



# EU Initiatives to combat Youth Unemployment

**11 February 2014**

Unit Sectorial Employment Challenges, Youth Employment & Entrepreneurship  
**European Commission - DG Employment, Social Affairs and Inclusion**

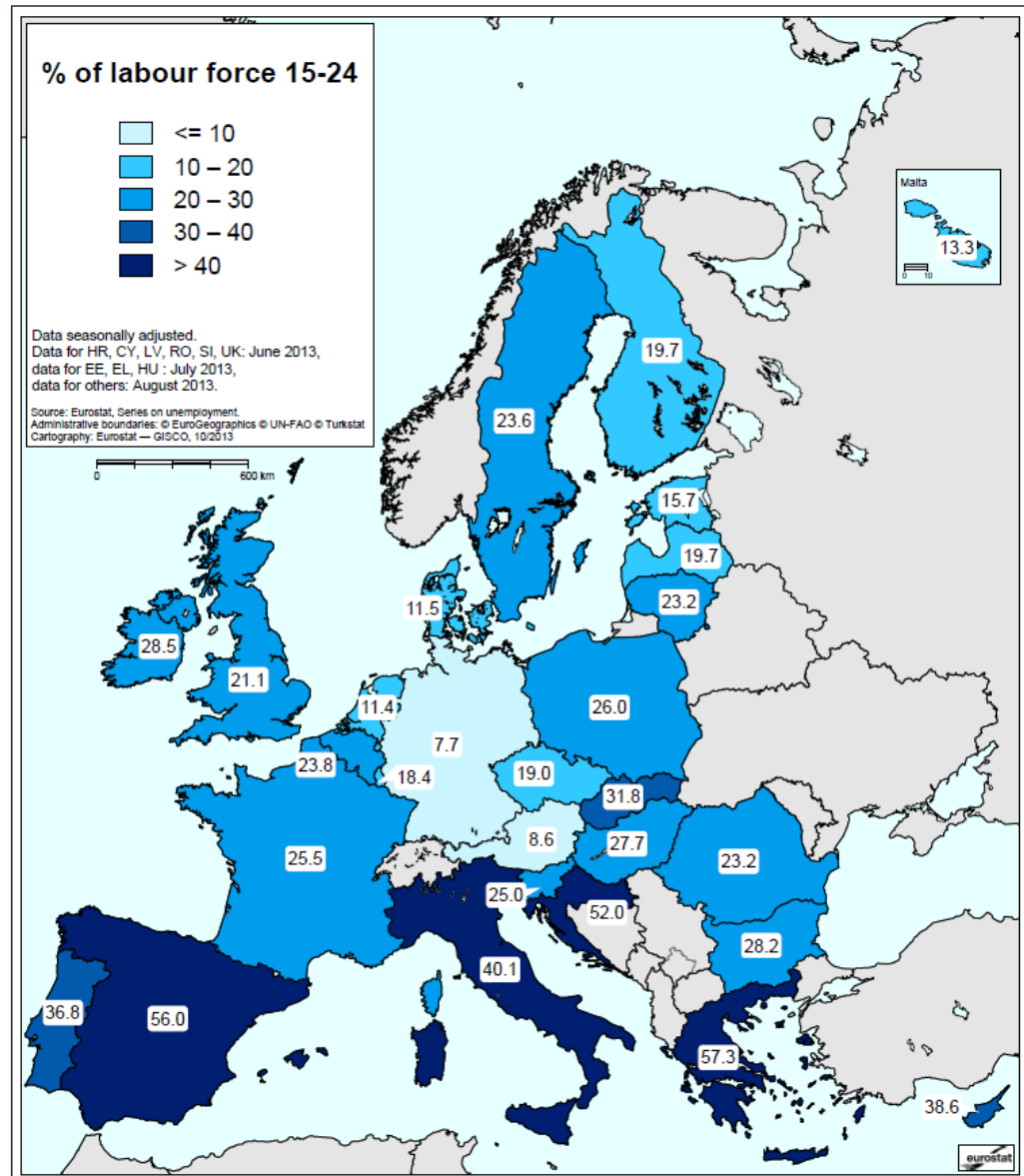


European  
Commission

## *Youth unemployment rates in August 2013*

Greece, Spain, Croatia > 50%

only Austria, Germany, < 10%





## Key problems and possible remedies

- Young people dropping out of education or work; low skilled youth most at risk of unemployment and exclusion in the longer term
  - **Youth Guarantee schemes**
- Difficult school-to-work transitions:
  - **Increase the supply of high-quality traineeships and apprenticeships**
- Growing skills and geographical mismatches ⇔ 2 million vacancies across EU
  - **Labour mobility**
- Transitions more difficult in countries with segmented labour markets
  - **Reforms in labour market regulation**



## Youth Employment Package (Dec 2012)

- ✓ Council recommendation on establishing a **Youth Guarantee**
- ✓ Quality Framework for **Traineeships** (proposal for a Council Recommendation)
- ✓ Council Declaration on a European Alliance for **Apprenticeships**
- ✓ **Mobility** of young workers (proposal for a Regulation)



## A Youth Guarantee

- Council Recommendation of 22 April: Member States
  - ✓ ensure that all young people **up to 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.

