

An Incomplete Recovery

Youth Unemployment
in Europe 2008 – 2016

This report is based on an analysis of youth unemployment data available through Eurostat that was collected by Ecorys UK. The Bertelsmann Stiftung would like to thank Anja Meerkord in particular for compiling the data and serving as primary author of this publication.

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Introduction

After having endured many years of economic decline and other problems associated with the financial and economic crisis between 2008 and 2013, most EU member states have resumed their upward trend. This development is due primarily to ongoing improvements in the labour market¹. Although not all EU member states have achieved their pre-crisis unemployment levels (EU average in 2008: 7%), the average unemployment rate has fallen from its high point of 11% in 2013 to 8.7% in 2016. Similar trends hold true in Europe for youth unemployment levels, which bears particular consequences for unemployment and economic growth overall. This paper takes a closer look at this topic and its development since the Great Recession, thereby highlighting the situation among different subgroups of young people in EU countries.

Ten years ago, youth labour markets in Europe and beyond were hit hard by the Great Recession, leaving many young people to struggle with finding and retaining sustainable jobs in a protracted period of (multiple) recession(s). At the height of the youth employment crisis in 2012/2013, more than 9 million young people aged 15–29 across the EU were unemployed, 3 million more than in 2007. Since then, the youth labour market has improved, though performance indicators have not yet returned to pre-crisis levels.

Since 2013, some member states have seen stronger improvements in this regard than others, although this varies among different subgroups of young people. Clearly, integrating young people into education, employment and training systems poses a long-term policy challenge for all member states. Persistent structural problems in European labour markets make an imminent, rapid improvement of the situation for young people unlikely. Further action is thus needed to support this demographic in fulfilling their potential in European economies and societies.

The EU has responded to this youth employment crisis by proposing a range of successive policy measures. Its most prominent recommendations include the call to establish a Youth Guarantee² and the Youth Employment Initiative. The Youth Guarantee shall ensure that young people have access to quality employment, education, apprenticeship or training opportunities within four months of becoming unemployed. The Youth Employment Initiative provides additional funding to tackle high rates of young people not in employment, education or training (NEET) in European regions most affected by youth unemployment.³ Given that funding for the Youth Employment Initiative has recently been extended to 2020 and the ongoing challenges in member states' youth labour markets, we must ask the questions:

1 Bertelsmann Stiftung (2017): Social Justice in the EU – Index Report 2017. Social Inclusion Monitor Europe

2 Council Recommendation of 22 April 2012 on Establishing a Youth Guarantee.

3 Council Conclusions of 7/8 February 2013 on the multiannual financial framework, EUCO 37/13.

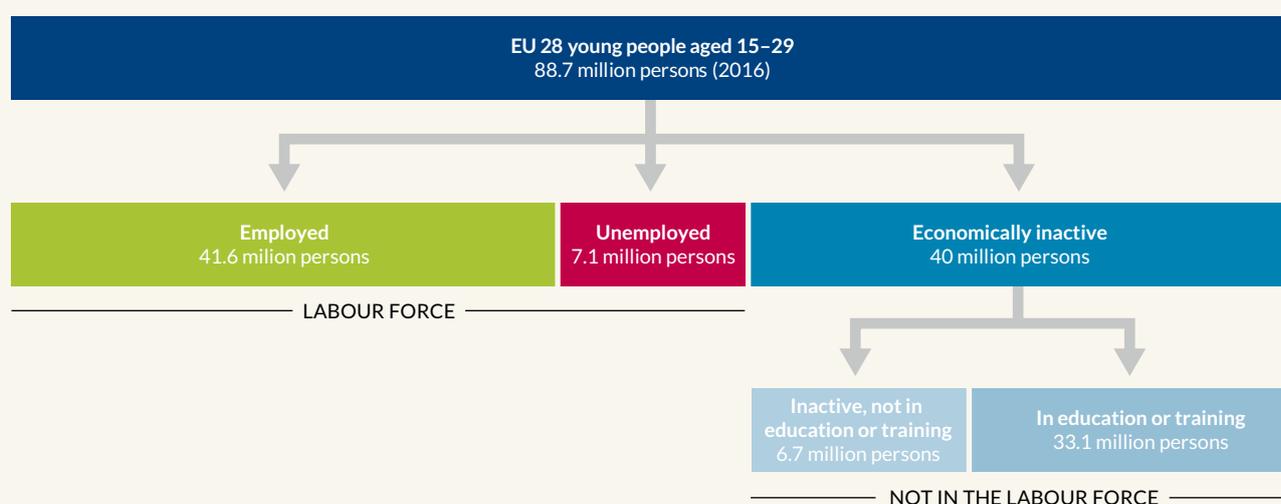
- To what extent has the EU recovered from the youth employment crisis?
- Which countries and subgroups of young people within countries have experienced an incomplete recovery?
- Which actions should be taken to further support young people?

This paper provides (some) answers to the above questions. It gives an overview of the current state of youth employment in Europe and highlights the extent to which economic crisis and recovery have impacted youth labour markets in different countries. It then shows which groups of young people have been most affected by the crisis. Based on this analysis, it suggests pointers for designing effective measures and policies to tackle youth unemployment and labour market disengagement across Europe.

Young people and the labour market in Europe

In 2016, there were 88.7 million young people aged 15–29 across the EU-28. A small majority of young people in this age group were part of the labour force (considered as “active” in the labour market) and were either in employment (41.6 million) or were unemployed (7.1 million). A significant proportion of the population in this age group was economically inactive (40 million) for various reasons, including being in education or training (33.3 million; see Figure 1).

