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**PROVYP - Professional
Orientation of Vulnerable
Young People**

EU Statistics of Labour and Education of Young people in NEET

The aim of this report is to provide a brief overview as well as to outline specific sectors of the European Commission's published country specific reports for each Member State. These reports provide recommendations on how to strengthen Member States' economic, Labour, Educational and social, policies. The recommendations build on a thorough assessment of every Member State's plans for sound public finances (Stability or Convergence Programmes, or SCPs), on policy measures to boost jobs and growth (National Reform Programmes, or NRPs); and on the outcome of the dialogue with Member States and other key stakeholders.

The main focus of this report is to collect quantitative data and information in relation to the Labour market and education access of young people and provide a presentation of the main findings. In particular, the report strives to present existing data, from each country's specific report, related to young people in NEET (not in education, employment and/or training). For more information and further clarifications at each Country section a link has been included.

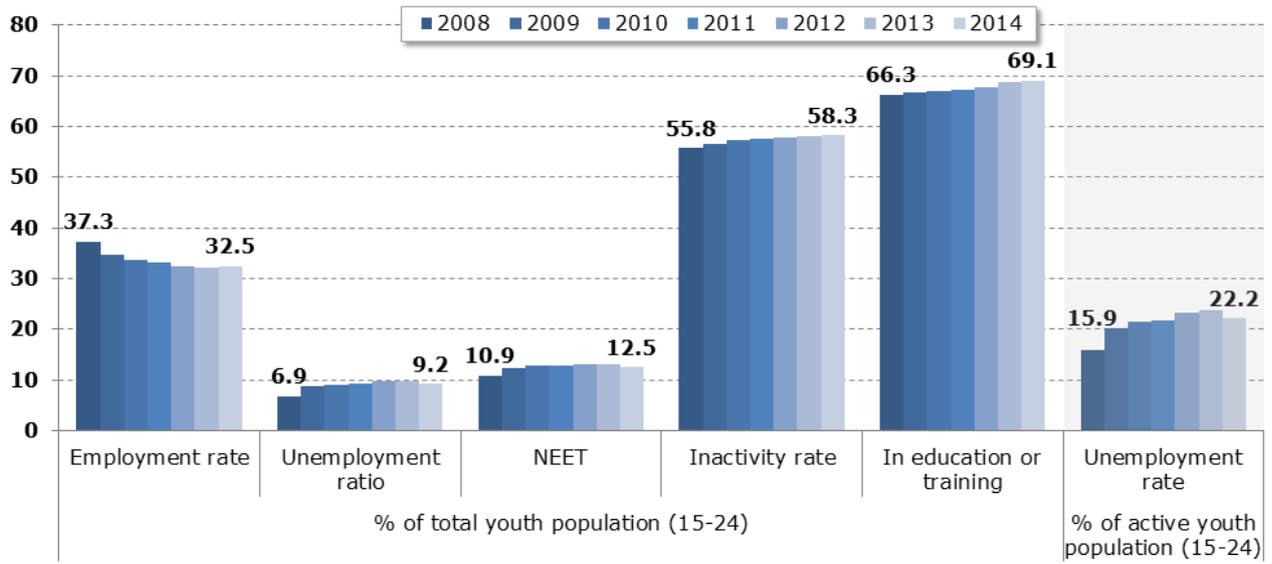


Active Labour Market Policies (ALMP)

(http://ec.europa.eu/europe2020/pdf/csr2015/cr2015_euroarea_en.pdf)

The proportion of young people (15-24) not in employment, education or training (NEET) has remained high, even though nearly 70% of young people in the EU were in education in the first quarter of 2014. In many Member States NEET rates are considerably above the lowest levels recorded since 2008 and still close to the upper bounds. This is particularly true for some Member States with the highest rates such as Bulgaria, Cyprus, Greece, Spain, Croatia, Italy and Romania. Rather low – and improving – rates can be found in Austria, Germany, Denmark, Luxembourg, the Netherlands and Sweden. In 2013 the levels remained above 10% in a great majority of Member States. NEET rates are somewhat higher for females than for males: in 2013 the rates were 13.2% and 12.7% respectively (total 13.0%). The NEET phenomenon is primarily due to an increase in youth unemployment, but also to non-education linked inactivity. In some Member States (Bulgaria, Romania and Italy) inactive NEET rates exceed 10%.

