

## **P8\_TA(2014)0010**

### **Youth employment**

#### **European Parliament resolution of 17 July 2014 on Youth Employment (2014/2713(RSP))**

*The European Parliament,*

- having regard to its position of 8 September 2010 on the proposal for a Council decision on guidelines for the employment policies of the Member States: Part II of the Europe 2020 Integrated Guidelines (COM(2010)0193 – C7-0111/2010 – 2010/0115(NLE))<sup>1</sup>,
- having regard to the Commission communication of 20 December 2011 entitled ‘Youth Opportunities Initiative’ (COM(2011)0933),
- having regard to the Council conclusions, adopted in Luxembourg on 17 June 2011, on promoting youth employment to achieve the Europe 2020 objectives,
- having regard to the Commission communication on the implementation of the Youth Opportunities Initiative (COM(2012)0727),
- having regard to the proposal from the Commission of 5 December 2012 for a Council Recommendation on establishing a Youth Guarantee (COM(2012)0729),
- having regard to the European Council conclusions of 7 February 2013 on a Youth Employment Initiative,
- having regard to the Council recommendation of 22 April 2013 on establishing a Youth Guarantee,
- having regard to its resolution of 11 September 2013 on tackling youth unemployment: possible ways out<sup>2</sup>,
- having regard to its resolution of 16 January 2014 on respect for the fundamental right of free movement in the EU<sup>3</sup>,
- having regard to its position of 16 April 2014 on the proposal for a decision of the European Parliament and of the Council on enhanced cooperation between Public Employment Services (PES) (COM(2013)0430 – C7-0177/2013 – 2013/0202(COD))<sup>4</sup>,
- having regard to its resolution of 6 July 2010 on promoting youth access to the labour market, strengthening trainee, internship and apprenticeship status<sup>5</sup>,
- having regard to the Commission communication on the implementation of the Youth Opportunities Initiative (COM(2012)0727),

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<sup>1</sup> OJ C 308 E, 20.10.2011, p. 116.

<sup>2</sup> Texts adopted, P7\_TA(2013)0365.

<sup>3</sup> Texts adopted, P7\_TA(2014)0037.

<sup>4</sup> Texts adopted, P7\_TA(2014)0435.

<sup>5</sup> OJ C 351 E, 2.12.2011, p. 29.

- having regard to its resolution of 16 January 2013 on a Youth Guarantee<sup>1</sup>,
  - having regard to Rule 123(2) and (4) of its Rules of Procedure,
- A. whereas unemployment is a major cause of inequality, with youth unemployment rates having reached unprecedented levels, averaging 23 % for the EU as a whole, and whereas youth unemployment is unevenly distributed across the EU, with unemployment rates among young people aged 16 to 25 being higher than 50 % in some Member States;
  - B. whereas in March 2014, 5,340 million young people (under 25) were unemployed in the EU28, 3,426 million of whom were in the euro area;
  - C. whereas the causes of youth unemployment vary across the EU, and can include underlying structural problems of our economies which affect the labour markets; whereas the situation and problems faced by young people are not uniform, with some groups being disproportionately affected and in need of tailored solutions;
  - D. whereas the labour market situation is particularly critical for young people, regardless of their level of education, since they often end up either unemployed or with limited employment contracts while receiving lower wages and a lower level of social protection, or are forced to accept precarious employment contracts or unpaid traineeships;
  - E. whereas a Youth Guarantee would contribute to fulfilling three of the Europe 2020 strategy objectives, namely that 75 % of the population aged 20-64 should be employed, that early-school-leaving rates should be below 10 %, and that at least 20 million people should be lifted out of poverty and social exclusion;
  - F. whereas 7,5 million young Europeans between 15 and 24 are not employed, not in education and not in training (NEETs) and whereas, in the EU28 in 2012, 29,7 % of young people aged between 15 and 29 were at risk of poverty or social exclusion<sup>2</sup>;
  - G. whereas by emphasis on practical skills, the dual system of vocational training and also the combined academic-vocational degree courses employed in some Member States have proven their worth during the crisis in particular, keeping levels of youth unemployment lower by making young people more employable;
  - H. whereas the current limitation of the youth guarantee to age 25 is insufficient as it does not take into account the 6,8 million NEETs who are aged between 25 and 30;
  - I. whereas SMEs have an important job creation potential and play a crucial role in the transition towards a new, sustainable economy;
  - J. whereas despite the number of workers moving from one Member State to another increasing from 4,7 million in 2005 to 8 million in 2008, in percentage terms that is an increase from 2,1 % to 3.3 % of the total labour force;
  - K. whereas Member States have a crucial role to play in combating youth unemployment, also through the financial support of EU-financed instruments such as the European Social Fund, the European Globalisation Adjustment Fund, the European Programme for Employment

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<sup>1</sup> Texts adopted, P7\_TA(2013)0016.