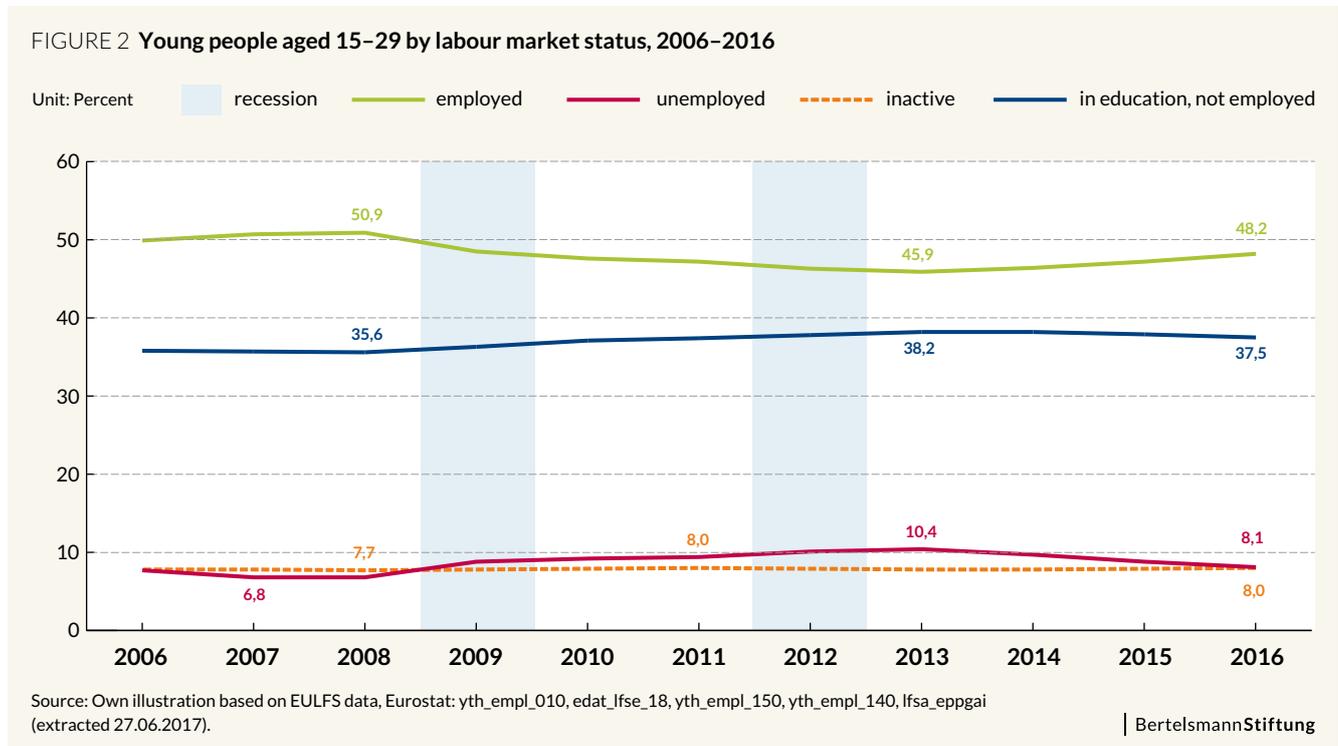
FIGURE 1 Young people aged 15–29 by labour market status, 2016



Source: Own illustration adapted from Eurostat statistics explained, Eurostat indicators: yth_empl_010, yth_empl_140, edat_lfse_18, demo_pjangroup (extracted 27.06.2017).

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At the EU level, the economic crisis had an observable impact on these youth labour market indicators, including employment, unemployment, inactivity and participation in education (Figure 2):



- The employment rate decreased from 50.9% in 2008 to a low of 45.9% in 2013. It has since somewhat recovered to 48.2% in 2016.
- Along the same lines, the share of unemployed young people in this age group increased from a low of 6.8% in 2007 to 10.4% in 2013. In 2016, it stood at 8.1%.⁴
- The inactivity rate remained relatively stable and was slightly elevated at 8% in 2016.
- Many young people took up education opportunities when they could not find employment, which increased the percentage of young people in education to 38.2% in 2013. This has fallen somewhat to 37.5% in 2016, but remains above its pre-crisis level of 35.6%.

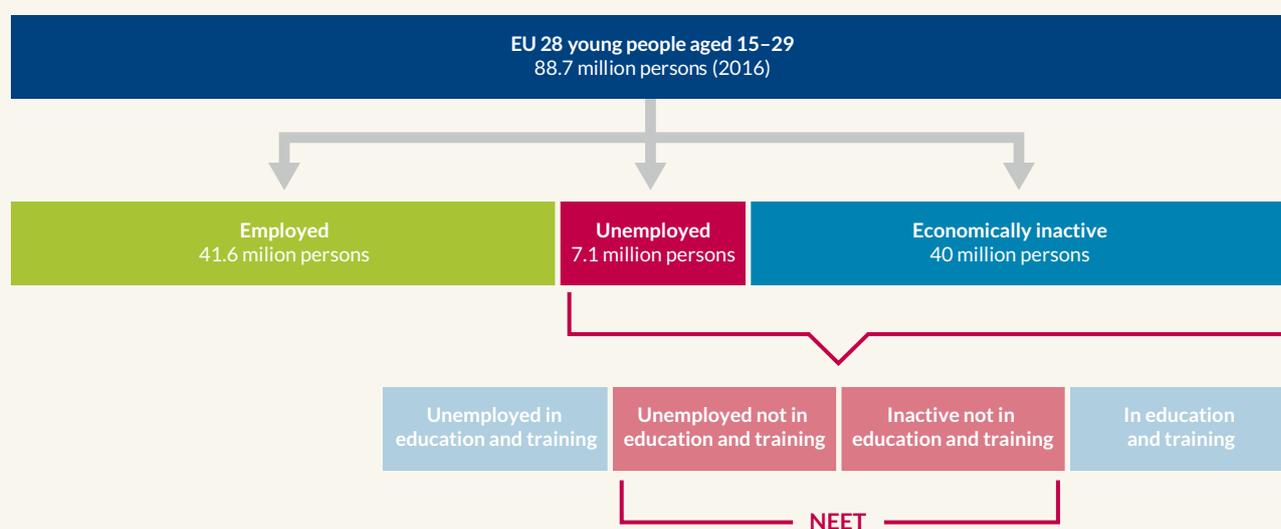
⁴ This describes the youth unemployment ratio. In contrast to the youth unemployment rate, which expresses the number of unemployed as the share of the labour force population (those active on the labour market), the youth unemployment ratio expresses the number of unemployed as the share of the full population of young people. This means that a 20% youth unemployment ratio can be interpreted as 1 in 5 young people are unemployed.