Early school leaving levels are gradually going down, making progress towards the target of less than 10% school drop-outs by 2020. Early school-leaving (ESL) stood at 12.0% in 2013, down from 12.7% a year earlier, with males (13.6%) being more affected than females (10.2%). ESL remains a serious problem though, as it concerns about 5 million people, over 40% of whom are unemployed. In 2013 in 18 Member States the rate was lower than the Europe 2020 target of 10%. ESL was highest in Spain and Malta with rates over 20%.



Source: Eurostat, LFS

#evidenceinfocus



Bulgaria

(http://ec.europa.eu/europe2020/pdf/csr2015/cr2015_bulgaria_en.pdf)

Bulgaria is facing a rate of young people who are not in employment, education or training (NEETs) that is well above the EU average: 21.6 %, compared to an EU average of 13 % in 2013. A significant proportion of this group has been long term unemployed (43 %). In addition, Bulgaria has the highest proportion of young NEETs who are not in touch with the employment services and thus are outside the scope of standard labour market activation measures. This can, at least partially, be attributed to the strict eligibility criteria for unemployment benefits and social assistance for people without employment experience. At 14.3 %, the proportion of inactive NEETs is more than twice the EU-28 average (6.1%). The proportion of NEETs among Roma is extremely high, at 61 %, calling for targeted efforts under the Youth Guarantee scheme. More than 60 % of people aged under 29yrs who have registered as unemployed do not have any professional specialty or any professional qualifications. As a result, their labour opportunities are limited to low qualified jobs unless they take part in relevant education or training (Country Report Bulgaria, 2015).

Although Bulgaria's tertiary education attainment improved to 29.4 % in 2013, higher education faces continuing challenges in responding better to labour market needs. A joint OECD/European Commission review in 2014 on the promotion of innovation and entrepreneurship in higher education identifies institutional reforms in the management of universities as key to a more innovative higher education in Bulgaria. Employment among young graduates was only 67.3 % in 2013 and data from the Bulgarian university ranking system reveal that approximately half of tertiary students are concentrated in 6 out of 52 professional fields, while there is a shortage of specialists in key sectors. For instance, a 2013 survey by the Chamber of Commerce highlighted that, whereas almost 2/3 of employers demand engineering specialists, the actual output of certified engineers by higher education institutions results in a gap.



Cyprus

(http://ec.europa.eu/europe2020/pdf/csr2015/cr2015_cyprus_en.pdf)

Cyprus is making substantial efforts to implement the Youth Guarantee, but policy responses are not comprehensive enough to ensure that all the youth not-in-employment education or training (NEET) are covered by a Youth Guarantee. In 2013 only 36% of unemployed youth were registered with the public employment services. A fully-fledged outreach strategy for young people not-in-employment education-or-training is lacking and the pace of implementation of ongoing reforms seems to be too slow to have an impact on the employability of young people even in the medium term. The biggest challenges for the delivery of a Youth Guarantee in Cyprus remain the capacity of the public employment services to provide Youth Guarantee-related services to all young people not in employment, education or training, the provision of good quality offers under the Youth Guarantee, and the creation of a partnership approach for the delivery of the Youth Guarantee.

The Cypriot labour market has been affected by the economic crisis, with unemployment and poverty having increased. For 2014, the employment rate of those aged 20-64 years old stood at 67.3%, decreasing by 8 pps compared to the employment rate in 2009. The unemployment rate was 16.1% in 2014 (from 11.9% in 2012 and 15.9% in 2013). The number of people at risk of poverty or social exclusion increased in the last years, reaching 27.8% of the total population in 2013, above the EU average (24.5%) Youth unemployment (people under 25) reached 35.5% in 2014, an increase of 8 pps compared with 2012. Measures to boost employment and to mitigate the negative social effects of unemployment have been introduced and are currently being implemented. These include reinforcing the public employment services, activation measures for the unemployed, the National Youth Action Plan, and the Guaranteed Minimum Income. As the outlook of Cyprus's labour market remains challenging, more margin for rapid, continuous and effective responses is expected (Country Report Cyprus, 2015).