<sup>2</sup> Eurostat: [http://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=yth\\_incl\\_010&lang=en](http://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=yth_incl_010&lang=en)

and Social Innovation (EaSI) and the Youth Guarantee for the programming period 2014-2020;

- L. whereas the European Union has allocated EUR 6 billion to support employment of people under the age of 25;
- M. whereas the causes of youth unemployment cannot be reduced to skill mismatches, because they are linked to issues like the lack of new jobs due to the deindustrialisation of Europe, outsourcing and speculation, and this situation has been aggravated by the crisis and austerity policies; whereas education and training alone cannot solve the problem of youth unemployment;
- N. whereas any measures or programmes introduced to boost youth employment should include the consultation and/or cooperation of all relevant stakeholders on the respective levels, especially Social Partners and youth organisations;
- O. whereas 20.7 million SMEs account for over 67 % of private-sector employment in the EU, with 30 % deriving from micro-enterprises;
- P. whereas SMEs and micro-enterprises have a huge potential for job creation, being responsible for 85 % of all newly created jobs;

#### ***Youth Guarantee - Youth employment***

1. Warns that there will be no significant sustainable economic growth in the EU unless inequalities are reduced, and recalls that this starts with reducing unemployment, especially youth unemployment, and alleviating poverty;
2. Calls for an efficient monitoring of the implementation of the Youth Guarantee; calls on the Commission to closely monitor the challenges that have been identified in the 2014 Country-Specific Recommendations (CSRs) regarding the quality of offers and the lack of active outreach to NEETs, as well as the administrative capacity of public employment services and the lack of effective engagement with all the relevant partners, while at the same time identifying best practices that might function as a reference for programme improvements; calls for more transparency in the monitoring of the implementation and for more ambition with regard to addressing the Member States showing no progress in this regard;
3. Calls on the Commission to propose a European legal framework, introducing minimum standards for the implementation of the youth guarantees, including the quality of apprenticeships, decent wages for young people and access to employment services, and also covering young people aged between 25 and 30, where the existing recommendations on youth guarantees are not respected by Member States;
4. Calls for the reduction of youth unemployment to be made a specific objective under the European Semester; also calls for measures to combat youth unemployment to be included in the CSRs and the national reform programmes (NRPs); calls on the Commission to closely monitor and review the introduction of such measures; calls for the comprehensive involvement of Parliament in this regard under the European Semester process;
5. Calls on the European Commission to accelerate the establishment of the Youth

Employment Initiative and to publish a communication on how it has been established before the end of 2014;

6. Encourages the Member States to consider extending the Youth Guarantee to young people under 30 years of age;
7. Emphasises the need for an active, comprehensive and integrated labour market policy with special measures for young people;
8. Urges the Member States to take strong measures to fight youth unemployment, in particular through preventive action against early dropout from school, or by promoting training and apprenticeship schemes (e.g. by implanting a dual educational system or other equally efficient types of framework), to develop comprehensive strategies for young people who are not in employment, education or training (NEETs) and to implement the national Youth Guarantee Schemes in full;
9. Stresses that the Youth Employment Initiative should not prevent Member States from using the European Social Fund to finance broader projects related to young people, especially on poverty and social inclusion; calls on the Commission to monitor the use of ESF funds for youth-related projects;
10. Strongly believes that EU funding, particularly that under the Youth Employment Initiative (YEI), should not be used to replace national approaches, but should be used to provide additional support to young people in a way that complements and enhances national programmes according to the decision of the Member States;
11. Believes that EU programmes must allow appropriate flexibility to enable Member States to implement individualised support in line with local needs, to ensure funding is used in the areas where youth unemployment is highest and funding is most needed, without compromising on audit and control;
12. Stresses that the Youth Employment Initiative should not prevent Member States from using other EU programmes, e.g. under the European Social Fund or ERASMUS +, to finance broader projects related to youth, especially on young entrepreneurship, poverty and social inclusion; underlines the importance of Member States allocating the necessary cofinancing in this regard; calls on the Commission to monitor the use of ESF funds for youth-related projects;

