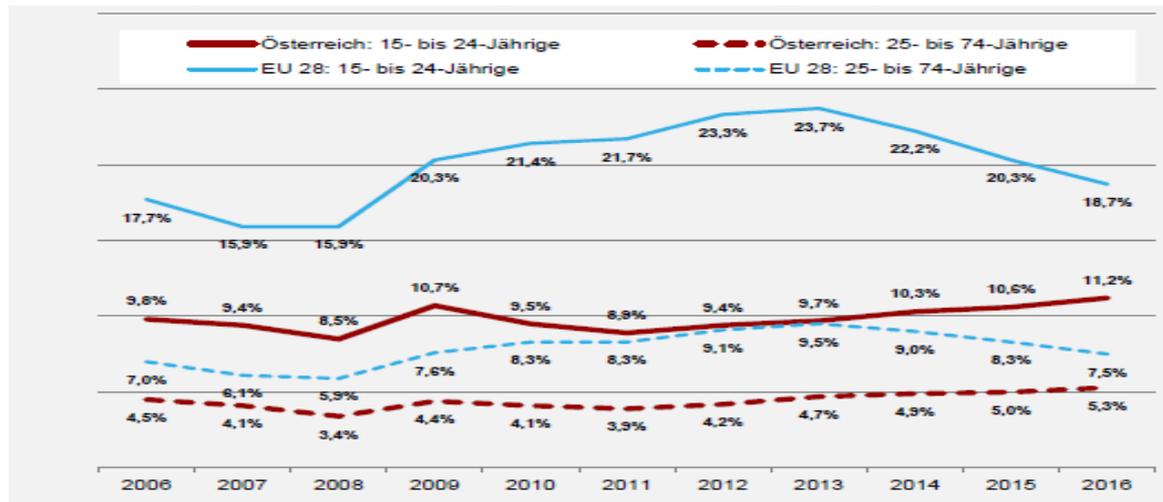
Even though social investment and workfare policies seem to constitute opposing ends of the social policy spectrum, they rest on a range of common assumptions which have strong repercussions in youth policies in particular. As they foster an understanding of labour market policies and human capital formation which stresses individual responsibilities and narrow social integration to success on the labour market, they try to normalize and prioritize certain forms of subjectivity which are constructed as being mature, rational and grown up. Through this, social policies structure inequalities according to whether someone is understood to be a personally responsible and autonomous individual, which is based on his/her willingness to model his/her subjectivity according to labour market demands. People who lose out are not only confronted with an increasingly mandatory set of active labour market policies, but also with the merger of social policies with social work activities as someone's failure to integrate into the standard path of VET and employment is ascribed to individual deficiencies. The latter legitimizes the expansion of policies which aim at adapting the subjectivities of the 'losers' to the demands of the lower end of the labour market.

Based on results of recent research we want to analyse the specific working and emerging ambivalences of these processes. In the first section we reconstruct the evolution of the active labour market and VET policies in Austria over the last two decades which lead to the implementation of the Training Guarantee. In the second section we highlight the Informational Basis of Judgement and Justice (IBJJ) applied by policy-makers we interviewed in 2013 and 2014 to legitimize and justify the emerging set of policies which are increasingly mandatory and aim at remodelling youth subjectivities which are understood to be immature, deficient, irrational and sometimes downright crazy. In the third section we put the spotlight on some ambivalences of the increasingly polarized youth transition system of the Austrian welfare state. Thus, we will debate the supra-company apprenticeships as representing the 'mature' and 'rational' pole of the social investment dimension of the emerging youth policy regime on one hand. On the other hand we will highlight the slippery slope towards increasingly mandatory policies at the workfarist pole of the youth transition which becomes visible in the plans to transform the Training Guarantee into a training obligation.