Germany

(http://ec.europa.eu/europe2020/pdf/csr2015/cr2015_germany_en.pdf)

Youth Unemployment Rate in Germany decreased to 7 percent in September from 7.10 percent in August of 2015. Youth Unemployment Rate in Germany averaged 9.65 percent from 1991 until 2015, reaching an all time high of 15.60 percent in May of 2005 and a record low of 5.70 percent in February of 1991. Youth Unemployment Rate in Germany is reported by the Eurostat.

Despite the overall good performance of the labour market, Germany faces important medium and long-term challenges, in particular population ageing and skills shortages. Germany's working-age population (between 20 and 64 years of age) is projected to decline by 11.4 % until 2030 — an annual average of -0.8 %. This results in a twofold challenge, namely the need to increase both labour supply and productivity. There is scope to increase the labour market participation of women and older workers, and to activate and integrate long-term unemployed and people with a migrant background. In addition, Germany is also trying to attract and better integrate skilled workers from abroad as part of its skilled labour concept.

Despite low youth unemployment and rates of young people not in education, employment or training, geographical and socio-economic disparities remain and disproportionately affect East German residents and young migrants across Germany (see also Education and skills, below). Furthermore, more than half of the young people not in education, employment or training are inactive and Germany has not yet presented a comprehensive strategy for reaching out to and delivering the Youth Guarantee to those who are not registered with an employment service.



Italy

(http://ec.europa.eu/europe2020/pdf/csr2015/cr2015_italy_en.pdf)

Persistently high rates of youth unemployment and of young people not in employment, education or training point again to the risk of discouragement from entering the labour market. This may have potentially severe consequences on Italy's human capital accumulation. Youth unemployment has almost doubled over the past decade to reach almost 43 % in third quarter of 2014. It is also characterised by marked regional variations. The proportion of young people aged between 15 and 24 not in employment, education or training rose from 16.2% in 2007 to 22.2 % in 2013 (32.9 % for those aged 25-29) and is now the highest in the EU. Among these the big majority (77.5 %) is willing to work but 56.3 % are economically inactive. Furthermore, contrary to the pattern seen in some other Member States (e.g. Spain), the fall in youth activity rates has not been associated with longer time spent in education and training. The big gap between young graduates' competencies and labour market needs has made the transition from education to work increasingly difficult. Only 54.6 % of those aged 15-34 who graduated from the first and second stages of tertiary education within the previous three years were employed, against the EU average of 78.6 %. In addition, having a foothold in the labour market is often not sufficient to ensure lasting involvement and the Italian labour market remains segmented.

School outcomes and adult skills are below the EU average and entry into the labour market is difficult for the high-skilled. The early school-leaving rate remains well above the EU average (17 % compared to 12 % in 2013), although it is approaching the 2020 national target of 16 %. School education in Italy produces rather mixed results in terms of basic skills attainment, with very large regional differences between the centre-north and the south. Italy's tertiary education attainment rate is the lowest in the EU (22.4 % in 2013 for 30-34 year-olds), remaining well below its 2020 national target of 26-27 %. While the school-to-university transition rate is close to the EU average, the drop-out rate is very high (45 % in 2012). (76) Entering the labour market is also difficult for the high-skilled: for the 25-29 age group, the employment rate of tertiary graduates is 50.1 % compared to the EU average of 78.5 % in 2013. Italy has a very low share of young people in work-based learning and a very high and increasing share of young people not in education, employment or training (26 % of 15-29 year-olds in 2013).



Italy does still not have a comprehensive career guidance system at all education levels. Recent surveys show that many students made an ineffective choice of their educational paths. At upper secondary level, 46 % of 2014 graduates would not choose the same programme/school again. At tertiary educational level, 66 % of recent first-cycle graduates and 61 % of second-cycle graduates make no or limited use in their job of the competences acquired during tertiary studies. Starting with the 2013-14 school year, career and counselling activities became compulsory during the penultimate year of upper secondary education and the last year of lower secondary education, but with limited additional resources allocated (EUR 6.6 million in 2013-14). The national guidelines for career guidance issued by the Ministry of Education in February 2014 acknowledge the need for extending and improving career guidance activities in schools at all education levels. This would help increase the labour market relevance of education and reduce early school leaving.



