

ETUC Youth Committee Resolution on the EU Youth Strategy 2019-2027 and on the future funding of the EU youth employment policies

On May 22nd, the European Commission launched its proposal for **the new EU Youth Strategy**. The ETUC – Youth Committee welcomes the adoption of the new political framework for youth policy at European level. We support the engagement of young people in civil society organisations, democratic life, voluntary activities and youth work. The Youth Committee of the ETUC is full member of the European Youth Forum and it participates actively in its political activities and working groups. Many ETUC affiliates are member of their respective National Youth Councils or keep collaboration with them.

Among the objectives of the strategy, it aims at supporting the participation of youth in democratic life by providing quality and validated information and promoting the participation in European and other elections. It also seeks a greater social and civic engagement by promoting the participation in youth organisations.

Democracy in Europe cannot end at the workplace door. Industrial democracy is a fundamental part of the European Social Model and it improves working life, collective labour rights and concrete participation of workers in society and the economy. Therefore, the Youth Strategy should also boost young workers participation in information and decision-making processes at workplace level by encouraging their participation in works council elections and affiliation to trade unions. Participation at all levels by the European youth will contribute to a stronger sense of ownership for the whole of the European society. The Commission communication rightly points at the growing number of youth poverty and precarious employment. At this regard, a stronger voice of young workers in unions will enhance their collective bargaining rights, therefore improving their working and living conditions.

The trans sectoral cooperation on youth in a variety of topics is also welcomed in order to mainstream youth policies into education, health, housing, environment, transport and other key areas. Regarding employment, the ETUC – Youth Committee recalls that the design and follow-up of these policies appertains to social partners, and at European level it is also enshrined in the article 151 of the Fundamental Treaty of the European Union. On the specific issue of the European Youth Guarantee, the ETUC – Youth Committee commits to continue collaborating both at European and national level with the European Youth Forum and the National Youth Councils in setting tailored schemes to better outreach to those NEETs who are further from the labour market and the employment services. In this spirit, the ETUC –

Youth Committee welcomes the appointment of an EU – Youth coordinator and it looks forward to keeping a close cooperation.

We also welcome the goal of enhancing of the transparency on EU action for young people, including tracking of EU spending on young people, which should be done also with the involvement of social partners at all levels.

On 2nd May 2018, the European Commission issued a Communication on its proposals for the **Multannual Financial Framework 2021-2027**. With this resolution the ETUC – Youth Committee aims at taking a position on the funding appertaining to future youth employment policies.

In the strand concentrated to cohesion policy, the ETUC – Youth Committee backs the ETUC's regret of a decrease on the funding. A 10 per cent cut will weaken the redistributive effect of the EU budget among regions and will fuel inequality within the continent. It is however to be welcomed that other factors than the Gross Domestic Product have been taken into consideration for the eligibility of the funds, such as youth unemployment and reception and integration of migrants. However, the ETUC – Youth Committee regrets that this criterion is not then followed by the obligation to implement tailored policies on youth employment. There is therefore a lack of coherence between the eligibility criteria and the policy framework of the measures to implement.

The merging of the Youth Employment Initiative within the European Social Fund is welcomed, as this will provide greater internal coherence to the youth employment policies supported by EU funds, as well as more stability throughout the life span of the financial framework. However, we call the European Commission to keep the special regulation of the YEI in terms of pre-financing and advancement of funds in order to help those regions and countries which are suffering more economic constraints due to the persistent effects of the economic crisis and the austerity measures imposed.

To improve employment opportunities for youth, Member States with a NEET rate (age group 15 – 29) of above the EU average shall allocate at least 10% of their ESF+ resources for the years 2021 to 2025 for targeted actions in particular in the context of implementing Youth Guarantee schemes. The ETUC and its Youth Committee support this proposal, yet we call for an impact assessment of the number of countries which would be affected by this earmarking under the mentioned rules. Also, we demand to stick to the previous criteria of allocating YEI funds for NUTS2 regions, instead of countries as this provides an accurate allocation of resources in those regions where young people are more in need.

The ETUC – Youth Committee however opposes to a replacement of the funding for the YEI by the above-mentioned earmarking system. We believe that this should be a complementary measure to a dedicated budgetary line aiming at supporting the implementation of the Youth Guarantee. The current proposal is not consistent with the new focus of the European

Commission on improving the quality measures for the Youth Guarantee and it will be detrimental for bringing the alarming population of European NEET to the labour market.

According to Eurofound, the total estimated cost of establishing Youth Guarantee schemes in all EU countries is around 50 bn per year (0,39% of GDP), whereas the cost of NEET for these societies come to be 162 bn per year (1,21% of GDP).

This amount is far above the money put forward so far by the European Commission with the Youth Employment Initiative. While it is understandable that the challenge of bringing youth NEET in Europe to the labour market should not be borne exclusively by the European Commission, a fruitless discussion on which political actor should settle the rest of the bill up is resulting in an underperforming in the implementation of the Youth Guarantee. Therefore, the ETUC calls the European Commission and the European Council to establish the fair share of the costs of implementing the Youth Guarantee in each member state.

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