Overall, this shows that the youth employment situation at the EU-28 level has improved somewhat since the end of the Great Recession but has not fully bounced back. While these pre- and post-crisis differences in the labour market status of young people may seem small percentage-wise, they are significant when translated into total numbers. For example, the increase of the unemployment rate from 6.9% in 2007 to 10.7% in 2013 implied 3 million additional unemployed young people. In 2016, the number of young people who were either unemployed or inactive was still higher in 2008 (+635,500).

Young people not in employment, education or training

A group of key concern for policymakers are the group of young people classified as NEET, who are at greatest risk of experiencing negative long-term impacts on employment, social inclusion and well-being over the course of their lives. The NEET indicator specifically underscores problems in the transition from education to the labour market. As illustrated by Figure 3 below, NEET young people include both those unemployed who are currently not in education or training and those young people who are inactive and not in education or training.

FIGURE 3 Composition of NEET young people

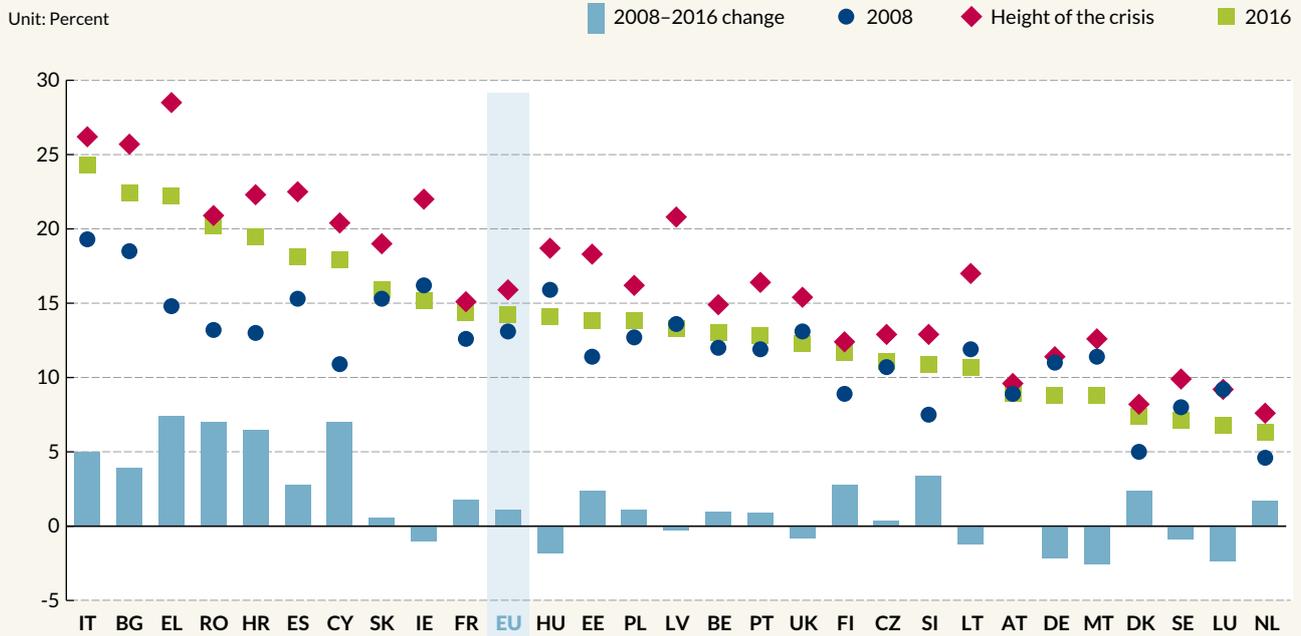


Source: Own illustration.

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Across EU member states, NEET rates in the 15-29 age group have recovered since the height of the crisis, but have not returned to their pre-crisis levels (Figure 4). The NEET rate for the EU-28 was 13.1% in 2008 and rose to 15.9% in 2013. It has since then improved to 14.2%, but remains above its pre-crisis rate.

FIGURE 4 Impact of the crisis on NEET rates for 15–29 year olds, by Member State



Source: Own illustration based on EULFS data, Eurostat: yth_empl_160 (extracted 27.06.2017), the year of the maximum, i.e. the height of the youth employment crisis, varies between Member States.

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The countries with the highest NEET rates in 2016 were Italy (24.3%), Bulgaria (22.4%), Greece (22.2%) and Romania (20.2%), where more than one in five young people were neither in employment, education or training. While some of these countries have traditionally high NEET rates, such as Italy and Bulgaria, these countries display the highest NEET rates because they have experienced some of the largest percentage point increases between 2008 and 2016. NEET rates in 2016 were higher than in 2008 in most member states, but particularly higher in Greece (by 7.4 percentage points), Romania (7.0), Cyprus (7.0), Croatia (6.5) and Italy (5.0). Only ten countries recorded the same or lower NEET levels in 2016 than in 2008 (Austria, Germany, Hungary, Ireland, Lithuania, Luxembourg, Latvia, Malta, Sweden, UK).

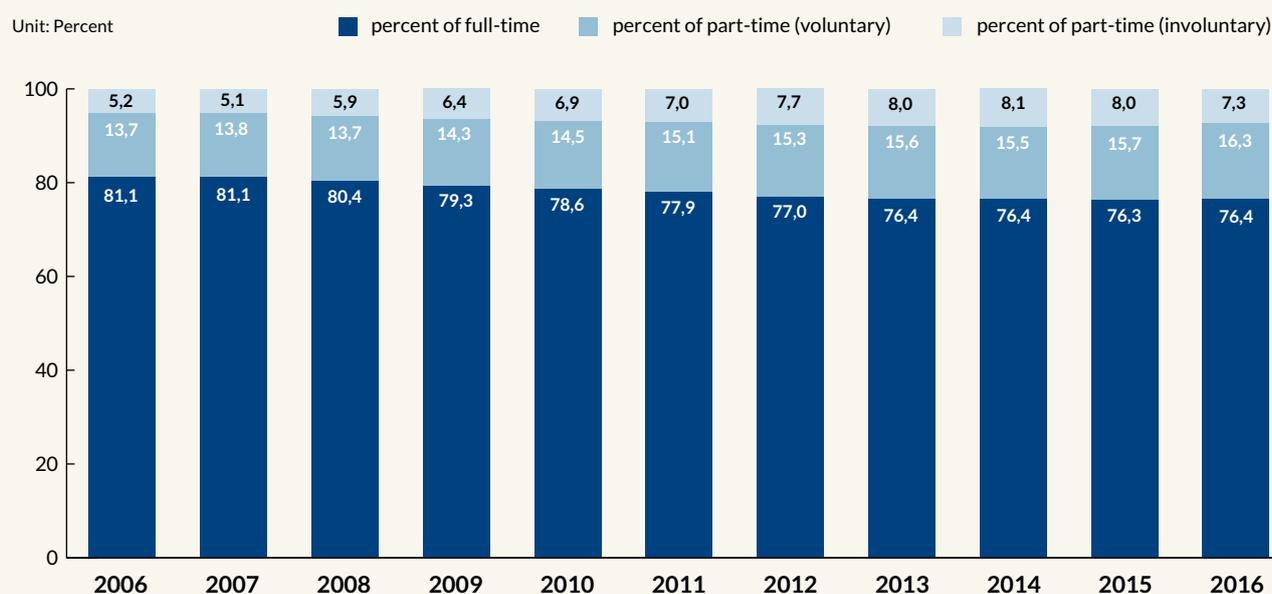
Further indicators of the youth labour market situation

