Opinion of the European Economic and Social Committee on the Role of the social partners in improving the situation of young people on the labour market (Exploratory opinion)

(2008/C 204/20)

On 19 September 2007, the European Economic and Social Committee received a referral from the future Slovenian presidency on the

Role of the social partners in improving the situation of young people on the labour market (Exploratory Opinion).

The Section for Employment, Social Affairs and Citizenship, which was responsible for preparing the Committee's work on the subject, adopted its opinion on 21 February 2008. The rapporteur was Mr Soares and the co-rapporteur was Ms Päärendson.

At its 443rd plenary session, held on 12 and 13 March 2008 (meeting of 12 March), the European Economic and Social Committee adopted the following opinion by 119 votes to 1 with 2 abstentions:

1. Gist of the EESC proposals

1.1 The EESC welcomes the priority that the Slovenian presidency (1st half of 2008) has decided to attach to integrating young people into the world of work, which is one of the greatest challenges facing the European Union today.

1.2 This priority accurately reflects the aims of the revised Lisbon Strategy for Growth and Employment which, with the updated Guidelines for Employment has entered its second phase. By selecting full employment as a strategic objective, the Lisbon strategy gave an example of how economic and business competitiveness is not incompatible with people's well-being, job satisfaction and the provision of quality jobs and decent working conditions. Member States' national reform plans (NRPs) should, therefore, address the causes of youth unemployment more systematically and more comprehensively, taking account of the European Youth Pact.

1.3 The EESC agrees with the Commission's opinion that maintaining growth and prosperity in Europe, whilst promoting social cohesion and sustainable development, depends on all young people making a substantial contribution to the project and being fully involved in it. Young people must be guaranteed adequate conditions for active citizenship. This is all the more important because the number of young people in comparison to the population as a whole is falling.

1.4 Young people today are in situation that is critical at a number of levels but which most acutely affects their integration into the labour market since, according to European statistics, youth unemployment is 2.4 times higher in the 15-24 (1) age group than in the 25-54 age group, although the 2007 figures do show a slight improvement.

1.5 The EESC considers that work is not only a production factor that is essential to society’s socio-economic development; it is today also one of the sources of human dignity and worth, and offers possibilities for socialisation.

1.6 The key to employment in the 21st century is the ability to learn and adapt throughout one's working life. The EESC has identified two main ways of improving the situation of young people on the labour market: providing young people with more and better education and ensuring a smoother transition between leaving school and starting working life proper.

1.7 The EESC is fully aware of the difficulty of the task and thus recommends a concerted effort by all of society to achieve it. This is all the more important because it is the youngest generation that could suffer most acutely from the consequences of a downward market trend.

1.8 Indeed, young people in the 15-24 age group not only have an unemployment rate more than twice that of adult workers; they also suffer the worst job instability, which in some countries affects more than 60 %, with far-reaching consequences for young people's independence, their being in a position to start a family, the decision as to when to have children and for the growth and funding of social security schemes.

1.9 Whilst the role of the social partners as the main players in the labour market, insofar as they understand its workings and needs, is crucial to developing approaches that encourage young people's integration into the world of work, the EESC considers it worth emphasising, once again, the equally essential role of education and vocational training in equipping young people — whilst taking account of their diversity — with the skills and competences needed to succeed in an ever-changing world.

1.10 Furthermore, if the social partners are to take action to integrate young people more effectively into the labour market, they will require the cooperation of national, regional and local governments and of the different civil society players, with a particular focus on the role of youth organisations and of universities as research and science centres. They will also need the active support of families and of social networks for young people with their wider outreach.

(1) It should be noted that in some Member States the minimum employment age for young people is over 15 years.
1.11 Bearing in mind the joint text drawn up by the European social partners entitled "Framework of Actions for the Lifelong Development of Competencies and Qualifications" (1) and recent studies of the greatest challenges facing the labour markets, which strengthen the Commission’s efforts to make the labour markets more adaptable and also more inclusive, the EESC has identified a number of specific objectives and areas for action in which these should play a more decisive role.