2 The evolution of vet in Austria and the Austrian Vocational Training Guarantee

The completion of an apprenticeship is still the most important path of transition from school to employment for young people. This system still reaches about 40 per cent of young people who are not able or willing to follow a more academic path of education (cf. Dornmayr and Nowak 2015, p. 22). Compared to other European countries the Austrian youth unemployment rate of about 11 per cent is still among the lowest in Europe (AMS 2016).

Grafik 2-7 Arbeitslosenquote der 15- bis 24-Jährigen und der 25- bis 74-Jährigen (2006 – 2016) (Österreich + EU-28-Länder, EUROSTAT-Berechnungsweise)



Quelle: EUROSTAT (Letztes Update: 2.10.2017 / Datum der Extraktion: 2.10.2017)

(Source: Dornmayr and Nowak 2017)

Since the 1990s the dual system has been confronted with a range of problems which lead to a reduction of training places and a reduction of companies offering apprenticeships. Thus, a growing number of disadvantaged young people (disadvantaged regarding social status, educational background of the family, migration background as well as failure at school) face severe obstacles to find company-based apprenticeships. With the onset of the financial crisis in 2008 the structural crises of the dual system worsened again.

Between 2008 and 2014, the total number of apprentices fell from 128,233 to 105,861. Until 2016 the number of training companies decreased from 39,540 to about 28,000. Since the year 2002 more young people looking were for apprenticeship places than open positions were available – the difference being very high after the begin of the financial crisis.

Given the economic and symbolic significance of the dual system, which is not only understood to form the core of the success of the Austrian economy but also to be a cornerstone of social cohesion and integration, the emerging problems sparked a considerable degree of political activities.

Thus, in 2008 the social partners agreed to implement a so-called Training Guarantee which offers a training place in so-called supra-company training sites to every school leaver who cannot find a regular apprenticeship. These training sites offer apprenticeships for about 40 to 60 occupations (out of about 210 occupations for which formal apprenticeships are available in Austria (BMFWF and WKO 2015). In the year 2015/2016 12,789 training places were available for young people (BMASKS 2015, p. 96), which amounts to about more than 8 per

cent of all apprenticeships. In Vienna, the rate is even higher at about 20 per cent (cf. Steiner 2015, p. 5).

The supra-company training is combined with socio-pedagogical and social work activities to deal with educational and social deficits of the young people. Guidance during practical and theoretical training activities is more intense and focused on individuals compared to a company apprenticeship (Litschel and Löffler 2015, p. 48). Apart ÜBA there is also a section of the Training Guarantee, called Integrated Vocational Training (IBA, Integrierte Berufsausbildung) – which is mainly geared towards young persons with special needs or leavers of special schools (3,146 participants in 2016/2017). Integrated training offers apprenticeship courses which can take an extended amount of time or where only certain modules can be chosen.

In the context of the expansion of activities to tackle the transition from education into VET and employment activities were emerging, which aim to systemize the measures to reach young school leavers at a very early state as well as to expand the activities for young people who are not able to start an apprenticeship. *Youth Coaching* is a low-threshold consulting service for youth. This programme aims to reach pupils the year before leaving school to avoid them losing contact with the support system (Bundessozialamt 2013, p. 4). Teachers decide based on an identification sheet if somebody needs this service. Extra-mural youth consultants support these young people. In 2015 about 29,700 young people started the coaching process (more than a quarter of an age cohort). The second programme consists of the *Production Schools*, which offer measures for young persons who are understood as being unable to start an apprenticeship because of deficits concerning basic competencies like cultural techniques and social competencies (BMASK 2014, p. 12). The goal is to stabilize them, improve their motivation, and teach functional knowledge and basic qualifications (BMASK 2015, p. 93).