Among those young people who were unemployed, the share of **long-term unemployed** in many member states was higher than its pre-crisis level. In Greece, for example, the long-term unemployment rate increased from 6.5% in 2008 to 22.9% in 2016, implying that more than one in five young people had been unemployed for longer than 12 months in 2016. Other countries with notable increases in long-term unemployment include Cyprus, Ireland, Italy, Latvia and Spain.⁵

⁵ Eurostat data, yth_empl_120.

Even when young people are in employment, their **labour market attachment weakened** in the economic crisis. In 2008, 80.4% of all young people who were in employment worked full-time while, in 2016, this was the case for only 76.4% of this demographic. Furthermore, while in 2008 70% of young people who worked part-time did so voluntarily, this decreased to 66% in 2015. The involuntary part-time rate seems to have recovered slightly in 2016 (see Figure 5).

FIGURE 5 Full-time and part-time employment of employed young people aged 15–29, EU-28



Source: Own illustration based on EULFS data, Eurostat: yth_empl_010, yth_empl_060, yth_empl_080, ifsa_eppgai (extracted 27.06.2017).

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Other elements of job quality have suffered while employment instability among young people has also increased. According to a recent publication of the European Youth Forum, whereas 13% of the adult population are on temporary contracts, a whopping 41% of young workers face precarious employment and many fear losing their job.⁶ The share of young people in part-time employment in developed economies is also increasing, yet there is no evidence that this is an effect of the crisis.⁷ According to Eurofound, younger workers also tend to end up in lower skilled jobs that are physically more demanding. They are also more likely to encounter high levels of strain and periods of low level of demand for their work, situations over which they have little control.⁸

⁶ European Youth Forum (2013), Quality Jobs for Young People, European Youth Forum publication

⁷ ILO (2015), Global Employment Trends for Youth 2015, Geneva: ILO Publications: p. 35

⁸ Eurofound (2011), Foundation Findings: Youth and work, Luxembourg: Publications Office of the European Union

Crisis impact and recovery in the member states

As indicated above, the economic crisis and recovery affected youth labour markets across Europe to varying degrees. While some countries saw rapid changes across the range of youth labour market indicators, others experienced relative stability. And while some countries have seen an improvement of the situation in recent years, the recovery has been subdued in others. To target future policy responses, it is crucial to understand which member states have been most strongly affected by the economic crisis and have yet to see a full recovery of their youth labour markets.

Taking into account a number of key factors that describe the youth employment situation, including employment, unemployment, inactivity, in education rate and the rate of involuntary part-time employment, the following section sets out which countries have experienced the highest crisis impact and strongest recovery. Please note that in this case, “impact” is a relative measure. This means that for two countries with the same increase in absolute rates, the impact is rated higher for the country with the lower baseline. For example, an increase from 5% to 15% may be ranked high, while a 25% to 35% increase may be ranked average.

Crisis impact

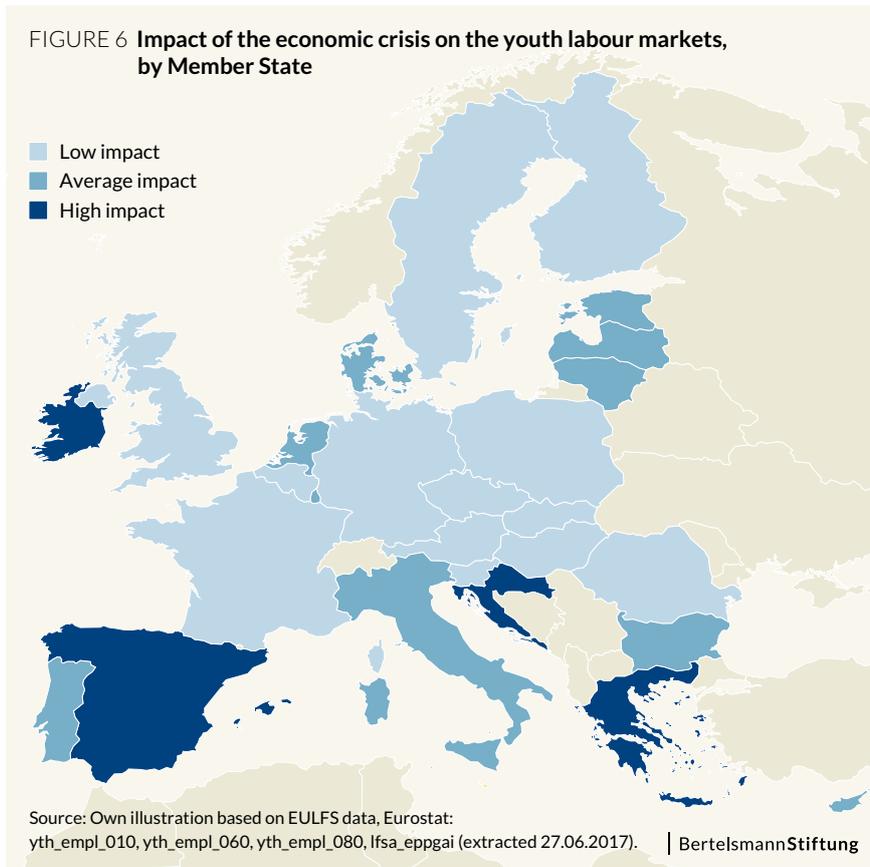
Figure 6 highlights which countries have seen the most significant impact of the crisis on the youth labour market situation.⁹ Countries most affected include Croatia, Greece, Ireland, Spain and Slovenia. Conversely, the impact of the crisis was lowest in Austria, Belgium, the Czech Republic, Finland, France, Germany, Hungary, Poland, Romania, Slovakia, Sweden and the United Kingdom.

