



NEETs in the EU labour market

Evaluation of the situation of NEETs on the post-pandemic labour market and policy recommendations

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CASE-Center for Social and Economic Research



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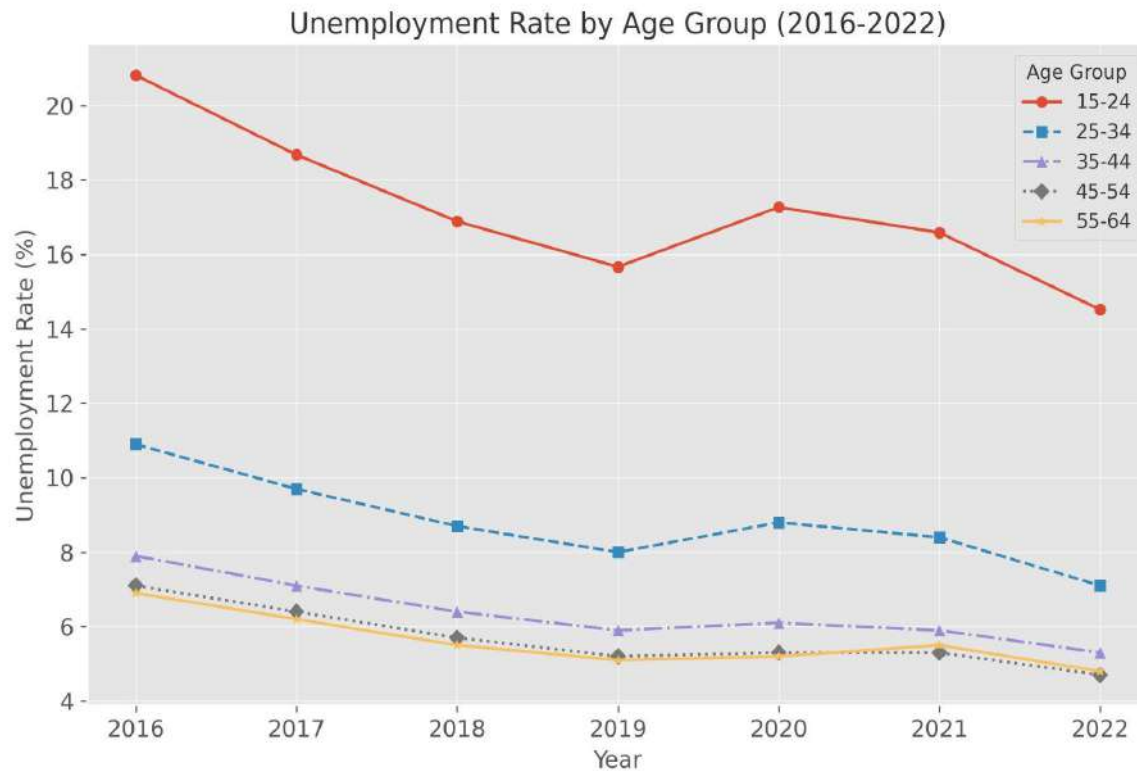
Agenda

- EU labour market prior to, and post, the COVID-19 pandemic
- Review of already present policies and their evaluation
- Recommendations for the policies relevant for youth employment and employability

EU Labour Market – global pandemic

- **Unemployment:** spike in unemployment, felt most by the youth aged 15 to 24
(from 15.6% to 17.6% in 2019-2020)
- **Rate of activity:** the youngest cohort (15-24) witnessed the largest fluctuation on the labour market
(cohorts aged 25 to 64 remained almost unchanged)
- **Employment:** 15-24 year-olds - fall of employment rate (by 2%)
- Young people **specifically affected** by the COVID crisis
- **Overall** rates of employment, unemployment, and labour market activity did not see extreme fluctuations

