



European Foundation  
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Conditions

The tripartite EU Agency providing  
knowledge to assist in the development  
of social and work-related policies

# Il quadro dei NEETs in Europa

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# outline



NEETs  
Young people not in employment,  
education or training: Characteristics,  
costs and policy responses in Europe



Mapping youth transitions in Europe



Exploring the diversity  
of NEETs



- The origin of NEETs
- **NEETs in Europe**
- **Risk factors and consequences of being NEETs**
- Problems and limitation of NEETs for policymaking
- Disaggregating the NEETs population.

## The origins of NEETs

- As a **consequence of the economic crisis**, the issue of youth unemployment has arrived **at the centre of the European policy agenda**.
- Deeply concerned about the risk of a **“lost generation”** researchers and government officials started to adopt **new ways of estimating** the prevalence of labour market **vulnerability** among **young people**.

N.E.E.T.s

- The acronym **NEETs** first emerged in the UK in the **late 1980s** as an alternative way of categorising young people aged 16-18years old.
- This need was mainly due to a **result of changes in the UK benefit regime** which **withdrew entitlement to Income Support** to those young people aged 16-17 in return for a 'youth training guarantee'
- As a result of this change, **technically youth unemployment ceased to exist.... But not the problem!**

- Courageously funded by **South Glamorgan** Training and Enterprise Council in **1994**, the first research attempting to investigate of **young people** aged **16** and **17** who were **not in education, training or employment** was published.
- **Status 0 - *count for nothing and were going nowhere***
- **Status *Abandoned! (the guardian)***
- **NEETs:** was then **formally introduced** at the **political level** in the UK in **1999** with the publication of the government's Bridging The Gap Report.

- The term **NEET** rapidly gained importance **beyond UK** and at the beginning of the past decade **similar definitions** were adopted in almost all **EU Member States, Japan, New Zealand, Taiwan, Hong Kong, China.**
- In order to have an **additional indicator** to be used for **monitoring the situation of youth** in the framework of the Europe2020 strategy and perform comparable cross-country comparison, the **Employment Committee and its Indicators Group** agreed on a definition and methodology for a standardized indicator for measuring the size of the **NEET population** among Member States in **April 2010**

## NEETs in the policy agenda

- It made a first appearance in **2010** with the EU2020 agenda and the **Youth on the Move** initiative.

*‘unleashing all young people’s potential’ and emphasises the importance of reducing the ‘astonishingly’ high number of NEETs in Europe*

- Then, a constant ***crescendo!***
- 2011: **Youth Opportunity Initiative.**
- 2012 **Youth Employment Package.**
- 2013 **Youth Guarantee:** the first initiative to place explicitly the reduction of the NEET rates as policy target.

## So... NEETs!

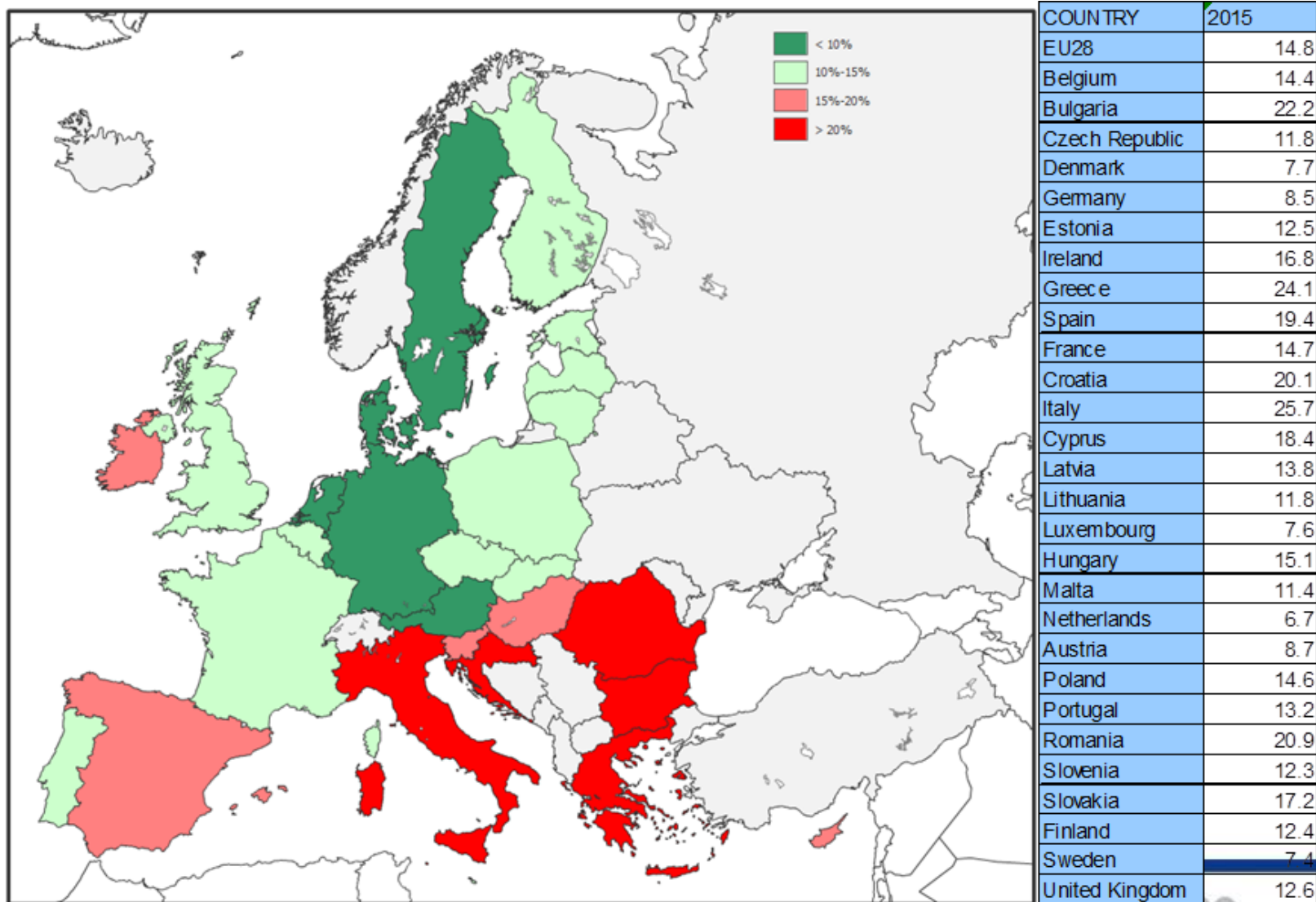
- The **NEET indicator** measures the share of young people who, **regardless their educational level**, are **not** in **employment, education or training**.