A closer look at the different dimensions of the youth employment situation shows that the southern European countries, including Croatia, Cyprus, Greece, Italy, Portugal, Slovenia and Spain, as well as Ireland and Latvia, were most affected by the crisis in terms of **employment**. In these countries, youth employment rates dropped by 20%–40% after the onset of the economic crisis.

Unsurprisingly, these countries also endured the highest **youth unemployment** rate increases. In Greece, for example, the unemployment rate for people aged 15–29 rose from 16.2% in 2008 to 48.7% in 2013. In Spain, this rate rose by 24.2 percentage points in the same period, peaking at 42.4% in 2013. Other countries where unemployment rates showed higher-than average increases include Bulgaria (+132%), Cyprus (+323%), Estonia (+186%), Ireland (+131%), Latvia (+153%), Lithuania (+186%), the Netherlands (+166%) and Slovenia (+129%). The destructive effect of the crisis on youth labour market prospects becomes even more clear when taking into account each country’s baseline. Some of the member states most strongly affected already had high rates of youth unemployment in 2008, including Croatia, Greece, Italy and Spain, which all featured youth unemployment rates of above 15%.

⁹ The overall impact measure is a composite indicator giving equal weight to the percentage changes in employment, in education, unemployment, inactivity and involuntary part-time work rate. Taking into account percentage changes relative to the baseline (rather than percentage point changes), impact is a relative measure taking into account the baseline of individual member states.

FIGURE 6 **Impact of the economic crisis on the youth labour markets, by Member State**



At the same time, **long-term youth unemployment** (>12 months) across the EU-28 more than doubled and rose even more strongly in many member states. Particularly large increases were recorded in Cyprus (+1,137%), Spain (+790%), Ireland (+490%), Latvia (461%), Denmark (+433%) and Estonia (+410%).

When it comes to labour market disengagement, the overall **rate of inactivity** among young people in the EU-28 rose by only 4% between 2008 and the height of the crisis. However, in some countries, the share of inactive young people aged 15-29 increased by more than 20%, albeit often from a relatively low rate. This includes Romania (+75%), Denmark (+61%), Croatia (+54%), Slovenia (+41%), the Netherlands (+31%), Finland (+29%), Belgium (+26%) and Bulgaria (+23%).

The effect of the economic crisis on unemployment and inactivity rates was somewhat mitigated by the fact that young people took up or extended **participation in formal and non-formal education and training**. Across the EU, the share of 15-29 year-olds in education increased by 4.8% between 2008 and the height of the economic crisis, which is equivalent to 4.3 million young people. Rates of young people in education and training rose most strongly in Portugal (+28%), Ireland (+27%), Spain (+27%), France (+17%), Luxembourg (+15%) and Greece (+14%).

Finally, yet importantly, the crisis has affected the quality of employment. The rate of young people in **involuntary part-time employment** across the EU-28 increased by 15% between 2008 and the peak of the economic crisis. Involun-

tary part-time employment increased in all member states with the exception of Belgium, and particularly strongly in Slovenia (+205%), Latvia (+171%), Ireland (+153%), the Czech Republic (+149%) and the Netherlands (+143%).

Recovery

In many member states, the youth employment situation has improved since the peak of the youth employment crisis. However, there is some variation across countries concerning the timing of this peak, as **countries were hit by the crisis at different times**. Among the countries heavily or moderately impacted by the economic crisis, the Baltic countries were affected first; in Estonia, Latvia and Lithuania the youth employment crisis reached its worst levels in 2010. Denmark and Ireland reached maximum youth unemployment levels in 2011, while the situation in southern European member states deteriorated until 2013 – or 2014 in the case of Italy. This implies that the onset of the crisis was earlier and its duration shorter in some countries, which meant that youth labour markets in these countries had more time to recover from its consequences.

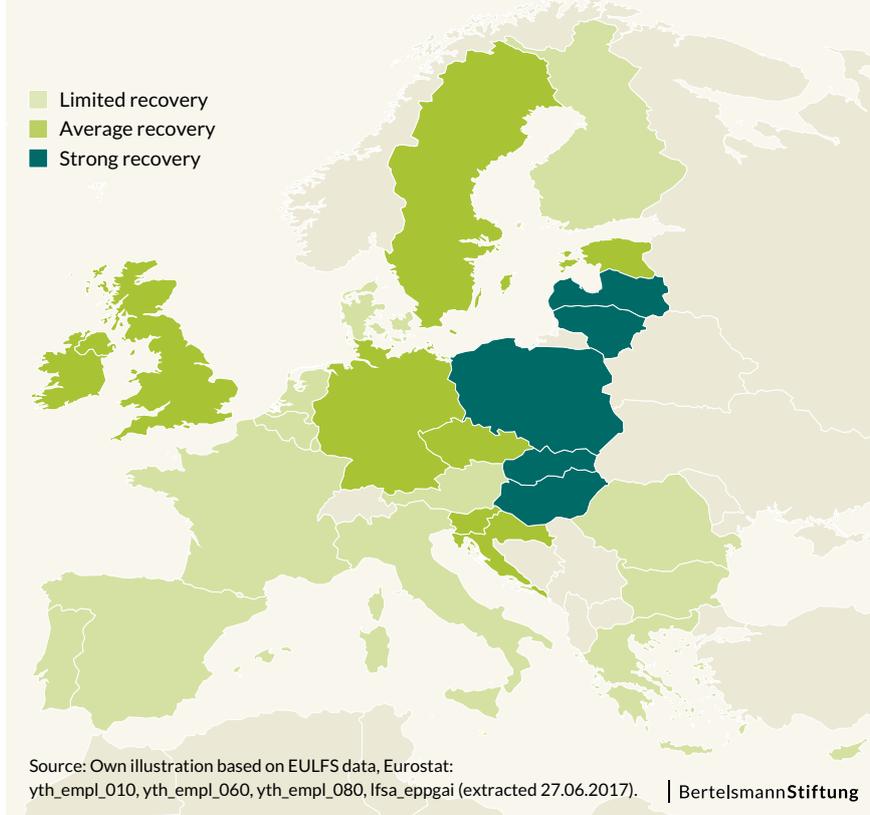
In fact, Estonia, Latvia and Lithuania have each seen an early recovery across all indicators – except the unemployment rate. Croatia, Ireland and Slovenia, which have also suffered significant negative impacts of the economic crisis, have experienced only moderate recovery.¹⁰ Most problematically, Bulgaria, Cyprus, Denmark, Greece, Italy, the Netherlands, Portugal and Spain, which were all negatively affected by the crisis, have undergone only limited recovery. Figure 7 depicts the geographical imbalances seen in post-crisis recovery among EU member states.