3 Fusing activation and workplace with social work

The evolution of youth-related labour market policy and training measures reveals an oscillation between social investment orientation for young people who are training- and employment-ready and more activating measures for those who fail in the standard path to VET and employment. This is linked to an increasing fusion of labour market policies and VET measures fostering the transition into employment with social work and social pedagogical activities for young people. The ongoing transformation is also changing the relations between the growing sector of youth-related activities of the Public Employment Service (PES) and so-called ‘open youth work’ which consists of social work activities in youth centres and other outreaching youth work. This colonizing of social pedagogical and social work activities by activation policies and VET can be understood as a widening grip on young people and their subjectivities by governmental and para-governmental institutions. Based on an individualized understanding of unemployment and failure on the labour market the adaption of the individual self to the requirements of the labour market becomes a central tenet of the emerging policy set. These activities oscillate between an increasingly disciplinary approach of social control and therapeutic-pedagogical approach of enabling people to govern themselves. Subjugating under these activities is linked to the promise of integration into society via success on the labour markets. For this young people have to be ready to adopt certain behaviours and orientations which are understood as rational, mature and grown up.

4 Construction of the immature and irrational young person

The outlined developments reveal an individualized understanding of the problems of young people. On the one hand they seem to mobilize a certain understanding of alleged deficits of young people. On the other hand, they justify increasingly disciplining measures at the same time through this. This paves the way for the increasingly authoritarian policy reforms that are implemented under new conservative far-right government, which replaces an individualist orientation of youth policies with a group oriented strategy mainly geared against migrant youth, who are seen as immigrating into the welfare systems, and idle young people who are merely seen as cost factors. In general and traditionally youth is considered as the life phase when people are developing their competencies and abilities – for example, through their willingness to follow educational paths – to become fully self-responsible and self-sustaining members of society. As young people are just starting the process of developing these subjectivities and value orientations, public institutions are willing give a certain amount of leeway regarding potential problems and failures. However, as a certain path of growing up and integration into society is normalized, deviation and nonconformity appear as signs of immaturity and irresponsibility which might be driven by pubertal or adolescent immaturity and irrationality.

Thus, policy makers reveal a remarkable perspective on both the causes of the problems of youth in transition from school to vocational training and employment, and the necessary measures and strategies to overcome these problems. Failed development of self-responsibility is presented as an expression of insufficient 'maturity' of young people.

This means that there is a very strong reason why they can't find anything – it is not because they are incapable, or not suitable; it is because they need a room for post-maturing... And then in the context of a training workshop, where the framework conditions are just patient and you can try two, three, four times – that is exactly the space they need to build up confidence in themselves again. ... That are simply processes of post-maturing ... but also that they really develop competences of a fully formed person. (interview 7)

Accordingly, training and qualification measures should not only tackle deficits related to the development of occupational skills and adequate personality characteristics, but also remedy the alleged 'pathologies' of young people. Against the background of a meritocratic logic of labour market success and the social-investment understanding of social policies whose task is to give equal chances to everyone to be successful, an individualistic understanding of social integration, and becoming a self-responsible and independent person comes to the fore. The blame is shifted to the young people who fail in the dominant educational path and cannot integrate in the employment regime. Doubts about their ability and perspective to integrate into society are raised and linked to the alleged deficiencies of their subjective qualities and capacities. The doubts about the subjective qualities and the focus on their individual as well as family-related deficiencies has led to a tendency to merge traditional labour market policies and VET activities with social work and therapeutic measures – as mentioned above – and serve as justification for an ongoing paternalistic and punitive strategy. Interestingly, the pathologies and deficiencies displayed by disadvantaged youth are not only ascribed to individual problems but also to the background of families who are presented as being the cause for the failure of their children. These judgements about the causes of youth disadvantage rest on a moralization of allegedly failing and dysfunctional underclass families.

Thus, the problems of disadvantaged youth does not appear as a result of deteriorating socio-economic conditions in times of rising unemployment and economic upheavals or as consequences of discriminating practices of the school system and employers but they are linked with increasingly moralistic judgements on underclass families. This leads to a therapeutic understanding of the disciplinary and punitive measures for young people: in some interviews the dysfunctionality of the families was linked to an allegedly ‘normalized’ life of unemployment and benefits. According to this point of view such families can afford to cultivate an unproductive and non-investment child-raising behaviour because they can live on the social transfers of the welfare state: ‘Absolute priority for these young people has to be the motivation to improve. Many of them live in families where it is quite normal to be out of work.