$$NEET_{Rate} = \frac{\text{Number of young people not in employment, education or training}}{\text{Total population of young people}}$$

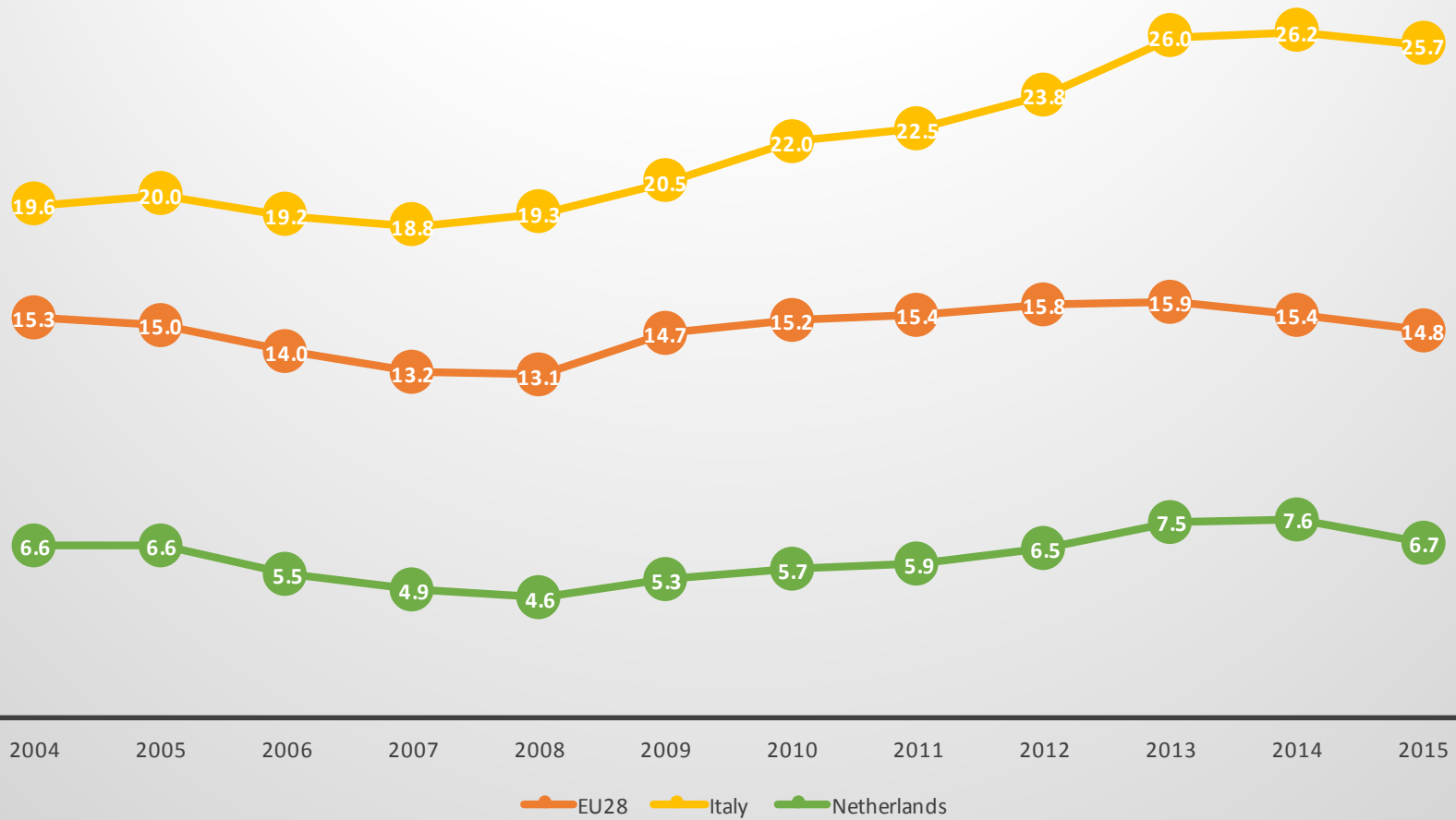
- Operationalised by **Eurostat** on the basis of three questions of the **EU-Labour Force Survey** for different age groups.