As shown in the previous section, **none of the analysed indicators has bounced back fully** from the impact of the economic crisis. At the country level, only Hungary and the UK have recovered or improved their pre-crisis levels of employment, unemployment, educational participation and activity. A wider group of countries have recovered or improved on three out of four of these indicators: Czech Republic, Germany, Latvia, Lithuania, Malta, Poland, Slovakia and Sweden. At the other end of the spectrum, a number of countries, such as Denmark, Italy, France and the Netherlands, actually fare worse than 2008 on all youth labour market indicators. Spain and Greece have only recovered with regards to inactivity rates, but are still lagging behind on the rest of the indicators.

The indicator that continues to lag behind in most countries is the unemployment ratio which is defined as the number of those unemployed divided by the total number of people in the relevant age group. On average, the youth unemployment ratio remains more than 40% above its 2008 value. Unemployment ratios are particularly high in the following countries: Croatia (13%, marking an increase of 49% since 2008), Cyprus (12%, +249%), Denmark (8%, +63%), Greece (18%, +122%), Italy (12%, +66%), the Netherlands (6%, +98%), Slovenia (8%, +55%), Spain (17%, +49%). Since 2008, the rate has shown a decrease in Germany, Hungary, Luxembourg, Malta, Sweden and the United Kingdom alone.

¹⁰ The overall recovery measure takes into account changes in the employment, unemployment, inactivity and in education rate to an equal extent.

FIGURE 7 Recovery from the 'youth employment crisis' by country

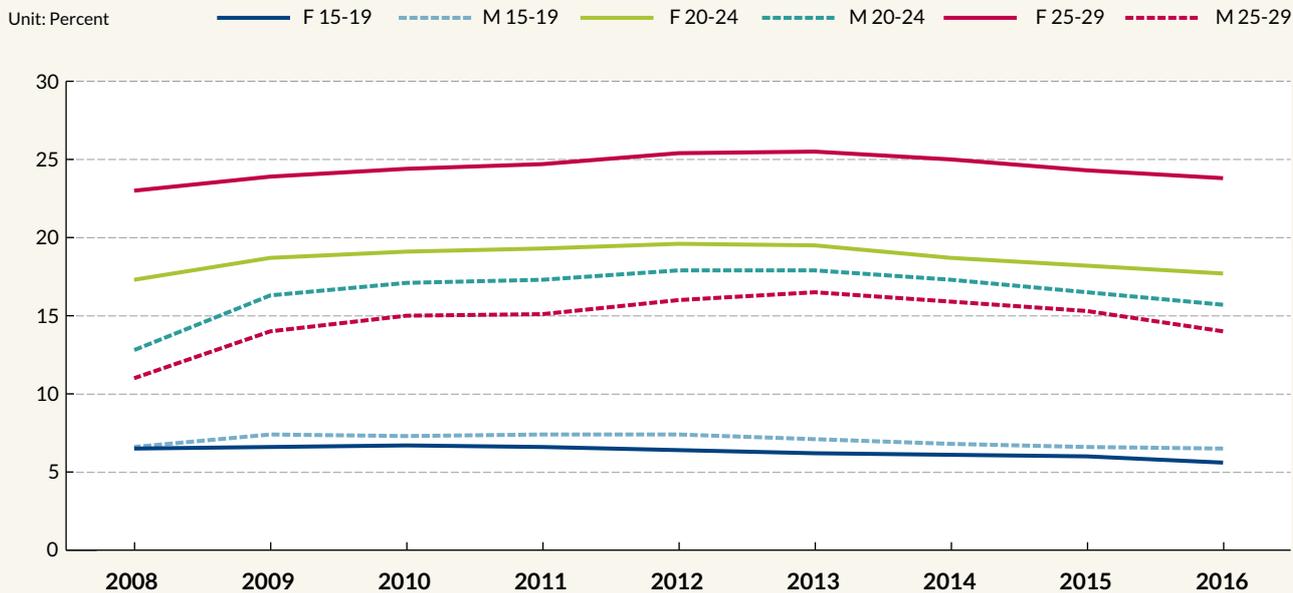


Young people who need further support

As the youth employment situation improves in many countries, there are groups of young people who are **at risk of being left behind**: Those who have been strongly affected by the economic crisis and have seen only limited improvement of their situation.

Looking at **gender** across the EU-28, NEET rates for men have increased more strongly than for women in the context of the economic crisis (38% vs. 11%). While the NEET rate for men has bounced back more strongly than that for women (-136% vs. -1%), it has not yet fully recovered. Breaking this down further by **age**, we see that female NEET rates in the 20-24 and 25-29 age group are generally higher than male NEET rates for all age cohorts, possibly due to caring responsibilities. The NEET rate among women across all age groups remained relatively stable since 2008, while the rate for men aged 20-24 and 25-29 rose sharply in 2008/2009.

