Youth Employability Policies and Programs

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Abstract

This article explores the scope of youth employability practices considering two structures of central factors in the school-to-work transition process: (i) factors linked to the accumulation of human capital that occurred in or before the school-to-work transition years and (ii) factors linked to differences in job opportunities in or after the school-to-work transition years. Based on this structure, this text presents information on the design and causal evidence of impact of public policies and social programs. In addition, we present the main conclusions arising from the evidence presented and explore potential design margins that should be considered in order to contribute to better program outcomes. There is robust evidence that qualification and certification programs can positively impact the employment and formalization rate, and the income earned in the labor market in the short term. In the long run, the results vary according to specific groups and programs, which reflects the importance of considering some design margins. The literature also presents solid evidence that summer jobs consistently reduce young participants' initial contact with the criminal justice system by decreasing arrests, charges, convictions, and incarcerations for these young people. In addition, the evidence suggests that summer jobs significantly increase participants' earnings during the program, but there is no solid evidence that these earnings are sustained after the program.

YOUTH EMPLOYABILITY POLICIES AND PROGRAMS

1. INTRODUCTION

The school-to-work transition is one of the most consequentially-rich stages of the life cycle.¹ Both the academic literature and the public debate on employability during and after this stage tend to list central factors that influence the process experienced by adolescents and young adults: (*i*) factors linked to the accumulation of human capital that occurred in the years of the school-to-work transition or prior to it; (*ii*) factors related to differences in opportunities for access to jobs in the years of the school-to-work transition or after it. This technical note presents information on the design and causal evidence of impact of public policies and social programs according to this framework of factors. In what follows, we briefly discuss this structure and a typology of program classes that attempts to contemplate it.

First, let us consider the factors linked to the accumulation of human capital that occurred in or prior to the school-to-work transition years. One of the important hypotheses is that some young people do not have productive skills (cognitive, socio-emotional, or specific to some occupations) that generate demand for their workforce, consistently and in the long term. In borderline cases, when the young person drops out of school too early, this lack of productive skills can take extreme forms.^{2,3} An extensively documented stylized fact is that firms tend to point to a lack of social-emotional skills (such as teamwork skills, punctuality, or job readiness) and cognitive skills (e.g., good reading and writing and elementary math skills) in the pool of young people who end up accessing available jobs (FGV/CLEAR, 2017). Note, however, that some specific skills – for example, linked to the exercise of an occupation that requires technical training – could not be part of the basic education curriculum.

¹Document prepared by the IMDS technical team within the scope of technical cooperation between IMDS and GPE/RS (*Young Apprentice* - Stage 1, Phase 1.1., *Technical Note: Youth Employability Policies and Programs*). Some of the textual elements used in the text were taken from the **Impact Monitor**.

 $^{^{2}}$ A possible distinction in the organization of policies and programs dedicated to the school-to-work transition is between those that are dedicated to combating school dropout and those that are dedicated to the employability of young people. The IMDS structured, also in the context of the TCA with the GPE/RS, a diagram with a structure of determinants of school dropout, focusing on programs and public policies operationalized within schools at the Junior High and High School levels. ³While one of the most characteristic patterns in labor markets around the world is that young people are more likely to be unemployed than non-young people – which is not in itself a problem and stems from the learning process inherent in entering the job market – excessive turnover also tends to be a feature of youth employability. An analysis of data from the Annual Report of Social Information (RAIS) from 1996 to 2010 documents that, on average, out of every 10 young people employed, seven left their jobs in the following 12 months (72.4%), compared to 41% among nonyoung people and the Continuous PNAD in the period 2015-2019 shows that there is, at the same time, a decrease in the percentage of young people transitioning from unemployed to formal jobs and an increase in the transition of those employed in formal jobs for the informal market. Together with the high turnover, the pattern of informality indicates a worsening of the quality of productive insertion in early adulthood.

Professional qualification and certification programs, discussed in section 2.1, tend to center these factors in the consideration of their designs. The programs in this class are all qualification programs, integrating courses (typically, vocational) with some type of certification. Some explicitly include social-emotional training content in their curriculum. Others include, as an additional complementary component, labor insertion for a predetermined period, such as a period of training in registered companies. Finally, there are programs whose central training component is training for micro-entrepreneurship activities.

