



"Youth Employment Package"

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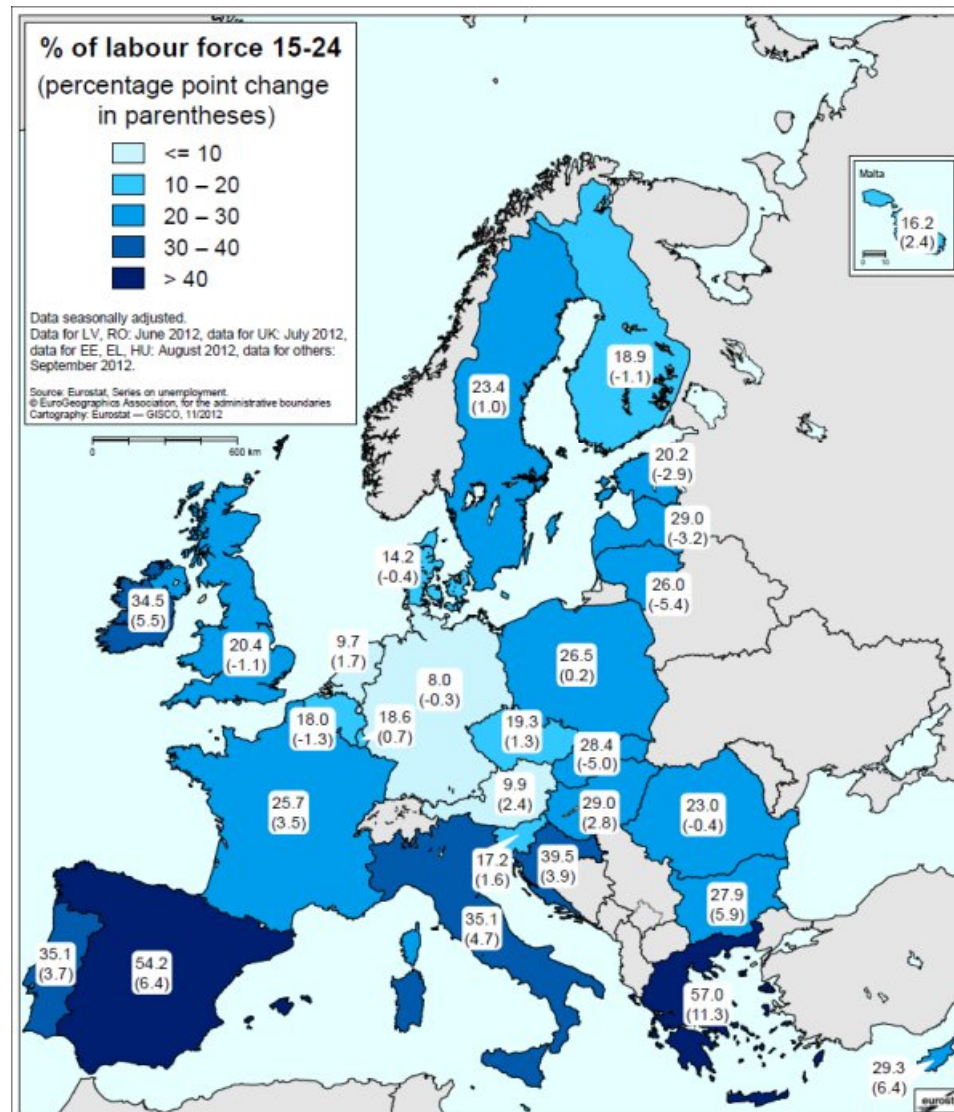
The crisis has hit young people exceptionally hard

- Nearly one in four young people on the labour market cannot find a job (22.8% in Sep. 2012)
- EL/ES > 55%, IT, PT, BG, CY, LV, HU, SK > 30%, only AT, DE, NL < 10%
- EU youth unemployment rate more than twice as high as the general unemployment rate
- More than 30% of unemployed young people long-term unemployed
- 7.5 million young Europeans aged 15-24 neither in employment, nor in education and training (NEETs)
- Young people over-represented in temporary and part-time work

