



<http://www.oecd.org/els/emp/action-plan-youth.htm>

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# CURRENT SITUATION OF NEETS IN THE OECD

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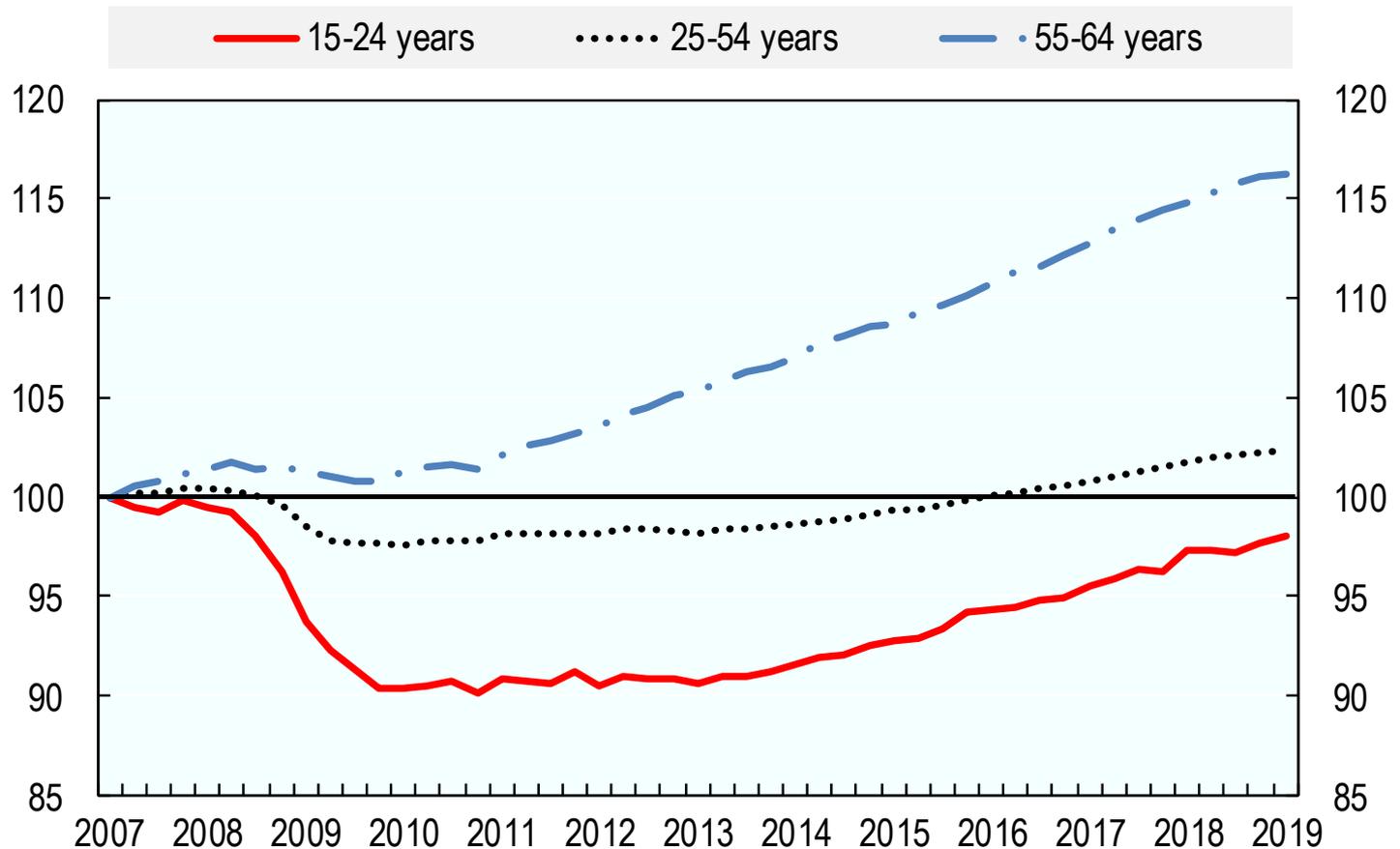
EUROMF EZA Seminar, Warsaw  
3-4 October 2019





# Youth were hit hard by the economic crisis

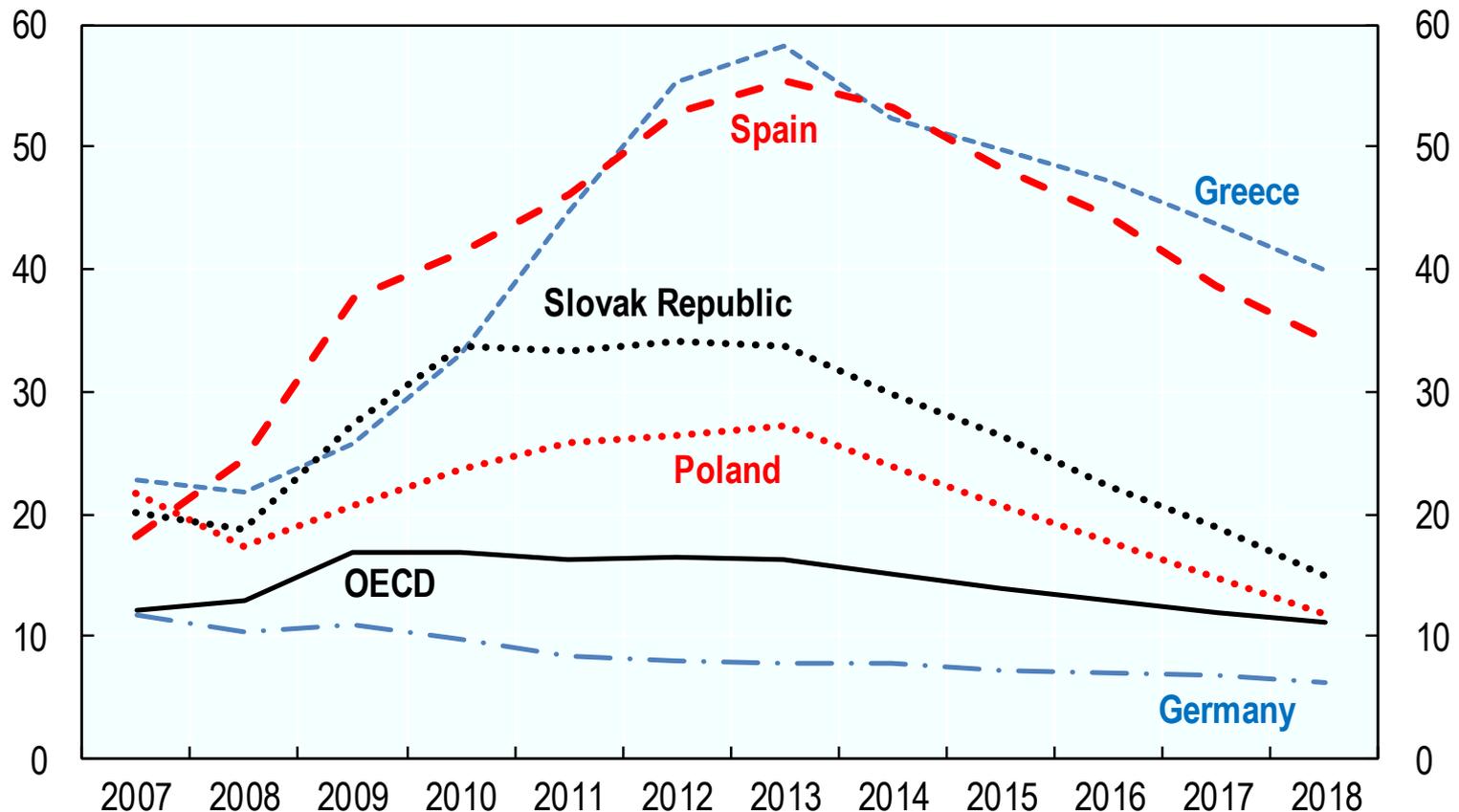
OECD average employment rates (2007=100%)