Secondly, there are factors linked to differences in opportunities for access to jobs during the school-to-work transition stage. Note that access to jobs itself can also be understood as a process that generates accumulation of human capital and, in this sense, as a qualification process such as that engendered by professional qualification and certification programs. There is, in fact, large theoretical and empirical literature (see Acemoglu and Pischke, 1999, for example) in labor economics pointing to the importance of on-the-job training. This element of learning in the job market tends to be more important for skill development during an individual's early career, when some skills are more malleable.

Labor insertion programs, discussed in section 2.2, tend to center these factors in their designs. While some labor insertion programs also have educational components, these programs have a greater focus on assisting participants in the labor market, including by offering a subsidized employment contract or helping them find non-subsidized jobs. In what follows, we discuss evidence on the design and impact of public policies in the classes of professional qualification and certification programs and labor insertion programs.

2.PROGRAM CLASSES AND EVIDENCE

- **2.1 Professional qualification and certification programs.** As discussed in the introduction, the main class of programs dedicated to the determinants related to the accumulation of human capital that occurred in the years prior to entry into the labor market is that of professional qualification and certification.
- 2.1.1 Young Adult Youth Training Program. *Jóvenes en Accíon* has been implemented since 2002 in the seven main cities of Colombia: Bogotá, Medellín, Cali, Barranquilla, Bucaramanga, Manizales, and Cartagena. To structure its design, the program used the System for the Identification of Potential Beneficiaries of Social Programs ("System for the Identification of Potential Beneficiaries of Social Programs", an information system that resembles the Brazilian Singled Registry, with the acronym SISBEN) to focus the program on young people, between 18 and 25 years of age, from the lowest socioeconomic strata of the population.

The program had three main components. Firstly, the young beneficiaries participated in three free months of classes (280 to 350 hours) in private institutions, where they took practical vocational courses for occupations in administrative areas (e.g. courses for secretaries or archivists), manual work (e.g. kitchen assistants) or of higher technical qualification (e.g. information technology specialists or accounting assistants). These courses were conceived not only as professional training efforts, contemplating approximately 30 young people in a classroom, but also as spaces for the exercise of transversal socio-emotional skills, such as proactive behavior, resourcefulness, openness to criticism and teamwork.

After the three-month course, in the second component of the design, the young people underwent a three-month period of training in legally registered companies, in the form of unpaid internships. At the end of the period, the educational institutions were remunerated according to the students' progression in the course and received a bonus if they were hired by the companies where they did their internship. Finally, throughout the period, the participants developed a "life project", which guided them to personal planning and positive visualization of their personal and professional skills and perspectives. The program also provided assistance during the six months to cover the costs of transportation and food. Attanasio et al. (2011) and Attanasio et al. (2017) document the following evidence on the *Jóvenes en Accion*:

- an 8% (or 4.6 percentage point) increase in the employment rate among women, who also received a 20% higher salary, and were in formal employment 35% (or 8 percentage points) more often, 1 year after the end of the program;
- the increase in the formal employment of women was maintained in the period from 3 to 9 years after the end of the program, and wages in these jobs were also positively impacted by 18% in the same time frame;
- In the same period, there is evidence that the program stimulated the formalization of employment and increased men's wages, although the results are imprecisely estimated.

1.1.2. National Program for Technical and Vocational Education. The program was implemented by the Turkish National Employment Agency in 2008 in 81 provinces across the country. The program offered three months (about 340 hours, 6 hours per day) of face-to-face technical and vocational education courses, offered by public and private institutions, with an average class size of 28 students. For each day of full training, participants received a transfer of 15 Liras (the equivalent of 10 U.S. dollars in 2010). There was no focus on specific age or social groups. To be eligible to participate in the course, individuals had to be at least 15 years old, have at least primary education, and meet other skill prerequisites that depended on the course they wished to attend (e.g., software courses may require some pre-existing IT knowledge or skills). The courses offered were in the areas of: (i) computational accounting; (ii) provision of services (babysitter, cashier, waiter, caregiver for the elderly); (iii) arts and crafts and machine operation (welder, plumber, mechanic); (iv) technical occupations (design, electrical engineering, technician and

computing); (v) other professional occupations (such as web designer, computer programmer, IT specialist).