1.12 The measures adopted by the social partners should be based on the following key objectives:

- persuading national governments to carry out appropriate reforms and to implement national policies that help to improve the situation of young people on the labour market;

- using all available means, in particular programmes supported by the European Structural Funds (3), to give all young people the opportunity to achieve personal fulfilment through stable, high-quality and properly paid employment, making use of new and more progressive forms of work and working hours management, in conjunction with new forms of employment security, with the aim of ensuring smoother transitions, greater mobility and better balance between working life and private life;

- shortening the transition period between leaving school and starting working life proper, and giving young people their first work opportunity, with the prospect of future security during this transitional period;

- helping young people to make constructive use of periods of inactivity whilst unemployed or whilst looking for their first job;

- assisting the integration of the most vulnerable groups of young people (such as young people with social problems or disabilities, early school-leavers, young immigrants, etc.);

- ensuring that work can be reconciled with personal and family life;

- striking the appropriate balance between flexibility and security, distinguishing between those workers that can choose flexibility because they have security and those that are victims of flexibility because they have no security;

- ensuring better cooperation between businesses, secondary schools and universities;

- providing incentives for entrepreneurship, creativity and innovation and helping young people to understand their responsibilities to continue learning; in this context, public authorities must shoulder their share of the responsibility for providing an effective link between the education system and the labour market;

- enhancing the quality of apprenticeships and making them more attractive;

- promoting measures to prevent long-term unemployment amongst the younger age-groups;

- informing young people of their economic and social rights and complying with and ensuring compliance with the principles of equality and non-discrimination.

1.13 The areas for action are many and varied, but can be divided into seven main groups:

- **Education**: working at the national, regional and local levels to alert schools and teachers to the importance of establishing closer links with the world of work, opening up businesses and trade unions to schools and promoting/participating in school initiatives to achieve this aim, and building partnerships with schools in order to give young people learning experiences in companies.

- **Vocational training**: taking part in the design and organisation of vocational training schemes, encouraging personal development and the acquisition of social skills, developing programmes to boost entrepreneurship, promoting and supporting training measures that help to anticipate market needs in terms of the skills and qualifications required, and informing young people about the technical occupations and their potential on the labour market.

- **Traineeships**: offering traineeships as part of the school curriculum, drawing up codes of conduct on working conditions and pay that prevent competition between businesses and also defining the concept of mentoring young people on traineeships and the relevant good practice.

- **Collective bargaining**: integrating the rights of young people as fully-fledged citizens into consultation and social dialogue, negotiating working practices that manage to give them secure prospects during their transition to working life, making it easier for young workers to continue/complete their studies.

- **Third-sector activities**: working together with youth organisations, promoting and publicising networks that facilitate contact between young people and the world of work, stimulating the third-sector approach amongst both young entrepreneurs and workers in their respective representative bodies, recognising their competences and skills gained through non-formal education.
Comparing Europe with other industrialised countries, such as the United States, Canada or Japan, employment in the 15-24 age group stood at 83.3% in 2007, against 85.8% in the USA, 87.0% in Canada and 88.9% in Japan. The unemployment rate of young people is thus on average 2.5 percentage points above the levels observed in the main industrialised countries.

2. The current situation

2.1 Given the current situation of young people on the labour market, the EESC welcomes the Slovenian Council presidency's request to draw up an exploratory opinion on the role of the social partners in improving the situation of young people on the labour market.

2.2 The problem of youth unemployment and of young people's inclusion in society more generally are issues of a global scale.

2.3 Another global trend in industrialised society is population ageing, which tends to have damaging repercussions for stability, competitiveness and economic growth. It entails additional costs for health and pension schemes, whilst the number of people paying into these schemes is falling. There is consequently a need to implement measures not only to promote 'active ageing' in the population, but above all to encourage young people to enter the labour market and to provide measures supporting generation renewal, in which young people do not currently get involved, because they fear the lack of job security. This would need to be a joint effort at the European, national, regional and local levels, involving the public sector and the social partners, in order to place the issue of young people at the heart of economic, social, educational and demographic policies.

2.4 Although between 2005 and 2007 7 million jobs were created in the EU, the 'Lisbon cycle' has still failed to reduce youth unemployment. According to the Commission's figures, the average unemployment rate amongst young people between the ages of 15 and 24 reached 17.4% in 2006. In other words, around 4.7 million young people were not in a stable socio-occupational situation. In some countries, the youth unemployment rate exceeded 25% (9). According to the latest quarterly EU Labour Market Review (Autumn 2007), in the third quarter of 2007, the youth unemployment rate fell to 15.2%, but is still double the overall unemployment rate.