# Youth unemployment rates have been slow to recover from the financial crisis

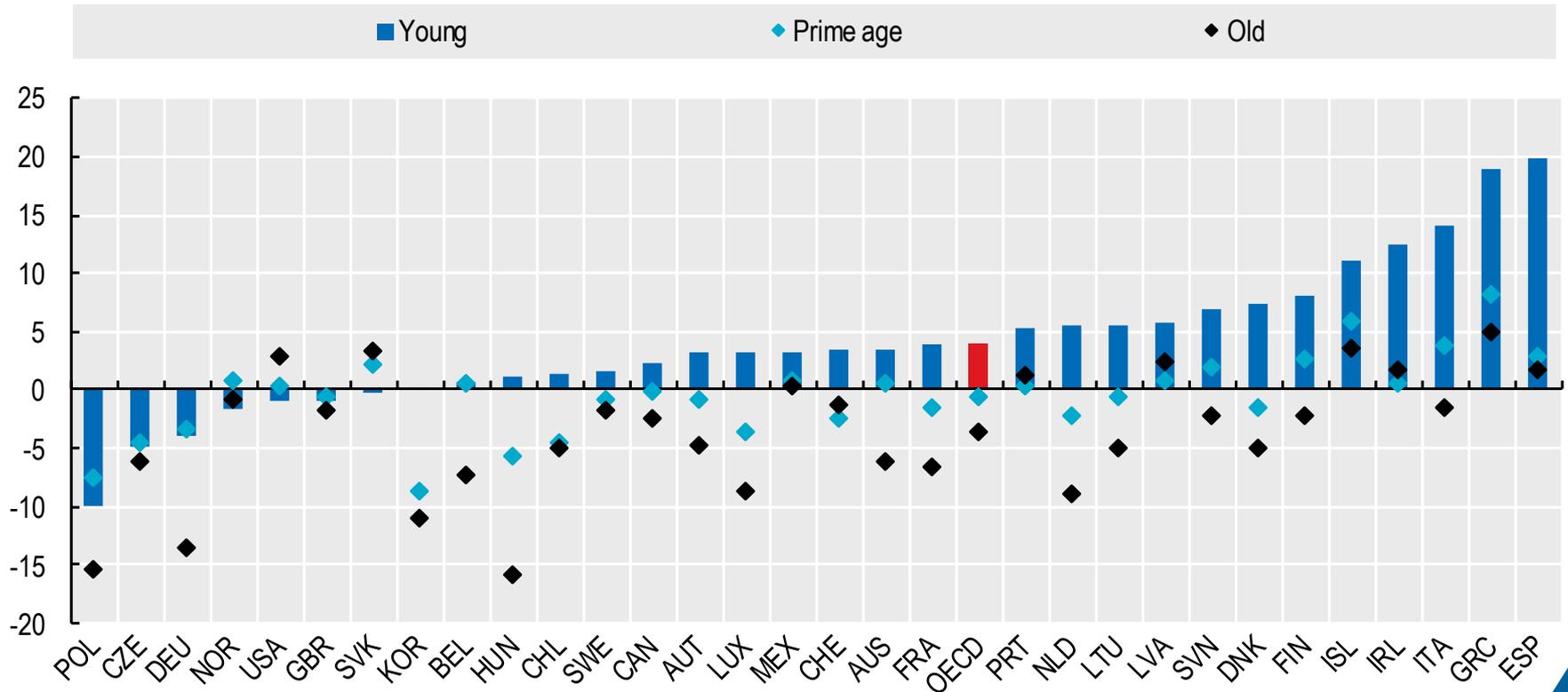
Youth unemployment rates, age group 15-24, in %





# The risk of being out of employment has risen most for youth

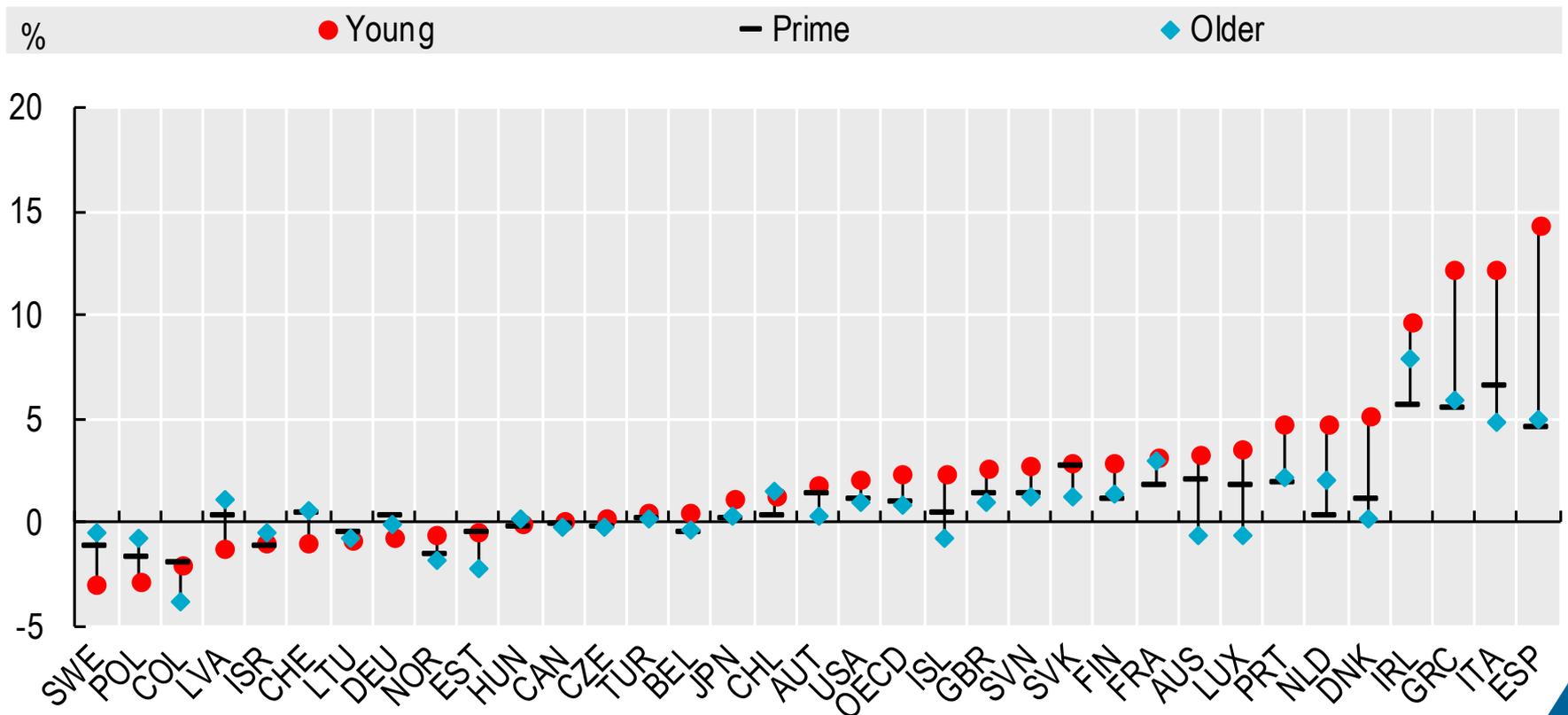
Percentage point changes in the probability of not being in employment after leaving education, age 20-60, period 2006-16