Hirshleifer et al. (2015) document the following evidence regarding the causal impact on individuals who received invitations to participate in the program in 2010 and 2011:

- 1. 72% have completed technical and vocational education courses;
- 1. there was a 5% increase in the employment rate, a 6% increase in the formality rate in employment, and a 9% increase in wages obtained in these formal jobs, 1 year after implementation;
- however, 3 years after implementation, there is no evidence of impact on the above variables, suggesting that the effects have dissipated over time.

1.1.3. *Job Corps Program for Training and Professional Insertion. Job Corps* was created in 1964, in the United States, with the aim of increasing the chances of insertion in the labor market and the quality of employment of adolescents and young adults living in low-income households. The design of the program focused on legal residents of the United States, aged 16 to 24, who lived in low-income households and/or in neighborhoods marked by social vulnerability in urban centers or rural areas.

Specifically, the program had three components. The first component was training in basic school curricula, totaling approximately 450 hours, as a way to fill gaps in knowledge in Mathematics and English Language (reading and writing), and, for students who had dropped out of high school, as preparation for the General Education Diploma (an American test that allows the obtaining of a certificate of completion by means of a test after the period of leaving school). The second component was professional training, totaling approximately 700 hours, including vocational education for administrative work in offices, carpentry, mechanics, maintenance of buildings and apartments, and health-related work. Vocational curricula were developed with input from business and labor organizations and emphasized the attainment of specific competencies needed to work in a trade. Both school education and professional training were conducted in residential centers, available for accommodation for approximately 30 weeks, where food and medical and dental care were also offered free of charge. Finally, the last component of the program was to assist in the search for jobs, after the period of professional training, for those who went through this stage, or immediately, in cases where an initial evaluation indicated that this was the best form of professional insertion. These services were provided by the staff of the residential centers while the youth were enrolled in the program, and additionally for six months thereafter by teams from vocational insertion agencies in the communities in which the youth resided.

The following is evidence of the impact of the program, which refers to a nationally representative sample of approximately 15,500 individuals who enrolled in the program between November 1994 and December 1995. The results can be obtained in Burghardt et al. (2001), in Lee (2009) and in Schochet (2020):

 Among those who had not yet completed high school, there was a 56% (or 15 percentage point) increase in the rate of certification of completion through a later test to the period of leaving school, and an increase of 147% (or 22 percentage points) in the rate of technical or vocational certification, approximately 2 years after participation in the program's activities;

- decrease of 16% (or 5.2 percentage points) in the rate of individuals who were arrested, either during the participation period or in the subsequent 2 years;
- increase of 3.5% (or 2.4 percentage points) in the employment rate, also approximately 2 years after participation in program activities;
- there is also evidence that, over the same time frame, the program not only affected income earned in the labor market by moving individuals into the market, but also increased the productivity of those who were employed;
- increase, for individuals aged 20 to 24 at the time of registration (older group), of 4% (or 2.8 percentage points) in the employment rate in 2015, *i.e.* when those enrolled were between 36 and 44 years of age;
- reduction of 27% (or 2.4 percentage points) in the rate of people who received some benefit from the social assistance system as adults, also in the oldest group of enrollees;
- there was no statistically significant effect on income earned in the labor market declared for taxation purposes, also in 2015, still in the oldest group of enrollees;
- there is no strong evidence that the program has generated positive effects for individuals under 20 years of age at the time of enrollment, within the same time frame as the results described immediately above.

1.1.4. *WorkAdvance Sector Qualification Program. WordAdvance* It was implemented from 2011 onwards in the context of an experimental impact assessment on participating cohorts. The main idea of the program is that the provision of high-quality vocational courses in sectors that tend to be in high demand can have a transformative impact on the lives of the individuals covered — and young people, in particular. In this sense, the main component of the program was the provision of a training and professionalization course in areas identified by a previous diagnostic study as areas with high sectoral demand (such as posts linked to the provision of health services).⁴ The model also requires providers to be more employer-oriented than traditional training programs, taking into account changes in skill requirements from various employers, employee assessment practices, and staffing needs.

In Hendra et al. (2016) and Katz et al. (2022), the following evidences have been documented with regard to the causal impact of the program:

• all providers translated the *WorkAdvance* model into a set of concrete services, but it took time—more than a year for some courses and providers—and a substantial amount of technical assistance and support;

⁴The model is strongly influenced by the positive results of the *Sectoral Employment Impact Study (SEIS) completed in 2010*. An important component of the model, in common with the programs studied at SEIS, is formal training that offers industry-recognized certifications, reflecting the hypothesis that skill acquisition is necessary.