2.5 Furthermore, these 4.7 million young unemployed in the EU referred to above are not generally likely to find new work in their first six months of unemployment, which clearly shows that, despite the adoption in 2005 of the European Youth Pact, the Lisbon Strategy has not yet managed to improve the situation of young people on the labour market. A better on-the-ground implementation of the European Youth Pact is thus increasingly important.

2.6 However, youth employment and unemployment trends are not identical in all Member States (10). With youth unemployment rates of less than 10%, the Netherlands, Ireland and Denmark have successfully achieved reductions, but the situation is quite different in countries such as France, Italy, Spain, Greece, Belgium, Poland, Slovakia and even Sweden, where rates remain at around 20%.

2.7 Young adults’ unemployment is highly likely to turn into long-term unemployment or even inactivity (around 1 in 3 for long-term unemployment) (11), with women being affected particularly badly and this situation becomes more marked as people get older.

2.7.1 It is not surprising that young people who have left school early (one in six) or who have not completed secondary education are at a disadvantage. There is a need to support youth workers in their role as professionals and to help them to develop their skills and confirm their path on the labour market. The EESC believes that the role of second chance education is of capital importance, as well as the encouragement of mobility and competitiveness.

2.7.2 Keeping young people in work is another priority, particularly in the new Member States. A Vocational Training Union, of the social partners, in order to encourage them to follow a training path and to obtain certificates, which will also make it easier for them to find work. The EESC believes that in the field of training, the role of the social partners is crucial to encouraging young people to get involved in the labour market. It is of the utmost importance that young people are not reified by the unemployment rate alone.

1.14 As the European institution representing organised civil society and in accordance with its remit, the EESC proposes holding a conference attended by representatives of businesses, trade unions, schools and NGOs representing young people, in the aim of facilitating an exchange of best practice in order to improve the integration of young people into the labour market.

(1) See, in this regard, the EESC opinion of 26.10.2006 on the Communication from the Commission to the Council, the European Parliament, the European Economic and Social Committee and the Committee of the Regions — A new framework strategy for multilingualism, rapporteur: A. Le Nouail (OJ C 324, 30.12.2006), http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:C:2006:324:0068:0073:EN:PDF. (2) Comparing Europe with other industrialised countries, such as the USA, Canada or Japan, employment in the 15-24 age group stood at 35.9% in 2006 in contrast to 54.2% in the USA, 58.7% in Canada and 41.4% in Japan. (3) Funding social security schemes will set a particularly significant challenge in the next 25 years, when 20 million people will be leaving the EU labour market. (4) In Europe, the 2004 ratio of people of working age to the retired was four to one but this figure will soon halve. From 2013 onwards, the fall in the working population will form a barrier to the EU’s potential economic growth, bringing the current rate of 2.6% (in the euro zone) and 2.9% (in the EU 27) to only 1.25% by 2040. The impact of this will be felt even more acutely in the new Member States.

(11) The EESC is aware that the youth unemployment rate alone does not give a full picture of young people's situation on the labour market. Any analysis should also take into account the unemployment ratio of young people and a comparison of the youth unemployment rate in a particular country with the overall unemployment rate. The figures cited in point 2.6 are for illustrative purposes only; for a fuller discussion of the problem, see e.g. the report on 'Employment in Europe 2007'.
education (one in four young adults aged between 25 and 29 \(^{(1)}\)) encounter greater difficulty in finding work than young people who are more highly qualified.

2.7.2 What is surprising is that highly qualified and skilled young people are also struggling to find work. In some Member States, the unemployment rate is higher among the most highly educated young people than among those with lower or intermediate levels of education \(^{(1)}\). The fact is that a level of education that is higher than in previous generations currently leads to greater difficulty in entering the labour market. It is worth emphasising that, whilst having a degree is a valuable weapon in combating unemployment, in this day and age it provides no guarantees.

2.7.3 Many young people are affected by the mismatch between their qualifications and their jobs (in the Member States, the percentage of young people under 35 working outside the area in which they are trained varies between 29 % and 47 %). The lower the level of education attained, the more worrying this situation becomes.