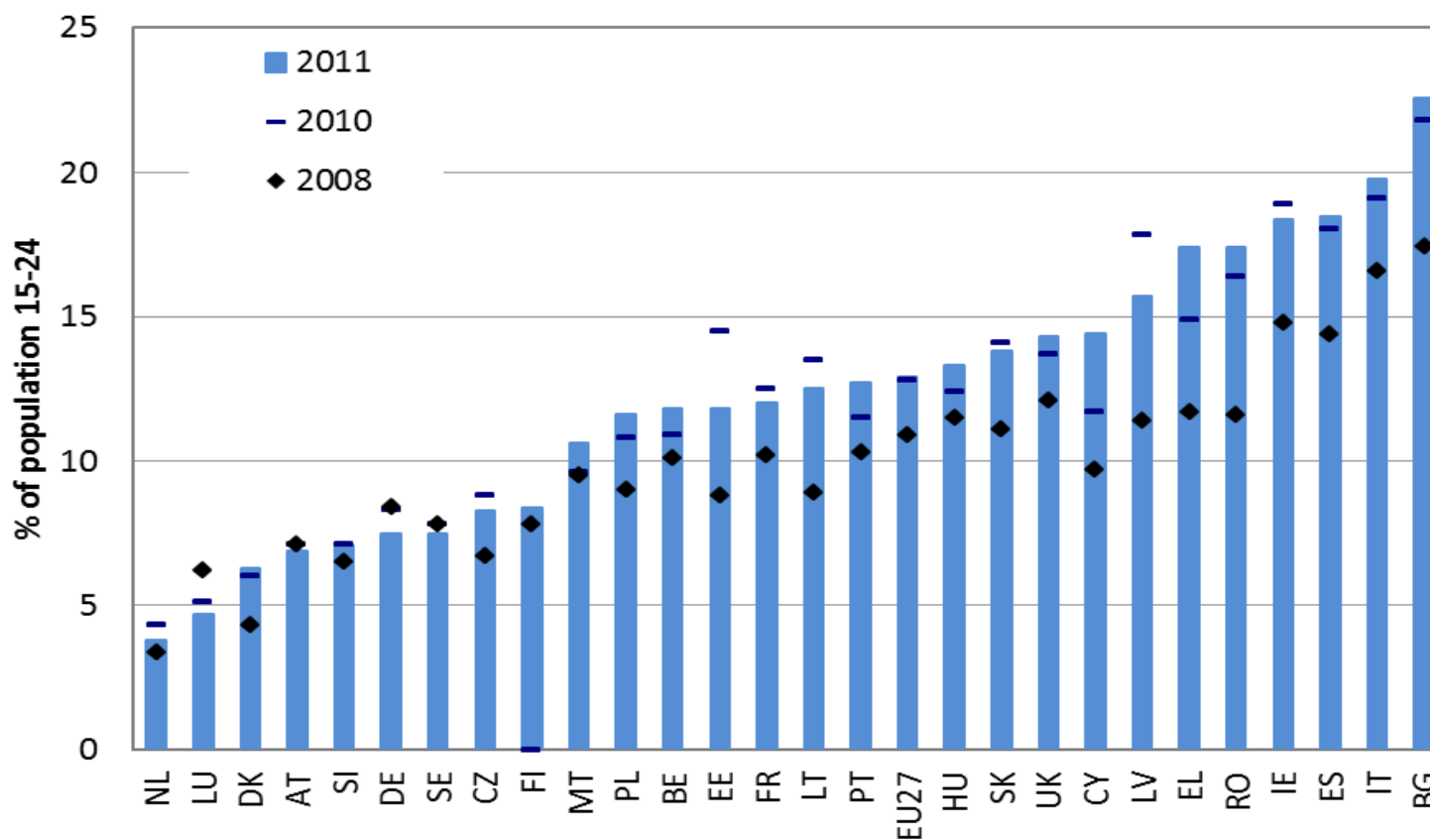


European
Commission

Youth unemployment rates and year-on-year changes, 09/12



Young people not in employment, education or training (NEET) for EU Member States, 2008, 2010 and 2011