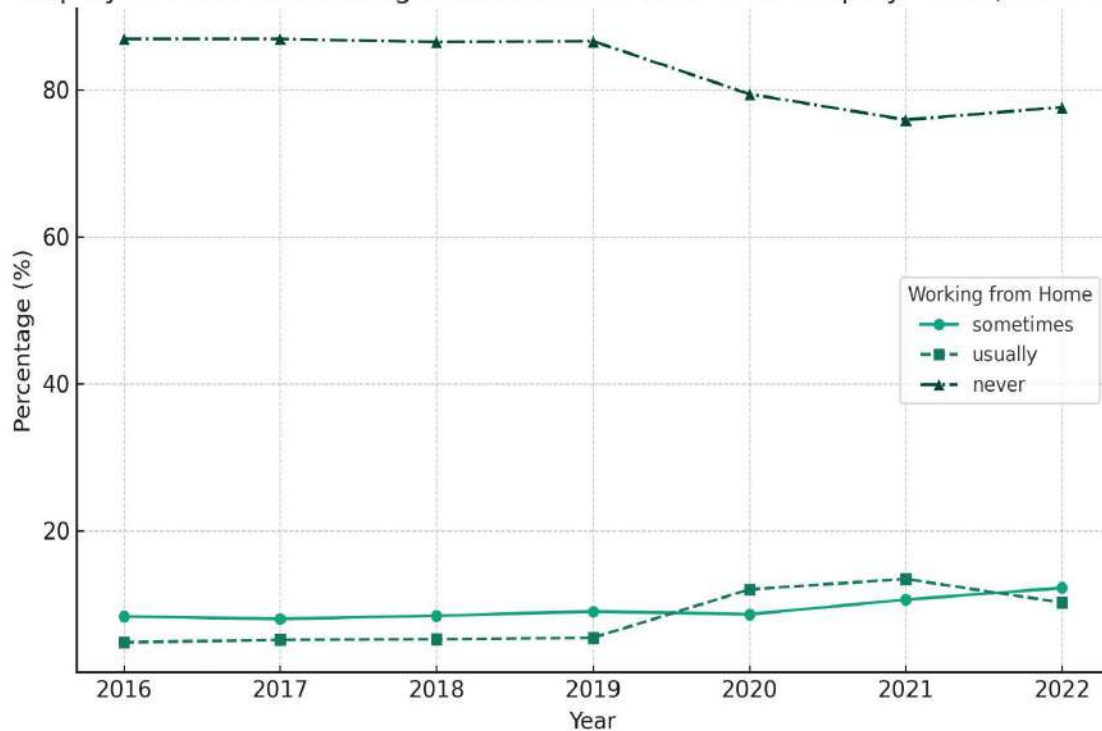
Labour market developments



- Almost immediate growth of the rates of employment and activity, especially among the youngest cohort, could be seen in 2021 and 2022
- HOWEVER overall unemployment rate (6%) reached almost natural level in 2022, it still remains high for people aged 15-24 (14.5%)
- Young people with limited professional experience are more vulnerable to unstable employment
- High participation of older workers -> future need for replacement
- Lower participation of the youth may lead to significant labour shortages

EU Labour Market development

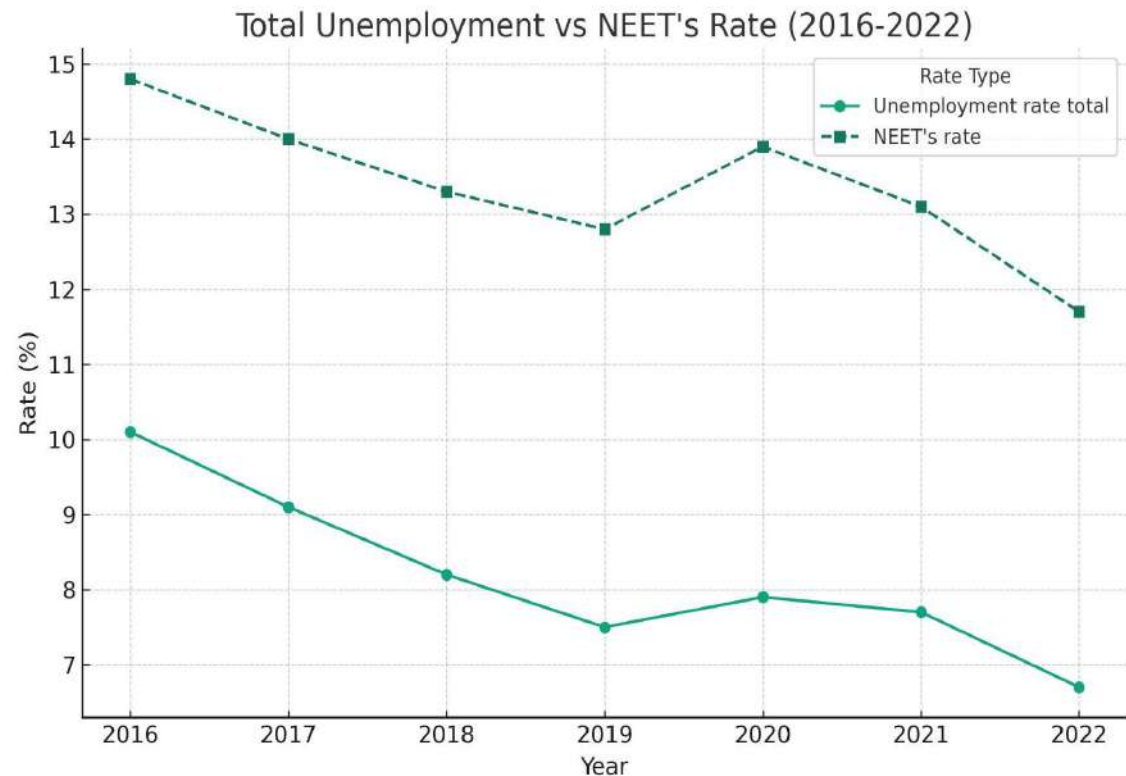
Employed Persons Working from Home as % of Total Employment (2016-2022)