# Under-employment has increased more for youth

Percentage change in the share of dependent workers who indicate they are under-employed, 2006-17



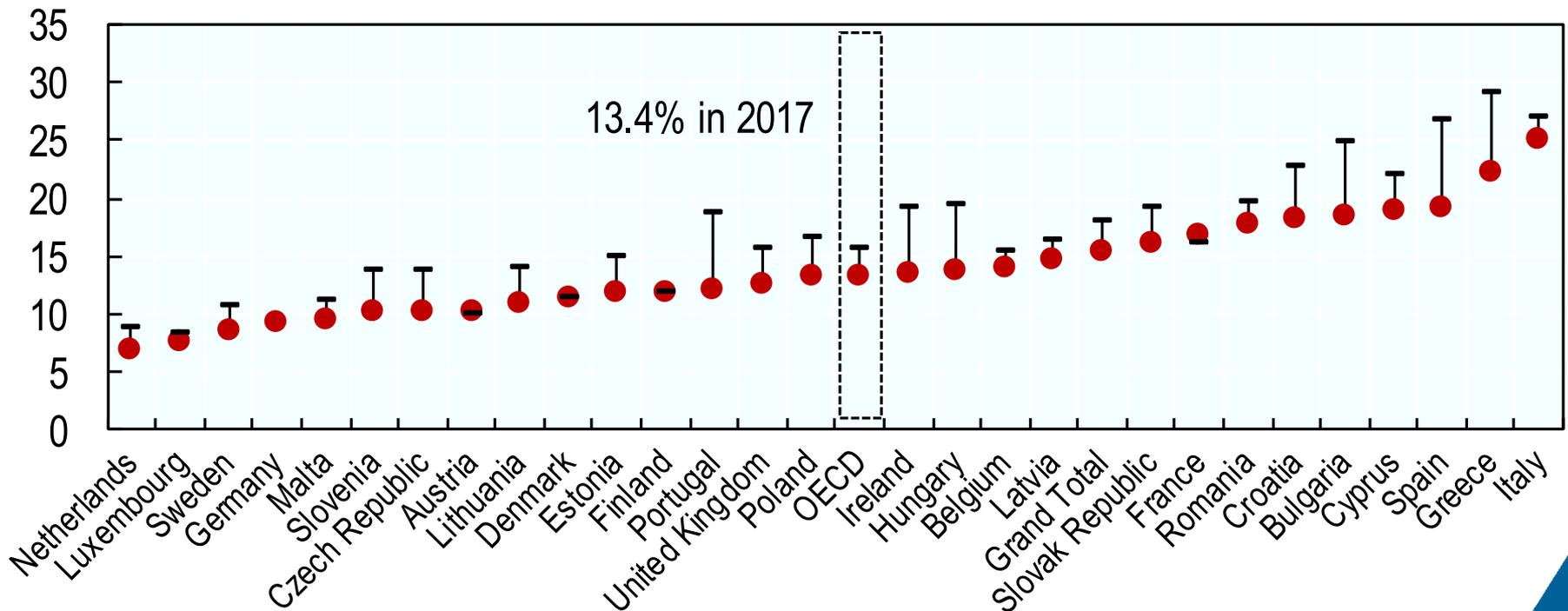


# 1 in 7 young people are not in employment nor education

## NEET rates in European countries, in percentage of population aged 15-29

● 2017

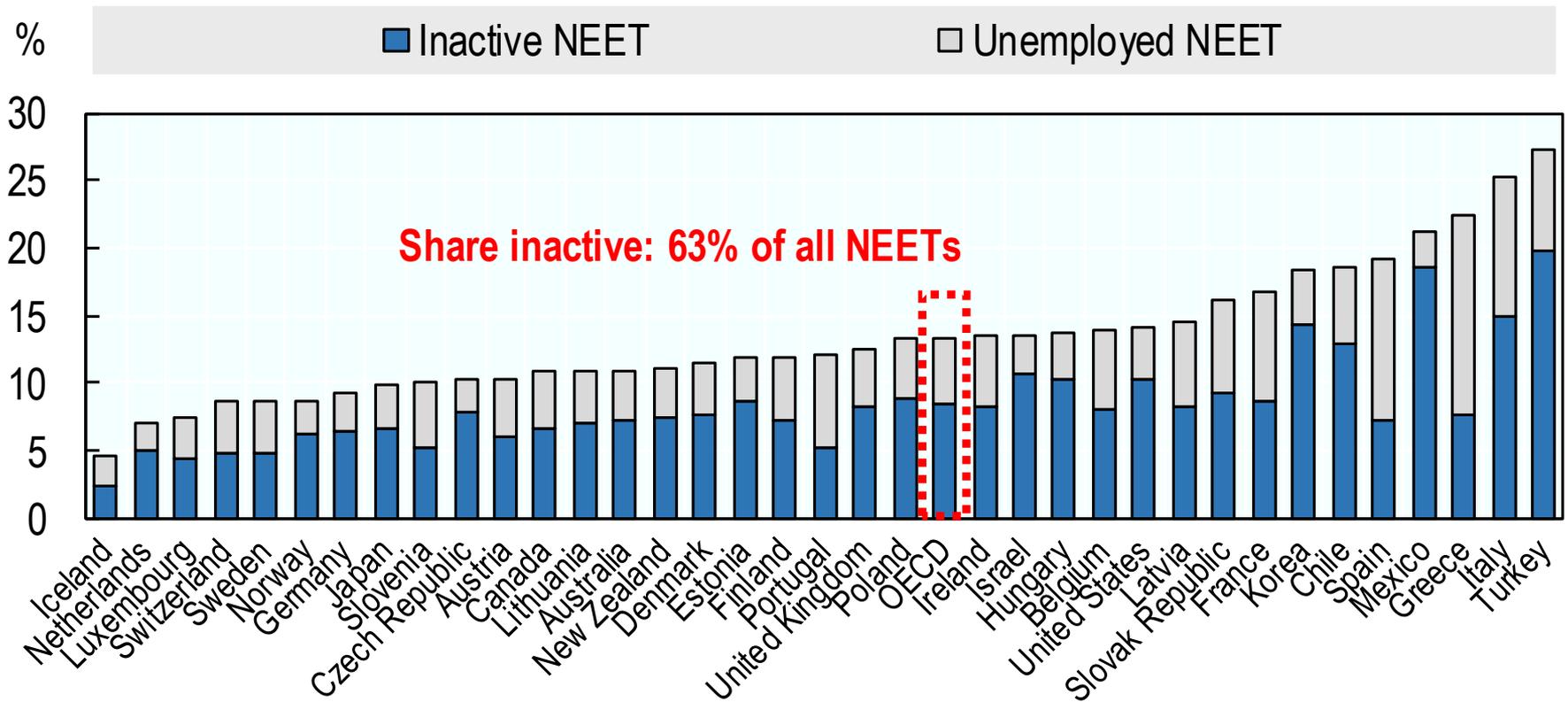
— 2013





# Two thirds of NEETs are not looking for a job

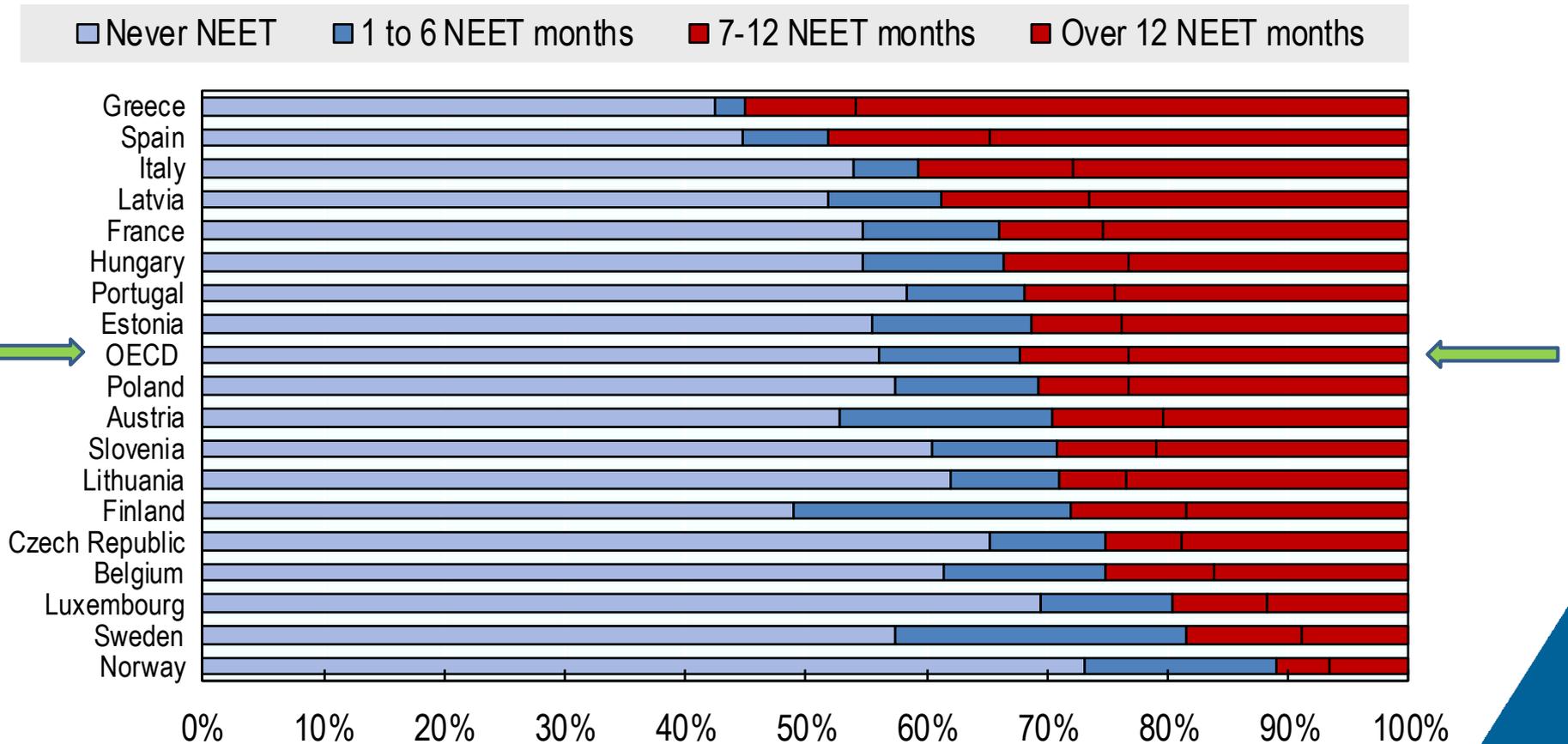
## Inactive and unemployed NEETs as a share of all youth 15-29, 2017





# About one third of youth risk becoming long-term NEETs

## Total time spent as NEET over the period 2014-17



Source: OECD calculations based on EU SILC data.