Youth Employment Package

- **On 5 December** 2012 the Commission adopted the **YEP** :
 - ✓ **Chapeau Communication** "*Moving Youth into Employment*" and SWD (implementation of the YOI, overview of youth-specific CSRs and 28 country-fiches)
 - ✓ A proposal for a **Council recommendation on establishing a Youth Guarantee** and SWD
 - ✓ A second stage **consultation of social partners** at EU-level on a **Quality framework for traineeships**
 - ✓ The announcement of a "**European Alliance for Apprenticeships**" and of improved **mobility of young workers**



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



A Youth Guarantee

- A proposal for a Council Recommendation so that 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.

Youth Guarantee schemes need to be implemented by Member States at relevant level of governance (national, regional, local), should consider the needs of different groups of young people and must be accompanied by supporting measures to make them a success:

- ✓ strong partnerships between all stakeholders
- ✓ early intervention and activation
- ✓ supportive measures enabling labour market integration
- ✓ full use of EU Structural Funds
- ✓ assessment and continuous improvement of the schemes
- ✓ swift implementation

How will Youth Guarantee Schemes be financed (1)?

- Youth Guarantees represent a positive investment:

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



How will Youth Guarantee Schemes be financed (2)?

- Cohesion Policy funding can provide support:
 - Programming period 2014-2020 includes ESF investment priority targeting labour market integration of young NEETs.

- 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

➤ The Commission launched a second-stage **consultation of EU social partners** on a Quality Framework for Traineeships.

This followed a public consultation (April - July 2012) and a first stage of social partners' consultation (Sept - Oct 2012).

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
- adequate working conditions.

Social partners decided not enter into negotiations, so the Commission will make a related proposal in 2013.



A European Alliance for Apprenticeships

- The European Alliance for Apprenticeships will be launched in July 2013:
 - ✓ to improve the supply and quality of apprenticeships
 - ✓ promote national partnerships for dual vocational systems
 - ✓ change mindsets towards apprenticeships (business, students, parents)

Dual apprenticeship schemes ensure smooth transition from school to work, provided their success factors:

- ✓ partnership between education and training institution and companies, and involvement of social partners
- ✓ high quality qualification and learning process
- ✓ integration in national/regional education and training system
- ✓ support to vulnerable young people
- ✓ Engagement of employers based on cost-benefit ratio



Promote labour mobility for young people

- The Commission will reinforce EU instruments on mobility
 - ✓ 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" will be 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).
 - ✓ A stakeholder consultation on developing a "EURES jobs for young people programme", and putting EU mobility instruments, funding and governance on a more structural footing.



Youth Opportunities Initiative one year later

- **Implementation of 18 EU-level actions**
- **Mobilisation or reallocation of EU structural funds (ESF/ERDF)**
 - ✓ Action team visits to 8 Member States with youth unemployment rates above 30% (EL, ES, IE, IT, LV, LT, PT, SK)
 - ✓ EUR 10 billion targeted for re-allocation
 - ✓ At least 780,000 additional young people and at least 55,000 small businesses likely to benefit
- **Country-specific Recommendations (CSRs)**
 - ✓ Nearly all Member States received youth-specific recommendations (on youth employment and facilitating school-to-work-transition)
 - ✓ Member States undertake education and labour market reforms, national youth jobs plans



Conclusions

- High numbers of unemployed youth result in dramatic consequences for the economies, the societies and above all the young people.
- Young people need particular support given the structural difficulties in transitioning from school into work, not "one size fits all" solution
- Investing in a Youth Guarantee is a sound investment – the costs of not doing so would be much higher.
- Primary responsibility for employment and education with Member States, but EU can play a supportive and stimulating role – we must learn from what works and what doesn't.



More information

Youth Employment

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

Youth Opportunities Initiative

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

Your First Eures Job

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

Erasmus

http://ec.europa.eu/education/erasmus/doc1063_en.htm

Leonardo da Vinci

http://ec.europa.eu/education/leonardo-da-vinci/doc1021_en.htm

Erasmus for Entrepreneurs

<http://www.erasmus-entrepreneurs.eu/>

Youth on the move

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