- Digital tools for collaboration – in top ten digital skills listed in job offers (2021)
- Mismatch between skills demanded and supplied – insufficient digital skills
- Increased demand of high-skill labour vs decline in entry level jobs
- Young people more vulnerable to unstable employment

Development of NEETs situation

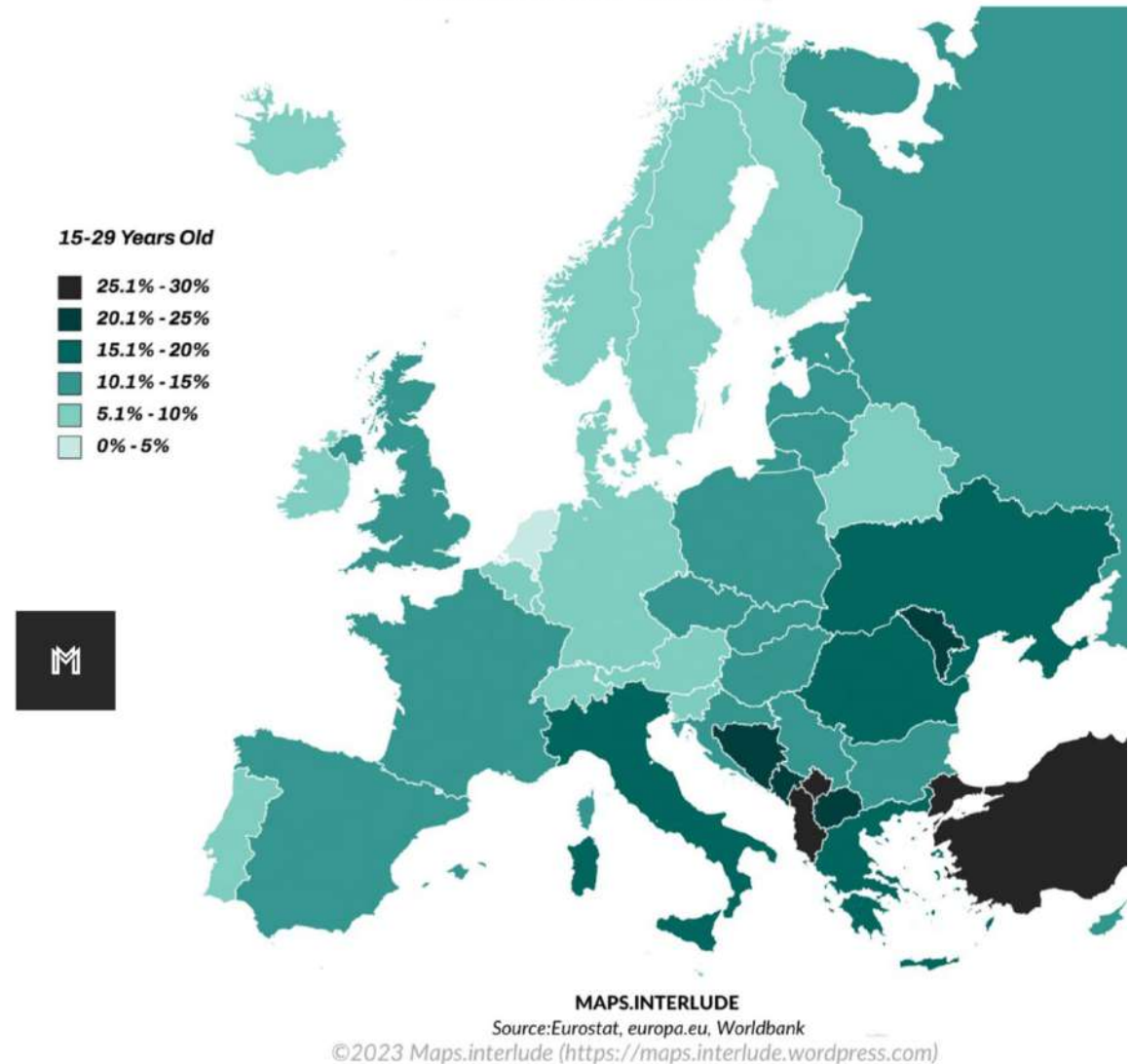
- COVID: spike of NEET rates in 2020 coupled with youth unemployment
- Post-covid: continued falling trend (but above EU goal of 9%)
- Women caring for a family member (18%)