Lithuania

(http://ec.europa.eu/europe2020/pdf/csr2015/cr2015_lithuania_en.pdf)

Securing a smooth school-to-work transition for youth and outreach to young people who are 'Neither in Employment, Education or Training' (NEETs) thus remains a priority. Youth unemployment amounts to 16.4% in the third quarter of 2014, while the NEET rate is stable at around 11% since 2011. Most young unemployed, registered in the Public Employment Services, have no vocational qualifications or work experience. Roughly one third of NEETs is not registered as unemployed. Thus, to succeed in the outreach to unregistered NEETs will be one of the main challenges of the Youth Guarantee delivery.

The Youth Guarantee scheme has started to address unemployment. Although it is too early to assess its effectiveness, the Youth Guarantee is progressing. It uses a broad network of partnerships with key stakeholders, but that is not yet fully operational. The outreach to young NEETs not registered with the public employment service remains a challenge. Supporting measures (such as voluntary work opportunities or generic competences training), which focus particularly on young people from disadvantaged backgrounds and ensure a clear focus on skills in demand are currently lacking. Lithuania has adopted an amendment to the Law on the Support for Employment which introduces measures for young people to acquire skills in the workplace in the form of a 'voluntary practice' scheme. The scheme has a maximum duration of four months, and is based on bilateral agreements with employers. It is too early to assess the take-up of this measure and whether the quality of training outcomes is ensured.

Schools have an above-average rate of low achievers in basic skills. The most important factors contributing to low school outcomes are the quality of teaching and the limited use of new innovative teaching methods and information and communication technologies (ICT). The latter is partially due to high average age of teachers. Moreover, there is likely to be a shortage of teachers in the next 10-15 years. This is because young people are not being attracted to the teaching profession due to its perceived low prestige and limited career opportunities. The participation rate in early childhood education and care (ECEC) - usually an effective tool for preventing low school outcomes – is well below the EU average. The quality of provision remains a challenge as well.



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Portugal

(http://ec.europa.eu/europe2020/pdf/csr2015/cr2015_poland_en.pdf)

Youth unemployment is particularly high, but is on a decreasing trend. The youth unemployment rate stood at 32.2% in the third quarter of 2014 (34.5% among women). Nonetheless, joblessness is declining, down from a peak of 42.5% in the first quarter of 2013. The percentage of under-30s currently not in education, training and employment (NEETs) has been rising since 2009, reaching 16.7% in 2013.

Measures have been taken to fight the upsurge of youth unemployment and NEETs, notably through the implementation of the Youth Guarantee (YG). Implementation of the Youth Guarantee started on 1st January 2014 and progress is underway. Between March and December 2014, 67,317 people aged under 30 and not in employment, education or training (NEET) took part in measures classed as a 'Youth Guarantee quality offer' once they had been registered by the Public Employment Services for a maximum of four months. These included, on the basis of IEFP data, work placements, vocational training and traineeships.

Portugal is making substantial efforts to put the Youth Guarantee into practice and involve all relevant governmental and nongovernmental partners in implementing it. The PES – Youth Guarantee Coordinator Entity – is conducting awareness-raising campaigns to involve partners better able to reach out to young people not in employment, education or training, namely NGOs and social institutions. An IT Youth Guarantee platform has been set up to enable monitoring of the young people benefitting from the programme. In spite of these progresses, there are substantial challenges to be addressed, including the PES' capacity as Youth Guarantee coordinator to engage the Youth Guarantee network's various partners, and the need to reach all non-registered NEETs. Additionally, there is little evidence that future skills needs are identified before youth guarantee offers are designed.