## NEETs in Europe: **14.8%** - around **13,000,000**



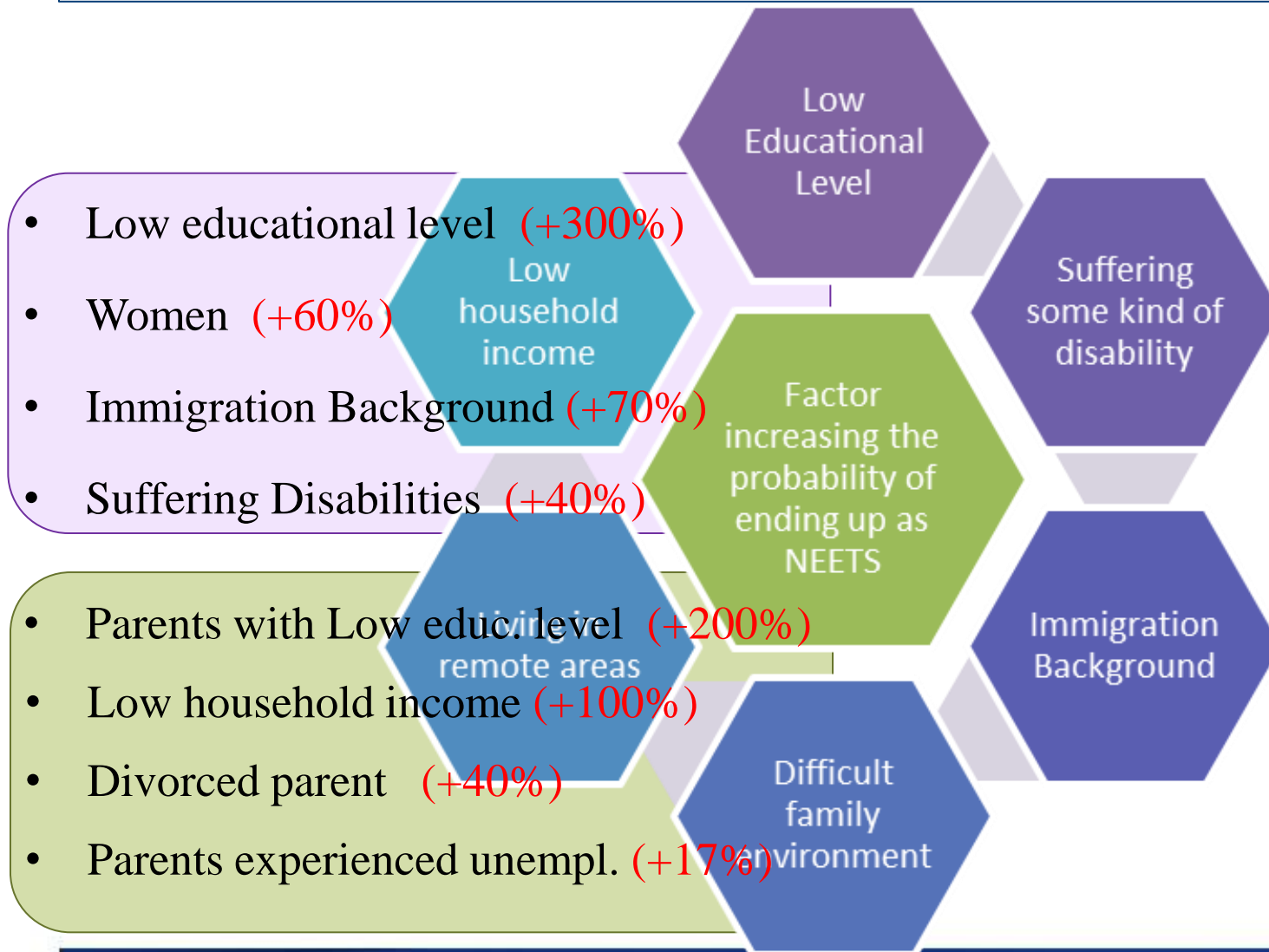
# NEETs rate 2004-2015 (15-29)