# Who are the NEETs?

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## Low educational attainment

1/3 of all NEETs have not completed high school



## Childcare responsibilities

Women are 4x more likely to be NEET if they have small children



## Ill health

The incidence of poor health is 5x higher for NEETs



## Intergenerational disadvantage

NEETs' parents are 2x as likely to have low educational attainment or to be workless



# ADDRESSING THE NEET CHALLENGE



# The OECD Youth Action Plan

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1. Too many young people leave the education system without an adequate level of **foundation skills**
2. Young adults who have dropped out from school need a **second chance**
3. **Vocational education and training** could play a stronger role in providing technical and general skills
4. **Exposure to the world of work** while still in the education system is beneficial for all young people across all pathways
5. Youth need access to good quality information to make well-informed choices about education and **career pathways**
6. **Labour market policies** to help unemployed and disadvantaged youth need to be strengthened
7. Rebalancing **employment protection** for permanent and temporary workers would help youth
8. Reductions in high **labour costs** can help low-skilled young people find a job
9. Better incentives are required to encourage **formal employment** of youth

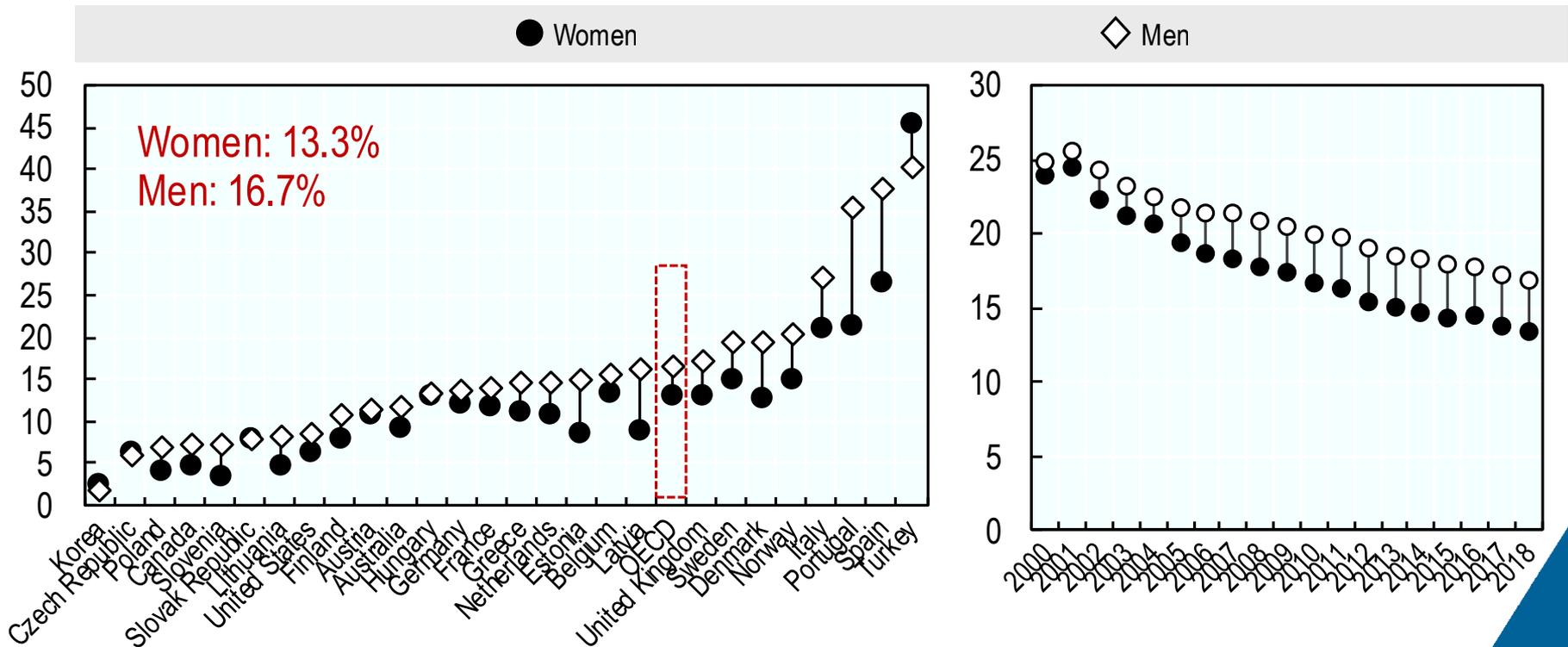


# Fighting **early school leaving** is essential for tackling the NEET problem

Percentages of 25 to 34 year-olds with below upper-secondary education, by gender in OECD countries

