

TOWARDS A REAL AND EFFECTIVE YOUTH GUARANTEE IN EUROPE

Adopted at the Executive Committee of June

BACKGROUND

Youth unemployment and precariousness are still at unacceptable levels in Europe. As unemployment rates for young people in Europe were already significantly higher (if not double) to those of the total workforce before the crisis, the situation skyrocketed once the world economy collapsed and the European governments and institutions opted for facing the situation by austerity policies.

Statistics show a recent modest decrease of youth unemployment, remaining above 20% at European level, with important divergences between European countries. Intra-categorical analysis shows that young women and migrant workers have been even more hit by unemployment and the degradation of the labour market. The inactive population and young people who are neither in employment nor in education or training (NEETs) increased, as well as the number of young EU migrants to other EU countries or abroad.

When it comes to analysing the quality of the jobs available for young people, underemployment is growing, considered as involuntary part-time and fixed term work or working below the qualification levels of the workers. Many youngsters are in precarious jobs: zero-hour contracts, bogus self-employment and undeclared work are becoming the negative features of the labour market for the European youth. When it comes to wages, young people are overrepresented among workers earning a minimum wage or even below minimum wages, because of derogations mainly affecting youngsters. They have been particularly affected in those countries where decision has been taken to cut or to freeze these wages. Behind quantitative figures that show a relative decrease of unemployment, precariousness is growing with young people at the forefront.

Improving the labour market opportunities for young people has been high on the ETUC agenda for many years so far. The need to boost quality jobs for young people is included in the Congress resolutions of Paris and the ETUC plan for investment “A New path for Europe”. In July 2013 the European social partners adopted the Framework of Actions on Youth Employment, and the ETUC and its national affiliates are working now in the third year of follow-up of this agreement. The ETUC is currently undertaking negotiations towards a framework agreement on inter-generational solidarity and active ageing, in which activation measures for young people into the labour market are understood as a pre-requisite for the European trade union movement.

The ETUC – Youth Committee has been defending quality measures for young workers in Europe, denouncing the precarious working conditions for young people, and identifying and sharing best practices in organizing and representing young workers.

The ETUC acknowledges that initiatives have been put forward by the European Commission to try to find solutions to the situation of young workers in the labour market.

The “flagship initiative” on youth named “Youth on the move”, included in the Europe 2020 strategy already included some interesting measures like the initiative “Your First Eures Job” and paved the way for upcoming policy packages such as the Youth Opportunities Initiative (2011) and the Youth Employment Package (2012). The first one put forward a set of measures to boost youth employment by preventing early school-leaving, developing skills, and other offer-oriented measures. The Youth Employment Package comprised a range of different measures from which some are clearly inspired by ETUC demands, like the Youth Guarantee or the Quality Framework for Traineeships, or projects initiated by European social partners like the European Alliance for Apprenticeships (EAfA). The Council of the European Union adopted on April 2013 a Recommendation on establishing a Youth Guarantee which was followed by an endorsement at the June 2013 European Council, and financial mechanism of €6bn was made available for regions at NUTS 2 (Nomenclature of Territorial Units for Statistics) level suffering youth unemployment rates above 25%. The European Social Fund continued providing support for every member states on fostering youth employment initiatives also including the Youth Guarantee.

The ETUC pushed EU institutions for the launch of the Youth Guarantee and welcomed its implementation. The establishment of such a guarantee in Europe was advocated by the ETUC and the ETUC Youth Committee as early as 2009 in its call "Towards a new social deal in Europe: Fight the crisis, put people first".

The ETUC proposals for a Youth Guarantee calls for a strong partnership approach, where social partners, youth organisations, schools and training institutions, private employment providers and third sector organisations, who are involved in the design, implementation, delivering and monitoring of the Youth Guarantee. A recent study published by the ETUC¹ revealed that this partnership approach took place unevenly across Europe and that the involvement of social partners was often not sufficient.

Concerning the effective mobilisation of the EU dedicated funds for the Youth Guarantee, the European Commission made public in December 2015 that only 2/3 of the allocated budget had been used by Member states. Taking into consideration the precarious situation of young people in the European labour market and their inactivity and unemployment rates, especially in Southern and Eastern European countries, the ETUC finds unacceptable that some national governments are not making use of the resources available.

The Commission will decide whether or not to extend the funding for this initiative into 2016 based on the member states' reports on the implementation and impact of the Youth Employment Initiative, which are both due for submission at the end of this year. Due to the lack of mobilisation of member states, the budget allocated to the Youth Employment Initiative (that covers the Youth Guarantee) is threatened and risks being put into question in the debate on the midterm review of the multiannual financial framework (MFF) for the EU.

ETUC DEMANDS

The ETUC is determined to not let this measure being abandoned or downgraded. A real and effective Youth Guarantee is still needed, as a right for all young Europeans to be guaranteed strong career guidance and counselling while they are entering the job market. Such a right could not be effective for young people within two years and must be at the core of a long-term strategy. It is not acceptable that the YG (as it happened in some countries) only delivers internships or low-quality short term jobs. The focus must be put again on quality jobs.

Therefore, the ETUC calls the European Commission and the national governments to:

- a) Fully implement the core principles of the European Youth Guarantee: a guaranteed offer and intervention within four months after leaving education system and/or unemployment. Implemented, in the long term as a universal guarantee.
- b) Ensure full participation of social partners, civil society and young people in the design and the assessment of the measure.
- c) Include clear requirement for an appropriate social protection in the youth guarantee schemes, in order to combat the risk of poverty and precariousness.
- d) Guarantee high quality standards of job offers, trainings, traineeships and apprenticeships, particularly in sectors where job creation will be important in the future.
- e) Encouraging synergies between programmes and institutions (public employment services, local authorities, etc.) in order to better fulfil the goals of the Youth Guarantee.
- f) Improving trust in institutions and increase the institutional capacity for delivering services. Crucial aspects are adequate financing and human resources ensuring a high quality guidance service for young people.
- g) Carefully design the target population and provide tailored approaches in order to respond to the heterogeneity of the youth population. This is particularly important if we take into account the future envisaged actions on young refugees and their access to the labour market.
- h) Invest in more ambitious and long-term funding so as to guarantee effective outcomes from the implementation of the measure. The ETUC calls for the continuation of the budgetary lines beyond 2016. Our benchmark in terms of appropriate funding of the Youth Guarantee is the estimation of 21bn€ per year made by the ILO.

¹ Bussi, M. "The Youth Guarantee in Europe". ETUI, Brussels. 2014

The ETUC and its Youth committee will campaign in the coming months for this real and effective Youth Guarantee to becoming a reality in Europe. The main action undertaken will be:

- a) June 23rd: In an event jointly organized with Group II of the European Economic and Social Committee and the European Youth Forum, the ETUC Youth Committee will present the preliminary results of its research on the implementation of the Youth Guarantee at national level, with a focus on the partnership.
- b) October 2016: Photo action during the Executive Committee. Reinforcing the call to mobilizing in support of the Youth Guarantees.
- c) November 2016: Presentation of the results of the ETUC – Youth research in parallel to those of the European Commission.