Because now we have the new minimum benefit. Isn’t like this? So we get money anyway ...’ (interview 9).

From here it is not difficult to culturalize and ethnicize the perspective of policy makers and state institutions on the reasons for youth unemployment and failure to integrate into the labour market as has become visible with the debates brought forward by right-wing populists.

5 Continuing stigmatization and the slippery slope towards more coercion

The emerging set of active labour market policies and VET-related programmes for disadvantaged youth, are part of an increasingly polarized and fragmented welfare regime. The attribution of failure to immature subjectivities and dysfunctional underclass families serves to justify an expanding fusion of social policy and social work measures. While largely ignoring economic crises, unequal outcomes of a highly selective educational system, growing labour market problems, and a lack of apprenticeship places as causes of youth problems, the emerging policies aim at tackling disadvantages through remodelling allegedly mature, rational and responsible subjects. The contradiction between policies which try to tackle social problems by adapting subjectivities and socio-economic crisis tendencies, which are beyond the reach of individuals, leads to a range of ambivalences in youth policies.

On the one hand, for some special groups of young people who are discriminated in the labour market, like migrants or young people with disabilities or special needs students, this context made it easier to get access to any kind of vocational training until recently. On the other hand, the programmes and activities comprised by the Training Guarantee are incapable of overcoming discrimination and stigmatization. Rather they raise the question whether the predominant orientation of these measures pave the way for culturalized and ethnicized strategies to reorder activities, reduce resources and limit access to them.

Given current developments this seems to be the result of the antinomies of an individualised and supply side oriented approach to youth unemployment and failure. The access to supra company training places as an alternative to private sector places is (and must be) limited to young people who do not find an adequate apprenticeship place. The PES works as a de facto gatekeeper. Even though this system tries to offer disadvantaged young people a path into a standard employment career, the predominant orientation of measures and activities of the Training Guarantee to tackle individual and family deficits reinforces stigmatization and increasingly disciplinary approach. This affects young people in two ways.

First – and notwithstanding a lot of rhetoric concerning the significance of the dual system for the Austrian economy – from the perspective of the institutions and policy-makers apprenticeships seem to be second choice compared to studying at university or attending a professional school. In this context, completing an apprenticeship at a supra-company training site is even third class, as it reveals that its attendants are not even capable of finding a VET place on the regular labour market. This is ascribed to a decrease of the qualities and abilities of those young people who are looking for an apprenticeship. Somehow it seems, that the stigmatizing aspect of having to do an apprenticeship at a supra-company training site serves to stabilize the out of date dual system. Even though the supra-company training is permanently evaluated and improvements are discussed, it becomes clear that supra-company training sites must not be as attractive as ‘standard’ apprenticeships in a company. This stigmatization is easily linked to demographic changes concerning youth cohorts – which raise the question about dog-whistling elements of racism in the approaches and perspectives of policy makers.

Thus, a civil servant explained:

The demographic basis – I don’t want to be judgemental – is going down, because the number of students in the schools for continued and higher education rises. The performance specification of this target group for which a dual training comes into question is so to say decreasing because a lot of them go to [vocational and higher] schools. (interview 1)

Even more so, representatives of organizations with an elevated interest in this subject matter raise concerns about supra-company training sites offering a kind of cushion to young people as the demands of these apprenticeships do not resemble real work situations. Somehow, some policy makers tend to see the growing involvement of the state into the transition of youth from education into VET and employment and the use of social work as a sign of the “cuddling pedagogy” of the (social democratic) left.