• increase of 11 to 12% of income earned in the labor market 3 to 7 years after participation.

1.1.5. Job Training Partnership Act (Title II-A) Program to Stimulate Insertion in the Labor Market. The Job Training Partnership Act (JTPA) was implemented from 1983 until the late 1990s in the United States. The programs linked to the Title II-A strand of the JTPA focused on individuals in situations of social vulnerability, aimed primarily at holders of social benefits already existing in the country, the illiterate, individuals who had dropped out of high school, the unemployed for more than 15 weeks, immigrants with low command of the English language, ex-prisoners and, finally, individuals with some type of physical or mental disability. The central idea of the programs was to offer a range of services that would increase the chances of professional insertion of these individuals. To this end, the programs had up to three main components, after a case-by-case evaluation of the enrollees and their needs, lasting 5 to 7 months. The first component was participation, for 3 to 4 months, in classes at technical schools, universities or non-profit community organizations and public or private vocational education agencies, where they received professional training for specific occupations and basic educational content (often a preparation for the General Education Diploma (GED), an American test that allows obtaining a high school certificate of completion after the period of leaving school). The second component of the program was subsidies to companies in the private sector to provide job training in jobs related to job training courses. The third component of the program was to assist in the search for jobs, after the period of professional training in courses and jobs, for those who went through these stages, or immediately, in cases where the initial evaluation indicated that this was the best form of professional insertion. Implementation also included a system of performance standards in which locally managed training centers competed for incentives based on their success in placing enrollees in stable, well-paying jobs.

The following are the main results of the program, which are documented in Bloom et al. (1997), Abadie et al. (2002), Heckman et al. (2000) and in an Office report (1996). These results refer to an experimental impact study of the Title II-A strand of the program, in 16 areas of course offerings, conducted with approximately 16,000 individuals who enrolled in the program between November 1987 and September 1989. As there were many other alternative vocational integration programs in operation at the time, the evaluation could generate credible results only on the incremental impact of these alternatives and not on the impact of the Title II-A programs of the JTPA themselves:

- approximately 6 out of every 10 individuals enrolled and invited did, in fact, participate in the components described above;
- in the group of women who had dropped out of school, there is evidence that the program affected the rate of graduating from high school or obtaining a certificate of completion through a test after the school-leaving period by 57% (11.6 percentage points) for those who were over 21 years of age. and by 24% (7.7 percentage points) for those aged 16 to 21);

YOUTH EMPLOYABILITY POLICIES AND PROGRAMS

- 4 to 5 percent (2.6 to 3.1 percentage point) increase in the employment rate of women over 21 years, built on information collected 1 to 3 years after the start of the survey, although there is no evidence of effects on younger women or men of any age;
- no statistically significant effects were found on income earned in the labor market for men and women under 21 years of age in the 2 1/2 years following the beginning of the survey;
- an increase of 5.3% for men over 21 years of age, and of 9.6% for women over 21 years of age, in income earned in the labor market in the 2 and a half years following the beginning of the survey;
- the positive effects on income described above were greater for women with lower income earned in the labor market, suggesting that the programs reduced the dispersion of income in this group;
- among men, the positive effects on income described above only materialized for those with higher income earned in the labor market, suggesting that the program may have increased the dispersion of income in this group;
- there is evidence that the group of women who were mothers, and also received benefits from the *Aid to Families with Dependent Children* program, were particularly affected in their income, especially those who received job placement services (on-the-job training or job search assistance) when compared to practical occupational training;
- effects of similar magnitude to those described above were found on the employment rate and on income earned in the labor market of the affected groups, 5 years after the beginning of the survey, although in some cases these effects are imprecisely estimated.

1.1.6. *Personal Initiative Training Program for Micro-entrepreneurs*. The program was implemented between April and August 2014 in Lomé, Togo, in the context of an experimental study of the impact of professional training initiatives (approximately 1,500 micro-entrepreneurs). The program aimed to train micro-entrepreneurs in developing countries and focused on micro-entrepreneurs who were not active in the agricultural sector, who had been active in the market for at least 12 months, had fewer than 50 employees and did not own formally registered companies. The central idea of the program was to provide input for participants to internalize patterns of behavior that would foster the proactivity of their initiatives, and that they could connect these initiatives to future goals that would be pursued with persistence and perseverance in the face of eventual difficulties. This mindset implies greater agility to solve business challenges, the result of cognitive, affective, and motivational adjustment. The implicit pedagogy of the program was not prescriptive in character. So, for example, instead of learning how to access credit instruments – with information about the types of loan products banks offer and what is required to apply for a loan –, the program encouraged participants to identify and contemplate new sources of

money, to start businesses without secure sources of outside money in the short term, and not to give up immediately if they faced financial difficulties.