### ***Vocational education and training***

13. Recalls that the EUR 6 billion allocated to the YEI are not sufficient to combat youth unemployment in a lasting manner; calls, therefore, on the Commission and the Member States to make the Youth Guarantee a priority and to increase its budget allocation for the overall period 2014-2020 when deciding on the compulsory post-electoral revision of the MFF 2014-2020, which is due to take place at the end of 2016 at the very latest;
14. Calls on the Member States to set up or improve vocational education and training systems; stresses that in order to improve the transition from school to work, a European framework for dual education should be set up, based on European best practices in this field; further suggests the EU-wide use of 'Ice-Breaker Schemes' giving practical work experience to young graduates and those who have already done vocational training, with companies

recruiting them for six to twelve months in order to solve a specific problem centred on innovation and development;

15. Urges the Member States to implement strong measures to fight youth unemployment and early exclusion from the labour market, in particular through preventive action against early dropout from school or from training or apprenticeship schemes (e.g. by implanting a dual educational system or other equally efficient types of framework);
16. Calls on the Member States to reform, in particular, education and training standards for young people, in order to significantly increase their employability and life opportunities;
17. Calls on the Commission and the Member States to further improve the transparency and recognition of qualifications within the Union, in particular through the European Credit System for Vocational Education and Training, Europass and the European Qualifications Framework;
18. Underlines the importance for young people to acquire transversal skills such as ICT skills, leadership skills, critical thinking and language skills, also by studying abroad, to improve their prospects on the job market, their adaptability to future labour market developments and their active participation in society;
19. Calls on the Member States to focus on sectors with high growth and job creation potential and take measures to prioritise the areas of science, technology, engineering and mathematics in their educational programmes in order to meet expected future developments on the labour market, in line with the need to shift to a resource-efficient economy;
20. Calls on the Commission and the Member States to support new types of economy, especially social entrepreneurship, co-working, crowdsourcing and providing supporting measures for youth cooperatives and social enterprise start-ups;
21. Calls on Member States to foster growth-promoting policies and calls for action at EU level in terms of a European growth strategy where investment in and development of key sectors such as the digital market, the telecom market and a common energy community will provide sustainable jobs;
22. Regrets that the Council priorities, as published by the European Council on 27 June 2014 as a strategic agenda for the EU and the new European Commission, do not include targeted measures and investment to help in the creation of quality jobs for young people;
23. Underlines that delivering on the objectives of a Youth Guarantee requires strategic reforms to achieve more successful transitions from school to the labour market;
24. Urges the Member States to respectively build up and reform their labour market agencies;
25. Stresses that, given predicted rapid labour market changes, today more than ever strong investments in education and training are necessary; emphasises that skills policies should not only be seen as a means to fulfil labour market needs, but should also recognise competences acquired through non-formal education, support the implementation of lifelong learning policies and ultimately be part of a holistic approach to education;

26. Calls on the Commission and agencies such as Eurofound and Cedefop to analyse existing systems of dual professional education to provide this information to other Member States which are interested in these systems on a voluntary basis, without lowering the education standards that already exist;
27. Recognises the role of the family as an effective support system for young people facing unemployment, poverty and social exclusion;
28. Urges Member States to strengthen, and to remove existing cross-border barriers to vocational training, orientation and apprenticeships, traineeships and internships, and to better match the supply and demand of work-based training opportunities for young people, thereby improving mobility and employability, particularly in border regions;
29. Welcomes the Council recommendation on a Quality Framework for Traineeships, adopted on 10 March 2014, and calls on the Member States to implement it without any delay in favour of its addressees, and underlines the fact that the Member States' programmes promoting and offering traineeships can be financially supported by European funds;

### *New environment for jobs*

30. Underlines the need for Europe to create an SME-friendly environment, which includes providing the best financial and legal conditions for start-up businesses, as overall SMEs accounted for 66.5 % of all European jobs in 2012<sup>1</sup>;
31. Reiterates the need to ensure wide and easy training and access to Internet and online information and to digital skills; in line with the Digital Agenda's objectives, calls on Member States to encourage and facilitate the digitalisation of services and education opportunities for young people in order to enable them to access digital jobs;
32. Highlights the recent trend of companies returning production and services to Europe and the opportunities this brings for job creation, particularly for young people; believes that the economies of the EU have a unique opportunity to accelerate this trend of re-shoring;
33. Insists there is a need for the reindustrialisation of Europe based on a coherent strategy and its implementation, which will promote and facilitate growth-friendly policies and creation of new jobs;
34. Urges Member States to associate youth employment policies with quality and sustainable working contracts in order to tackle increasing structural precariousness and underemployment;
35. Calls on Member States to ensure that young people have access to quality jobs that respect their rights, including the right to stability and security, through a job that offers a living wage and social protection and enables a secure life of dignity and autonomy, in order to protect young workers from discrimination and exploitation;
36. Believes that young entrepreneurs and growth-orientated SMEs are the necessary enablers of innovation and job creation;