FIGURE 8 NEET rates by gender and age cohort, 2008-2016



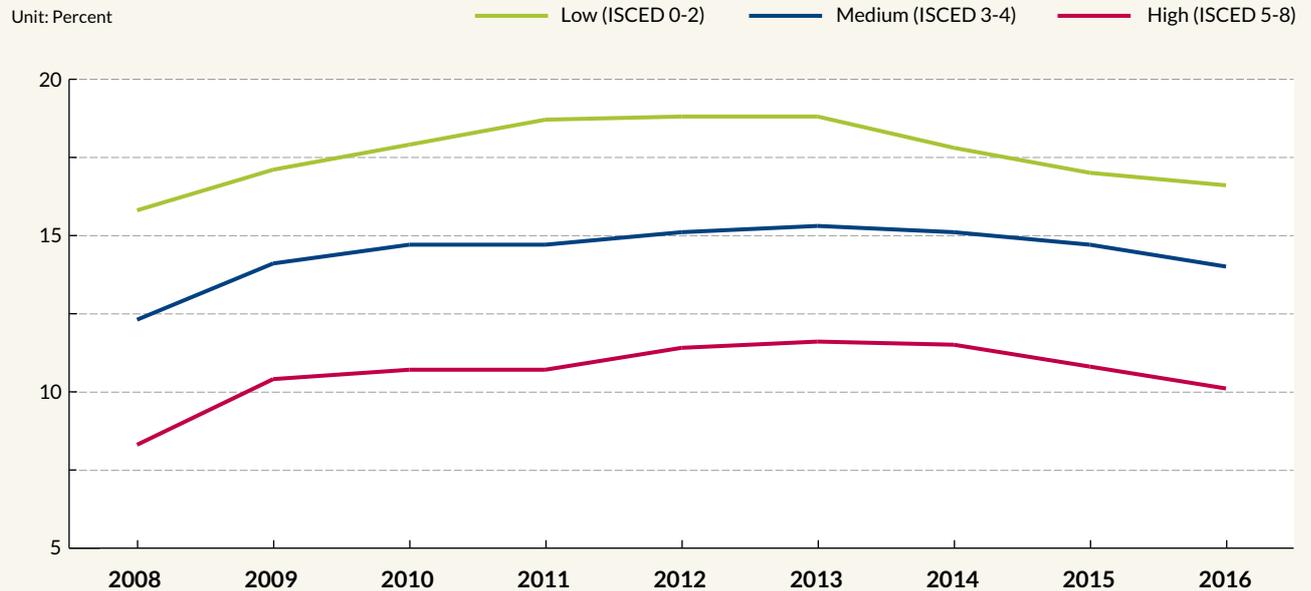
Source: Own illustration based on EULFS data, Eurostat: yth_empl_160 (extracted 27.06.2017).

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When it comes to **educational level**, those most affected by the economic crisis were young people with high levels of education, that is, those holding tertiary degrees. The NEET rate in this group increased 39.8% or 3.3 percentage points between 2008 and 2013. Young people with medium levels of education, or those with upper secondary and non-tertiary postsecondary degrees, saw a 24.4% increase in their NEET rates. Those with lower levels of education, that is, with at most lower secondary degrees, were affected relatively less with a 18.9% increase, albeit from a high baseline of 15.8% of young people in this group not in education, employment or training in 2008. In 2016, NEET rates were above their 2008 levels for all education levels, with those with low educational levels having seen the strongest recovery. NEET rates for those with higher education degrees are still 22% higher than in 2008 and 13.8% higher for those with medium levels of education (see Figure 9).

There is some variation in the extent to which subgroups have been affected by the crisis across countries. Table 1 below displays which groups were most affected in absolute, that is, total percentage point change between 2008 and 2016, and relative terms, that is, total percentage change 2008–2016 relative to the baseline in 2008:

FIGURE 9 NEET rates by qualification level, 15–29 years age group



Source: Own illustration based on EULFS data, Eurostat: yth_empl_160 (extracted 27.06.2017), edat_lfs_9903 (extracted 18.07.2017), demo_pjangroup (extracted 29.06.2017).

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- In 24 out of 28 of countries, the crisis affected **men** more strongly than women in absolute terms. Exceptions are Bulgaria, Estonia, Ireland and Romania. The difference between men and women is even more pronounced when looking at the relative effects because women traditionally have higher NEET rates in these age groups. Only in Hungary and Ireland were women more strongly affected than men.
- Looking at **different age groups** affected by the crisis, it shows that in 24 out of 28 countries 25–29 years-olds were most affected by the crisis in absolute terms. In Austria, France, Latvia and Poland, those aged 20–24 were most affected. In relative terms, Austria is the only country where this group was most affected.
- There is somewhat more variation when it comes to which groups of young people with a specific **educational background** were most affected. This is likely due to variation in the structure of the economy, skill profiles and needs across member states. In absolute terms, in 13 out of 28 countries, those with a medium level of education were most affected; in eight of the 28 countries, those with a high level of education were most affected; and in seven of the 28 countries those with a low level of education were most affected. In relative terms, however, those with a high level of education were most affected in 13 out of 28 member states. This finding is most likely due to their lower baseline levels in 2008.

TABLE 1 Most affected groups by country in absolute and relative terms

COUNTRY		TOTAL NEET RATE		GENDER		EDUCATIONAL LEVEL		AGE	
		2008	2016	ABSOLUTE	RELATIVE	ABSOLUTE	RELATIVE	ABSOLUTE	RELATIVE
AT	Austria	8.9	8.9	M	M	Low	Low	20-24	20-24
BE	Belgium	12	13	M	M	Medium	High	25-29	25-29
BG	Bulgaria	18.5	22.4	F	M	Low	Low	25-29	25-29
HR	Croatia	13	19.5	M	M	Medium	Medium	25-29	25-29
CY	Cyprus	10.9	17.9	M	M	High	High	25-29	25-29
CZ	Czech Republic	10.7	11.1	M	M	Low	Low	25-29	25-29
DK	Denmark	5	7.4	M	M	High	High	25-29	25-29
EE	Estonia	11.4	13.8	F	M	Medium	Medium	25-29	25-29
EU-28	EU Average	13.1	14.2	M	M	High	High	25-29	25-29
FI	Finland	8.9	11.7	M	M	Medium	High	25-29	25-29
FR	France	12.6	14.4	M	M	Medium	High	20-24	25-29
DE	Germany	11	8.8	M	M	Low	Low	25-29	25-29
EL	Greece	14.8	22.2	M	M	High	High	25-29	25-29
HU	Hungary	15.9	14.1	M	F	Low	Low	25-29	25-29
IE	Ireland	16.2	15.2	F	F	High	High	25-29	25-29
IT	Italy	19.3	24.3	M	M	Medium	Medium	25-29	25-29
LV	Latvia	13.6	13.3	M	M	Medium	Medium	20-24	25-29
LT	Lithuania	11.9	10.7	M	M	Medium	Medium	25-29	25-29
LU	Luxembourg	9.2	6.8	M	M	High	High	25-29	25-29
MT	Malta	11.4	8.8	M	M	High	High	25-29	25-29
NL	Netherlands	4.6	6.3	M	M	Medium	Medium	25-29	25-29
PL	Poland	12.7	13.8	M	M	Medium	Low	20-24	25-29
PT	Portugal	11.9	12.8	M	M	Medium	Medium	25-29	25-29
RO	Romania	13.2	20.2	F	M	Medium	High	25-29	25-29
SK	Slovakia	15.3	15.9	M	M	Low	Low	25-29	25-29
SI	Slovenia	7.5	10.9	M	M	Medium	Medium	25-29	25-29
ES	Spain	15.3	18.1	M	M	High	High	25-29	25-29
SE	Sweden	8	7.1	M	M	Low	Low	25-29	25-29
UK	United Kingdom	13.1	12.3	M	M	High	High	25-29	25-29