By country, 2018

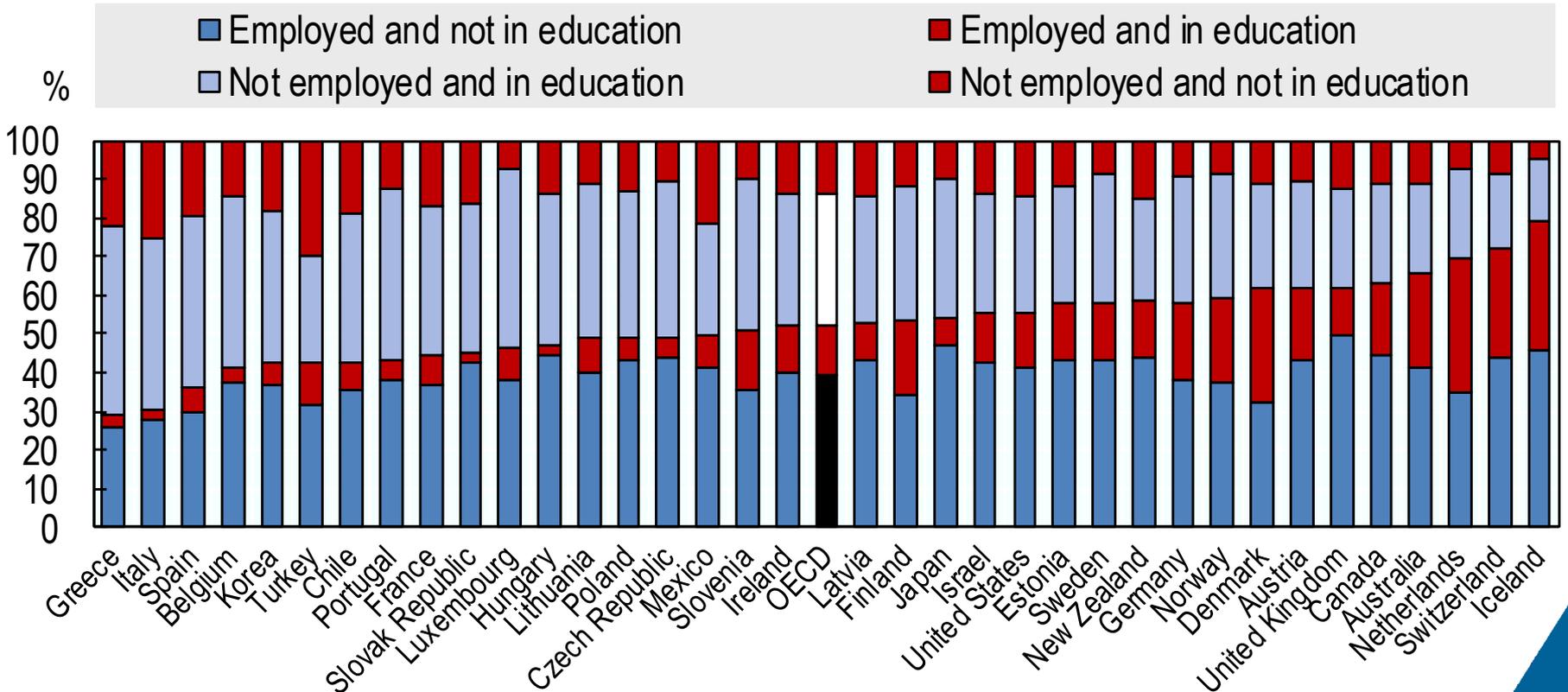
OECD average





# Combining work and study is key to smooth school-to-work transitions

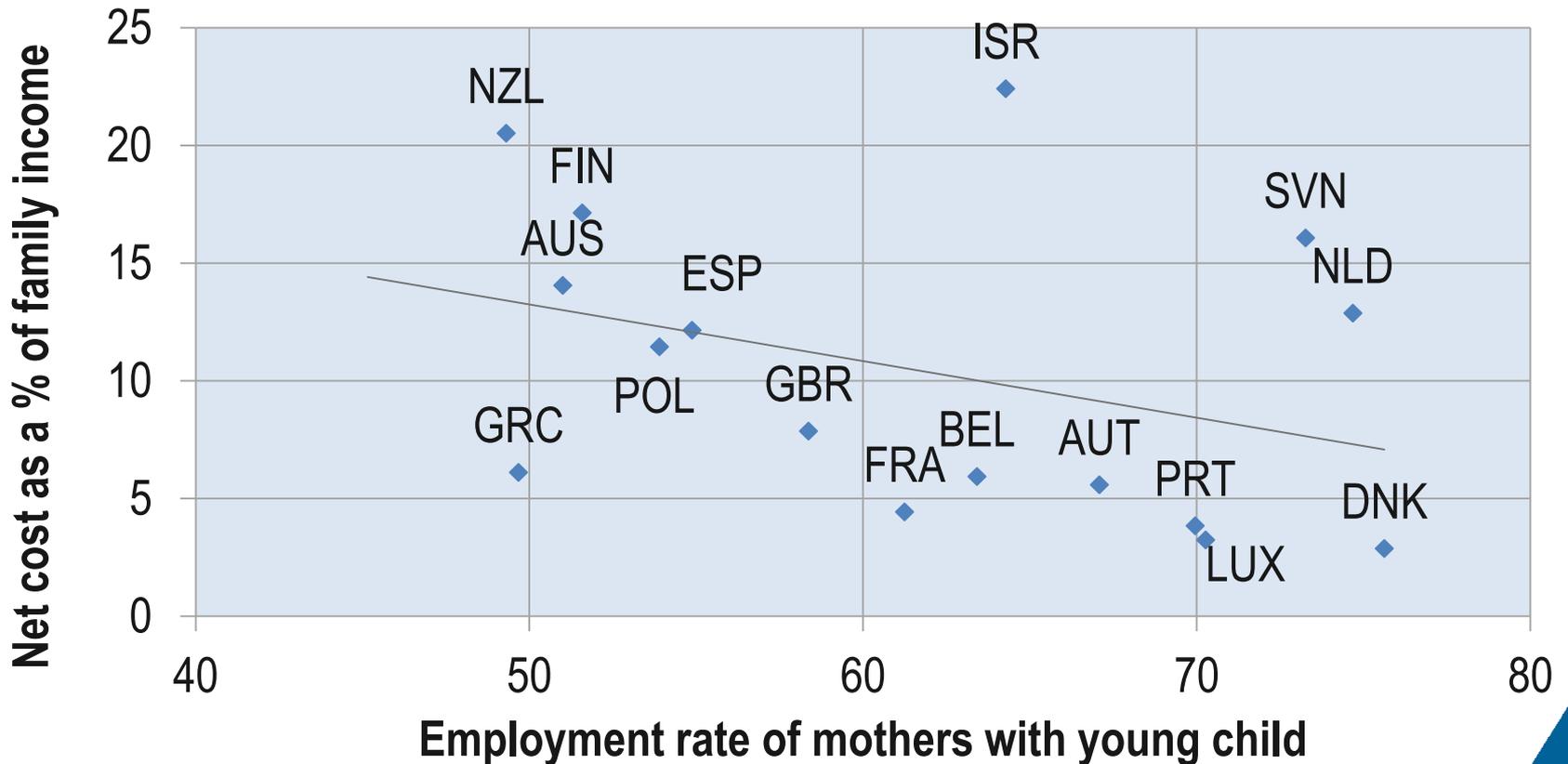
Employment and education status of young people aged 15-29 in percentages, 2017