2.8 This state of affairs also encourages many young people to leave for other countries that offer better working conditions, pay that is four to five times higher, more attractive career prospects and greater opportunities for personal fulfilment \(^{(1)}\).

2.9 For many young people who do find work, their situation is extremely insecure, due to a lack of job stability, 41 % of young people between the ages of 15 and 24 \(^{(1)}\) are on short-term contracts, and this rate exceeds 60 % in some countries \(^{(1)}\). In many cases this is a conscious choice by young people who are seeking short-term employment, but the number of young people who find themselves in this situation involuntarily is high (one in four) \(^{(1)}\).

2.10 The group comprising young workers also suffers the highest number of work-related accidents and injuries \(^{(1)}\) and account should, therefore be taken of health and safety conditions in the workplace when considering the situation of youth labour.

2.11 It is young women who are worst affected by unemployment \(^{(1)}\), and who are more likely to hold low-quality, insecure and badly paid jobs, despite being generally better qualified than young men. Women — particularly those of child-bearing age — also face discrimination on the basis of their gender. In the EU, young women (under the age of 30) earn on average 6 % less than young men \(^{(1)}\).

2.12 All too frequently, young people still experience exclusion or poverty as a result of their low incomes (40 % of young people are classified as being on low pay) \(^{(1)}\).

2.13 Many young people today find themselves in situations that represent a step backwards for their social inclusion and especially for their personal and social independence. These situations can be summarised as follows:

- increasing financial dependence on their families and/or the state;
- increasingly lengthy periods of time spent living with parents or the development of half-way situations (using the parental home as a secondary place of residence, returning home having already left or living outside the family home but maintaining close links with the parents);
- young people starting their own family increasingly late in life (getting married or living together, deciding whether to have children ...);
- evident frustration and increases in stress caused by powerlessness, (as demonstrated by the increase in suicides and drug consumption).

3. Work as a factor for personal and collective dignity

3.1 As well as being a key factor for the economic development of society in general, work involves aspects rooted in the Universal Declaration of Human Rights itself. Young people's right to employment and to job security should, therefore, be seen as a universal right and as a means of securing their future as individuals.

3.2 There is, therefore, a need to (re)affirm work's central importance to society, analysing some of its current components, namely:

- decent work, as a source of income for living now and in the future and as an aspect of 'inter-generational' solidarity
- work as a universal right, a space in which to express human dignity and worth

\(^{(1)}\) See Promoting young people's full participation in education, employment and society (COM(2007) 498 final).

\(^{(1)}\) Commission staff working document accompanying the Communication on Promoting young people's full participation in education, employment and society (SEC(2007) 1093).

\(^{(1)}\) It is worth stating, by way of example, that some 400 000 Europeans trained in science and technology live in the USA and that almost 10 % of the 1.45 million doctorate-holders in the US are EU graduates.

\(^{(1)}\) It should be noted that in some Member States the minimum employment age for young people is over 15 years.

\(^{(1)}\) Eurostat study on the workforce in Europe.

\(^{(1)}\) Idem.

\(^{(1)}\) See the draft EESC opinion on Health and safety at work SOC/258 (rapporteur: Agnes Cser).

\(^{(1)}\) The female employment rate is 15 % lower than the male.
— work as a factor of production
— work as active citizenship and a socially useful activity
— work as an essential factor for socialisation
— work as a reflection of people's qualifications and creativity
— work as a condition for access to consumer activity and lifestyles
— work as a human activity that adapts and is valued in a society increasingly required to take care of the environment and ecological values
— work as a forum for self-discovery and development and for personal fulfilment.

3.3 We are today encountering new forms of work that are the product of fundamental changes in the world of labour and which do not necessarily take account of important social aspects or provide the required legal guarantees.

3.4 Job instability amongst young people, in conjunction with deregulated working patterns and hours, are factors that make it difficult to balance working, personal and family life. Against this backdrop, young women are particularly badly affected, often having to give up a rewarding career. Young parents should in particular be asked for their opinion on setting up infrastructure to support early childhood.

3.5 Young people can make a major contribution to developing a more cohesive and democratic knowledge society. They need, however, to have prospects beyond the short term, and that are rooted in personal, family and collective security.