Spain

(http://ec.europa.eu/europe2020/pdf/csr2015/cr2015_spain_en.pdf)

The benefits of the incipient employment recovery have only marginally benefited the more disadvantaged groups, such as young people and women. For the first time since 2008, youth unemployment has started to decline, although it remains at exceptionally high levels. As of Q4-2014, the unemployment rate for the 15-24 age groups stood at 51.8 %, down from 54.9 % in 2013, and a more consistent decrease of unemployment has been recorded for the 25-29 age group. However, unemployment continues to particularly affect young people with low education attainment (60.4 % in Q4-2014). In addition, the rate of young people not in education, employment or training remained stable during 2013 and 2014, with more than 71.2 % of them actively looking for a job, and 35.5 % declaring themselves not to be registered in the employment services.

Notwithstanding the incipient labour market recovery, youth and long-term unemployment remain the most urgent challenges. Youth unemployment is decreasing slightly, but remains the highest in the EU (51.8 % in Q4-2014), particularly for the age group 20-24 (48.9 %). The duration of the crisis has exacerbated the long-term unemployment rate, which extends to 12.9 % of the active population; over half of the unemployed have been jobless for more than one year. The very long-term unemployed (2 years or more) have reached about 2.4 million, and represent more than 35 % of the total number of unemployed

Early school-leaving and the mismatch between the education and training programmes and the labour market continue to be two of the main challenges facing education and training. Spain maintains one of the highest rates of early school leaving, although it has continued to decrease with substantial regional differentiation – from 23.6% in 2013 to 22.3 % in Q3 2014.

The decrease in early school leaving can be attributed, inter alia, to the effectiveness of specific regional programmes. Further positive developments are expected through the implementation of a two-year initial vocational training (Formación profesional básica FPB) set up by the Organic Law for the Improvement of the Quality of Education. This new approach adds flexibility to the educational pathways, and intends to upgrade the quality of basic vocational education and training, compared with the former vocational programmes for which the abandonment rate was over 50 %. Only nine regions have developed the relevant legislation to implement the basic initial vocational training, resulting in a provisional enrolment of 34 684 students in the school year 2014/2015, far below the government's initial expectations. The withdrawal and retention rate at the beginning of next school year will provide critical information to assess the real impact of this new scheme.



United Kingdom

http://ec.europa.eu/europe2020/pdf/csr2015/cr2015_uk_en.pdf

Across the EU, the UK has had the third largest percentage rise in self-employment since 2009. The share of people aged from 16 to 24 years not in education, employment or training (NEET rate) fell to 13.1% in September 2014, which is a decrease of 1.9 pps. from a year earlier (45). The most recent data which are comparable across the EU show a NEET rate which, at 13.3%, is still slightly above the EU average of 13% in 2013.

On the Youth Contract, the government made substantial progress in providing work experience placements and launching more and better quality apprenticeships. As a positive upshot of the continuing falling youth unemployment rate, there was a lower take-up in 2014. Some of the innovation proposed by the UK government includes: the Intensive Activity Programme for immediate interventions with NEETs aged 18-24 years at the beginning of a benefit claim; an extension of Job centre Plus Pilot support to 16 and 17-year-olds who are NEET and not in receipt of an out of work benefit, which aspires to tailored support for those most at risk of becoming benefit dependent on reaching age 18; Work Skills pilots launched in November 2014, which assists those aged 18-21 years with literacy or numeracy difficulties linked to other work or skills related activity; and the Movement to Work initiative, which is a voluntary collaboration of some of the UK's biggest employers to provide a very significant amount of vocational training and work experience opportunities for 18-24 year old NEETs.

The share of people aged from 16 to 24 years not in education, employment or training (NEET rate) fell to 13.1% in September 2014, which is a decrease of 1.9 pps from a year earlier. The most recent data which are comparable across the EU show a NEET rate which, at 13.3%, is still slightly above the EU average of 13% in 2013.

Education and skills are areas to focus on. In the period between 2008 and 2013, the UK managed to increase the tertiary educational attainment rate from 39.7% to 47.6%, which is above the EU average of 36.9% (see graph 3.2.2). The indicator on



early school leavers recorded a 2.6 pps. reduction over a three-year period, from 15.0% in 2011 to 12.4% in 2013, which is around the EU average (12%). However, UK employers continue to experience shortages of workers with higher vocational and technical skills in sectors such as construction and large proportions of the adult population have comparatively low levels of numeracy, literacy and digital skills. Skills shortages, including in literacy, could be holding.