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<sup>1</sup> [http://ec.europa.eu/enterprise/policies/sme/facts-figures-analysis/performance-review/files/supporting-documents/2013/annual-report-smes-2013\\_en.pdf](http://ec.europa.eu/enterprise/policies/sme/facts-figures-analysis/performance-review/files/supporting-documents/2013/annual-report-smes-2013_en.pdf) report

37. Believes that businesses will only create more jobs and recruit more people if the economic environment encourages growth and if they can rely on a qualified workforce;
38. Urges the Commission and the Member States to take a rights-based approach to youth and employment; stresses that, particularly in times of crisis, the quality of work for young people must not be compromised and that the core labour standards and other standards related to the quality of work, such as working time, social security, and occupational health and safety, must be central considerations in the efforts that are made; stresses that an end must be put to discrimination based on age;
39. Stresses the importance of recognising and respecting the different social and economic systems in place across Member States;
40. Calls on the Member States and on the Commission to support and promote mobility mechanisms, in particular EURES, which facilitate job seeking in other Member States;
41. Calls on the Member States to make full use of the Public Employment Services (PES) in order to balance the offer and demand of employment vacancies and qualifications required between Member States;
42. Calls on the European Commission to support initiatives as well as other forms of cooperation with the private sector in tackling youth unemployment;
43. Calls on the European Commission to take a leading role with an initiative for the reindustrialisation of Europe, enhancing industrial competitiveness without placing an excessive regulatory burden on businesses, and facilitating job creation, tackling unemployment and enlarging the scope of possibilities for young people to start their own businesses or to find a job;
44. Recommends that any future evaluation by the European Commission of relevant ESF schemes in the area of youth employment should look beyond the cost and number of participants and consider the impact on the youth job market in real terms over a long period of time, and prioritise understanding of how and why actions are successful;
45. Calls on the Member States to eliminate unnecessary administrative burdens and bureaucracy for the self-employed, micro-enterprises and SMEs, introduce favourable tax policies, establish a more favourable climate for private investment and address disproportionately punitive bankruptcy laws when combating unemployment. SMEs constitute a large share of the European economy and their role can be a key determinant in ensuring a prompt and sustainable recovery from the economic crisis and creating new jobs, including for young people;
46. Calls on the Member States to improve cooperation between businesses and the education sector at all levels, with a scope of better linking curricula to the demands of the labour market;
47. Stresses that the European economy requires efforts to be made to enhance free movement and labour mobility in the EU, rather than limitations being placed on this, and calls on the Member States to ensure the free movement of all citizens and workers in order to allow the development of a genuine Union labour market, to remove bottlenecks and to allow EU workers to move to areas where their skills are demanded; stresses that freedom of

movement is a core right; stresses, also, that young people should also have the opportunity to access employment opportunities in their own community;

48. Calls on the Member States to pay particular attention to high youth unemployment rates among disadvantaged groups, giving priority to accession and integration into the labour market and the mainstreaming of accession and integration policies, as employment is the key to successful integration;
49. Believes that Member States must meet the specific needs of young people with disabilities by providing them with the right tools and support services, in order to create an equal environment and actively increase the employability of young people with disabilities in the labour market, education and training;
50. Stresses the importance of focussing on stimulating entrepreneurship, particularly amongst younger people and graduates, promoting graduate internship and placements in small businesses and micro-enterprises to improve young people's experience of business and increase awareness of opportunities and the ability to set up their own businesses;
51. Stresses that, given the consequences of the crisis for young people, a stronger commitment and improved monitoring are needed from Member States, to improve the situation of young people; calls, in this context, on Member States to address the issue of youth unemployment during the next EPSCO informal Council on 17 and 18 July 2014 in Milan and to deliver actions and policies instead of statements;

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52. Instructs its President to forward this resolution to the Commission and the Council.