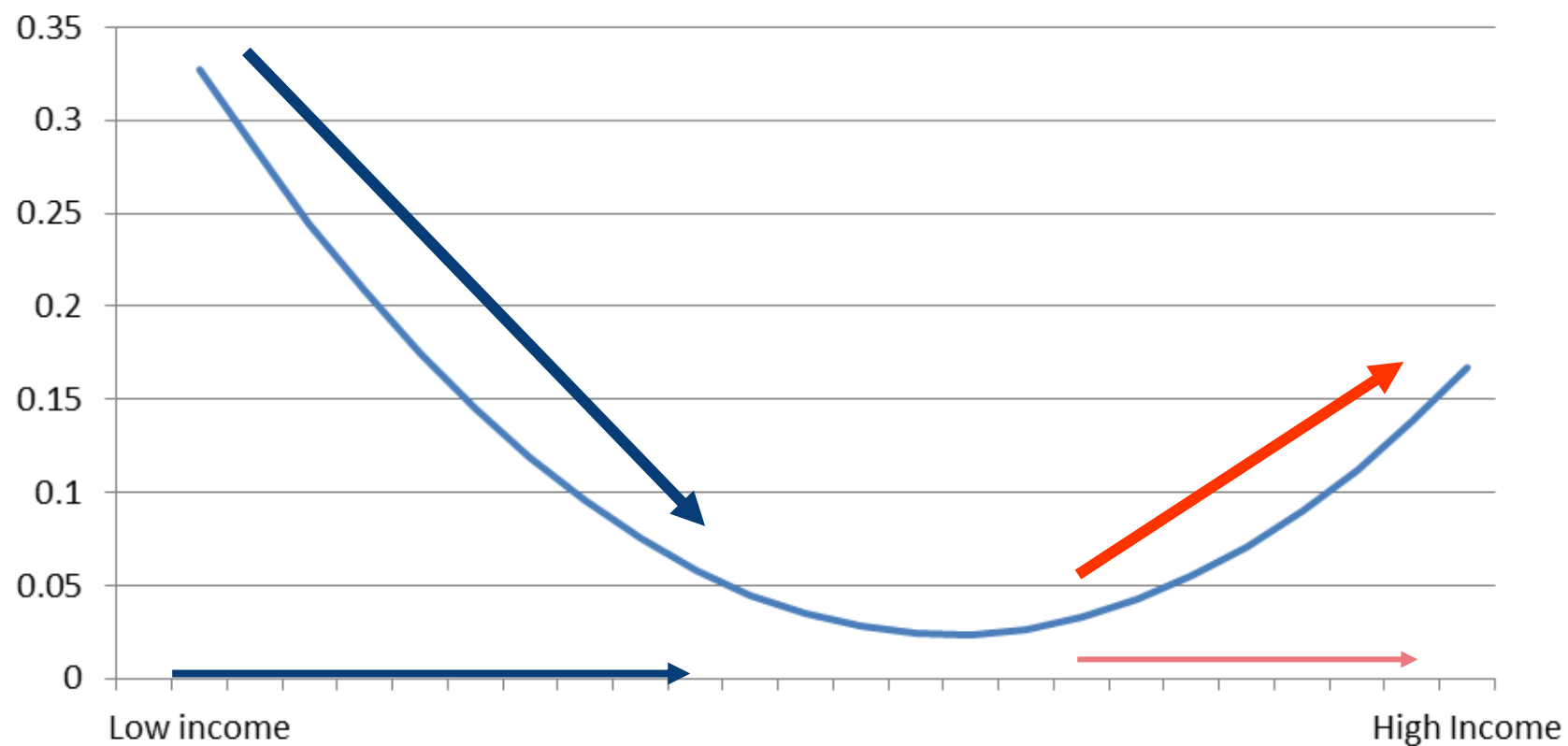
- **Vulnerable and non-vulnerable youth**
- **Not** in a accumulating **human capital** through formal channels.
- More likely to **cumulate several disadvantages**.
- More likely to experience future **poor employment outcomes**
- More likely to **dangerous lifestyles** and to experience **mental** and **physical health** problems.

# Potential risk factors of ending up NEETs



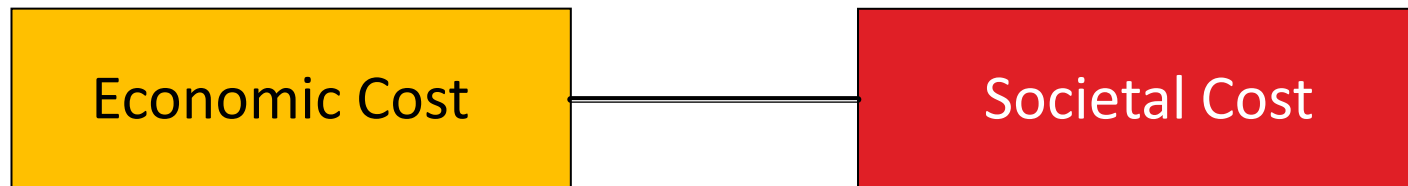


### Effect of income on the probability of being NEET



## Consequence of being NEETs

- Spending protracted period outside labour market and education may lead to a **wide range of negative social conditions**: future poor employment participation, exclusion and disengagement, risk of dangerous lifestyles.
- These outcomes each have a **cost attached to them** and therefore being NEET is not just a problem for the individual but also for societies and economies as a whole.