# Affordable childcare is needed for (low income) young women

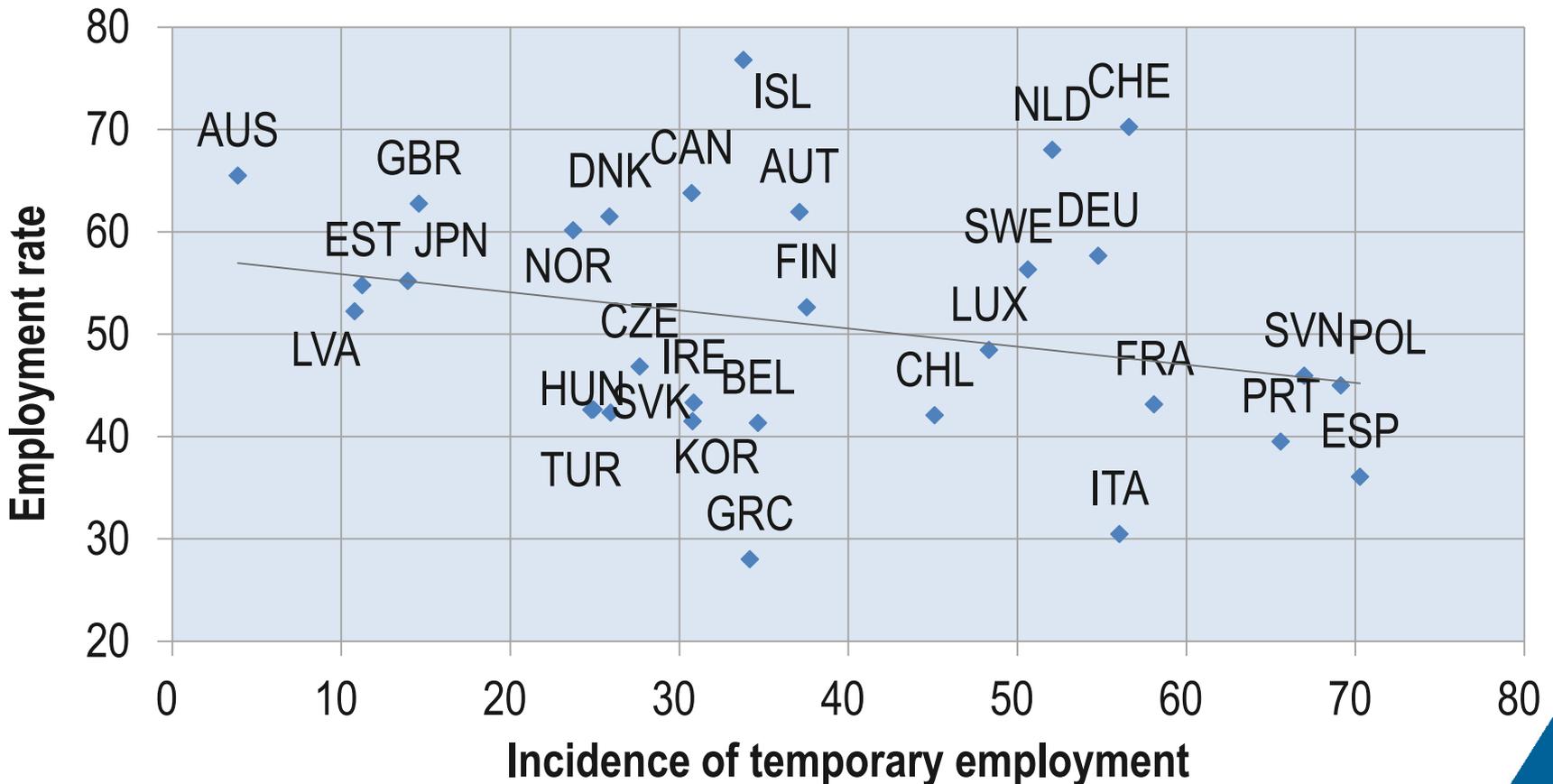
Employment rate of mothers of a young child (0-2 years old) and out-of-pocket childcare costs for low income family