What I have often heard, that, how can I say it, that it is more comfortable there, because they have just as many vacation days as a student and do not have to be on the shop floor at 6 or 7 in the morning; half past eight is okay as well. I can understand that. (interview 6)

Second, the measures aimed at remodelling the subjectivities of disadvantaged youth to adapt them to labour market demands create an expanding agenda of governing and controlling the young people. (For a detailed analysis see Atzmüller 2015; Atzmüller and Knecht 2016.) Thus policy makers talk about young people as ‘*to make them* enter an apprenticeship’ or ‘*channel them* into an internship’ (interview 15). or as ‘optimally organizing the young people’ (interview 1).

One of the last measures of the predeceasing Austrian government reinforced these tendencies: starting in autumn 2016 the vocational Training Guarantee, including youth coaching, became mandatory, euphemistically called ‘Vocational Training up to 18 Years of Age’ (‘Ausbildung bis 18’). The transformation of the Training Guarantee into an obligation is justified as an attempt to reduce the number of NEETs and early school leavers and to raise the minimum and average level of education (see BMASK 2015a). In the case of non-compliance of the training obligation the families of the young people will be fined (between €100 and €1,000).

6 Conclusions

The outlined ambivalences of the programmes and activities of the Austrian Training Guarantee and its effects and dynamics raise a range of questions. Oscillating between an activating/workfarist and a social investment pole the programmes and measures of the Training Guarantee reinforce the stigmatization of young people who fail along the standard path of transition from education to employment. In the context of an individualized and family-related understanding of youth disadvantage, processes of stigmatization are reinforced willy-nilly through the programmes of the Training Guarantee, thus opening up a slippery slope towards a youth transition system which rests on increasingly obligatory measures for those young people who fail.

These tendencies are aggravated under the new conservative, far-right coalition government. From the start the business side has criticised ÜBAs for being very costly. A place in a supra-company training facility is calculated at ca. €16,130 a year whereas a normal apprenticeship place costs only about €6,276 (for the vocational school and state funding for apprenticeship places) and a year of continued education runs about €10,129 (Dornmayr and Nowak 2017, p.112). However, the problem with this calculation is that the remuneration for apprentices in ÜBAs – i.e. their wage – is calculated as a cost. Evidently the activities of apprentices in ÜBAs are seen as not productive whereas their work for companies is. Furthermore, from the perspective of the right-wing populist discourse ÜBAs display too much of a pedagogical velvet touch (Kuschelpädagogik). This means that school leavers might prefer the cosy situation in an ÜBA, where they are also offered social work activities to the “realities” of an apprenticeship in a private sector company. From this perspective, ÜBAs should remain an exception and as many young people as possible should be pushed in regular apprenticeships. As there are some regional discrepancies concerning young people looking for apprenticeship places in the eastern part of Austria and in Vienna and available places e.g. in the tourist regions of the west, these debates are linked to considerations to increase the “incentives” for young people (>15yrs) to move to other parts of Austria. Therefore, one of the first measures of the new government has been to reduce the remuneration for apprentices in ÜBAs who are older than 18yrs by 50% (to ca. € 328). Experts of the workers chamber fear that this will force many young people onto the social support system (Bedarfsorientierte Mindestsicherung) – which will also be reduced soon. As there is a concentration of apprentices in ÜBAs in the big city – in particular in Vienna –, which also have a higher share of immigrant youth, this measure will hit certain groups of young people more strongly. This policy to reduce public support for young people facing problems in the transition education – VET – employment is linked to an enforced strategy to deport young asylumseekers even when they successfully started an apprenticeship, as in particular the far-right part of the government wants to reduce all ways of immigration and integration into the Austrian employment and welfare system.

Nevertheless, the outlined developments have revealed the demand for an enlarged responsibility of public institutions to organize and structure this phase of a young person’s life to make sure they have the time and resources to find their way to integrate into society. Thus, the ambivalences of the Training Guarantee reveal the need for a thorough debate of the Austrian educational system which could mean among other things the expansion of compulsory education until the age of 18, the implementation of vocational training activities into public education and the opportunity to mature and grow up beyond the demands of a highly competitive and profit oriented economy which cannot account for individual needs to develop a self-responsible and autonomous subjectivity.

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