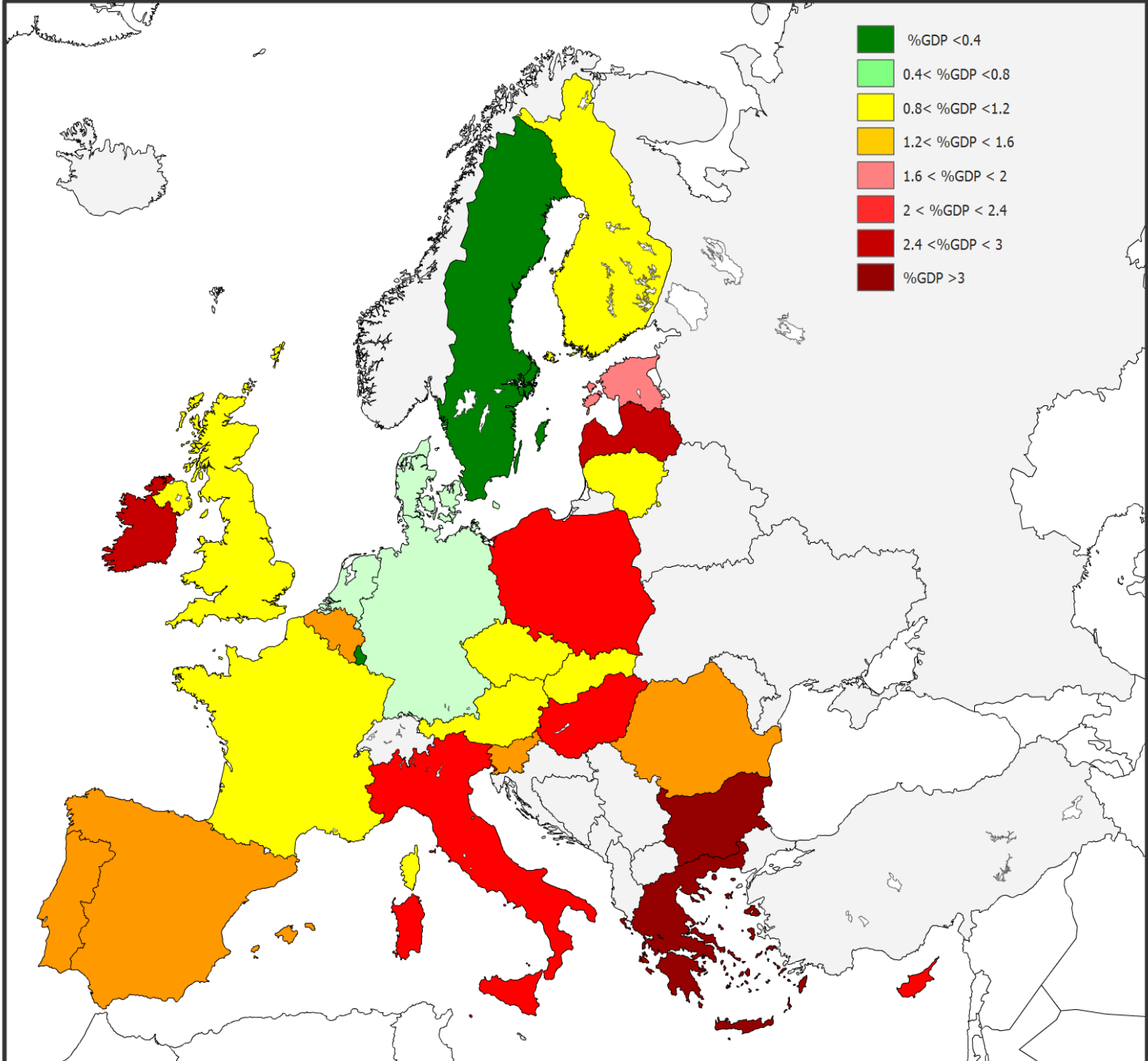


A map of Europe showing GDP per capita by country. The map uses a color scale from dark green (lowest GDP) to dark red (highest GDP). The legend indicates the following ranges:

- %GDP < 0.4
- 0.4 < %GDP < 0.8
- 0.8 < %GDP < 1.2
- 1.2 < %GDP < 1.6
- 1.6 < %GDP < 2
- 2 < %GDP < 2.4
- 2.4 < %GDP < 3
- %GDP > 3

Approximate GDP per capita ranges for major European countries based on the map:

Country	Approximate GDP per capita Range
Sweden	0.4 - 0.8
Finland	0.8 - 1.2
Denmark	1.2 - 1.6
Netherlands	1.6 - 2.0
Belgium	2.0 - 2.4
Germany	2.4 - 3.0
France	1.2 - 1.6
Spain	1.2 - 1.6
Italy	2.0 - 2.4
United Kingdom	0.8 - 1.2
Ireland	2.0 - 2.4
Portugal	1.2 - 1.6
Greece	2.4 - 3.0
Turkey	2.4 - 3.0



## The societal cost

- Concerns on disaffection of NEETs: *are they likely to opt-out from the participation to the democratic and civic society engagement of our society?*





- **Young People** scored considerably **lower** compared to the other age categories **in several of the dimensions** considered
- At the EU level, **NEETs** and in particular those who are **unemployed**, scored even lower in all the dimensions considered.

### **So... are NEETs opting out from our societies?**

- The conclusion is not so easy, in fact we found different behaviour in the various European clusters and more research is needed in this sense..