# Labour market dualism is no solution to boost youth employment

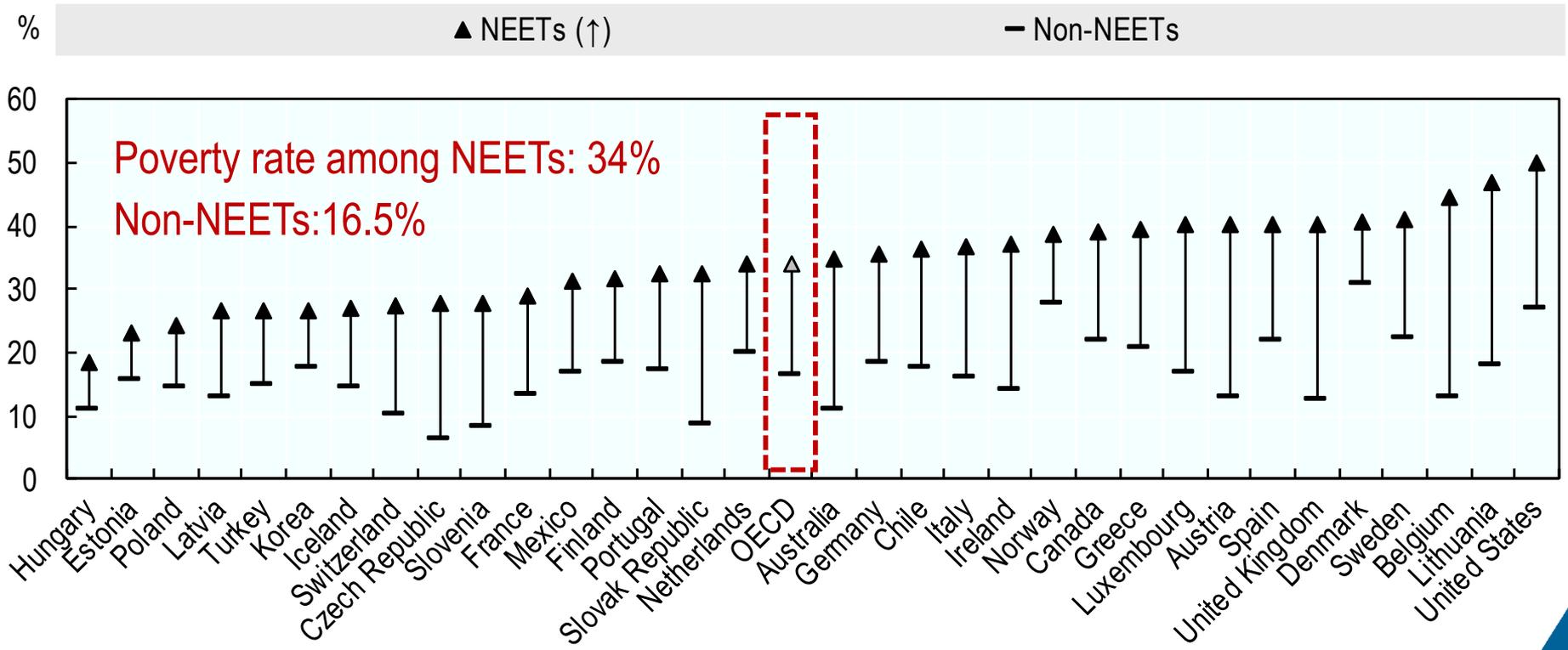
A higher incidence of temporary workers among 15-24 years-old is associated with lower youth employment rates