Model: fully fledged Youth Guarantee Scheme in Finland



## What will make the Youth Guarantee a success?

**1.Strong partnerships:** *employment services, education & training institutions, young people, social partners, ....*

**2.Early intervention and activation:**

- *Focus on most vulnerable ones*
- *Personalised guidance*

**3.Supportive measures enabling labour market integration**

- ➔ *Boost skills & competences*
- ➔ *Labour-market related measures*

**4.Use of EU Funds:** *in particular ESF, YEI*

**5.Assessment and continuous improvement of the schemes** for more evidence-based policies and interventions

**6.Swift implementation of YG schemes**



## Next step: implementation

- Commission support for Youth Guarantee Implementation Plans (2013/2014)
- Member State Twinning
- 19 Pilot Projects
- [EMPL-Youth-Guarantee@ec.europa.eu](mailto:EMPL-Youth-Guarantee@ec.europa.eu)
- Helpdesk on apprenticeships/traineeships:  
[ec.europa.eu/social/youthtraining](http://ec.europa.eu/social/youthtraining)

## ***Youth Guarantee Schemes have a cost***

- BUT represent an investment:

<b>Cost of Youth Guarantees (ILO 2012)</b>	<b>Economic costs of NEETs (Eurofound 2012)</b>
<i>Eurozone, 15-24 years</i>	<i>26 Member States (all except Malta), 15-29 years</i>
About 0.22% of GDP EUR 21 billion	1.21% of GDP EUR 153 billion



## ***Youth Employment Initiative***

- Decided by the European Council on 7-8 February
- To support measures set out in the YEP, and in particular the Youth Guarantee
- EUR 6 billion for the period 2014-2020 - open to all NUTS2 regions with levels of youth unemployment above 25% (in 2012)
- EUR 3 billion from the ESF and a further EUR 3 billion from a new 'youth employment' budget line.



## Quality Framework for Traineeships

Traineeships can increase the employability of young people and be stepping stones towards regular employment if they are of good quality in terms of

- learning content and
- working conditions.

Procedure:

Public consultation + social partner consultation between April 2012 and February 2013;

Commission proposal for Council Recommendation in December 2013

Currently under negotiations in Council WG – adoption by March 2014?



## Quality Framework for Traineeships – content

Adopted in December 2013, currently discussed in SQWP:

Compulsory **Traineeship agreement** to cover

- **learning content**, mentorship, evaluation
- **working conditions**: weekly working time, limited duration, sick leave, holidays
- more **transparency** regarding pay and social security already in traineeship advertisement



# European Alliance for Apprenticeships (EAfA)

Dual apprenticeship schemes ensure smooth transition from school to work



Employment  
services

Member States

Social Partners

Business

Chambers

Commission

# WBL and youth unemployment

Share of students in VET programmes with a 25 % work-based learning share	Youth unemployment rate		
	Below 15 %	15-25 %	Above 25 %
More than 30 % participation	DK, DE, AT	CZ	
Between 6 and 30 % participation	NL	FI, LU, FR, UK	SK, HU
Less than 6 % participation		BE, SI, SE	EL, PL, IE, PT, ES, IT, EE

Level of youth unemployment (4<sup>th</sup> quarter 2011) in relation to the share of students participating in work based learning at ISCED 3 level programmes



# A European Alliance for Apprenticeships

- The European Alliance for Apprenticeships was launched in July 2013
  - ✓ to improve the supply and quality of apprenticeships
  - ✓ change mind-sets towards apprenticeships (business, students, parents)
  
- EAfA reconfirmed through a **Council Declaration** in October 2013
  - ✓ comprehensive approach combining education, training and employment measures
  - ✓ establishment of common guiding principles
  - ✓ MS commitments



## **Promote labour mobility for young people**

- The Commission is reinforcing EU instruments on mobility: proposal for EURES Regulation (January 2014)
  - ✓ Increased mobility will offer more employment opportunities
  - ✓ EURES: European Employment Services network to be transformed into a result-oriented matching and placement instrument, will include apprenticeships and traineeships.
  - ✓ "Your first EURES Job" expanded, first pilot to help 5,000 young people to find a job placement in another Member State (job placement plus financial incentives, e.g. travel expenses, language courses).



# European Semester

Country Specific Recommendations (CSR)

- proposed by COM to each MS
- agreed by Council

Majority of MS received CSR on youth employment (or education/skills) in 2013 and likely to receive in 2014



## More information

### Youth Employment

<http://ec.europa.eu/social/youthemployment>

### Youth Employment Package

<http://ec.europa.eu/social/main.jsp?langId=en&catId=1036&newsId=1731&furtherNews=yes>

### ESF Technical Assistance apprenticeship/traineeship schemes

<http://ec.europa.eu/social/youthtraining>

### Youth Opportunities Initiative

<http://ec.europa.eu/social/yoi>

### Your First Eures Job

<http://ec.europa.eu/social/yourfirsteuresjob>

### Youth on the move

<http://ec.europa.eu/youthonthemove>