# “Exit”

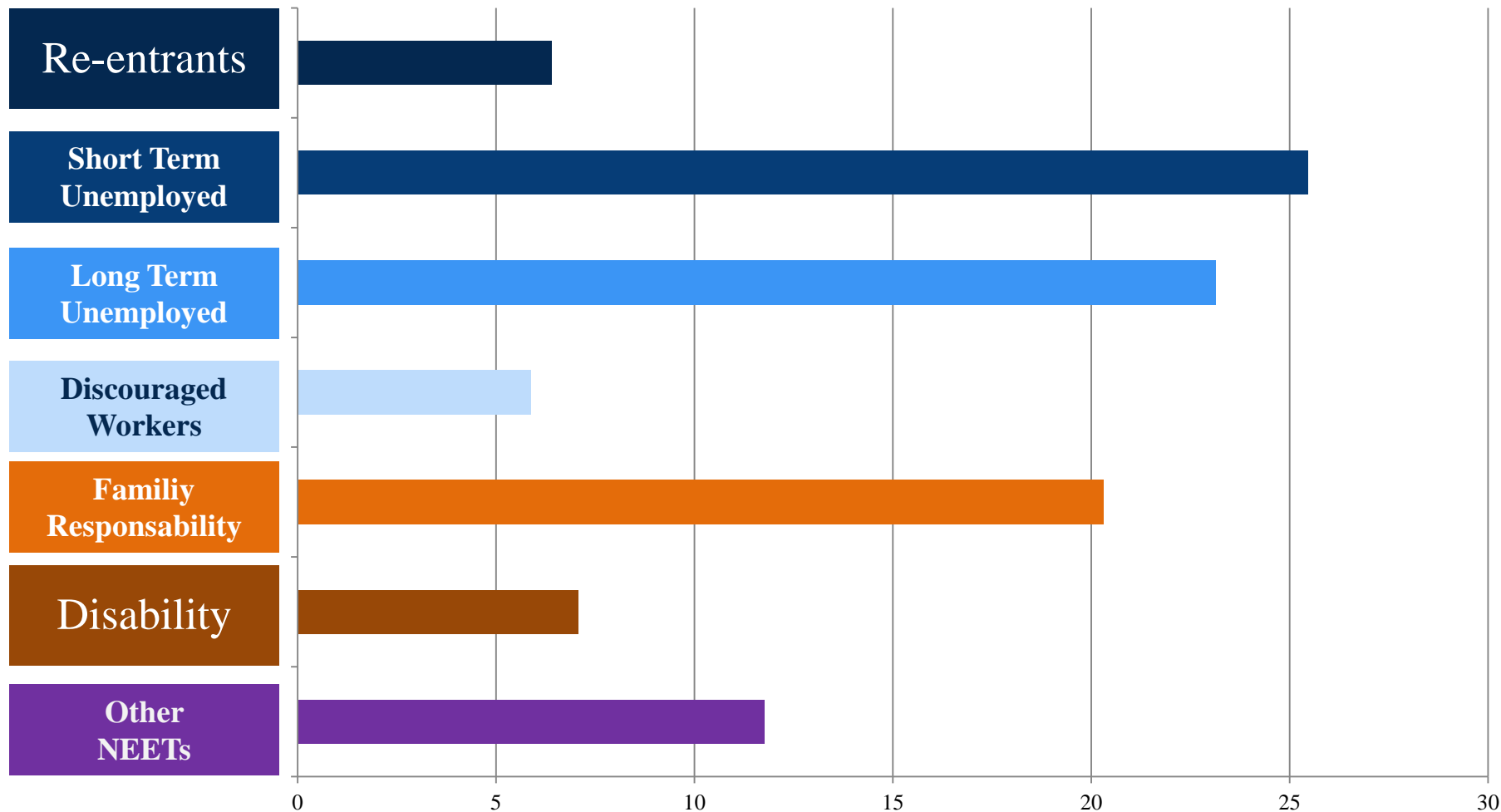
# “Voice”

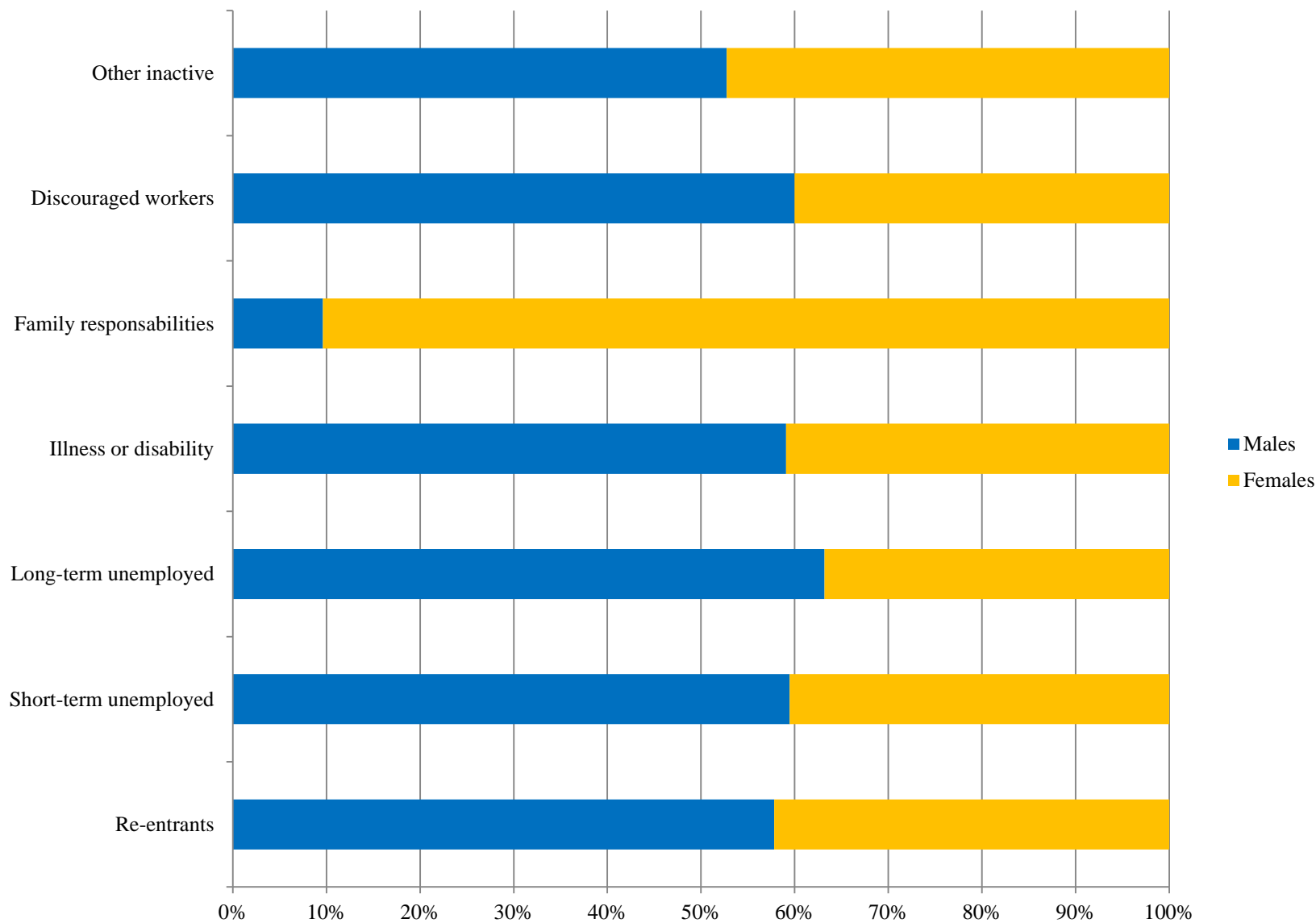
## Value added and limitations of NEETs for policymaking