Specifically, the program lasted 48 hours, with 9 modules, presented to groups of approximately 20 aspiring or new micro-entrepreneurs. The 9 modules were: introduction to the full course content; concept of personal initiative; innovation and identification of opportunities; goal setting; planning; feedback; overcoming barriers; reinforcement of the content that had been covered so far; Elaboration of a personal project. The training meetings took place in hotel conference rooms in various areas of Lomé. The pedagogical tools used included presentations, videos, cases, group work followed by discussions, quizzes, and individual exercises. All instructors in the program had to undergo a 5-day training, offered by the team in charge of the program. In the weeks following the training meetings, one of the professionals responsible for the training visited each microenterprise for 3 hours, once a month, for the following 4 months, to answer any follow-up questions and help with the implementation of the concepts learned.

Based on Campos et al. (2017a) and Campos et al. (2017b), the following evidence can be reported regarding the causal impact of the above program:

- approximately 8 out of 10 micro-entrepreneurs who received invitations participated in the training;
- 8.7% increase in a quality indicator used in business practices, gleaned on information collected in the 21/2 years following implementation of a parcel of best practices carried out in the areas of marketing, customer service, record keeping and financial management, operations and performance management, search for information and opportunities, and human resource management;
- 2.9% increase of one standard deviation in an indicator of personal initiative in business involvement, gleaned from information collected in the 2 1/2 years following implementation on, for example, how often problems were actively dealt with, immediate search for solutions, and self-confidence in the realization of one's own ideas;
- 15% increase of one standard deviation in an indicator of access to finance and financial instruments, built on information collected in the 2 1/2 years following implementation on, for example, the possibility and effective receipt of loans, in particular in case of business-related emergencies, banking and connection with microcredit institutions;
- 31% increase of one standard deviation in an indicator of innovation activities, built on information collected in the 2 1/2 years following implementation on the occurrence and frequency of the introduction of new products or services and the occurrence and frequency of active search for new production, marketing or management techniques;
- an increase of 8% of one standard deviation in an aggregate indicator of capital and labor inputs, which suggests that the program led firms to increase their activity in the same time frame as the results described above;
- 17% increase in the total value of sales and 30% in total profits earned with the microenterprise, still within the same time frame.

1.2. **Job access programs**. We now turn to the discussion of programs whose central components are access to jobs. Although some labor insertion programs also have educational components, these programs have a greater focus on assisting participants in effective entry into the labor market by offering a subsidized employment contract.

1.2.1. Young Apprentice. The Young Apprentice legislation, established in 2000 by Law 10,097, consists of amendments to the Consolidation of Labor Laws (CLT), specifically in articles 402, 403, 428, 429, 430, 431, 432 and 433. The main objective of the program is to provide work experience for young people between the ages of 14 and 24 through a temporary contract of no more than two years. This contract combines classroom classes with on-the-job training. The contract is registered in the apprentice's work card and is conditioned to his school attendance if he has not completed junior high school. The apprentice's remuneration is at least the minimum hourly wage, and the technical-professional training involves theoretical and practical activities, under the supervision of a qualified agency. Upon completing the course with adequate success, the apprentice receives a certificate of professional qualification, and the hiring can be carried out by the company or by a qualified agency. The contract is terminated when the apprentice reaches the age of 24.

In addition, the Brazilian program grants payroll subsidies to companies that hire and train young workers through special temporary contracts lasting up to two years. This is done by reducing the deposit requirement in the worker's FGTS account. Companies need to deposit 2% of the monthly minimum wage into this fund, instead of the 8% or 8.5% rate that applied to other workers at the time. The main requirement is to enroll workers in intensive courses at certified institutions, supplemented by a period of practical training in the company. The courses are to be taught by official professional qualification agencies or by institutions certified by the Ministry of Labor. Companies are responsible for enrolling young people hired in the apprenticeship program in these training courses, which include modules on citizenship, workers' rights, occupational safety and health, alcohol and drug prevention, and consumer education, as well as specific technical training for each occupation.