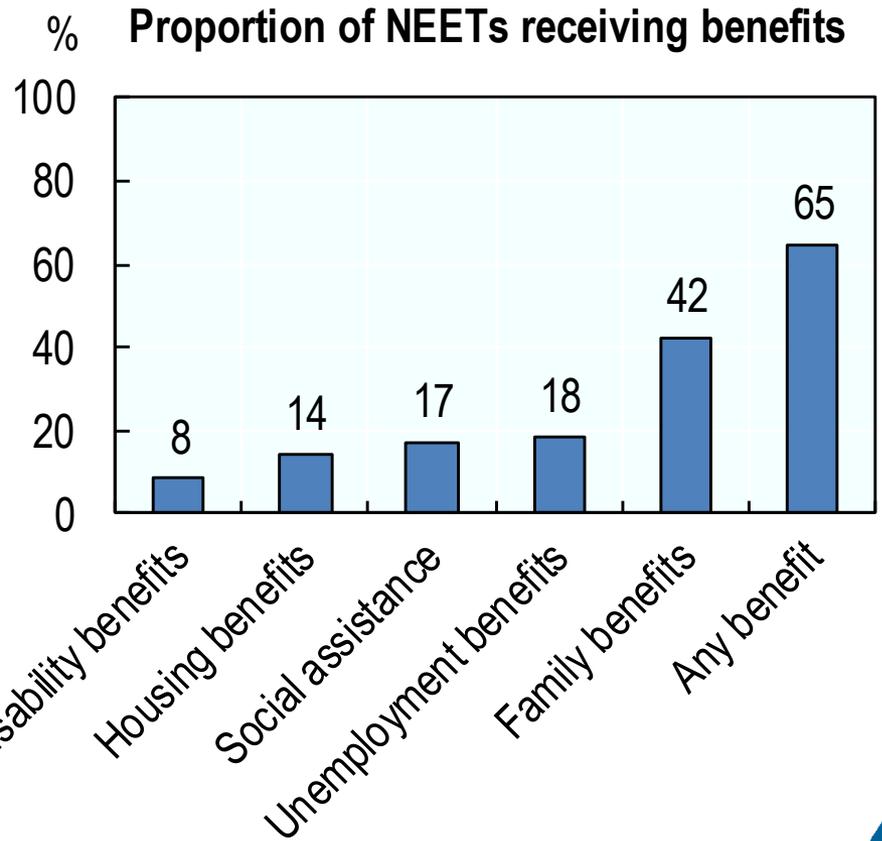
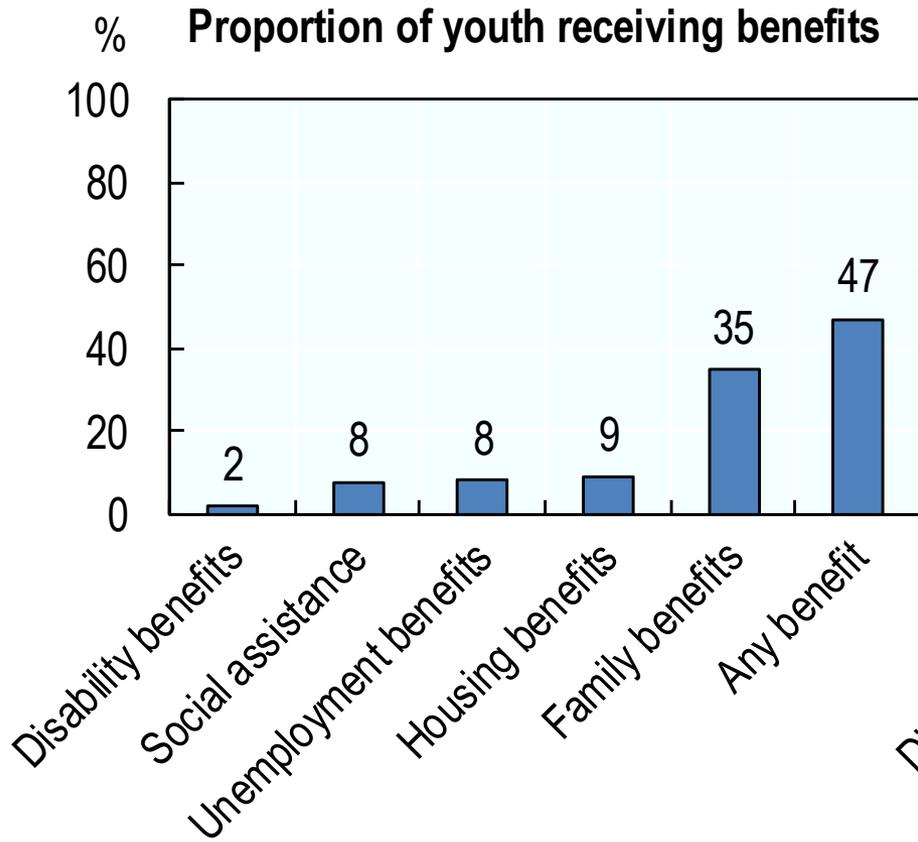
# One in three NEETs live in poverty

## Poverty rate for 16-29-year-old youth, 2017





# The benefit system does not necessarily lift NEETs out of poverty





# OECD Investing in Youth series

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**Youth country reviews:** Solutions need to be tailored to country specificities

**Countries:** Brazil, Tunisia, Latvia, Lithuania, Sweden, Australia, Japan, Norway, Peru, Finland, Korea, Slovenia

**Issues:**

- How to **reach out** to NEETs early?
- How to expand high quality **VET / Apprenticeship**?
- How to design/implement '**second-chance**' options for NEETs lacking skills?
- How to fight **skill mismatch**?
- How to reduce **labour market dualism**?
- How to **activate** young people?
- How to support youth with **multiple barriers**?

# OECD work on youth

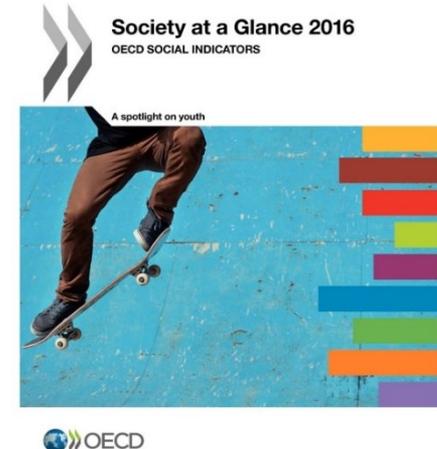
## Jobs for youth



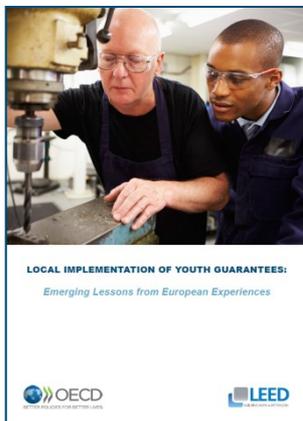
## Investing in Youth



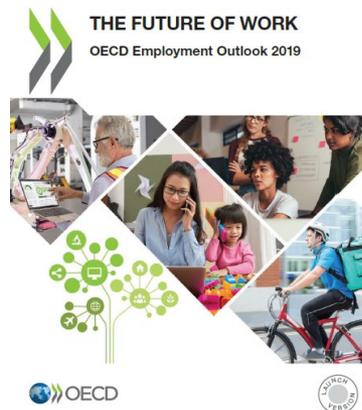
## Society at a Glance



## Local Implementation of Youth Guarantees



## The Future of Work



## Support for vulnerable youth





# Thank you!



Datasets and country notes: <http://oe.cd/sag>

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# Ohjaamo centres in Finland

- >> Ohjaamo's are one-stop guidance centres that offer multi-agency services to young people up to age 30
- >> The immediate aim is to shorten unemployment spells by helping young people navigate the system, claim all benefits they are entitled to, and access all services available to them.
- >> The medium-term goal is to provide care-managed support to identify a holistic service package, build effective local networks and build their own capacity.
- >> Government support, but also collaboration from NGOs and local businesses.
- >> Important elements are funding stability, a joint budget and common management