4. Education and training: essential factors for integration into the labour market and for successful integration into and participation in society

4.1 In its opinion on the Employment of priority categories (22), the EESC reaffirmed the importance of education and training, with particular reference to the need to:

— 'guarantee [...] quality from initial training to vocational and in-service training so as to enable workers to find their place in the labour market with as few problems as possible and stay in employment, with industry involved here alongside government;

— ensure early active support for young people seeking training course places or jobs (possibly after four months), special programmes and individual support and coaching for the integration of problem groups such as long-term unemployed young people and school and training course drop-outs, e.g. via community employment projects and promotion of training;

— develop generally available, easily accessible careers advice and information facilities for young men and women at all levels of training; a corresponding improvement in the quality of employment services and the provision of appropriate human resources;

— reduce existing discrepancies between qualifications offered and those in demand on the labour market; raising the effectiveness of primary education systems (e.g. reduction of school drop-out rate (23), literacy campaigns) and increasing the opportunities for moving between initial vocational and further training; gradual elimination of gender-specific segregation in careers counselling.'

4.2 Although the main task of schools should remain that of training free, critically-minded, autonomous citizens, they should find new ways of doing things, especially as regards their links with the world of work and business, which are generally speaking not close. These links are today virtually an imperative in order to ensure a smoother transition from school to work.

4.3 Furthermore, having the skills to deal with change means that entrepreneurship and initiative should form an integral part of the school mission to inculcate a sense of responsibility — at the personal level too — equipping young people to find solutions to the problems that they will inevitably face once they leave school. Of course, non-formal education also has a role to play in achieving this aim.


(23) Nearly 16 % of young people in the EU drop out of school, which is considerably higher than the 10 % seen in 2000. The percentage varies from Member State to Member State, being particularly high in the Mediterranean countries and lower in the Scandinavian countries and in some countries of Central and Eastern Europe.
4.4 Lifelong training is also of increasing importance to young people, because it can provide them with the tools they need to adapt to new situations and to acquire new skills and qualifications.

4.5 Vocational training models could also be updated and some countries offer experiences of integration into the labour market through traineeships in companies. In this area too, what is important is to establish models that are attractive to young people and which they and their families consider to be worthwhile (24).

4.6 In the specific context of individual job coaching amongst the young long-term unemployed, it is worth referring to an Austrian project that has helped to reduce the long-term youth unemployment rate by 43.5 % in a specific target group (25). Of the 2 000 young people who took part in the project, 820 found a job and 293 were offered apprenticeships in companies, which represents a success rate of 60 % (26).

4.7 Furthermore, European research policies and programmes should coordinate their work at the national and European levels in the field of education, applying to both basic education and vocational/specific training.

5. The role of the social partners

5.1 A global approach to the different youth policies is required. To this end, the European Commission has drawn up a communication on Promoting young people's full participation in education, employment and society, which the EESC has endorsed (27). Similarly, the Commission has reiterated the need to make use of the European Structural Fund, whose regulations explicitly provide for the funding of measures to improve the integration of young people into the labour market (28).

5.2 The aim of improving the integration of young people into the labour market should be seen as a collective responsibility which requires the involvement of all of society, including the social partners, as well as other players such as the public authorities, national, regional and local governments, families and youth organisations.

5.3 In the specific case of integrating young people into the labour market, the role of the social partners is crucial, because they know how the market works and what it needs; they are familiar with the problems arising from these needs in relation to the current workforce; they know and have experience of the problems caused by developments in the market itself and in new working practices.

5.4 The social partners should further step up their efforts to increase youth employment, by enhancing and further developing their cooperation with organisations representing young people and educational establishments; focusing on the qualifications needed on the labour market at any given time; identifying the skills required for particular jobs and combining forces to create jobs for young people, having the courage to trust in their abilities without asking for prior experience, etc.