Corseuil et al. (2019) present the main results of the causal impact of the program using the first cohorts of affected youth, between 2001 and 2003:

- increase in the rate of young people who had a formal non-temporary job by 7.9% after 2-3 years, and by 6.9% after 4-5 years;
- the number of admissions experienced by apprentices was 16.7% lower than for other temporary contracts after 2-3 years and 20.6% lower after 4-5 years.
- 37.9% reduction in the number of layoffs after 2-3 years and 20.9% after 4-5 years.

1.2.2. National Supported Work Demonstration Program for Temporary Insertion into the Labor Market in the United States. The National Supported Work Demonstration was implemented between 1975 and 1979 aimed at helping workers in situation of social vulnerability and with low professional training to enter the labor market. As for the design,

the program focused on adults in situation of social vulnerability, especially women covered by a cash transfer program called Aid to Families with Dependent Children (AFDC) and men (mainly young people) who had dropped out of high school.

Specifically, the program had two main components, lasting from 9 months to 1 year and a half. In the first component, the beneficiaries received jobs with subsidized pay by the implementing agency, mostly in the service sector (for women) and in the civil construction sector (for men). Salaries in these jobs were lower than what they would receive in a regular job, but there was room for salary hikes in cases where the beneficiaries had good attendance and performance. The professional experience in this job was based on the concept of graduated stress, according to which the load of responsibilities and demands in the work environment gradually increased during the period, to the point where norms of a typical work environment in the private sector were simulated. At the end of the subsidized employment contract, the program required participants to attempt a transition to non-subsidized employment. In the second component, the program assigned a counseling professional to each beneficiary for frequent discussions about subsidized employment performance.

Based on LaLonde (1986) and Couch (1992), we present the main results of the causal impact of the program, which refer to participants enrolled in 1977 and 1978:

- the program increased the total annual income earned in the labor market in the year following participation in program activities by 17% among men who had dropped out of high school at the time of enrollment in the program, although these effects dissipated approximately 8 years later;
- in addition, the program increased the total annual income earned in the labor market in the year following participation in the program's activities by 22% among women who were AFDC beneficiaries at the time of enrollment, and for this group, there is evidence of sustained positive effects over the 8-year time horizon.

1.2.3. *Summer Youth Employment Vacation Work Experience Program for Young People in Boston.* The program was introduced in the early 1980s in the city of Boston in the United States and is still in operation. The design of the program had two main components. The first component was a job offer during the summer holidays, between July and August, for 25 hours a week (5 hours a day) and duration of 8 weeks, which paid the Massachusetts state minimum wage per hour of work. The second component, offered by local community organizations, consisted of about 20 hours of professional training in: assessing each youth's strengths and weaknesses, communication skills, training for team collaboration and conflict resolution, preparing resumes and cover letters, and training for interviews.

Based on Modestino and Paulsen (2023), we have summarized the main evidence regarding the causal impact of the program on young people enrolled in the program in 2015:

• increase in the employability of young participants during the program;

- increased employment and pay for black men ages 19 to 24 in the year following the program;
- increase of 2.7% (totaling a gain of 3.4 days) in the school attendance rate of young people in the school year, following their participation in the program;
- 22% (or 5.9 percentage point) reduction in the rate of students with chronic absenteeism;
- an increase of 6.8% in overall average grades in subjects in school, even in the school year following participation, although this effect dissipates if the individual does not participate in the program again;
- 2.5 percentage point reduction in high school dropout rates during the 4-year period following implementation;
- an increase of 4.4 percentage points in the rate of students graduating from high school on time, during the 4-year period after implementation; (8) a 3.9 percentage point increase in the rate of students graduating from high school at some point during the 4-year period after implementation;
- participation in the program also reduced the number of charges for violent (41 percent) and property crimes (37 percent) in the 17 months after the program;
- there were no significant effects on charges for drugs, weapons, and other crimes.