- NEETs has a **powerful catalytic effect** in attracting the attention of public opinion, researchers and policymakers over the multifaceted nature of young people vulnerabilities.
- In comparison with youth unemployment the concept of NEETs has the **clear advantage** to put **special populations** like young mothers or young people with disabilities **at the centre of the policy debate** on youth without further marginalising them under the label of “inactive”
- **Heterogeneity is the main value added and the main limitation**, especially when using NEETs for policymaking.

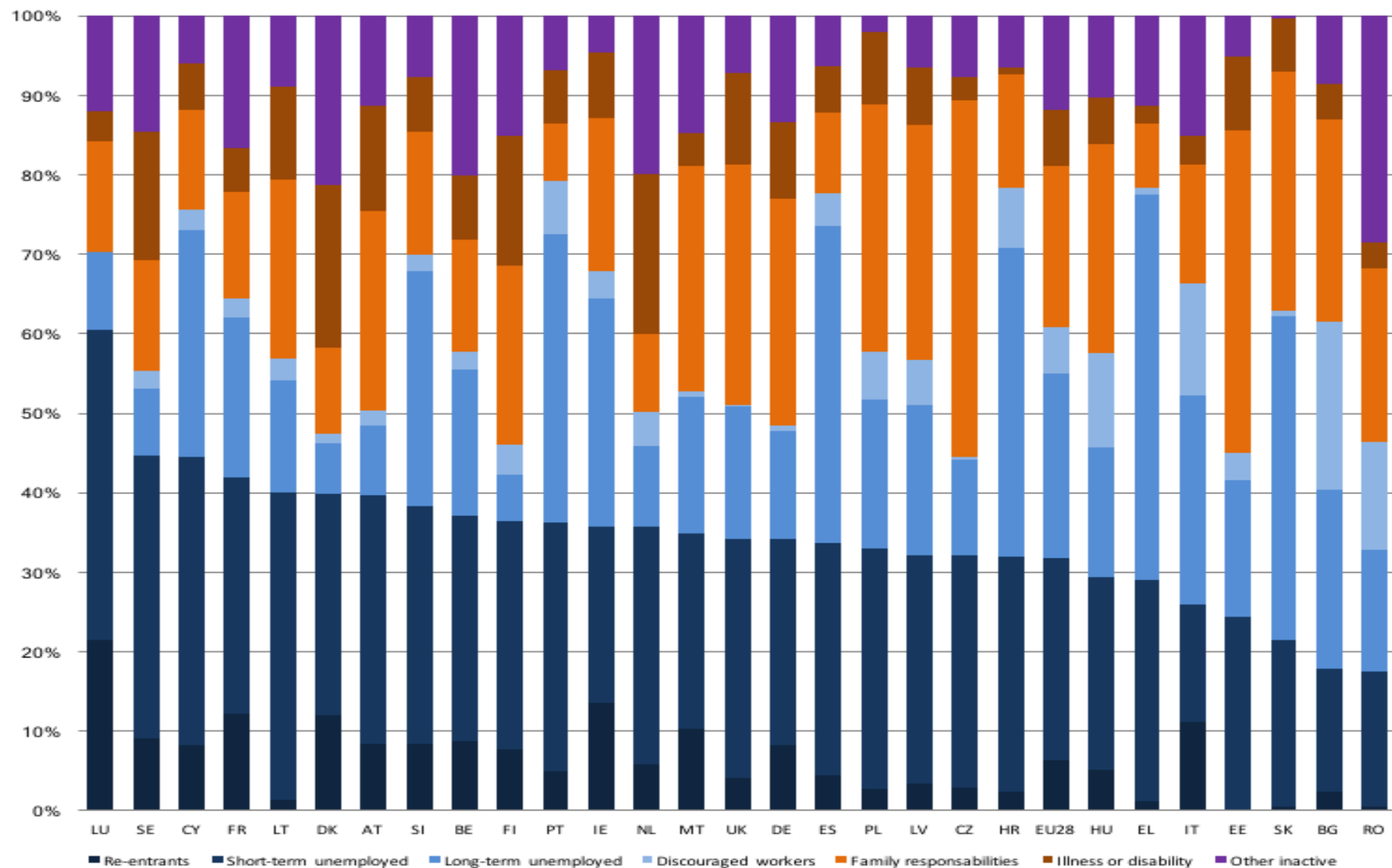
- Putting the reduction of **NEETs rate as a policy target**, such as for the youth guarantee, **means to prepare a policy offer to re-integrate all young people.**
- This **go beyond unemployment** but **encompass all the groups** included under the NEETs category.
- **Policymakers** and social partners **are right to set the reduction of NEETs** as a target of their policies, as it happened with the youth guarantee, however they must therefore set their interventions by **disaggregating the NEET category** and account for the characteristics and needs of the various sub-groups.