5.5 The involvement of the social partners should have specific aims, in particular, to:

- influence national governments to carry out the appropriate reforms and to implement national policies that help improve the situation of young people on the labour market;
- give all young people the opportunity to achieve personal fulfillment through stable and high-quality employment;
- shorten the transitional period between leaving school and entering working life proper;
- provide the prospect of future security during this transitional period;
- help young people to make constructive use of periods of inactivity whilst unemployed or looking for their first job;
- make integration easier for the most vulnerable groups of young people, in particular early school-leavers;
- ensure that working life can be reconciled with personal and family life;
- strike a good balance between flexibility and security;

and should cover a number of areas, such as:

5.5.1 Education

- Alerting education authorities, schools and teachers to the need for closer links with the world of work.
At the local level, promoting a range of initiatives organised by schools or by businesses and trade unions that enable young people to experience the reality of working life.

Establishing partnerships with schools, in order to give young people work experience within companies.

Providing incentives for creativity and entrepreneurship, in cooperation with all the parties concerned (including business and trade unions) (29)

Informing institutions of higher education of local employment requirements and the relevant training and qualification needs.

Involving relevant youth organs and organisations at all levels in dialogue on integrating young people into the labour market.

5.5.2 Vocational training

Being actively involved in designing and organising vocational training schemes, in order to meet the needs for new skills and knowledge and thus anticipating lifelong training requirements.

Considering, with regard to collective bargaining, global, regional and/or local vocational training agreements. There is, therefore, a need to ensure that Member States’ tax systems support investment in human capital.

Informing young people about the technical professions and their potential for the labour market.

Helping to implement and assess the European Qualifications Framework (30) in order to facilitate recognition of young people’s qualifications and their mobility within Europe.

5.5.3 Traineeships

Providing traineeships as part of the school curriculum, thus putting young people in contact with a company and workers at an early stage.

Drawing up codes of conduct on job quality, working conditions and pay for trainees and establishing collective agreements to this end.

Establishing ‘mentor-colleagues’ who are responsible for supervising the young trainee, in order to make educational traineeships successful and help to draw up codes of good mentoring practice for each sector.

5.5.4 Collective bargaining and young people’s rights

Considering, in collective bargaining at the European, national, regional, local or company-wide level, the need to establish practical policies to support the integration of young people into the labour market and to inform them about their rights.

In discussions on the working practices and arrangements to be negotiated and included in contracts, pay particular attention to young workers, so that flexibility is governed by negotiated rules that guarantee the security that they need. The prospect of security in young people’s transition to working life can and should be considered in collective bargaining.

As part of the collective bargaining process, helping to negotiate working conditions for students that provide flexible working hours, appropriate pay, especially for traineeships, and time off for training.

Also in this area, making it possible to reconcile work with personal life, especially as regards working conditions and working hours.

5.5.5 Third-sector activities

Playing a key role in supporting third-sector activity amongst young people, by supporting the setting-up of young entrepreneurs’ associations or by integrating workers into their organisations covering the relevant sector.

Promoting, publicising and supporting networks that facilitate communication between young people and the different social partners (31).

Cooperating with youth organisations to understand young people’s fears and aspirations and of involving them in finding solutions, particularly as regards the labour market.


(31) Examples include: the European Confederation of Junior Enterprises (http://www.jadenet.org/) and the STARPRO initiative by EUROCADRES (Council of European Professional and Managerial Staff) for students and young graduates (http://www.eurocadres.org/en/p_ms_in_europe/students_and_young_graduates).
— Recognising the competences and skills gained through non-formal education in youth organisations as an important part of qualification for entering the job market.

5.5.6 Good practice

— Exchange information on good practice (32) by establishing national and European platforms for projects carried out by businesses, universities, schools, local and regional authorities, business associations and unions.

5.5.7 Mobility

— Support mobility both in the European Union and in businesses located in different European countries, inform young people of their rights related to mobility within Europe and, in this regard, encourage people to learn other languages, provide exchanges of professional experiences and provide exchanges of professional experience, accepting the importance of guaranteeing workers' rights (33).


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(32) One example of good practice is the launch by BusinessEurope, in conjunction with its working partners, of a 'laboratory' on 'Stimulating an entrepreneurial mindset and promoting entrepreneurship education'. This 'laboratory' not only provides examples of European good practice in this field; it also helps to achieve the objectives set out in the Strategy for Growth and Employment and in the European Commission communication entitled Fostering entrepreneurial mindsets through education and learning and in its Oslo recommendations.

(33) The social partners have always stated their support for the principles of the Erasmus and Erasmus Mundus programmes and for the European Commission initiative entitled ERASMUS for young entrepreneurs.