1.2.4. One Summer Chicago Plus Program of Professional Experience and TCC for Youth. One Summer Chicago Plus was created by the Department of Family and Support Services (DFSS) in Chicago, USA, with the goal of introducing and preparing young people (14 to 21 year olds) for future careers, promoting important skills for success in the job market, and providing supplemental income for their families. The design of the program focused on young people aged 14 to 21 who studied in 13 schools in high-violence regions and had three main components. The first component was a job offer during the summer holidays, in July and August, for 15 to 25 hours per week (3 to 5 hours per day) and for 8 weeks, which paid the state minimum wage of 8.25 US dollars per hour (in 2012 values). The second component was the assignment of each of the young participants to a professional mentor, responsible for approximately 10 participants. The mentor's central function was to assist in the process of professional insertion and teach them the way to succeed in their jobs. The mentors attended a one-day training and received a salary for their services. Finally, the third component of the program was the presentation of basic principles of cognitive-behavioral therapy (CBT), with the aim of encouraging young participants to improve their decision-making process. To encourage the participation of young people in these activities, they were also paid the minimum state salary for 10 hours per week during the 8 weeks of the program. DFSS administered the program through contracts with local nonprofit agencies. These agencies recruited candidates, hired mentors, recruited employers, and allocated young people to the vacation jobs. In addition, the institution provided financial assistance for daily lunch and transportation.

Below, we summarize the main results of the evaluation of the program, which can be obtained from Heller (2014) and are valid for a group of young people enrolled in the program in 2012:

- 7 to 8 students out of every 10 participated in the program's activities after being invited to do so;
- increased employability and wages during the program, although there is no significant increase in participants' salary in the two years following the program;
- increased likelihood of being employed after the program for only a few groups, namely: younger than average youngsters, Hispanics, women, and youth less likely to engage with the criminal justice system, those more engaged in school, and those living in neighborhoods with lower unemployment rates;
- in the year following the program, there was a reduction in arrests for different types of crimes, especially arrests for violent crimes;
- 43% reduction in the number of arrests for violent crimes within 16 months of the start of the program's implementation;
- there was also a reduction in imprisonment for drugs and for "other prisons", in which the latter encompasses imprisonment for all crimes except violence, property and drugs;
- there is no evidence that participation in the program affected the overall average grade, attendance rates, or school persistence of the participants, the latter being defined as the student who remained enrolled in the school from which he would graduate.

1.2.5. *New York City's Summer Youth Employment Program (or NYC SYEP).* The program was introduced in 1963 in New York City, USA. The results below refer to a group of young people enrolled in the program between 2005 and 2008. NYC SYEP focused on 14- to 24-year-olds living in New York City and two main components. The first was a job offer during the summer holidays, in July and August, for 25 hours a week (5 hours a day) and for 8 weeks, which paid the state minimum wage of 8.75 US dollars per hour (in 2021 values). The most common workplaces were summer camps and day care centers, followed by social or community service agencies and retail. The second component, offered by local community organizations, consists of about 18 hours of workshops on topics such as job readiness and responsibility, career, financial literacy, and possible avenues of educational continuity. The main results, valid for a group of young people enrolled in the program in 2005 and 2008, are synthesized based on the evidence in Schwartz et al. (2015) and in Gelber et al. (2015), as follows:

- from 7 to 8 young people, out of every 10, participated in the program's activities after being invited to do so;
- 0.6% (or 0.4 percentage point) increase in the rate of students taking the New York State standardized exams, which are administered to assess performance in a variety of high school subjects;
- no statistically significant effects were found on the rate of young people who enrolled in higher education institutions;
- nor were any statistically significant effects found on the income earned by young participants in the labor market in the years following their participation in the NYC SYEP;

- there is a reduction of 9.9% (or 0.1 percentage point) in the rate of young people who had been imprisoned up to the year 2013, in the group of those who participated in the program after applying and being accepted;
- Among the participating boys, there was a reduction of 18% (or 0.07 percentage points) in the rate of young people who had died by the year 2014, also in the group of those who participated in the program after applying and being accepted.

1.2.6. *Philadelphia WorkReady Program*. Ultimately, *WorkReady* had two main components. The first was a job offer during the summer holidays, in July and August, for 20 to 25 hours a week (4 to 5 hours a day) and a duration of 6 weeks, which paid a salary of 8 to 10 US dollars per hour (in 2016 values). The second was the provision of three working models to meet the needs of different populations: in-service learning for young people with little or no prior work experience, structured work experience for young people with little or no prior experience, and internship for young people with some prior work experience. Based on Heller (2021), we summarize the main results of the program:

- *Philadelphia WorkReady* reduced the chance of incarceration for youth participants by 1.5 percentage points (approximately 80%) in the year following the program;
- there is no evidence that participation in the program affected the overall average grade, attendance rates, or school persistence of the participants, the latter being defined as the student who remained enrolled in the school from which he would graduate.