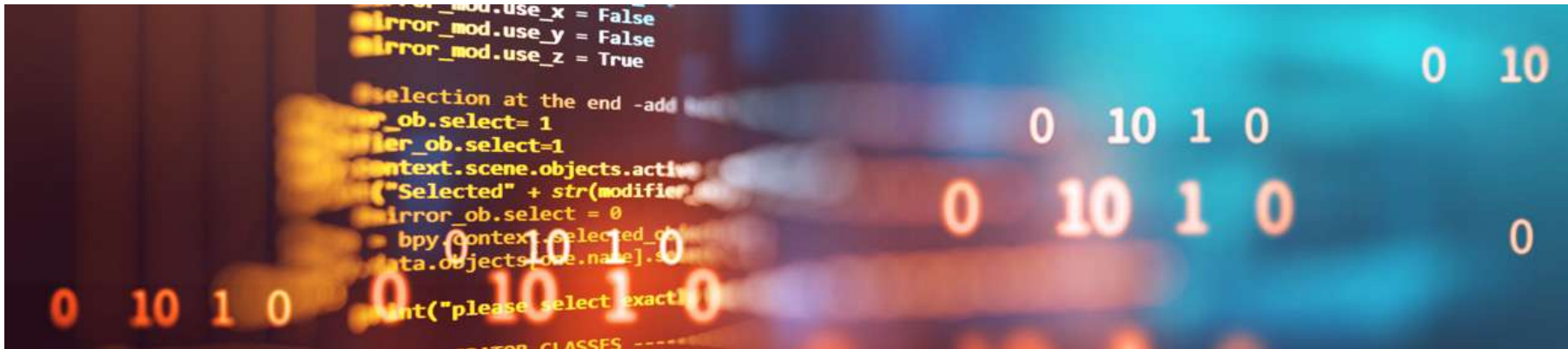


What is the relevance of NEETs?

- High NEETs rate (11.7%)
- More job vacancies than people in the labour market
- People who could potentially fill those vacancies are not engaged in the labour market

Percentage of Young People neither in Employment nor in Education or training





Current NEETs policies

- EU Youth Guarantee, European Pillar of Social Rights Action Plan
- Italy NEET Plan
- France Pix; 1 Youth, 1 Solution
- More

- EU: Youth Guarantee, European Pillar of Social Rights Action Plan
- Italy: NEET Plan
- France: Pix; 1 Young person, 1 Solution
- Most policies focus on boosting youth employment, rather than improving employment stability



Policy recommendations

- Enhancing youth employment stability
- Increase of entry-level jobs
- Upskilling in terms of digital skills
- Support policies for women caretakers



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Thank
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