Source: Own illustration based on EULFS data, Eurostat: yth_empl_160 (extracted 27.06.2017), edat_ifs_9903 (extracted 18.07.2017), demo_pjangroup (extracted 29.06.2017).

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Eurostat holds no data on NEET status for **young people with a migrant background**, though some countries have unemployment data for “nationals” and “foreign-born” citizens. In the majority of countries where data is available (68%), young third country nationals saw the largest increase in unemployment in absolute terms. In five countries (Hungary, Denmark, Luxembourg, Netherlands, UK), unemployment increased most strongly among other EU nationals in absolute terms. In relative terms, differences between groups were less pronounced, which is presumably a factor of lower initial unemployment rates

among the native population. In 39% of countries for which data is available, native young people bore the impact of the crisis and saw the highest relative increase in unemployment (Croatia, Czech Republic, Finland, Netherlands, Slovenia, Spain, Sweden). However, the impact was still most strongly felt by third country nationals in 44% of all countries.

Conclusions and policy pointers

The last couple of years have seen an overall decline in youth unemployment as well as NEET rates in Europe. EU programmes such as the Youth Guarantee and the Youth Employment Initiative have certainly played a role in this recovery. Indeed, an estimated excess of 14 million NEETs have entered the Youth Guarantee scheme, of which nine million have taken up an offer.¹¹

However, this paper shows that the recovery is far from complete and that the negative impacts of the Great Recession on young people's employment prospects across the European Union continue to be felt. In addition, both the impact of the crisis and recovery from it have been unevenly distributed across the member states. Many states, particularly those in southern and eastern Europe, remain far from achieving their pre-crisis levels on a number of youth employment indicators.

This paper identifies different groups of young people within individual countries who have been more strongly affected in their employment status by the crisis and who have benefited less by the recent recovery. In most countries, this applies to men rather than women and those aged 25–29 rather than those aged 20–24. It is also safe to assume that marginalised groups such as third-country migrants, ethnic minorities, refugees and people with disabilities – each of which face specific barriers in entering the labour market – are among those most affected by the crisis, although they do not show up in EU comparative statistics. These groups have so far not fully benefited from the support provided through the Youth Guarantee or other initiatives. They need tailored support that addresses their specific barriers to participation in employment, education and training. The following measures would help in making support available for groups of young people who so far have not been adequately reached:

Raising the age limit for eligibility of Youth Guarantee support

In most EU states, young people aged 25 to 29 are among the most affected by the crisis both in absolute and in relative terms. In this age-bracket, many university graduates enter the labour market. At the same time, a number of young people will already have children to support. Thirteen countries have already raised the eligibility age limit for support under the Youth Guarantee scheme to include those under 30. More should follow.¹²

11 European Parliament (2017): Youth Guarantee: Lessons from implementation. Employment and Social Affairs Briefing.

12 Bulgaria, Croatia, Denmark, Estonia, Finland, Italy, Latvia, Lithuania, Poland, Portugal, Slovakia, Slovenia, Spain. See: European Commission (2016): Commission staff working document accompanying the document 'The Youth Guarantee and the Youth Employment Initiative Three Years on. Communication from the Commission to the European Parliament, the European Council, the Council, the European Economic and Social Committee and the Committee of the Regions'.

Engaging young people who are hardest to reach

Any support should specifically aim to engage young people who are hardest to reach and not easily captured by mainstream employment and inclusion programmes. This requires the identification of this target group and further capacity building in the member states. In more than half of EU member states, youth seeking to register for offerings within the Youth Guarantee must do so exclusively through state-run public employment services. More organisations should be involved as entry points in order to expand outreach to young people. Youth organisations, local municipalities and other bodies with closer ties to otherwise hard-to-reach youth are especially relevant here.

Strengthening Civil Society Organisations targeting youth employment

In addition to state agencies such as public employment services, many civil society organisations such as NGOs, foundations, trade unions, youth organisations or social businesses support young people in returning to education or finding employment. In some instances, these organisations deliver government-funded programmes that include the Youth Guarantee, in other cases, they offer complementary interventions and services to young people. In order to better determine which measures and approaches are effective in yielding desired outcomes, we need more empirical evidence and knowledge in the field regarding good practices. Member states could take on a stronger coordination role here by making transparent extant initiatives and thus facilitating cross-national connections. On a European level, mutual learning and exchange between these organisations should be facilitated in order to increase their impact.

In conclusion, a full recovery of the youth unemployment situation is still years away and will require favourable macroeconomic development. A loss of focus on the issue is therefore ill-advised. The Youth Guarantee and the Youth Employment Initiative should be made permanent (funding) mechanisms in order to balance the different labour market outlooks of young people in Europe. It is therefore good news that the Youth Guarantee is anchored in the new European Pillar of Social Rights. However, this can only complement necessary structural reforms that are necessary in a number of member states if the transition from education to employment for young people is to be facilitated. These reforms include aligning education systems in general and vocational training in particular more effectively with the demands of the labour market. Such reforms also involve strengthening public employment services and their capacity to collaborate with other societal actors.

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