## Disaggregating the NEETs

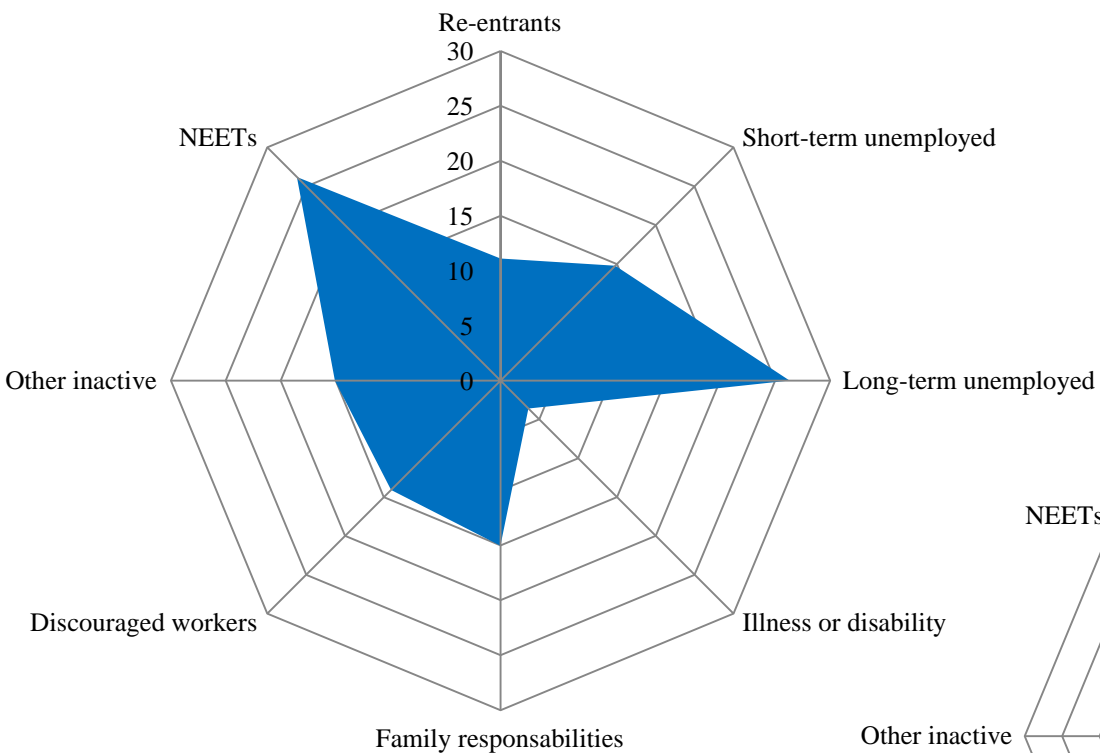




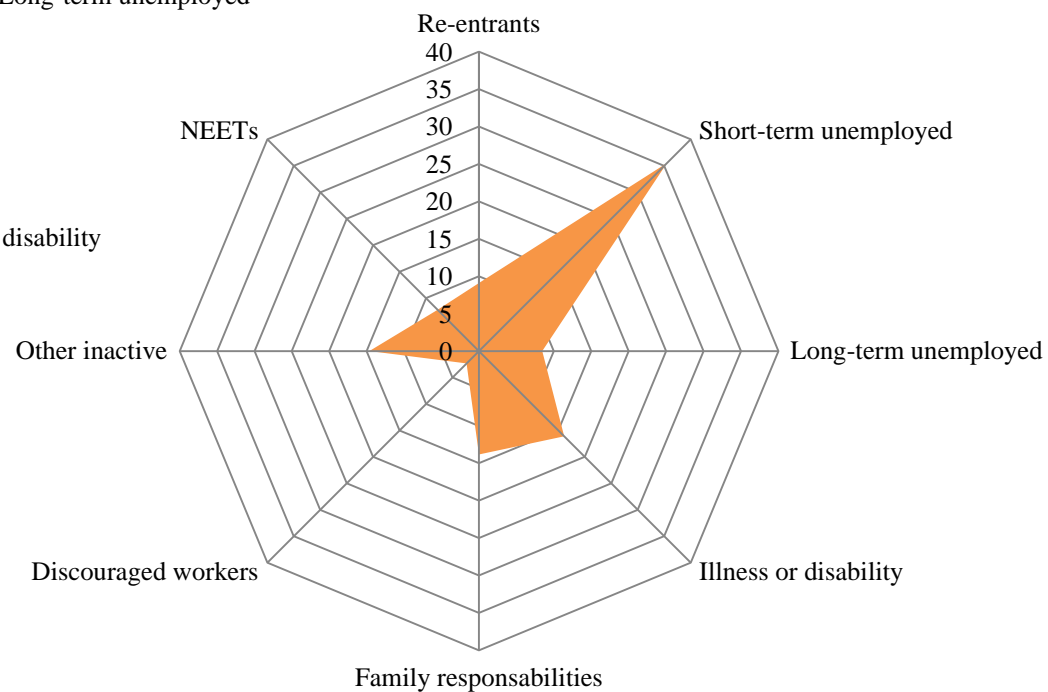
**Composition of NEETs by Member States (15-29) - 2013**



# ITALY



# SWEDEN





## Conclusions

- The **future** of Europe **depends** upon the future of its **young population**, the most hit by the economic crisis.
- **NEETs** entered quickly at the **centre** of the **policy debate**.
- The **consequences** of being NEETs are **dramatic** for the **individual** and the **society** as a whole.
- **Member states and the EU are right to set target to reduce the NEET**. However, **policy** actions need to be **tailored for the characteristics of the sub-groups** and **each MS have to adapt its own strategy** on the basis of its NEET population.