

Youth in Europe

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In 2019, Europe finally regained a stable path towards recovery, with growth in the economies of all Member States. Participation in the labour market consolidated its increase in all Member States, and, at 68.6%, it is now higher than before the economic crisis. Similarly, the unemployment rate for the general population decreased for the fifth year in a row and is drawing below to the pre-crisis rate (7.2%).

While the situation varies greatly among Member States, the recovery in labour market participation has not been the same for all groups, and age has been the main driving factor here. In fact, while the employment rate of older workers, aged 50–64 years, has increased remarkably, from 55.4% in 2007 to 66.2% in 2018, the participation rate of young people (15–24 years) are below pre-crisis levels. In particular, the employment rate of young people is now still at 35.4%, against a rate of 37.2% in 2007.

Similar trends are recorded in unemployment statistics. While the unemployment rate is now below the level recorded in 2007 for all age groups, the level of unemployment is still higher for young people (15.2% in 2018 against 15.7% in 2007) than for prime-age (6.3% against 6.3% in 2007) and older workers (5% against 5.2% in 2007).

These data provide a brighter picture of labour market participation in Europe than previously, with considerably lower unemployment rates and higher employment rates than during the crisis, but young people are still struggling to get a foothold in the labour market in this time of recovery. This is particularly the case in South Mediterranean countries that were hit harder by the economic crisis. While the European average unemployment rate for youth is 15.2% in 2018, this level is still 39.9% in Greece, 34% in Spain, 32.2% in Italy. Similarly, against a youth employment rate in EU equal to 35.4%, the share of young people at work in Greece is only 14.4%, 17.7% in Italy, 21.1% in Spain, this indicates that labour market inclusion of youth has deteriorated due to the crisis, with divergent trends against the EU average. Furthermore, it is important to highlight that in these countries the entrance of young people in the labour market is characterized by high level of precarization, with short term temporary or part-time contracts, confirming their propensity of being the last to enter and the first to exit in case of economic downturns.

While spending a limited period in unemployment may be considered a stressful but normal part of the school-to-work transition for young people, protracted disengagement from the labour market or education can seriously damage their employability and future careers. In fact, it is well established in the research literature that lengthy periods when they are not working or studying may scar

young people for life. These scars can have a negative effect on future employment outcomes and earnings, as well as on physical and mental well-being, with the risk of a general disengagement from life and society.

This is the case of NEETs, young people who are Not in Employment, Education and Training. According to the latest Eurostat data, in 2018 the share of young people aged 15–24 in Europe who were not in employment, education or training was 10.5%. In absolute numbers, this corresponds to around 5.5 million young people who belonged to the NEET group. The prevalence of NEETs varies substantially among Member States. The Netherlands, Germany, Czechia and Luxembourg record the lowest NEET rates (around 6%). Croatia, Romania, Bulgaria, Greece and Italy record the highest NEET rates (greater than 13%), which implies that around one out of six young people in these Member States is not in employment, education or training. In absolute terms, the population is highest in Italy, with more than one million young people belonging to the NEET group.

In order to promote policies to reintegrate young people into the labour market and to reduce the risk of long term exclusion, the European commission and its Member States has started to implement the Youth Guarantee since 2014. With the common target of reducing the NEET rate, the aim of the Youth Guarantee is to ensure that all young people under the age of 25 receive a good-quality offer of employment, continued education, an apprenticeship or a traineeship within four months of becoming unemployed or leaving formal education. Through early activation and a personalised and integrated approach, the Youth Guarantee disaggregates the policy offer and aims to offer each NEET the measure most adapted to their needs – whether work, education or training.

While Member States have been making considerable efforts to deliver on the Youth Guarantee, some important challenges persist such as reaching youth and involve them in the programme as well as to provide them quality offer of job and education. For this reason it is important that the new President of the European Commission, Mrs. Ursula von der Leyen, has confirmed the intention of making the Youth Guarantee as a permanent instrument to fight youth unemployment and to ensure that it delivers the promise of integration of young people in the labour market.