2. FINAL DISCUSSION

There is strong evidence that upskilling and certification programs such as those reviewed in section 2.1 can positively impact the employment and formalization rate, and the income earned in the labor market within 1 or 2 years of participation. In the long run, the results vary according to specific groups and programs, which reflects the importance of considering some design margins. In addition, these programs are often expensive (Blattman and Ralston, 2015), which reinforces the need to identify which margins have the greatest potential in order to incorporate them into the planning of similar programs.

The long-term effects are sustained for *Jóvenes en Accíon* and the *Job Corps* – in the latter case, there are even effects on the productivity of the young people contemplated. For *the National Program for Technical and Vocational Education in Turkey*, however, the evidence shows that the effects dissipate. Thus, one of the differentials of the programs that generated sustainable impacts seems to have been the support in professional insertion in the period of or after participation in the professional qualification stage. *Jóvenes en Accíon*, for example, remunerated the institutions that offered the vocational courses according to the students' progression in the courses and received a bonus if they were hired by the companies where they did their internship. This conclusion is also empirically supported by the long-term impact outcomes of the *Job Training Partnership Act (Title II-A)* on young people over the age of 21, that offered subsidies to companies in the

private sector to provide job training in jobs related to the vocational training courses.

Another design margin that seems to play a central role is that of aligning the skills provided in qualification courses with the long-term demand for these skills in local economies. For example, the coordination between the formation of skills with high demand potential and the use of instruments to monitor this demand can play a fundamental role. *WorkAdvance* plays a central role in this design margin, using this alignment of skills with local demand as a principle for planning the courses offered and for building opportunities for long-term career development.

In the case of the *Job Corps* Program, which had continuous support for professional insertion, these positive effects were mediated by effects on certification rates and employability. In fact, a central point made by the most recent literature on long-term upskilling programs is that they provide certification for skills that are not easily verifiable in the labor market. In this sense, these programmes have a comparative advantage when compared to labour integration programmes which do not have a training component (Alfonsi et al., 2020).⁵ Although the literature tends to have less evidence of entrepreneurship programs focusing on adolescents or young adults, the results of the *Personal Initiative Training evaluation* are encouraging about the potential effects of programs dedicated to the formation of these skills.

The labour integration programmes reviewed in section 2.2 operate through the direct integration of participants into the labour market. Note that programs of this type can also generate qualification from the strengthening of skills useful in the labor market (e.g., communication skills and training for job responsibility interviews and financial education).⁶ The *Young Apprentice Program* in Brazil seems to offer an interesting case of how experiences of this type can have an impact on the school-to-work transition of the young people contemplated. The evidence for the impacts of this class of program as a whole is, however, vast and differs according to the specific design of each of the programs. There is fairly robust evidence that these programs have a positive impact on income and employment in the short term.⁷

The literature also presents solid evidence that *summer jobs*, extensively discussed in the paragraphs above, consistently reduce young participants' initial contact with the criminal justice system by decreasing arrests, charges, convictions, and incarcerations for these young people. In addition, the evidence suggests that *summer jobs* significantly increase participants' earnings during the program, but there is no such solid evidence that these earnings are sustained after the program. Long-term follow-up of the cohorts affected by these programs will take place over the next few years and will make it possible to identify if and how these impacts materialize in time.

⁵The idea that the main mechanisms of certification would occur by pure signaling does not coincide with the evidence that there is, in this class of programs, an accumulation of specific skills for the exercise of certain occupations that employ more young people contemplated.

⁶In addition, one of the programs evaluated also had a direct skill-building component, including elements of cognitivebehavioral therapy.

⁷The National Supported Work Demonstration showed evidence of sustained impact for women who were beneficiaries of Aid for Families with Dependent Children, which was a sub-sample of the analysis.

15

Finally, the participants who benefit most from the program are often those who face the greatest challenges, such as previous involvement with the criminal justice system or disengagement from school. Developing eligibility and recruitment strategies aimed at young people whose evidence indicates greater response to intervention can therefore be an important design margin for *summer jobs*.

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